

HERITAGE FOODS (INDIA) LIMITED

Regd. Office: 6 - 3 - 541/c, Adj. to NIMS, Punjagutta, Hyderabad - 500 082.

UNAUDITED FINANCIAL RESULTS(PROVISIONAL) FOR THE QUARTER ENDED DECEMBER 31, 2007

(Rs.in lakhs)

PARTICULARS	STANDALONE				
	Quarter Ended		Nine Months Ended		Year Ended 31.03.2007 Audited
	31.12.2007 Unaudited	31.12.2006 Unaudited	31.12.2007 Unaudited	31.12.2006 Unaudited	
1. Net Sales / Income from Operations	15805.21	8076.25	42453.31	25392.12	34633.08
2. Other Income	254.16	18.29	401.22	83.41	122.48
3.Total Income (1+2)	16059.38	8094.54	42854.53	25475.53	34755.56
4. Expenditure:					
a. (Increase)/ Decrease in Stock in trade and work in progress	(562.07)	(739.17)	(429.85)	616.94	(783.45)
b. Consumption of Materials	10319.08	6730.62	27910.34	19409.16	26866.35
c. Purchase of Traded Goods	2832.98	275.41	6577.37	275.41	973.53
d. Employees cost	982.93	297.20	2463.81	829.85	1462.13
e. Depreciation	292.88	163.17	837.96	470.97	677.68
f. Other expenditure	2547.87	946.62	6645.40	2827.43	5019.93
g.Total	16413.67	7673.85	44005.02	24429.76	34216.17
5. Interest	333.45	37.75	859.43	96.47	184.47
6. Exceptional Items	0.00	0.00	0.00	0.00	0.00
7. Profit (+)/ Loss (-) from Ordinary Activities before tax (3) - (4+5+6)	(687.74)	382.94	(2009.92)	949.30	354.92
8. Tax expense	165.02	134.80	313.57	324.47	182.37
9.Net Profit(+)/Loss(-) from ordinary Activities after tax (7 -8)	(852.76)	248.14	(2323.49)	624.83	172.55
10.Extraordinary Items (Net of tax expense)	37.47	57.00	91.31	58.37	141.08
11.Net Profit(+)/ Loss(-) for the period (9-10)	(890.23)	191.14	(2414.80)	566.46	31.47
12. Paid-up Equity Share Capital	999.00	999.00	999.00	999.00	999.00
Face value of the Share (Rs.)	10.00	10.00	10.00	10.00	10.00
13. Reserves excluding revaluation reserves as per Balance Sheet of previous Accounting year					5931.27
14. Earnings per share (Rs.)		1.91		5.67	1.73
a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)					
b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)					
15.Public Share Holdings					
Number of shares	5235937	5241794	5235937	5241794	5235937
Percentage of shareholding	52.41	52.47	52.41	52.47	52.41

PARTICULARS	CONSOLIDATED				
	Quarter Ended		Nine Months Ended		Year Ended 31.03.2007 Audited
	31.12.2007 Unaudited	31.12.2006 Unaudited	31.12.2007 Unaudited	31.12.2006 Unaudited	
1. Net Sales / Income from Operations	15805.21	8076.25	42453.31	25392.12	34633.08
2. Other Income	256.12	18.29	406.94	83.41	128.97
3.Total Income (1+2)	16061.33	8094.54	42860.25	25475.53	34762.05
4. Expenditure:					
a. (Increase)/ Decrease in Stock in trade and work in progress	(562.07)	(739.17)	(429.85)	616.94	(783.45)
b. Consumption of Materials	10319.08	6730.62	27910.34	19409.16	26866.35
c. Purchase of Traded Goods	2832.98	275.41	6577.37	275.41	973.53
d. Employees cost	982.93	297.20	2464.03	833.84	1467.81
e. Depreciation	292.88	163.17	837.95	470.97	677.68
f. Other expenditure	2547.91	946.62	6645.69	2835.36	5028.42
g.Total	16413.70	7673.85	44005.52	24441.68	34230.34
5. Interest	333.45	37.75	859.43	96.47	184.47
6. Exceptional Items	0.00	0.00	0.00	0.00	0.00
7. Profit (+)/ Loss (-) from Ordinary Activities before tax (3) - (4+5+6)	(685.82)	382.94	(2004.70)	937.38	347.24
8. Tax expense	165.03	134.80	313.57	324.47	182.37
9.Net Profit(+)/Loss(-) from ordinary Activities after tax (7 -8)	(850.85)	248.14	(2318.27)	612.91	164.87
10.Extraordinary Items (Net of tax expense)	37.47	57.00	91.31	58.37	141.08
11.Net Profit(+)/ Loss(-) for the period (9-10)	(888.32)	191.14	(2409.58)	554.54	23.79
12. Paid-up Equity Share Capital	999.00	999.00	999.00	999.00	999.00
Face value of the Share (Rs.)	10.00	10.00	10.00	10.00	10.00
13. Reserves excluding revaluation reserves as per Balance Sheet of previous Accounting year					5927.35
14. Earnings per share (Rs.)				6.14	1.65
a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)					
b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)					
15.Public Share Holdings					
Number of shares	5235937	5241794	5235937	5241794	5235937
Percentage of shareholding	52.41	52.47	52.41	52.47	52.41

