

# DIAGEO INDIA

United Spirits Limited

Registered Office:  
UB Tower  
#24, Vittal Mallya Road,  
Bengaluru 560 001

Tel: +91 80 2221 0705  
Fax: +91 80 2224 5253  
[www.diageoindia.com](http://www.diageoindia.com)

23<sup>rd</sup> October 2024

BSE Limited  
Listing Department  
Dalal Street,  
Mumbai 400 001  
Scrip Code: 532432

National Stock Exchange of India Limited  
Exchange Plaza, C-1 Block G,  
Bandra Kurla Complex,  
Bandra East, Mumbai- 400051  
Scrip Code: UNITDSPR

Dear Sirs,

**Sub: Press release for the quarter and half year ended 30<sup>th</sup> September 2024**

Please find enclosed a press release issued by the Company in connection with results for the quarter and half year ended 30<sup>th</sup> September 2024.

This is for your information and records.

Thank you,

For United Spirits Limited

Mital Sanghvi  
Company Secretary

Encl: as above



**DIAGEO**

*India*



# United Spirits Limited

## *Press Release*

Unaudited financial results for the first half and  
second quarter ended 30 September 2024

*(Consolidated & Standalone)*

**Bengaluru, India - October 23, 2024:** United Spirits Ltd., one of the leading beverage alcohol companies in India, reported its unaudited consolidated & standalone results for the first half and second quarter ended 30 September 2024.

### Key highlights for the quarter:

#### Consolidated

- Net sales value (NSV) at INR2,844 Cr.; EBITDA at INR502 Cr.
- Overall NSV registered a marginal decline of 0.8% year-on-year, while EBITDA grew 7.4% year-on-year

#### Standalone

- Net sales value (NSV) at INR2,843 Cr., with Prestige & Above saliency of 89%
- Total NSV witnessed a marginal decline of 0.8% over previous year, Prestige & Above segment NSV was broadly flat (0.3% growth year-on-year).
- EBITDA at INR507 Cr., a growth of 7.9% y-o-y, with a margin of 17.8%

**Ms. Hina Nagarajan, CEO & Managing Director**, commenting on the Q2FY25 performance, said:

*“It’s a muted quarter amidst a softer than expected demand environment. We remain buoyant entering the festive season on the back of structural tailwinds including the reopening of the business in the state of Andhra Pradesh after a near 5-year gap. This reinforces our faith in the overall health and long-term fundamentals of the spirits industry & business in India. Our key focus remains on executional excellence to deliver sustained profitable growth, while maintaining the long-term competitiveness of our portfolio.”*

## **Q2FY25 performance highlights:**

### **Consolidated:**

- Consolidated net sales at INR2,844 Cr., witnessed a marginal decline of 0.8% year on year.
- Consolidated EBITDA was at INR502 Cr., a growth of 7.4% year on year.
- Q2FY25 consolidated Profit after tax was at INR341 Cr.

### **Standalone:**

- Net sales at INR2,843 Cr., registered a marginal decline of 0.8% versus prior year same quarter driven by the normalisation of higher-than-expected growth in the first quarter, higher base last year due to festive inventory build-up and overall, relatively muted demand environment. Within the above, Prestige & Above segment NSV was broadly flat (0.3% growth year-on-year).
- Net sales for the Popular segment fell 6.9% y-o-y.
- Gross margin was 45.2%, up 178 bps versus last year on the back of headline pricing, continued revenue growth management and productivity initiatives off-setting inflation in the overall commodity basket.
- A&P re-investment rate was 9.0% of sales reflecting the healthy investment ahead of the festive season.
- EBITDA at INR507 Cr., an increase of 7.9% over same period last year.
- EBITDA margin was 17.8%, up 142 bps versus last year. This was largely driven by gross margin expansion and normalization in overheads, lapping a prior year high base, partly off-set by the higher A&P and staff costs.
- Interest cost was at INR25 Cr. and is on account of customary non-debt related expenses.
- Profit after tax was INR335 Cr. with net profit margin at 11.8%.

## **H1FY25 performance highlights:**

### **Consolidated:**

- Consolidated net sales for H1FY25 at INR5,605 Cr., up 1.3% year on year.
- Consolidated EBITDA for H1FY25 at INR1,215 Cr., a growth of 2.9% over previous year.
- H1FY25 consolidated Profit after tax at IN826 Cr.

