

7th August 2013

Strong Brands Boost Turnover in 2012 Inver House Distillers Financial Results

Financial results released today (7th August 2013) for Inver House Distillers, the Scottish-based production arm of global drinks business International Beverage Holdings Ltd, show a rise in turnover driven by the strong global performance of its core whisky brands – in particular its maritime malt Old Pulteney - in the year to December 2012.

Due to a programme of investment, primarily in stock and the company's distillery sites profit levels have reduced. Boosting stock reserves has been essential to facilitate the predicted global growth and long term success of the Inver House Distillers' portfolio, which also includes Balblair, anCnoc, Speyburn, Hankey Bannister and Caorunn.

Single Malt Scotch Whisky Old Pulteney saw an increase in global case sales – in terms of both volume and value - in what was a milestone year for the brand. Its 2012 success was led by a strategy of high aged releases including Old Pulteney 40 year old, and its 21 year old's status as 'World Whisky of the Year' in Jim Murray's Whisky Bible - with the brand reaching the UK malt whisky top 10 for the first time.

The financial results in summary:

- Turnover rose by **13%** to **£91.1 million**
- Gross profit margins fell to **27.5%** from **35.8%** as the company utilised a relatively high proportion of stock acquired on the market allowing it to retain more of its own stock for future sales
- Underlying operating profit fell **10.6%** to **£12.6m**
- Profit before tax was down **21%** at **£12.3m**, but once the effects of the exceptional items included in 2011 are excluded the fall was **11.6%**
- Significant growth in global sales of Old Pulteney, with sales volume rising by **16.2%** and sales value by **24.7%**

Inver House Distillers' Managing Director Graham Stevenson commented:

'We have seen another excellent performance from our brands in 2012 and we share in the optimism of the Scotch whisky industry and its ongoing potential for global growth and success in the longer term. Our focus continues to be on creating exceptional, high quality brands that are distinctive and competitive in markets around the world and my continued thanks go to the teams at our five distilleries around Scotland and at our headquarters in Airdrie for their commitment to this task each year.'

'Old Pulteney in particular has had an excellent year, and our continued investment in a vibrant programme of marketing to support its maritime malt positioning and the release of several outstanding high aged expressions has delivered a great return, in particular driving value across the range.'

'The investment that we have made in stock reserves in 2012 has been an essential part of developing our strategy for the Inver House brand portfolio as consumer demand increases in the global market. Whilst it has had an impact on our profit margins this year, the underlying picture is very positive for our brands and our business as we respond to the exciting opportunities the industry will encounter in terms of shifting global demographics and emerging markets.'

For further media information and images please contact:

Burt Greener Communications, 0131 220 0003

Rachael Gasiorowski / Rachael@burtgreener.co.uk / 07818 075606

Lorna Burt / lorna@burtgreener.co.uk / 07792 253818

Notes to editors

About International Beverage Holdings

International Beverage Holdings Limited is one of the industry's most dynamic global drinks businesses. Established in 2006 as the international arm of ThaiBev, we specialise in developing distinctive, premium local brands for global growth, with a portfolio that is led by a range of high quality Scotch whiskies and includes some of the fastest growing and most prestigious beers, spirits and whiskies on the market today. These high quality brands are enjoyed by consumers in over 85 global markets and include Chang Beer, Mekhong, Old Pulteney Single Malt Scotch Whisky, Hankey Bannister blended whisky and Caorunn Gin.

Our focus brands

Old Pulteney – the Maritime Malt - is the company's flagship whisky brand and the 21 year old expression holds the coveted title of 'World Whisky of the Year' for 2012 in Jim Murray's Whisky Bible – one of the industry's highest accolades. The Pulteney Distillery by Wick's historic harbour is one of the most northerly on mainland Scotland, and since 1826 it has crafted a Single Malt Scotch Whisky that is the very essence of its remarkable location. Matured in hand-selected oak casks, Old Pulteney achieved top ten status in the UK single malt market in 2012 and is renowned for its long standing support of sailing and maritime adventure across the globe.

Hankey Bannister is an exceptional blended Scotch that includes single malts from all five International Beverage whisky distilleries – hand selected and carefully blended to create a smooth and lightly oaked blend. Established by the flamboyant Beaumont Hankey and business-savvy Hugh Bannister who founded their company in 1757, the whisky was a favourite of the VIPs of the day – George V and Winston Churchill

amongst them. Today Hankey Bannister aims to bring an intriguing sense of style and sophistication to the blended Scotch category.

Balblair is a Highland Single Malt Whisky that has been carefully crafted in Dornoch since 1790 at one of Scotland's oldest distilleries. Balblair whiskies are uniquely vintage, named for the year they were made, not with an age statement. Every year, Balblair Distillery Manager John MacDonald, tastes, judges and selects straight from the cask, bottling at exactly the right moment, when the balance between the age and the character of the whisky is just right.

anCnoc is the company's boutique malt: a refreshingly modern whisky that is traditionally crafted at Knockdhu distillery near Huntly in Aberdeenshire by the 'Men of Knock'. anCnoc translates from Gaelic as 'the hill', and Knock Hill continues to supply the pure water required, while the two copper pot stills are made to the same design as they were in 1894, their bulbous bases and high necks giving anCnoc a light, fresh flavour. This 'modern tradition' is reflected in anCnoc's contemporary bottle design and packaging and long term backing of the contemporary arts. For 2012 the brand has launched a collaboration with Scottish-born New York illustrator Peter Arkle on a series of limited edition releases.

Speyburn is often described as the most photographed distillery in Scotland, nestled in a glen on the northern edge of the town of Rothes. The resulting whisky is a perfectly-balanced single malt, created using fresh spring water from Speyside which gives our whisky its distinctive character and unique flavour. Gaelic for 'Golden Salmon', Bradan Orach is a classic, easy drinking Speyside malt, matured exclusively in ex-bourbon casks.

Caorunn is a super-premium, small batch distilled gin from the Scottish Highlands, launched by International Beverage in 2009. With its roots in Celtic culture and heritage, Caorunn is borne out of tradition – a slow paced, small batch distilled gin made in a unique Copper Berry Chamber at the Balmenach Distillery in Speyside. Five unique Celtic botanicals give Caorunn a subtlety and complexity that make it more than just a gin. This extra dimension means it can be mixed and enjoyed in a whole host of exciting ways, from classic and contemporary cocktails to the simplicity of our perfect-serve G&T with fresh red apple.