



United Breweries Ltd

PERFORMANCE HIGHLIGHTS – FOR THE YEAR ENDED MARCH 31, 2014.

- **REVENUE UP 9%**
- **INDUSTRY & COMPANY VOLUME REMAIN FLAT**
- **EBITDA GROWTH OF 19%**
- **PROFIT AFTER TAX INCREASE OF 31%**

In a market that has not shown any growth on a national level, due to a depressed economy, a heavy monsoon, excise increases and the continuation of a quota based ordering policy in Tamil Nadu, United Breweries has been able to further grow its market share and profitability.

The overall industry volumes were down by 1% for the full fiscal year ending on 31 March 2014. Despite this, the Company posted strong volume growth in key markets like Karnataka, West Bengal and Uttar Pradesh and also further growth in Rajasthan, Orissa and Andhra Pradesh.

The positive development in revenue has been partly driven by price increases and partly through optimization of our sales mix.

In spite of the fact that the Company was forced to use new bottles for 100% of its production in the state of Maharashtra on account of local excise laws for the first part of the year, it has been able to contain the variable costs for the full year in order to ensure and strengthen its profit margins.

Within the given market circumstances the Company has successfully restricted growth of fixed costs also, leading to a healthy growth in EBITDA of 19% and a further increase of its Net Profit after tax of 31%.

The fourth quarter performance was in line with expectations and similar to that of stellar performance of the previous quarter. The Company gained market share of 100bps in Q4 resulting in 51.5%.

In order to augment its brewing capacities in the State of Rajasthan, the Company is in the process of acquiring the brewery assets comprising of land, building, plant and machinery of Pacific Spirits Private Limited, having its brewery located at Shahjahanpur in the district Alwar in Rajasthan at a negotiated consideration. The acquisition is subject to due diligence and securing necessary approvals.

London, May 27, 2014