



December 5, 2018

**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
Association 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 December 4, 2018, Pl. find enclosed the Presentation which is being made at the Analyst's Meet in London today and tomorrow.

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

DECEMBER 2018



TATA GLOBAL BEVERAGES
5th and 6th December 2018

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

AGENDA

COMPANY
PROFILE

KEY HIGHLIGHTS
OF THE QUARTER

REGIONWISE
PERFORMANCE

FINANCIAL
OVERVIEW

Our journey



1960s

Investment in Plantations in India

1980s

Domestic branded play in tea



Acquisition of Eight O'clock Coffee



Acquisition of Vitax

TATA GLOBAL BEVERAGES

New Corporate Identity formed



JV formed with Starbucks

Internal restructure & exits from loss making businesses

1960-1990s

2000

2005

2006

2007

2010

2011

2012

2014

2017

1990s

Acquisition of interest in coffee plantations

Acquisition of Good Earth



teapigs.

Investment in Himalayan – A natural mineral water brand



Formation of JV with Pepsi-Co - NourishCo



Acquisition of the MAP brand



TATA GLOBAL BEVERAGES



Our Brand Positioning

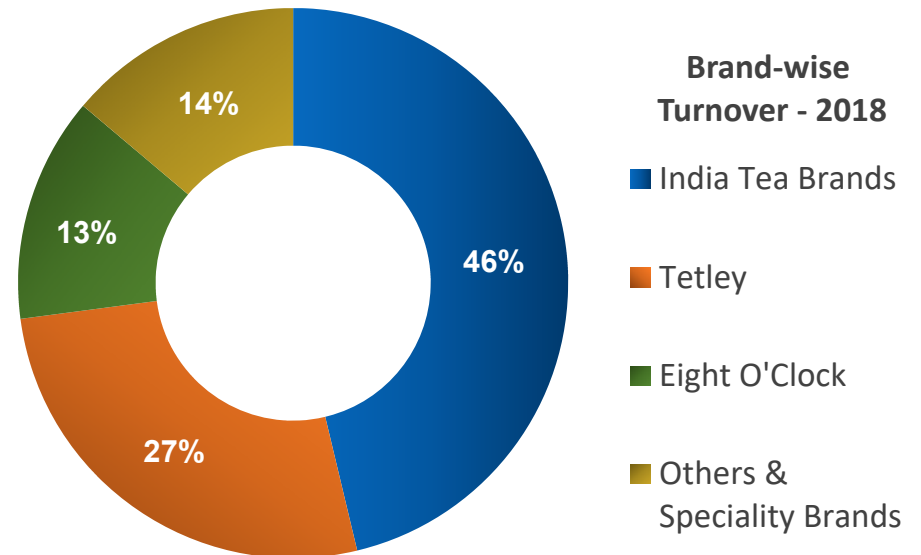
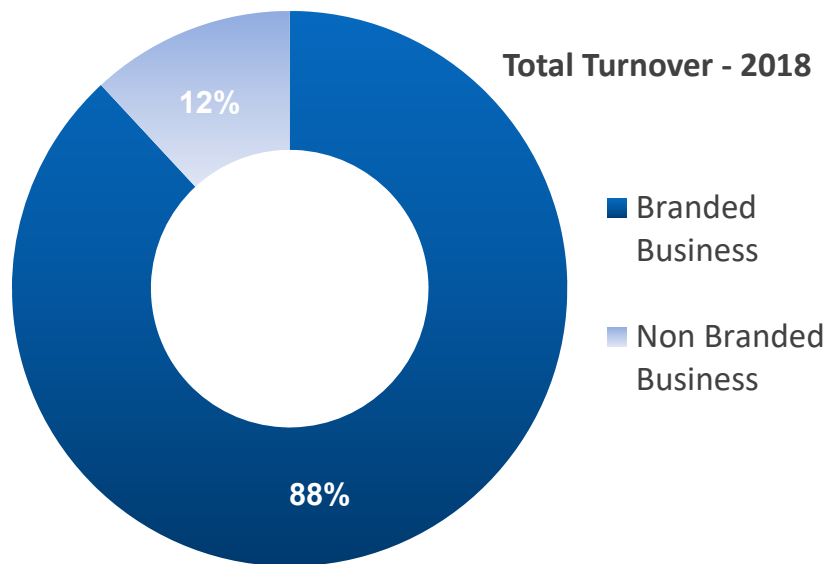


