



TATA Coffee Limited

Analyst Meet – YTD Sept

22.10.2012

Agenda



- Financial Highlights
- Macro Environment
- Operating Performance Highlights
- Financial Review

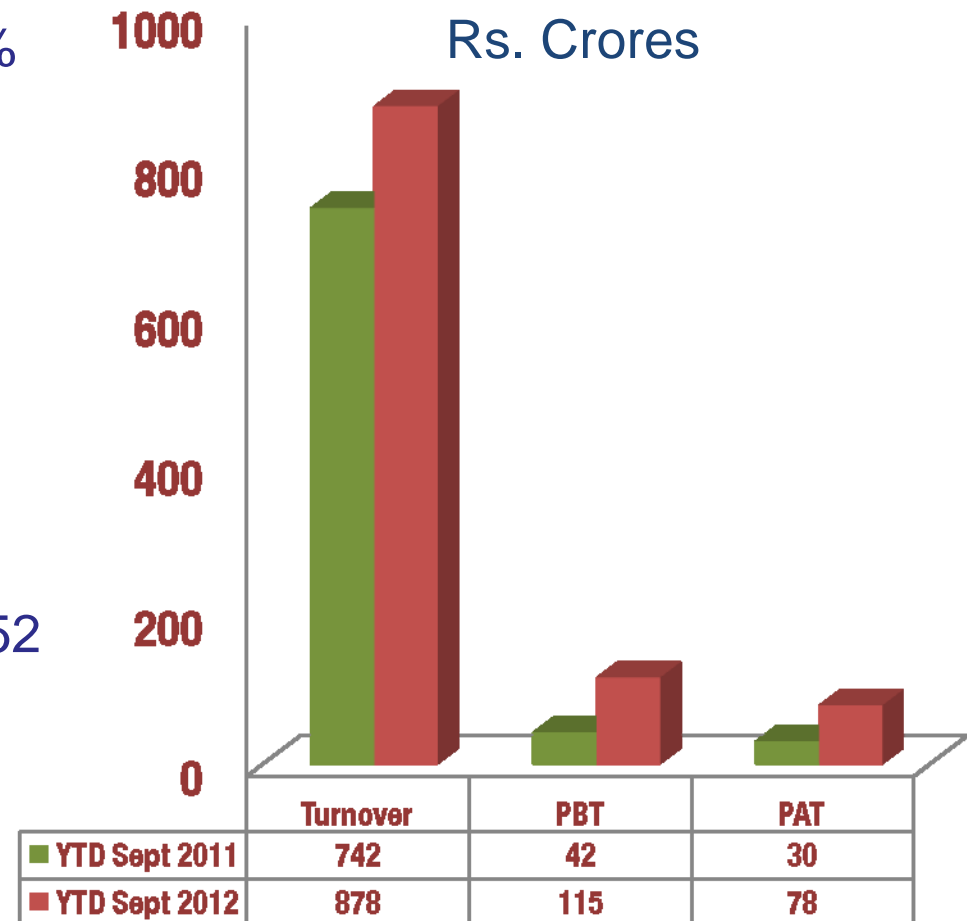
Financial Highlights



TCL (Group) – YTD Sept

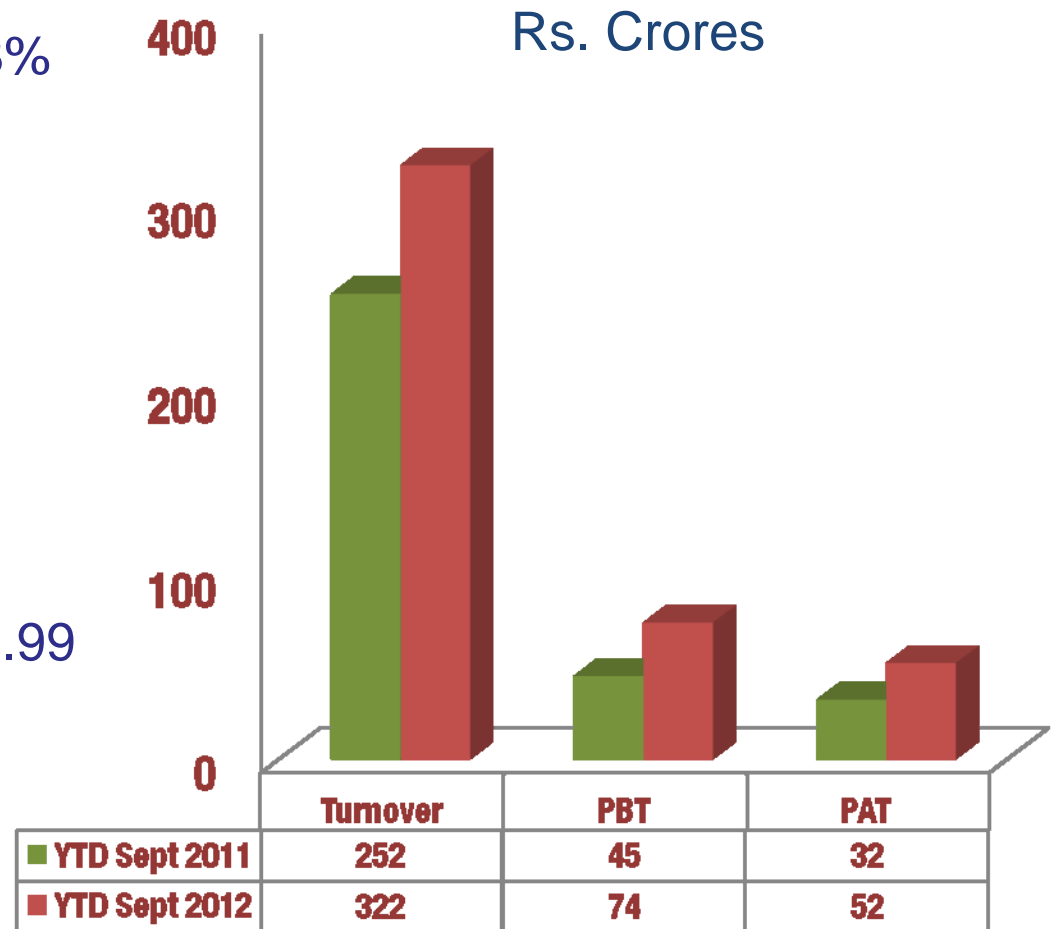


- Turnover at Rs. 878.26 Cr. Up 19%
- PBT at Rs. 114.71 Cr. Up 172%
- PAT at Rs. 77.69 Cr. Up 111%
- YTD EPS at Rs. 34.81 Vs Rs. 16.52



TCL (Standalone) – YTD Sept

- Turnover at Rs. 321.79 Cr up 28%
- PBT at Rs. 74.17 Cr up 64%
- PAT at Rs. 52.25 Cr up 65%
- YTD EPS at Rs. 27.98 Vs Rs.16.99



Financial Highlights Contd...



