

TATA COFFEE

Tata Coffee Limited

Regd. Office POLLIBETTA - 571 215 KODAGU KARNATAKA

AUDITED STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER & NINE MONTHS ENDED 31ST DECEMBER, 2006

Three Months ended 31st December		Particulars	Nine Months ended 31st December		Previous Year ended
			2006	2005	31st March, 06
2006	2005				
6450.88	4903.16	Income from Operations	18958.30	12650.39	18932.68
13.21	20.68	Other Income	73.73	106.13	122.37
6464.09	4923.84	Total Income	19032.03	12956.52	19115.05
1396.74	1310.43	Expenditure	3003.59	3474.55	4342.43
520.48	336.34	a. Raw materials	1627.44	1392.16	1872.16
1568.42	903.11	b. Purchase of Trading Goods	4318.08	2800.34	4181.37
2413.40	1831.13	c. Employee cost	6324.38	4594.66	7094.90
(462.75)	(309.59)	d. Other Expenditure	763.62	(1905.75)	(2063.13)
5436.29	4073.42	e. (Accretion) / Decretion to Stock	16857.11	10456.16	15427.73
1027.80	850.42	Total Expenditure	2974.92	2500.36	3687.32
187.37	158.95	Gross Profit before Depreciation, Interest & Exceptional Items.	538.05	459.56	637.74
840.43	691.47	Less: Depreciation	2436.87	2040.80	3049.58
480.84	156.40	Operating Profit before Interest & Exceptional Items	1044.21	281.25	441.82
359.59	535.07	Less: Interest	1392.66	1759.55	2607.76
(26.02)	(29.61)	Add (+) / Less (-): Exceptional Items	(3.50)	27.00	26.74
333.57	505.46	Profit Before Tax	1389.16	1788.55	2634.50
(17.00)	0.00	Less: Provision for Taxation	285.00	175.00	121.61
(19.71)	4.25	Current (Net)	45.68	140.29	200.83
18.00	20.00	Deferred Tax (Net)	53.00	55.00	80.00
352.28	481.21	Fringe Benefit Tax	1005.48	1416.26	2232.08
1867.70	1246.87	Profit After Tax	1867.70	1246.87	1246.87
2.65	3.68	Paid-up Equity Share Capital (Face Value Rs. 10/- each)			17351.03
		Reserves excluding Revaluation Reserve	7.64	10.82	17.05
		Basic Earning per Share for the period & for the previous Year (Rs. per Share)			
79,41,055	61,50,774	Aggregate of Public Shareholding	79,41,055	61,50,774	61,50,774
42.52%	49.33%	- Number of Shares	42.52%	49.33%	49.33%
		- Percentage of shareholding			

UNAUDITED CONSOLIDATED FINANCIAL RESULTS (PROVISIONAL) FOR THE THREE MONTHS ENDED DECEMBER 31, 2006

STAND -
ALONE
FINANCIAL
RESULTS
(Rs. In lakhs)

Particulars	Three months ended December 31	Nine months ended December 31	Nine Months ended 31st December 2006 (Audited)
	2006 (Unaudited)	2006 (Unaudited)	
Income from Operations	24296.62	48776.08	18958.30
Other Income	13.46	73.98	73.73
Total Income	24310.08	48850.06	19032.03
Expenditure			
a. Raw materials	6405.07	11611.30	3003.59
b. Purchase of Trading Goods	383.78	1627.44	1627.44
c. Employee cost	3177.54	6973.99	4318.08
d. Other Expenditure	9988.95	18076.73	6324.38
e. (Accretion) / Decretion to Stock	133.01	1015.03	783.62
Total Expenditure	20088.35	40304.49	16057.11
Gross Profit before Depreciation, Interest & Exceptional Items.	4221.73	8545.57	2974.92
Less: Depreciation	662.75	1361.71	538.05
Operating Profit before Interest & Exceptional Items	3558.98	7183.86	2436.87
Less: Interest	2317.78	4177.20	1044.21
Add (+) / Less (-): Exceptional Items	1241.20	3006.66	1392.66
Profit Before Tax	(26.02)	(3.50)	(3.50)
Less: Provision for Taxation	1215.18	3003.16	1389.16
Current (Net)	94.52	323.66	285.00
Deferred Tax (Net)	121.95	167.34	45.68
Fringe Benefit Tax	17.60	53.60	53.00
Profit After Tax	981.11	2438.56	1085.48
Minority Interest in Consolidated Profit	313.43	714.70	
Group Consolidated Net Profit	667.69	1723.86	1085.48
Paid-up Equity Share Capital (Face Value Rs. 10/- each)	1867.70	1246.87	1246.87
Reserves excluding Revaluation Reserve			
Basic Earning per Share for the period & for the previous year (Rs. per Share)	5.04	13.11	7.64

