



February 21, 2019

**National Stock Exchange of
India Ltd.**

Exchange Plaza, 5th Floor,
G Block, Bandra-Kurla Complex,
Bandra East, Mumbai – 400 051
Scrip Code: TATAGLOBAL

BSE Ltd.

Corporate Relationship Dept,
1st Floor, New Trading Wing,
Rotunda Building, PJ Towers,
Dalal Street, Mumbai – 400 001
Scrip Code : 500800

Calcutta Stock Exchange Ltd.,

7, Lyons Range,
Kolkata – 700 001
Scrip Code : 10000027 (Demat)
27 (Physical)

Sub: Presentation made at the Analyst's Meet

Dear Sirs,

Further to our letter dated February 14, 2019, please find enclosed the Presentation which is being made at the Analyst's Meet in Mumbai today.

A copy of the presentation is being uploaded on the Company's website www.tataglobalbeverages.com

This is for your information and records.

Yours Sincerely
For **TATA GLOBAL BEVERAGES LIMITED**


Neelabja Chakrabarty
Company Secretary

Encl : as above

TATA GLOBAL BEVERAGES LIMITED

11/13 Botawala Building 1st Floor Office No 2-6 Horniman Circle Fort Mumbai 400 001 India

Tel 91 22 6121 8400 Fax 91 22 6121 8499

Registered Office: 1 Bishop Lefroy Road Kolkata – 700 020
Corporate Identity Number (CIN) - L15491WB1962PLC031425
E-mail id - investor.relations@tataglobalbeverages.com
Website address – www.tataglobalbeverages.com



INVESTOR PRESENTATION

FEBRUARY 2019



TATA GLOBAL BEVERAGES
21st February 2019



Disclaimer



Certain statements made in this presentation relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. Several factors could make a significant difference to the Company's operations. These include climatic conditions, economic conditions affecting demand and supply, government regulations and taxation, natural calamity, currency rate changes, among others over which the Company does not have any direct control.

AGENDA

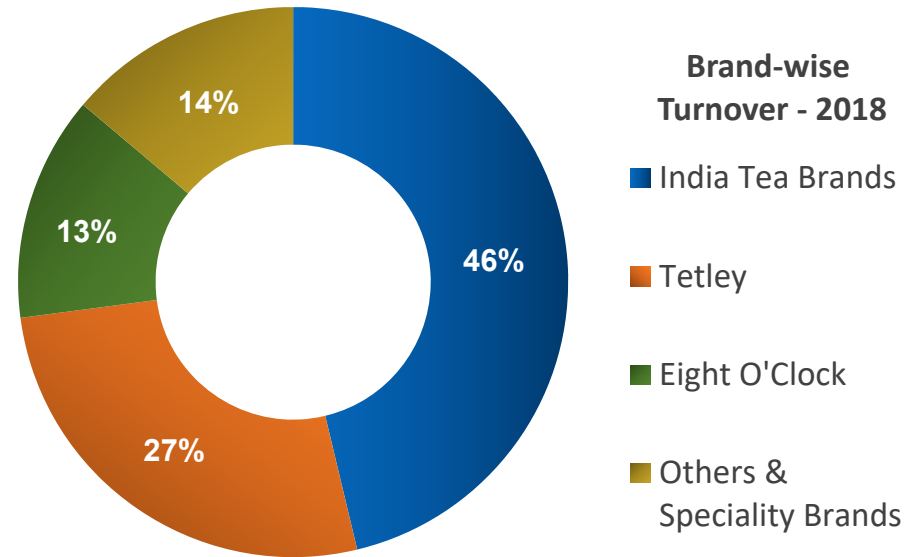
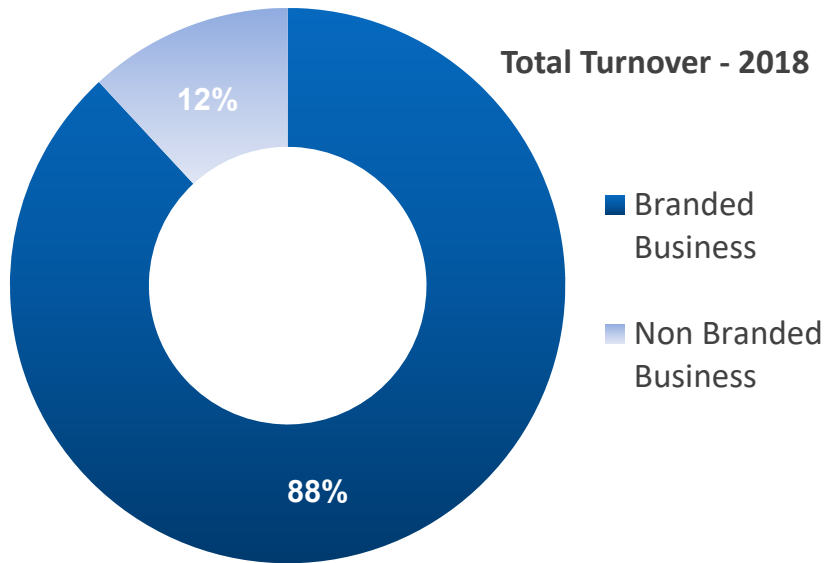


