

DIAGEO

INDIA

United Spirits Limited

Registered Office:

UB Tower

#24 Vittal Mallya Road

Bengaluru 560 001

Tel: +91 80 2221 0705

Fax: +91 80 3985 6862

www.diageoindia.com

June 4, 2019

BSE Limited,
(Regular Office & Corporate Relations Dept.)
Dalal Street, Mumbai 400 001
Scrip Code : 532432

National Stock Exchange of India Ltd
Exchange Plaza, C-1 Block G,
Bandra Kurla Complex,
Bandra East, Mumbai- 400051
Scrip Code : MCDOWELL-N

Dear Sir/Madam,

**Sub: Intimation pursuant to Regulation 30 of Securities And Exchange Board Of India
(Listing Obligations And Disclosure Requirements) Regulations, 2015**

Pursuant to regulation 30 and other applicable regulations, presentation made to the Investors at their meeting on June 3, 2019 and June 4, 2019 is enclosed. Please take this in your record.

Thanking you,

Yours faithfully,
for **United Spirits Limited**


V. Ramachandran
Company Secretary



The background image shows a close-up of two glasses filled with amber-colored whiskey, ice cubes, and a lemon wedge. The glasses are on a dark, reflective bar surface. In the background, a bottle of whiskey is visible, illuminated by a blue light that creates a lens flare effect. The overall mood is sophisticated and elegant.

UNITED SPIRITS

A DIAGEO Group Company

F19 FULL YEAR RESULTS ROADSHOW

3 JUNE 2019



UNITED SPIRITS
A DIAGEO Group Company

ANAND KRIPALU

MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER



WHAT WE WILL COVER TODAY

UNITED SPIRITS
A DIAGEO Group Company

FY19 REVIEW

PROGRESS AGAINST STRATEGY

F19 FINANCIAL PERFORMANCE

CONFIDENCE IN THE FUTURE



WHAT WE WILL COVER TODAY

UNITED SPIRITS
A DIAGEO Group Company

FY19 REVIEW

PROGRESS AGAINST STRATEGY

F19 FINANCIAL PERFORMANCE

CONFIDENCE IN THE FUTURE

WE HAVE THE LEADING PORTFOLIO ACROSS PRICE POINTS

UNITED SPIRITS
A DIAGEO Group Company

Consumer prices*		Focus brands	
>Rs.2000	Luxury		
Rs.900-2000	Premium		
Rs.350-900	Prestige		
<Rs.350	Popular		

*Average consumer prices in India, 750ml bottle

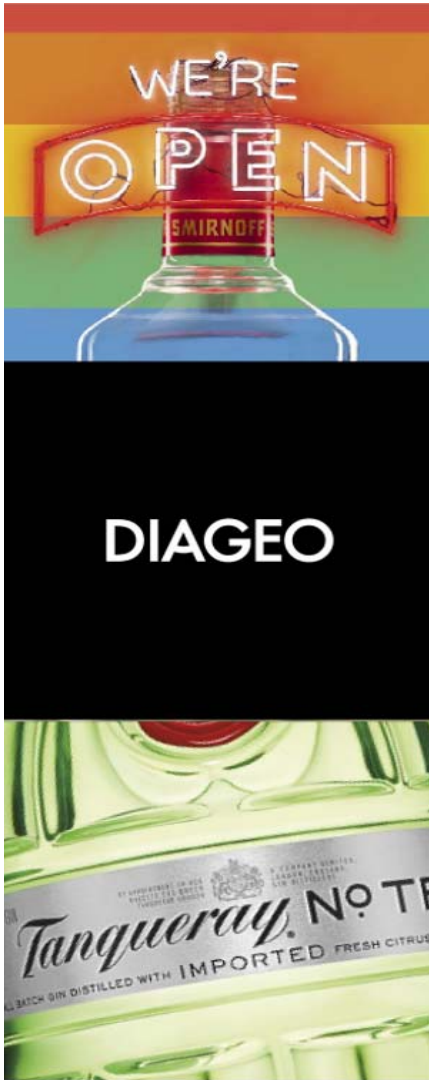


F19 IN A NUTSHELL

UNITED SPIRITS
A DIAGEO Group Company

Net sales	+10%
Prestige & Above net sales	+15%
Gross margin	48.8%; +21bps
EBITDA margin	14.3%; +175 bps
Interest costs	-18%
Profit after tax	659 Cr; +17%

* Gross margin for F18 has undergone a change due to a reclassification to maintain conformity – please refer to Annexure in Press Release for further details.



FY19 - EXTERNAL RECOGNITION HIGHLIGHTS

UNITED SPIRITS
A DIAGEO Group Company

Finance Leadership Awards

Sanjeev Churiwala named **CFO of the year, FMCG category**, ICAI's Leadership & Business Excellence Award, 2018

USL's Annual Report featured in **Top 100 Annual Reports worldwide** by League of American Communication Professionals (LACP).

Corporate Governance Rating

ICRA assigned a Corporate Governance Rating of **CGR2**, reinforcing the quality of our corporate governance practices.

Corporate Excellence Award

USL received Dun & Bradstreet 2019 Award for Corporate Excellence in the Acobeve Category.



WHAT WE WILL COVER TODAY

UNITED SPIRITS
A DIAGEO Group Company

FY19 REVIEW

PROGRESS AGAINST STRATEGY

F19 FINANCIAL PERFORMANCE

CONFIDENCE IN THE FUTURE

OUR FIVE STRATEGIC PRIORITIES

UNITED SPIRITS
A DIAGEO Group Company

**To be one of the best performing, most trusted and respected
consumer products companies in India**



5 Strategic Priorities

**Strengthen
& accelerate
core brands**

**Evolve route to
consumer**

**Drive
productivity to
invest in growth**

**Corporate
citizenship**

**Winning
organization**

OUR FIVE STRATEGIC PRIORITIES

UNITED SPIRITS
A DIAGEO Group Company

To be one of the best performing, most trusted and respected
consumer products companies in India



