



UNITED SPIRITS

Ref: bm130204

February 4, 2013

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 December 31, 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 December 31, 2012. We forward herewith a copy thereof 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 also enclose a Press Release being 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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UNITED SPIRITS LIMITED

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

(Rs.in Lakhs)

Part I: Statement of Standalone Unaudited Results for the Quarter and Nine months ended December 31, 2012

Particulars	Unaudited					Audited
	3 months ended	Preceding 3 months ended	Corresponding 3 months ended	Year to date figures for current period ended	Year to date figures for previous period ended	Previous year ended
	31-Dec-12	30-Sep-12	31-Dec-11	31-Dec-12	31-Dec-11	31-Mar-12
1 Income from operations	505,024	447,768	415,027	1,423,144	1,202,020	1,604,643
Less: Excise duty	287,623	225,698	219,633	777,945	634,022	850,376
(a) Net sales/Income from operations	217,401	222,070	195,394	645,199	567,998	754,267
(b) Other operating income	2,867	1,607	1,340	6,032	9,816	11,721
Total income from operations (net)	220,268	223,677	196,734	651,231	577,814	765,988
2 Expenses:						
a) Cost of materials consumed	114,018	106,790	103,789	317,964	284,680	384,458
b) Purchase of stock-in-trade	24,420	11,137	22,123	53,376	65,023	85,927
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(8,990)	23,841	(6,973)	20,777	(10,837)	(17,982)
d) Employee benefits expense	13,007	11,582	11,917	35,490	32,033	42,101
e) Depreciation and amortisation expense	1,732	1,880	1,549	5,235	4,336	6,085
f) Other expenses:						
i) Advertisement & Sales Promotion	22,253	17,207	21,672	56,596	53,566	74,458
ii) Others	28,099	26,199	24,177	77,590	66,215	90,384
Total Expenses	194,539	198,636	178,254	567,028	495,016	665,431
3 Profit/(Loss) from Operations before other income, finance costs and exceptional items (1-2)	25,729	25,041	18,480	84,203	82,798	100,557
4 a) Other Income	1,848	1,306	1,815	4,217	4,569	6,038
b) Exchange Difference - Gain/(Loss)	1,360	(3,395)	2,335	1,412	6,361	4,308
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	28,937	22,952	22,630	89,832	93,728	110,903
6 Finance costs	16,355	17,004	15,373	49,915	42,810	59,435
7 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	12,582	5,948	7,257	39,917	50,918	51,468
8 Exceptional items - (expense) / income	-	-	(198)	-	(1,289)	(1,082)
9 Profit/(Loss) from ordinary activities before tax (7 + 8)	12,582	5,948	7,059	39,917	49,629	50,386
10 Tax Expense:						
Current tax	3,900	2,739	3,350	14,000	17,850	16,950
Deferred tax charge/ (credit)	627	(718)	(997)	(561)	(1,498)	(840)
11 Net Profit/(Loss) from ordinary activities after tax (9-10)	8,055	3,927	4,706	26,478	33,277	34,276
12 Extraordinary Items (Net of tax expense)	-	-	-	-	-	-
13 Net Profit/(Loss) for the period (11-12)	8,055	3,927	4,706	26,478	33,277	34,276
14 Paid-up equity share capital (Face value ₹10)	13,080	13,080	13,080	13,080	13,080	13,080
15 Reserves excluding Revaluation Reserves as per Balance Sheet of previous accounting year						573,669
16 Earnings per share of ₹ 10 each (not annualised):						
a) Basic	6.16	3.00	3.60	20.24	25.44	26.21
b) Diluted	6.16	3.00	3.60	20.24	25.44	26.21

Part II: Select Information for the Quarter and nine months ended December 31, 2012