- 1 COMPANY PROFILE
- 2 KEY HIGHLIGHTS OF THE QUARTER
- 3 REGIONWISE PERFORMANCE
- 4 FINANCIAL OVERVIEW

Business Profile



88% OF OUR SALES COMES THROUGH OUR BRANDED BUSINESS



Based on full year numbers as on March 2018



Key Highlights for the 3rd Quarter

Positives

- ↑ Improvement in operating performance aided by topline growth in Branded Business
 - ↑ India growth at **+5%**, driven by volume growth of **+7%**
 - ↑ Green tea in India continues to grows at **+14%**, driven by volume growth of **+7%**
 - ↑ Top line improvement in US coffee by **+28%** in underlying terms aided by K-cups sales
 - ↑ Improved performance in UK, growth of **+6%** in underlying terms. Gains market share
- ↑ Improvement in performance of Tata Coffee Ltd, driven by Instant Coffee
- ↑ Good performance by Tata Starbucks and Nourishco JVs - ~30% YoY growth

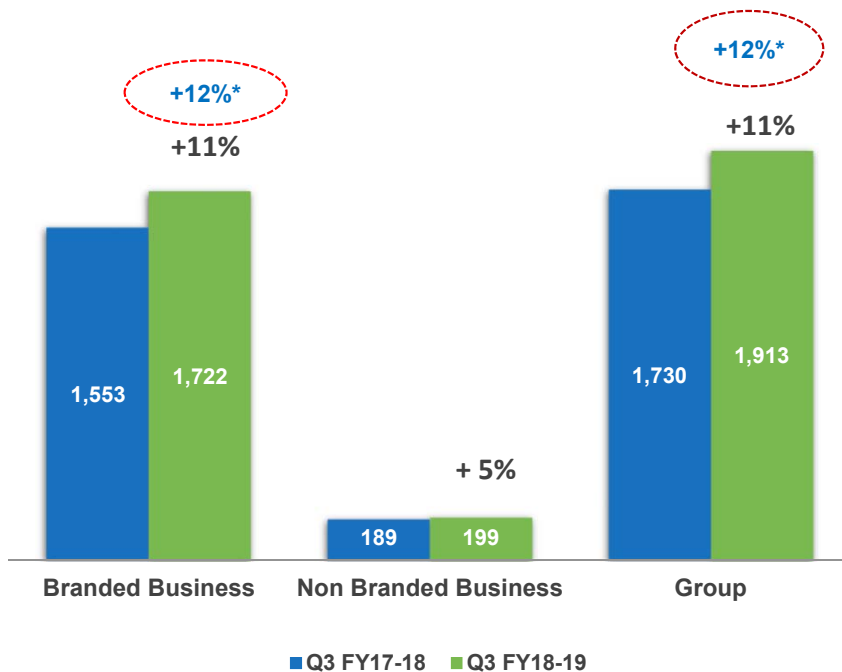
Challenges

- ↓ India market – competitive headwinds continue
- ↓ Higher tea commodity cost in India
- ↓ Lower realisation and lower crop in coffee plantation business

