

United Spirits Clocks Sales Volume of 100 Million Cases to Become the World's 2nd Largest Spirits Company

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Bangalore, April 07, 2010 : United Spirits Limited (USL), the flagship company of The UB Group, today announced that it has crossed the milestone of clocking a sales volume of 100 million cases for the fiscal year ended March 31, 2010. This achievement makes United Spirits the world's second-largest spirits company by volumes, dislodging Paris-headquartered Pernod Ricard.

Commenting on USL catapulting to the number 2 position globally, Dr. Vijay Mallya, Chairman, The UB Group said, "We have done extremely well, despite the economic slowdown this year. This has been made possible through our sheer dedication and commitment to the vision of becoming the best in the business. It wasn't long ago that we were merely a 3 million case company. We have created a new history in the world of beverage alcohol by selling 740 million cases in about a quarter of a century. The Indian spirits industry today is pegged at 236 million cases and USL has a 59% market share in India in the segments it operates in. We are certain that our additional sales in the next financial year will take us to the **No. 1 position globally**". **Key highlights:**

- The retail sales value of the spirits portfolio sales of United Spirits for the 100 million cases sold is Rs. 30,000 Crores
- USL's 100 million cases contributed Government revenue of Rs. 18,000 Crores through excise and other levies
- USL has dominant market share and the fastest growing brands in most key segments.
- USL has outperformed global competitors with USL brands growing 14% while the world's top 100 spirits brands collectively grew only 1% and this when 18 of the top 25 global premium brands lost ground
- In the last 25 years, USL has sold a total of 740 million cases
- United Spirits launched Black Dog 18 YO in the super premium Bottled – In-India (BII) scotch category to further ramp up its market share
- The company upped the ante in the premium IMFL segment with the introduction of 100% pure grain-based McDowell's Platinum whisky

United Spirits is aggressively moving up the value chain for premium spirits consumption. The company is upbeat about the economy and increase in consumer demand over the next few years. With more than 100 million potential consumers entering the legal drinking age in the next 5 years, the opportunity for growth for it is tremendous. To this end, United Spirits has undertaken a massive capacity augmentation through a robust capital investment plan of over Rs 650 crores. The company recently acquired Tern Distilleries in AP and set up a Greenfield malt spirit plant in Nasik in Maharashtra.

UBL achieves milestone of 100 million cases

United Breweries Limited (UBL) also announced that in the financial year ended 31 March 2010 it has sold more than 7.8 million hectolitres of beer, which is equivalent to over 100 million cases. This represents a growth of more than 20% over the previous fiscal, and has been achieved even as UBL discontinued supply to Andhra Pradesh - the largest beer market in the country – for three months in the peak season.

Sharing his perspective on yet another milestone crossed by another line of business under the alcobev banner of The UB Group, Dr. Vijay Mallya, Chairman of United Breweries Limited said, "I am absolutely delighted that UBL has achieved the milestone of over 100 million cases sale this year. The Kingfisher brand has grown from strength to strength and is today rapidly becoming the icon of a new vibrant and emerging India. With the launch of 'Kingfisher Ultra', we have set new standards in packaging and quality. I am confident that the crossing of this milestone will set the company's growth on a new trajectory that will be driven by innovation, world class marketing programs and state-of-the-art manufacturing facilities." **Key Highlights**

- The retail value of beer that UBL has sold in 2009-10 is approximately Rs.8200 cr.
- UBL contributes around Rs 3200 cr. to the revenue of the government, in various forms of taxes and government income
- UBL's volumes have doubled in the last 4 years
- UBL has the number one brand in the mild & strong beer segments – Kingfisher Premium & Kingfisher Strong, respectively
- Kingfisher Strong is the single largest beer brand in India and has grown almost 3 times in the last 4 years
- UBL has been the Pioneer in Product Innovation by being the first to launch draught beer, cans and 5 litre kegs

- UBL has also been the first in the alco – beverage category to bring exciting, differentiated consumer experiences
- India has changed and UBL and its portfolio reflect the new UBL and India. Kingfisher has moved from being a brand to an icon of an emerging lifestyle.

The company is going from strength to strength, and with a market share that now stands at over 50%, UBL is twice the size of its nearest competitor. The ubiquitous Kingfisher brand is by far the largest selling beer brand in India. It has moved from being just a brand to a statement of lifestyle. The launch of the super-premium Kingfisher Ultra has been a great success, and shows the strength of the Kingfisher brand and United Breweries. This financial year will bring in the expansion of Kingfisher Ultra to other markets, as well as the highly anticipated launch of Heineken.

To accommodate the growth going forward, UBL has opened its latest greenfield brewery in Andhra Pradesh, with a capacity of over 1m hectolitres. Preparations for a new brewery in Karnataka have commenced, and expansions have been actioned at virtually all breweries.

About United Spirits Limited:

United Spirits Limited (USL) is the INR 6500 crores (FY 09) spirits arm of the UB Group. USL was earlier McDowell and Company Limited . USL is headquartered in Bangalore with a global footprint and has 7500 employees across various locations. USL has a portfolio of more than 140 brands, of which 20 are millionaire brands and has manufacturing and bottling units at 80 locations across the country.

USL represents the merged entities of erstwhile McDowell & Co. Limited, Phipson Distillery Limited, United Spirits Limited, Herbertsons Limited, Triumph Distillers and Vintners Private Limited, Baramati Grape Industries Limited, United Distillers India Limited, McDowell International Brands Limited and Shaw Wallace Distilleries Limited and Shaw Wallace & Co. The erstwhile McDowell & Co. Limited was first established as a proprietary business in 1826.