5 Strategic Priorities

**Strengthen
& accelerate
core brands**

Evolve route to
consumer

Drive
productivity to
invest in growth

Corporate
citizenship

Winning
organization

Strengthen & accelerate core brands

UNITED SPIRITS
A DIAGEO Group Company

PLAYING INTO INDIA'S TOP PASSION POINTS

Music



Food



Cricket



Strengthen & accelerate core brands

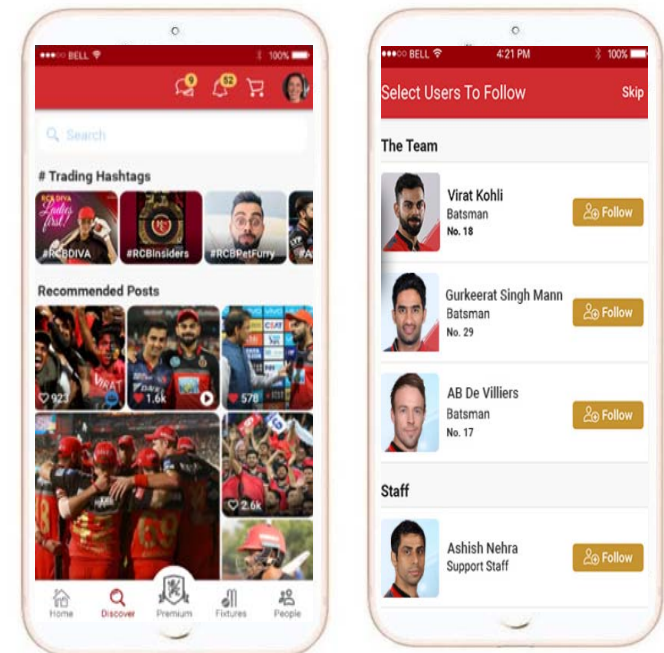
UNITED SPIRITS
A DIAGEO Group Company

BRINGING PASSION POINT ALIVE THROUGH PURPOSE-LED MARKETING

#challengeaccepted campaign



RCB app

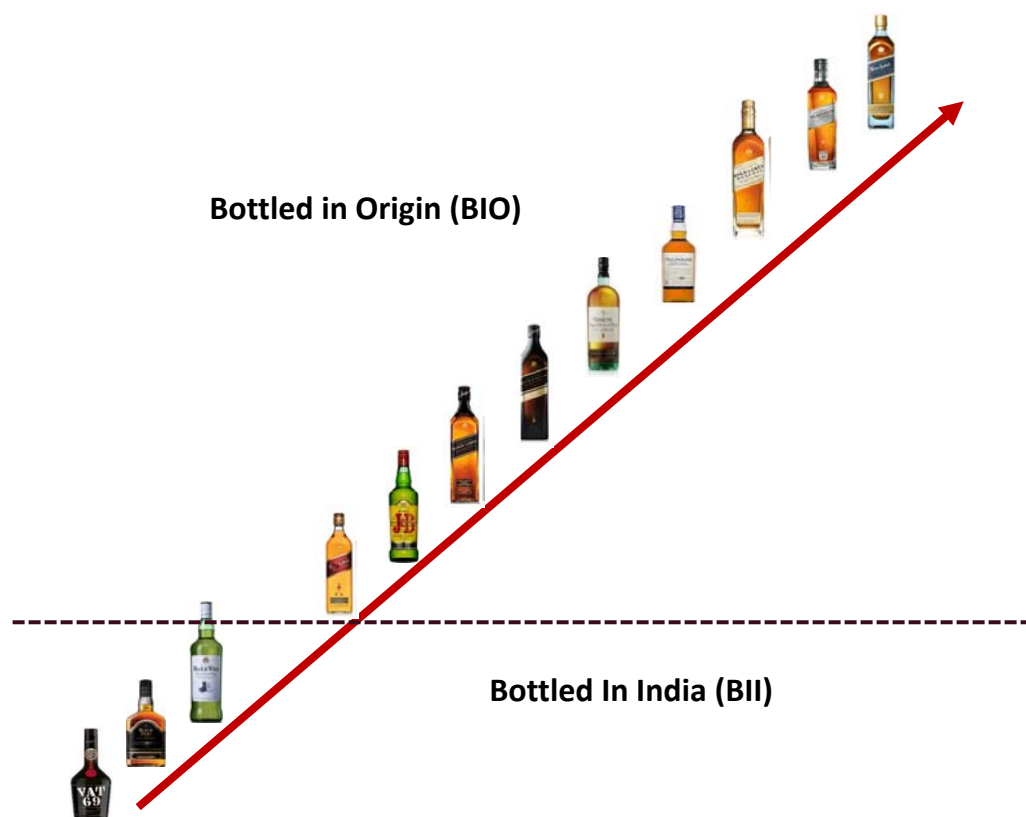


Strengthen & accelerate core brands

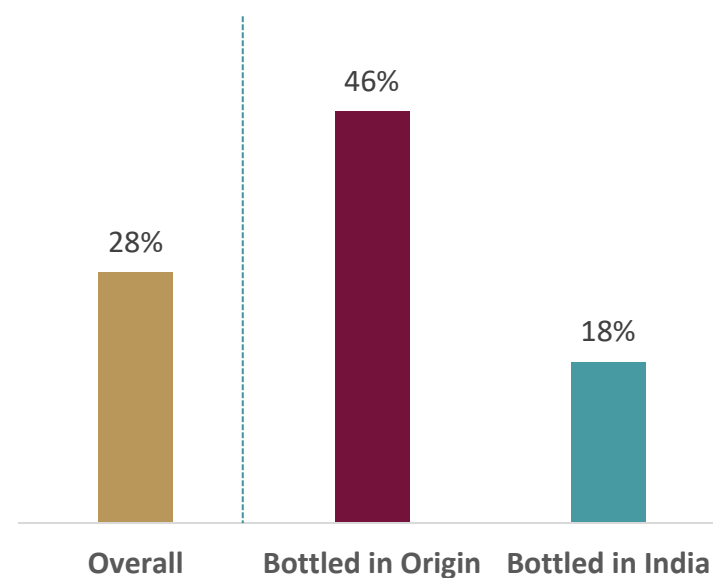
UNITED SPIRITS
A DIAGEO Group Company

LEVERAGING OUR EXTENSIVE SCOTCH PORTFOLIO

OUR PORTFOLIO



F19 SCOTCH NET SALES GROWTH (%)



Strengthen & accelerate core brands

UNITED SPIRITS
A DIAGEO Group Company

BRINGING CATEGORY VIBRANCY THROUGH INNOVATION

RE-RECRUIT

through new variants



RECRUIT

through new propositions



SCOTCH
JUST GOT HIP.

Pocket yours now.