Consolidated Financials – Quarter ended 31st December 2018



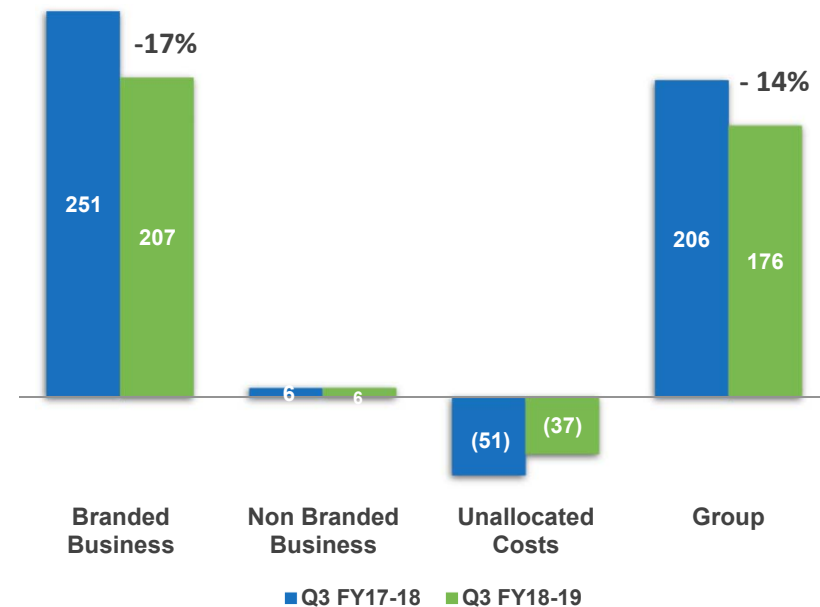
Revenue (in INR cr)



*Excluding the revenue from Russia Business, since divested

#Non Branded Business - Includes Tata Coffee Ltd and other B2B businesses
Inter-segment sales not represented as not material

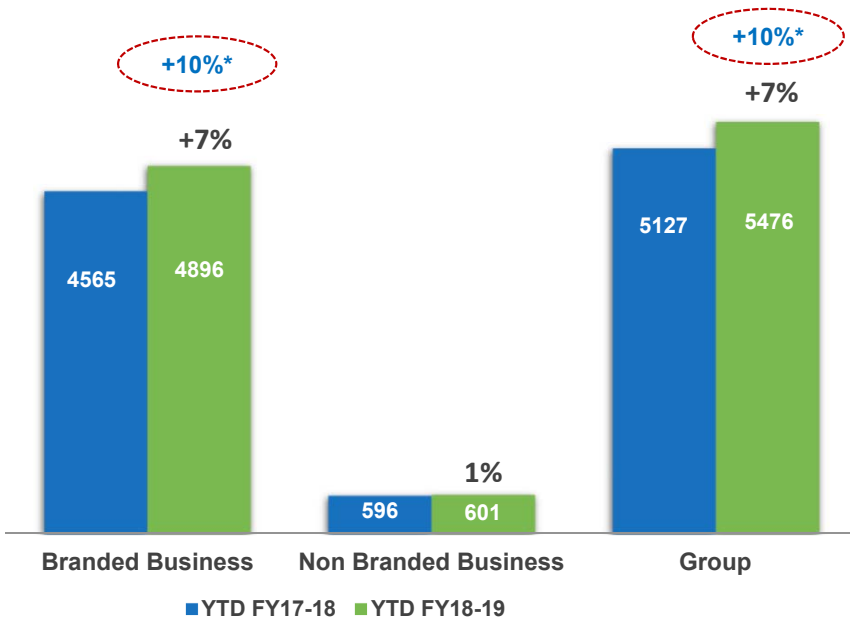
PBT (in INR cr)



