



**BERRY BROS & RUDD**  
3, ST. JAMES'S STREET, LONDON

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WINE & SPIRIT MERCHANTS

Press Release

Monday 10<sup>th</sup> July 2017

**Berry Bros. & Rudd announces six-year sales high**

- Six-year sales high of £170.5 million (FY2015/16: £145 million) representing year on year growth of 17%
- Revenue buoyed by strong sales of *en primeur* and increased performance across its portfolio in wine, spirits, storage and hospitality
- On-going consolidation of the business resulted in an uplift in operating profit of 170.5% to £6.3 million (FY2015/16: £2.3 million)
- After the *en primeur* accounting adjustment, operating profit was £1.8m representing 23.4% uplift in profit (FY2015/16: £1.4 million)

Berry Bros. & Rudd, Britain's oldest wine & spirits merchant, has reported a strong set of results for FY2016/17, signalling a second year of sustained growth for the Company.

A turnover of £170.5 million represents the strongest sales performance for the family owned business since 2011. The Company's operating profit continued to build to £6.3 million, up 170.5 % from £2.3 million last year, and a loss of £2.8 million in FY2014/15.

Berry Bros. & Rudd enjoyed the third largest *en primeur* sales year in its history, reflecting the quality and size of harvest in Bordeaux and Burgundy and its ability to secure increased allocations from its negociants. In addition, the Company saw an increase in sales of its own label wines, priced between £8.75 and £35.00, of 22%.

Strong wine sales were accompanied by an increase in sales of the Company's spirits range of 12% to £17.5 million, bolstered by a successful year selling its own selection of whiskies, in both bottle and cask.

Britain's 9<sup>th</sup> oldest family owned business also had its strongest hospitality year on record with more than 25,000 people attending over 1,000 events at its premises on St James's Street.

Dan Jago, Chief Executive of Berry Bros. & Rudd, said: "*Today's results are an important milestone. Over the past 18 months, we have undergone a process of consolidation across all our business areas in order to simplify the organisation, its*



*routes-to-market, and customer channels. This has had the desired effect of stabilising the existing business and delivering strong sales growth.”*

The business has recognised changes in accounting practices for *en primeur* and Wine Lying Abroad sales, which results in the deferral of revenue recognition to the year in which the wine is shipped rather than sold. The result of this accounting adjustment can be seen in the accounts reducing revenue to £148.1 million in the year and operating profit to £1.8 million.

The Company also took the decision to write off historic costs relating to IT infrastructure investment, as well as recording a loss on its US investment. These conscious decisions have impacted net profit, but have significantly cleaned up the balance sheet for future growth.

Chairman Simon Berry, added: *“This is a terrific set of results. Together with Dan and the management team, we have succeeded in refocusing the Company’s core priorities to ensure we are able to provide our customers with the quality and service they have come to expect from Berry Bros. & Rudd.”*

**-Ends-**

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## **About Berry Bros. & Rudd**

Founded in 1698, Berry Bros. & Rudd is Britain's original, family-owned wine and spirits merchant. With two Royal Warrants, more than 300 years of history and seven Masters of Wine, we are proud of our world-class reputation for exceptional wines and spirits.

Although hundreds of years old, Berry Bros. & Rudd remains at the forefront of wine innovation. The current range of more than 4,000 wines is sourced from over 25 countries, from the traditional – France, Italy and Spain – to the less traditional – Brazil and Moldova.

Not just a fine wine retailer, spirits have long been central to the business. The spirits portfolio includes the classic No.3 London Dry Gin, Mauritian rum Penny Blue and the unique and historic The King's Ginger Liqueur. Most recently the Texas Legation, a bourbon from Texas was added to the line-up.

While we embrace progress, we also value our traditions. As a business, we are comfortable embracing these paradoxes – having always managed to combine our history and heritage with a commitment to constant progress, innovation and change.

Throughout the developments, the business has seen over the years, customers have always remained at the heart of Berry Bros. & Rudd. Whether visiting us in store, shopping online or participating in our Wine Club, Cellar Plan, tutored tastings or Wine School, we aim to ensure that every customer receives the same outstanding experience.