A. Particulars of Shareholding						
1 Public shareholding						
- Number of Shares	94,815,906	94,458,736	94,154,208	94,815,906	94,154,208	94,458,736
- Percentage of shareholding	72.49%	72.22%	71.99%	72.49%	71.99%	72.22%
2 Promoters and Promoter Group Shareholding:						
a) Pledged / Encumbered						
- Number of Shares	35,236,282	35,592,879	33,509,407	35,236,282	33,509,407	34,307,879
- Percentage of shares	97.94%	97.95%	91.45%	97.94%	91.45%	94.42%
(as a % of the total shareholding of promoter and promoter group)						
- Percentage of shares	26.94%	27.21%	25.62%	26.94%	25.62%	26.23%
(as a % of the total share capital of the Company)						
b) Non -encumbered						
- Number of Shares	742,780	743,353	3,131,353	742,780	3,131,353	2,028,353
- Percentage of shares	2.06%	2.05%	8.55%	2.06%	8.55%	5.58%
(as a % of the total shareholding of promoter and promoter group)						
- Percentage of shares	0.57%	0.57%	2.39%	0.57%	2.39%	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	24					
Disposed of during the quarter	24					
Remaining unresolved at the end of the quarter	Nil					

United Spirits Limited

Unaudited Financial Results (Provisional) for the three months ended December 31, 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 is primarily organized into two main geographic segments namely India and Outside India. However, 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, both primary and secondary reporting disclosures for business/geographical segment as envisaged in AS-17 are not applicable to the Company.

2. During the quarter,

a) Palmer Investment Group Limited and UB Sports Management Overseas Limited (both wholly owned subsidiaries of the Company), USL Benefit Trust (of which the Company is a beneficiary), SWEW Benefit Company, United Breweries (Holdings) Limited and Kingfisher Finvest India Limited (both promoters of the Company) have entered into an Share Purchase Agreement, with Relay B.V. and Diageo PLC, for the sale of 25, 226,839 equity shares constituting approximately 19.29% of the present paid up equity share capital of the Company and approximately 17.36% of the paid up equity share capital of the Company following the preferential allotment referred to in paragraph (b) below, at a price of Rs 1,440/- per equity share.

b) Simultaneously with the execution of the Share Purchase Agreement, a Preferential Allotment Agreement between Relay B.V. the Company and Diageo PLC has been entered with, for issue of 14,532,775 equity shares of face value of Rs.10/- each constituting 10% of the post-issue equity share capital of the Company to Relay B.V. an indirect wholly owned subsidiary of Diageo PLC on a preferential allotment basis at a price of Rs.1,440 per equity share.

The consummation of the transaction referred to above are subject to various conditions precedent, including receipt of approval from the Competition Commission of India and in case of the preferential allotment, approval of the shareholders of the Company by way of a special resolution through postal ballot. Shareholder approval to the preferential allotment was received on December 14, 2012.

As a consequence, inter alia, of the transactions referred to in (a) and (b) above, Relay B.V., acting through JM Financial Institutional Securities Private Limited, has made a public announcement offering to acquire up to 37,785,214 equity shares held by the public shareholders of the Company pursuant to Regulation 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

United Spirits Limited
Unaudited Financial Results (Provisional) for the three months ended December 31, 2012

Notes:

3. During the quarter,
- (a) the company acquired 1,686,004 equity shares of Shaw Wallace Breweries Limited from Ramanreti Investment & Trading Limited at Rs 36.76 per share.
- (b) the Company has, sold its entire investments in McDowell Beverages Limited, United Alcobev Limited, McDowell & Company Limited, United Vintners Limited, Jasmine Flavours and Fragrance Private Limited, Daffodils Flavours & Fragrance Private Limited, Ramanreti Investment & Trading Limited and consequently these companies ceased to be subsidiaries of the Company.
4. 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.
5. The above unaudited results were taken on record at the meeting of the Board of Directors held on February 4, 2013.

By authority of the Board

Sd/-
ASHOK CAPOOR
MANAGING DIRECTOR

Bangalore
February 4, 2013

Limited Review Report

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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 and nine months ended **31 December 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

Aashish Arjun Singh
per Aashish Arjun Singh
Partner
Membership No. 210122



Bangalore

4 February 2013



UNITED SPIRITS LIMITED

**Bangalore
February 4, 2013**

PRESS RELEASE

RESULTS Q-3 FY13

**11% Net Revenue Growth with a 7% volume growth
230 basis points improvement in margin (EBIDTA/Revenue)
78% growth in Profit Before Tax
210 basis points improvement in profit margin (PBT/Revenue)**

Q3 FY12	October - December	Q3 FY13	
30.5	VOLUMES – USL INDIA (Million cases)	32.6	+ 2.07 million ↑ 7%
1,953.9	REVENUE as Reported (` Crore)	2,174.0	+220.1 ↑ 11%
200.3	Operational EBIDTA (` Crore)	274.6	+74.3Cr ↑ 37%
10.2	EBIDTA Margin (%)	12.5	+2.3% ↑

The Board of Directors of United Spirits Limited at their meeting in Bangalore today, considered and approved the results of the Company for the October-December quarter of fiscal 2013.

