

MURREE BREWERY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

37 SEGMENT INFORMATION

37.1 Operating segments

The Company has three reportable segments, as described below, which are the Company's strategic business units. These 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 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 3.24.

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.

37.2 Information about reportable segments

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

		Liquor Division	Glass Division	Tops Division	Unallocated	Total
		(Rs.'000)	(Rs.'000)	(Rs.'000)	(Rs.'000)	(Rs.'000)
Assets	2010	3,596,061	315,322	474,529	77,412	4,463,324
	2009	3,156,369	348,616	381,776	173,083	4,059,844
Liabilities	2010	219,304	26,987	74,456	357,099	677,846
	2009	273,276	22,463	50,238	178,111	524,088
Capital expenditure	2010	65,383	39,424	73,860	-	178,667
	2009	82,626	147,602	16,334	-	246,562

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

	2010	2009
	(Rs.'000)	(Rs.'000)
(i) Revenues		
Total revenue for reportable segments	4,200,804	3,627,944
Elimination of inter-segment revenue	(485,908)	(388,652)
Consolidated revenue	3,714,896	3,239,292
(ii) Profit or loss		
Total profit or loss for reportable segments	500,403	348,611
Unallocated amounts - Other expenses	(37,661)	(26,311)
Unallocated amounts - Other operating income	61,839	18,554
Net profit before taxation	524,581	340,854

MURREE BREWERY COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

	2010	2009
	(Rs.'000)	(Rs.'000)
(iii) Assets		
Total assets for reportable segments	4,385,912	3,886,761
Other unallocated amounts	77,412	173,083
Consolidated total assets	4,463,324	4,059,844
(iv) Liabilities		
Total liabilities for reportable segments	320,747	345,977
Other unallocated amounts	357,099	178,111
Consolidated total liabilities	677,846	524,088
(v) Other material items		
Interest income	21,716	7,866
Interest expense	293	4,466
Capital expenditure	178,667	246,562
Depreciation	125,210	85,718

(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.