May 11, 2018

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza,5th floor
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (E)
Mumbai 400 051
Scrip Code – TATAGLOBAL

BSE Limited
Corporate Relationship Dept.
1st Floor, New Trading Wing
Rotunda Building, PJ Towers
Dalal Street
Mumbai 400 001
Scrip Code - 500800

The Secretary
Calcutta Stock Exchange Asscn. Ltd.
7 Lyons Range
Kolkata 700 001
Scrip Code – 10000027 (Demat)
27 (Physical)

Dear Sirs,

Presentation to Analysts – Results for year ended 31.03.2018

Further to our letter dated 3rd May, 2018 we enclose herewith a copy of the Presentation which will be made at the Analyst's Meet scheduled today.

A copy of the same is also uploaded on the Company's website www.tataglobalbeverages.com

This is for your information and records.

Yours faithfully,
For **Tata Global Beverages Limited**

(V. Madan)
Vice President & Company Secretary

Encl. : as above

INVESTOR PRESENTATION

May 2018



TATA GLOBAL BEVERAGES

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.

Group set up in 1868 by Jamsetji Tata with a vision that placed the community at the core of its purpose

AGENDA

AGENDA

- COMPANY PROFILE
- KEY HIGHLIGHTS OF THE YEAR
- OUR REGIONAL PROFILE
- FINANCIAL OVERVIEW

COMPANY PROFILE

Tata Tea 1868, a specially curated range of teas, to celebrate 150 years of Tata group, debuted at World Economic Forum 2018, Davos





Tata Starbucks opens 100th store in India



Himalayan Sparkling elevates the fine-dine experience



Jaago Re submits 1.8m petitions to HRD minister on women's safety and sports culture



