



Paris, 18 April 2018

2017/18 annual sales
(April 2017 – March 2018)

Organic sales growth picks up momentum (+7.2%)
2017/18 guidance confirmed

Rémy Cointreau generated sales of €1.13 billion in financial year 2017-18, achieving reported growth of 2.9%. In organic terms (at constant exchange rates and scope of consolidation), sales climbed 7.2%, thanks to excellent fourth-quarter momentum (up 12.8%).

Growth acceleration in the full year was driven by the Group Brands (up 9.2% on an organic basis), particularly by the House of Rémy Martin (up 13.2%*), which delivered a strong performance across all geographical areas. Adjusted for the deconsolidation of Passoã, Liqueurs & Spirits delivered 4% organic sales growth, with a contribution from all brands. The organic decline in Partner Brands (-10.4%) was driven by the end of third-party distribution contracts, with marginal impact on the Group's Current Operating Profit.

Asia Pacific posted remarkable growth. The improved momentum in the region was led by Greater China, Singapore, Japan and the new subsidiary in Malaysia. The Americas region continued to deliver solid growth, propelled by the United States and Canada. Sales trends in the Europe, Middle East & Africa (EMEA) region, although adversely affected by the deconsolidation of Passoã, benefited from strong momentum in Russia, Central Europe and the United Kingdom.

Sales breakdown by division:

| (€ million) | 12 months at 31/03/2018 | 12 months at 31/03/2017 | Change | |
|-------------------------------|----------------------------|----------------------------|-------------|-------------|
| | | | Reported | Organic (*) |
| House of Rémy Martin | 760.0 | 707.5 | 7.4% | 13.2% |
| Liqueurs & Spirits | 266.8 | 276.3 | -3.4% | -1.0% |
| Subtotal: Group Brands | 1,026.8 | 983.8 | 4.4% | 9.2% |
| Partner Brands | 100.2 | 111.0 | -9.8% | -10.4% |
| Total | 1,127.0 | 1,094.9 | 2.9% | 7.2% |

(*) Organic growth is calculated assuming constant exchange rates and consolidation scope.

House of Rémy Martin

The **House of Rémy Martin** delivered an outstanding full year performance (up 13.2% in organic terms) thanks to accelerated momentum in Asia Pacific, notably in Greater China. The United States, Russia, and Travel Retail also contributed to the House's excellent performance.

The cognac brand-upscaling strategy once again bore fruit in 2017/18: organic growth of 13.2% was driven by volume growth of 6.0%, with mix and price effects together adding 7.2%. This can be attributed to the House's innovative spirit: **Rémy Martin** was boosted by a successful second limited edition of *Carte Blanche à Baptiste Loiseau*, its pop-up houses in the United Kingdom, Russia and China, as well as communication investments behind its XO cognac, which resulted in market share gains in value. Meanwhile, **LOUIS XIII** launched its limited edition *The Legacy* (a crystal magnum signed by four generations of cellar masters) and unveiled the second opus of its *100 Years* campaign, in partnership with Pharrell Williams.

Liqueurs & Spirits

The division posted a full year decline in organic growth of 1.0%. Adjusting for the impact of the deconsolidation of Passoa, however, sales in Liqueurs & Spirits rose by around +4% (in organic terms) over the period.

The **House of Cointreau** pursued growth, led by rapid expansion in its newer markets (notably Greater China and Russia) and a good year in the United States amid more moderate market conditions. The brand is launching a new global communication campaign and intends to take advantage of the 70th anniversary of the Margarita's creation this year, celebrating Cointreau as a key ingredient of the original recipe. The **House of Metaxa** had a solid year, riding on the success of '12 Stars' in its key markets (Czech Republic, Slovakia, Poland and Russia) and an upturn in sales in Travel Retail. Although the brand-upscaling strategy of **Mount Gay** and **St-Rémy** is moderating their growth, this results in positive mix effects.

The **Progressive Hebridean Distillers** recorded a sustained increase, notably **The Botanist** gin, which is enjoying excellent awareness among mixologists all over the world. Lastly, single malts **Westland** and **Domaine des Hautes Glaces** confirmed their growth potential in their respective markets.

Partner Brands

The decline in sales (down 10.4% organically) mainly resulted from changes in the portfolio of distributed brands: gains from Passoa sales (now partially distributed by the Rémy Cointreau network on behalf of the joint venture) were offset by the termination of some third-party distribution agreements, including Piper-Heidsieck and Charles Heidsieck champagnes.

