



UNITED BREWERIES (HOLDINGS) LIMITED

February 5, 2016

The Department of Corporate Services
BSE Limited
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort, Mumbai 400 001

The Secretary
National Stock Exchange of India Limited
Compliance Department
Exchange Plaza, Bandra Kurla Complex
Bandra [E], Mumbai 400 051

Dear Sir,

Sub: Outcome of Board Meeting- Unaudited Financial Results for the quarter/nine months ended December 31, 2015

In terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are furnishing herewith the following:

- (i) Unaudited Financial Results for the quarter/nine months ended December 31, 2015
- (ii) Limited Review Report of Messrs. Vishnu Ram & Co, Chartered Accountants, the Auditors of the Company, in connection with the Unaudited Financial Results for the quarter/nine months ended December 31, 2015;

The results will be published in an English Daily and also in a local regional newspaper in Kannada, being the regional language where the Registered Office of the Company is situated.

We request you to kindly take this on record as compliance of the relevant Regulations.

Thanking you,

Yours faithfully,

For United Breweries (Holdings) Limited

Kaushik Majumder
Senior Vice President- Legal
& Company Secretary

Encl. as above



UNITED BREWERIES (HOLDINGS) LIMITED
 Reg. Office: Level 12, UB Tower, UB CITY, No. 24, Vittal Mallya Road, Bangalore. 560 001
 Email: ubhinvestor@ubmail.com. Website: www.theubgroup.com CIN : L85110KA1915LC000740

PART I STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015

Rs. in Lakhs (except per share data)

PARTICULARS	Three months ended			Nine months ended		Year Ended
	Dec 31, 2015 Unaudited	Sep 30, 2015 Unaudited	Dec 31, 2014 Unaudited	Dec 31, 2015 Unaudited	Dec 31, 2014 Unaudited	Mar 31, 2015 Audited
1. Income from operations						
(a) Net sales/income from operations	8,997	7,751	7,204	22,529	25,531	31,747
(b) Property development	1,153	1,232	1,300	3,640	3,887	5,246
(c) Other operating income	302	210	253	650	972	1,151
Total income from operations	10,452	9,193	8,757	26,819	30,390	38,144
2. Expenses						
a) Purchases of stock-in-trade	3,875	3,053	2,643	8,746	8,686	11,089
b) Cost of packing materials consumed	1,184	939	671	2,598	2,423	3,204
c) Change in inventories (increase) / decrease	(595)	(598)	474	(911)	2,412	2,235
d) Employee benefit expenses	926	971	704	2,656	2,307	2,977
e) Depreciation	414	413	139	1,239	608	2,150
f) Other expenses	4,798 *	1,443	2,536	7,689	7,556	55,540 *
* Includes provisions & write offs						
Total expenses	10,602	6,221	7,167	22,017	23,992	77,195
3. Profit/(Loss) from operations before other income and finance costs	(150)	2,972	1,590	4,802	6,398	(39,051)
4. Other income	171	62	488	235	1,080	776
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items	21	3,034	2,078	5,037	7,478	(38,275)
6. Finance costs (net of receipts)	1,652	1,817	1,876	5,236	13,419	14,827
7. Profit / (Loss) from ordinary activities after finance costs and before exceptional items	(1,631)	1,217	202	(199)	(5,941)	(53,102)
8. Exceptional items : Profit on sale of pledged shares (net)	-	-	-	-	86,712	96,500
9. Profit / (loss) before tax	(1,631)	1,217	202	(199)	80,771	43,398
10. Tax expense	-	-	-	-	-	-
11. Net Profit / (loss) after tax	(1,631)	1,217	202	(199)	80,771	43,398
12. Paid-up equity share capital (face value of Rs.10 each, fully paid up)	6,682	6,682	6,682	6,682	6,682	6,682
13. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	(34,145)
14. Earnings per share (of face value Rs.10/- each):						
Basic and diluted (after exceptional item)	(2.44)	1.82	0.30	(0.30)	120.88	64.95
Basic and diluted (before exceptional item)	(2.44)	1.82	0.30	(0.30)	(8.89)	(79.47)

