



Ref: bm120727

July 27, 2012

Bangalore Stock Exchange Limited,
51, Stock Exchange Towers,
1st Cross, J.C. Road,
Bangalore - 560 027

Dear Sirs,

**Sub: Unaudited Financial Results (Provisional) for the
three months ended June 30, 2012.**

The Board of Directors of the Company at their meeting held today, has considered and taken on record the un-audited financial results (provisional) of the Company for the three months ended June 30, 2012. We forward herewith a copy thereof along with explanatory statement for your information and records. The Limited Review Report thereon received from the Statutory Auditors of the Company and placed at the said Board Meeting is enclosed herewith for your records.

We are making arrangements to publish the above results in the newspapers in terms of the requirements of the Listing Agreement.

We enclose a Press Release issued in this regard.

Thanking you,

Yours faithfully,
for UNITED SPIRITS LIMITED,

V.S. VENKATARAMAN
COMPANY SECRETARY

Encl: as above

- cc: 1. Bombay Stock Exchange Limited, Mumbai
(Regular Office & Corporate Relations Dept. – Scrip Code: 532432)
2. National Stock Exchange of India Limited, Mumbai

United Spirits Limited

Registered Office : 'UB Tower', # 24, Vittal Mallya Road, Bangalore - 560 001, India.

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www.unitedspirits.in



UNITED SPIRITS LIMITED

'UB Tower', # 24, Vittal Mallya Road, Bangalore - 560 001

(₹ in Lakhs)

Part I: Statement of Standalone Unaudited Results for the Quarter and three months ended June 30, 2012

	3 months ended June 30, 2012	Previous 3 months ended March 31, 2012	3 months ended June 30, 2011	Previous year ended March 31, 2012
	Unaudited	Audited (Note 3)	Unaudited	Audited
1 Income from operations	470,352	402,623	410,690	1,604,643
Less: Excise duty	264,623	216,354	217,148	850,376
(a) Net sales/Income from operations	205,729	186,269	193,542	754,268
(b) Other operating income	1,557	1,905	907	11,721
Total income from operations (net)	207,286	188,174	194,449	765,989
2 Expenses:				
a) Cost of materials consumed	97,156	99,778	91,173	384,458
b) Purchase of stock-in-trade	17,820	20,906	23,434	85,927
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	5,926	(7,145)	901	(17,982)
d) Employee benefits expense	10,901	10,067	9,652	42,101
e) Depreciation and amortisation expense	1,623	1,749	1,270	6,085
f) Other expenses:				
i) Advertisement & Sales Promotion	17,136	20,892	15,034	74,458
ii) Others	23,292	24,167	20,318	90,382
Total Expenses	173,854	170,414	161,782	665,429
3 Profit/(Loss) from Operations before other income, finance costs and exceptional items (1-2)	33,432	17,760	32,667	100,559
4 a) Other Income	1,062	1,469	747	6,038
b) Exchange Difference - Gain/(Loss)	3,447	(2,052)	82	4,308
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	37,941	17,177	33,496	110,905
6 Finance costs	16,556	16,625	13,020	59,435
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	21,385	552	20,476	51,471
8 Exceptional items - (expense) / Income	-	207	-	(1,082)
9 Profit/(Loss) from ordinary activities before tax (7 + 8)	21,385	759	20,476	50,389
10 Tax Expense:				
Current tax	7,361	(900)	6,870	16,950
Deferred tax charge/ (credit)	(471)	658	(165)	(840)
11 Net Profit/(Loss) from ordinary activities after tax (9-10)	14,495	1,001	13,771	34,280
12 Extraordinary items (Net of tax expense)	-	-	-	-
13 Net Profit/(Loss) for the period (11-12)	14,495	1,001	13,771	34,280
14 Paid-up equity share capital (Face value ₹10)	13,080	13,080	13,080	13,080
15 Reserves excluding Revaluation Reserves				573,669
16 Earnings per share of ₹ 10 each (not annualised):				
a) Basic	11.08	0.77	10.53	26.21
b) Diluted	11.08	0.77	10.53	26.21

Part II: Select Information for the Quarter and three months Ended June 30, 2012

A. Particulars of Shareholding				
1 Public shareholding				
- Number of Shares	94,458,736	94,458,736	94,154,208	94,458,736
- Percentage of shareholding	72.22	72.22	71.99	72.22
2 Promoters and Promoter Group Shareholding:				
a) Pledged / Encumbered				
- Number of Shares	35,592,879	34,307,879	32,140,407	34,307,879
- Percentage of shares	97.95%	94.42%	87.72%	94.42%
(as a % of the total shareholding of promoter and promoter group)				
- Percentage of shares	27.21%	26.23%	24.57%	26.23%
(as a % of the total share capital of the Company)				
b) Non-encumbered				
- Number of Shares	743,353	2,028,353	4,500,353	2,028,353
- Percentage of shares	2.05%	5.58%	12.28%	5.58%
(as a % of the total shareholding of promoter and promoter group)				
- Percentage of shares	0.57%	1.55%	3.44%	1.55%
(as a % of the total share capital of the Company)				
B. Investor Complaints				
Pending at the beginning of the quarter	Nil			
Received during the quarter	14			
Disposed of during the quarter	14			
Remaining unresolved at the end of the quarter	Nil			

United Spirits Limited
Unaudited Financial Results (Provisional) for the three months ended June 30, 2012

Notes:

1. The Company is engaged in the business of manufacture, purchase and sale of Beverage Alcohol (Spirits and Wines) including through Tie-up Manufacturing / brand franchise, which constitutes a single business segment. The Company's operations outside India did not exceed the quantitative threshold for disclosure envisaged in AS-17 on "Segment Reporting" notified under the Companies (Accounting Standard) Rules 2006. In view of the above, primary and secondary reporting disclosures for business/geographical segment as envisaged in AS-17 are not applicable to the Company.
2. Figures for the previous periods are reclassified / re-arranged / re-grouped, wherever necessary, as per the format revised by SEBI in conformity with the amended Schedule VI to the Companies Act, 1956.
3. The figures for the quarter ended March 31, 2012 are the balancing figures between the audited figures of the full financial year and the year to date figures up to the period ended December 31, 2011.
4. The above unaudited results were taken on record at the meeting of the Board of Directors held on July 27, 2012.

By authority of the Board

Sd/-
ASHOK CAPOOR
MANAGING DIRECTOR

Budapest
July 27, 2012

Limited Review Report

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India

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The Board of Directors
United Spirits Limited

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of United Spirits Limited (the 'Company') for the quarter ended 30 June 2012, 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 audited 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 review report on this 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 prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) 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.

Walker, Chandio & Co

For Walker, Chandio & Co
Chartered Accountants
Firm Registration No: 001076N

[Signature]
per Anshish Arjun Singh
Partner
Membership No. 210122

Budapest
27 July 2012





UNITED SPIRITS LIMITED

**Budapest
July 27, 2012**

PRESS RELEASE

Q-1 FY13 RESULTS

REVENUES UP 6.3% (by ₹122Cr to ₹2,057Cr)

EBIDTA UP 3% (by ₹11Cr to ₹351Cr)

VOLUMES UP 2% (+ 0.5 mio cases)

Q1 FY12	April - June	Q1 FY13	
30.73	VOLUMES (Million cases)	31.27	+0.54mio ↑ 2 %
1,935.42	REVENUE (₹ crore)	2,057.29	+121.87 Cr ↑ 6.3 %
339.38	Operational EBIDTA (₹ crore)	350.56	+11.18Cr ↑ 3%

The Board of Directors of United Spirits Limited approved the unaudited financial results for 3 months ended June 30, 2012 at their meeting in Budapest today.

Sales Revenues were up 6.3% and stood at ₹2,057.3 crore, an increase of ₹122 crore over the comparable quarter of the previous year (₹1,935.4 crore). Sales Volumes grew marginally by 2% or half a million cases, and stood at 31.3 million cases for the quarter (PY 30.7 million cases). What is heartening, however, is the growth in what the industry refers to as Prestige and Above brands or the Premium segments which grew sharply by 17% and stood at just under 8 million cases – an increase of 1.2 million cases over the comparable quarter of the previous fiscal.

The key markets of Tamil Nadu & West Bengal continued to dampen USL's performance during the quarter. An artificially imposed constraint on USL volumes in Tamil Nadu, against the tide of consumer demand for the Company's brands, saw USL volumes being restricted to about 70% of its capacity. While USL products in Tamil Nadu continue to fly off

the shelves whenever they are available, this artificial embargo ensures that consumer demand is not satisfied in full and consumers in the state are having to make do with brands that were never their first choice. While things have partially improved from H-2 of the last fiscal, they are nowhere close to utilizing our full capacity.

The West Bengal market too is slowly coming to terms with the sharp increase in duties and taxes imposed by the State Govt. at the end of Q2 of the previous fiscal which saw volumes dropping by as much as 50% in the immediately following quarter. Even in the quarter just ended, volumes continue to be lower by 20% which was also the case in Q4 of the last fiscal.

Spirit costs were down approximately ₹6/case from the average of FY12 and about ₹12/case from H-2 of the previous fiscal. However, they are up by ₹4/case vis-a-vis the comparable period of the previous fiscal, an adverse impact of ₹13 crore for the quarter. Unless State Governments intervene in the process of trading in molasses and spirit, we expect that spirit prices will be benign in the current year.

As a combination of the above, EBIDTA margin is up approximately 650 basis points over the immediately preceding quarter and about 290 basis points over the average of FY12. This increase is a manifestation of the price increases taken at varying points during FY12 and during the current quarter and the premiumization efforts of the Company. As has been the practice in the past, revenue enhancement measures were a combination of increases in billing prices, the introduction of higher priced alternate brands and cuts in trade spends.

The Company's flagship brand, McDowell's No.1 registered a healthy 16% growth. Other brands, particularly at the upper end of the price ladder continue to register healthy growths over the comparable period of previous fiscal thereby contributing in no small measure to the 17% growth in the prestige and above segments referred earlier.

During the quarter the Company introduced a premium brandy offering Louis Vernont Brandy in Kerala, a market with high brandy consumption. The quality of the blend and the overall product offering has resulted in the product flying off the shelves in that market. This brand will progressively be launched in other high brandy consumption markets particularly in South India.

Interest costs are up to ₹165.56 cr (PY ₹ 130.20 cr) as a consequence of increased borrowings for working capital couple with rate increases by lenders as directed by RBI from time to time.

The activities of the Emerging Markets Division will be conducted through a wholly owned Singapore-based subsidiary of Whyte & Mackay Ltd., U.K. Country specific teams have now been put in place into 4 identified markets to take the activity forward.