	US	UK	EUROPE AND OTHER MARKETS	INDIA
Super Premium	teapigs.	teapigs.	teapigs.	
Premium	GOOD EARTH Tetley	Tetley	map Tetley	Himalayan Tetley TATA TEA Gold Chakra Gold TATA COFFEE GRAND
Main- stream	EIGHT O'CLOCK	Tetley	vitax	TATA TEA PREMIUM Kanan Devan GEMINI
Value				TATA WATER PLUS TATA TEA AGNI TATA GLUCO+

Business Profile

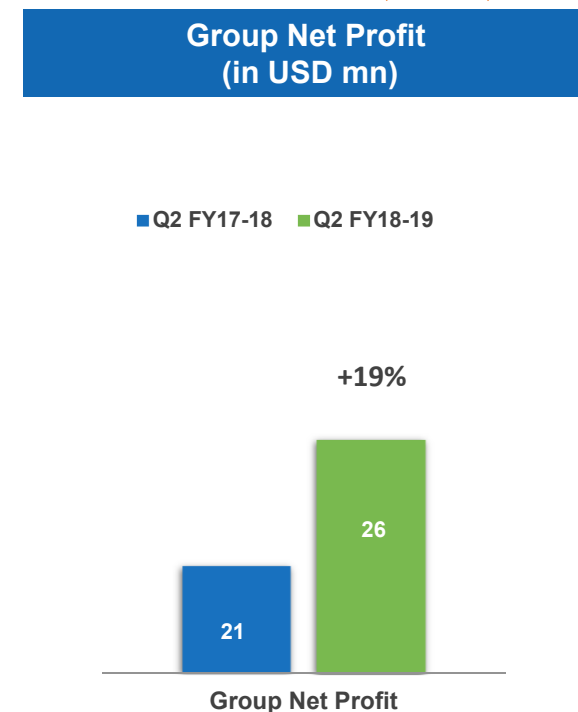
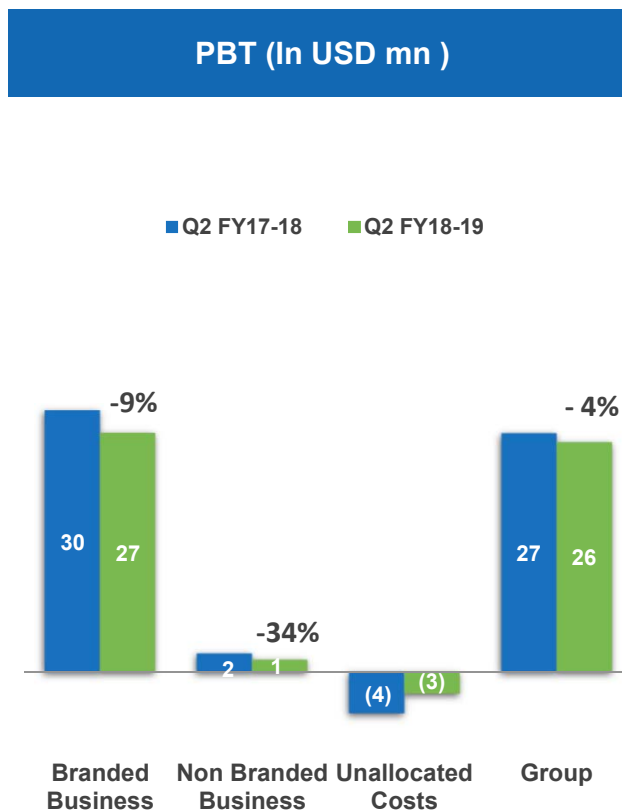
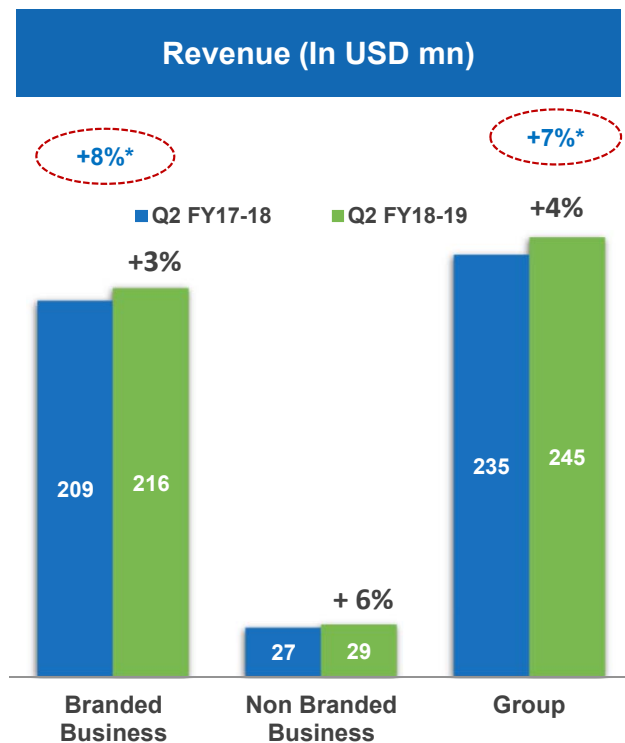


