

July 27, 2007

United Spirits Limited (Formerly McDowell & Company Limited)

- Volumes up 13%
- Revenue up 17% (by rs.111 cr.) to rs.766 cr
- Ebidta up 67% (by rs.70 cr.) to rs.174.2 cr
- pbt up by 89% (by rs.65 cr.) to rs.138 cr
- pat up by 94% (by rs. 42 cr.) to rs.87.6cr

The vertical take-off continues. at its board meeting in delhi today, united spirits, india's largest spirits company announced its operating results for q-i of fy 2008. consistent with the trend of the past few quarters, the company again reported a quantum jump from the results of the comparable quarter of the previous fiscal.

The earnings before interest, depreciation and tax at rs.174.23 crore is 67% higher than the earnings during the last fiscal of rs. 104.46 crore.

Profit before tax at rs. 138.04 crore is up 89 % from the rs. 73.05 crore for the comparable period of the previous fiscal.

From some time now, usl's ebidta figures have consistently seen quantum jumps.

		rs. cr			rs. cr	growth %
q/e mcd	june'04	20.26	june'05	35.69	76%	
	sep'04	19.63	sep'05	36.74	87%	
	dec'04	24.50	dec'05	51.19	109%	
	mar'05	25.30	mar'06	49.27	95%	
	june'05	35.69	june'06	77.47	117%	
	sept'05	122.17	sept'06	239.41	96%	
	dec'05	204.74	dec'06	381.08	86%	
	mar'06	258.75	mar'07	491.38	90%	
period ending usl	jun'06	104.46	jun'07	174.23	67%	

Sales of key premium brands at 16.8 million cases continued to register a double-digit growth of 16% compared to 14.5 million cases last year. a few years ago, usl had declared its deliberate strategy to emphasize value rather than volume; and as a consequence, premium brands in the portfolio now constitute 93% of the portfolio compared to 87% in fy'06 and 72% five years ago (in fy'02).

Overall volumes at 18.1 million cases represent a 13% growth over the last fiscal. the mcdowell's no.1 umbrella brand, which has a leading presence across whisky, brandy & rums, continues its dream run, registering a phenomenal sale of 6.2 million cases this quarter, which represents a robust 35% growth over the 4.6 million cases in the previous comparable period.

Sales of the company's other premium brands - antiquity blue, signature, white mischief,

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romanov, director's special black & honey bee continue to maintain double-digit growth.

This quarter has seen a downturn in the prices of its primary raw material - molasses as also stability in fuel prices, leading to a marginal softening in prices of rectified spirit & extra neutral alcohol. the impact of lower indirect tax on alternative uses of rectified spirit, such as ethanol had a counter-balancing effect. usl has taken proactive steps to ensure unbroken supplies on a most preferred basis. these measures are expected to retain relative price advantage for the company vis -a -vis other manufacturers.

Finance charges at rs.29.2 crore are 15% up from the previous fiscal, a combined impact of the debt restructuring exercise undertaken from the proceeds of the gdr issue made by mcdowell in march 2006 and the loan raised in the current quarter to acquire whyte & mackay.

Operational profit before tax for the period at rs.138.0 crore is up 89% from rs.73.1 crore. profit after tax is up at rs.87.6 crore compared to rs.60.5 crore last year.

The scottish spirits major, whyte & mackay which was recently acquired by usl has seen a firming up of prices of scotch; the rationale for the acquisition thus continues to be robust. demand for both branded volumes as well as bulk are strong. selective brands will be introduced in the india market by the festive season this year.

*ENDS...*