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## PRESS RELEASES

### Tata Coffee announces the acquisition of Eight O' Clock Coffee company For US\$220 million (Rs 1,015 crores)

June 25, 2006: Tata Coffee Limited has signed a definitive agreement to acquire Eight O' Clock Coffee Company ("EOC"), U.S.A. from Gryphon Investors for a total acquisition price of US\$220 million (Rs 1,015 crores).

EOC has over 100 years of brand history and retail coffee experience in the U.S. It is the # 1 player in the branded whole bean market and the category leader in the value gourmet segment in the U.S. retail market. Within the broad U.S. food category, EOC is the third largest coffee brand by volume behind Folgers and Maxwell House. EOC enjoys significant retail distribution strength with approximately 67% of All Commodity Volume penetration of the U.S retail coffee market.

Headquartered in Montvale, New Jersey, EOC operates its roasting and packaging facility in Landover, Maryland. In calendar year 2005, EOC had net sales of US\$109 million (Rs 505 crores) and EBITDA of US\$27 million (Rs 125 crores). The company has a very experienced management team led by its Chief Executive Officer, Ms Barbara Roth, who has over 20 years of experience in the US consumer industry.

EOC provides a sizable entry platform and an established brand to Tata Coffee in the US\$21 billion (Rs 97,000 crores) US coffee market. The acquisition, which will be financed through a combination of equity and non-recourse debt, will transform Tata Coffee from a regional coffee player in the Indian market to a significant global player with strong and powerful brands in global markets including in the US. This acquisition is in line with Tata Coffee's objective to move up the value chain and become a leading and fully integrated player in the global coffee industry.

The EOC acquisition is in line with the vision of the Tata Tea group to become a global beverage player. It follows a string of acquisitions by the group in various geographies including Tetley globally, Good Earth in U.S.A. and JEMCA in Czech Republic. Following this acquisition, the group will now have significant scale in all-important markets in Asia, Europe and North America.

J P Morgan acted as the exclusive financial advisor to Tata Coffee on this acquisition. Rabo Bank is arranging the funding.

Mr. R. K. Krishna Kumar, Chairman, Tata Coffee said, "Tata Tea is today one of the fastest growing beverage companies in the world and by the end of the decade, we expect the Tata Tea group including Tata Tea, Tetley, Tata Coffee and Eight O' Clock Coffee combine to become one of the largest and most admired beverage players in the world. This move is fully in line with the Tata Group's international strategy."

Mr. M. H. Ashraff, Managing Director, Tata Coffee added, "This acquisition is a strategic fit with our growth plans and helps Tata Coffee in attaining its objective to become an international and fully integrated player in the coffee industry."

Ms. Barbara Roth, Chief Executive Officer, Eight O' Clock Coffee said, "We are very excited to be part of the Tata Group. This transaction creates a beverage player that is in a unique position to tap growth opportunities in the huge coffee market in the U.S. and globally. With the backing of the Tata Group we will be able to leverage our brand equity to capture new markets and new geographies."

For the year ended 31st March 2006, Tata Coffee recorded a net turnover of Rs. 190 crores (US\$41 million) and a net profit of Rs. 22.6 crores (US\$5 million). For the same period, Tata Tea recorded consolidated sales of Rs. 3,240 crores (US\$700 million) and a net profit of Rs. 305 crores (US\$66 million).

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