88% OF OUR SALES COMES THROUGH OUR BRANDED BUSINESS



Based on full year numbers as on March 2018

Consolidated Financials – Quarter ended 30th September 2018



* 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

TATA GLOBAL BEVERAGES

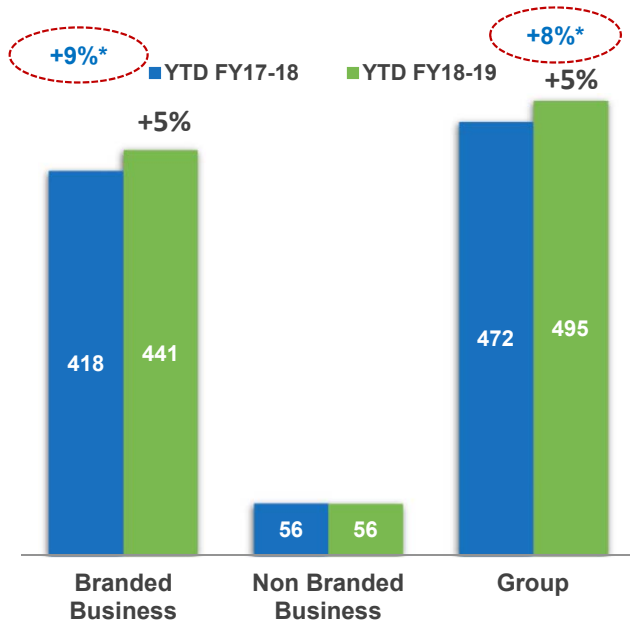
converted at USDINR rate of 72



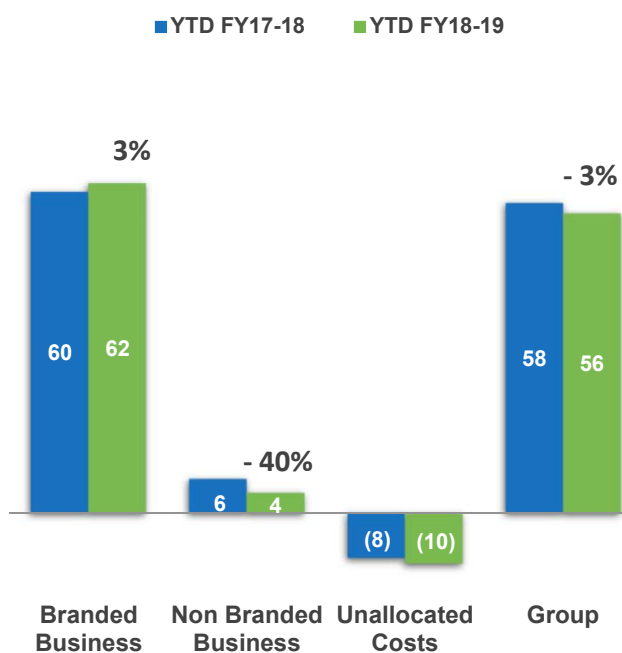
Consolidated Financials – YTD 30th September 2018



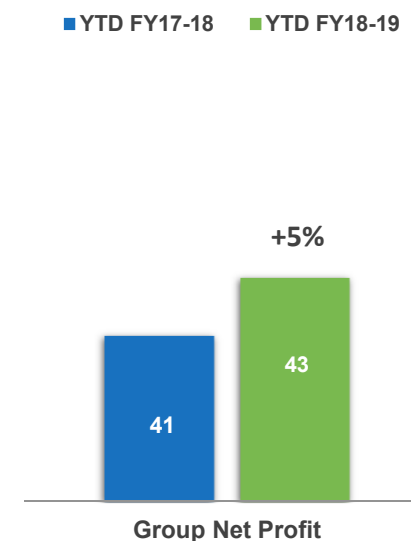
Revenue (in USD mn)



