



RÉMY COINTREAU

Interim Results

***Six months ended
30 September 2014***

28 November 2014

François Hériard Dubreuil

Chairman

Mid- to Long-Term Value Creation Strategy



RÉMY COINTREAU

- Continued move upmarket of our portfolio
- Investing to nurture future growth:
 - Marketing investment prioritisation and targeted innovation
 - Strengthening of the network in key markets
 - Expansion into new high-potential territories
- Strict cost and cash control



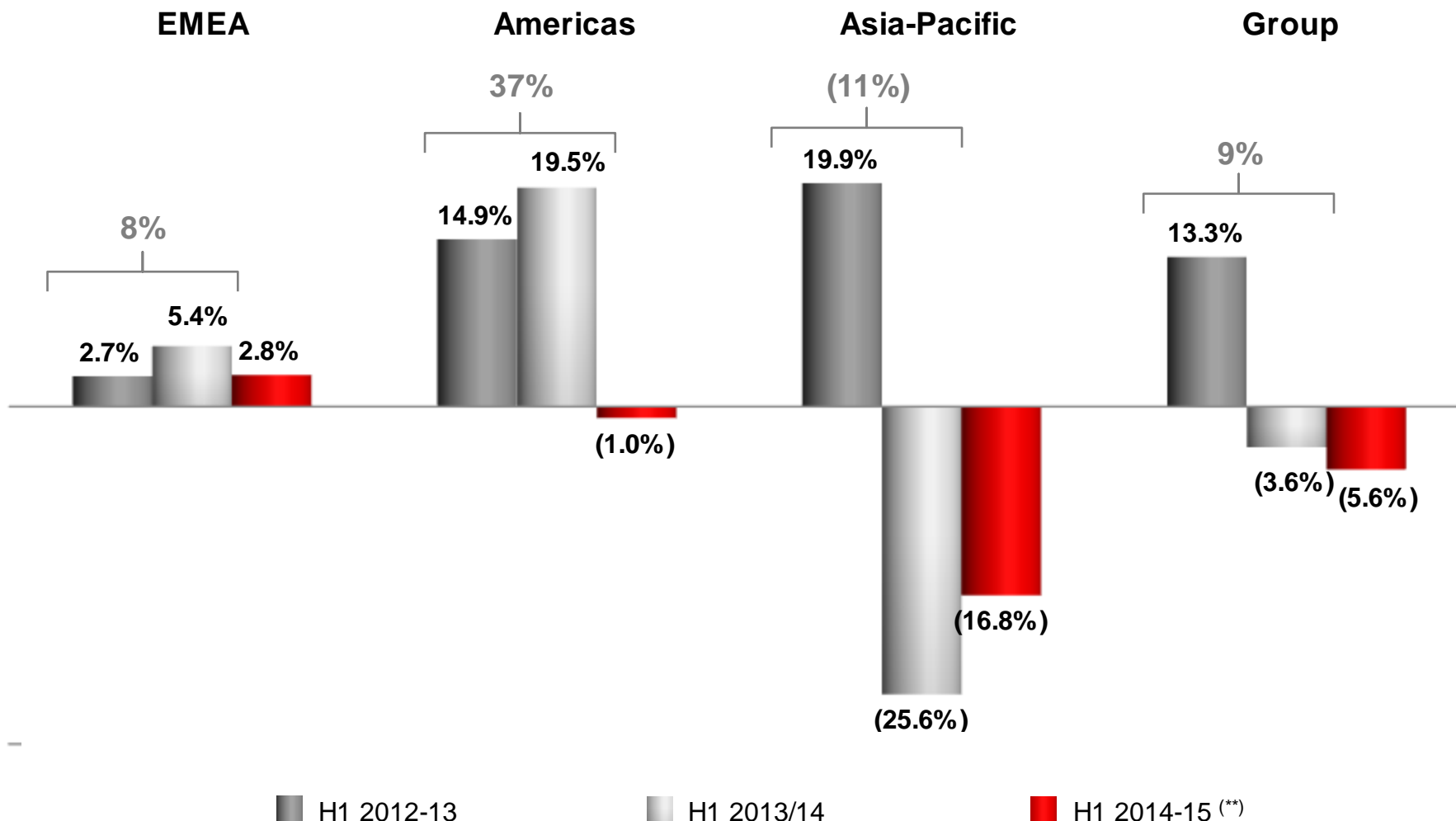
Key Figures (6 months to 30 September 2014)

		Change	
		Published	Organic ^(**)
■ Sales	€471.8m	(15.5%)	(5.6%)
<i>of which own brands</i>	€406.3m	(9.2%)	(7.4%)
■ Current operating profit	€102.1m	(23.1%)	(14.6%)
■ Current operating margin	21.6%	-	-
■ Net profit (Group share)	€62.7m	(9.4%)	
■ Net profit (excl. non-recurring items)	€64.0m	(25.1%)	
■ Net earnings per share (Group share)	€1.30	(7.2%)	
■ Net earnings per share (excl. non-recurring items)	€1.33	(23.1%)	
■ Net Debt/EBITDA ratio:	€3.14		

(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates



High Comparatives in H1



(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates

Review of Activities

Valérie Chapoulaud Floquet

CEO



Half-Year Trends in Line with our Full-Year Targets

- **5.6% organic sales decline:**
 - Slight sales growth outside Greater China (continued destocking effort)
 - Strong growth of Liqueurs & Spirits and Partner Brands

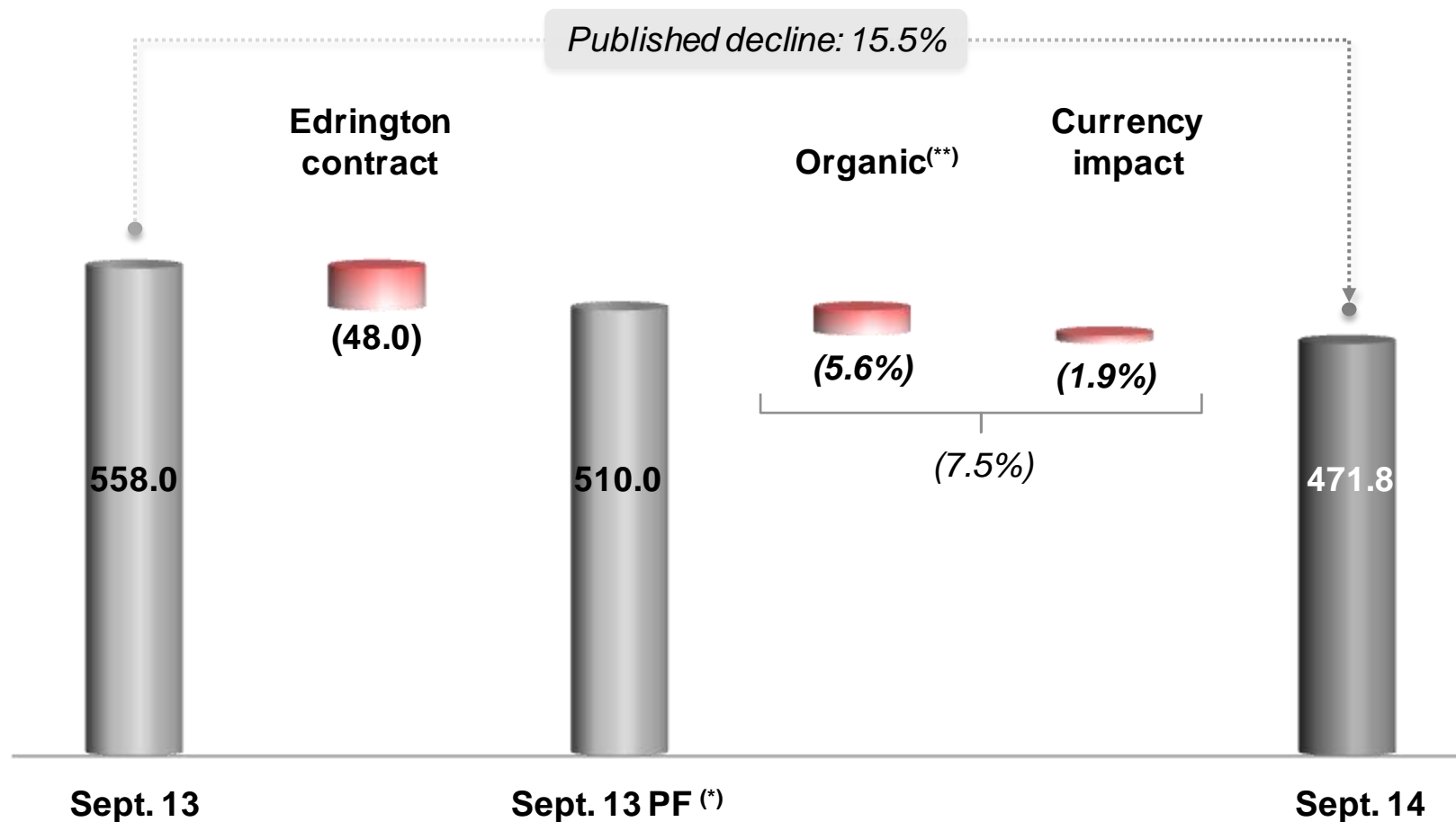
- **Solid current operating margin of 21.6%:**
 - Continued destocking in Greater China and currencies both impacted H1 margin
 - Expansion of the distribution network into new markets
 - Marketing investment prioritisation; Strict control of holding company costs

