

Distil Plc

Strong Christmas Trading in UK and key international markets

Distil plc (AIM: DIS), owner of premium drinks brands RedLeg Spiced Rum, Blackwoods Gin and Vodka, Blavod Black Vodka, Jago's Cream Liqueur and Diva vodka, is pleased to report higher levels of sales over the important Christmas period.

Year-on-year quarter three (Oct-Dec 2015) revenues climbed by 71% whilst volumes rose by 31%, supported by a 96% increase in brand marketing. The higher percentage growth in revenues over volume was a result of the shift in product sales mix during the period away from licensed sales, primarily in Eastern Europe, toward own sales compared to the prior year.

The strong overall volume and sales performance was achieved despite a reduction in the sales of Blavod Black Vodka in Eastern Europe where volumes have continued to slow down especially in the Duty Free market and Ukraine. In contrast, following its re-entry into the USA market, the brand performed well with repeat orders at consumer and trade level.

Meanwhile, RedLeg spiced rum enjoyed strong consumer off-take both in bars and retail, particularly in the UK and Australia, over the period. We were particularly satisfied with the brand being listed by two of the UK's largest supermarket multiples and are encouraged by the consumer response to date.

The gin market remains buoyant with both Blackwoods Vintage and Blackwoods Limited Edition enjoying double-digit growth in both volumes and revenues. In the US our Blackwoods Small Batch Gin distributor is steadily increasing trial and building On Trade distribution.

Don Goulding, Executive Chairman of Distil, said:

"Our brands continue to gain consumer following in major markets and we are delighted with the performance from new listings.

Despite highly competitive market conditions over Christmas our brands grew in volume and revenue. We continued to increase our brand marketing investment to build consumer awareness and trial in support of wider availability to the consumer.

TTB approval for RedLeg in the USA is awaited and we will ramp up our efforts to accelerate this process. We continue to make distribution gains in both the On-Trade and the Off-Trade and will continue to invest in marketing for the long term.

We are confident for the fourth quarter of the financial year and expect full year performance to be in line with the Board's expectations. Our plan remains focused on shareholder value creation through the development and success of our brands and we intend to build on the momentum achieved last year."

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About Distil

Distil Plc is quoted on the AIM market of the London Stock Exchange. It owns drinks brands in a number of sectors of the alcoholic drinks market. These include premium spiced rum, vodka, gin, vodka vanilla cream liqueur and are called RedLeg Spiced Rum. Blackwoods Vintage Gin, Blackwoods Vodka, Blavod Original Black Vodka, Diva Vodka and Jago's Vanilla Cream Liqueur.

www.distilplc.com