DISRUPT

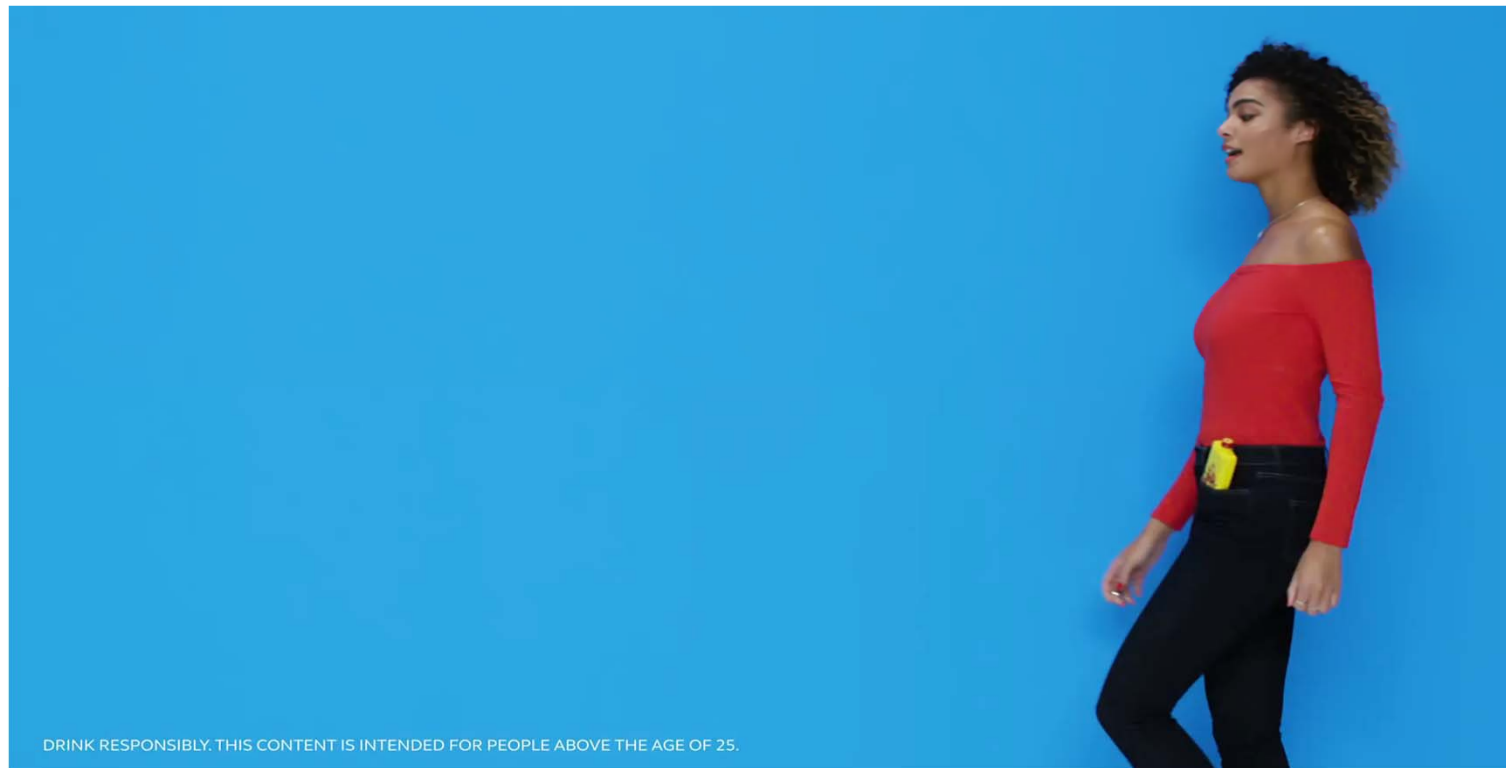
through untapped categories



Strengthen & accelerate core brands

UNITED SPIRITS
A DIAGEO Group Company

MAKING SCOTCH HIP: RECRUITING NEW CONSUMERS



DRINK RESPONSIBLY. THIS CONTENT IS INTENDED FOR PEOPLE ABOVE THE AGE OF 25.

OUR FIVE STRATEGIC PRIORITIES

UNITED SPIRITS
A DIAGEO Group Company

To be one of the best performing, most trusted and respected
consumer products companies in India



Evolve route to consumer

UNITED SPIRITS
A DIAGEO Group Company

MULTI-PRONGED APPROACH

AFFLUENT INDIA



Unique experiences,
Weddings & Banquets

MIDDLE INDIA



Leverage outlets to build brand
equity

ASPIRING INDIA



Focus on retained states,
support franchisees

ENABLING THE MULTIPRONGED APPROACH

Affluent India

- Dedicated team driving joint business planning with top 1300 Key Accounts
- Bespoke brand experiences

Middle India

- Clear outlet execution standards
- Customized activations at brand-state-channel level

Aspiring India

- Dedicated teams driving distribution in retained states
- Strengthened engagement with Franchise partners

IT INITIATIVES



**MASTER DATA
MANAGEMENT**

**SALES FORCE
AUTOMATION**

**POWER BI
DASHBOARDS**

**EDGE INDIA -
ADVANCED ANALYTICS**

**EDGE INDIA -
TRAX**

OUR FIVE STRATEGIC PRIORITIES

UNITED SPIRITS
A DIAGEO Group Company

To be one of the best performing, most trusted and respected
consumer products companies in India