- **Net margin** (Group share) of 13.3%, up 160bps in organic terms



Group Sales

€m



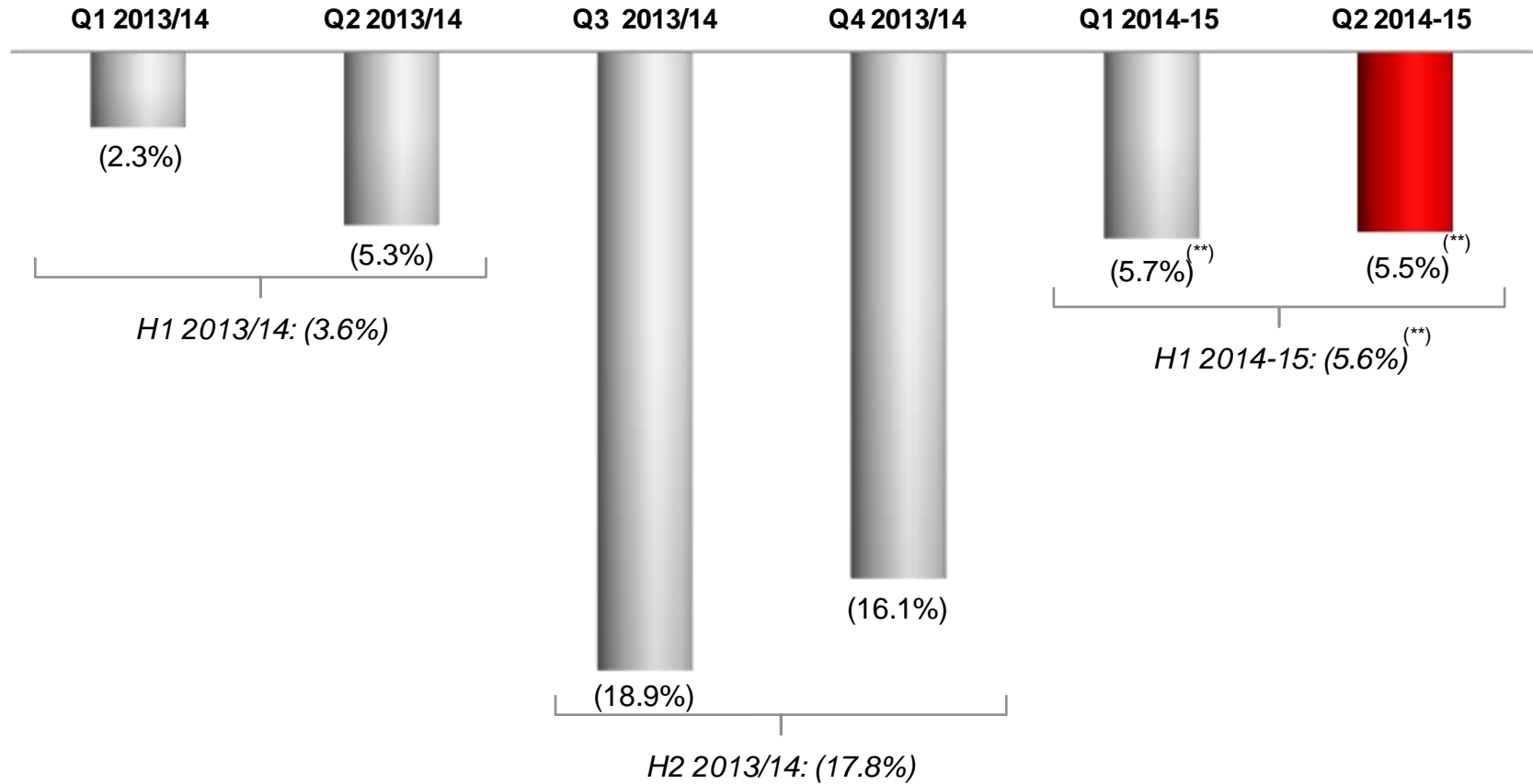
(*) Pro forma 2013/14: excluding the contribution of the Edrington distribution contract in the US (which expired on 31 March 2014)

(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates

Quarterly Organic Sales Growth (in organic terms)



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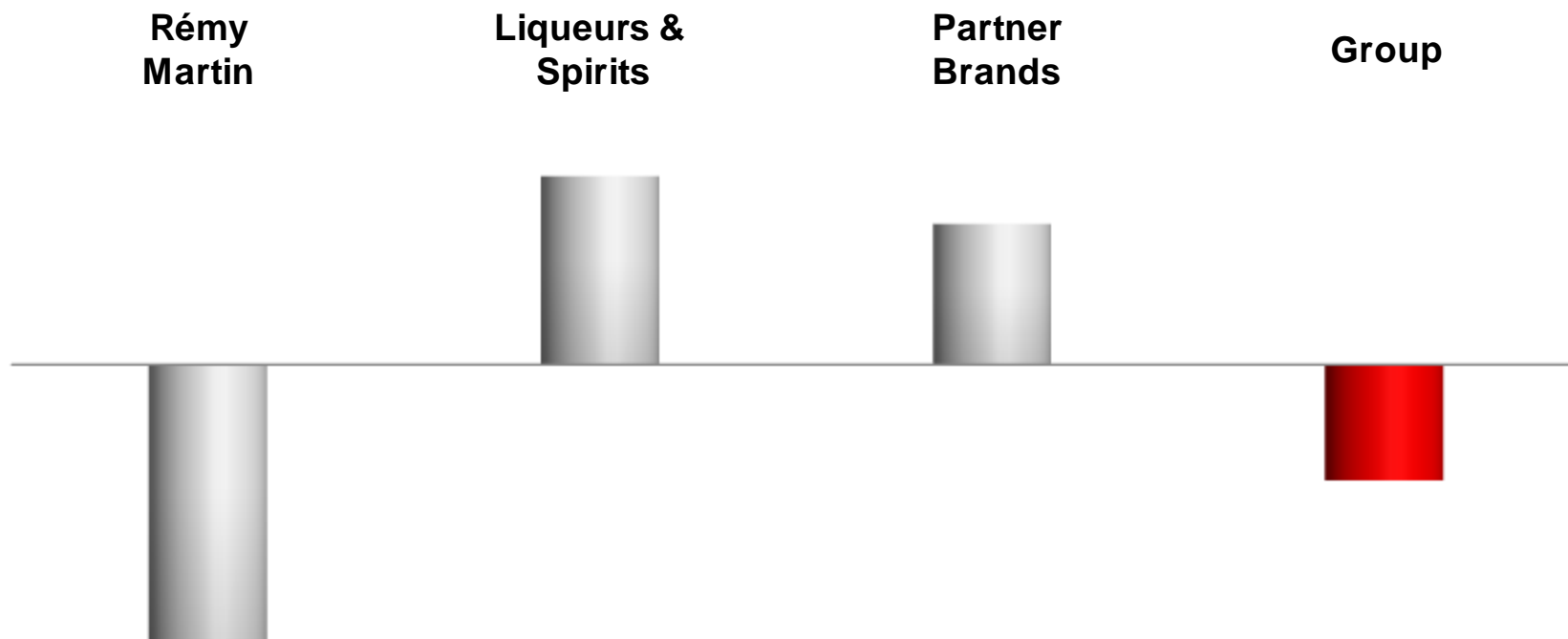