Tetley celebrates 180 years

A Snapshot of Tata Global Beverages

Focused on natural beverages – **TEA, COFFEE, WATER**

Tata heritage with **GLOBAL BRANDS**

2ND LARGEST tea company in the world

330 MILLION + SERVINGS of our brands consumed everyday

$1.4 BN* in revenues

Over **3000 EMPLOYEES** worldwide

Presence in over **40 COUNTRIES**



** At 100% basis*

Our journey

1960s
Investment in Plantations in India

1980s
Domestic branded play in tea

1990s
Acquisition of interest in coffee plantations

1960-1990s

2000
Acquisition of Tetley

2005
Acquisition of Good Earth

2006
Acquisition of Eight O'clock Coffee

2007
Acquisition of Vitax

Investment in Himalayan – A natural mineral water brand

2010
New Corporate Identity formed

2011
Formation of JV with Pepsi-Co - NourishCo

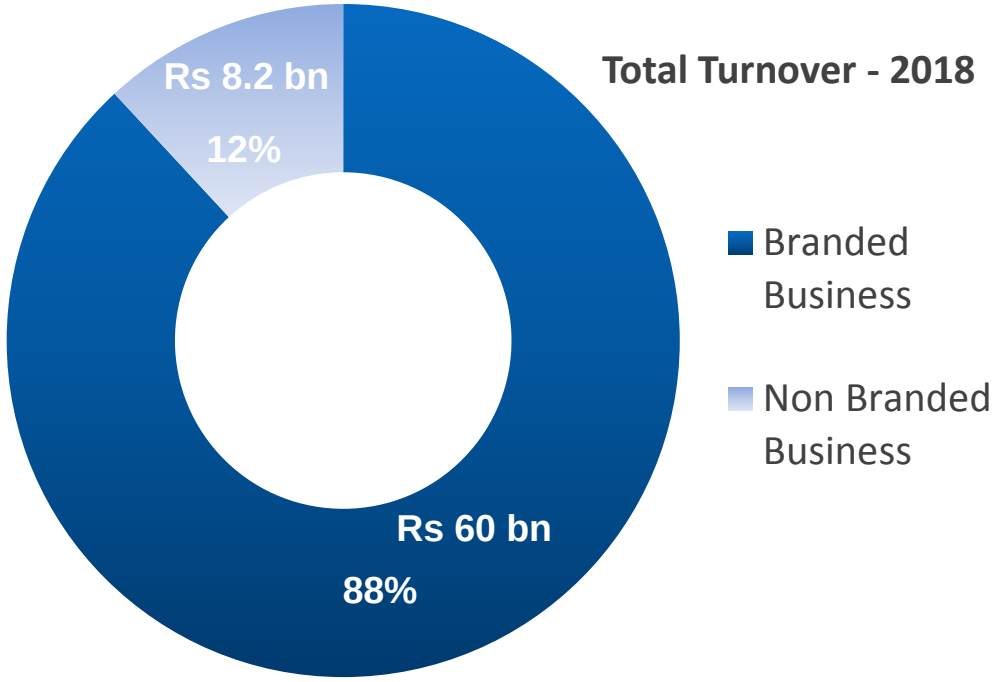
2012
JV formed with Starbucks

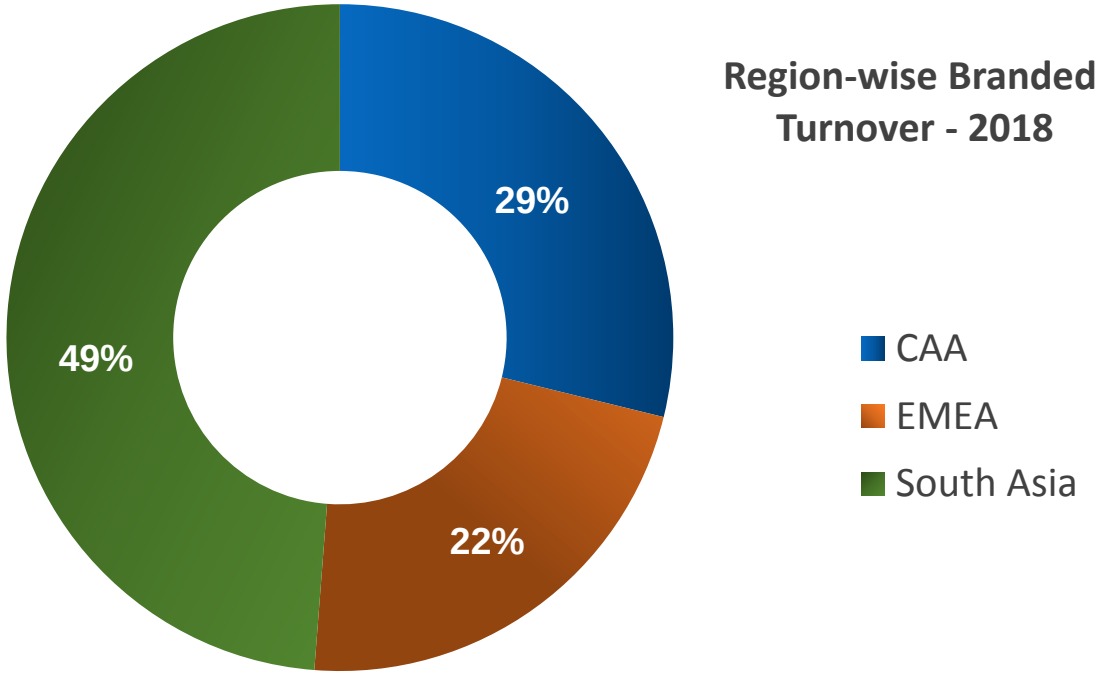
2014
Acquisition of the MAP brand

2017
Internal restructure & exits from loss making businesses

Business Profile

88% OF OUR SALES COMES THROUGH OUR **BRANDED BUSINESS**





Our Brand Positioning



Key Business Highlights during the Year

☑ Increased focus on domestic branded business

- India tea : started journey of transitioning to higher growth trajectory
- JVs: Crossed 100-store milestone for Starbucks (reached 116 by year end); Achieved breakeven for Nourishco

☑ Strong re-look into International business strategy

- Identified areas of growth and invested behind brands/ new product launches incl. successful K-cup renegotiation
- Exited Loss making business with limited turn-around potential ➔ *Russia and China*

☑ Sustained efforts on innovation and new category launches

☑ Challenging year for unbranded play led by crop shortfall and volatility in commodity prices