Notes:

1. The consolidated results for the period include the results of Consolidated Coffee Inc., USA (50.08%) and Alliance Coffee Limited (51%) which became the Company's subsidiaries in the quarter ended September, 2006. Eight 'O' Clock Coffee's Turnover and Earnings before Interest, Depreciation and Tax (EBIDTA) are in line with the projections made at the time of the acquisition of the Company.

2. Exceptional items for the Three months and Nine months ended 31st December 2006 consist of profit on sale of properties and investments of Rs. Nil Lakhs and Rs. 74.24 Lakhs respectively (corresponding periods Rs. Nil Lakhs and Rs. 115.82 Lakhs) net of amortized cost of Voluntary Retirement Scheme of Rs. 26.02 Lakhs and Rs. 77.74 Lakhs (corresponding periods Rs. 29.61 Lakhs and Rs. 88.82 Lakhs).

3. The financial results for the period are not indicative of the expected financial results for the year, as the Company's business is seasonal.

4. The above consolidated results were taken on record at the meeting of the Board of Directors held on 25th January 2007.

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE PERIOD ENDED 31ST DECEMBER, 2006

Particulars	Quarter ended		Nine Months ended		Year ended
	31st December 2006 (AUDITED)	31st December 2005 (AUDITED)	31st December 2006 (AUDITED)	31st December 2005 (AUDITED)	31st March 2006 (AUDITED)
I. Segment Revenue					
1. Coffee and Other Produce	5,277.47	4,464.89	14,573.42	11,192.49	16,221.89
2. Tea	824.30	145.95	2,957.41	406.91	1,161.09
3. Estate Supplies Division	401.91	391.58	1,849.27	1,716.41	2,205.83
4. Others	83.24	45.99	261.70	215.91	333.34
5. Un-allocated income	30.24	11.95	55.89	36.40	51.64
Total	6,617.16	5,060.36	19,697.49	13,568.12	19,973.78
Less: Inter Segment Revenue	(166.28)	(157.20)	(717.33)	(717.73)	(961.10)
Net Revenue from Operations	6,450.88	4,903.16	18,980.16	12,850.39	18,992.68
II. Segment Results					
1. Coffee and Other Produce	881.13	793.40	2,418.70	2,348.86	3,431.24
2. Tea	53.68	17.26	160.27	(7.54)	(39.32)
3. Estate Supplies Division	(0.87)	0.71	36.80	23.09	23.01
4. Others	3.44	(12.15)	30.66	13.97	34.65
Less: Interest	937.38	799.22	2,646.43	2,378.38	3,449.58
Add: Un-allocated income net of Un-allocated Expenses	(480.85)	(156.40)	(1,044.22)	(281.25)	(441.82)
Profit before Exceptional Item & Tax	359.59	535.07	1,392.66	1,759.55	2,607.76
III. Segmental Capital Employed (Segment Assets - Segment Liabilities)					
			As on 31.12.2006 (AUDITED)	As on 31.12.2005 (AUDITED)	As on 31.03.2006 (AUDITED)
1. Coffee and Other Produce			18,793.55	24,333.77	20,037.88
2. Tea			5,513.26	524.38	5,488.13
3. Estate Supplies Division			163.85	140.86	150.21
4. Others			316.24	417.95	399.70
Total			24,786.90	25,416.96	26,076.92

Notes:

- Coffee and Other produce includes Cultivation, Manufacture and sale of coffee (including Instant Coffee) and Other Plantation Crops except Tea.
- The segment wise revenues, results and capital employed figures relate to the respective amounts directly identifiable to each of the segments.
- Expenditure incurred on Freeze Dried Project till 31st December 2006 of Rs. 6088.79 Lakhs, is not included in the Segmental Capital Employed of Coffee and other produce, as the same has not yet started commercial production.
- The previous years figures are regrouped wherever necessary.