PBT (in USD mn)



Group Net Profit (in USD mn)



*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

TATA GLOBAL BEVERAGES

converted at USDINR rate of 72





Key Highlights for the 2nd Quarter

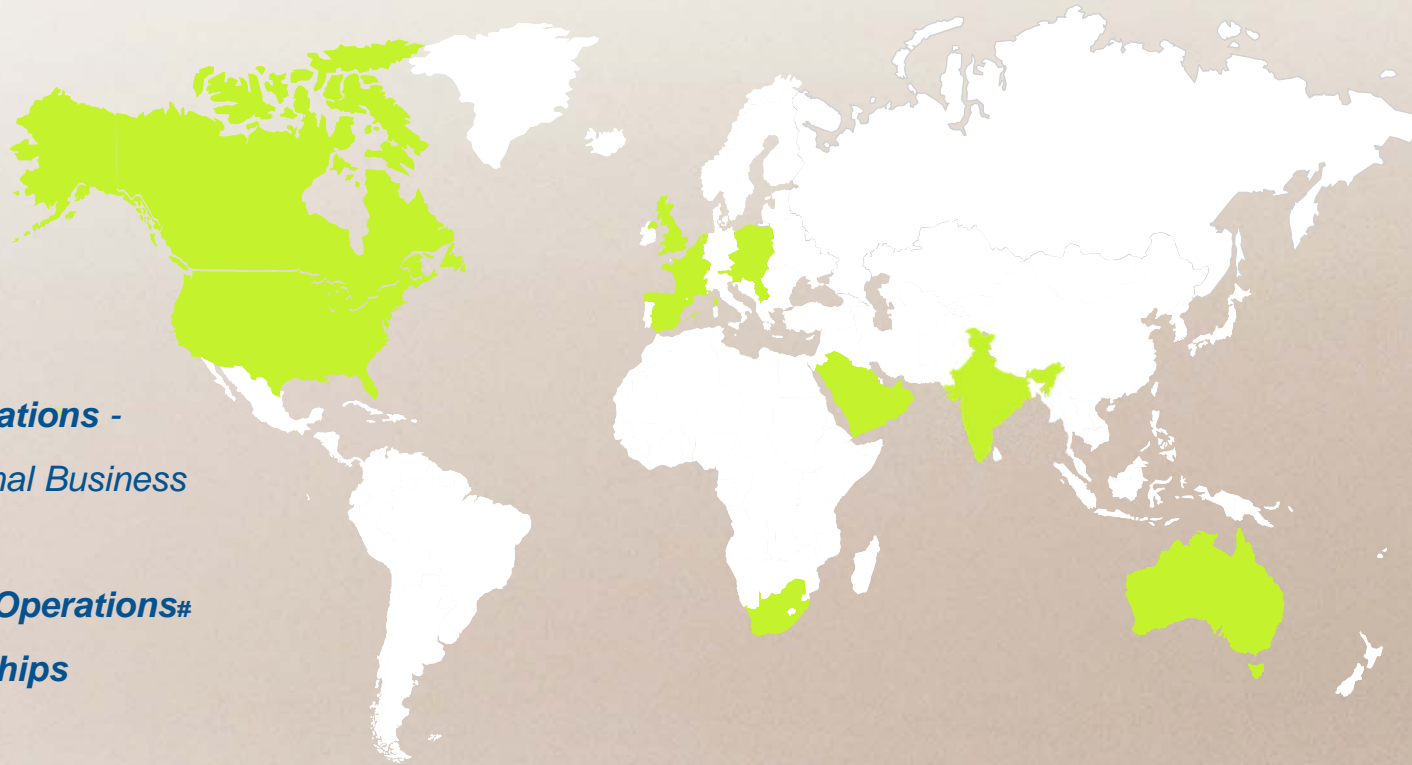
Positives

- ↑ Improvement in operating performance aided by topline growth in Branded Business
 - ↑ India grows at +7%, driven by volume growth of +9% (Highest in the last 8 Quarters)
 - ↑ Green tea in India continues to grow in volume terms +14%
 - ↑ Top line improvement in US coffee by +23% in underlying terms aided by Keurig direct sales
- ↑ Focus on stabilising the new launches to correct portfolio mix in UK
- ↑ Improvement in performance of Tata Coffee Ltd, driven by Instant Coffee
- ↑ Good performance by Tata Starbucks, double digit YoY growth - opens 9 new stores during the Quarter

