



## *United Breweries Ltd*

### PERFORMANCE HIGHLIGHTS FOR THE HALF YEAR ENDING SEPTEMBER 2018

- **YTD VOLUME GROWTH OF 14% COMPARED WITH INDUSTRY GROWTH OF 11%**
- **YTD NET SALES INCREASED BY 15%, EBITDA BY 35%. PROFIT BEFORE TAX GREW 52%**
- **Q2 VOLUME GROWTH OF 17%, NET SALES INCREASED BY 19%, AND EBITDA BY 44%**

UBL achieved good performance across the business with volume and pricing growth, favorable mix and fixed cost efficiencies.

Most key markets reported strong growth with the exception of West Bengal and Mumbai, primarily due to higher consumer prices. The Excise Policy changes in Uttar Pradesh resulted in more outlets contributing to overall industry growth.

Regional performances for the first six months of the year:

- In the North, UBL saw significant volume growth in Rajasthan and Haryana whilst volumes in Delhi remained flat.
- In the South region, UBL registered double digit volume growth in all States except Andhra Pradesh where growth was marginal.
- Growth in the East was driven by Orissa while volume continued to decline in West Bengal.
- In the West, Rest of Maharashtra and Goa saw single digit volume growth, whereas Daman and Chhattisgarh grew volume double digit.

For the second quarter, performance was strong in all regions resulting in a healthy half year performance.

Gross debt materially reduced following the good performance and strong cash flow during the first half.

The interest costs were almost 50% lower due to reduced borrowings. In addition to profit growth, working capital levels were lower, supported by improved debtor collections.

*Bangalore, November 14, 2018*