

UNITED BREWERIES LIMITED

PERFORMANCE HIGHLIGHTS – YEAR ENDED MARCH 31, 2009.

- **MARKET SHARE UP 1% AGAINST THE PREVIOUS YEAR DESPITE INTERNATIONAL COMPETITION**
- **GROSS MARGIN INCREASE OF 100 BASIS POINTS DESPITE INCREASES IN INPUT COSTS**
- **OPERATING PROFITS UP 27%**
- **SALES REVENUE UP 25%**
- **PROFIT BEFORE TAX RS. 101.27 CRORE UP 9%.**

UBL recorded a healthy 9% PBT growth achieving Rs. 101.27 Crore, despite taking a knock of Rs. 13.95 Crore towards exchange translation difference on account of foreign currency working capital facility availed by the Company. This loss is notional as the loan is an evergreen facility and will not crystallize except in the unlikely event of a reduction in working capital.

UBL achieved increase in market share close to a percentage point powered by a 23% growth in strong beer. UBL grew at 11.4% against industry average of 10%. This growth has been achieved despite a decision by the principal industry players including the Company to suspend supplies in the state of Andhra Pradesh during summer.

Kingfisher Premium & Kingfisher Strong continue to dominate their respective categories with Kingfisher Strong now being the undisputed single largest selling beer brand in India.

Through a process of selective price increases and accelerated push to increase sales in the most profitable markets combined with various initiatives to contain costs the Company has managed to improve operating margins despite escalation in all input costs. The Company's decision to use Bio fuels instead of furnace oils is an outstanding example of innovation to contain costs.

Kingfisher Blue, a variant which is "thrillingly different", has been very well received by the consumers in the selected markets where it has been introduced so far. Kingfisher Bohemia wine, the Company's first foray into the wine market has been very successful.

Operating profits during the Q0409 have grown by 69% as compared to the corresponding quarter of the previous year & by 27% for the year compared to the previous year.

The Company has continued to invest in new capacity with the successful completion of the rights issue of Rs. 425 Crore. Plans to expand capacities in key markets & to set up two new green field breweries are on track.

The Company had taken steps during the third quarter of the year to secure its rights for perpetual brewing in Tamilnadu which is a strategically important market accounting for 18% of the Company's business.