SEGMENT REPORTING FOR THE QUARTER ENDED 31st DECEMBER, 2007					
PARTICULARS	STANDALONE				
	Quarter Ended		Nine Months Ended		Year Ended 31.03.2007 Audited
	31.12.2007 Unaudited	31.12.2006 Unaudited	31.12.2007 Unaudited	31.12.2006 Unaudited	
1. Segment Revenue					
a. Dairy	12884.13	8036.57	35830.52	25352.44	33983.44
b. Retail	3046.97	41.16	6876.57	41.16	669.39
c. Agri	0.00	0.00	0.00	0.00	0.00
d. HIDL	0.00	0.00	0.00	0.00	0.00
Total Segment Revenue	15931.10	8077.73	42707.10	25393.60	34652.83
Less: Inter Segment Revenue	125.89	1.47	253.78	1.47	19.75
Net Sales / Income from Operations	15805.21	8076.26	42453.31	25392.13	34633.08
2. Segment Results (Profit (+) / (Loss) (-) before tax and Interest)					
a. Dairy	577.67	462.15	1584.55	1022.11	1661.04
b. Retail	(1092.06)	(59.75)	(2926.67)	(59.75)	(1227.59)
c. Agri	(94.07)	0.00	(209.59)	0.00	(16.54)
d. HIDL	0.00	0.00	0.00	0.00	0.00
Total Segment Results	(608.46)	402.40	(1551.71)	962.36	416.91
Less: i. Interest	333.45	37.75	859.43	96.47	184.47
ii. Other un-allocable Expenditure net off					
iii. Other un-allocable Income	254.17	18.29	401.22	83.41	122.48
Total Profit before Tax	(687.74)	382.94	(2009.92)	949.30	354.92
3. Capital Employed (Segment Assets - Segment Liabilities)					
a. Dairy	10815.37	7698.76	10815.37	7698.76	11400.37
b. Retail	6972.51	2063.64	6972.51	2063.64	2536.71
c. Agri	3354.76	0.00	3354.76	0.00	1634.09
d. HIDL	0.00	0.00	0.00	0.00	0.00
e. Un allocated	710.56	697.50	710.56	697.50	287.78
Total	21853.20	10459.90	21853.20	10459.90	15858.95

(Rs.in Lakhs)					
PARTICULARS	CONSOLIDATED				
	Quarter Ended		Nine Months Ended		Year Ended 31.03.2007 Audited
	31.12.2007 Unaudited	31.12.2006 Unaudited	31.12.2007 Unaudited	31.12.2006 Unaudited	
1. Segment Revenue					
a. Dairy	12884.13	8036.57	35830.52	25352.44	33983.44
b. Retail	3046.97	41.16	6876.57	41.16	669.39
c. Agri	0.00	0.00	0.00	0.00	0.00
d. HIDL	0.00	0.00	0.00	0.00	0.00
Total Segment Revenue	15931.10	8077.73	42707.09	25393.60	34652.83
Less: Inter Segment Revenue	125.89	1.47	253.78	1.47	19.75
Net Sales / Income from Operations	15805.21	8076.26	42453.31	25392.13	34633.08
2. Segment Results (Profit (+) / (Loss) (-) before tax and Interest)					
a. Dairy	577.67	462.15	1584.55	1022.11	1661.04
b. Retail	(1092.06)	(59.75)	(2926.67)	(59.75)	(1227.59)
c. Agri	(94.07)	0.00	(209.59)	0.00	(16.54)
d. HIDL	0.00	0.00	0.00	0.00	0.00
Total Segment Results	(608.50)	402.40	(1552.22)	950.44	402.74
Less: i. Interest	333.45	37.75	859.43	96.47	184.47
ii. Other un-allocable Expenditure net off					
iii. Other un-allocable Income	256.13	18.29	406.94	83.41	128.97
Total Profit before Tax	(685.82)	382.94	(2004.70)	937.38	347.24
3. Capital Employed (Segment Assets - Segment Liabilities)					
a. Dairy	10815.37	7698.76	10815.37	7698.76	11400.37
b. Retail	6972.51	2063.64	6972.51	2063.64	2536.71
c. Agri	3354.76	0.00	3354.76	0.00	1634.09
d. HIDL	0.00	0.00	0.00	0.00	0.00
e. Un allocated	710.56	697.50	710.56	697.50	287.78
Total	22123.40	10729.65	22123.40	10729.65	16127.85

Notes:

- As per the Accounting Standard (AS) 17, the Company has identified Dairy, Retail and Agri segments, as the reportable segments. The segment wise results are given above.
- The Company has added 4 Retail stores in Hyderabad, 7 in Bangalore and 2 in Chennai, totalling to 51 stores up to the Quarter ended 31st December 2007.
- Other Income includes Foreign Exchange gain of Rs.177.92 lakhs for the quarter ended 31st December 2007.
- The operating profit of the Dairy business has increased by 25% during the quarter ended December 31, 2007 when compared to that of corresponding quarter of the previous year.
- The Company has been expanding the Retail Chain which is yet to reach the optimum level of operations and start up expenses of new stores have been charged to revenue as per the Accounting Standard (AS) 26.
- The Company issued 8,00,000 warrants convertible into equity of Rs.10/- each @Rs.256/- per share allotted on preferential basis to the promoters.
- The consolidated financial results includes financial results of Heritage Infradevelopers Limited(HIDL) a Subsidiary Company of Heritage Foods (India) Limited in which, the Company has 51% Equity stake and the Subsidiary Company is yet to commence its operation.
- The Statutory Auditors have conducted a Limited Review of Accounts for the aforesaid period.
- The above results for the Quarter ended December 31st 2007 were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on January 31,2008.
- The status of investors complaints for the quarter ended December 31, 2007: pending as on October 1,2007 -Nil; Received and resolved during the quarter 218 ;Lying unresolved as on December 31, 2007 -Nil.
- Figures of previous period(s) have been regrouped/rearranged wherever necessary.

For and on behalf of the Board

Sd/-
Vice Chairman & Managing Director

Date: 31, January 2008
Place: Hyderabad