(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates

H1 Sales Growth by Product Division



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Organic()** (13.4%)

9.1%

6.8%

(5.6%)

Published (15.4%)

7.6%

(40.7%)

(15.5%)

(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates

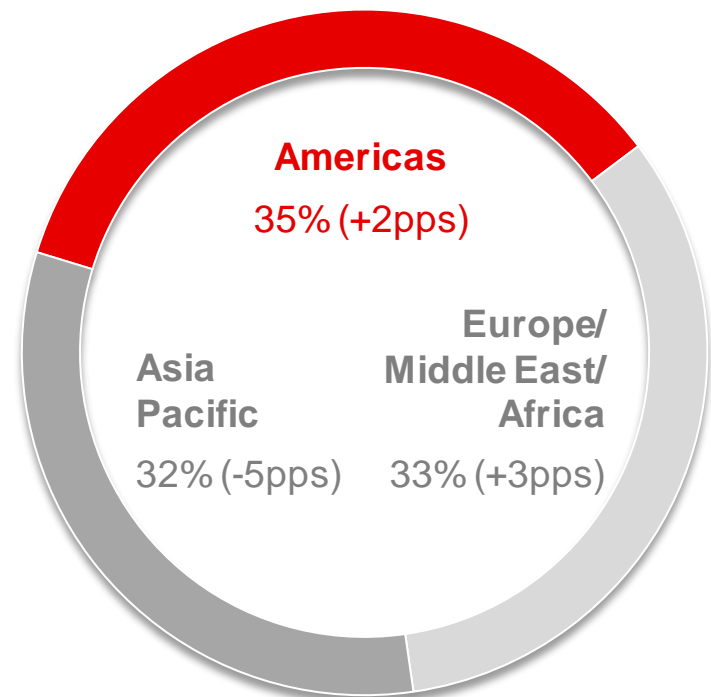


Breakdown of Sales

by division

by region

€471.8m



Note: Percentage point changes calculated on a 2013/14 pro forma basis

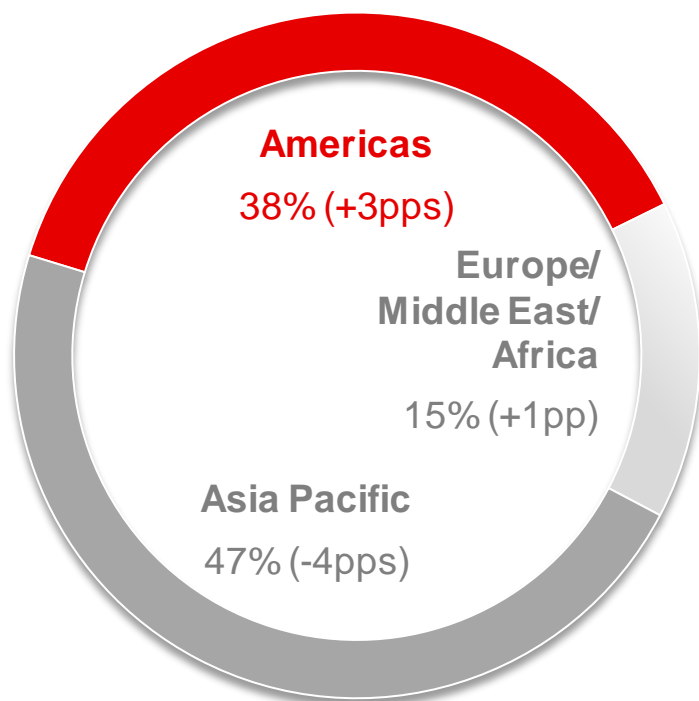
Breakdown of Sales by Geographic Region



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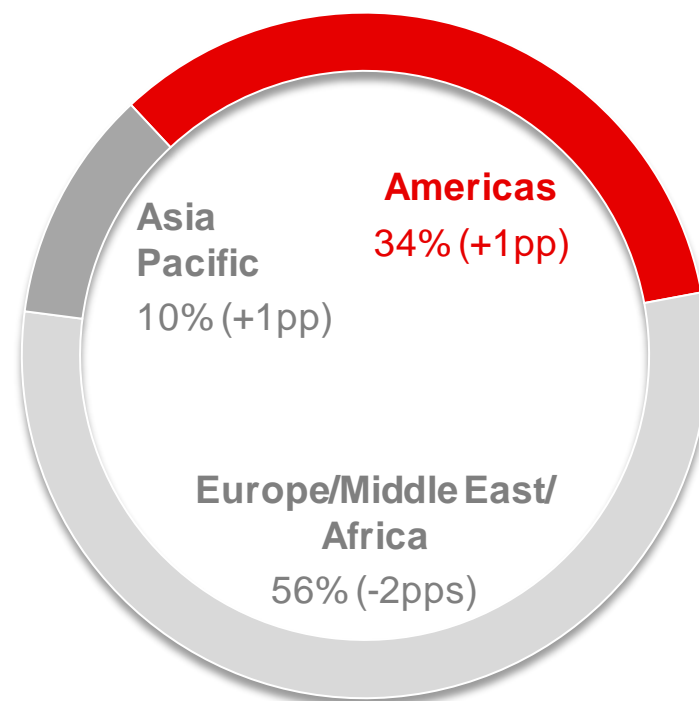
Rémy Martin