### **Standalone:**

- Net sales at INR5,195 Cr. increased 3.1% year on year driven by our innovation / renovation offerings. Within the above, Prestige & Above segment grew 4.4%.
- Net sales for the Popular segment declined 4.9%.
- Gross margin was 44.9%, up 137 bps versus last year, driven by a combination of headline pricing, revenue growth management initiatives and continued productivity offsetting commodity inflation.
- A&P re-investment rate was 8.3% of sales, largely reflecting the low seasonality of the April to June quarter and ramped up investment behind the brands in the July – September quarter.
- EBITDA at INR965 Cr. is an increase of 12.8% over the previous year. EBITDA margin at 18.6%, up 160 bps versus last year. This was driven by gross margin expansion and continued productivity across the value chain.
- Interest cost in H1FY25 was at INR47 Cr. Excluding the one-off reversal benefit of INR15 Cr. in Q1FY24, interest cost in H1FY24 was at INR46 Cr. Interest cost is on account of customary non-debt related expenses.
- Profit after tax was INR634 Cr. with net profit margin at 12.2%.

## Key Financial Information (Standalone basis)

(In compliance with Schedule III of the Companies Act, 2013, the company has reported revenue from operations inclusive of excise duty.)

Key performance indicators as a % of net sales (Standalone)				
	Q2FY25	Q2FY24	H1FY25	H1FY24
Gross profit margin (%)	45.2	43.4	44.9	43.5
Staff cost (%)	(5.7)	(5.0)	(5.7)	(5.3)
Marketing spends (%)	(9.0)	(8.4)	(8.3)	(7.7)
Other Overheads (%)	(12.6)	(13.6)	(12.3)	(13.5)
EBITDA margin (%)	17.8	16.4	18.6	17.0
Underlying EBITDA margin (%)	17.8	16.4	18.6	16.7
PAT margin (%)	11.8	11.9	12.2	11.5
Basic earnings per share (INR)	4.61	4.69	8.72	7.97

Summary Financial Information - For the period ended 30 September 2024 (Standalone)				
<i>All figures in INR Crores unless mentioned otherwise</i>				
	Q2FY25	Q2FY24	H1FY25	H1FY24
Volume ('000 cases)	15,414	16,130	29,113	29,372
Gross revenue	6,671	6,733	12,500	12,046
Excise Duty	(3,828)	(3,868)	(7,305)	(7,009)
Net sales	2,843	2,865	5,195	5,037
COGS	(1,558)	(1,621)	(2,864)	(2,846)
Gross profit	1,285	1,244	2,331	2,191
Staff cost	(162)	(143)	(295)	(268)
Marketing spends	(257)	(240)	(432)	(387)
Other Overheads	(359)	(391)	(639)	(681)
EBITDA	507	470	965	855
Other Income	34	39	66	60
Depreciation	(69)	(65)	(134)	(130)
EBIT	472	444	897	785
Interest	(25)	(27)	(47)	(31)
PBT before exceptional items	447	417	850	754
Exceptionals <sup>#</sup>	-	31	-	14
PBT	447	448	850	768
Tax	(112)	(107)	(216)	(188)
PAT	335	341	634	580

<sup>#</sup>Exceptional gain of INR14 Cr. in H1FY24 is on account of INR31 Cr. from the final tranche of Income from the slump sale, which was recognised as exceptional income post completion of customary obligations in Q2FY24 partially offset by a charge of INR17 Cr. related to supply agility program in Q1FY24.

## Business Segment Review (Standalone basis)

For the first half ended 30 September 2024 (Standalone)						
Segment	Volume			Net Sales Value		
	H1FY25	H1FY24	Movement	H1FY25	H1FY24	Movement
	'000 cs	'000 cs	%	INR Cr.	INR Cr.	%
P&A	24,413	24,349	0.3	4,592	4,397	4.4
Popular	4,700	5,023	(6.4)	475	499	(4.9)
Other				128	141	(9.0)
<b>TOTAL</b>	<b>29,113</b>	<b>29,372</b>	<b>(0.9)</b>	<b>5,195</b>	<b>5,037</b>	<b>3.1</b>