Coffee operations register significant profits

- Instant Coffee
- Coffee Plantations
- EOC

Macro Environment

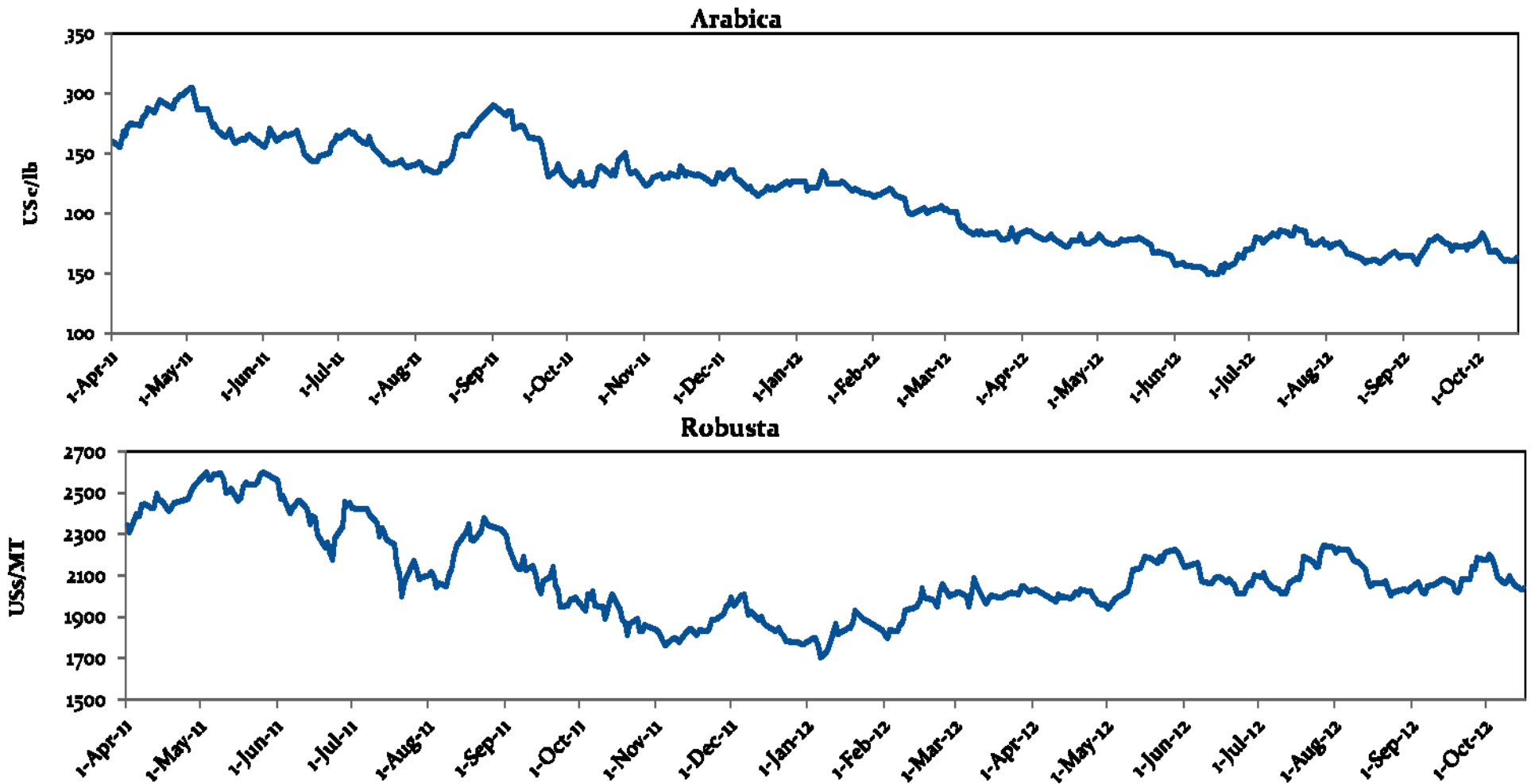


Macro Environment - Coffee Scenario



- Global production is expected to move up with major investments in Vietnam and Brazil and the earlier gap between supply and demand is reducing.
- The production is expected to be higher in the year 12/13 and has started reflecting on the terminal.
- World inventory levels have increased in the case of Arabica and reduced in the case of Robusta.

Arabica & Robusta Terminal – 18 months



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Operating Performance Highlights



YTD Sept – Instant Coffee



- Sales volume up by 8% over PY
- Higher share of Non-Russian markets - 33% increase over PY
- Full Capacity Utilization
- Production up by 10% over PY
- Better Green Coffee management
- Positive impact of Foreign Exchange

YTD Sept – Plantation



- Robusta Terminal LIFFE has shown an upswing. The Indian Differential have moved up substantially in the current year.
- Arabica Terminal has shown downward trend but most of the orders were booked prior to the downswing apart from our getting higher premium on Specialty and Certified Coffee.
- Higher proportion of production & revenue from value added Pepper
- Tea realization higher than PY.
- New State of the Art Pulping facilities in Coffee estates.
- Modernization of Tea factories in Anamallais.
- **A state of the art Roastery has just been commissioned to meet the requirements of Starbucks.**

Specialty & Certified Sales

- Key Differentiator for Tata Coffee



- Growing demand in developed countries for sustainably grown coffees.
- **ONLY Coffee Plantation Company** with comprehensive Triple Certification leading to differentiation.

Utz - Efficient Farm Management Practices.

Rainforest Alliance - Bio-diversity (For Environment Protection)