- Coffee crop impacted adversely by unseasonal weather conditions

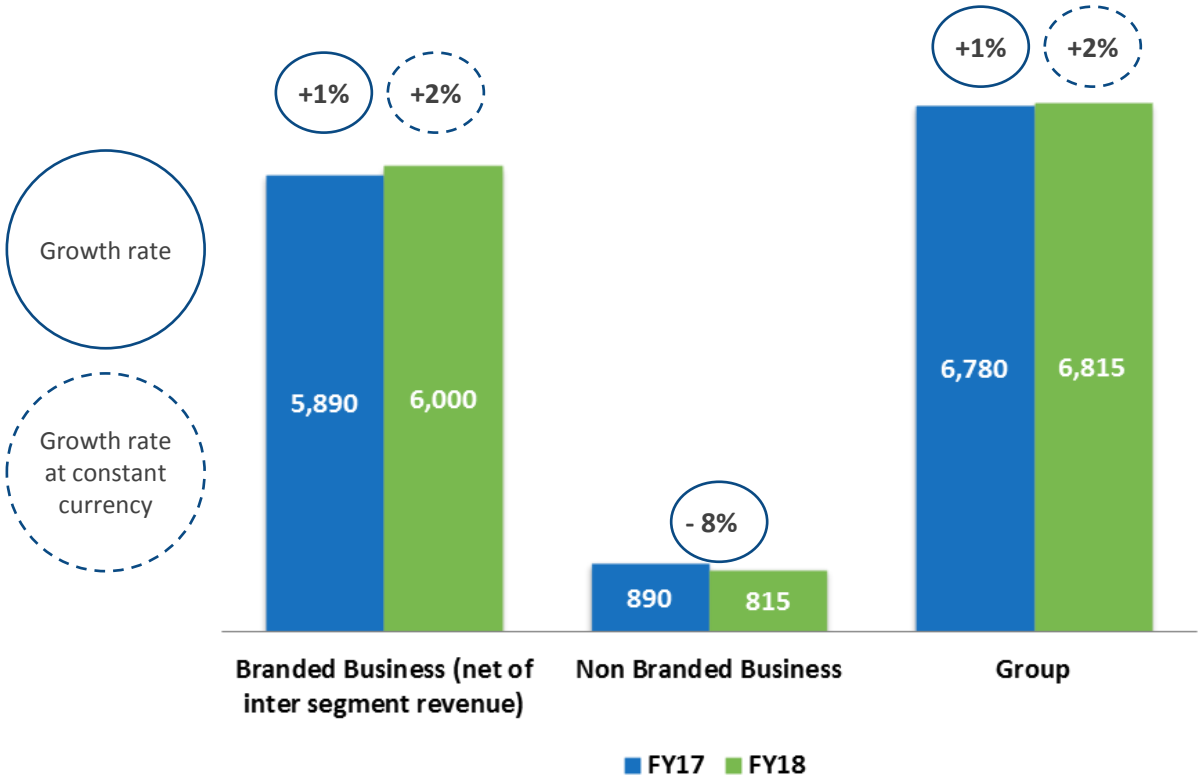
☑ Initiated business restructuring to streamline operations and reduce cost base

- Cost transformation projects

☑ Dividend recommended for the year Rs 2.50 Per share

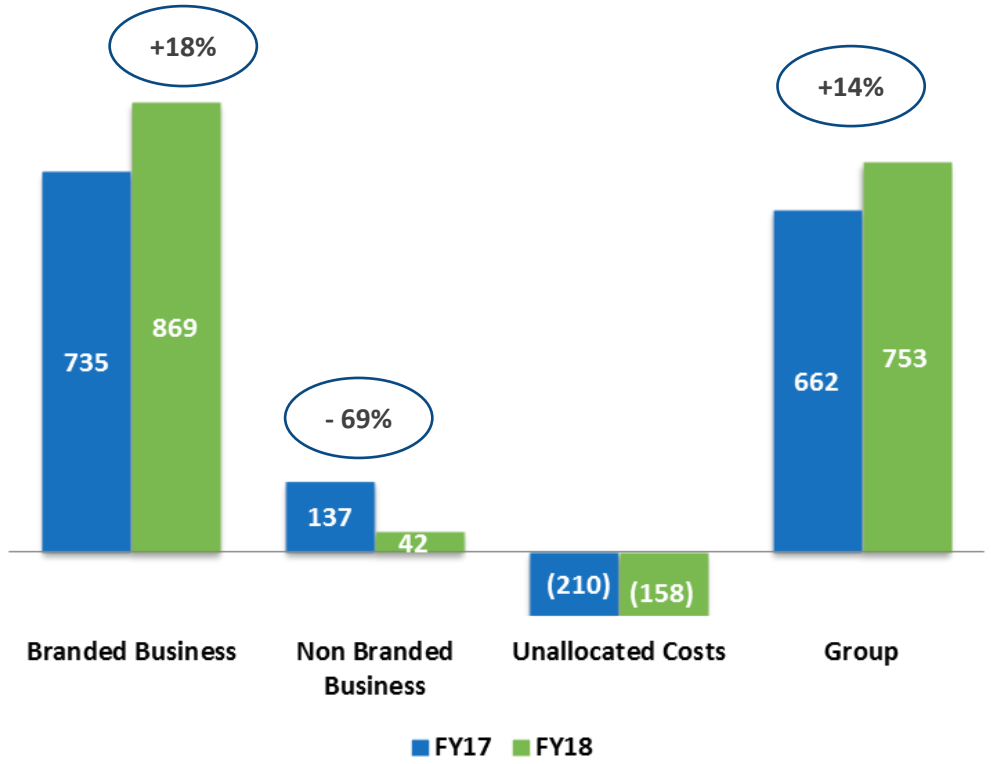
Financial performance for the year

Revenue (in INR cr)



Group revenue calculated as sum of Branded business and Unbranded business net of intersegment revenues

PBT (in INR cr)



