



***United Breweries Ltd***

## PERFORMANCE HIGHLIGHTS FOR NINE MONTHS ENDED DECEMBER 2019

- **YTD VOLUMES AND NET REVENUES UP 2% AND 5% RESPECTIVELY**
- **ELECTIONS AND AN OVERALL ECONOMIC SLOWDOWN ADVERSELY AFFECTED OUR INDUSTRY.**
- **THE NEW EXCISE POLICY IN ANDHRA PRADESH, WHICH CAME INTO EFFECT IN OCTOBER HAS HAD A SIGNIFICANT NEGATIVE IMPACT ON THE INDUSTRY AND THE COMPANY.**

Key premium brands such as Kingfisher Ultra Max and Kingfisher Storm reported double digit volume growth, while Amstel grew five-fold to become a millionaire brand with the addition of new markets and volume gains in existing markets.

The Company launched Kingfisher Ultra Witbier, Kingfisher Ultra draught and UB Export cans. KF Ultra Witbier has been initially introduced in Karnataka and Goa and has received a very encouraging response from consumers. It will be spread to other markets in a phased manner.

Year to date, the Company took price increases in key markets such as Karnataka, Maharashtra, Rajasthan and Goa. These price increases have helped off-set part of the impact of input cost increases, especially in new glass and barley.

In Q3 net sales remained flat, EBITDA declined 10%, while PAT was down 3%.

The Company continues to invest in select manufacturing sites and Capex outflows for the year to date period is in the region of Rs.300 cr and has been funded through internal accruals. Interest costs were higher due to delayed payments from State Corporations, largely Andhra Pradesh, and duty advance demands from various States resulting in an increase in working capital. UBL's net debt stood at Rs.268 cr.

*Bangalore, February 6, 2020*