5 Strategic Priorities

Strengthen
& accelerate
core brands

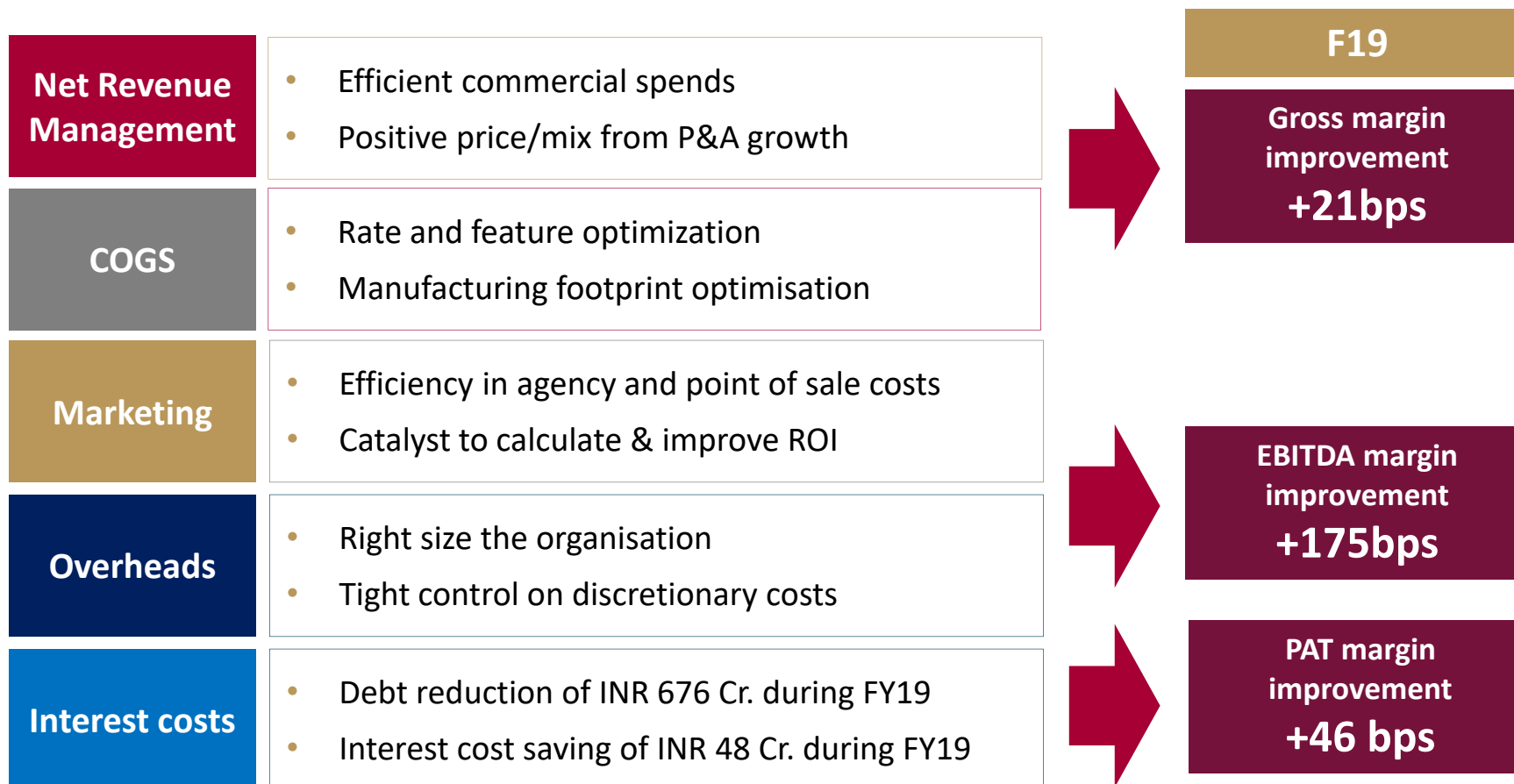
Evolve route to
consumer

Drive
productivity to
invest in growth

Corporate
citizenship

Winning
organization

PRODUCTIVITY IS NOW EMBEDDED IN OUR ORGANIZATION



OUR FIVE STRATEGIC PRIORITIES

To be one of the best performing, most trusted and respected
consumer products companies in India



5 Strategic Priorities

Strengthen
& accelerate
core brands

Evolve route to
consumer

Drive
productivity to
invest in growth

Corporate
citizenship

Winning
organization



CORPORATE CITIZENSHIP

Shape regulatory environment

Relatively modest ED hikes

Partner with regulators on policy reform

Change reputation of industry

Alcohol in Society: Road safety, underage consumption

Building thriving communities: Project SHE

ALCOHOL IN SOCIETY: ROAD SAFETY PROGRAM

UNITED SPIRITS
A DIAGEO Group Company

Expanding regional reach for Road Safety Program



Road Safety Week with local universities



BUILDING THRIVING COMMUNITIES

UNITED SPIRITS
A DIAGEO Group Company

Women empowerment: Health & Sanitation



Women Self Help Group who produce and market sanitary napkins to improve sanitation and create livelihood at Alwar, Rajasthan

Water replenishment



Pond excavation work done in Udaipur, Rajasthan increasing the storing capacity by 4114 cu. mtr.

OUR FIVE STRATEGIC PRIORITIES

UNITED SPIRITS
A DIAGEO Group Company

To be one of the best performing, most trusted and respected
consumer products companies in India



5 Strategic Priorities

Strengthen
& accelerate
core brands

Evolve route to
consumer

Drive
productivity to
invest in growth

Corporate
citizenship

Winning
organization

Winning organization



UNITED SPIRITS
A DIAGEO Group Company

BUILDING A FUTURE READY ORGANISATION

Attracting and developing *talent*

Enhancing *diversity*

Winning organization

UNITED SPIRITS
A DIAGEO Group Company

SHARING OUR MESSAGE ON DIVERSITY



Winning organization



UNITED SPIRITS
A DIAGEO Group Company

BUILDING A FUTURE READY ORGANISATION

Attracting and developing *talent*

Enhancing *diversity*

Driving *Simplification*

Building a *high performance culture*



WHAT WE WILL COVER TODAY

UNITED SPIRITS
A DIAGEO Group Company

FY19 REVIEW

PROGRESS AGAINST STRATEGY

F19 FINANCIAL PERFORMANCE

CONFIDENCE IN THE FUTURE



UNITED SPIRITS

A DIAGEO Group Company

SANJEEV CHURIWALA

EXECUTIVE DIRECTOR & CHIEF FINANCIAL OFFICER

3 JUNE 2019³⁰



F19 IN A NUTSHELL

UNITED SPIRITS
A DIAGEO Group Company

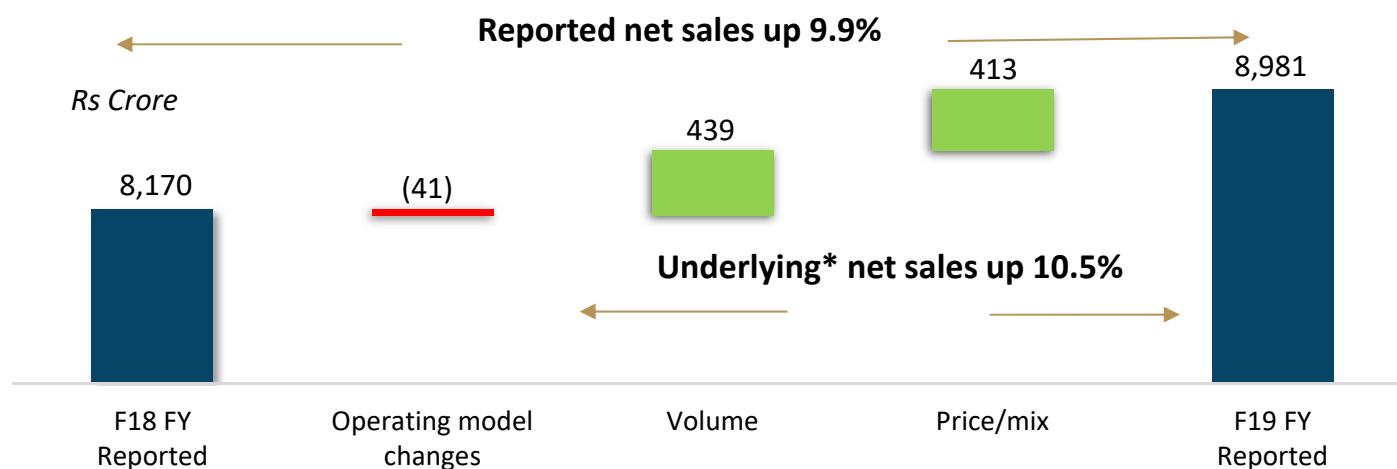
Net sales	+10%
Prestige & Above net sales	+15%
Gross margin	48.8%; +21bps
EBITDA margin	14.3%; +175 bps
Interest costs	-18%
Profit after tax	659 Cr; +17%

* Gross margin for F18 has undergone a change due to a reclassification to maintain conformity – please refer to Annexure in Press Release for further details.