Notes:-

- The financial results for the quarter and the nine months ended 31st December 2006 include the figures relating to the Anamallais Estates acquired on 31st December 2005 with effect from 1st October 2005. The net income of the Anamallais Estate for the Quarter ended 31st December 2005 amounts to Rs. 37.91 Lakhs is included in the income from operations for that period. The figures for the said period ended 31st December 2006, are therefore not comparable with the corresponding periods for the previous year.
- There is an increase of 31.57% in Income from operations and 21.54% in operating profit during the three months ended 31st December 2006 as compared to the corresponding period for the previous year.
- The interest expense for the Three months and Nine months ended 31st December 2006 includes interest on Bridge Loan availed for the acquisition of Eight 'O' Clock Coffee Company of Rs. 270.03 Lakhs and Rs. 478.68 Lakhs respectively. The loan has since been repaid out of the proceeds of the Rights Issue.
- The Accounting Standard AS 15 (revised 2005) on Employee Benefits has become mandatory with effect from April 1, 2006. The past liability in terms of the transitional provisions of the Standard amounting to Rs. 320.90 Lakhs would be adjusted against the opening reserves for the financial year. Provision has been made for the current liability in the financial results.
- Exceptional items for the Three months and Nine months ended 31st December 2006 consist of profit on sale of properties and investments of Rs. Nil Lakhs and Rs. 74.24 Lakhs respectively (corresponding periods Rs. Nil Lakhs and Rs. 115.82 Lakhs) net of amortized cost of Voluntary Retirement Scheme of Rs. 26.02 Lakhs and Rs. 77.74 Lakhs (corresponding periods Rs. 29.61 Lakhs and Rs. 88.82 Lakhs).
- As per the terms of the Company's Rights issue of Partly convertible Debentures, 62,08,332, equity shares of Rs. 10/- each at a premium of Rs. 240/- per share, and 62,08,332 - 7% Secured Redeemable Non Convertible Debentures of Rs. 150/- each were allotted on 29.12.2006. Consequently, the Paid up Share Capital of the Company stands increased to Rs. 18,67,70,370/- with effect from 29.12.2006. The Right Shares and Debentures have been listed on the Bombay Stock Exchange Ltd., National Stock Exchange of India Ltd., and Bangalore Stock Exchange Ltd., and permission for trading on the said Exchanges have been given.
- Out of the Rights Issue proceeds of Rs. 248.33 crores, Rs. 202.68 crores has been utilized towards the objects of the issue and the balance amount of Rs. 45.65 crores pending utilisation, has been invested in Mutual Funds and in Fixed Deposit with Bank.
- The earning per share for the quarter and Nine months ended 31st December 2005 and year ended 31st March, 2006 have been restated with respect to the enhanced Equity Capital in accordance with the Accounting Standard 20 viz., "Earning per Share" issued by the Institute of Chartered Accountants of India.
- The financial results for the period are not indicative of the expected financial results for the year, as the Company's business is seasonal.
- In view of the seasonal nature of the business, as per previous practice a portion of the plantation related costs has been carried forward and will be charged during the period when the crop is harvested.
- The figures for the previous period are regrouped/re-arranged wherever necessary.
- Information on Investor complaints for the quarter: Opening Balance 1, received during the quarter Nil, pending Nil.
- The above audited results were taken on record at the meeting of the Board of Directors held on 25th January 2007.

Place : Bangalore
Date : 25th January, 2007



For TATA COFFEE LIMITED

R.K.KRISHNA KUMAR
CHAIRMAN