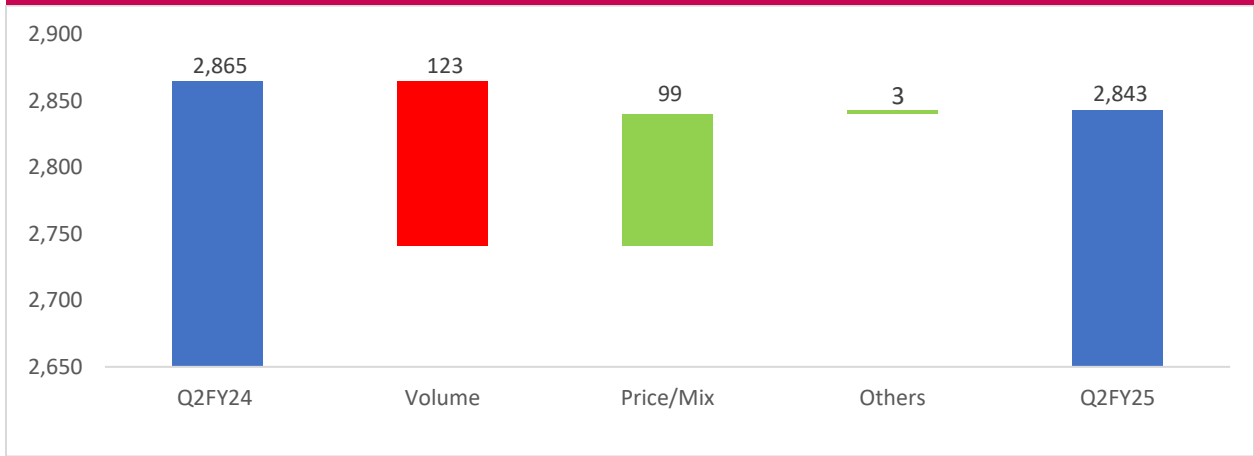
- The **Prestige & Above segment** accounted for 88.4% of net sales value during the first half of fiscal year 2025, up 1.1ppts over the prior year.

The **Popular segment** accounted for 9.1% of net sales value during the first half of fiscal year 2025, down 0.8ppt compared to the same period last year.

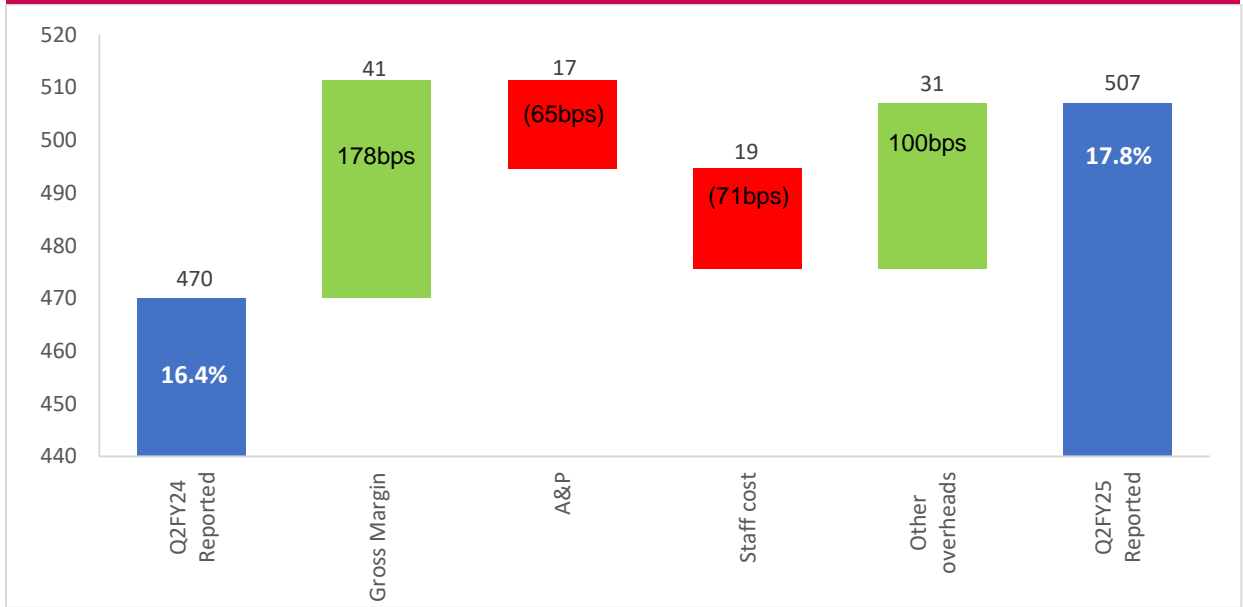
For the quarter ended 30 September 2024 (Standalone)						
Segment	Volume			Net Sales Value		
	Q2FY25	Q2FY24	Movement	Q2FY25	Q2FY24	Movement
	'000 cs	'000 cs	%	INR Cr.	INR Cr.	%
P&A	12,874	13,371	(3.7)	2,527	2,520	0.3
Popular	2,541	2,760	(7.9)	255	274	(6.9)
Other				62	71	(13.0)
<b>TOTAL</b>	<b>15,414</b>	<b>16,130</b>	<b>(4.4)</b>	<b>2,843</b>	<b>2,865</b>	<b>(0.8)</b>

