

MURREE BREWERY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

36 SEGMENT INFORMATION

36.1 Operating segments

The Company has three reportable segments, as described below, which are the Company's strategic business units. The strategic business units offer different products and are managed separately because of the requirement of different technologies and marketing strategies. For each of the business units, the audit committee of the Board of Directors and the Company's Chief Executive Officer (CEO) along with the Chief Financial Officer (CFO) reviews internal management reports on at least a quarterly basis. These segments have been identified on the basis of business namely Liquor Division, Glass Division and Tops Division. Main products of each segment are as follows:

Liquor Division: PMFL, Alcoholic Beer, NAB, Big Apple, Lemonade, Cindy and Malt -79.
Tops Division: Food products and juices.
Glass Division: Glass bottles and jars.

There are varying levels of integration between the three segments. This integration includes transfers of raw material and finished goods respectively. The accounting policies of the reportable segments are the same as described in note 3.

Information regarding the results of each reportable segment is given in the profit and loss account and related notes. Performance is measured on segment profit before income tax, as included in the internal management reports that are reviewed by the Company's CEO along with the CFO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

36.2 Information about reportable segments

(a) The detail of utilization of the Company's assets by the reportable segments as well as related liabilities is as follows:

		Liquor Division	Glass Division	Tops Division	Unallocated	Total
		(Rs.'000)				
Assets	2009	3,156,369	348,616	381,776	156,397	4,043,158
	2008	3,095,694	214,330	395,916	201,271	3,907,211
Liabilities	2009	273,276	22,463	50,238	178,111	524,088
	2008	288,152	23,734	39,238	155,762	506,886
Capital expenditures	2009	82,626	147,602	16,334	-	246,562
	2008	123,255	2,500	5,061	-	130,816

(b) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items are as under:

	2009 (Rs.'000)	2008 (Rs.'000)
(i) Revenues		
Total revenue for reportable segments	3,631,301	2,857,133
Elimination of inter-segment revenue	(388,652)	(315,850)
Consolidated revenue	3,242,649	2,541,283
(ii) Profit or loss		
Total profit or loss for reportable segments	351,968	282,687
Unallocated amounts - Other expenses	(26,311)	(21,379)
Unallocated amounts - Other operating income	15,197	35,308
Net profit before taxation	340,854	296,616
(iii) Assets		
Total assets for reportable segments	3,886,761	3,705,940
Other unallocated amounts	156,397	201,271
Consolidated total assets	4,043,158	3,907,211

MURREE BREWERY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	2009	2008
	(Rs.'000)	(Rs.'000)
(iv) Liabilities		
Total liabilities for reportable segments	345,977	351,124
Other unallocated amounts	178,111	155,762
Consolidated total liabilities	524,088	506,886
(v) Other material items		
Interest income	7,866	5,785
Interest expense	4,466	641
Capital expenditure	246,562	130,816
Depreciation and amortization	85,718	73,510

(c) Geographical segments

All the assets of the Company are held in Pakistan.

(d) Geographical information

Substantially all the revenues of the Company are generated in Pakistan.