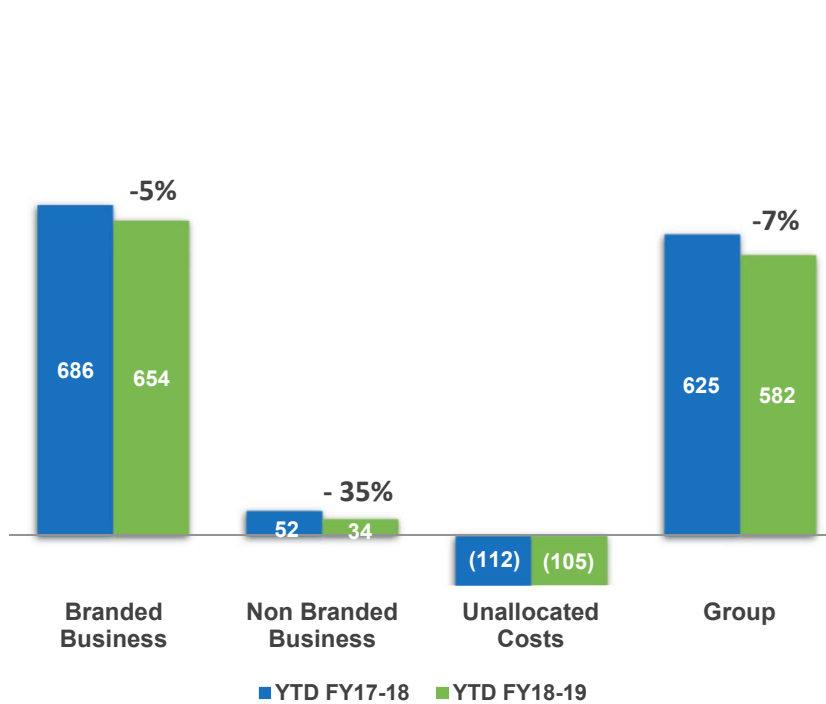
Consolidated Financials – YTD 31st December 2018



Revenue (in INR cr)



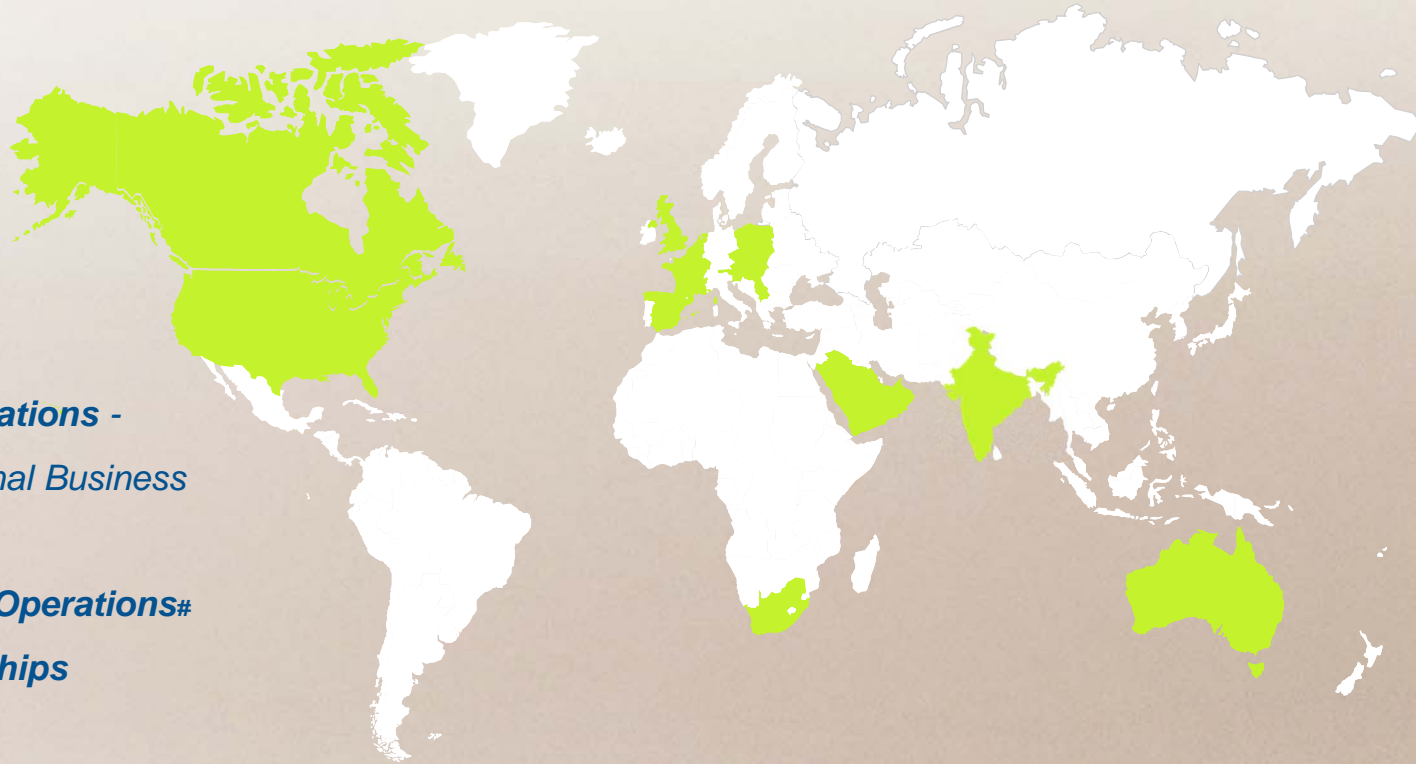
PBT (in INR cr)



