



United Spirits Limited

Review of Operations &
Financials

APRIL 2011 – MARCH 2012



Q-4 (Jan–Mar'12)

Performance



Q-4 FY12 Segment wise Line wise Performance

	Volume in Million Cases		Grth %	
	Act 10-11	Act 11-12	Yr 10-11	Yr 11-12
Prestige	5.55	6.57	9%	18%
Regular	20.64	20.94	11%	1%
1st Line	26.20	27.51	11%	5%
2nd Line	2.56	2.73	25%	7%
USL	28.76	30.24	12%	5%



USL – Q4 FY12 Audited Financial results

Rs. Lakhs

Sl. No.		Audited		Un Audited		Audited	
		3 Months ended March 31		Previous 3 Months ended December 31		3 Months ended March 31	
		FY12	% NSR	FY12	% NSR	FY11	% NSR
1	Net Sales /Income	188,174		196,734		161,256	
2	C O G S	113,539	60.3%	118,939	60.5%	91,768	56.9%
3	Gross Margin	74,635	39.7%	77,794	39.5%	69,487	43.1%
4	Staff Cost	10,067	5.3%	11,917	6.1%	9,851	6.1%
5	Advertising & Sales Promotion	20,892	11.1%	21,672	11.0%	18,173	11.3%
6	Other Overheads	24,167	12.8%	24,177	12.3%	20,652	12.8%
7	E B I D T A	19,509	10.4%	20,028	10.2%	20,810	12.9%
8	Exchange .Diff Gain/(Loss) / Other Income	(583)	-0.3%	4,150	2.1%	1,421	0.9%
9	Interest	16,625	8.8%	15,373	7.8%	11,557	7.2%
10	Depreciation	1,749	0.9%	1,549	0.8%	1,561	1.0%
11	PBT before exceptional item	552	0.3%	7,255	3.7%	9,114	5.7%
12	Exceptional items	207	0.1%	(198)	-0.1%	0	0.0%
13	P B T	759	0.4%	7,058	3.6%	9,114	5.7%
14	Tax	(242)	-0.1%	2,353	1.2%	3,126	1.9%
15	P A T	1,001	0.5%	4,705	2.4%	5,988	3.7%



USL's Performance

Apr'11 – Mar'12



USL – Highlights

2011-12

- ***SALES***

- **Overall sales at 120.18 million cases are 7% higher than the previous fiscal (112.24 mio cases)**
 - Performance hampered due to the situation in two key states – TN and W.B.
 - Prestige & Above segments at 26.79 mio cs were 15% higher than the previous fiscal (23.20 mio cs).
 - Scotch and Premium whiskies registered growths of 23% and 22% respectively.

- ***MILLIONAIRES***

- **Fiscal 2011-12 saw the addition of 4 new millionaires:**
 - McDowell's VSOP Brandy – 1.38 million – 49.8% growth over PY (0.92 million)
 - Derby Special Whisky – 1.18 million – 31.7% growth over PY (0.89 million)
 - Carews Dry Gin – 1.15 million – 47.1% growth over PY (0.78 million)
 - Men's Club Whisky – 1.07 million – 17.2% growth over PY (0.92 million).
- **USL's Millionaires Club therefore now stands at 22 brands.**



USL – Highlights **2011-12**

- Several of USL's brands occupy leading market positions in India and globally
 - McDowell No. 1 family the largest spirits brand in the world with sales > 44.7 MM cases in FY 2012 in 3 flavors (Whisky, Brandy & Rum) - +3.8 mio cs, > +9% growth
 - McDowell's No. 1 Brandy the largest selling brandy in the world
 - McDowell's No. 1 Celebration Rum the world's largest dark rum with sales > 16 MM cases in FY 2012 - + 1.5 mio cs, +11% growth
 - McDowell's No.1 Whisky with sales of 16.9 million cases in FY 12 is India's largest spirits brand.
- Bagpiper Whisky – in the world's Top 5 largest selling spirits brands with sales ~ 15.5 MM cases during FY 2012



USL Performance in Perspective

April'11 - March'12

- **USL Brands grew 7% in 2011-12**
- **World's Top 100 Spirits Brands grew 2.9%***
- **16 of the Top 25 global Premium brands either lost ground or grew < 3%**
 - **Smirnoff, Bacardi, Johnnie Walker, Absolut collectively added 2 million cases***
 - **USL is one of two companies with 12 brands featuring in the Top 100 brand listing***
 - **USL has 5 of the Top 25 brands by Volume**

* Source – Impact DataBank



USL – Line-Segment-wise Performance

April'11 - March'12

	Vol in Mio.Cases		Grth %	
	Act 10-11	Act 11-12	Yr 10-11	Yr 11-12
Prestige & Above	23.20	26.79	12%	15%
Regular	79.18	81.61	12%	3%
I Line	102.38	108.40	12%	6%
II Line	9.86	11.79	14%	20%
USL	112.24	120.18	12%	7%



