ANDREW PELLER LIMITED REPORTS STRONG GROWTH IN FISCAL 2018
DIVIDEND INCREASE OF 13.9% ANNOUNCED

GRIMSBY, Ontario – June 6, 2018 – Andrew Peller Limited ADW.A/ADW.B ("APL" or the "Company") announced strong growth and operating performance for the three months and year ended March 31, 2018.

FISCAL 2018 HIGHLIGHTS:
- Sales up 6.2% on contribution from acquisitions, strong 3.7% organic growth;
- Gross margin strengthens to 41.3% from 38.3% last year;
- Adjusted EBITA up 23.7%;
- Net earnings of $30.1 million or $0.71 per Class A share;
- 13.9% increase in common share dividends announced effective June 29, 2018; and
- Focus on higher-margin premium products continues to drive strong performance.

"Fiscal 2018 was another year of record performance as our strong organic growth, our focus on higher margin premium brands, and our recent acquisition of three wineries in British Columbia all contributed to our growth," commented John Peller, Chief Executive Officer. "We are also very pleased to announce a 13.9% increase in common share dividends, the fifth successive increase, and continuing our track record of paying dividends every year since 1979."

"We continue to make progress in integrating our recent acquisitions into the Andrew Peller family and expect to generate operating synergies and economies of scale across all operations in the coming quarters," added Randy Powell, President. "Looking ahead, we are confident fiscal 2019 will be another strong year as our proven sales and marketing strategies, our focus on higher margin premium and ultra-premium brands, and the introduction of additional new products contribute to our growth and profitability."

Strong Operating and Financial Performance
Sales for the year ended March 31, 2018 rose 6.2% to $363.9 million from $342.6 million in fiscal 2017. The increase in sales is due to the introduction of new products and new product categories, selective price increases, and the contribution from the acquisition of three estate wineries completed in early October 2017. The acquisitions contributed $8.6 million in sales in fiscal 2018. Not including the contribution from the acquisitions, the Company generated strong 3.7% organic growth across the majority of the Company's products and trade channels. For the three months ended March 31, 2018 sales rose 10.4% to $79.8 million driven by the contribution from acquisitions and solid 5.4% organic growth.

Gross margin as a percentage of sales strengthened in fiscal 2018, rising to 41.3% from 38.3% in the prior year. For the three months ended March 31, 2018 gross margin rose to 41.1% of sales from 39.2% of sales in the comparable prior year period. Gross margin in fiscal 2018 benefited from the discontinuation of lower performing products, increased focus on higher margin products, selective pricing increases, and the positive impact of the Company's cost control initiatives. On acquisition, the Company recorded an increase of $10.4 million to inventory to represent the fair value of goods acquired from the new wineries. During the fourth quarter and year ended March 31, 2018 the Company recorded charges of $1.1 million and $3.0 million, respectively, to cost of goods sold to reduce gross margin as a result of this adjustment.

Selling and administrative expenses increased in fiscal 2018 compared to the prior year due to the addition of three estate wineries acquired in October 2017, as well as increased costs related to the operations of the new Wayne Gretzky Estate Winery and Craft Distillery which opened in June 2017, and increased marketing activities and support for new launches across the Company's product portfolio. Included in selling and administrative expenses was $1.1 million in one-time professional and transition fees related to the acquisitions which was comparable to the $1.1 million charged in fiscal 2017 for professional fees related to a strategic acquisition that was not completed. In fiscal 2018, selling and administrative expenses included $0.6 million in severance payments, compared to $1.3 million in post-retirement benefits for certain employees retiring during fiscal 2017. Selling and administrative expenses also increased by $0.8 million when compared to fiscal 2017 due to the increase in minimum wage in Ontario. The Company continues to increase its investment in sales and marketing programs while remaining focused on ensuring a strong return on these investments.