*Excluding the revenue from Russia Business, since divested

#Non Branded Business - Includes Tata Coffee Ltd and other B2B businesses
Inter-segment sales not represented as not material

REGIONWISE PERFORMANCE – Quarter 3



- Branded Operations -**
 - International Business*
 - India*
- Non Branded Operations#**
- JVs / Partnerships**

#Non Branded Business - Includes Tata Coffee Ltd and other B2B businesses



India



Volume led topline growth –

- ↑ Tea portfolio grows +7% in volume and +5% in value terms
 - ↑ Growth in both National and Regional brands
 - ↑ Green tea continues to grow both in volume and value terms aided by successful campaign - Volume growth of +7%
- ↓ Higher commodity cost

New launches – Chakra Gold Elaichi

New Initiative - Out of home experience stores Tata Cha in Bangalore.

- 6 store opened till date



Tata Cha



- ✓ Currently, 6 operational pilot stores
- ✓ Concept works across all platforms - Price, Menu, Experience
- ✓ Revenues, COGS , Profitability on track



Indiranagar



Koramangala



Church Street



Phoenix Market City



RMZ Ecoworld



Mantri Mall

US & Canada



US

- Coffee sales **↑28%** in underlying terms -
 - ↑ Aided by direct K-cups sales
- Tea sales **↑3%**, driven by growth in Good Earth and Empirical
- ↓ Margin impacted by sales mix and higher advertisement spends
- New variants / expansion into new age beverages to target youth customer base



TATA GLOBAL BEVERAGES

CANADA

Sales nearly flat - Growth in Specialty offset by lower sales in Black Tea.

- ↑ Recently launched Tetley Super Teas (Canada's first line of teas fortified with vitamins and minerals), performing well
 - Captured a 1.6%* share of the non-black tea market in just 4 months due to strong marketing program

* Source : AC Nielsen





- UK sales higher by ↑ 6%, in underlying terms
 - ↑ Volume led growth
 - ↑ Gains market share both in volume (+1.4%)* and value (+0.3%)* despite a declining black tea market



↑ Operating profits higher – benefits of softening commodity cost

- ↑ Focus on stabilising the new launches such as Tetley Cold Infusions to correct portfolio mix
 - Market expectations promising



* Source : AC Nielsen

Other International Business



Australia -

↓ **Coffee** – Lower sales in the quarter

License for Caffitaly for pods business has been terminated. New licensing arrangement with another partner to commence soon (Term Sheet signed)



Rest of Europe -

- Poland / Czech – Focus on synergies in manufacture & cost-out
- Tetley Iced tea was launched in Portugal in a range of flavours to appeal to younger consumers



Joint Ventures



Tata Starbucks

Double digit topline growth ↑~30%, driven by new stores and improved in store performance

- **136 stores** opened till date
- **New stores - 20** during the year
- All cities profitable

Nourishco

↑ ~30% growth in topline for the quarter, driven by value improvement in Tata Gluco Plus

- **Tata Gluco Plus** launch in West Bengal and Jharkhand have been promising

Bangladesh

Top line growth flat, but tea cost impacts profitability



Starbucks new stores



Elante Mall, Chandigarh



Kammanahali, Bangalore



Westside Commercial Street,
Bangalore



Ram Mahal, Mumbai



BSR Mall



Kolar Highway, Bangalore



Xperia Mall, Mumbai

Other Businesses



TATA COFFEE LIMITED

- Operating Income **↑3%**
 - ↑ Improved performance in instant coffee
 - ↓ Adverse performance in plantations business
- Profits flat mainly due to the impact of lower realisation
- Freeze Dried Instant Coffee plant in Vietnam on track and blend sampling with key customers have started

INSTANT TEA (B2B Business)

