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BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 BSE Scrip Code: 500067	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 NSE Symbol : BLUESTARCO
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October 16, 2019

Dear Sirs,


Sub: Press Release

We are enclosing herewith a copy of the Press Release issued by the Company titled “**This festive season, Blue Star aims to shift orbit and accelerate growth with a new marketing strategy for room air conditioners**”.

The aforesaid information is also being placed at the website of the Company, i.e. www.bluestarindia.com

Kindly take the same on record.

Thanking you,
Yours faithfully,
For **Blue Star Limited**



Vijay Devadiga
Company Secretary



Encl: a/a

PRESS RELEASE**This festive season, Blue Star aims to shift orbit and accelerate growth with a new marketing strategy for room air conditioners.**

Air conditioning and commercial refrigeration major, Blue Star Limited, today announced its new marketing strategy for the Company's room air conditioners by launching a new advertising campaign. With summer and the preceding festival season having taken off on a good note for the Company, Blue Star is now looking at setting a highly positive tone for the upcoming festival season.

Next phase of growth

Blue Star, which completed 75 years in 2018, had forayed into the residential segment in 2011 and has since grown from strength to strength, year-after-year, by outperforming the industry. The Company's air conditioners are well known for quality, reliability and durability and have earned the trust of millions of customers. Making Blue Star one of the significant players in the industry with a market share of around 12.5%.

In its next phase of growth, Blue Star aims to shift orbit and accelerate growth by penetrating deeper into the length and breadth of India. The Company, by leveraging its brand salience, intends to garner a mass appeal cutting across geographies and demographics.

Products across various price points

With the penetration of room air conditioners in India as low as 5-6%, the room ACs market continues to offer abundant opportunities for Blue Star. The Company has already made deep inroads into Tier 3, 4 and 5 towns with more than 60% of its sales coming from these markets. Going ahead, Blue Star intends to make deeper inroads into various customer segments and geographies and grow its market share with a wide array of superior and innovative products across various price points.

Distribution

Blue Star has a robust distribution network across India with 90% of the Company's transactional interface with its dealers and channel partners being digitised. At the same

time, the Company continues to significantly expand its retail distribution reach. Blue Star's room air conditioners are available at 5000 outlets in 575 locations spread across the length and breadth of the country in various formats. Currently, Blue Star has 200 exclusive brand stores in the country, and work is in progress to increase it to 250 stores by the end of FY20. The products are also available on various e-commerce portals. The Company has a strong installation and service franchise network to support retailers.

New advertising campaign featuring Virat Kohli

The Company, in order to achieve its next level of growth, has rolled out the new festive campaign, conceptualised by 'FCB Interface,' which unveils Virat Kohli's association with Blue Star's room air conditioners. The new TV commercial highlights the Company's new range of room air conditioners which can deliver up to 30% extra cooling when needed with an endorsement "Owned by Virat, Loved by Virat".

Since Cricket has a mass appeal in India and Virat Kohli's skills are unmatched in this game, this campaign is apt for the Company, as Blue Star's persona deeply resonates with both Cricket and Virat Kohli. As Blue Star continues to remain young and relevant through its world-class products and solutions, Virat's youthful image and his commitment to deliver excellence on the field makes him a great fit for the campaign. Just as Blue Star is a market leader in many product categories and segments and prides in being innovative, Virat is a born leader with a winning instinct, raising the bar every time and always willing to experiment. Just as hundreds of millions of cricket lovers across the world trust Virat for his expertise and consistent performance, Blue Star has been 'Built on Trust' of millions of its customers.

Virat Kohli on Blue Star

On his association with Blue Star, Virat Kohli said, "Blue star is a well-established brand and definitely the best in cooling. So for me, it was a no brainer to be associated with a brand like Blue Star. I've never shot a campaign like this where there so many quirks and



so many things happening. It was very different from what I've done in the past. Definitely something that people are going to love to watch, I can guarantee that. Also, it nicely covered the many aspects of Blue Star's versatility when it comes to their product."

Management outlook

Speaking to the Press at a conference held at Chennai, B Thiagarajan, Managing Director, Blue Star Limited, said, "The demand for air conditioners continues to be good, and we are keen to grow our share of the market. We are indeed proud of our association with Virat. The Company's target audience is widespread, comprising institutional and residential, male and female, youth and seniors, and the rich and the aspirational middle class. Virat excels in all the 3 formats of cricket- T-20, One day and Test and Blue Star is a leading player in all formats; residential, light commercial medium spaces and large spaces such as airports, hotels and hospitals. I am confident that with this association we will transcend geographies and demographics and grow further."

Place: Chennai

Date: October 16, 2019

*For additional information, please contact: R S Priya, General Manager-Corporate Communications & Marketing Services, Blue Star Limited. Email: rspriya@bluestarindia.com
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