UNITED BREWERIES LIMITED

Registered office: UB Tower, UB City, 24, Vittal Mallya Road, Bangalore - 560001

Rs. in Lakhs

PART I

Statement of standalone unaudited results for the quarter and half-year ended September 30, 2013

Particulars	Quarter ended			Half-year ended		Year ended
	September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	March 31, 2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Income from operations						
(a) Net sales/income from operations (net of excise duty)	75,220	120,833	78,114	196,053	188,040	358,352
(b) Other operating income	9,318	15,093	7,685	24,411	18,044	31,962
Total income from operations (net)	**84,538**	**135,926**	**85,799**	**220,464**	**206,084**	**390,314**
2 Expenses						
(a) Cost of materials consumed	34,330	57,008	35,039	91,338	85,799	164,353
(b) Purchases of stock-in-trade	505	1,829	358	2,334	2,661	3,504
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,080	3	(1,457)	1,083	(1,260)	(2,052)
(d) Employee benefits expense (refer note 4)	6,977	5,664	5,535	12,641	10,328	24,100
(e) Depreciation and amortisation expenses	4,768	4,693	4,339	9,461	8,103	17,024
(f) Sales promotion expenses	17,691	19,051	15,011	36,742	33,205	61,494
(g) Selling and distribution expenses	9,581	16,037	9,848	25,618	23,932	45,273
(h) Other expenses	10,599	11,307	10,443	21,906	21,510	46,006
Total expenses	**85,531**	**115,592**	**79,116**	**201,123**	**184,278**	**359,702**
3 Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)	**(993)**	**20,334**	**6,683**	**19,341**	**21,806**	**30,612**
4 Other income	340	340	131	680	1,626	3,922
5 Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)	**(653)**	**20,674**	**6,814**	**20,021**	**23,432**	**34,534**
6 Finance costs	2,014	2,303	1,692	4,317	3,557	7,989
7 Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)	**(2,667)**	**18,371**	**5,122**	**15,704**	**19,875**	**26,545**
8 Exceptional items	-	-	-	-	-	-
9 Profit/(loss) from ordinary activities before tax (7+8)	**(2,667)**	**18,371**	**5,122**	**15,704**	**19,875**	**26,545**
10 Tax expense (refer note 5)	(810)	6,275	1,702	5,465	6,591	9,324
11 Net Profit/(Loss) for the period (9-10)	**(1,857)**	**12,096**	**3,420**	**10,239**	**13,284**	**17,221**
12 Paid-up equity share capital (Face value of Re. 1 each)	2,644	2,644	2,644	2,644	2,644	2,644
13 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	141,018	141,018	126,463	141,018	126,463	126,463
14 Earnings/(Loss) per share (Fair value of Re. 1 each)*						
(a) Basic	**(0.73)**	**4.55**	**1.27**	**3.82**	**4.98**	**6.41**
(b) Diluted	**(0.73)**	**4.55**	**1.27**	**3.82**	**4.98**	**6.41**

*Not annualised for quarters

See accompanying notes to the financial results

PART II						
Select information for the quarter and half-year ended September 30, 2013						
Particulars	Quarter ended			Half-year ended		Year ended
	September 30, 2013	June 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	March 31, 2013
A PARTICULARS OF SHAREHOLDING						
1 Public shareholding						
- Number of shares	66,570,479	66,570,479	66,570,479	66,570,479	66,570,479	66,570,479
- Percentage of shareholding	25.18	25.18	25.18	25.18	25.18	25.18
2 Promoters and Promoter Group shareholding						
a) Pledged/encumbered						
- Number of shares	64,447,716	53,983,428	23,419,142	64,447,716	23,419,142	31,907,762
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	32.58	27.29	11.84	32.58	11.84	16.13
- Percentage of shares (as a % of the total share capital of the company)	24.37	20.42	8.86	24.37	8.86	12.07
b) Non-encumbered						
- Number of shares	133,386,954	143,851,242	174,415,528	133,386,954	174,415,528	165,926,908
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	67.42	72.71	88.16	67.42	88.16	83.87
- Percentage of shares (as a % of the total share capital of the company)	50.45	54.40	65.96	50.45	65.96	62.75

Particulars	Quarter ended September 30, 2013
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	6
Disposed of during the quarter	6
Remaining unresolved at the end of the quarter	Nil

UNITED BREWERIES LIMITED

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Rs. in Lakhs

Statement of Standalone Assets and Liabilities

Particulars		As at September 30, 2013	As at March 31, 2013
		Unaudited	Audited
A	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	(a) Share capital	10,051	10,051
	(b) Reserves and surplus	151,127	141,018
	Sub-total - Shareholders' funds	**161,178**	**151,069**
2	**Non-current liabilities**		
	(a) Long-term borrowings	74,094	74,320
	(b) Deferred tax liabilities (net)	7,343	7,455
	(c) Long-term provisions	898	338
	Sub-total - Non-current liabilities	**82,335**	**82,113**
3	**Current liabilities**		
	(a) Short-term borrowings	18,975	55,693
	(b) Trade payables	16,814	24,960
	(c) Other current liabilities	64,241	52,175
	(d) Short-term provisions	6,251	7,856
	Sub-total - Current liabilities	**106,281**	**140,684**
	TOTAL - EQUITY AND LIABILITIES	**349,794**	**373,866**
B	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets	172,110	170,797
	(b) Non-current investments	2,547	2,547
	(c) Long-term loans and advances	13,084	13,867
	(d) Other non-current assets	589	630
	Sub-total - Non-current assets	**188,330**	**187,841**
2	**Current assets**		
	(a) Inventories	56,427	51,263
	(b) Trade receivables	77,741	81,330
	(c) Cash and bank balances	14,294	23,277
	(d) Short-term loans and advances	12,904	29,570
	(e) Other current assets	98	585
	Sub-total - Current assets	**161,464**	**186,025**
	TOTAL - ASSETS	**349,794**	**373,866**

NOTES

1. The unaudited results for the quarter and half-year ended September 30, 2013 have been approved by the board of Directors at its meeting held on November 7, 2013 and have been subjected to a limited review by the auditors of the Company.