Recent innovations and product launches

INDIA MARKET



Tetley Green Tea



Tata Tea - Chakra Gold Activ+
& Kanan Devan Deut



Tata Tea Masala



RTD – Fruski



Himalayan - Orchard Pure and Sparkling



Tata Cha

Recent innovations and product launches

INTERNATIONAL MARKETS



Tetley Super Teas
(UK)



Tetley Squash
(UK)



Good Earth Kombucha
(Australia)



Eight O' Clock Infusions
(USA)

Tetley Green Tea – “Andar se Clean and Bahar se Active”

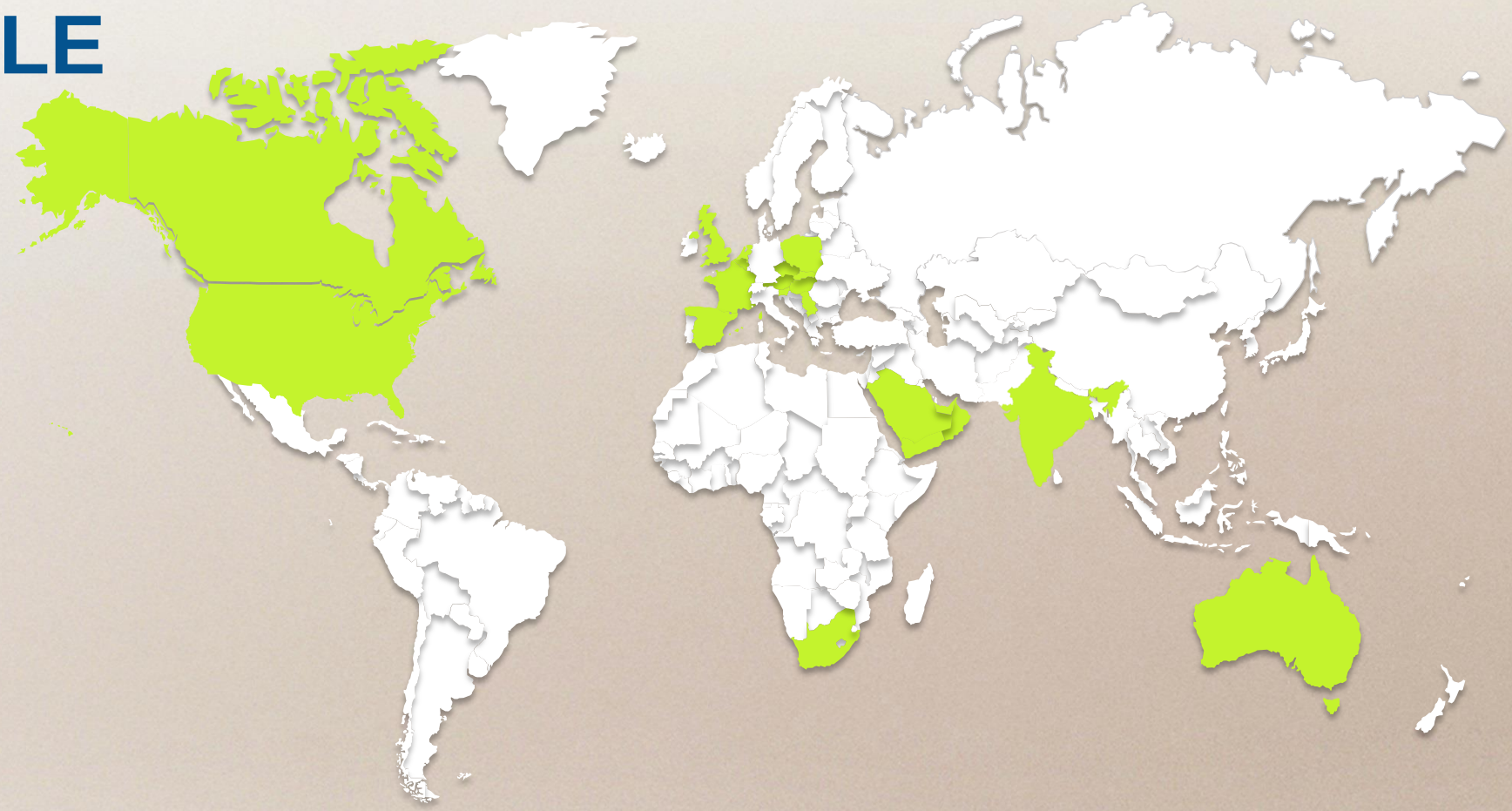
DEEPIKA PADUKONE
the new brand ambassador for Tetley Green Tea



- Tetley Green Tea has 5 times more antioxidants than an apple
- It cleanses you from within leaving you feeling refreshed and active
- **An enabler of a healthy lifestyle**

