



Ballantine's® The Scotch

Market

Ballantine's is a supreme whisky, designed for active, open-minded, young professionals, who are occasional and regular consumers of premium whisky. Ballantine's always valued ingredients over style. The key markets for Ballantine's Finest are: Spain with 18 million of crates sold, France with 65 million crates, Germany with 31 million crates, Australia with 186 million crates, Italy with 175 million crates, USA with 13 million crates, Canada and Venezuela with 11 million crates, and Greece with 10 million crates sold.

The main market for Ballantine's 17YO is Korea with 110,000 crates sold, while Ballantine's 30YO reached sale levels of 21,000 crates all over Asia and in *duty free* shops. Ballantine's is the No. 1 super premium whisky in Korea.

Achievements

Each year, 6 million crates and 60 million bottles from the Ballantine's family are sold. Ballantine's offer has special characteristics that are unparalleled, and the rich history behind all these products makes them even more exclusive.

Ballantine's won many awards that confirm its quality and make it recognizable. Ballantine's is making whisky for over 175 years, and George Ballantine's knowledge has been passed on from generation to generation. His heritage is of great importance to today's modern Ballantine's.

The product portfolio is based on stability and reliability, mainly because there were only three Ballantine's master blenders in the past 90 years.

History

In 1827, George Ballantine started selling whisky in his grocery store in Cowgate, the old part of Edinburgh. That was the birth of what eventually became the most well known Scottish whisky in the world.

The reaction to whisky was unbelievable and it resulted in a speedy sales increase. In 1836 George



Ballantine moved his business to Glasgow, with his sons joining the business as well. The news of an excellent whisky traveled fast and far and soon the Ballantine's Scotch Whisky was being exported abroad. During her visit to Glasgow, queen Victoria presented the company with a *Royal Warrant* that established it as a brand of superior quality.

The growing popularity brought commercial success in the form of recognition from the Barclay and McKinley company who eventually took over "George Ballantine and Son" and continued its growth.

In 1933, when there was no more prohibition in the USA, Ballantine's popularity grew significantly so the whisky developed a strong bond with the popular 21 Club on Manhattan. In 1938 Ballantine's was presented with the Grant of Heraldic Arms, which recognized the brand as an

"incorporation noble on the Noblesse of Scotland." To this very day, the heraldic arms appears on every bottle of Ballantine's. In 1945, right after WW II, Scotch Whisky took over Europe and soon a distribution network was set up in areas where luxury goods were rare.

In 1970, Ballantine's launched "The Good Life" campaign, which presents a way of life full of ambition. The campaign was continuously run on the markets where Ballantine's Finest was present

for over 15 years, thus allowing Ballantine's to become a synonym for an aspirational life style.

In 1995, Allied Lyons took over Domecq, a Spanish giant on the beverage market who was also the distributor of Ballantine's, and created Allied Domecq which started a new development phase for Ballantine's. Besides excellent cooperation with restaurant and hotel owners over the last 14 years, there were also several global promotional campaigns. So in 1996, the "Urban High" campaign was launched and it brought snowboard competitions and concerts of famous musicians to cities. There was also the "Inspiration" campaign for Ballantine's Finest. The "Moment of Inspiration" campaign was focused on combining the elements from Scotland and Croatia. The "It counts what is inside" campaign from the year 2000 pointed out common consumer values and Ballantine's itself, while the "Go Play" campaign from 2002 was aimed at younger consumers.

In 2003, along with numerous awards and medals for Ballantine's Aged whisky, Allied Distillers won the Distiller of the Year award at the International Wines and Spirits competition for the third time in 7 years.

The International Spirits Challenge, a competition started in 1995, presents an independent award based on industry experts tasting and grading the drinks in the competition. Ballantine's won this award three years in a row, including the gold medal in 2003, and seven silver medals. In 2005, Pernod-Ricard took over Allied Domecq, and Ballantine's as well.

Product

The Ballantine's family consists of a various selection of quality mixed Scotch whisky available on the





global market.

Ballantine's Finest is a complex, refined, and elegantly mixed Scotch whisky. Its taste pleases the modern lifestyle, while its light gold color and unmistakable taste come from a complex mix of over 50 kinds of malt, all of which ripened for at least 3 years, and most of them for an even longer period. The taste of malt from the Miltonduff and Glenburg regions give Ballantine's Finest a scent of chocolate, apple, and vanilla. Ballantine's 12 Year Old (Gold Seal) has a complex and well-rounded taste that melts in perfect harmony with oak, fruits, spices, and a creamy texture. Ballantine's 12 Years Old (Gold Seal) is a smooth whisky made up of over 40 carefully selected single malt and grain kinds of whisky, all of which ripened for at least 12 years. It was introduced in 1964, and it won many international awards and recognitions. It became the gold standard for superior Scotch whisky.