- The **Prestige & Above segment** accounted for 88.9% of net sales value during the second quarter of the fiscal year 2025, up 0.9ppt over the prior year.
- The **Popular segment** accounted for 9.0% of net sales value during the second quarter of the fiscal year 2025, down 0.6ppt compared to the same period last year.

### Net sales value bridge for the Quarter (Standalone, INR Crores)

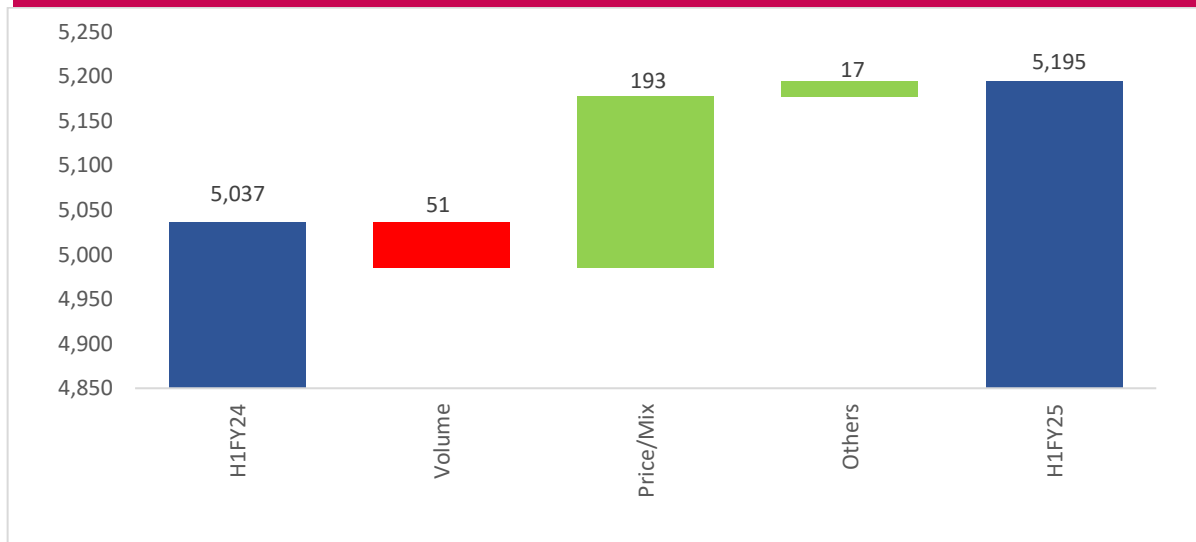


### EBITDA bridge for the Quarter (Standalone, INR Crores, %, bps)

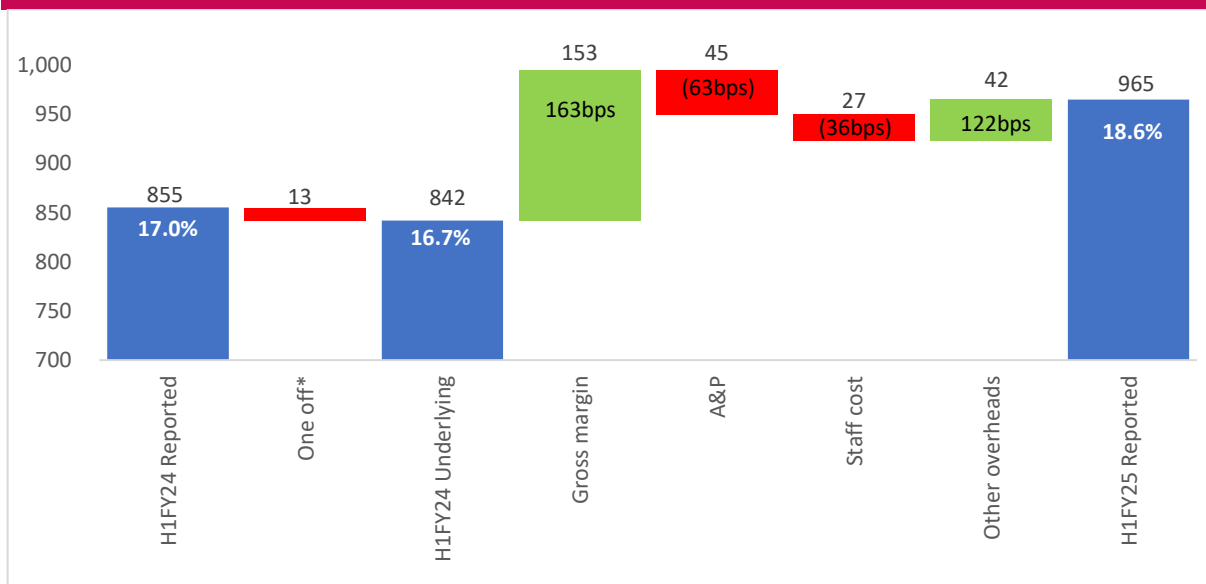




### Net sales value bridge for H1FY25 (INR Crores)



### EBITDA bridge for H1FY25 (INR Crores, %, bps)



\*One-off benefit driven by a write-back in Q1FY24

## Q&A CONFERENCE CALL

Ms. Hina Nagarajan, CEO & Managing Director and Mr. Pradeep Jain, CFO & Executive Director will be hosting a Q&A conference call on **Thursday, 24<sup>th</sup> October 2024** at **5:00 pm IST**. If you would like to listen to the call or ask a question, please join using the information below.

### Conference Joining Information

#### Express Join with DiamondPass™ No Wait Time

<https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=8756560&linkSecurityString=3975998230>

#### Dial-in details

When using dial-in numbers mentioned below please do so 10 minutes prior to the conference schedule to ensure that you are connected to your call in time.

<b>Universal Dial-in</b>	+91 22 6280 1250
	+91 22 7115 8151

#### International Toll Free

Argentina	0080014243444
Australia	1800053698
Belgium	0080014243444
Canada	01180014243444
China	4008428405
France	0800914745
Germany	0080014243444
Hong Kong	800964448
Italy	0080014243444
Japan	00531161110
Netherlands	08000229808
Poland	008001124248
Singapore	8001012045
South Korea	00180014243444
Sweden	0080014243444
Thailand	00180014243444
UK	08081011573
USA	18667462133

## **About Diageo India**

Diageo India is among India's leading beverage alcohol (alcobev) companies with an outstanding portfolio of premium brands. A subsidiary of Diageo Plc., it is listed in India on both the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) as United Spirits Limited (USL).

