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## PRESS RELEASES

### Tata Coffee Limited announces results for Q1, FY 2016-17

#### Strong All-Round Performance

#### Audio Clip of the Analyst call held on 08th August, 2016

Tata Coffee Limited announced its results for the first quarter ended June 30, 2016, this morning.

#### Standalone Results

The Company reported an increase of 18% in its Total Income from operations for the quarter at Rs. 206 Crores compared to Rs. 175 Crores of the corresponding quarter of the previous year, mainly driven by superior performance of its Instant Coffee business.

The Instant Coffee/Value Added business of the Company reported strong topline sales on volume growth and favorable product mix. All key geographies reported robust volume growths. The revenues from value added business for the quarter is at Rs.118 Crores compared to Rs.90 Crores an increase of 31% over corresponding quarter of the previous year. The operating profits of Instant Coffee/Value Added business registered a substantial improvement at Rs.23 Crores vs Rs.9 Crores in the previous period, an increase of 162% over the previous period driven by higher sales volumes, favourable product mix, lower commodity and other costs.

The Plantations segment in the current quarter reported revenue of Rs 90 Crores compared to Rs.87 Crores an increase of 4%. The operating profits are at Rs 17 Crores Vs Rs 13 Crore an increase of 33% over the previous period with Coffee and Tea recording higher profits. This performance was also aided by higher coffee terminal prices, and higher price realization for the teas produced by the Company.

Tata Coffee made history for Indian coffee and for the Company, when the Company's Nullore Estate micro lot was selected by Starbucks to be sold under their "Reserve" coffees, which is a proud achievement.

The Total Profit from Operations is Rs 37 Crores Vs Rs 20 Crores for the corresponding quarter of the previous year, an increase of 79% due to improved operational performance. TCL's standalone Profit before Tax for the current quarter is higher at Rs.36 Crores Vs Rs 22 Crore an increase of 67%. The Profit after Tax for the quarter is Rs. 27 Crores vis a vis Rs.15 Crores for the corresponding quarter of the previous year, an increase of 77%.

#### Quarter ended June 2016-Stand Alone

- Total Income for the period at Rs. 206 Crores Vs Rs.175 crores, increase of 18%
- Profit from Operations at Rs. 37 Crores Vs Rs. 20 Crores, increase of 79%
- Profit before Tax at Rs. 36 Crores Vs Rs. 22 Crores, increase of 67%
- Net Profit for the period at Rs.27 Crores Vs Rs.15 Crores, increase of 77%

#### Consolidated Results

The Company reported an increase in its Consolidated Total Income from Operations at Rs. 426 Crores for the current quarter compared to Rs. 352 Crores for corresponding quarter of the previous year, an increase of 21%, driven by improved performance of both Tata Coffee and its overseas subsidiary Eight O' Clock Coffee.

Eight O' Clock Coffee (EOC) has recorded a strong performance with the Total Income of \$32.9 Million during the quarter compared to \$ 28.0 Million of the previous year driven by volume growth, and lower commodity costs, reported a superior operating performance as well.

The Consolidated Operating Profits for the quarter is higher at Rs.99 crores compared to Rs.46 Crores for corresponding quarter of the previous year, an increase of 115% on strong operational performance of all businesses.

Profit before Tax for the current quarter is higher at Rs.91 Crores Vs Rs 40 Crores for the corresponding quarter of the previous year and consequently, the Consolidated Group Net Profit, post non-controlling interest, is higher at Rs.46 Crores compared to Rs.21 Crores in the corresponding quarter of the previous year, an increase of 115%.

#### Quarter ended June 2016-Consolidated

- Total Income for the quarter at Rs. 426 Crores Vs Rs.352 Crores, increase of 21%
- Group Consolidated Profit from operations at Rs. 99 Crores vs Rs.46 Crores, increase of 115%
- Group Consolidated Net Profit, post non-controlling interest, at Rs. 46 crores Vs Rs.21 Crores, increase of 115%

#### Commentary

Commenting on the Company's performance, Mr. Sanjiv Sarin, Managing Director, Tata Coffee Limited, said – "The results for the Quarter reflects result of our sustained effort on Customer centricity with focus on premium products & strong servicing across all segments. Improved Coffee Terminals have aided this performance during the quarter, and we will of course have to carefully observe how global coffee prices perform over the next few months. We are pleased to inform you that in the current quarter, Starbucks has approved Tata Coffee's Nullore Estates Microlot coffee for sale under the Starbucks' Reserve" Brand for sale in USA. Nullore Estates Microlot is the first coffee of Indian origin to be chosen by Starbucks in this high premium segment. This is a proud moment for Indian coffee." He also mentioned that the company continues to grow its Instant Coffee portfolio in a robust manner by focusing on enhanced sales in key geographies and strengthening customer relationships.

#### Sustainability

Tata Coffee is committed to the use of sustainable practices in various areas of plantations, including irrigation and water management. This focus has also now extended to the instant coffee operations, including significant use of renewable energy (Wind and Solar) at the Theni manufacturing unit.

During the quarter, the Company's Toopran factory won 4 Star award in Environment, Health and Safety assessment carried out by CII for 2015-16.

#### About TATA Coffee Limited

Tata Coffee is a subsidiary of Tata Global Beverages Limited. It is Asia's largest integrated coffee company, the 2nd 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 8400 MT. 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 SA 8000 reinforcing its commitment to the people and the environment.