- Stable performance in sales and profit

ASSOCIATES (Tea Plantations)

APPL

- ↓ Sales flat, lower volumes offsetting higher realisation
 - Performance impacted by wage increase and lower volume

KDHP

- ↑ Improved performance driven by better realisation



TATA GLOBAL BEVERAGES



FINANCIAL OVERVIEW



Financial Highlights for the Quarter



REVENUE FROM OPERATIONS ↑ 12% on a like to like basis (excluding the impact of Russia exit) and ↑ 7% at constant currency

- ↑ Growth led by India Branded business
- ↑ Direct K-cups sales
- ↑ Improved performance in UK, volume led growth

PROFIT BEFORE TAX ↓ 14%

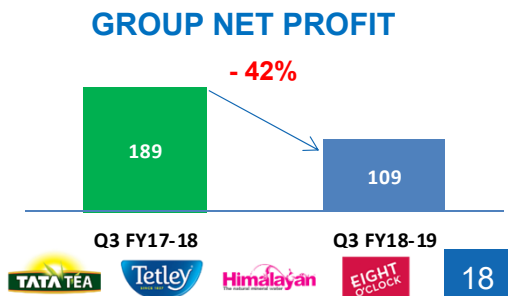
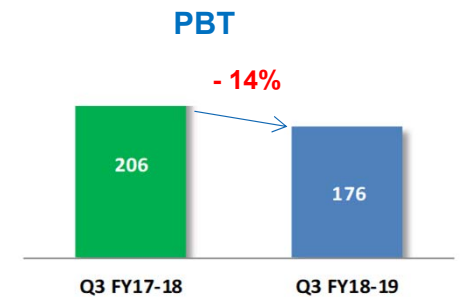
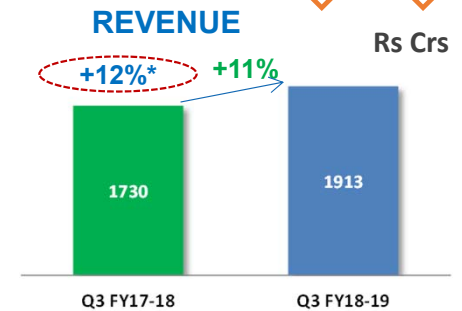
- ↓ Higher commodity cost in India
- ↓ Higher investment behind brands

GROUP NET PROFIT ↓ 42%

- ↓ One off Tax credit (Rs 53 cr) in corresponding quarter of prior year due to reduction of US tax rates
 - Excluding this impact Group Net Profit ↓ 20%
- ↓ Lower profits from Associates and Joint Ventures

TATA GLOBAL BEVERAGES

**Excluding the revenue from Russia Business, since divested*



Financial Highlights - Consolidated



INR Crs PARTICULARS	Quarter ended December			Year to date			Year Ended 31st March
	2018	2017	% Change	2018	2017	% Change	2018
Revenue from Operations	1,913	1,730	11%	5,476	5,127	7%	6,815
Other Income	23	21	10%	122	68	78%	94
Total Operating Expenses	-1,746	-1,524	15%	-4,954	-4,521	10%	-6,092
Finance Costs	-13	-9	52%	-37	-29	27%	-43
Profit Before Exceptional Items	176	218	-19%	607	645	-6%	774
PBT before exceptional %	9%	13%		11%	13%		11%
Exceptional Items	0	-12		-25	-19		-21
Profit before Tax (PBT)	176	206	-14%	582	625	-7%	753
PBT %	9%	12%		11%	12%		11%
Profit after Tax (PAT)	121	186	-35%	380	453	-16%	567
PAT %	6%	11%		7%	9%		8%
Share of net profit/(loss) in Associates and Joint Ventures	-12	3		41	32		-11
Group Consolidated Profit	109	189	-42%	421	485	-13%	557
EPS (Rs.) – (not annualised)	1.57	2.66		6.10	6.91		7.85
Market cap				13,821	19,943		16,330

Financial Highlights – OCI (Consolidated)



INR Crs PARTICULARS	Quarter ended December			Year to date			Year Ended 31st March
	2018	2017	Variance	2018	2017	Variance	2018
Consolidated Group Net Profit / PAT	109	189	(80)	421	485	(64)	557
Changes in Fair Value of Equity Instruments	4	8	(4)	5	60	(55)	59
Exchange difference on translation of foreign operations	(289)	(76)	(213)	(21)	199	(220)	408
Others	(6)	23	(29)	23	31	(8)	38
Other Comprehensive Income	(291)	(44)	(246)	7	290	(283)	505
Total Comprehensive Income	(182)	144	(326)	428	775	(347)	1062