NET SALES GREW DOUBLE-DIGIT, WITH P&A SEGMENT GROWING FASTER

UNITED SPIRITS
A DIAGEO Group Company



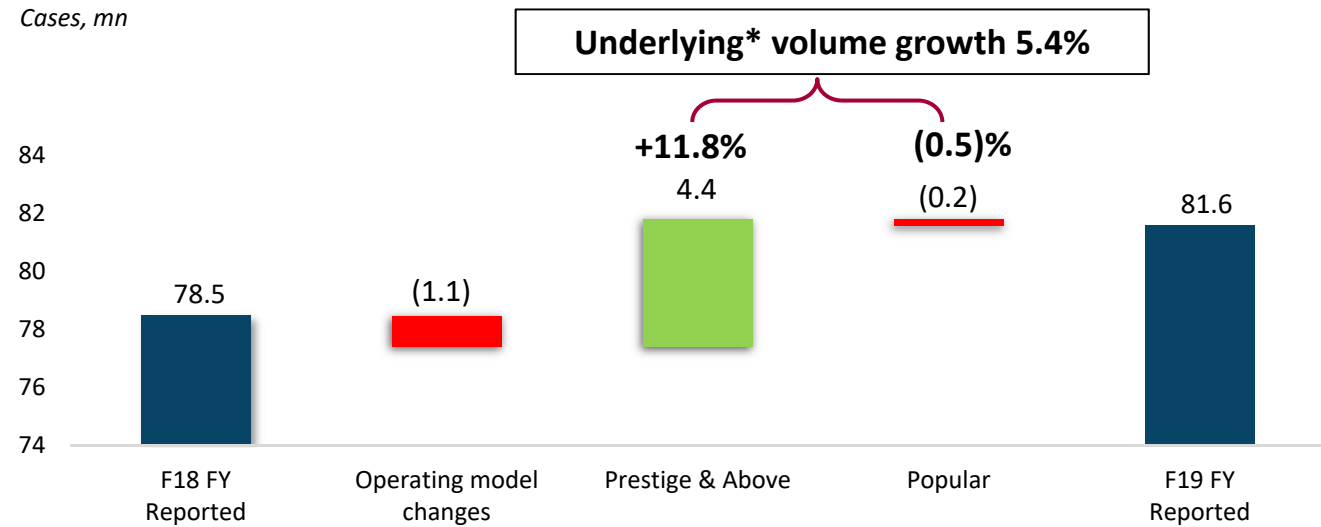
	Reported net sales % FY19	Underlying* net sales % FY19
Prestige & Above	15.2	15.2
Popular	(0.1)	1.4
Total	9.9	10.5

* Underlying movement excludes the one off impact of operating model changes



UNDERLYING* VOLUME GROWTH OF 5.4%

UNITED SPIRITS
A DIAGEO Group Company



	Reported volume %	Underlying volume %	Price Mix
P&A	11.8	11.8	3.4
Popular	(3.1)	(0.5)	1.9
Total	4.0	5.4	5.1

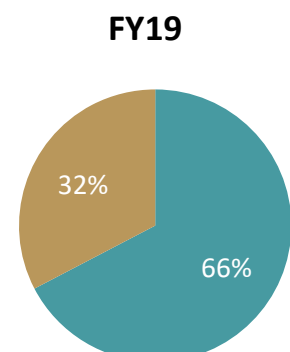
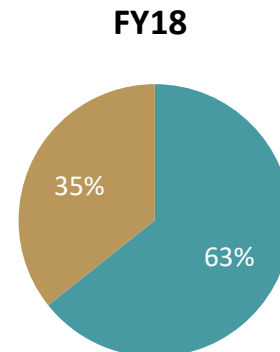
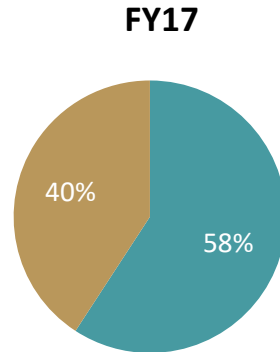
* Underlying movement excludes the one off impact of operating model changes



CONSISTENT PROGRESS TOWARDS PREMIUMISATION

UNITED SPIRITS
A DIAGEO Group Company

NET SALES BY SEGMENT (%)