Link to Tetley Ad

OUR REGIONAL PROFILE



India

BUSINESS PROFILE

- Contributes to c. 40%+ of the total Revenue
- Volume market leaders in overall tea category, with a market share of 19.5%* MAT
- Strong Distribution network across India

*Source: AC Nielsen



KEY FACTS AND MARKET STRUCTURE

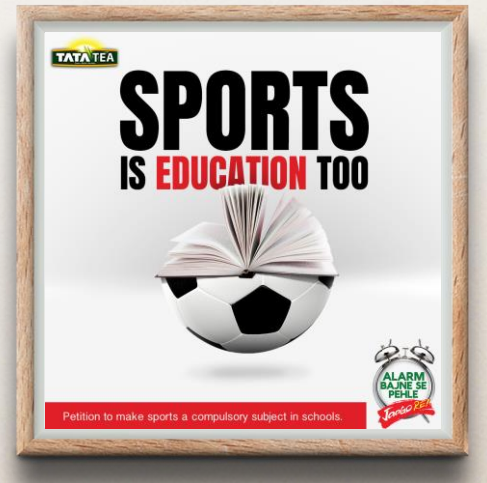
- ~Rs 14,000 cr* tea market dominated by Black tea
- Tea categories growing with scope for premiumisation – Green Tea and Tea Bags
- Large Loose tea market shifting to branded, further aided by GST
- Regional local players have significant dominance in the market

RECENT UPDATES

- Good improvement in Sales : 5% in Value terms aided by volume growth
  - Coffee volume growth by 3x
- **Tata Tea Masala & Elaichi Chai** performing well
- Successful pilot for out of home experience stores **Tata Cha in Bangalore** - Now second store opened
- Path breaking marketing campaigns under **Jaago Re** platform

Jaago Re













TATA GLOBAL BEVERAGES

TATA TEA Tetley Himalayan EIGHT O'CLOCK

Europe, Middle East and Africa (EMEA)

BUSINESS PROFILE

- Contributes to c.20% of the total Revenue
- UK the largest market with primary presence in tea
  - Volume share on an overall tea is 20.4%* MAT
  - #1 in Decaffeinated and #2 in Everyday Black in volume terms

*Source: AC Nielsen



KEY FACTS AND MARKET STRUCTURE

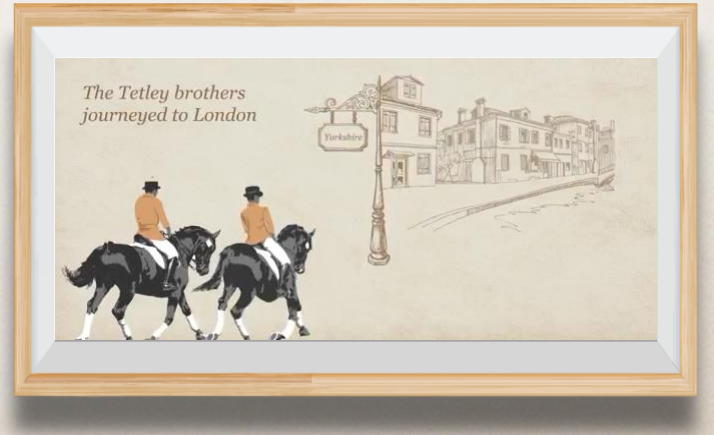
- UK Tea market is c.£550m* with Everyday Black constituting c.58% (declined by c.2% yoy in value terms)
  - Non-black categories (Green / Fruit and herbal) are growing
- Everyday Black tea category is also declining in Europe
- Significant dependence on key retailers
- Aggressive competitive intensity and retailer pressure

RECENT UPDATES

- UK Sales lower yoy due to black tea category decline, change in retailer strategy and high competitive intensity
- Teapigs, our premium teas on a growth trajectory
- Our new launch, Tetley's Super Squash listed with major retailers
- Stable performance in France with Tetley Signature roll-out
- Good growth in Western Europe led by Portugal with Super Teas
- Russia business exited during the year

Landmark year for Tetley – 180th anniversary!