Earnings before interest, amortization, net unrealized gains and losses on derivative financial instruments, other (income) expenses, and income taxes ("EBITA"), were $52.9 million for the year ended March 31, 2018 compared to $45.1 million in the prior year. The increase in fiscal 2018 was due to the increase in sales across the Company's established distribution network and the improved gross margin, partially offset by the increase in selling and administrative expenses and the reduction in margin related to the three new wineries due to the inventory fair value adjustment charged to cost of sales. Adjusted EBITA, which excludes from EBITA one-time acquisition related charges, was $57.2 million for the year ended March 31, 2018 compared to $46.2 million in fiscal 2017. EBITA and Adjusted EBITA for the three months ended March 31, 2018 were $4.3 million and $5.7 million, respectively, compared to $5.9 million in the fourth quarter of fiscal 2017.

Interest expense increased in fiscal 2018 compared to the prior year due primarily to long-term debt incurred to complete the three acquisitions in October 2017 and the write-off of $0.4 million in unamortized deferred financing fees related to the prior banking agreement that was amended on September 29, 2017. Amortization expense increased in fiscal 2018 due primarily to the addition of the three recently acquired wineries and the completion of the Wayne Gretzky Estate Winery and Craft Distillery in June 2017.

The Company recorded net unrealized non-cash gains in fiscal 2018 and fiscal 2017 related to mark-to-market adjustments on interest rate swaps and foreign exchange contracts. The Company has elected not to apply hedge accounting and accordingly the change in fair value of these financial instruments is reflected in the Company's statement of earnings each reporting period. These instruments are considered to be effective economic hedges and have enabled management to mitigate the volatility of changing foreign exchange and interest rates.

Other income in fiscal 2018 includes a one-time gain of $4.2 million related to the acquisitions completed in October 2017.

Adjusted earnings, defined as net earnings not including net unrealized gains and losses on derivative financial instruments, other (income) expenses, non-recurring, non-operating (gains) and losses, and the related income tax effect were $29.3 million for the year ended March 31, 2018 compared to $25.6 million in the prior year. The Company had an adjusted loss for the three months ended March 31, 2018 of $0.9 million or $0.02 per Class A Share compared to adjusted earnings of $1.9 million or $0.05 per Class A Share in the fourth quarter of fiscal 2017.

Net earnings for the year ended March 31, 2018 were $30.1 million or $0.71 per Class A Share compared to $26.4 million or $0.64 per Class A Share in the prior year. The Company had a net loss of $1.7 million or $0.04 per Class A Share in the fourth quarter of fiscal 2018 compared to net earnings of $2.0 million or $0.05 per Class A Share in the fourth quarter of fiscal 2017.

The three acquired wineries contributed $8.6 million in sales, $1.1 million in EBITA and $0.4 million in net earnings in fiscal 2018 excluding acquisition related fees and margin adjustments as described below. The acquisitions contributed approximately $0.01 per Class A Share in net earnings, which was offset by the dilution impact of the 1.6 million Class A shares issued to acquire one of the wineries. On acquisition the Company recorded an increase of $10.4 million to inventory to represent the fair value of the goods acquired. This increase will be expensed over time to the consolidated statement of earnings as finished goods are sold thus reducing gross margin. During fiscal 2018, the Company's gross margin was reduced by $3.0 million as a result of this adjustment. It is expected that most goods acquired will be sold within one year from the date of the acquisitions, and as such, the remaining balance of the fair value adjustment of $7.4 million will continue to be dilutive into fiscal 2019. Furthermore, one-time transaction and transition costs and restructuring costs, of which $1.4 million was expensed in fiscal 2018, also had a dilutive impact on earnings per share in fiscal 2018. The impact of these items reduced earnings per share by approximately $0.10 per Class A Share for the year ended March 31, 2018. Additional interest expense on debt used to fund the acquisitions and higher amortization on acquired assets will also have a dilutive impact. The above items have resulted in an overall dilution of $0.06 per Class A Share for the year ended March 31, 2018.

Strong Financial Position

The majority of changes to the Company's balance sheet as at March 31, 2018 compared to March 31, 2017 relate primarily to the acquisition of three estate wineries completed in early October 2017.

Overall bank debt increased to $171.7 million at March 31, 2018 compared to $87.7 million at March 31, 2017, due primarily to $79.0 million drawn on the Company's credit facility related to the above-mentioned estate winery acquisitions. With the increase in debt, the Company's debt to equity ratio increased to 0.78:1 at March 31, 2018 compared to 0.49:1 at March 31, 2017. At March 31, 2018 the Company had unutilized debt capacity of $42.7 million on its operating facility and $94.7 million on its investment facility.

