For Immediate Release **August 2nd, 2011**

Radico Khaitan Limited

Announces
Unaudited First Quarter Results for Fiscal 2012

Financial Performance Q1 FY2012 vs. Q1 FY2011:
Premium brand[1] volume growth of 22.3%
8PM Whisky achieved volumes of over 1.36 million cases
Net Sales increased by 15.3%
EBITDA increased by 25.6%
Net Profit increased by 29.2%
Redeemed remaining outstanding amount of FCCBs issued in July/August 2006

New Delhi, India, August 2nd, 2011 – Radico Khaitan Limited (referred to as "Radico Khaitan" or the "Company", NSE: RADICO, BSE: 532497), one of the largest spirits companies in India, announces its Unaudited First Quarter Results for Fiscal 2012, in accordance with Indian GAAP.

Commenting on the results and performance, **Dr. Lalit Khaitan, Chairman** and **Managing Director** of **Radico Khaitan** said:

"Radico Khaitan had a solid start to the year with robust growth and profitability. Our focus on brand building and premiumization is demonstrated by strong volume growth in premium brands of 22.3%. This, in combination with our continued focus on efficiency resulted in margin expansion and strong cash flow from operations. We intend to continue to build consumer awareness for our premium brands through marketing campaigns and increased distribution. We expect our premium brand portfolio to contribute a significantly higher proportion of Net Sales in the current year."

Financial Highlights

	Q1		*y-o-y*	Q4	*q-o-q*
(Rs. Crore)	**FY2012**	**FY2011**	*Growth (%)*	**FY2011**	*Growth (%)*
Net Sales (Excl. Trading Turnover)	375.9	326.1	15.3%	333.8	12.6%
EBITDA	42.8	34.1	25.6%	36.5	17.4%
EBITDA Margin (%)	11.4%	10.4%		10.9%	
Net Income	20.7	16.1	29.2%	17.4	19.0%
Net Income Margin (%)	5.5%	4.9%		5.2%	
Basic EPS (Rs)	1.56	1.22	27.9%	1.31	18.7%

[1] Premium Brands include Magic Moments vodka, Morpheus brandy and After Dark whisky

Operational Highlights

Market Overview

The Indian sugar crushing season for 2010-11, which ended in April, was relatively strong resulting in an overall sugar and molasses surplus in the country. Despite significant off take by oil marketing companies for the ethanol blending program as well as increased demand from the chemical industry, the higher level of molasses stock at the beginning of Q1 FY2012 resulted in steady prices for molasses during the quarter. Grain prices remained stable during Q1 FY2012. Glass bottle prices also remained stable on a sequential quarter basis.

Q1 FY2012 Financial Performance

	Q1		*y-o-y*	Q4	*q-o-q*
(lakh cases)	**FY2012**	**FY2011**	*Growth (%)*	**FY2011**	*Growth (%)*
Magic Moments	6.20	5.14	*20.6%*	4.38	*41.5%*
Morpheus Brandy	0.70	0.50	*40.0%*	0.59	*19.3%*
8 PM Whisky	13.62	11.62	*17.2%*	8.69	*56.7%*
Contessa Rum	6.05	5.86	*3.2%*	6.09	*(0.7)%*
Old Admiral Brandy	8.05	7.26	*10.9%*	6.48	*24.2%*
Total Main Line Brands	34.62	30.38	*14.0%*	26.23	*32.0%*
Other Brands	13.00	12.03	*8.1%*	13.52	*(3.8)%*
Total	**47.62**	**42.41**	*12.3%*	**39.75**	*19.8%*
Mainline Brands as a % of Total	***72.7%***	***71.6%***		***66.0%***	

Q1 FY2012 Net Sales increased 15.3% compared to the prior year. This was driven primarily by robust sales volume growth across a majority of the mainline brands as well as other brands. In particular, volumes benefited significantly from robust growth in premium brands – Magic Moments and Morpheus. Net sales were impacted to some extent by a 43.6% decline in country liquor sales. Excluding the impact of this decline, Q1 FY2012 Net Sales increased by 18.6% to Rs. 366.0 Crore, compared to the prior year.

8PM benefited from the redesigned packaging introduced in early FY2011 which continued to drive consumer interest. Marketing campaigns during the past few quarters positively benefited Magic Moments and Morpheus volumes in Q1 FY2012. After Dark, the premium whisky brand introduced in FY2011, was rolled out nationwide during the quarter and is receiving a favourable response from all regions. Continued focus on premiumization resulted in an increase of 7.4% in the average price per case in Q1 FY2012 compared to the prior year.

Q1 FY2012 EBITDA increased by 25.6% and EBITDA margins improved by 94 bps, compared with the prior year. Margins benefited from higher average realizations, which grew due to increased contribution from Magic Moments and Morpheus. EBITDA margins expanded despite higher glass bottle prices compared to last year. Due to price hikes in Q2 and Q4 of FY2011, glass bottle prices increased by 18% relative to Q1 FY2011. Gross margins in Q1 FY2012 improved by over 170 bps compared to the prior year.

