



PERFORMANCE HIGHLIGHTS – QUARTER ENDED 30 JUNE 2011.

- **UBL GAINS 4% MARKET SHARE**
- **VOLUME IS UP 6%**
- **HEINEKEN® HAS BEEN LAUNCHED IN INDIA**

UBL continued to grow its sales volume in the first quarter of the financial year; registering a 6% increase over a high base, as last year saw extraordinary growth. This performance is all the more notable as the overall industry declined in volume, and subsequently our first quarter market share increased from 49% to 53%.

Sales volumes in the markets of Andhra Pradesh, Rajasthan, Uttar Pradesh, Goa and Karnataka showed good growth during the quarter, while performance in markets such as Punjab, Bihar, West Bengal, Delhi and Tamil Nadu was impacted by regulatory constraints and the initial impact of higher taxation. Sales were also affected during the recently held State Elections.

Kingfisher Premium & Kingfisher Strong continue to dominate their respective categories with Kingfisher Strong being the undisputed single largest selling beer brand in India, and both brands showed double digit growth during the quarter.

We are proud to announce that we have commenced the brewing and bottling of Heineken® Lager Beer at our brewery in Taloja, near Mumbai. Heineken® will be positioned as a super-premium lager beer and will target the discerning beer drinker in India. The packaging, available in 650ml and 330ml bottles, is absolutely world class, with imported green embossed bottles and clear plastic labels, which is a first for the Indian beer industry. So as to ensure that the taste and quality is the same as anywhere in the world, Heineken brewmasters have been stationed here to work alongside our brewers, following the original Heineken® recipe using quality ingredients imported from Europe. Heineken® has been rolled out first in Maharashtra state which will be followed by Bangalore, Delhi and other metros.

The introduction of our UB patented bottles has resulted in significantly lower bottle cost in the markets where it has been introduced, and we will continue the roll out of the patented bottle program in the rest of the country.

Interest costs for the quarter increased due to higher interest rates and higher debt, also resulting from the repayment of preference shares worth Rs. 173 crore in early April. After the end of the quarter, monetisation of all treasury stock held by UBL Benefit Trust has resulted in an inflow of Rs. 285 crore to UBL that was utilised to reduce debt.

The mergers announced earlier are progressing well and are expected to complete in the coming months.

Delhi, 9 August 2011.