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UNITED BREWERIES (HOLDINGS) LIMITED

Segment - wise business performance for the Quarter and Nine months ended December 31, 2015

Primary Segment Information

Rs. Lakhs

Particulars	Three months ended			Nine months ended		Year ended
	Dec 31, 2015 Unaudited	Sep 30, 2015 Unaudited	Dec 31, 2014 Unaudited	Dec 31, 2015 Unaudited	Dec 31, 2014 Unaudited	Mar 31, 2015 Audited
1) Segment Revenue						
a) Alcoholic beverages	5,266	3,714	2,809	11,402	11,913	14,902
b) Leather products	900	731	1,190	2,467	3,468	4,044
c) Readymade garments	447	445	867	1,122	2,907	3,077
d) Investments	-	410	-	410	487	487
e) Logo fees	1,633	1,633	1,634	4,900	5,020	6,653
f) Property development	1,153	1,232	1,300	3,640	3,887	5,246
g) Corporate guarantee services	14	14	14	41	76	89
h) Others	1,039	1,013	943	2,837	2,632	3,646
Total Revenue	10,452	9,193	8,757	26,819	30,390	38,144
2) Segment Results						
a) Alcoholic Beverages	795	1,236	829	2,699	2,310	2,893
b) Leather products	170	28	143	164	485	677
c) Readymade garments	(11)	60	22	66	(80)	103
d) Investments	(455)	(96)	(510)	(874)	(771)	(1,422)
e) Logo fees	1,179	1,127	1,124	3,616	3,762	4,744
f) Property development	698	726	790	2,139	2,417	3,124
g) Corporate guarantee services	(441)	(493)	(496)	(1,243)	(1,182)	(1,820)
h) Others	(85)	384	(312)	235	(543)	(602)
Total Results	1,850	2,972	1,590	6,802	6,398	7,697
Other income	171	62	488	235	1,080	776
Provision for doubtful advances	(2,000)	-	-	(2,000)	-	(5,790)
Bad debts written off	-	-	-	-	-	(12,862)
Provision for diminution in value of investments	-	-	-	-	-	(28,096)
Finance costs (net of receipts)	(1,652)	(1,817)	(1,876)	(5,236)	(13,419)	(14,827)
Exceptional item	-	-	-	-	86,712	96,500
Profit / (Loss) before tax	(1,631)	1,217	202	(199)	80,771	43,398

Capital Employed	Three months ended			Nine months ended		Year ended
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
Alcoholic Beverages	2,944	2,670	(1,129)	2,944	(1,129)	1,812
Leather Products	3,575	3,933	5,230	3,575	5,230	4,169
Readymade Garments	11,586	11,005	12,488	11,586	12,488	11,727
Investment	(56,730)	(60,283)	(23,572)	(56,730)	(23,572)	(61,007)
Property Development	4,528	4,789	4,020	4,528	4,020	4,048
Others	1,008	1,667	1,879	1,008	1,879	1,012
Total	(33,090)	(36,219)	(1,084)	(33,090)	(1,084)	(38,239)

Secondary Segments, Based on Geographical locations	Three months ended			Nine months ended		Year ended
	December 31, 2015	September 30, 2015	December 31, 2014	December 31, 2015	December 31, 2014	March 31, 2015
1 Segment Revenue						
Within India	3,630	4,274	3,851	11,482	11,948	34,546
Outside India	6,822	4,919	4,906	15,337	18,442	3,598
	10,452	9,193	8,757	26,819	30,390	38,144
2 Segment Assets less segment liabilities						
With in India	(62,649)	(65,179)	(30,798)	(62,649)	(30,798)	(66,292)
Outside India	29,559	28,960	29,714	29,559	29,714	28,053
	(33,090)	(36,219)	(1,084)	(33,090)	(1,084)	(38,239)

