

Dear friends,

We are pleased to announce Q1, (FY 2009-10) results of Radico Khaitan Ltd.

The summary of financial performance is as under:

| | Q – 1 FY 2009-10 Rs. / Crs. | Q – 1 FY 2008-09 Rs. / Crs. | Growth % |
|------------------|---|---|-----------------|
| Net Sales * | 274.38 | 223.62 | 22.7% |
| EBITDA | 30.39 | 22.80 | 33.4% |
| PAT | 10.70 | 6.88 | 55.6% |
| Operating Margin | 11.08% | 10.2% | |

* Net Sales includes Sale from Tie-up units net of Royalty income.

Company has done well in all of its operating segments During the quarter, the company clocked a net sales of Rs 274.38 crs, against sales of Rs 223.62 crs in the last year, thereby showing a growth of 22.7% mainly because of increase in sale of IMFL division by over 34% , which consist of more than 80% of total sales of the company. The operating margins in this period has been 11.08% against 10.2 % of last year. The increase in operating margins has been possible due to increase in sale of our main line IMFL brands and also due to price increases received for IMFL products in various states.

The growth of mainline brands :

(Qty. in Lac Cases)

| | April, 08 to June, 08 | April, 09 to June, 09 | Growth Rate %ge 1st Qtr 2009-10 |
|---------------------|--|--|---|
| Magic Moments | 2.77 | 4.07 | 47% |
| 8PM Whisky | 8.78 | 11.16 | 27% |
| Whytehall Whisky | 0.89 | 1.67 | 88% |
| Contessa Rum | 5.99 | 5.48 | -9% |
| OAB | 4.26 | 6.29 | 48% |
| TOTAL | 22.69 | 28.67 | 26% |
| Other Brands | 9.60 | 10.20 | 6% |
| TOTAL Radico | 32.29 | 38.87 | 20% |

Company continued focus on its branded IMFL business , which is yielding good results with Magic Moments Vodka getting overwhelming response from consumers & trade alike. During the quarter, It has clocked volume growth of 47%. Our other main line brands 8PM Whisky, Whytehall Whisky and Old Admiral Brandy have also registered sale growth of 27%, 88% and 48% respectively. During the quarter, our mainline brands have shown a growth of 26%, and the total IMFL sales have grown by 20% i.e. from 3.2 mn c/s to 3.9 mn c/s in this quarter. This sale growth in IMFL division has become possible notwithstanding the fact that we are consciously

reducing our focus on sub regular segment. We believe that our Branded Portfolio of 4 millionaire brands constitutes significant value creation for our stakeholders.

Consistent with our policy of premiumization of brands and offerings of value products to our consumers, In May, 2009, Company successfully launched its '*Morpheus Brandy*' in Super Premium Brandy category in Andhra Market and the response is encouraging. Full product launch in the states of Tamilnadu, Kerala, Karnataka & Pondicherry shall be over in the current quarter. It took us nearly 2 years to develop the brand and launch it.

Mr. Abhishek Khaitan, Managing Director, said, that company is currently doing extensive Consumer & Market research for our new offerings and we are confident of coming up with premium brands at various price points.

Company has entered into tie-up arrangement in lucrative Tamilnadu market for bottling of its premium & regular category products. Production has started in May, 09 and full impact of our Tamilnadu operations shall be reflected in the coming quarters.

Pursuant to RBI circular dated 8th December 2008, During the quarter, Company has repurchased / bought back the FCCBs to the extent of face value of USD 2.09 million thus the total buy back is USD 16.09 Million , leaving a balance outstanding FCCB of USD 33.91 million.

We look forward to a great future and happy association with each one of you.