Challenges

- ↓ Underperformance in UK (-14%) on yoy basis, led by declining black tea markets
- ↓ India market – competitive headwinds continues
- ↓ Higher tea commodity cost
- ↓ Lower realisation and lower crop in Plantation Business.

REGIONWISE PERFORMANCE – Quarter 2



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

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



India



■ Improved topline growth –

- ↑ Tea portfolio grows +9% in volume and +7% in value terms
 - ↑ Growth in both National and Regional brands
 - ↑ Grows value market share by +0.2%* against Q1 of the current year.
 - ↑ Green tea continues to grow market share aided by new campaign - Volume growth of +14%
 - ↑ Impact of reversal of provisions not required.

↓ Higher commodity cost.

■ New Initiative - Out of home experience stores **Cha by Tata Tea** in Bangalore.

- Four store opened till date

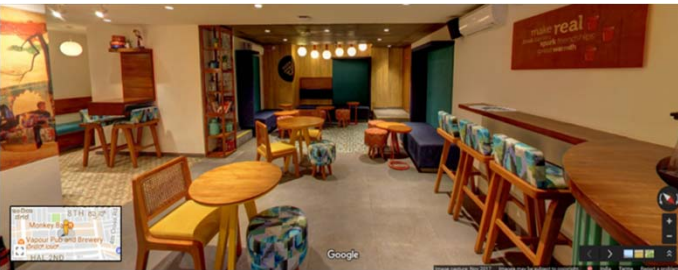


Cha by Tata Tea - Spreading Chai Warmth



- ✓ Currently, 4 operational pilot stores
- ✓ Concept works across all platforms - Price, Menu, Experience
- ✓ Revenues, COGS , Profitability on track
- ✓ 6 new menu launches in 9 months of operations has helped sustain buzz & revenues

High Street @ Indiranagar



Kiosk @ IT tech Park Food Court; RMZ Ecoworld



Kiosk @ Mall Food Court; Mantri Mall



New Store @ Church Street



International Business Reorganisation



TGBL has re-organised its international operations, from having two international region heads – Canada, America and Australia (CAA), Europe, Middle East and Africa (EMEA) – to one international head – **Mr. Adil Ahmad**.

Mr. Ahmad (ex Reckitt Benckiser) who joined TGBL in 2015, and his team would focus on the core international markets of UK, US and Canada. Also experienced country heads have been appointed/nominated for these core markets.



The Middle Eastern markets are now under the India team vs. the EMEA team earlier

Mr Adil Ahmad

International Business Head

Graeme Karavis -

UK

Rishi Daing -

USA

Kathy Grant-Munoz-

Canada

US & Canada



US

- **Coffee growth in underlying terms** ↑ 23%
 ↑ Aided by direct Keurig K-cups sales
- **Tea sales flat** - Growth in Good Earth sales offset by adverse performance in Tetley and Empirical.
- ↓ Margin impacted by adverse sales mix and higher investment for K-cups.



TATA GLOBAL BEVERAGES

CANADA

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

↑ **New Launch of Tetley Super Teas**, Canada's first line of teas fortified with vitamins and minerals. Initial response is very encouraging

- **3 variants** – Immune, Antiox & Boost





- UK revenue lower by ↓ 6% (in underlying terms ↓ 14%)
 - ↓ Decline in black tea market exacerbated by prolonged summer this year.
 - ↑ Gains market share both in volume and value despite declining tea market
- ↑ Focus on stabilising the new launches such as Tetley Squash and Tetley Cold Infusions to a correct portfolio mix
 - Higher investment behind Tetley Squash.
- ↓ Adverse fx resulting in higher commodity cost.



Other International Business



Australia -

↑ Tea - Kombucha (RTD) – Driving distribution and awareness

- 3 new flavors launched – Cloudy Lemonade, Blood Orange and Peach
- Focus on distribution and gaining momentum for the summer months

↓ Coffee – Lower sales in the quarter

License for Caffitaly for the pods business has been terminated. New licencing arrangement with another partner initiated



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 and build on the brand's strengths.