United Breweries (Holdings) Limited

Notes:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 05th February, 2016.
2. The stay obtained from Securities Appellate Tribunal (SAT) against the order of Securities and Exchange Board of India (SEBI) requiring the restatement of the financials relating to two accounting years ended 31st March 2013 and 2014 continues, pending disposal of the appeal.
3. Claim against a banker for restitution of deposits of Rs.60.96 crores, which were unilaterally encashed and appropriated towards its claims against a group company, is being pursued before the High Court of Karnataka. Appropriated amounts are being shown as recoverable from the said bank, pending disposal of its appeal.
4. Investments in certain Subsidiaries and certain Associates are considered as long term and strategic in nature and accordingly, no provision has been considered for diminution in the value, which is considered temporary in nature.
5. The consortium of lender Banks of Kingfisher Airlines Ltd. has invoked the alleged corporate guarantee given by the Company and has demanded payment of Rs. 6,203.35 crores. Further, the consortium has approached the Debt Recovery Tribunal, Bangalore and has also filed winding up petitions before the Karnataka High Court. Based on expert legal opinion, the Company has contested the above proceedings. The Company continues to treat the disputed amounts as contingent in nature.
6. With regard to various legal cases, including 9 winding up petitions (8 of which are admitted), which are pending disposal, there has been no significant development during the current period.

Meanwhile, the Hon'ble Supreme Court vide its Order dated 17-11-2015 has, inter alia, admitted the SLP filed by the Company against the Order of the Division Bench of the Hon'ble High Court of Karnataka admitting the winding-up petition of BNP Paribas and posted the matter to 6th April 2016 for hearing.

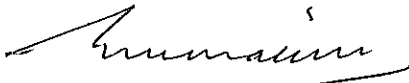
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7. The State Bank of India vide its letter dated 13-11-2015 declared the Company and the Chairman Dr. Vijay Mallya as willful defaulters. The Company filed a Writ Petition before the Hon'ble High Court of Delhi.
8. The Company had advanced Rs. 20 crs to the vendor in an earlier year. In view of counter claim by the vendor, as a matter of prudence, the advance has been provided for in the accounts.
9. The Company has explained its rationale and circumstances in note 52 to the Annual Accounts for the year ended 31st March 2015, on the basis of which those accounts were prepared on principles applicable to 'going concern'. The position holds good as on 31st December, 2015.
10. With regard to the amount recoverable from a financial company on sale of Company's pledged shares, which is being held by the said financial company - Rs. 15 crs has been refunded in October, 2015. The financial company has now raised counter claims against the Company, which is being disputed. Pending resolution of the matter, the Company continues to show the balance of Rs. 832.46 crs as recoverable.
11. In respect of financial facilities availed by the Company from a Bank which was duly secured by pledge of securities owned by a Group company; the Bank has invoked and sold a part of the pledged shares. The said Group company has demanded payment of Rs 65.58 crs (including Rs. 30.48 crores during the quarter), being the sale proceeds of such pledged securities, which is accounted as due to the Group company.
12. During the Quarter, another Financial Institution invoked and sold a portion of the securities pledged by a wholly owned subsidiary, and recovered Rs. 51.20 crs, which was adjusted against the Company's dues. The amount so recovered is accounted as due to the wholly owned subsidiary.
13. The Company had given a non-disposal undertaking in respect of 20,14,000 equity shares of United Breweries Limited (UBL) in favour of ICICI Bank Limited (ICICI) as a top-up security for certain loans provided by ICICI to KFA. On 5th January, 2016, in pursuance of a separate disputed claim by ICICI on the Company, ICICI unilaterally transferred 19,58,000 Equity shares of UBL from the Company's Demat account to their own account on 5th Jan 2016. However, immediately following this, the DRT in its order dated 11th Jan 2016 has restrained ICICI from dealing with the said shares of UBL, pursuant to an application by SBI.

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14. As regards the loan from United Spirits Ltd, amounting to Rs. 1,337.41 crores, the position remains unchanged, from the previous quarter.
15. In the absence of Managing Director and Chief Financial Officer, the President of the Company and the Group Chief Financial Officer conducts the day to day affairs of the Company in consultation with the Chairman.
16. Previous periods figures have been regrouped wherever necessary.
17. The statutory auditors have in their Limited Review Report qualified on matters referred to note nos. 3, 4, 5, 6 , 9 & 13 (event subsequent to the quarter ending) above.

