



19<sup>th</sup> October, 2016

1. The Dy.General Manager  
Corporate Relationship Dept.  
Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers, Dalal  
Street  
**MUMBAI - 400 001**  
Scrip Code No: 532301
2. The Secretary  
National Stock Exchange of India  
Ltd  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No.C/1, G.Block  
Bandra-Kurla Complex  
Bandra (E)  
**MUMBAI - 400 051**  
Scrip symbol: TATACOFFEE

Dear Sirs,

Please find enclosed a copy of the Press Release with regard to the Unaudited Financial Results for the Quarter ended 30<sup>th</sup> September, 2016.

Thanking you,

Yours faithfully  
For TATA COFFEE LIMITED

  
(N.S.SURYANARAYANAN)  
COMPANY SECRETARY

Encl: as above

**TATA COFFEE LIMITED**

57 Railway Parallel Road, Kumara Park West Bengaluru 560 020  
Tel: 91 80 23560695 - 97 23561976 - 81 Fax: 91 80 23341843  
Registered Office: Pollibetta 571 215 South Kodagu Karnataka India  
Corporate Identity Number (CIN) -L01131KA1943PLC000833  
Website address - [www.tatacoffee.com](http://www.tatacoffee.com)



October 19, 2016

## **Tata Coffee Limited announces results for Q2, FY 2016-17**

### **Continued Strong performance in Instant Coffee business**

Tata Coffee Limited announced its results for the second quarter and six months ended September 30, 2016, this evening.

### **Standalone Results**

#### **Quarter ended September 16**

The Company for the quarter reported a flat turnover at Rs.190 Crores compared to Rs.192 Crores of the corresponding quarter of the previous year, while profit from operations improved from Rs.13 Crores to Rs.24 Crores. The Instant Coffee business of the company continued to deliver superior profit performance.

The Instant Coffee/Value Added business of the Company reported modest growth in its topline sales on volume growth. All key geographies reported volume growths. The revenues from value added business for the quarter is at Rs.115 Crores compared to Rs.111 Crores, an increase of 4% 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.13 Crores in the corresponding quarter of the previous year, an increase of 75% driven by higher sales volumes, lower commodity and other costs.

Growth in sales volume helped reduce finished goods inventory thus reducing working capital.

The Plantations segment in the current quarter reported revenue of Rs.78 Crores compared to Rs.84 Crores in the corresponding quarter of the previous year, a reduction of 7% on account of lower plantation products available for sale. The operating profits are at Rs.8 Crores Vs Rs.3 Crores, an increase of 150% over the previous period majorly due to Coffee recording higher profits driven by well managed sales effort, roaster relationships and premiumisation.

The Total Profit from Operations is Rs.24 Crores Vs Rs.13 Crores for the corresponding quarter of the previous year, an increase of 82% due to improved operational performance.

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by



In the current Quarter TCL received dividend of Rs 16.75 Crores from the overseas subsidiary Consolidated Coffee Inc. Factoring higher operational performance and dividend Income, TCL's standalone Profit before Tax for the current quarter is higher at Rs.43 Crores Vs Rs.14 Crores, an increase of 201%. The Profit after Tax for the quarter is Rs.32 Crores vis a vis Rs.10 Crores for the corresponding quarter of the previous year, an increase of 216%.

### **Half Year ended September 16**

The Company reported an increase of 8% in its Total Income from operations for the half-year ended 30<sup>th</sup> September 2016 at Rs.397 Crores compared to Rs.367 Crores of the corresponding six months 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. All key geographies reported robust volume growths. The revenues from value added business for the half year ended 30<sup>th</sup> September 2016 is at Rs.233 Crores compared to Rs.201 Crores, an increase of 16% over corresponding six months of the previous year. The operating profits of Instant Coffee/Value Added business registered a substantial improvement at Rs.46 Crores vs Rs.22 Crores in the previous six months period, an increase of 110% driven by higher sales volumes, lower commodity and other costs.

The Plantations segment for the half year ended 30<sup>th</sup> September 2016 reported revenue of Rs.168 Crores compared to Rs.171 Crores of the previous year. The operating profits are at Rs.25 Crores Vs Rs.16 Crores, an increase of 55% over the previous period with Coffee and Tea recording higher profits. This performance was also aided by lower opening inventory rates for coffee and higher price realization for the teas produced by the Company.

The Total Profit from Operations for the half-year ended 30<sup>th</sup> September 2016 is Rs.61 Crores Vs Rs.34 Crores for the corresponding six months of the previous year, an increase of 80% due to improved operational performance.

In the current Quarter TCL received Dividend of Rs.16.75 Crores from the overseas subsidiary Consolidated Coffee Inc. Factoring higher operational performance and dividend Income TCL's standalone Profit before Tax for the half-year ended 30<sup>th</sup> September 2016 is higher at Rs.79 Crores Vs Rs.36 Crores, an increase of 121%. The Profit after Tax for the half-year ended 30<sup>th</sup>



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September 2016 is Rs.59 Crores vis a vis Rs.25 Crores for the corresponding six months of the previous year, an increase of 133%.

