

22 January, 2007

UNITED BREWERIES LIMITED

PERFORMANCE HIGHLIGHTS - 9 MONTHS TO DECEMBER 31st, 2006.

- UBL ACHIEVES MARKET CAPITALISATION OF \$1bn
- VOLUME GROWTH OF 27.6% COMPARED TO PREVIOUS YEAR
- OPERATING MARGIN AT 19.4%
- EBITDA PROFIT Rs118.48Cr, AN INCREASE OF 38 %
- NET PROFIT of Rs53.42Cr

At the end of the December 2006, UBL has posted an EBITDA of Rs118.48Cr representing a 38% increase versus last year, against a volume growth of nearly 28%.

The historic growth in Strong beer has continued to fuel demand, with the total industry growing in volume terms by 31% in the 9 months, and Strong beer growth growing at a staggering rate of 35%. During this period the industry is also recording around 23% growth in Mild beer.

In spite of this last quarter traditionally being the slowest season, Kingfisher Strong, the No.1 top selling beer brand in India today, has seen unprecedented growth with volume growing during the quarter by around 52%, and thereby bring the year to date growth to around 50%. Kingfisher mild has continued to grow in line with the market.

Margins remain under pressure from raw material price increases, and have been offset by earlier price increases, improved manufacturing efficiencies and careful cost management. This quarter has recorded the commencement of stock build to enable brewery shutdowns for the installation and commissioning of new plant in line with our expansion plans, this has slightly dampened margins however we expect them to recover in the last quarter in line with earlier reported quarters.

Overall net profit at Rs 53.42Cr is nearly 100% higher than last year, this is reflected in an EPS of Rs2.47 per share, of Re1, versus the equivalent of Rs1.2 last year.

The results presented incorporate the merged business's of ABDL and MBDL which are not included in the comparatives, had last years numbers included the merged operations then income would have been Rs50 Cr higher and EBITDA Rs3Cr higher.

The investment in both the new greenfield sites and expansion (existing brewery capacity) program, is on track and will be operational for the coming summer season.

In light of the ongoing excellent performance of the business, and continuing shareholder support, the board has today announced the payment of an interim dividend of 15%.

Ends...