



## ***United Breweries Ltd.***

PERFORMANCE HIGHLIGHTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2016.

- **VOLUME GROWTH 3%**
- **REVENUE GROWTH NET OF DUTIES 3%**
- **EBITDA AND PAT MAINTAINED**

During the half year, UBL volumes grew by 3% as against an industry that remained flat, resulting in a marginal gain in market share. Revenues net of excise grew in line with volume growth. During the 2<sup>nd</sup> quarter, the industry volumes were down by about 5%, whilst UBL volumes were flat.

UBL volumes recorded growth in all markets during the first half year with the exception of West, where the Industry and the company declined.

UBL capitalized on the growth opportunities in East and volumes grew at double digits resulting in considerable increase in market share. Growth in the East was driven by West Bengal, Orissa and Jharkhand markets. In Bihar total prohibition was declared on 5<sup>th</sup> April 2016 resulting in no revenues during the period.

Growth in the Southern region was driven by Andhra Pradesh and Telangana, with UBL achieving market share gains.

In North UBL gained volume growth in Delhi and Haryana markets.

Input costs were under pressure with increases in the prices of barley and sugar, which were in part offset by improved efficiencies.

Better working capital management and resultant lower borrowings has led to 29% reduction in interest cost.

Despite the unfavorable market mix and higher input costs, UBL is pleased to report EBITDA and PAT in line with the first half of the previous year.

*Bangalore, November 4, 2016.*