#### Quarter ended September 2016-Stand Alone

- *Total Income for the quarter at Rs.190 Crores Vs. Rs.192 crores,*
- *Profit from Operations at Rs.24 Crores Vs Rs.13 Crores, increase of 82%*
- *Dividend received from Overseas subsidiary Rs.16.75 Crores Vs Nil*
- *Profit before Tax at Rs.43 Crores Vs Rs.14 Crores, increase of 201%*
- *Net Profit for the period at Rs.32 Crores Vs Rs.10 Crores, increase of 216%*

#### Half Year ended September 2016-Stand Alone

- *Total Income for the six months period at Rs.397 Crores Vs Rs.367 crores, increase of 8%*
- *Profit from Operations at Rs.61 Crores Vs Rs.34 Crores, increase of 80%.*
- *Dividend received from Overseas subsidiary Rs.16.75 Crores Vs Ni .*
- *Profit before Tax at Rs.79 Crores Vs Rs.36 Crores, increase of 121%.*
- *Net Profit for the period at Rs.59 Crores Vs Rs.25 Crores, increase of 133%.*

#### Consolidated Results

##### Quarter ended September 16

The Company reported its Consolidated Total Income from Operations at Rs.372 Crores for the current quarter compared to Rs.402 Crores for corresponding quarter of the previous year, a reduction of 8%.

The Company's overseas subsidiary Eight O' Clock Coffee (EOC) delivered a robust profit performance driven by lower commodity and other costs. However their top line was lower during the quarter due to timing of the trade promotions. EOC recently launched their new Infusions line to elevate coffee experience.



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The Consolidated Operating Profits for the quarter is higher at Rs.74 Crores compared to Rs.47 Crores for corresponding quarter of the previous year, an increase of 58% on strong operational performance of all businesses.

Profit before Tax for the current quarter is higher at Rs.69 Crores Vs Rs.41 Crores for the corresponding quarter of the previous year and consequently, the Consolidated Group Net Profit, post non-controlling interest, is higher at Rs.30 Crores compared to Rs.19 Crores in the corresponding quarter of the previous year, an increase of 59%.

### **Half Year ended September 16**

The Company reported an increase in its Consolidated Total Income from Operations at Rs.798 Crores for the half-year ended 30<sup>th</sup> September 2016 compared to Rs.754 Crores for corresponding six months of the previous year, an increase of 6%, driven by improved performance of both Tata Coffee and its overseas subsidiary Eight O' Clock Coffee.

Eight O' Clock Coffee (EOC) has recorded a Total Income of \$60 Million for the half-year ended 30<sup>th</sup> September 2016 compared to \$ 60.5 Million for corresponding six months of the previous year.

The Consolidated Operating Profits for the half-year ended 30<sup>th</sup> September 2016 is higher at Rs.173 Crores compared to Rs.93 Crores for the corresponding six months of the previous year, an increase of 87% on strong operational performance of all businesses.

Profit before Tax for the half-year ended 30<sup>th</sup> September 2016 is higher at Rs.160 Crores Vs Rs.81 Crores for the corresponding six months of the previous year and consequently, the Consolidated Group Net Profit, post non-controlling interest, is higher at Rs.76 Crores compared to Rs.40 Crores in the corresponding six months of the previous year, an increase of 89%.

### **Quarter ended September 2016-Consolidated**

- **Total Income for the quarter at Rs.372 Crores Vs Rs.402 Crores.**
- **Group Consolidated Profit from operations at Rs.74 Crores vs Rs.47 Crores, increase of 58%.**
- **Group Consolidated Net Profit, post non-controlling interest, at Rs 30 crores Vs Rs.19 Crores, increase of 59%.**



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### Half Year ended September 2016-Consolidated

- **Total Income for the six months period at Rs.798 Crores Vs Rs.754 Crores, increase of 6%.**
- **Group Consolidated Profit from operations at Rs.173 Crores vs Rs.93 Crores, increase of 87%.**
- **Group Consolidated Net Profit, post non-controlling interest, at Rs.76 crores Vs Rs.40 Crores, increase of 89%.**

### 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 quality and service across all segments. Improved Coffee Terminals have aided this performance during the quarter, and we will of course have to carefully observe global coffee prices and Indian crop over the next few months. **We are pleased to inform you that Starbucks has approved Tata Coffee's Nullore Estates Microlot coffee for sale under the Starbucks" Reserve" Brand for sale in USA and will be launched shortly in their select US stores. 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.**" The Company in the current year had expanded its monsooning facilities and this year's monsooned offerings have generated very good interest from reputed roasters worldwide. 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 water and energy management. Similar focus is now extended to the Instant Coffee manufacturing units.



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### **About TATA Coffee Limited**

Tata Coffee is a subsidiary of Tata Global Beverages Limited. It is Asia's largest integrated coffee company, the 2<sup>nd</sup> 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.

### **Disclaimer**

Statements in this press release describing the Company's performance may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results may differ materially from those directly or indirectly expressed, inferred or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in or due to the environment, Government regulations, laws, statutes, judicial pronouncements and/or other incidental factors.

For **TATA COFFEE LIMITED**



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