USL – FY 2012 Audited Financial results

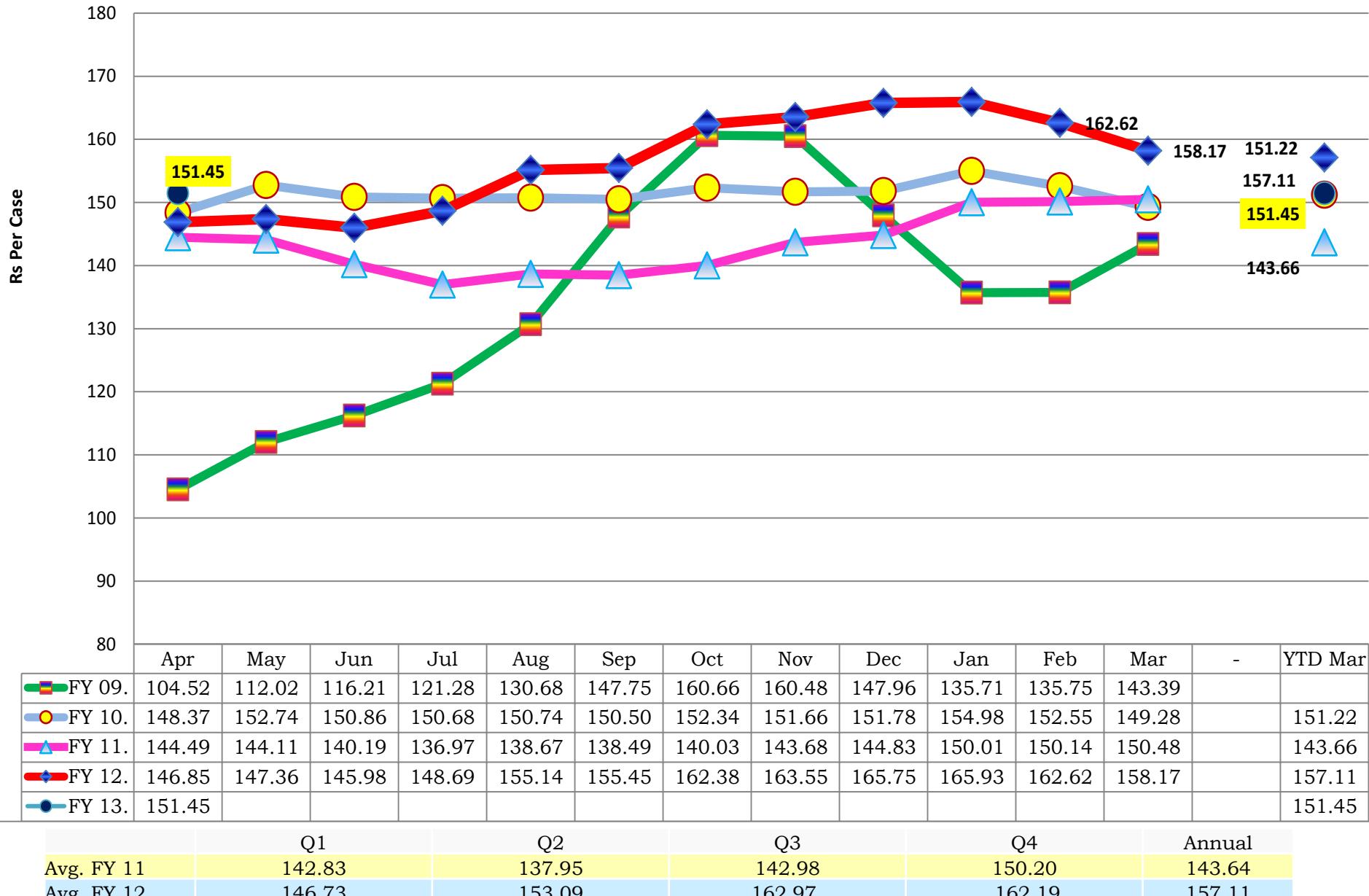
Standalone

Rs. Lakhs

Sl. No.		FY 2012		FY 2011	
		Rs. Lacs	% NSR	Rs. Lacs	% NSR
1	Net Sales /Income	765,989		641,808	
2	C O G S	452,404	59.1%	359,453	56.0%
3	Gross Margin	313,585	40.9%	282,354	44.0%
4	Staff Cost	42,101	5.5%	36,471	5.7%
5	Advertising & Sales Promotion	74,458	9.7%	67,051	10.4%
6	Other Overheads	90,382	11.8%	77,568	12.1%
7	E B I D T A	106,644	13.9%	101,264	15.8%
8	Exch.Diff Gain/(Loss) / Oth. Income	10,346	1.4%	2,476	0.4%
9	Interest	59,435	7.8%	44,489	6.9%
10	Depreciation	6,085	0.8%	4,775	0.7%
11	PBT before exceptional item	51,471	6.7%	54,476	8.5%
12	Exceptional items	(1,082)	-0.1%	3,684	0.6%
13	P B T	50,389	6.6%	58,160	9.1%
14	Tax	16,110	2.1%	19,614	3.1%
15	P A T	34,280	4.5%	38,547	6.0%