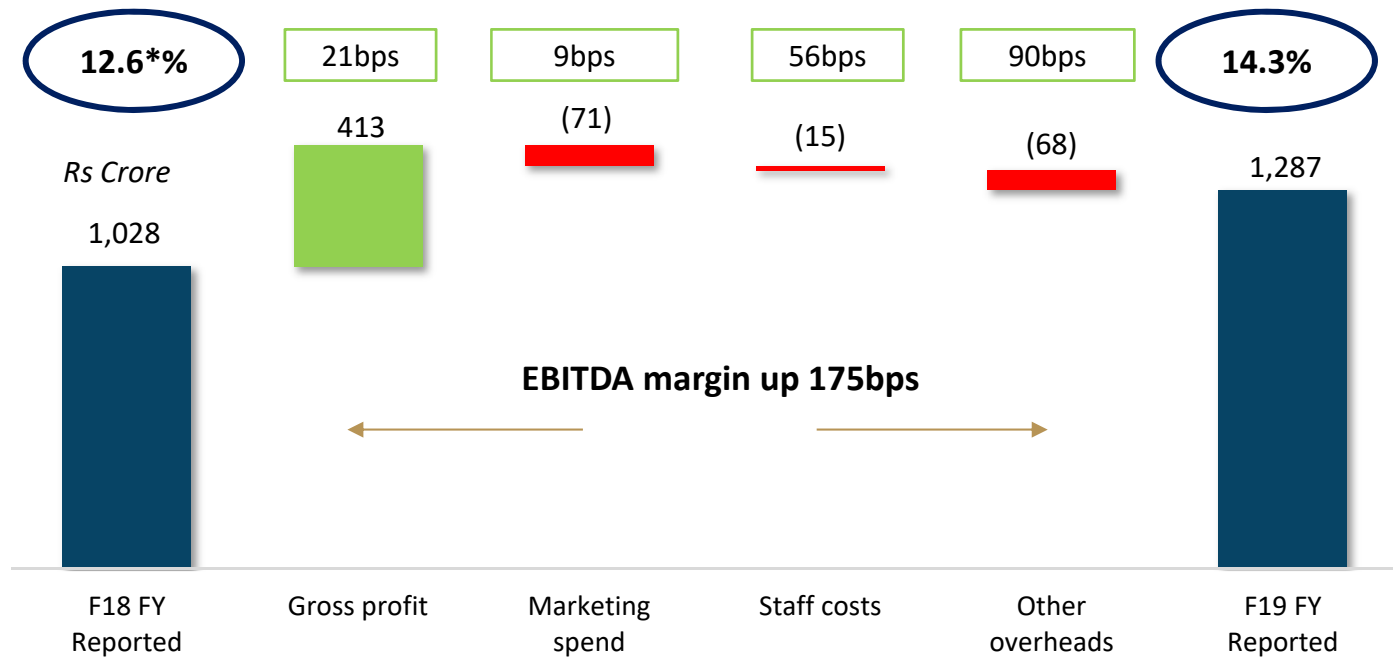
■ Prestige & Above
■ Popular

* The total doesn't add up to 100%; the rest is "Other lines of business"



EBITDA GROWTH OF 25%, EBITDA MARGIN EXPANSION OF 175BPS

UNITED SPIRITS
A DIAGEO Group Company



Underlying EBITDA margin excluding the impact of operating model changes, one-off restructuring costs expanded by 174bps.

*Reported EBITDA margin for F18 has gone up by 10bps due to some regrouping as explained in the published financials.



PAT GROWTH OF 17%

UNITED SPIRITS
A DIAGEO Group Company



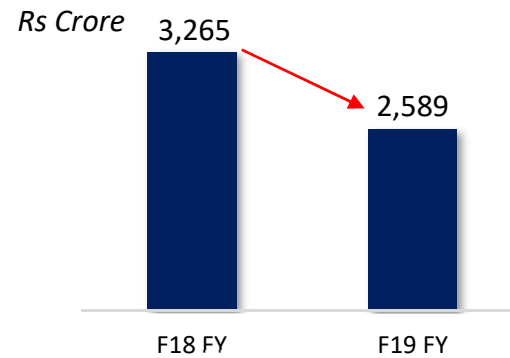


FURTHER DELEVERAGING BALANCE SHEET

UNITED SPIRITS
A DIAGEO Group Company

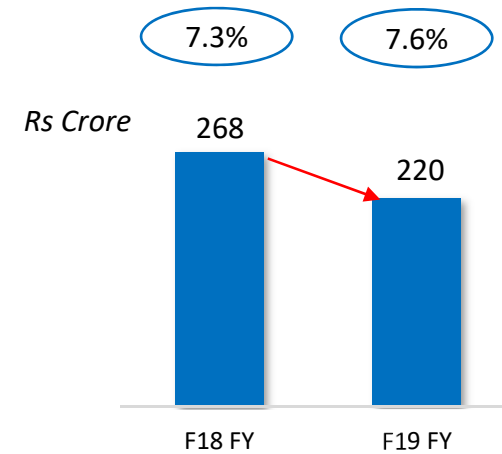
Net debt

Reduction of Rs. 676 Cr.



Interest

Interest cost saving of Rs. 48Cr.

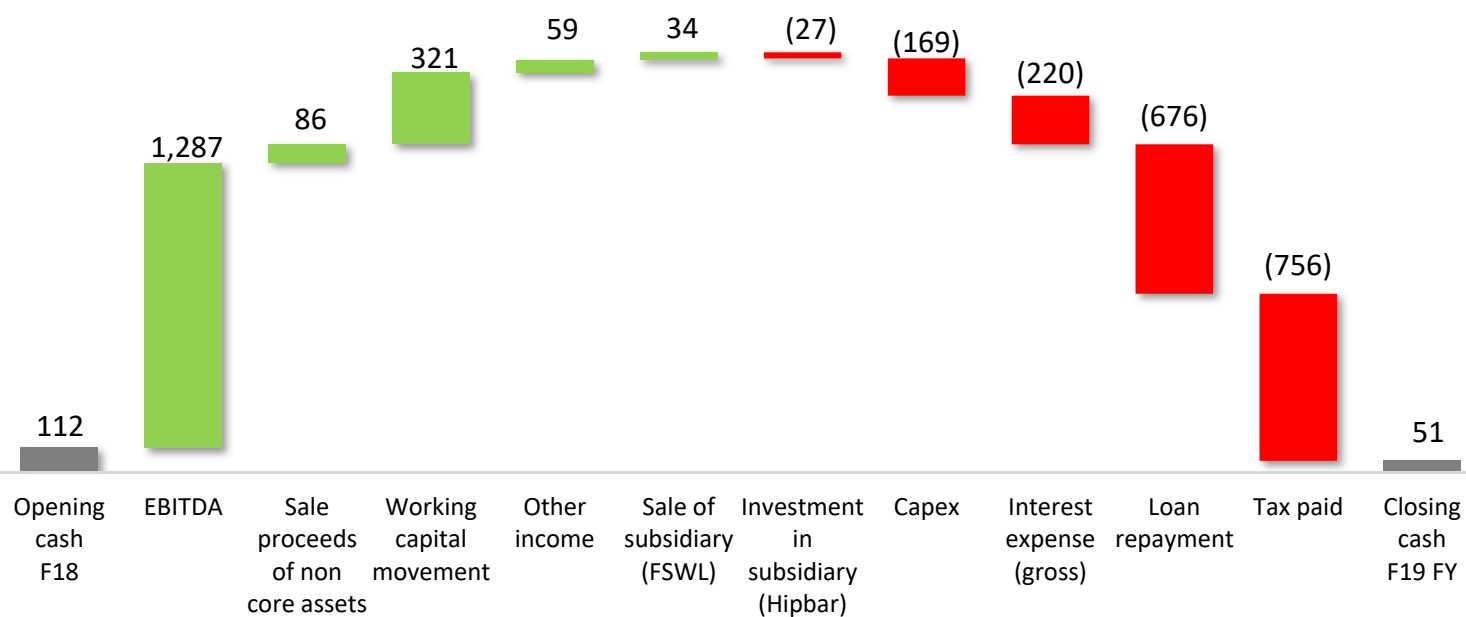




CONTINUED FOCUS ON CASH MANAGEMENT

UNITED SPIRITS
A DIAGEO Group Company

Rs. Crore

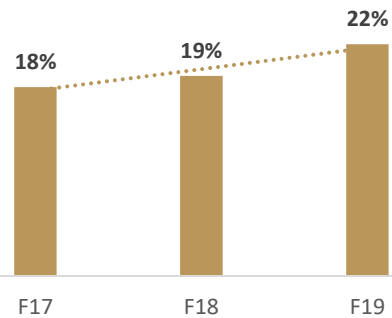




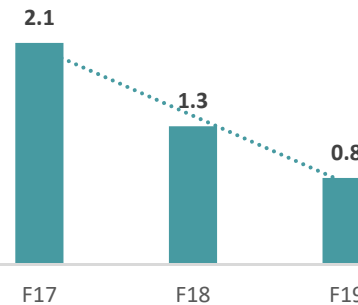
FURTHER IMPROVEMENT IN KEY FINANCIAL INDICATORS

