

## UB Holdings net flat as interest costs hurt

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UNITED Breweries Holdings, the holding company of Dr Vijay Mallya's UB Group, reported a flat net profit at Rs 12.88 crore for the quarter ending March 31 as against Rs 13.08 crore for the same period a year ago even though net sales rose a robust 19 per cent.

The bottom line of the firm was pulled down by a significant 59 per cent rise in interest/finance charges (net of receipts) at Rs 32.71 crore at the end of Q4FY11 as compared to Rs 20.58 crore paid in the corresponding quarter in the previous fiscal. Net sales for the fourth quarter stood at Rs 82.69 crore as compared to Rs 69.39 crore in the same period last year while total expenditure fell 14 per cent to Rs 65.69 crore as against Rs 76.18 crore in the year-ago period. Shares of the company, which announced earnings after market closed, fell nearly 4 per cent

### Net sales for the fourth quarter stood at Rs 82.69 cr

to Rs 187.10 on the BSE.

For the full-year ended March 31, 2011 net sales dropped 3 per cent to Rs 301.51 crore as against Rs 310.10 crore reported for the year ending March 31, 2010. Full-year net profits (after tax) fell sharply by 43 per cent to Rs 40.29 crore as against Rs 70.23 crore.

The company, which in April 2010 had executed a joint development agreement with an undisclosed developer to build a luxury residential building in the available land in UB City, said the construction activity is expected to start soon.

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