€276.8m



Liqueurs & Spirits

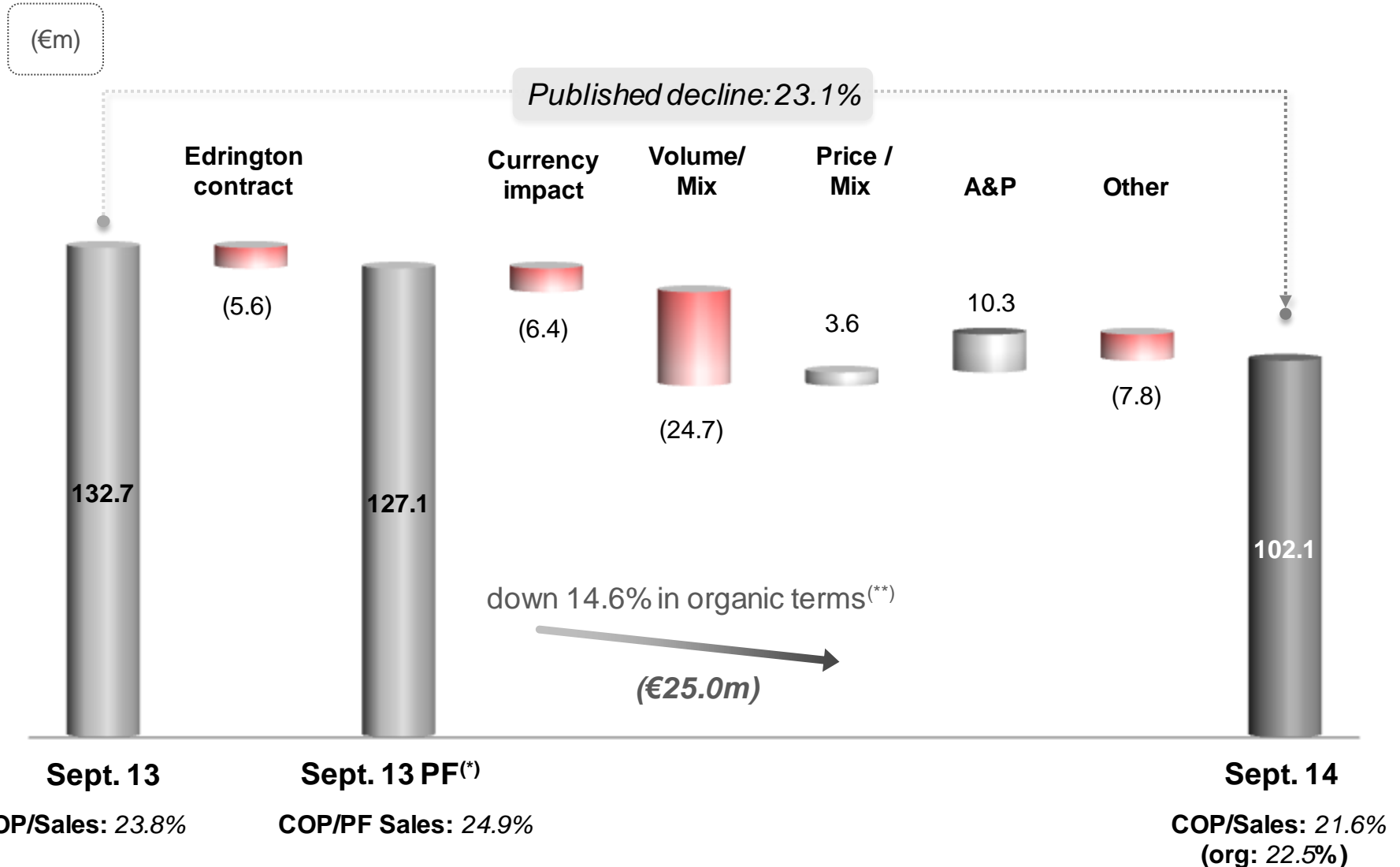
€129.5m



Note: Percentage point changes calculated on a 2013/14 pro forma basis



Current operating profit



(*) Pro forma 2013/14: excluding contribution of the Edrington distribution contract in the US (full cost basis)

(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates

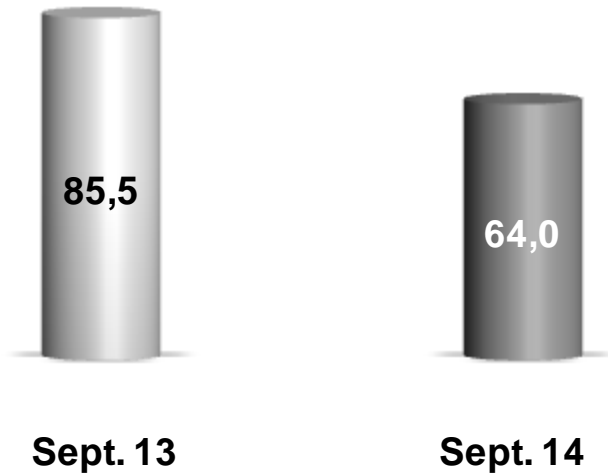


Net Profit

(€m)

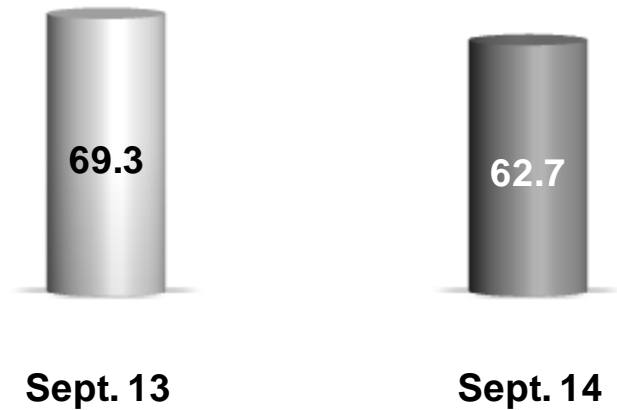
Net profit excl. non-recurring items

Published (25.1%)
down 13.7% in organic terms (**)



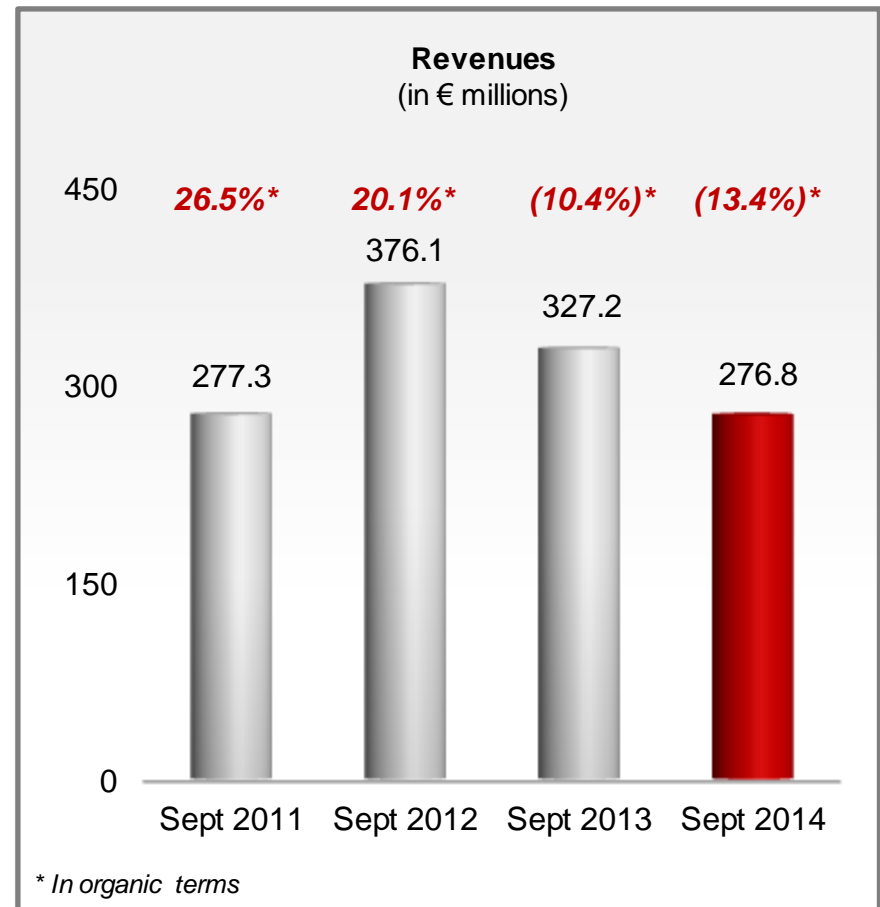
Net profit Group share

Published (9.4%)
up 5.7% in organic terms (**)