Headquartered in Bengaluru, Diageo India has one of the largest manufacturing footprints in alcobev with 36 facilities across India. It manufactures, sells and distributes Johnnie Walker, Black Dog, Black & White, VAT 69, Antiquity, Signature, The Singleton, Royal Challenge, McDowell's No1, Smirnoff, Ketel One, Tanqueray, Captain Morgan and Godawan, an artisanal single malt whisky from India, bringing together global expertise and local pride to deliver innovative, world-class products and experiences to consumers. With a strong focus on driving a positive impact on society, Diageo India has been working on collective action to improve livelihoods, championing Grain to Glass sustainability, responsible consumption and nurturing the alcobev ecosystem, to contribute to India's growth agenda.

For more information about Diageo India, our people, our brands, and our performance, visit us at [www.diageoindia.com](http://www.diageoindia.com). Visit Diageo's global responsible drinking resource, <http://www.DRINKiQ.com>, for information, initiatives, and ways to share best practices.

Celebrating life, every day, everywhere.

## **Cautionary statement concerning forward-looking statements**

This document contains 'forward-looking' statements. These statements can be identified by the fact that they do not relate only to historical or current facts. In particular, forward-looking statements include all statements that express forecasts, expectations, plans, outlook and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of changes in interest or exchange rates, the availability or cost of financing to United Spirits Limited ("USL"), anticipated cost savings or synergies, expected investments, the completion of USL's strategic transactions and restructuring programmes, anticipated tax rates, expected cash payments, outcomes of litigation, anticipated deficit reductions in relation to pension schemes and general economic conditions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including factors that are outside USL's control. USL neither intends, nor assumes any obligation, to update or revise these forward-looking statements in the light of any developments which may differ from those anticipated.

### **Investor enquiries to:**

Shweta Arora

[shweta.arora@diageo.com](mailto:shweta.arora@diageo.com)

### **Media enquiries to:**

Zarin Darashaw

[zarin.darashaw@diageo.com](mailto:zarin.darashaw@diageo.com)