

media

PRESS RELEASES

Tata Coffee Limited announces results for Q1, FY 2015-16

Consistent Growth in Revenues and Profits

Tata Coffee Limited announced its results for the first quarter ended June 30, 2015, this morning.

The Company reported an increase of 4% in its Total Income from operations for the quarter compared to corresponding quarter of previous year, driven by improved performance of its Plantation business.

The Company for the current Quarter has registered an increase of 9% in its Operating Profits at Rs. 27 crores. The Company has also recorded an increase of 7% in its Profit before Tax and 7% increase in its Net Profit for the Quarter. For the quarter, the Net Profit, stood at Rs. 20 crores compared to Rs.18.74 crores for the corresponding quarter of previous year. .

The Company reported an increase of 6% in its Consolidated Total Income from operations for the quarter compared to corresponding quarter of previous year, driven by improved performance of its Plantation business. The Company's US operating subsidiary, Eight O' Clock Coffee (EOC), has recorded a Total Income of \$34.9 Million compared to \$ 34.50 Million for the corresponding quarter of the previous year. The Consolidated Profit From Operations stood at Rs. 51.00 crores vis-avis Rs. 67.72 crores of the previous year, primarily due to impact of higher raw material costs in the EOC business. The Group Consolidated Net Profit, stood at Rs. 25.40 crores compared to Rs.30.31 crores for the corresponding quarter of previous year.

Standalone Results : Quarter ended June 2015

- Total Income for the quarter at Rs. 174.79 crores Vs 168.07 crores, an increase of 4%
- Profit from Operations for the quarter at Rs. 27.13 Crores Vs Rs. 24.99 Crores, an increase of 9%.
- Profit before Tax at Rs. 28.18 crores Vs 26.22 crores, an increase of 7%.
- Net Profit for the Quarter at Rs. 19.99 crores Vs 18.74 crores, an increase of 7%

Consolidated Results: Quarter ended June 2015

- Group Consolidated Total Income for the quarter at Rs. 396.04 crores Vs 374.52 crores, an increase of 6%
- Group Consolidated Profit from Operations for the quarter at Rs. 51.00 Crores Vs Rs. 67.72 Crores.
- Group Consolidated Net Profit at Rs. 25.40 crores Vs 30.31 crores.

Commentary on Financial Results for Q1 FY 2015-16

Standalone

The primary reason for the growth in profits during the quarter was robust performance in the Coffee Plantation business including Pepper. The company has been driving the growth of premium differentiated coffees, which offer superior value to its customers.

The instant coffee/value added business of the Company maintained its sales revenue for the Quarter, with revenues standing at Rs. 90 Crores. The Company has seen a revival of its business in key Geographies like Russia.

Consolidated

Income from Operations for the current quarter at Rs.396 crores, increased by 6% over the corresponding quarter of previous year. The total Income for the current quarter of Eight O' Clock Coffee Company, held through Company's overseas subsidiary, Consolidated Coffee Inc, is marginally higher at \$ 34.9 Million compared to \$ 34.5 Million for the corresponding quarter of the previous year. However, the Consolidated Operating Profits for the current Quarter was impacted adversely on account of higher raw material costs.

Sustainability

Tata Coffee is committed to the use of sustainable practices in various areas of plantations, including irrigation and water management. Various steps were taken to improve renewable energy usage eg. Wind, Solar and Biomass and water harvesting techniques. This focus has also now extended to the instant coffee operations, including significant use of wind power at the Theni manufacturing unit to reduce carbon footprint.

Commenting on the Company's performance, Mr. Sanjiv Sarin, Managing Director, Tata Coffee Limited, said – "The Company's focus on value-addition and growth of Premium Differentiated coffees continue to remain a key driver of our strategy. Our premium value propositions provide us good insulation from commodity price volatilities."

About Tata Coffee

Tata Coffee is a subsidiary of Tata Global Beverages Ltd. It is Asia's largest integrated coffee company, the 3rd largest exporter of instant coffee and foremost producer of specialty coffee in India. The Company produces more than 10,000 MT of shade grown Arabica and Robusta coffees at its 19 estates in South India and its two Instant Coffee manufacturing facilities have a combined installed capacity of 8,400 Metric Tonnes. It exports green coffee to countries in Europe, Asia, Middle East and North America. Tata Coffee's farms are triple certified: Utz, Rainforest Alliance and SA8000 reinforcing its commitment to the people and the environment.