Q1 FY2012 Net Profit increased 29.2% and Net Profit margin expanded by 60 bps, compared with the prior year. This improvement was driven primarily by an increase in EBITDA. Net Profits were impacted by higher net interest expenses, which grew from Rs. 6.2 Crore in Q1 FY2011 to Rs. 7.9 Crore in Q1 FY2012. This increase was primarily due to a higher interest rate environment during the quarter. The effective tax rate remained relatively flat at 25% in Q1 FY2012.

As of June 30, 2011, the Company had a Net Debt of Rs. 430.1 Crore. Net debt consists of Rs. 83.4 Crore of Term Loans, Rs. 195.0 Crore of Working Capital Facility and Rs. 151.6 Crore of FCCBs. The Company continued to focus on generating strong cash flow from operations through effective working capital management.

Subsequent Event

On July 25, 2011, the Company redeemed all of its remaining $50 million, 3.5% Foreign Currency Convertible Bonds ("FCCB") that were issued in July and August 2006. The total redemption of $44.22 million (inclusive of a redemption premium of $10.31 million) was funded using proceeds from a new low cost 7-year maturity External Commercial Borrowing ("ECB").

Performance Outlook

Radico Khaitan's focus on premiumization is expected to result in significant growth in Magic Moments, After Dark and Morpheus in the coming quarters. The Company plans to launch a nationwide marketing campaign for After Dark, which is expected to increase brand recognition and result in further traction in volumes. The Company is identifying additional marketing and distribution tie-ups with international companies for other spirit categories, including vodka. The Company is also focused on increasing distribution through on-premise sales, which will enhance brand awareness. The Company's continued focus on premiumization is expected to enhance EBITDA margins going forward. The Company expects to generate strong cash flows from operations to meet its growth plans and financial obligations.

Analyst / Investor / Media Enquiries

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For further information on Radico Khaitan visit www.radicokhaitan.com

Notes:

1. Net Sales: Excluding trading turnover and includes sale from tie-up units net of royalty income
2. EBITDA: Earnings before interest, taxes and depreciation; excludes other income and exceptional items and includes tie-up units
3. All margins have been calculated based on Net Sales
4. Basic EPS: Each share face value of Rs. 2.00; 132.57 million shares as of June 30, 2011; includes extraordinary items and other income

Radico

Radico Khaitan Fact Sheet

Company Background

Radico Khaitan is one of the largest spirits companies in India. The Company has a number of highly recognizable brands including 8 PM whisky, Magic Moments vodka, After Dark premium whisky, Morphues brandy, Contessa rum and Old Admiral brandy. Radico Khaitan was originally established in 1943 and was formerly known as Rampur Distillery. The Company currently has 33 bottling units of which 5 are owned and rest are contract bottling units. The Company has two distilleries – one in Uttar Pradesh ("UP") with a capacity of 102 million litres per annum and another in Maharashtra with a capacity of 48 million litres per annum.

Radico Khaitan entered the branded liquor business in 1998 with the introduction of 8 PM Whisky, which was the first brand that achieved sales of one million cases ("Millionaire Brand") in the year of its launch. The Company has had similar successes with its other brands. Magic Moments is the fastest growing vodka in the country, while Contessa rum is one of the largest selling rum brands in the armed forces. In 2009, the Company launched Morpheus brandy, a premium range brandy with the highest maximum retail price and the first and only Indian product in its category. In Q3 FY2011, the Company announced nationwide launch of After Dark premium whisky.

Radico Khaitan acquired Whytehall Whisky from Bacardi Martini India in 2004 and Brihans range of brands from Brihans, Maharashtra in 2005, to strengthen its brand portfolio. The Company recently signed an agreement with Suntory (Japan) to market and distribute two of its super premium brands - Yamazaki 12 YO and Hibiki 17 YO, in India.

The Company's collaborations with international players include Ernest & Julio Gallo (California) and Suntory (Japan) as a distribution partner in India for premium wines and whiskies, respectively.

Radico Khaitan has a strong and dedicated sales and distribution team, covering 95% of bars, clubs and retail outlets in the country. The Company currently sells to over 400 wholesalers, who in turn sell to over 36K retail outlets and over 5K on premise outlets.

Industry Overview

According to Euromonitor, the Indian spirits industry has been growing at 9.4% for the last 9 years. The total market volume for 2009 was 182.2 million cases. The industry is expected to grow at 10 – 12% per year for the next few years.

The Indian alcoholic beverage market is dominated by whisky, which accounts for more than half of total consumption in the country. The total consumption of whisky was 103.5 million cases in 2009.

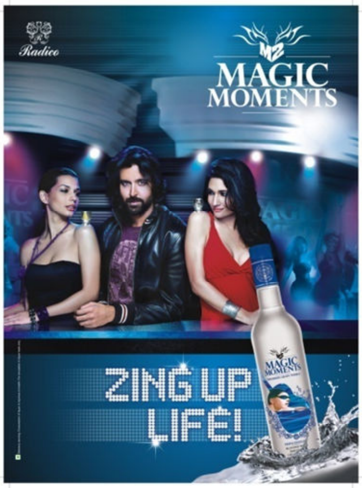
Brandy and rum are the next most popular alcoholic beverages in India. 2009 consumption of brandy was 35.5 million cases and of rum 34.1 million cases.