TATA GLOBAL BEVERAGES



Joint Ventures



Tata Starbucks

Strong double digit topline growth continues driven by growth through new stores and improved in store performance

- **129 stores** opened till date.
- **9 new stores** added in Q2
- **Chandigarh** is the 8th city to have a Starbucks in India
- All cities profitable.



TATA GLOBAL BEVERAGES

Bangladesh

Top line growth in double digits, but tea cost impacts profitability

Nourishco

Performance flat

- **Tata Gluco Plus** –
 - National rollout process is on with launches in West Bengal and Jharkhand



Other Businesses



TATA COFFEE LIMITED

- Operating Income ↑4%
 - ↑ Improved performance in instant coffee sales
 - ↓ Adverse performance in plantations business
- Profits includes profit on sale of property
- 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 up **14%** driven by higher volumes

KDHP

- ↓ Performance impacted by the severe floods in Kerala



TATA GLOBAL BEVERAGES



FINANCIAL OVERVIEW



Financial Highlights for the Quarter



In USD mn

REVENUE FROM OPERATIONS ↑ 7 % on a like to like basis (excluding the impact of Russia exit) and ↑ 4% at constant currency

↑ Growth led by India Branded business

↑ Direct Keurig K-cups sales, offset by

↓ International business performance mainly UK

PROFIT BEFORE TAX ↓ 4%

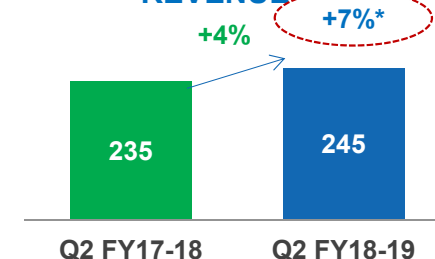
↓ Higher commodity cost in India and UK

↓ Higher investment behind brands and listings

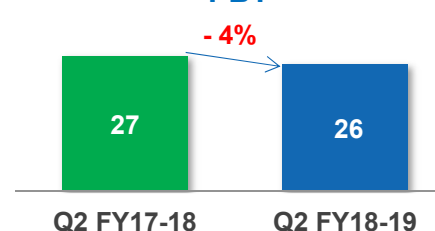
GROUP NET PROFIT ↑ 19%

↑ On account of lower tax and higher profits from Associates and Joint Ventures

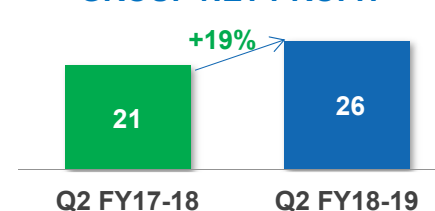
REVENUE



PBT



GROUP NET PROFIT



Financial Highlights - Consolidated



USD Mn PARTICULARS	Quarter ended September			Year to date September			Year Ended 31st March
	2018	2017	% Change	2018	2017	% Change	2018
Revenue from Operations	245	235	4.1%	495	472	4.9%	947
Other Income	10	5	111.1%	14	7	107.4%	13
Total Operating Expenses	-226	-209	7.8%	-446	-416	7.0%	-846
Finance Costs	-2	-1	19.2%	-3	-3	16.2%	-6
Profit Before Exceptional Items	27	29	-6.2%	60	59	0.9%	108
PBT before exceptional %	11%	12%		12%	13%		11%
Exceptional Items	-1	-2		-3	-1		-3
Profit before Tax (PBT)	26	27	-3.8%	56	58	-3.3%	105
PBT %	11%	12%		11%	12%		11%
Profit after Tax (PAT)	17	17	1.3%	36	37	-2.9%	79
PAT %	7%	7%		7%	8%		8%
Share of net profit/(loss) in Associates and Joint Ventures	8	4	89.8%	7	4	78.9%	-1
Group Consolidated Profit	26	21	19.1%	43	41	5.3%	77
EPS (USD) – (not annualised)	0.37	0.32		0.63	0.59		1.09
Cash & Cash Equivalent / Current Investments				188	186		209
Market cap (as on 30th Sep)				2,054	1,732	18.6%	2,268

converted at
USDINR rate of 72



Financial Highlights – OCI (Consolidated)