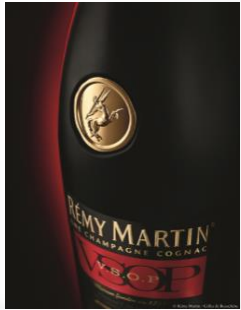


(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates

- **Sales** decline of 13.4% in organic terms (volumes down 6.0%)
 - Continue destocking in Greater China
 - Strategic withdrawal from the VS category in the US
 - High comparison base in the Americas region (up 25% in H1 2013/14)
 - Buoyant demand in the US, Central & Eastern Europe and Africa



Rémy Martin



New VSOP bottle

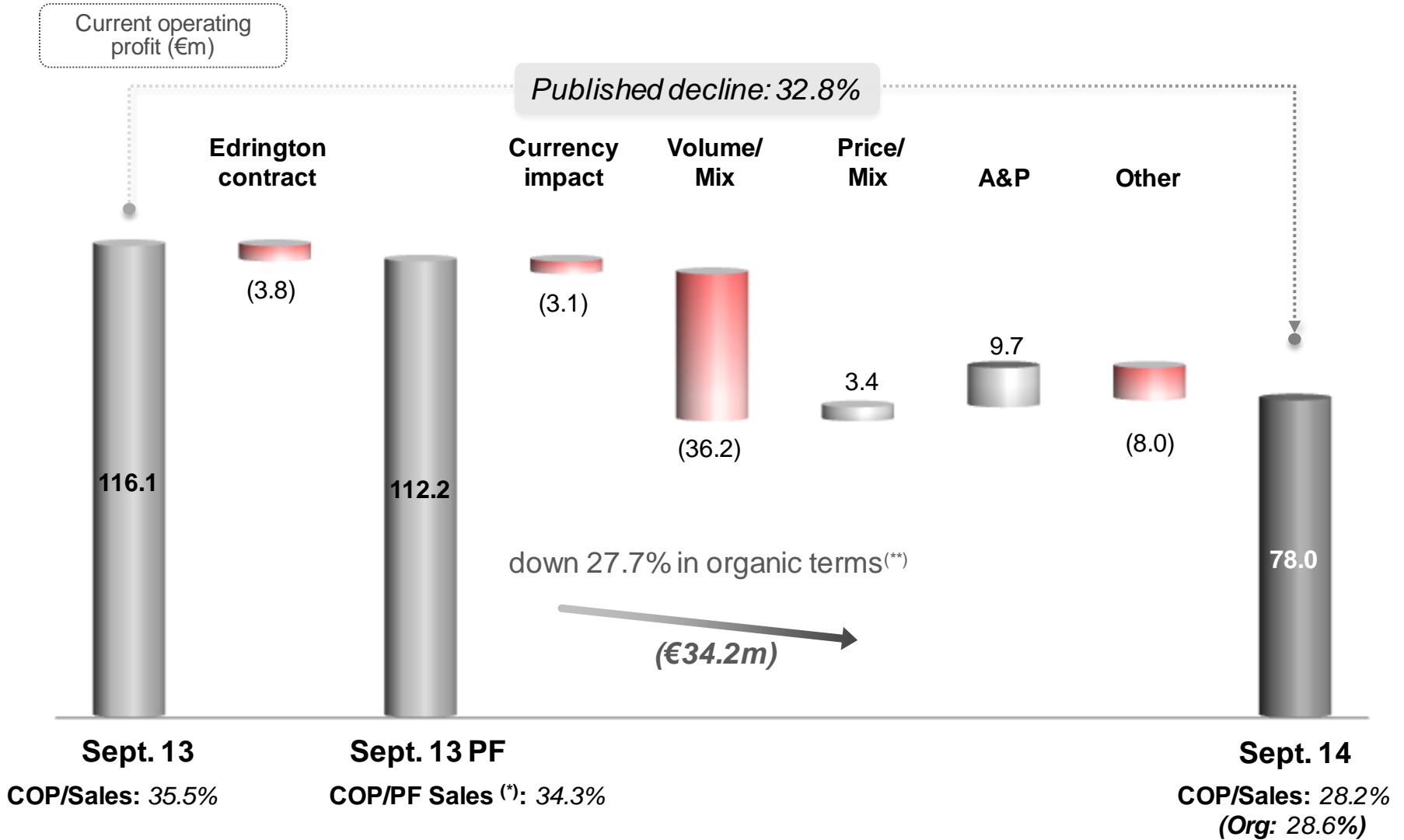


Cellar Master's Selection
for Travel Retail



Louis XIII Black Pearl
(Anniversary Limited Edition)

- Strategy of moving our portfolio upmarket (1738 Accord Royal, Centaure)
- Targeted innovation
- Investment prioritisation
- Consumer education



(*) Pro forma 2013/14: excluding contribution of the Edrington distribution contract in the US (full cost basis)

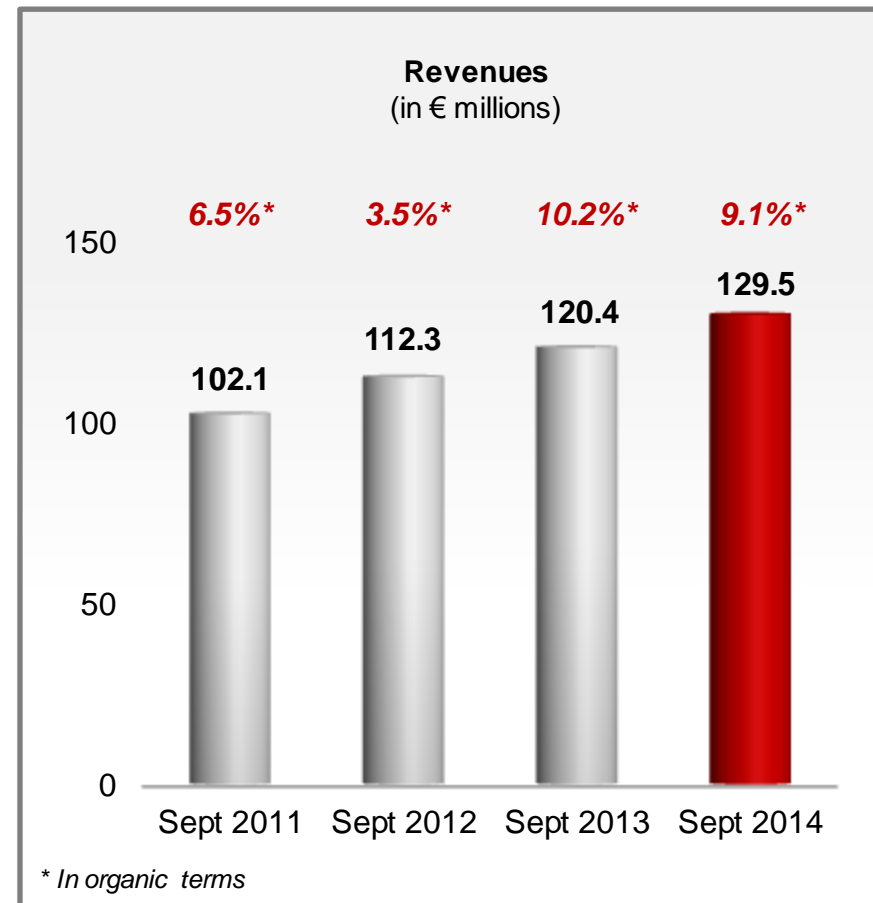
(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates



Liqueurs & Spirits

■ Sales growth of 9.1% in organic terms (volumes up 1.4%)

- Cointreau
 - Solid growth in its major markets
- Metaxa
 - Double-digit growth
 - Greece, Russia and Eastern Europe
- Mount Gay
 - Sales consolidation (launch of Black Barrel last year)
 - Additional growth drivers
- Bruichladdich
 - Doubling of sales
 - USA, Taiwan, UK and Travel Retail





Liqueurs & Spirits



Promotion of Cointreau Rickey in the US
360 degree partnership with Vogue Magazine



