

TATA COFFEE

Tata Coffee Limited

Regd. Office POLLIBETTA - 571 215 KODAGU KARNATAKA

AUDITED FINANCIAL RESULTS-
FOR THE 1ST QUARTER ENDED 30TH JUNE, 2006.

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED,
FOR THE QUARTER ENDED 30TH JUNE, 2006.

(Rs. in lakhs)

(Rs. in lakhs)

Particulars	For the	For the	Previous
	Quarter ended 30th June 2006 (Audited)	Quarter ended 30th June 2005 (Unaudited)	Accounting Year ended 31st March 06 (Audited)
Income from Operations	5,780.07	2,656.42	18,992.68
Other Income	11.63	26.68	122.37
Total Income	5,791.70	2,683.10	19,115.05
Expenditure			
a. Raw Materials / Stores	1,655.72	843.60	6,866.54
b. Purchase of Trading Goods	667.66	643.74	1,872.16
c. Employee Cost	1,424.02	878.72	4,181.37
d. Other Expenditure	1,092.21	574.16	4,570.79
e. (Accretion) / Decretion to Stock	92.19	(833.60)	(2,063.13)
Total Expenditure	4,931.80	2,106.62	15,427.73
Gross Profit before Depreciation, Interest & Exceptional Items	859.90	576.48	3,687.32
Less: Depreciation	171.38	132.02	637.74
Operating Profit before Interest & Exceptional Items	688.52	444.46	3,049.58
Less: Interest	176.34	34.49	441.82
	512.18	409.97	2,607.76
Add (+)/Less (-): Exceptional Items	48.43	(22.00)	26.74
Profit Before Tax	560.61	387.97	2,634.50
Less: Provision for Taxation - Current (Net)	124.71	33.00	121.61
Deferred Tax (Net)	27.46	67.00	200.83
Fringe Benefit Tax	15.00	15.00	80.00
Profit After Tax	393.44	272.97	2,232.06
Paid-up Equity Share Capital (Face Value Rs.10/- each)	1,246.87	1,246.87	1,246.87
Reserves excluding Revaluation Reserve			17,351.00
Basic Earning per Share for the period & for the previous year (Rs. per Share)	3.16	2.19	17.90
Aggregate of non-promoter Shareholding			
- Number of Shares	61,50,774	61,50,774	61,50,774
- Percentage of Shareholding	49.33	49.33	49.33

Notes:

- Exceptional items for the quarter consist of profit on sale of properties and shares of Rs.74.34 lakhs (Corresponding quarter Rs.7.61 Lakhs), net of amortized cost of Rs. 25.91 Lakhs (Corresponding quarter Rs.29.61 Lakhs).
- The Financial Results for the quarter ended 30th June 2006 include the figures relating to Highhill Coffee India (P) Ltd., (merged with the Company) and the Anamallais Estates (acquired by the Company) post June, 2005 and thus are not comparable with those of the previous period.
- In accordance with the change in accounting policy made effective 31st March 2006, the Company has valued pepper at lower of cost and net realizable value method vis-à-vis net realizable value method adopted in the corresponding period of the previous year and a portion of plantation related cost relating to pepper has also been carried forward. On account of this change in accounting policy profit before tax for the period is lower by Rs.115.66 Lakhs.
- In view of the seasonal nature of the business, a portion of the plantation related costs as per previous practice has been carried forward and will be charged during the period when the crop is harvested.
- The financial results for the period are not indicative of the expected financial results for the year, as the Company's business is seasonal.
- The Company has signed a definitive Agreement to acquire Eight O' Clock Coffee Company, USA from Gryphon investors for a total consideration of USD 220 Mn. The acquisition will be funded through a combination of equity and non-recourse debt, and is in

Particulars	Quarter ended		Year ended 31st March 2006 (Audited)
	30th June 2006 (Audited)	30th June 2005 (Unaudited)	
I. Segment Revenue			
1. Coffee and Other Produce	4,026.84	1,929.13	16,221.88
2. Tea	1,167.18	147.17	1,161.09
3. Estate Supplies Division	798.84	779.64	2,205.83
4. Others	73.70	83.84	333.34
5. Un-allocated income	(0.61)	17.04	51.64
Total	6,065.95	2,956.82	19,973.78
Less: Inter Segment Revenue	(285.86)	(300.40)	(981.10)
Net Revenue from Operations	5,780.07	2,656.42	18,992.68
II. Segment Results			
1. Coffee and Other Produce	612.55	419.15	3,431.24
2. Tea	123.53	(4.16)	(39.32)
3. Estate Supplies Division	22.52	14.74	23.01
4. Others	3.76	21.66	34.65
	762.36	451.39	3,449.58
Less: Interest	(176.34)	(34.49)	(441.82)
ADD: Un-allocated income net of Un-allocated expenses	(73.84)	(6.93)	(400.00)
Profit before Exceptional Item & Tax	512.18	409.97	2,607.76
III. Segmental Capital Employed	30th June 2006 (AUDITED)	30th June 2005 (UNAUDITED)	As on 31.03.2006 (AUDITED)
(Segment Assets - Segment Liabilities)			
1. Coffee and Other Produce	19,486.43	14,590.56	20,037.88
2. Tea	5,648.55	460.91	5,488.13
3. Estate Supplies Division	155.03	96.58	150.21
4. Others	389.37	448.53	396.70
Total	25,679.38	15,596.58	26,072.92

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.
- The previous years figures are regrouped wherever necessary.

line with the Company's objective to move up the value chain with the objective to become an international and fully integrated player in the global coffee industry.

- The Company has entered into a Joint Venture with Beeyu Overseas Ltd., for marketing of the Company's instant coffee products in the international market through Alliance Coffee Ltd., (Alliance) the Joint Venture Company. In terms of the JV Agreement the Company has acquired 51% of the Paid-up Equity Capital of Alliance consequent whereupon Alliance has become the subsidiary of the Company with effect from 11th July, 2006.
- The Board has decided to issue 62,34,352 - 7% per annum-secured Partly Convertible Debenture (PCD) of Rs. 400 each on Rights basis to the Equity Shareholders in the ratio of one PCD for every two shares held as on the record date.
- 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 - 3, pending - 1.
- The above audited results were taken on record at the meeting of the Board of Directors held on 20th July 2006.

for TATA COFFEE LIMITED

Place: Mumbai
Date: 20th July, 2006.



M.H. Ashraff
Managing Director