Canada, America and Australia (CAA)

BUSINESS PROFILE

- Contributes to c.25% of the total Revenue
- Presence in Pod's category through
  - Keurig in both tea and coffee in USA & Canada
- **No 1 tea brand** in Canada with history of innovation
- Presence in foodservice business in the US through Empirical LLC



KEY FACTS AND MARKET STRUCTURE

- **US**: Largest coffee market (c.$9 bn)* with "Single Serve" category being 1.7 x the bags category (value)
- **Canada**: Tea market of c.C$ 220m*; Specialty tea around 1.8x the black tea market (value)
- **Australia**: Tea market is c. A$ 310m*; Coffee market is ~5x the size of tea
- Aggressive competitive intensity and retailer pressure

RECENT UPDATES

- **FY18 Sales higher by 9%** over prior year driven by
  - Direct Keurig Sales
  - Stable performance in Canada
  - Improved performance in Australia
  - Topline growth in Good Earth
- Kombucha – pilot launch in Australia

*Source: AC Nielsen

Tata Coffee Limited (Non Branded Business)

BUSINESS PROFILE

- Tata Coffee is the leading player in B2B business segment with presence in plantations
- Contributes to c. 10% of total revenue.
- TGB has 57.48% stake in Tata Coffee Limited (TCL)

- **Coffee Extraction business –**
  - Produces 3 variants – Spray, Agglo and Freeze Dried Coffee (FDC)
  - Around 90-95% exported across major markets

- **Plantation business -**
  - Produces Coffee, Tea, Pepper
  - One of Asia's largest producer of coffee at around 10,000 mt pa
  - Supply arrangements with the branded business – Tata Coffee Grand and Starbucks in India

RECENT UPDATES

- Operating Income and Profit lower yoy impacted by abnormal weather conditions resulting in lower coffee crop coupled with lower offtake in coffee extraction business



JV/PARTNERSHIPS

Nourishco – Pepsico

Tata Starbucks

Other Businesses



Nourishco – JV with Pepsico

BUSINESS PROFILE

- 50:50 JV company formed between Tata Global Beverages and Pepsico
- Marketing and distribution of products in the area of non-carbonated ready-to-drink beverages in India





RECENT UPDATES

- **Revenue growth of 8% yoy driven by volume. First year of profits**
- **Himalayan**:
  - Himalayan Orchard Pure range of flavoured water – Strawberry, Apple and Peach
  - Himalayan Sparkling water launched with premium chain of hotels
- **Tata Gluco Plus**: One of the most successful drinks launches in the recent history in India. Growing in both volume and value terms. Pilot launch in Punjab & Goa. New variant TGB + juice.
- **Tata Water Plus** continues to grow on distribution gains
- Himalayan enters **US** (with Carbon Neutral certification), through distribution arrangement with Talking Rain Beverage Company

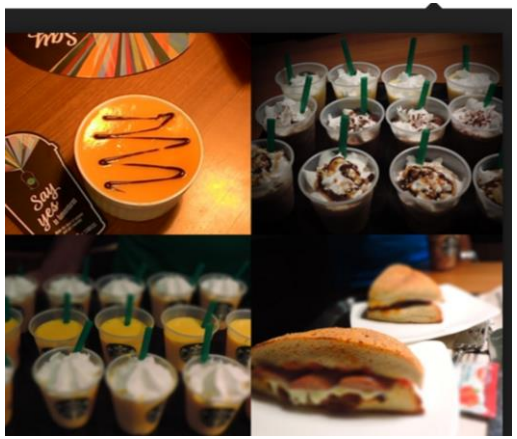
Tata Starbucks





BUSINESS PROFILE

- 50:50 JV company formed between Tata Global Beverages and Starbucks Coffee International Inc which owns and operates Starbucks café in India
- More than 90% of the coffee sourced from Tata Coffee
- Stores also offering Himalayan brand water and organic tea from Hathikuli Tea Estate, from one of the group companies of TGBL





RECENT UPDATES

- **Topline growth of 28% yoy -** better in store performance and growth through new stores. First year of positive EBIDTA.
- Opened its 100th store, **116 stores opened till date**, (27 new stores in 2018) across 7 cities. Kolkata being the new addition
- The Food share of **20% +**
- Leveraging Starbucks relationship beyond India

Other Businesses







BANGLADESH (JV) topline improves 25% in underlying terms over previous year driven by higher volumes.

- Reduction in losses aided by improved sales.
- Tata Tea Gold Launched.

INSTANT TEA (B2B business and supplier to major RTD players in the western markets)

- Stable performance in sales and profit

ASSOCIATES (Tea Plantations)

KDHP (South India)

- Improved profitability due to higher volumes coupled with improved realisation

APPL (Assam and West Bengal)

- Improved performance over PY - mainly driven by improved volumes, higher realisation and sales mix
- 'Hattigor Gold' brand launched in Assam, Jharkhand & Amritsar



AWARDS

Tata Tea – No.2 India's Most Trusted Brands in Hot Beverages	*Tetley in UK - Foodservice Brand of the Year 2017*	*Tetley in UK – Great Taste Award for three products*
CII's Significant Achievement in Food Safety to three plants in India	*Jaago Re and Tetley Super Green - Time's Network National Award*	*Aranya Naturals – First International Craft Award*