Mount Gay Master Class
Miguel Smith, International Brand Ambassador



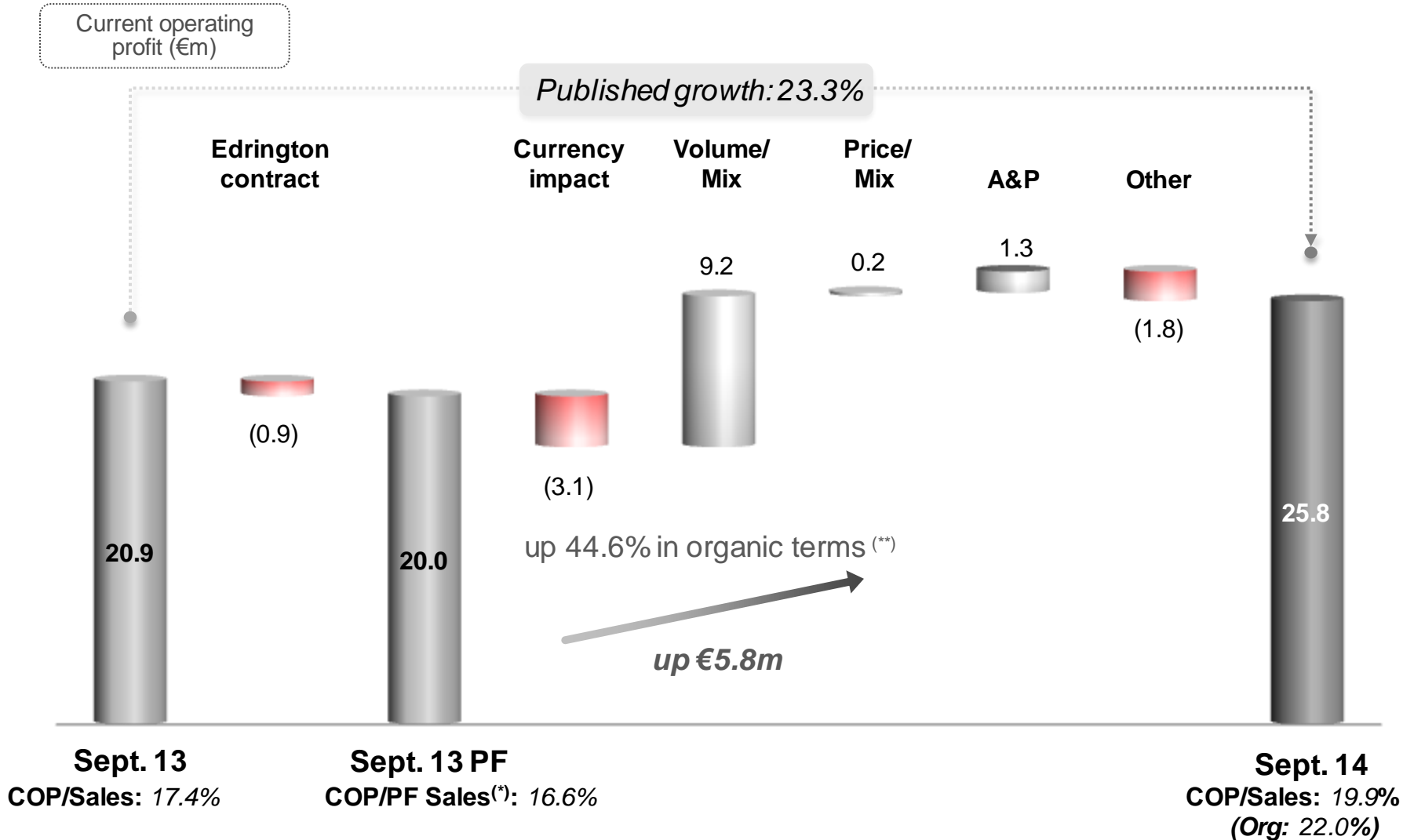
Bruichladdich Private Tasting Sessions



Metaxa 12*: Olfactory Experience in Travel Retail



Liqueurs & Spirits



(*) Pro forma 2013/14: excluding contribution of the Edrington distribution contract in the US (full cost basis)

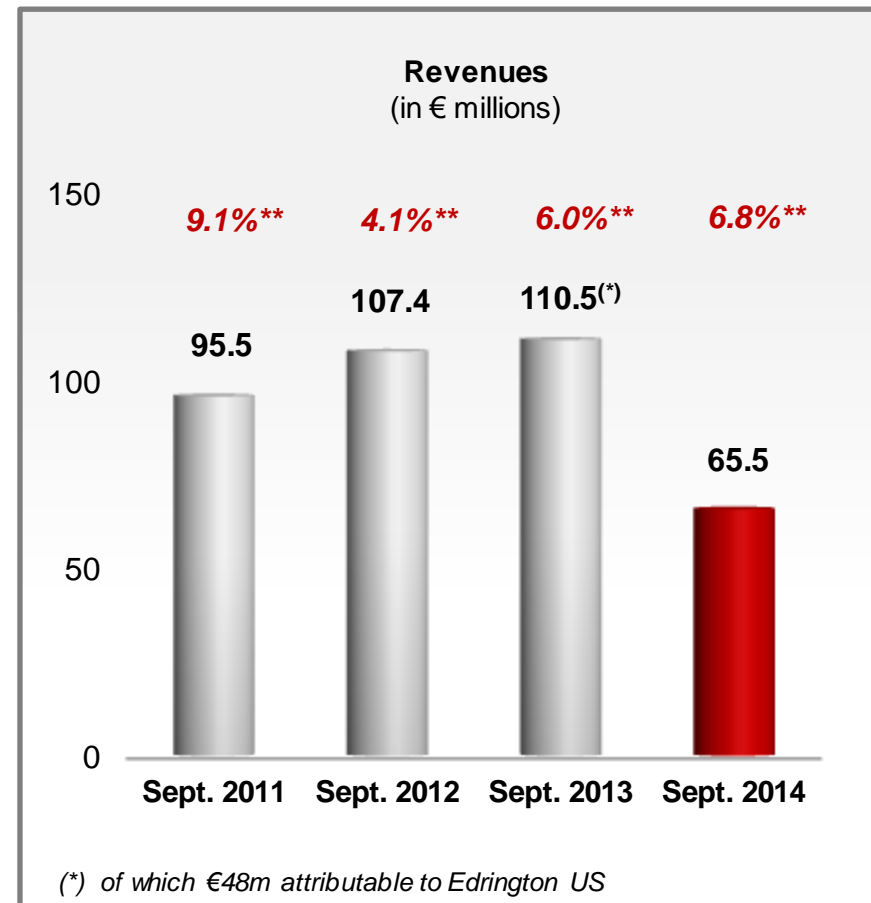
(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates



Partner Brands

- **Sales** growth of 6.8% in organic terms^(**) (volumes up 40.5%^(**))
- **Current operating profit:** €3.9m, up 13.5% in organic terms^(**)

- Dynamism of the EMEA and Travel Retail regions
- Decline in Champagne sales
- Strong growth of third-party brands
- 31 March 2014: End of the Edrington brands distribution contract in the US