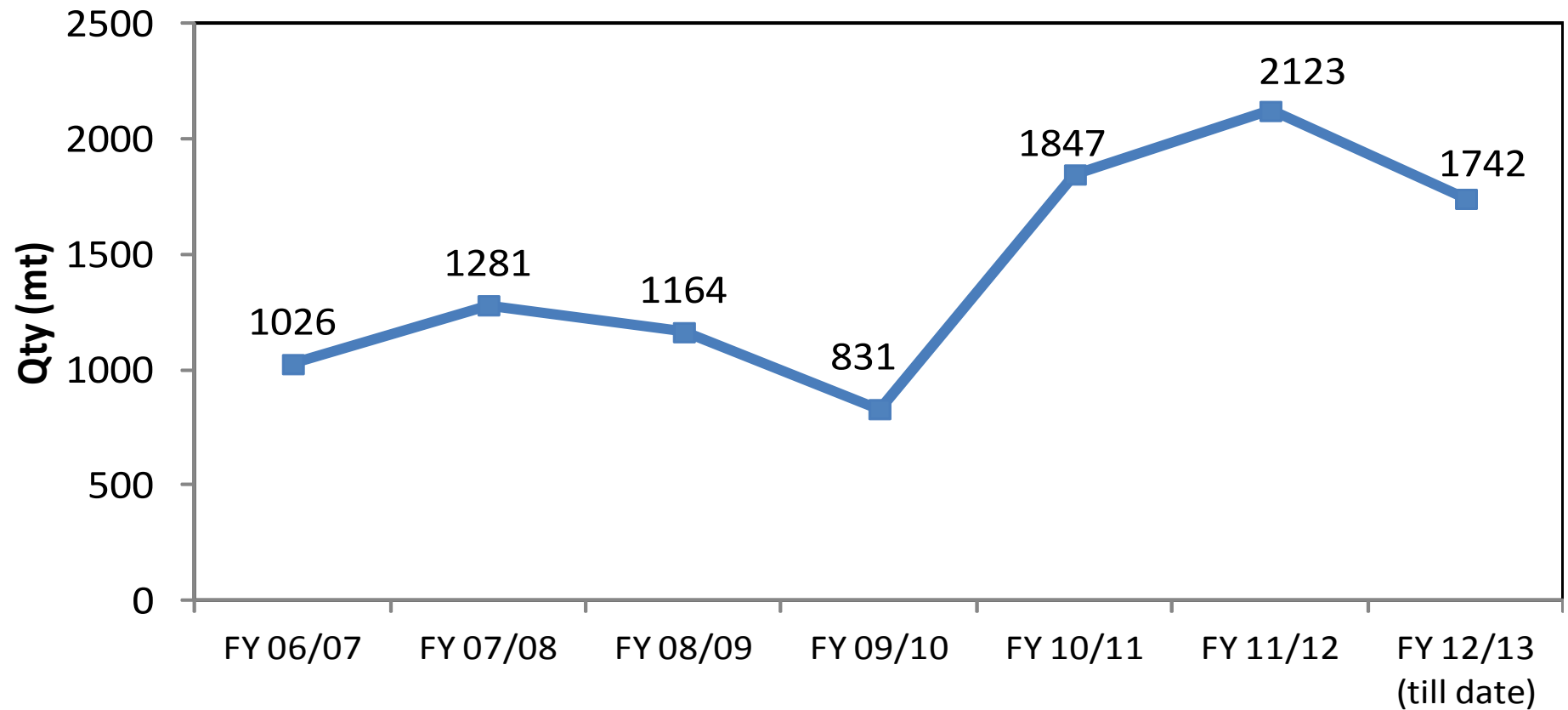
SA8000 - Labour standard certification



- High degree of focus on Quality leading to well-established reputation in the premium markets. Large number of National & International Awards year-on-year for quality.
- Rapidly growing sales to the premium paying market segments for Certified and Specialty coffees.
- Successful entry into lucrative US market with Washed Robusta.

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Specialty & Certified Sales



FINANCIALS



Performance Highlights - YTD Sept 2012

Rs. Lakhs



	YTD Sep 12	YTD Sep 11
Total Income	32,199	25,249
EBIT	7,199	4,896
Interest Income/(Expense)	219	(112)
Profit before Exceptional Items	7,418	4,784
Exceptional Income/(Expense)	-	(274)
PBT	7,418	4,510
PAT	5,226	3,173

- Increase in Total Income by 28% driven by higher Instant Coffee Volume and better realization in Plantation.
- Profit before Exceptional Items up by 55% driven by higher Operating Profit and lower interest.

TCL - Balance Sheet

Rs. Lakhs



	30 Sept 2012	31 March 2012
Sources of Funds		
Shareholders' Funds	50,154	45,726
Loans (Net)	6,272	3,783
Deferred Tax Liability	1,048	1,056
Total	57,474	50,565
Application of Funds		
Net Fixed Assets	24,019	23,141
Investments	14,564	14,564
Net Working Capital	18,891	12,860
Total	57,474	50,565

- Increase in working capital is on account of strategic position to go long in GC procurement.
- Sharp increase in Shareholder funds Rs 457 Cr from March 12 to Rs.501 Cr in Sept 12 driven by higher profits.

TCL Group Results – YTD 2012

Rs. Lakhs



	YTD Sept 2012	YTD Sept 2011	Variance	%
Total Income	89,145	75,125	14,020	19%
Operating Expenditure	(75,372)	(68,068)	(7,304)	11%
Interest	(2,647)	(2,151)	(496)	23%
Investment, Exceptional Income/(Expense)	346	(685)	755	-
PBT	11,471	4,221	6,974	165%
PAT	7,770	2,997	4,587	153%
Group Consolidated Net Profit	6,502	3,085	3,231	105%
EPS (Rs.)	34.81	16.52	17.30	

- Pressures on volume
 - Private labels and other new entrants.
 - Focus on high margin sales.
- Gross Margin has improved substantially.
- Focus on developing brand equity.
- Factory efficiencies, improved yields.

Thank You