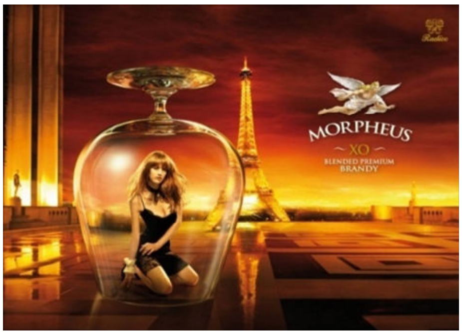
Growth of alcohol consumption in India is being driven primarily by rising disposable incomes, favourable demographics and a shift in consumption patterns from local liquor to branded liquor.

The Indian economy continued to show strong growth in FY2011. India's GDP grew by 8.6% in FY2011 while per capita income increased from $460 in FY2001 to $1,380 in FY2011. Domestic per capita consumption in FY2011 grew by over 7% compared to FY2010. This strong domestic consumption directly benefited the Indian spirits industry.

More than 60% of India's population is in the age-group of 15-64. Nearly 485 million people are within the drinking age limit. A further 150 million people are expected to be added to this target population within the next five years, which is expected to result in strong demand growth for alcoholic beverages.

India's per capita consumption of alcoholic beverages is among the lowest in the world at only 0.9 litres per annum ("lpa") compared to the global average of 4.6 lpa. A small increase in per capita consumption may significantly boost industry growth, due to the large population base.





New 8PM Version

Safe Harbor

This release contains statements that contain "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Radico Khaitan's future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Radico Khaitan undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

Radico Khaitan Limited

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Unaudited First Quarter Results for Fiscal 2012

(All amounts are in Lakhs of Indian Rupees, unless otherwise stated)

		(1)	(2)	(3)
		3 months ended 30.06.2011	**3 months ended 30.06.2010**	**Year ended 31.03.2011 (Audited)**
1	(a) Gross Sales	48,883.42	43,369.46	171,722.04
	Less: Excise duty	18,691.13	19,997.28	74,585.58
	Net Sales / Income from Operations	30,192.29	23,372.18	97,136.46
	(b) Other Operating Income	1,099.55	477.13	2,509.30
	Total	**31,291.84**	**23,849.31**	**99,645.76**
2	**Expenditure**			
	(a) (Increase) / decrease in stock-in-trade and work in progress	629.18	(491.00)	(1,226.97)
	(b) Consumption of raw material	13,937.66	10,441.23	42,154.66
	(c) Purchase of traded goods	1,104.15	915.31	4,016.27
	(d) Employees Cost	1,677.31	1,453.22	6,198.87
	(e) Depreciation	725.00	690.00	2,714.64
	(f) Selling & Distribution	5,324.53	4,310.56	17,200.10
	(g) Other expenditure	4,341.24	3,813.95	16,401.33
	Total	**27,739.07**	**21,133.27**	**87,458.90**
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	3,552.77	2,716.04	12,186.86
4	Other Income	308.65	146.46	1,112.09
5	Profit before Interest & Exceptional Items (3+4)	3,861.42	2,862.50	13,298.95
6	Interest	1,087.26	707.16	3,353.88
7	Profit after Interest but before Exceptional Items (5-6)	2,774.16	2,155.34	9,945.07
8	Exceptional items (See note 4)	0.00	0.00	0.00
9	Profit (+) / Loss (-) from Ordinary Activities before tax (7+8)	2,774.16	2,155.34	9,945.07
10	Provision for taxation (Incl. Deferred tax)	700.00	550.00	2,665.00
11	Net Profit (+) / Loss (-) from Ordinary Activities after tax (9-10)	2,074.16	1,605.34	7,280.07
12	Extra ordinary items	0.00	0.00	0.00
13	Net Profit (+) / Loss (-) for the period (11-12)	2,074.16	1,605.34	7,280.07
14	Paid up equity share capital (of Rs. 2/- each)	2,651.48	2,637.87	2,651.16
15	Reserves excluding revaluation reserve			61,471.31
16	Earning per share : Basic & diluted EPS for the period,for the year, todate and for the previous year			
	Basic	1.56	1.22	5.51
	Diluted	1.56	1.22	5.51

Notes:

1 The above financial results have been reviewed by the audit committee,subjected to a limited review by statutory auditors and approved by the Board of directors in their

2 The Company also gets its products manufactured through other distilleries, spread all over the country. This is a growing operation. The sales for the Company's products through other distilleries not included in the above sales figures are (Rs. In lacs) (1) 25,485.43 (2) 22,746.08 (3) 89,861.61 columnwise respectively.The resultant income to the Company from these operations is included herein above.

3 The Company has one operational business segment viz. liquor and related products, which accounts for more than 90% of the total turnover of the Company.

By Order of the Board
For Radico Khaitan Limited

Place: New Delhi
Date: August 2nd, 2011

Dr. Lalit Khaitan
Chairman and Managing Director