SUSTAINABILITY INITIATIVES

SOURCING IT RIGHT

trustea
ENVIRONMENT • SAFETY • LIVELIHOODS

RAINFOREST ALLIANCE CERTIFIED

Ethical Tea Partnership

Specific Project with ETP and Tea Research Association

PROTECTING THE ENVIRONMENT

CDP CLIMATE DISCLOSURE LEADER 2015

CERTIFIED CARBON NEUTRAL product
CarbonNeutral.com



IMPROVING LIVES

unicef
United Nations Children's Fund

Ethical Tea Partnership

ARANYA NATURALS

FINANCIAL OVERVIEW



Financial Highlights for the Quarter - Q4FY18

- **Operating income** increased by by 4% in underlying currency excluding the impact of Russia
- **Profit before exceptional items** lower by 7% mainly due to adverse non-branded performance offset by improvements in Branded operations and lower finance costs
- **Exceptional items** Q4FY17 includes business restructuring offset by fair value gains on assets held for sale. PY had impairment loss and restructuring cost.
- **Group consolidated net profits** increase by 40% mainly due to the impact of lower exceptional items

INR Crs	Quarter ended March		
PARTICULARS	2018	2017	*% Change*
Total Operating Income	1,688	1,682	*0%*
EBIT	117	154	*-24%*
EBIT %	**7.0%**	**9.0%**	
Profit Before Exceptional Items	129	140	*-7%*
Exceptional Items	-2	-43	
Profit before Tax (PBT)	128	97	*31%*
PBT %	**8.0%**	**6.0%**	
Profit after Tax (PAT)	115	84	*36%*
PAT %	**7.0%**	**5.0%**	
Group Consolidated Profit	72	51	*40%*
EPS (Rs.) – (not annualised)	0.94	0.50	

Financial Highlights for the Year

In INR Cr

REVENUE FROM OPERATIONS higher by c.2% in underlying terms (excludes Fx impact)

- Growth led by Branded business - Improvement in India and US (change in K-cup agreement) partially offset by underperformance in UK
- Non branded business mainly impacted by abnormal weather conditions

OPERATING PROFIT higher by 10% in underlying terms

PROFIT BEFORE EXCEPTIONAL improves by 19% in underlying terms

- Lower tea costs in India and good Cost management
- Lower finance costs and higher interest income
- Favourable impact of exits from Russia/ China and upside from Empirical

Offset by

- Higher coffee and tea commodity cost in the international markets (mainly Brexit related)
- Adverse performance by non- branded business

EXCEPTIONAL ITEMS

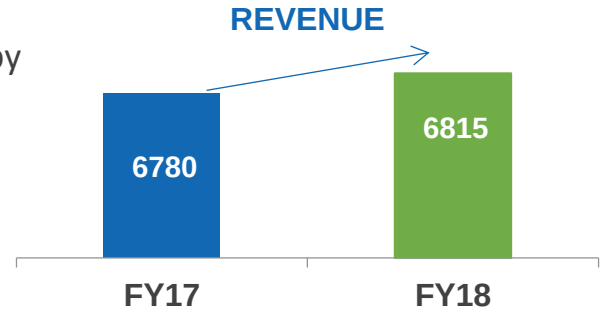
- Includes redundancy cost for internal restructure and Russia exit offset partially by profit on sale of EMSPL shares, China disposal and reversal of write down of assets held for sale

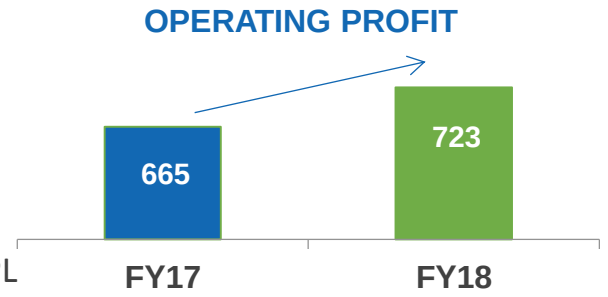
GROUP NET PROFIT higher by 22%

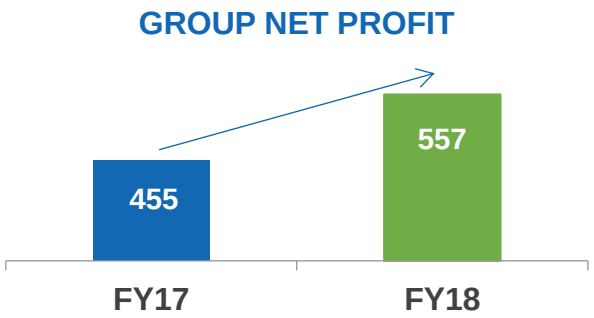
- Improved operating performance
- Lower tax charge mainly due to tax credits post US tax legislation change