USD mn PARTICULARS	Quarter ended September			Year to date September			Year Ended 31st March 2018
	2018	2017	Variance	2018	2017	Variance	
Consolidated Group Net Profit / PAT	26	21	4	43	41	2	77
Changes in Fair Value of Equity Instruments	(0)	6	(6)	0	7	(7)	8
Exchange difference on translation of foreign operations	37	23	14	37	39	(1)	57
Others	0	0	(0)	4	1	3	5
Other Comprehensive Income	37	29	8	41	47	(5)	70
Total Comprehensive Income	63	50	12	85	88	(3)	147

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

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USDINR rate of 72



Financial Highlights - Standalone

USD mn PARTICULARS	Quarter ended September			Year to date September			Year Ended 31st March
	2018	2017	% Change	2018	2017	% Change	2018
Revenue from Operations	118	110	6.6%	244	230	6.1%	447
Other Income	10	7	42.1%	19	13	37.9%	20
Total Operating Expenses	-105	-94	11.5%	-209	-192	8.8%	-381
Finance Costs	0	0	-23.1%	-1	-1	-3.6%	-2
Profit Before Exceptional Items	23	23	-1.5%	52	50	4.8%	84
PBT before exceptional %	19%	21%		22%	22%		19%
Exceptional Items	0	0		0	3		16
Profit before Tax (PBT)	23	23	-1.5%	52	53	-0.3%	100
PBT %	19%	21%		22%	23%		22%
Profit after Tax (PAT)	17	17	0.0%	37	38	-1.7%	74
PAT %	14%	15%		15%	16%		17%
Total Comprehensive Income	16	22	-28.0%	37	45	-16.1%	83
EPS (USD) – (not annualised)	0.26	0.26		0.59	0.60		1.18

converted at
USDINR rate of 72

Segment Performance



Segment Revenue			Segment Results			Particulars	Segment Revenue			Segment Results			Capital Employed	
Qtr	Sept	Qtr	Sept	%	Qtr	Sept	Qtr	Sept	%	YTD	YTD	%	YTD	YTD
2018	2017	Change	2018	2017	Change	USD mn	2018	2017	Change	2018	2017	Change	Sept	Sept
						Branded Business								
173	168	3%	23	23	-1%	Tea	356	341	4%	52	49	7%	577	506
42	40	5%	5	7	-25%	Coffee	83	75	10%	11	13	-11%	251	224
1	1	-29%	(1)	(0)	182%	Others	2	2	-7%	(1)	(1)	87%	4	4
216	209	3%	27	30	-9%	Total Branded Business	441	418	5%	62	60	3%	832	734
29	27	6%	1	2	-34%	Non Branded Business	56	56		4	6	-40%	173	132
(1)	(1)					Less: Inter-segment Revenue	(2)	(2)						
			(2)	(1)	19%	Finance Cost				(4)	(2)	16%		
			(1)	(3)	-74%	Un-allocable items				(6)	(6)		167	191
245	235	4%	26	27	-4%	Total	495	472	5%	56	58	-3%	1171	1057

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

TATA GLOBAL BEVERAGES



converted at
USDINR rate of 72



Region-wise Revenue from Operations

Qtr September				USD mn	YTD September			
2018	2017	Variance	%	PARTICULARS	2018	2017	Variance	%
109	108	0	0%	International Business	217	207	10	5%
108	101	7	7%	India	224	211	13	6%
216	209	7	3%	Total Branded Operations	441	418	23	5%
29	27	2	6%	Non Branded Operations	56	56	(0)	
(1)	(1)	0		Others & Eliminations	(2)	(2)	0	
245	235	9	4%	Total Operating Income	495	472	23	5%

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

TATA GLOBAL BEVERAGES



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Balance Sheet - Summary



<i>Details</i> <i>USD mn</i>	Consolidated	
	As at September 30, 2018	As at March 31, 2018
Total Equity	1,171	1,117
Non-Current Liabilities	157	133
Current Liabilities	246	220
Liabilities of Disposal group	2	1
TOTAL EQUITY & LIABILITIES	1,576	1,471
Goodwill	553	517
Other Non Current Assets	367	324
Current Asset	651	625
Assets of Disposal group	5	5
TOTAL ASSETS	1,576	1,471

Standalone	
As at September 30, 2018	As at March 31, 2018
597	585
16	15
81	79
694	679
384	387
310	292
694	679

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