2017/18 outlook

With full year sales in line with the Group's forecasts, Rémy Cointreau confirms its guidance of growth in Current Operating Profit for the financial year 2017/18, assuming constant exchange rates and consolidation scope.

(*) Organic growth is calculated assuming constant exchange rates and consolidation scope.

Appendices:

Sales and organic growth by business and by quarter

Sales in first quarter 2017-18 (April to June 2017)

| <i>€ million</i> | Reported 17-18 A | Currency 17-18 | Scope 17-18 | Organic 17-18 (*) B | Reported 16-17 C | Change: Reported A/C-1 | Change Organic (*) B/C-1 |
|-------------------------------|------------------------|-------------------|----------------|---------------------------|------------------------|------------------------------|--------------------------------|
| House of Rémy Martin | 156.6 | 2.3 | 0.0 | 154.3 | 130.0 | 20.5% | 18.7% |
| Liqueurs & Spirits | 58.6 | 0.4 | 1.2 | 57.0 | 58.1 | 0.9% | -1.9% |
| Subtotal: Group brands | 215.2 | 2.7 | 1.2 | 211.3 | 188.1 | 14.4% | 12.3% |
| Partner Brands | 25.0 | 0.1 | 0.0 | 24.9 | 30.5 | -18.0% | -18.5% |
| Total | 240.2 | 2.9 | 1.2 | 236.1 | 218.6 | 9.9% | 8.0% |

Sales in second quarter 2017-18 (July to September 2017)

| <i>€ million</i> | Reported 17-18 A | Currency 17-18 | Scope 17-18 | Organic 17-18 (*) B | Reported 16-17 C | Change: Reported A/C-1 | Change Organic (*) B/C-1 |
|-------------------------------|------------------------|-------------------|----------------|---------------------------|------------------------|------------------------------|--------------------------------|
| House of Rémy Martin | 210.3 | -7.7 | 0.0 | 218.0 | 192.5 | 9.2% | 13.2% |
| Liqueurs & Spirits | 70.6 | -1.6 | 0.3 | 71.8 | 76.7 | -8.0% | -6.4% |
| Subtotal: Group brands | 280.9 | -9.2 | 0.3 | 289.8 | 269.3 | 4.3% | 7.6% |
| Partner Brands | 23.2 | 0.1 | 0.0 | 23.2 | 25.5 | -8.9% | -9.2% |
| Total | 304.1 | -9.2 | 0.3 | 313.0 | 294.8 | 3.2% | 6.2% |

Sales in first half 2017-18 (April to September 2017)

| <i>€ million</i> | Reported 17-18 A | Currency 17-18 | Scope 17-18 | Organic 17-18 (*) B | Reported 16-17 C | Change: Reported A/C-1 | Change Organic (*) B/C-1 |
|-------------------------------|------------------------|-------------------|----------------|---------------------------|------------------------|------------------------------|--------------------------------|
| House of Rémy Martin | 367.0 | -5.4 | 0.0 | 372.3 | 322.5 | 13.8% | 15.4% |
| Liqueurs & Spirits | 129.2 | -1.1 | 1.5 | 128.8 | 134.8 | -4.2% | -4.5% |
| Subtotal: Group brands | 496.1 | -6.5 | 1.5 | 501.1 | 457.3 | 8.5% | 9.6% |
| Partner Brands | 48.2 | 0.2 | 0.0 | 48.0 | 56.0 | -13.9% | -14.3% |
| Total | 544.4 | -6.3 | 1.5 | 549.1 | 513.4 | 6.0% | 7.0% |

Sales in third quarter 2017-18 (October to December 2017)

| <i>€ million</i> | Reported 17-18 A | Currency 17-18 | Scope 17-18 | Organic 17-18 (*) B | Reported 16-17 C | Change: Reported A/C-1 | Change Organic (*) B/C-1 |
|-------------------------------|------------------------|-------------------|----------------|---------------------------|------------------------|------------------------------|--------------------------------|
| House of Rémy Martin | 209.6 | -14.0 | 0.0 | 223.6 | 211.9 | -1.1% | 5.5% |
| Liqueurs & Spirits | 75.1 | -2.7 | 0.5 | 77.3 | 79.3 | -5.3% | -2.6% |
| Subtotal: Group brands | 284.7 | -16.7 | 0.5 | 300.9 | 291.2 | -2.2% | 3.3% |
| Partner Brands | 33.0 | 0.3 | 0.0 | 32.7 | 32.2 | 2.7% | 1.7% |
| Total | 317.7 | -16.4 | 0.5 | 333.6 | 323.3 | -1.7% | 3.2% |