Ballantine's 12 Years Old (Tall Round, available only in Latin America) joined the Ballantine's family with the latest innovation in packaging and brand presentation. It has a rich and full flavor, and it points out all the qualities of a 12 Year Old whisky.

Ballantine's 17 Years Old comes from a classic recipe which dates 75 years back and it has hardly changed since then. The recipe is carefully kept secret and it is passed on from master blender to another. Over 40 types of malt and grain from all regions of Scotland are combined to form this masterpiece, creating a complex taste that embodies the true spirit of Scotland. So it comes as no surprise that in the various global competitions of 17 year old whiskies it won most of the awards.



Ballantine's 21 Year Old is considered by experts a first class Scotch whisky. It won the gold medal at the International Wine & Spirit Challenge in 1998. This sophisticated mixture is often sold on the global Duty Free and select domestic markets.

Ballantine's 30 Year Old is the best among first class superior Scotch whiskies and it is ranked high among the most expensive and selected global whiskies. It is a rare and exclusive mix of the finest Scottish malts, ripened to perfection for at least 30 years in oak barrels. It is available in limited amounts, so the demand for it always surpassed its supply. It is an excellent choice for all connoisseurs who are willing to pay more to enjoy the best.

Ballantine's was presented with Royal Warrants by queen Victoria and king Edward the Seventh and the sign can be seen on the sticker on the bottle. The Royal Warrant is a sign of quality and excellence, and also a recognition for supplying the British Royal Family with superior goods.

Recent developments

Ballantine's became the leading imported whisky in Croatia over the last 14 years. Today, Ballantine's has a 74% market share in the global Standard Blended Scotch market (greatest share in the world) and 56% of the total Scotch whisky market in Croatia. Market research has shown that Ballantine's has loyal customers according to all market indicators. The label of "the greatest whisky in Croatia" was won due to an excellent marketing strategy and supporting activities. In 2005, "The Scotch" campaign on Ballantine's quality of started, and in 2007 the

"Leave An Impression" campaign about the modern lifestyle of Ballantine's consumers is starting.

Promotion

One of the Ballantine's promotional themes is based on the Crest and the 4 natural elements: earth, fire, water and air. It is developed so that the Ballantine's brand can present its quality through 4 basic elements of life.

There are also promotional concepts that can be adjusted to various local markets by following the brand values. The three concepts are: "The Finest Seats," "Experience the Finest," and the third one is "The World's Finest."

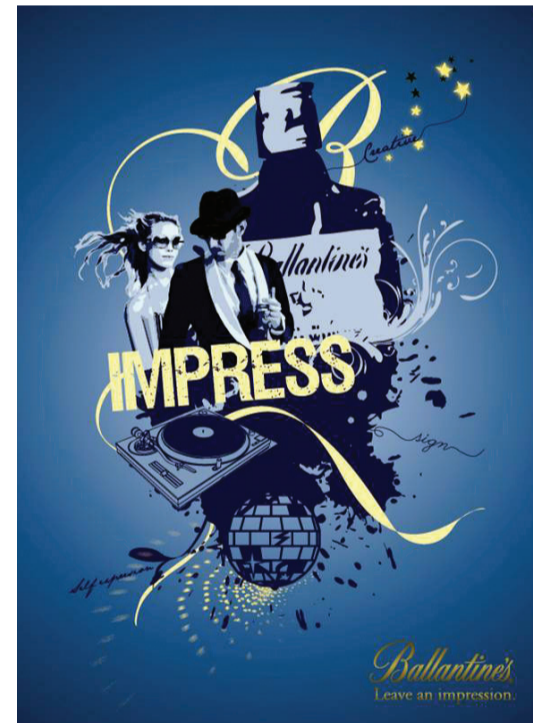
Creating a bond with things characteristic of Scotland such as fishing, walks, views, hotels, outdoor activities, clothes, clay pigeons and statues strengthen Ballantine's Scottish heritage. Enjoying a Ballantine's, consumers are enjoying the best of Scotland. Ballantine's is known as "The Scotch" because it is the best. In order to reward our consumers for enjoying "The Best," we provide them with the best offer. This strengthens the image of the Ballantine's brand as a quality Scotch, the best in the world.

Brand values

Ballantine's is "The Scotch". Values include authentic classics, elegance and hidden self-confidence.

Ballantine's is very authentic and it proudly stresses its advantages through the heraldic arms and George Ballantine's signature.

www.ballantines.com



THINGS YOU DIDN'T KNOW ABOUT...

Ballantine's

- Two bottles of Ballantine's are sold every second worldwide.
- Ballantine's constantly wins awards of excellence at prestigious global competitions.
- Ballantine's has the recognitions from the Swedish and Belgian royal families, thus confirming the international recognition of its quality.
- Korea is the is the biggest deluxe whisky market in the world.
- According to volume and value, Ballantine's is the world's third largest whisky brand.
- Ballantine's is the number 1 or 2 whisky brand in 20 European markets.