UNITED SPIRITS
A DIAGEO Group Company

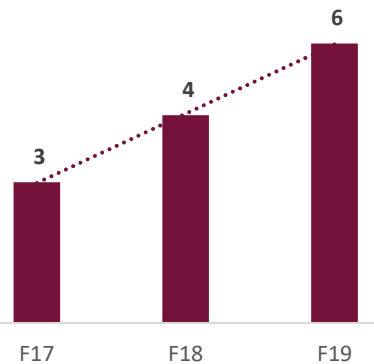
Return on Capital Employed



Debt-Equity ratio



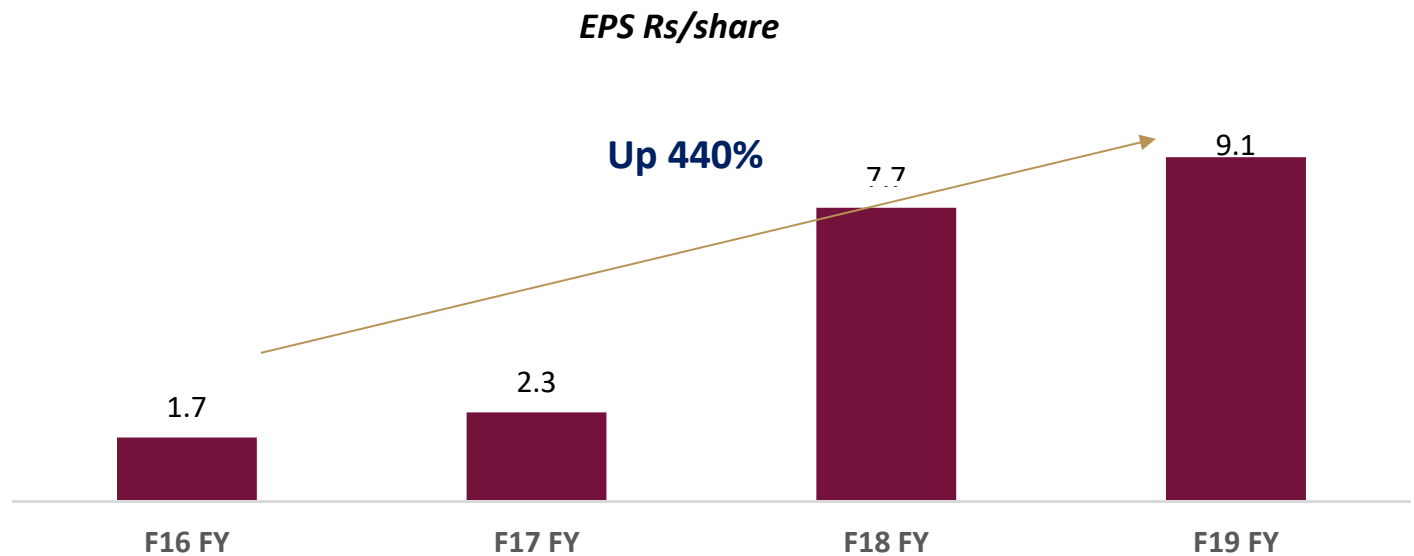
Interest Coverage ratio





CREATING VALUE FOR OUR SHAREHOLDERS

UNITED SPIRITS
A DIAGEO Group Company



** EPS has been retrospectively adjusted for the 1:5 stock split that became effective in F19*



WHAT WE WILL COVER TODAY

UNITED SPIRITS
A DIAGEO Group Company

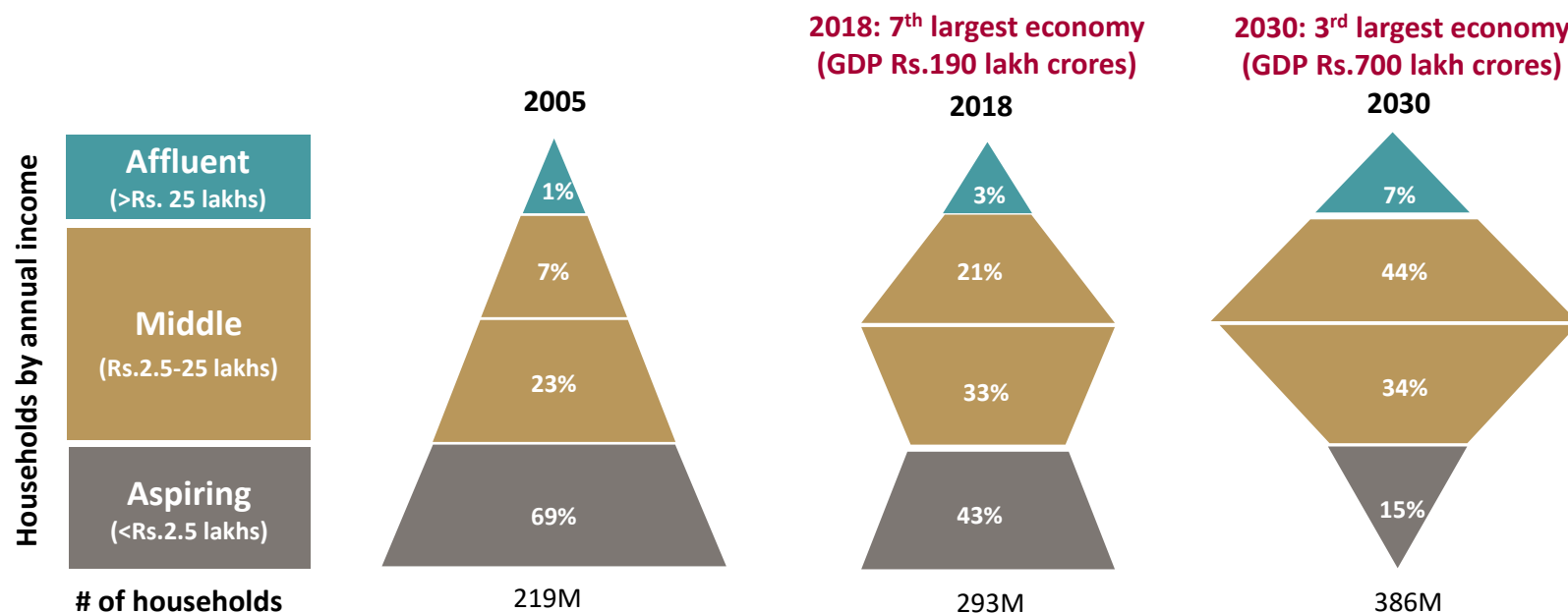
FY19 REVIEW

PROGRESS AGAINST STRATEGY

F19 FINANCIAL PERFORMANCE

CONFIDENCE IN THE FUTURE

EVOLUTION OF CONSUMER LANDSCAPE



India is a young nation

- ~45% of India's population is <25 years; ~65% is <35 years
- ~17m people enter Legal Drinking Age* each year in India