9-month sales 2017-18 (April to December 2017)

| <i>€ million</i> | Reported 17-18 A | Currency 17-18 | Scope 17-18 | Organic 17-18 (*) B | Reported 16-17 C | Change: Reported A/C-1 | Change Organic (*) B/C-1 |
|-------------------------------|------------------------|-------------------|----------------|---------------------------|------------------------|------------------------------|--------------------------------|
| House of Rémy Martin | 576.6 | -19.4 | 0.0 | 595.9 | 534.4 | 7.9% | 11.5% |
| Liqueurs & Spirits | 204.2 | -3.8 | 2.1 | 206.0 | 214.1 | -4.6% | -3.8% |
| Subtotal: Group brands | 780.8 | -23.2 | 2.1 | 801.9 | 748.5 | 4.3% | 7.1% |
| Partner Brands | 81.3 | 0.6 | 0.0 | 80.7 | 88.2 | -7.8% | -8.5% |
| Total | 862.1 | -22.6 | 2.1 | 882.6 | 836.7 | 3.0% | 5.5% |

(*) Organic growth is calculated assuming constant exchange rates and consolidation scope.

Sales in fourth quarter 2017-18 (January to March 2018)

| <i>€ million</i> | Reported 17-18 A | Currency 17-18 | Scope 17-18 | Organic 17-18 (*) B | Reported 16-17 C | Change: Reported A/C-1 | Change Organic (*) B/C-1 |
|-------------------------------|------------------------|-------------------|----------------|---------------------------|------------------------|------------------------------|--------------------------------|
| House of Rémy Martin | 183.5 | -21.4 | 0.0 | 204.8 | 173.1 | 6.0% | 18.3% |
| Liqueurs & Spirits | 62.5 | -5.0 | 0.0 | 67.5 | 62.2 | 0.6% | 8.6% |
| Subtotal: Group brands | 246.0 | -26.3 | 0.0 | 272.3 | 235.3 | 4.5% | 15.7% |
| Partner Brands | 18.9 | 0.1 | 0.0 | 18.8 | 22.9 | -17.2% | -17.8% |
| Total | 264.9 | -26.2 | 0.0 | 291.1 | 258.2 | 2.6% | 12.8% |

12-month sales 2017-18 (April 2017 to March 2018)

| <i>€ million</i> | Reported 17-18 A | Currency 17-18 | Scope 17-18 | Organic 17-18 (*) B | Reported 16-17 C | Change: Reported A/C-1 | Change Organic (*) B/C-1 |
|-------------------------------|------------------------|-------------------|----------------|---------------------------|------------------------|------------------------------|--------------------------------|
| House of Rémy Martin | 760.0 | -40.7 | 0.0 | 800.7 | 707.5 | 7.4% | 13.2% |
| Liqueurs & Spirits | 266.8 | -8.8 | 2.1 | 273.5 | 276.3 | -3.4% | -1.0% |
| Subtotal: Group brands | 1,026.8 | -49.6 | 2.1 | 1,074.3 | 983.8 | 4.4% | 9.2% |
| Partner Brands | 100.2 | 0.7 | 0.0 | 99.5 | 111.0 | -9.8% | -10.4% |
| Total | 1,127.0 | -48.9 | 2.1 | 1,173.8 | 1,094.9 | 2.9% | 7.2% |

(*) Organic growth is calculated assuming constant exchange rates and consolidation scope.

Definitions of alternative performance indicators

Rémy Cointreau's management process is based on the following alternative performance indicators, chosen for planning and reporting. The Group management considers that these indicators provide financial statement users with useful additional information for understanding the Group's performance. These alternative performance indicators should be considered as supplementing those included in the consolidated financial statements and the resulting movements.

Organic sales growth

Organic growth is calculated excluding the impacts of variations in exchange rates as well as acquisitions and disposals.

The impact of exchange rates is calculated by converting sales for the current financial year into the exchange rate of the previous financial year.

For acquisitions in the current financial year, the sales of the acquired entity are not included in organic growth calculations. For acquisitions in the previous financial year, the sales of the acquired entity are included in the previous financial year but are included in organic growth calculations for the current year only starting from the anniversary date of the acquisition.

For significant disposals, we use data following the application of IFRS 5, which systematically reclassifies the sales of the sold entity in "Net profit from activities sold or to be sold" for the current and previous financial year.

This indicator serves to focus on Group performance common to both financial years, which local management is more directly capable of influencing.

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() Organic growth is calculated assuming constant exchange rates and consolidation scope.*