Shareholders' equity as at March 31, 2018 increased to $220.2 million or $4.99 per common share, up from $177.3 million or $4.16 per common share at March 31, 2017. The increase in shareholders' equity is due to the issuance of Class A Shares to fund a portion of the purchase price for one of the acquired wineries and strong net earnings partially offset by the payment of dividends and net actuarial losses on post-employment benefit plans.

For the year ended March 31, 2018, the Company generated cash from operating activities, after changes in non-cash working capital items, of $21.7 million compared to $25.6 million in the prior year. Investing activities were $97.8 million in fiscal 2018 compared to $20.5 million in the prior year. The increase in fiscal 2018 includes $77.4 million related to the acquisition of the three estate wineries in October 2017. The remaining investing activities related to capital expenditures to improve operations, as well as costs incurred related to the completion of the Wayne Gretzky Estate Winery and Craft Distillery.

Common Share Dividend Increase

On June 6, 2018, the Company's Board of Directors approved a 13.9% increase in common share dividends for shareholders of record on June 29, 2018 payable on July 6, 2018. The annual dividend on Class A Shares was increased to $0.2050 per share from $0.1800 per share and the dividend on Class B Shares was increased to $0.1783 per share from $0.1565 per share. The Company has consistently paid common share dividends since 1979 and has increased dividends every year for the past five years.

Financial Highlights (Unaudited)

(Financial Statements and the Company's Management Discussion and Analysis for the period can be obtained on the Company's web site at www.andrewpeller.com)

For the three months and year ended March 31, (in $000, except per share amounts)	Three months		Year	
	2018	2017 [(1)]	**2018**	2017 [(1)]
Sales	**79,817**	72,295	**$ 363,897**	$ 342,606
Gross margin	**32,811**	28,326	**150,325**	131,155
Gross margin (% of sales)	**41.1%**	39.2%	**41.3%**	38.3%
Selling and administrative expenses	**28,532**	22,461	**97,465**	86,018
EBITA	**4,279**	5,865	**52,860**	45,137
Adjusted EBITA	**5,740**	5,865	**57,225**	46,246
Interest	**1,749**	813	**5,345**	3,078
Net unrealized gain on derivative financial instruments	**(833)**	(189)	**(1,400)**	(2,232)
Other (income) expenses	**35**	(15)	**(3,842)**	120
Adjusted earnings (loss)	**(904)**	1,859	**29,303**	25,608
Net earnings (loss)	**(1,691)**	2,010	**30,117**	26,350
Earnings (loss) per share – basic and diluted - Class A	**$(0.04)**	$0.05	**$0.71**	$0.64
Earnings (loss) per share – basic and diluted - Class B	**$(0.03)**	$0.04	**$0.62**	$0.55
Adjusted earnings (loss) per share – basic and diluted – Class A	**$(0.02)**	$0.05	**$0.69**	$0.62
Adjusted earnings (loss) per share – basic and diluted – Class B	**$(0.02)**	$0.04	**$0.60**	$0.54
Dividend per share – Class A (annual)			**$0.1800**	$0.1632
Dividend per share – Class B (annual)			**$0.1565**	$0.1420

[1] Adjusted EBITA, Adjusted earnings and Adjusted earnings per share figures have been restated to conform to the current year's presentation

Investor Conference Call
An investor conference call hosted by John Peller, Chief Executive Officer, Randy Powell, President, and Peter Patchet, CFO, will be held Thursday, June 7, 2018 at 9:30 a.m. ET. The telephone numbers for the conference call are Local/International: (416) 340-2216, North American Toll Free: (866) 223-7781. The telephone numbers to listen to the call after it is completed (Instant Replay) are local/international (905) 694-9451 or North American toll free (800) 408-3053. The Passcode for the Instant Replay is 5431009#. The Instant Replay will be available until midnight, June 15, 2018. The call will also be archived on the Company's website at www.andrewpeller.com.