Source: World Economic Forum-Bain report, Census of India (for 2016), Internal analysis

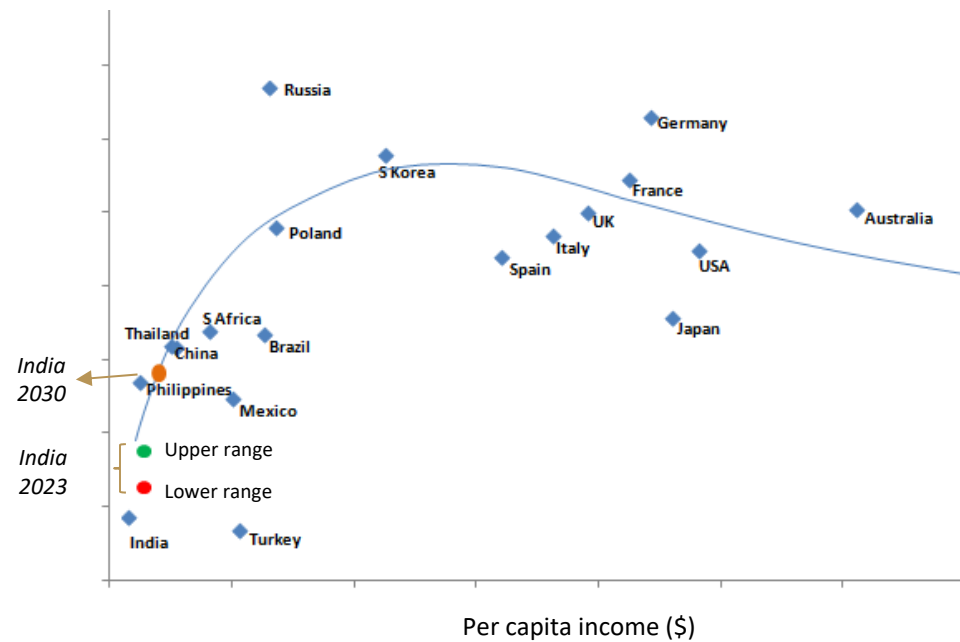
*Legal Drinking Age assumed as >21 years for Spirits; period 2016-21

GROWING PER CAPITA CONSUMPTION AND PREMIUMIZATION

UNITED SPIRITS
A DIAGEO Group Company

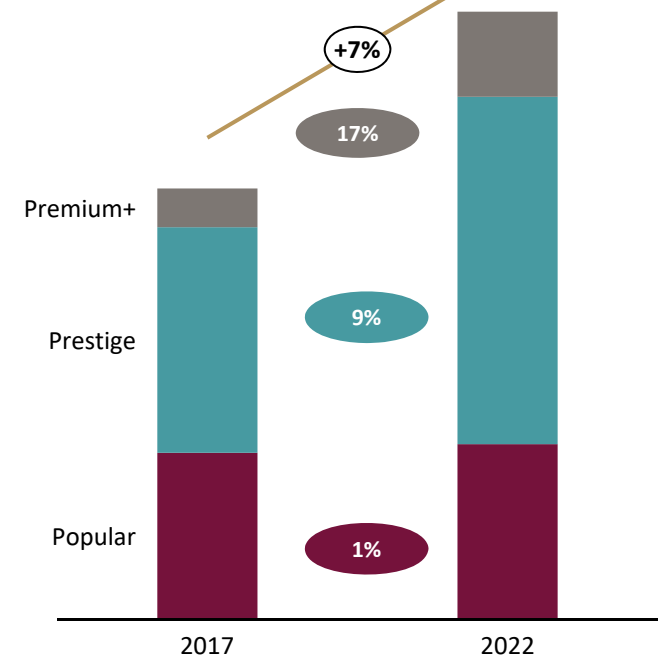
Alcohol consumption vs per capita income

Per capita consumption (liters of pure alcohol)



Source: David Turtle model

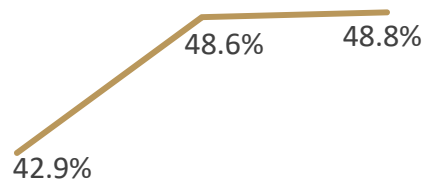
Spirits net sales (CAGR)



Source: IWSR, Internal estimates

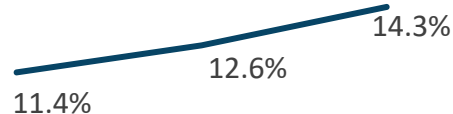
CONSISTENT DELIVERY ACROSS P&L

Gross margin



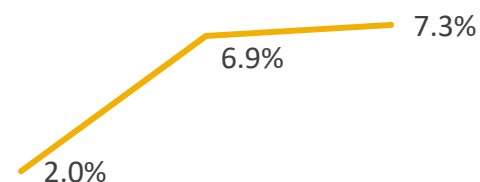
F17 F18 F19

EBITDA margin



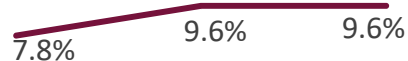
F17 F18 F19

PAT margin



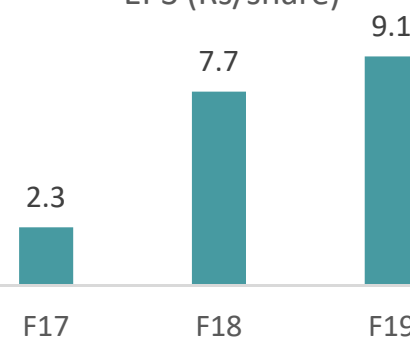
F17 F18 F19

A&P (% of sales)



F17 F18 F19

EPS (Rs/share)



F17 F18 F19

* Gross margin for F18 has undergone a change due to a reclassification to maintain conformity – please refer to Annexure in Press Release for further details.



CONFIDENCE IN THE FUTURE

UNITED SPIRITS
A DIAGEO Group Company

India continues to present an attractive market opportunity

Consistent progress on our strategic priorities

Transforming business to harness the future



Medium Term Goal

Grow topline by double digit and improve EBITDA margin to mid-high teens



THANK YOU