



Thursday 23rd March 2006

Global Scotch renaissance continues

- Industry's third best ever export performance
- Asia, North and South America drive export growth
- Higher shipments of malts and blended Scotch Whiskies
- Challenging year in European markets

Global consumer demand for Scotch Whisky grew strongly in 2005, with exports of both malt and blended Scotch rising, figures today from The Scotch Whisky Association (SWA) reveal.

The overall value of Scotch Whisky exports was up 4% on 2004, reaching £2.36bn, the industry's third best annual export performance. Shipments of both bottled in Scotland malt (+8% to £380m, the highest ever) and blended Scotch Whiskies (+4% to £1.84bn) also increased.

Exports to Asia were particularly encouraging (+24%), with important markets for Scotch Whisky continuing to develop in China (+86% to £46m) and Thailand (+25% to £48m). Exports to South Korea (+24% to £156m) and Taiwan (+24% to £102m) also grew strongly, with both featuring in the industry's top five export markets.

Total export volume posted encouraging growth, with the equivalent of almost 990 million bottles of Scotch Whisky exported worldwide in 2005. This was an increase of 4%, or 34 million bottles up on 2004.

The USA remained the industry's largest market by value (up 10% or £35m to £373m). There was also a turn around in fortunes in South America, which grew by 19% overall, driven by increased exports to Brazil (+5%) and Venezuela (+48%).

/... continued



While exports to France were up 3% to £255m, a series of tax increases impacted on the Spanish market which was down 18% in value at £240m. Overall exports to the EU were down 11%, as the industry faced challenging economic and operating conditions. The UK market also remained difficult, with overall clearances down 6% in 2005.

Welcoming the 2005 export figures, Richard Burrows, Chairman of the SWA said:

“All the signs are that we are seeing a renaissance for Scotch Whisky in its international markets. The industry is rising to the challenge of broadening the appeal of Scotch Whisky to new consumers in new markets.

“The geographic diversity of growth is notable. We believe Asia, Eastern Europe and the Americas all offer further strong opportunities for the Scotch Whisky industry to build on the worldwide growth in bottled in Scotland malt and blended Scotch Whisky brands.”

The 2005 figures demonstrate the widespread international appeal of Scotch with growth in the industry's priority emerging markets, including India (+89%) and Turkey (+12%). However, exports to both markets remain small in global terms and are restricted by tariff, tax and technical barriers to trade. The SWA is working to remove these trade barriers which continue to prevent the sale of Scotch Whisky on a fair and equal playing field with competing products.

- END -

Issued by David Williamson

020 7629 4384 or 07730 496 151



**Top ten export markets by value
(Jan-Dec 2005, £million)**

	2005	2004	
USA	372.7	337.9	+10%
France	255.7	248.8	+3%
Spain	240.4	293.4	-18%
South Korea	155.7	125.5	+24%
Taiwan	102.0	82.3	+24%
Greece	77.3	90.2	-14%
Venezuela	73.7	49.9	+48%
Singapore	64.5	48.0	+34%
South Africa	64.0	48.6	+32%
Germany	59.2	78.4	-24%
Total Exports	2,362.5	2,263.0	+4%

**Top ten export markets by volume
(Jan-Dec 2005, million bottles)**

	2005	2004	
France	153.5	137.5	+12%
USA	120.0	118.1	+2%
Spain	92.7	112.9	-18%
Thailand	50.3	44.4	+13%
South Korea	39.6	33.8	+17%
Venezuela	33.9	24.9	+36%
South Africa	31.2	26.9	+16%
Germany	29.0	36.3	-20%
Australia	28.9	28.2	+2%
Brazil	24.7	21.7	+14%
Total Exports	989.1	954.6	+4%