About Andrew Peller Limited
Andrew Peller Limited is one of Canada's leading producers and marketers of quality wines and craft spirits. The Company's award-winning premium and ultra-premium Vintners' Quality Alliance ("VQA") brands include *Peller Estates, Trius, Thirty Bench*, *Wayne Gretzky, Sandhill, Red Rooster, Black Hills Estate, Tinhorn Creek, Gray Monk Estates, Raven Conspiracy,* and *Conviction*. Complementing these premium brands are a number of popularly priced varietal offerings, wine based liqueurs, craft ciders, and craft spirits. The Company owns and operates 101 well-positioned independent retail locations in Ontario under The Wine Shop, Wine Country Vintners, and Wine Country Merchants store names. The Company also operates Andrew Peller Import Agency and The Small Winemaker's Collection Inc., importers and marketing agents of premium wines from around the world. With a focus on serving the needs of all wine consumers, the Company produces and markets premium personal winemaking products through its wholly-owned subsidiary, Global Vintners Inc. ("GVI"), the recognized leader in personal winemaking products. More information about the Company can be found at www.andrewpeller.com.

The Company utilizes EBITA (defined as earnings before interest, amortization, net unrealized gains and losses on derivative financial instruments, other (income) expenses, and income taxes) and Adjusted EBITA (defined as EBITA before non-recurring expenses such as acquisition transaction and transition costs) to measure its financial performance. EBITA and Adjusted EBITA are not recognized measures under IFRS. Management believes that EBITA and Adjusted EBITA are useful supplemental measures to net earnings, as these measures provide readers with an indication of earnings available for investment prior to debt service, capital expenditures, and income taxes, as well as provide an indication of recurring earnings compared to prior periods. Readers are cautioned that EBITA and Adjusted EBITA should not be construed as an alternative to net earnings determined in accordance with IFRS as indicators of the Company's performance or to cash flows from operating, investing, and financing activities as a measure of liquidity and cash flows. The Company also utilizes gross margin (defined as sales less cost of goods sold, excluding amortization) and adjusted earnings. The Company's method of calculating EBITA, Adjusted EBITA, gross margin, and adjusted earnings may differ from the methods used by other companies and, accordingly, may not be comparable to measures used by other companies.

Andrew Peller Limited common shares trade on the Toronto Stock Exchange (symbols ADW.A and ADW.B).

FORWARD-LOOKING INFORMATION

Certain statements in this news release may contain "forward-looking statements" within the meaning of applicable securities laws, including the "safe harbour provision" of the Securities Act (Ontario) with respect to Andrew Peller Limited and its subsidiaries. Such statements include, but are not limited to, statements about the growth of the business in light of the Company's recent acquisitions; its launch of new premium wines and spirits; sales trends in foreign markets; its supply of domestically grown grapes; and current economic conditions. These statements are subject to certain risks, assumptions, and uncertainties that could cause actual results to differ materially from those included in the forward-looking statements. The words "believe", "plan", "intend", "estimate", "expect", or "anticipate" and similar expressions, as well as future or conditional verbs such as "will", "should", "would", and "could" often identify forward-looking statements. We have based these forward-looking statements on our current views with respect to future events and financial performance. With respect to forward-looking statements contained in this news release, the Company has made assumptions and applied certain factors regarding, among other things: future grape, glass bottle, and wine and spirits prices; its ability to obtain grapes, imported wine, glass, and other raw materials; fluctuations in foreign currency exchange rates; its ability to market products successfully to its anticipated customers; the trade balance within the domestic Canadian and international wine markets; market trends; reliance on key personnel; protection of its intellectual property rights; the economic environment; the regulatory requirements regarding producing, marketing, advertising, and labeling its products; the regulation of liquor distribution and retailing in Ontario; and the impact of increasing competition.

These forward-looking statements are also subject to the risks and uncertainties discussed in this news release, in the "Risks and Uncertainties" section and elsewhere in the Company's MD&A and other risks detailed from time to time in the publicly filed disclosure documents of Andrew Peller Limited which are available at www.sedar.com. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties, and assumptions which could cause actual results to differ materially from those conclusions, forecasts, or projections anticipated in these forward-looking statements. Because of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements. The Company's forward-looking statements are made only as of the date of this news release, and except as required by applicable law, the Company undertakes no obligation to update or revise these forward-looking statements to reflect new information, future events or circumstances or otherwise.

For more information, please contact:
Mr. Randy Powell, President
(905) 643-4131