



12 August 2019

New joint venture formed to distribute Santiago de Cuba™ rum

We are pleased to announce the creation of a joint venture, Ron Santiago S.A., between a European Diageo subsidiary and Corporación Cuba Ron S.A., a leader in the production of premium Cuban rums. The joint venture will have exclusive global distribution rights to **Santiago de Cuba™**, a premium Cuban heritage rum brand¹.

Globally, premium and above rum segments are growing ahead of the category overall, with premiumisation trends driving growth². Over the past four years, premium and above rum retail sales value has grown 12%, whilst overall category growth was 3%³. Cuban rum brands account for 9% of the retail sales value of this growing segment globally⁴. The premium plus rum segment in Europe, the key market for development of the **Santiago de Cuba™** brand, is growing at 16%, ahead of luxury spirits, at 9%.⁵

Santiago de Cuba™ will join Diageo Europe's portfolio of Reserve luxury spirits, building on the trend towards premiumisation and the cocktail culture which are driving growth in key cities and resorts across Europe. With four core variants (Carta Blanca, Anejo, 11-year old and 12-year old) **Santiago de Cuba™** is the second largest premium Cuban rum, renowned for its high quality and provenance in the traditional rum distilling region of Cuba.

Dayalan Nayager, Managing Director, Diageo GB, Ireland and France, commented: *'The joint venture with Corporación Cuba Ron is in keeping with our strategy to invest behind growth opportunities in premium and above brands. Consumers are looking for new and authentic experiences and working with Corporación Cuba Ron provides a great opportunity to expand our portfolio in segments of the rum category whose growth is being driven by premiumisation globally and in Europe.'*

Juan Gonzalez Escalona, President of Corporación Cuba Ron SA, said: *'We are proud to announce the creation of this joint venture, which will bring the award-winning **Santiago de Cuba™** to consumers around the world. More than just a rum, **Santiago de Cuba™** was born in the city where the history and tradition of Cuban light rum originated. It is an expression of its people and part of our Cuban tradition and culture. We are looking forward to working with our partners to build the success of this premium rum outside Cuba.'*

ENDS

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¹ The brand will not be distributed in the United States of America.

² Retail sales value, IWSR 2018

³ Retail sales value, CAGR over the last four years, IWSR 2018

⁴ IWSR 2018

⁵ Retail sales value, IWSR 2018



DIAGEO

Notes to Editor:

About the Diageo group

The Diageo group is a global leader in beverage alcohol with an outstanding collection of brands across spirits and beer categories. These brands include Johnnie Walker, Crown Royal, J&B, Buchanan's and Windsor whiskies, Smirnoff, Ciroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, Tanqueray and Guinness.

For more information about Diageo, our people, our brands, and performance, visit us at www.diageo.com. Visit Diageo's global responsible drinking resource, www.DRINKiQ.com, for information, initiatives, and ways to share best practice.

Celebrating life, every day, everywhere.

About Corporación Cuba Ron S.A.

Cuba Ron is a 100% Cuban-owned company, that produces Havana Club, **Santiago de Cuba™**, Cubay, Isla del Tesoro, and Siglo y ½. Its factories in **Santiago de Cuba™**, the birthplace of Cuban Light Rum, are renowned for the distillation of traditional, authentic Cuban rum, with a heritage dating back over 150 years.

Cuba Ron's products and rum making knowledge are part of Cuba's cultural heritage. All our products carry the Protected Denomination of Origin (DOP) CUBA, are manufactured from sugar cane and are a reflection of our culture.

For more information about Cuba Ron and its brands, visit our web site: www.cubaron.com or Facebook: @CubaRonS.A @RonSantiagoDeCubaOficial @RonCubayOficial RonPerlaDelNorteOficial @FestivalRonCubaOficial @RonIslaDelTesoroOficial

Cuba Ron, the original producer.