Other comprehensive income

- Changes in fair value of equity investment mainly reflects the movement in quoted share prices
- Others primarily represent actuarial gain / loss on retirement benefits and cash flow hedges
- Exchange difference reflects the impact of currency translation mainly on account of our overseas subsidiaries

Financial Highlights - Standalone



INR Crs PARTICULARS	Quarter ended Decemeber			Year to date			Year Ended 31st March
	2018	2017	% Change	2018	2017	% Change	2018
Revenue from Operations	890	848	5%	2,646	2,503	6%	3,217
Other Income	22	26	-17%	156	123	26%	148
Total Operating Expenses	-784	-707	11%	-2,289	-2,091	9%	-2,743
Finance Costs	-4	-4	0%	-10	-10	-0%	-14
Profit Before Exceptional Items	124	164	-24%	502	525	-4%	608
PBT before exceptional %	14%	19%		19%	21%		19%
Exceptional Items *	0	102		0	121		115
Profit before Tax (PBT)	124	266	-53%	502	646	-22%	723
PBT %	14%	31%		19%	26%		22%
Profit after Tax (PAT)	90	208	-57%	358	481	-26%	534
PAT %	10%	25%		14%	19%		17%
Total Comprehensive Income	90	224	-60%	360.1	545.6	-34%	598
EPS (Rs.) – (not annualised)	1.42	3.30		5.67	7.62		8.47

* Exceptional items include profit on divestment of stake in our associate in Sri Lanka

Segment Performance



Segment Revenue			Segment Results			Particulars (INR Crs)	Segment Revenue			Segment Results			Capital Employed	
Qtr Dec 2018	Qtr Dec 2017	% Change	Qtr Dec 2018	Qtr Dec 2017	% Change		YTD Dec 2018	YTD Dec 2018	% Change	YTD Dec 2018	YTD Dec 2018	% Change	YTD Dec 2018	YTD Dec 2017
						Branded Business								
1389	1292	8%	168	193	-13%	Tea	3952	3746	5%	543	543	0%	4264	3878
326	253	29%	44	63	-30%	Coffee	921	793	16%	126	154	-18%	1668	1526
7	8	-13%	(5)	(6)	-17%	Others	23	26	-12%	(15)	(11)	36%	24	33
1722	1553	11%	207	251	-18%	Total Branded Business	4896	4565	7%	654	686	-5%	5956	5438
199	189	5%	6	6	0%	Non Branded Business	601	596	1%	34	52	-35%	1241	1037
(8)	(12)	-33%				Less: Inter-segment Revenue	(22)	(33)	-38%					
			(13)	(9)	44%	Finance Cost				(37)	(29)	28%		
			(24)	(42)	-43%	Other Un-allocable items				(68)	(83)	-18%	1051	1282
1913	1730	11%	176	206	-14%	Total	5476	5127	7%	582	625	-7%	8248	7757

#Non Branded Business - Includes Tata Coffee Ltd and other B2B businesses

Region-wise Revenue from Operations



Qtr December				INR Crs	YTD December			
2018	2017	Variance	%	PARTICULARS	2018	2017	Variance	%
909	779	130	17%	International Business	2473	2272	201	9%
813	774	39	5%	India	2423	2293	130	6%
1722	1553	169	11%	Total Branded Operations	4896	4565	331	7%
199	189	10	5%	Non Branded Operations	601	596	5	1%
(8)	(12)	4		Others & Eliminations	(21)	(34)	13	
1913	1730	183	11%	Total Operating Income	5476	5127	349	7%

#Non Branded Business - Includes Tata Coffee Ltd and other B2B businesses

COMPANY INFORMATION

Equity Share details

Bombay Stock Exchange (BSE) – **500800**

National Stock Exchange (NSE) – **TATAGLOBAL**

ISIN No – **INE192A01025**

(International Securities Identification
Number)

Depository Receipt

Luxembourg Stock Exchanges - **US8765692038**

London Stock Exchange - **TGBL**

www.tataglobalbeverages.com

