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## GrainCorp expands Scottish malting capacity to support distilling growth

GrainCorp today announced a £51 million (A\$94 million) investment to expand its Scottish malting capacity, reflecting strong sector growth and customer demand.

GrainCorp's United Kingdom-based business, Bairds Malt, will add a total of 79,000 tonnes of annual malting capacity by upgrading its Arbroath facility and building a new state-of-the-art malting plant at its Inverness site. This will bring Bairds Malt's total annual capacity to over 300,000 tonnes.

GrainCorp Managing Director and Chief Executive Officer, Mark Palmquist said: "Bairds Malt has a long and proud history supplying high quality malt as the primary ingredient in some of the world's finest and best-known whiskies.

"The new capacity will enable us to build on our strong relationships to remain a supplier of choice across the Scottish distilling industry. Both our Inverness and Arbroath facilities are strategically positioned close to key customers and with good barley supply.

"The market for distilling malt in Scotland has been growing steadily since 2004 and it has a long-term focus due to global demand for aged whisky. The number of distilleries in Scotland has increased by 29 over the past 15 years and large distillers are expanding production capacity.

"Given these factors, we expect to underpin the majority of the new capacity ahead of construction through new or extended long-term agreements."

GrainCorp will fund the expansion from cash flow and existing debt facilities spread across FY19-21. The project is expected to complete in CY2021.

### FURTHER INFORMATION

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