The sharp growth of our strategic brands whose volumes grew by 29% to just under 8 million cases during the quarter compared to just over 6 million cases in the comparable period of the previous year is a key factor for the increase in revenues and the margin. The share of these strategic brands in the overall portfolio grew by 4% and are now a quarter of the overall portfolio.

“The Premiumisation’ story at USL is not a recent one – the Company has constantly been pursuing opportunities to move up the value chain and plug gaps in the price ladder by new and premium product introductions so that consumers stay within the ambit of the USL portfolio and do not stray to competition. The financial results are an indication of these continuing

efforts”, said Dr. Vijay Mallya, Chairman, United Spirits. “The success of Antiquity Blue Whisky, Signature Premier Whisky, McDowell’s No.1 Platinum Whisky and McDowell’s VSOP Brandy - all bear testimony to USL’s successful premiumization story”, he added.

The Tamil Nadu market continues to play spoil sport – consumers in Tamil Nadu are still deprived of their favorite brands from the USL portfolio because of the artificial restrictions placed on consumer choice by TASMAC – the parastatal wholesale and retail channel in Tamil Nadu. Against a capacity of 1 million cases per month and a demand that is much larger, USL’s monthly capacity is being artificially pegged at 0.75 million cases with an additional compulsion to supply medium/cheap brands to the extent of 40% of such truncated capacity - both, to benefit new and existing local players.

Spirit costs are up by Rs.2.1 per litre or Rs.8.4 per case. The adverse impact of this is over Rs.27 crore for this quarter alone. With the output of the current crushing season coming into market, we believe that ENA costs will come off this perch towards the latter part of Q4.

Interest costs for the quarter at Rs.163.6 crore are up from the comparable figure of FY12 (Rs.153.7 crore) – the result of increased borrowing for operations and higher rates.

The nine-month results of the Company are as follows:

FY12	April-December	FY13	
89.9	Volumes – USL INDIA (Million Cases)	92.3	+ 2.3 million ↑ 3%
5,679.98	REVENUE (`Crore)	6,451.99	+772Cr ↑ 14%
871.3	Operational EBIDTA (`Crore)	894.4	+23.1Cr ↑ 3%
332.8*	Profit After Tax	264.8	*13% ↑ (effective)

*** If the one-time income of ` 65 crore and exchange loss of `49.5 crore is adjusted, the comparable figure is `234.5 crore, representing an increase of 13% ( `30.3 crore).**

Strategic brands of the Company continue to show very healthy growth. During the 9-month period, McDowell's No.1 Whisky family of Reserve, Platinum and DietMate grew at 20% while Royal Challenge was up 23% over the corresponding period of the previous year. The Company's Black Dog Scotch portfolio was up 29% over the comparable period of the previous year.

Over the past few months, the Company has introduced the 'DietMate' version of some of its key brands, No.1 McDowell's Whisky, Royal Challenge and Bagpiper. Using a unique Garcenia-based scientific process patented by the Vittal Mallya Scientific Research Foundation, these premium variant brand introductions are placed higher up the price ladder than the respective mother brands. While the roll out across the country is being done in a staggered fashion, the response to the DietMate brands has been extremely encouraging wherever they have been launched.

After considerable negotiations, the Andhra Pradesh Govt. has agreed to the introduction of new higher priced brands – this could be achieved only towards the fag end of Quarter 3 and the benefits from such increased revenues will manifest themselves in the next few quarters.

During Q-3, the Company's Emerging Markets Division established an export hub viz., Whyte & Mackay Singapore and export of IMFL to the markets of Vietnam, Myanmar, Nigeria & Angola has been transacted through this Company. The increased focus has led to both volume and revenue growth – volumes have reached 7.5 lac cases for the current fiscal.

During the quarter, Diageo and the Company have applied for permissions from Regulatory authorities like SEBI and the Competition Commission of India. These applications are in due process with the authorities and we hope to receive their approvals in due course.

