



Chairman's Statement

The last year was characterised by several key themes.

Delivery

Edrington is in an enviable position with its brands, capabilities and global network. It is imperative that we take advantage of that position and deliver for the benefit of all stakeholders in the business – our shareholders, colleagues, business partners and the communities in which we operate. As our new Chief Executive, Scott McCroskie explains overleaf, 2018/19 has been another excellent year in terms of financial delivery.

However, for Edrington, "Giving More" requires us to go further than simply delivering great growth in revenue and profit. This has been another year where the company's great people across the world have been motivated to give more through hundreds of fundraising activities that are making a real difference in their communities.

I am confident that The Robertson sisters, would be proud of the ongoing giving more culture that runs through the fabric of Edrington thanks to our motivated workforce.

Focus

The most successful businesses build deep capabilities in a particular area and focus their energy and resources accordingly. This simple insight is driving and will continue to drive our strategy and focus on premiumisation. Over the last year, that has led to the disposal of Cutty Sark and The Glenturret. We were pleased that we realised a good price for both, and wish the businesses and their employees every success under their new ownership.

Going forward we will continue to pursue the same strategy as we seek to deliver the new vision that we will build the world's leading portfolio of exceptional super premium brands and give more back to society as a result. We have an outstanding platform on which to pursue this vision.

Transition

While our strategic focus remained constant, 2018/19 was a year of transition internally.

After 33 years with the business, and 15 as Chief Executive, Ian Curle retired at the end of our financial year. During Ian's tenure as CEO, Edrington was transformed in multiple ways. The business grew from 850 employees, 99% of whom were in Scotland to a force of 3,000 people, 70% based outside Scotland. To achieve that growth while maintaining and deepening the Company's culture was a remarkable achievement.

During Ian's leadership, The Macallan grew to become the World's most valuable malt whisky. The opening of The Macallan Distillery and Visitor Centre in May 2018 was an indication of our ambition for the brand and represented an important milestone in the development of Edrington. We thank Ian for his very significant contribution to Edrington and wish him a long and happy retirement.

Following an extensive global search, we concluded that the best person to lead the business forward was Scott McCroskie, previously Managing Director of The Macallan. Scott represents both continuity and change. I look forward to working with Scott on the next phase of the evolution of the business.

Finally, I would like to thank and congratulate our worldwide staff on their efforts and contribution during the year. Edrington is a very special company, and we can look forward to exciting and fulfilling years ahead.

Crawford Gillies
Chairman

12 June 2019