^(**) 2014/15 organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates

Consolidated Interim Results

Luca Marotta

Chief Financial Officer



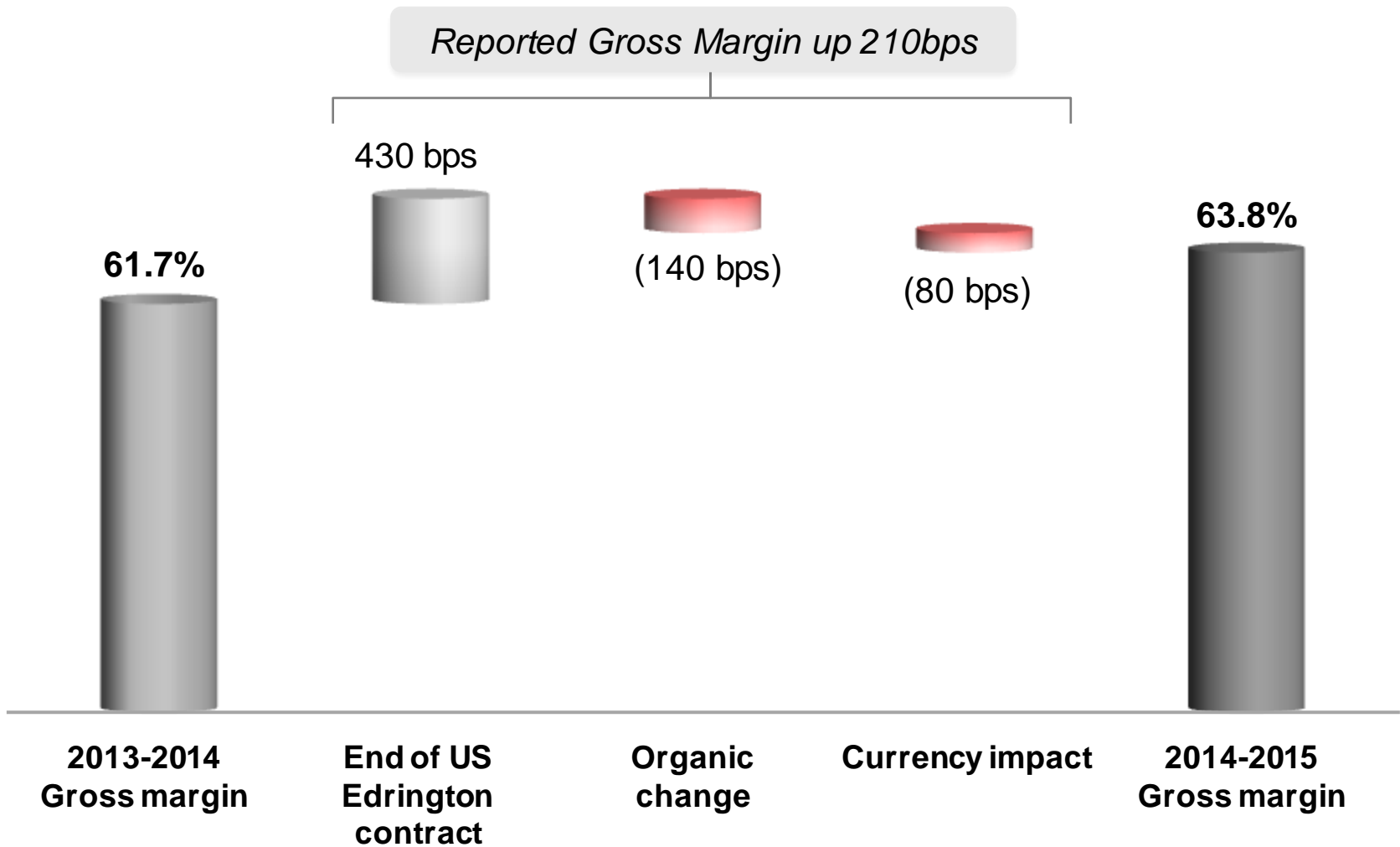
Current Operating Profit

(€m)	2013	2014	Published change	Organic change(**)
Sales	558.0	471.8	(15.5%)	(5.6%)
Gross profit	344.2	301.0	(12.6%)	(7.6%)
<i>in %</i>	61.7%	63.8%	+210bps	(140bps)
Sales & marketing expenses	(170.5)	(162.0)	(4.9%)	(1.6%)
Administrative expenses	(41.6)	(38.0)	(8.6%)	(8.8%)
Other income & expenses	0.6	1.1	-	-
Current operating profit	132.7	102.1	(23.1%)	(14.6%)
Current operating margin	23.8%	21.6%	(220bps)	(240bps)

(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates

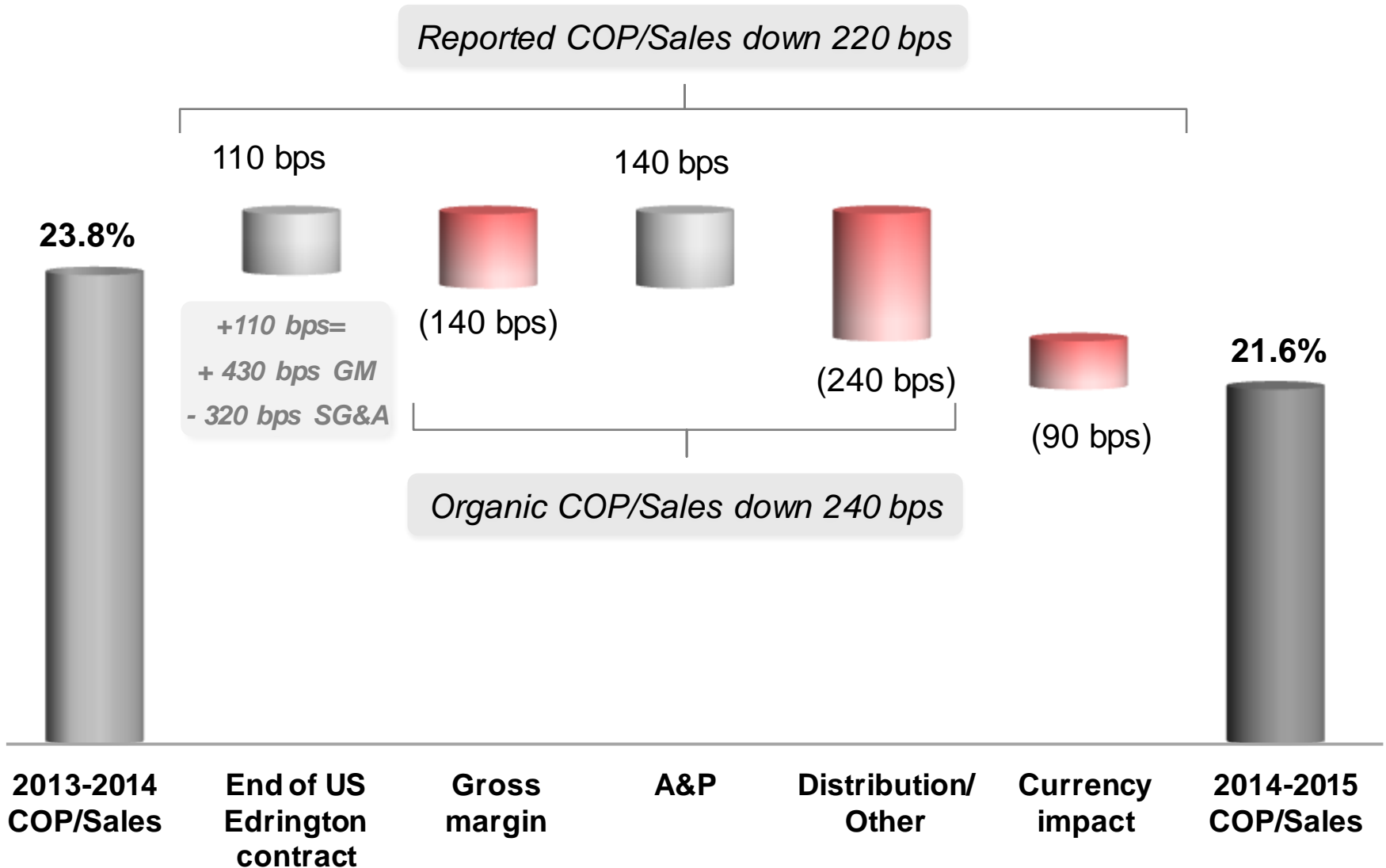


Analysis of Gross Margin





Current Operating Margin





Net Profit

(€m)	2013	2014
Current operating profit	132.7	102.1
Other operating income/(expenses)	(3.5)	(0.0)
Operating profit	129.2	102.1
Net financial charges	(10.7)	(15.4)
Profit before tax	118.5	86.7
Income tax	(38.2)	(24.5)
Tax rate	32.2%	28.2%
Share of profit of associates	(10.9)	0.5
Net profit – Group share	69.3	62.7
Net margin – Group share	12.4%	13.3%
Net profit (excl. non-recurring items)	85.5	64.0
Net margin (excl. non-recurring items)	15.3%	13.6%