2. The Company is engaged in the manufacture and sale of beer including licensing of brands which constitutes a single business segment. The Company also considers the whole of India as a single geographical segment. Further,considering the seasonality of the business, the revenue and profits does not accrue evenly over the year.

3. The Board of Directors in its meeting held on February 7, 2012 had approved the scheme of amalgamation ('the scheme') of Scottish and Newcastle India Private Limited into the Company with effect from April 1, 2012. The Honorable High Court of Karnataka and the Honorable High Court of Maharashtra had passed orders approving the scheme on January 17, 2013 and November 2, 2012 respectively. Upon filing of the orders of the Honorable High Court of Karnataka and the Honorable High Court of Maharashtra with the Registrar of Companies on April 18, 2013 and November 30, 2012 respectively, the scheme became effective and accordingly, the Company had given effect to the merger in the quarter and year ended March 31, 2013 with effect from April 1, 2012. The aforementioned merger did not impact the shareholding pattern of the promoter group in the Company.

   No specific accounting treatment has been prescribed under AS-14 in respect of adjustment, to capital reserve and securities premium account, arising on account of the difference on cancellation of investments held by SNIPL in equity shares of the Company and the difference between the amount of shares issued by the Company and the amount of share capital of SNIPL and adjustment of dividend income and expenses incurred in connection with the merger. Hence, as per the approved scheme, the Company had adjusted differences on cancellation of investments held by SNIPL in equity shares of the Company and the difference between the amount of shares issued by the Company and the amount of share capital of SNIPL of Rs. 1,286 Lakhs and Rs. 18,175 Lakhs to capital reserve and securities premium account, respectively. Further, dividend income of Rs. 59 Lakhs and expenses incurred in connection with the merger amounting to Rs. 687 Lakhs, had been adjusted to securities premium account.

4. Employees benefits expense for the year ended March 31, 2013 includes Rs. 2,707 Lakhs relating to provision for claims for amount expected to be paid as reimbursements. The management believes that outflow of resources embodying economic benefits is probable and hence created a provision towards these obligations.

5. Tax expense for the year ended March 31, 2013 is net of reversal of Rs. 1,733 Lakhs relating to current tax (MAT) for earlier year and Rs. 809 Lakhs relating to deferred tax asset for earlier year.

6. During the financial year ended March 31, 2012, the investment in Maltex Malsters Limited ('MML'), which had a carrying value of Rs. 4,500 Lakhs, had been written down to Rs. 2,541 Lakhs. In view of management, no further provision for diminution is considered necessary as at September 30, 2013.

7. The Company has paid a dividend of Re. 0.70 per Equity Share amounting to Rs.2,166 Lakhs (inclusive of Dividend Distribution Tax) for the year ended March 31, 2013. The Company has paid a dividend of Rs.3/- per Cumulative Redeemable Preference Share amounting to Rs.260 Lakhs (inclusive of Dividend Distribution Tax) for the year ended March 31, 2013 to Scottish & Newcastle India Limited.

8. Earnings per Share (EPS) is stated after providing for dividend on the Cumulative Redeemable Preference Shares for the respective periods.

9. The previous period figures have been regrouped/reclassified wherever necessary to confirm to this period's classification.

By the authority of the Board

Kalyan Ganguly
Managing Director

Place : Bangalore
Date : November 7, 2013

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Chartered Accountants

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Limited Review Report

Review Report to
The Board of Directors
United Breweries Limited

1. We have reviewed the accompanying statement of unaudited financial results of United Breweries Limited ('the Company') for the quarter ended September 30, 2013 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified under the provisions of the Companies Act, 1956 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

S.R. Batliboi & Associates LLP Bengaluru

per Mahendra Jain
Partner
Membership No.: 205839

Place : Bengaluru
Date : November 07, 2013

PERFORMANCE HIGHLIGHTS – HALF YEAR ENDED SEPTEMBER 30, 2013.

- **REVENUE UP BY 7%**
- **VOLUME SLIGHTLY LESS BY 2% DUE TO HEAVY MONSOONS**
- **EBITDA DOWN BY 7% DUE TO ABBERATION IN INPUT COST**

During the first half of the year the industry remained flat with Tamil Nadu losing 20% of its volumes on account of higher end-consumer prices and the unfavorable ordering pattern of TASMAC, which also affected the UBL volumes in this State.

The Company posted volume growth in key markets contributing to revenue growth of 7%. Double digit volume growth was witnessed in Rajasthan, West Bengal, Orissa and Uttar Pradesh.

The Company has maintained its All India market share of 50% despite the adverse developments in Tamil Nadu. It has increased its market share in key markets at a time when pressure from competition has been at its peak, considering the difficult times the industry has been going through.

The volumes for this second quarter have been under pressure, also as a result of the extended and heavy rains experienced during this year's monsoon period.

The Company took price increases in select markets that helped in off-setting a major portion of input price increases in an inflationary economy. However the effect of the Company being forced to use new bottles for 100% of its production in the state of Maharashtra on account of local excise laws lead to an unprecedented increase in input costs of over Rs.46 crore during the first half year.

The Maharashtra State Government has since reversed this policy and passed a notification in October 2013 permitting once again the use of second hand bottles which will reduce input costs to normal levels.

Bangalore, November 7, 2013