RM Movement Graph





USL – Balance Sheet as at March 2012

Standalone

Rs. Million

	Mar 2012	Mar 2011
Sources of Funds		
Share Capital	1,308	1,308
Reserves and Surplus	57,553	49,730
Non-Current Liabilities	14,580	17,717
Current Liabilities	47,576	32,845
TOTAL	121,017	101,599
Application of Funds		
Fixed Assets – Net	11,825	9,482
Investments	16,104	14,509
Loans & Advances	53,766	48,554
Other Non-Current Assets	347	251
Cash & Bank balances	2,777	1,549
Other Current Assets	36,198	27,253
TOTAL	121,017	101,599



USL – Adjusted Profit Statement Year ended March 31st, 2012

Consolidated

Rs. Million

	Mar 2012	%NSR	Mar 2011	%NSR
Sales	91,865		73,762	
Growth %	25%			
COGS	51,315	56%	38,721	52%
Gross Margin	40,550	44%	35,041	48%
Other Income	1,693	2%	970	1%
	42,243	46%	36,012	49%
Staff Cost	6,451	7%	5,537	8%
Advertisement & Sales Promotion	10,111	11%	8,703	12%
Other Overheads	12,589	14%	10,240	14%
EBITDA	13,092	14%	11,532	16%
Growth %	14%			
Exch. Diff (Gain) / Loss	(397)	0%	(1,015)	-1%
Other Income	996	1%	609	1%
Pension Provision (Gain) / Loss	796	1%	(878)	-1%
Onerous Lease (Gain)/Loss	(3)	0%	(532)	-1%
Interest (Gross)	8,757	10%	5,575	8%
Depreciation	1,474	2%	1,023	1%
PBT before exceptional item	3,462	4%	7,967	11%
Exceptional items	(108)	0%	368	0%
PBT	3,353	4%	8,335	11%
Tax	1,481	2%	2,652	4%
PAT	1,872	2%	5,683	8%

USL – *Balance Sheet as at March 2012*

Consolidated

Rs. Million

	Mar 2012	Mar 2011
SOURCE		
Share Capital	1,259	1,259
Reserves and Surplus	45,435	40,527
Minority Interest	146	175
Non-Current Liabilities	53,575	22,734
Current Liabilities	55,839	61,590
Term Liability towards Franchisee Rights	2,311	2,804
TOTAL	158,565	129,089
APPLICATION		
Fixed Assets - Net	28,212	20,425
Goodwill on Consolidation	51,674	44,320
Investments	2,169	1,521
Loans & Advances	12,400	13,795
Other Non-Current Assets	3,385	496
Cash and Bank Balances	3,632	6,322
Other Current Assets	57,093	42,210
TOTAL	158,565	129,089

Consolidated

Rs. Million

	Mar 2012	Mar 2011
Secured Loans :		
Capex Loans	5,783	5,213
Term Loans : Acquisition of SWCL & HL	-	830
Term Loans : Acquisition of W & M	10,588	12,515
Term Loans : FMS Stock Maturation	2,259	2,110
Working Capital	17,921	9,184
Term Loans of SDL, PDL & Others	2,342	-
	38,893	29,851
Unsecured Loans		
Unsecured Loans	5,881	5,470
Fixed Deposits	6,282	5,358
From Others	142	139
Sub -Total	51,198	40,818
W & M Acquisition Loan - Without recourse	-	22,993
USL Holdings (UK) Ltd - With recourse (GBP 370 Mio)	30,162	-
Sub -Total	30,162	22,993
Total Debt	81,361	63,811
USL - Consolidated : (Including W & M)		
Total Gross debt (consolidated)	81,361	63,811
Cash & Bank Balance	3,632	6,322
Total Net Debt	77,728	57,489



W & M – Profit Statement

In Million Pounds

Profit Statement	12 Months Apr-Mar 2012	12 Months Apr-Mar 2011
Net Sales	187.01	140.88
Gross Profit	85.06	68.76
Marketing expenses	35.04	27.49
Contribution	50.02	41.27
Overheads	14.11	10.95
EBITDA	35.91	30.32
Depreciation	5.24	4.36
Restructuring costs & Goodwill	7.47	4.25
Interest and Fin Costs	7.79	9.28
P B T	15.41	12.43
Contribution Margin	26.75%	29.29%
EBITDA Margin / Net Sales	19.20%	21.52%

	As at Mar 2012	As at Mar 2011
SOURCES		
Share Capital	62.31	62.31
Reserves & Surplus	45.97	34.14
Net Debt (Inter Co less Cash)	142.45	112.76
Total Sources	250.73	209.21
APPLICATION		
Fixed Assets	60.91	58.81
Goodwill	51.76	26.36
Bulk Stock	122.37	111.63
Other Net Current Assets	23.98	13.41
Net Pension (Deficit)	(8.29)	(1.01)
Total Application	250.73	209.21