5th February 2016
Bengaluru


Dr Vijay Mallya
Chairman

VISHNU RAM & CO.,
CHARTERED ACCOUNTANTS
LIMITED REVIEW REPORT

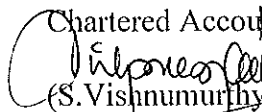
1. We have reviewed the accompanying statement of unaudited financial results of United Breweries (Holdings) Limited, Bangalore ("the company") for the quarter and nine months ended December 31, 2015. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. Our review has been confined to the figures shown in the columns headed "three months ended 31-12-15" and "for the nine months ended 31-12-15"..
3. We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. *We have issued a qualified report on the audited financial statements for the accounting year ended 31-3-2015 stating amongst other things, non-provision for decline in the value of investments in certain subsidiaries and associates which are carried in the books at Rs. 258.81 crores, non-provision for the loss that may arise due to possible non-recovery of loans and advances of Rs 75.43 crores due from certain subsidiaries, non-provision for the possible loss that may arise on account of various financial exposures to Kingfisher Airline Limited, non-recognition of certain liabilities/obligations and appropriateness of preparation of financial statements on going concern basis being subject to favourable resolution of several litigations involving the Company. There have not been any significant developments during the current quarter in this regard.*
5. *The company has not so far estimated and provided for the losses that may arise on account of its financial exposures to Kingfisher Airlines Limited (KFA) which are in the form of invoked corporate guarantees of Rs. 8,158.89 crores (which the company continues to show as contingent liabilities). KFA is under severe financial stress and it has defaulted in honouring its financial obligations on several counts; winding up petitions filed against it have been admitted by the Honourable High Court of Karnataka; it is not carrying on any business.*
6. *Some of the beneficiaries of the company's corporate guarantees referred to in paragraph 5 above have filed winding up petitions against the company. Eight such winding up petitions involving amounts of Rs. 7,256.24 crore, have been admitted by the Honourable High Court of Karnataka. The company is contesting these orders and continues to disclose its obligations as contingent.*



VISHNU RAM & CO.,
CHARTERED ACCOUNTANTS

7. *The company has shown Rs. 35.80 crores as due from a banker. The amount represents deposits kept by the company, which have been encashed by the said banker and appropriated towards its claims against a group company. This has been contested by the company. The possible loss on account of this, has not been estimated and recognised in the accounts.*
8. *The company has shown Rs. 832.46 crores as due from a financial company. The amount represents the sale proceeds of company's investments which have been partly appropriated against dues from KFA and partly retained by the said financial company. Further, the said financial company still holds custody of 59,150,000 shares in KFA, belonging to the company. The company has petitioned the High Court of Calcutta and High Court of Karnataka challenging the validity of the actions taken by the financial company and for rendering full accounts. The petitions are pending disposal and the company continues to show the amount as good and recoverable from such financial company.*
9. *The 'status quo' with respect to the transaction of company's sale of 10,141,437 no. of shares in United Spirits Limited in favour of Diageo group, as ordered by the Honourable Supreme Court of India, continues.*
10. *Attention is invited to note no. 14 with regard to demands made by United Spirits Limited for immediate repayment of their dues amounting to Rs. 1,337.42 crore and the interest thereon.*
11. *Attention is invited to note no. 11 with regard to recall of loan and sale of third party securities by a banker and appropriating the sale proceeds against the loan.*
12. *Based on our review conducted as above and subject to our observations in paragraphs 4 to 11 above, we report that nothing else has come to our attention that causes us to believe that the accompanying statement of un-audited financial results read with the notes thereon and prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.*

Place: Bangalore
Date: 05-02-2016

For Vishnu Ram & Co.,
Chartered Accountants

(S. Vishnumurthy)
Proprietor.
Membership No. 22715
Firm Registration No. 004742S

