

Burn Stewart Announces Significant Growth

Release date: November 07

Burn Stewart Distillers Limited, based in East Kilbride has today announced significant growth, with the release of the company's 2006 financial results.

Burn Stewart, a fully integrated Scotch whisky producer and brand owner, employs 230 people and has three single malt whisky distilleries and a strong portfolio of Scotch whisky brands. The company became part of CL WorldBrands Limited, the Trinidadian owned drinks group in early 2003. Included in the CL WorldBrands structure are Angostura (rum and bitters) and Hine Cognac. The group also owns a number of in-market distribution companies.

The release of the 2006 financial results has seen Burn Stewart grow significantly with turnover having increased by 33% to £54 million and the operating profit increasing to £2.5 million from £0.4 million for the previous year. These results reflect a number of key developments within the business. The company is now beginning to see a payback from sustained marketing investment in their core brands of Scottish Leader, Black Bottle and Bunnahabhain. Each brand has increased volume and market share in their respective key markets. The most significant double digit growth comes from Scottish Leader in Taiwan, South Africa and parts of Eastern Europe.

A process of inventory realignment continued through the year to ensure that inventory can support the future growth plans for the business. Key private label partners; Waitrose and Marks & Spencer continue to be very important and growing relationships for Burn Stewart.

In 2006, Burn Stewart completed a major project in the refurbishment of the offices at its Deanston Distillery, home of Scottish Leader Blended Scotch Whisky. The hospitality and presentation facilities available have been improved significantly and given its location, (within 1 hour's drive of Glasgow and Edinburgh) it is the most visited of the company's distilleries.

Commenting on the results, Managing Director, Fraser Thornton said: "It is extremely pleasing to see Burn Stewart return to profitability. The improved performance of the business justifies the strategy to invest in our brands and reflects hard work by all our people. The investment in both marketing and infrastructure will continue thanks to our very committed shareholder CL Financial. The key indicators for the future of the Scotch Industry are very positive at the moment and Burn Stewart can look forward to a period of continued growth."

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