Offset by

- Higher exceptional items







Consolidated Financial Highlights

All figures are in INR cr	FY18	FY17	*% Growth*
Total Operating Income	6,815	6,780	*+1%*
EBIT	723	665	*+9%*
EBIT%	***11%***	***10%***	
Profit before Exceptional Items	774	657	*+18%*
Exceptional Items	(21)[1]	5	
PBT	753	662	*+14%*
PAT	567	464	*+22%*
PAT%	***8%***	***7%***	
Group Net Profit	557	455	*+22%*
Market cap[2]. (as on 31st Mar)	16,330	9,501	*+72%*
Net Cash[3]	1,017	276	

1 Includes redundancy cost for internal restructure, Russia exit costs offset partially by profit on sale of EMSPL shares, China disposal and reversal of write down of assets held for sale

2 Current Market Cap as on May 10, 2018 Rs 17,933 cr

3 Net Cash calculated as cash and cash equivalents, current investments and deposits less total debt

Consolidated Financial Highlights – OCI

Quarter Ended March			INR Crs	12 months ended March		
2018	2017	Variance	PARTICULARS	2018	2017	Variance
72	**51**	**21**	**Consolidated Group Net Profit**	**557**	**455**	**102**
(1)	112	(113)	Changes in Fair Value of Equity Instruments	59	259	(200)
209	(145)	354	Exchange difference on translation of foreign operations	408	(567)	975
7	40	(33)	Others	38	30	8
215	**7**	**208**	**Other Comprehensive Income**	**505**	**(278)**	**783**
287	**58**	**229**	**Total Comprehensive Income**	**1062**	**177**	**885**

Other comprehensive income

- Changes in fair value of equity investment mainly reflects the movement in quoted share prices.
- Exchange difference reflects the impact of currency translation mainly on account of Brexit for our overseas subsidiaries in UK in the PY. Increase in sterling from March, hence the favourable currency translation for the current year.
- Others primarily represent actuarial gain / loss on retirement benefits and cash flow hedges

Region-wise Revenue from Operations

Quarter Ended March				INR Crs	12 months ended March			
2018	2017	Variance	%	PARTICULARS	2018	2017	Variance	%
489	428	61	+14%	CAA	1733	1592	141	+9%
336	403	(67)	-17%	EMEA [1]	1346	1548	(202)	-13%
639	630	9	+1%	South Asia	2932	2804	128	+5%
1464	**1461**	**3**	**0%**	**Total Branded Operations**	**6011**	**5944**	**68**	**+1%**
220	240	(20)	-8%	Non Branded Operations	817	900	(83)	-9%
4	(19)	23		Others &Eliminations	(13)	(64)	51	
1688	**1682**	**6**	**0%**[2]	**Total Operating Income**	**6815**	**6780**	**35**	**+1%**

1. Impacted by currency volatility due to Brexit and Russia exit
2. For the quarter growth of 4% excluding Russia. No impact on the full year on a comparable basis

Segment Performance – YTD March 2018

Particulars	Segment Revenue			Segment Results			Capital Employed	
(INR Crores)	*March 18*	*March 17*	*% Change*	*March 18*	*March 17*	*% Change*	*March 18*	*March 17*
Branded Business								
Tea	4923	4804	+2%	690	578	+19%	3626	3350
Coffee	1079	1118	-3%	198	179	+11%	1609	1584
Others	36	36		-18	(22)	-18%	29	5
Total Branded Business	**6038**	**5958**	**+1%**	**870**	**735**	**+18%**	**5264**	**4939**
Non Branded Business	815	890	-8%	42	137	-69%	1116	855
Less: Inter-segment Revenue	(38)	(68)						
Un-allocable items				(159)	(210)		1661	1391
Total	**6815**	**6780**	**+1%**	**753**	**662**	**+14%**	**8041**	**7185**

Consolidated Balance Sheet as on 31st Mar'18

Details (in INR crs)	FY18	FY17
Total Equity	8,041	7,185
Non-Current Liabilities	955	863
Current Liabilities	1,586	1,539
Liabilities of Disposal group	11	26
TOTAL EQUITY & LIABILITIES	**10,593**	**9,613**
Goodwill	3,724	3,498
Other Non Current Assets	2,334	2,761
Current Asset	4,497	3,302
Assets of Disposal group	38	52
TOTAL ASSETS	**10,593**	**9,613**

Strategy for the financial year FY19

- Enhanced focus on India businesses
  - Continue to invest behind incubatory businesses
  - Expand into adjacent categories
- Continue to invest behind key power brands in India and Globally
- Sustain efforts on creating successful innovations and new product launches
- Turnaround non-branded commodity businesses to deliver growth in both topline and profits
- Deliver on cost restructuring initiatives to improve operational efficiency

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