Net Debt/Cash Flow

(€m)	2013	2014	Change
Net financial debt at 1 April	(265.5)	(413.5)	(148.0)
Gross operating profit (EBITDA)	144.3	113.8	(30.5)
WCR of eaux-de-vie and spirits in ageing process	(49.1)	(32.3)	16.8
Other working capital requirement items	(90.4)	(91.3)	(0.9)
Capital expenditure	(21.4)	(21.2)	0.2
Income tax	(38.9)	(7.2)	31.6
Acquisitions (including acquired debt)/Asset disposals	36.8	0.5	(36.3)
Finance costs and other	(20.4)	(21.7)	(1.3)
Total cash flow for the period	(39.1)	(59.4)	(20.3)
Net financial debt at 30 September	(304.6)	(472.9)	(168.3)
A Ratio (Net Debt/EBITDA)	1.09	3.14	

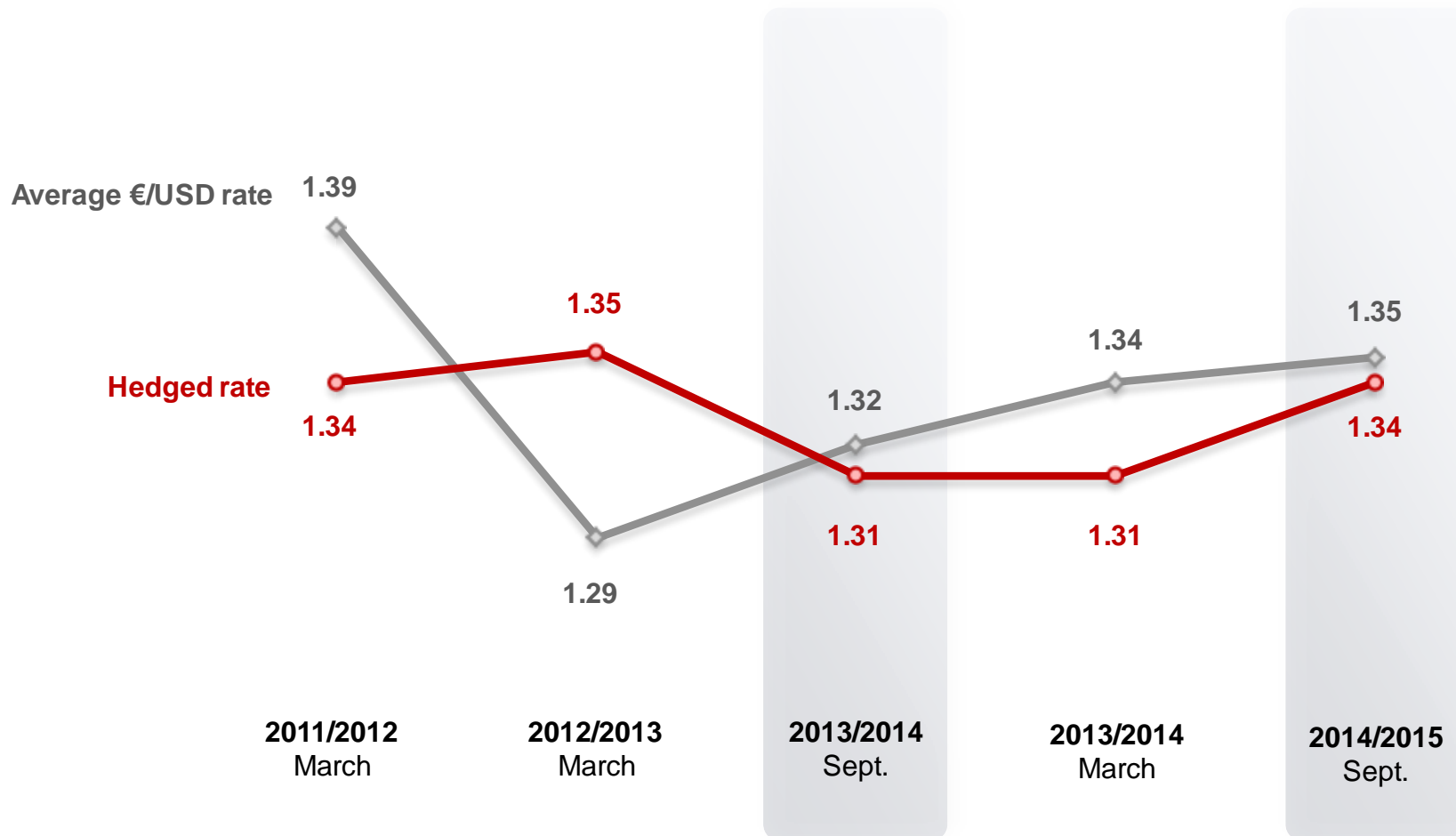


Breakdown of Financial Charges

(€m)	2013	2014
Cost of gross financial debt	(12.3)	(13.1)
Investment income	1.8	1.7
Sub-total	(10.5)	(11.4)
Change in value of the portfolio of interest rate hedging instruments	(0.1)	(0.1)
Currency gains (losses)	1.3	(1.9)
Other financial charges (net)	(1.4)	(2.0)
Net financial charges	(10.7)	(15.4)



Foreign Exchange Hedging Impact





Balance Sheet at 30 September 2014

	<i>Assets</i>				<i>Equity & Liabilities</i>						
	(€m)	2013	in %	2014	in %	2013	in %	2014	in %		
Non-current assets		834	35%	860	38%	Shareholders' equity		1,099	47%	1,035	45%
Current assets		1,306	56%	1,310	57%	Current and non-current liabilities		736	31%	662	29%
<i>o/w inventories</i>		964	41%	1,035	45%	Gross financial debt		513	22%	597	26%
Cash & cash equivalents		208	9%	124	5%	Total Equity & Liabilities		2,348	100%	2,294	100%
Inventories			41%	45%		Net gearing ratio			28%	46%	



Highlights of the first six months RÉMY COINTREAU

- **11 avril 2014** → Rémy Cointreau signed an amendment and an extension to its €255m revolving credit facility at a lower cost and with a maturity extended to April 2019
- **30 May 2014** → USD9.5m acquisition of a distillery in Barbados to increase Mount Gay Rum's production capacities
- **15 September 2014** → Rémy Cointreau Group awarded "GC Advanced" level, the highest level of the Global Compact established by the UN (10 principles on human rights, labour standards, the environment and combatting corruption)
- **October 2014** → Success of the dividend payment option (75% of total shareholders, 50% of the free float)



2014-15 Outlook

- The environment remains mixed...
 - Transformation of the Chinese spirits market
 - Weak macro-economy in Western Europe
 - Geopolitical and health related risks

- ...but the Group confirms its 2014/15 targets of delivering organic growth^(**):
 - in sales (*on a 2013/14 pro forma basis of €928.8m*)
 - in current operating profit (*on a 2013/14 pro forma basis of €136.6m*)

^(**) Organic growth is calculated based on 2013/14 pro forma figures and at constant exchange rates



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Interim Results

***Six months ended
30 September 2014***

28 November 2014