



(a PepsiCo franchisee)

Varun Beverages and PepsiCo India have decided to enter into a strategic partnership for Tropicana

Gurugram, 4th January 2018

Varun Beverages Limited (BSE: 540180, NSE: VBL), a key player in the beverage industry, today announced that it has further deepened its relationship with PepsiCo by entering into a strategic partnership for the larger Tropicana portfolio along with Gatorade and Quaker Value-Added Dairy in territories across North and East India.

This is part of VBL's strategy to expand its product portfolio through its valued relationship with PepsiCo.

Commenting on the development, Mr. Ravi Jaipuria, Chairman, Varun Beverages Ltd. said, *"I am very pleased to share that Varun Beverages Limited (VBL) and PepsiCo India have decided to enter into a strategic partnership for selling and distribution of the larger Tropicana portfolio that includes Tropicana Juices (100%, Delight, Essentials), along with Gatorade and Quaker Value-Added Dairy in territories across North and East India. With VBL already holding manufacturing, sales and distribution rights for Tropicana Slice and Tropicana Frutz in North and East, we are confident that the addition of this portfolio will help expand the franchise for Brand Tropicana in these territories."*

About Varun Beverages Limited:

Varun Beverages Limited (VBL) is a key player in beverage industry and one of the largest franchisee of PepsiCo in the world (outside USA). The Company produces and distributes a wide range of carbonated soft drinks (CSDs), as well as a large selection of non-carbonated beverages (NCBs), including packaged drinking water sold under trademarks owned by PepsiCo. PepsiCo CSD brands produced and sold by VBL include Pepsi, Diet Pepsi, Seven-Up, Mirinda Orange, Mirinda Lemon, Mountain Dew, Seven-Up Nimbooz Masala Soda, Seven-Up Revive and Evervess. PepsiCo NCB brands produced and sold by the Company include Tropicana Slice, Tropicana Frutz, Nimbooz as well as packaged drinking water under the brand Aquafina.

VBL has been associated with PepsiCo since the 1990s and have over two and half decades consolidated its business association with PepsiCo, increasing the number of licensed territories and sub-territories covered by the Company, producing and distributing a wider range of PepsiCo beverages, introducing various SKUs in the portfolio, and expanding the distribution network. As of December 31, 2017, VBL has been granted franchises for various PepsiCo products across 18 States and two Union Territories in India. India is the largest market and contributed 80% of revenues from operations (net) in Fiscal 2016. VBL has also been granted the franchise for various PepsiCo products for the territories of Nepal, Sri Lanka, Morocco, and Zambia.

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Varun Beverages Ltd (VBL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.