

27 May 2016

**Clarification on United Spirits Standalone audited financial results for the quarter ended 31 March 2016**

Reported EBITDA margin of 4.0% in Q4 F16 is impacted by the following items:

- Accounting reclassification(s) of certain transactions previously reported in the unaudited financial results (for the nine month ended 31 December 2015) impacted reported EBITDA margin. Total impact on reported EBITDA margin on Q4 F16 is (1.6)ppts and on the full year (0.4)ppts, however with no impact on reported PBT;
- One off items and provisions impacted Q4 F16 EBITDA margin by (2.2)ppts;
- Increased marketing investment in line with our premiumisation strategy (including Diageo brand portfolio) impacted EBITDA margin by (2.1)ppts versus the prior nine month average.

**ENDS**

**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, anticipated cost savings or synergies, expected investments, the completion of United Spirits Limited'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 United Spirits Limited's control. United Spirits Limited 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.

**For further information**

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