



RÉMY COINTREAU

## Interim Results

Six months ended

30 September 2007

27 November 2007



# A Good First Half

**Dominique Hériard Dubreuil**

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Interim results to 30 September 2007



RÉMY COINTREAU

# Key Figures

		Organic	Published
■ <b>Turnover:</b>	<b>€374.4m</b>	<b>+ 9.8%</b>	<b>+ 5.7%</b>
➤ of which own brands:	€329.9m	+ 10.7%	+ 6.9%
■ <b>Current operating profit</b>	<b>€65.6m</b>	<b>+ 12.7%</b>	<b>+ 5.9%</b>
■ <b>Operating margin</b>	<b>17.5%</b>	<b>17.9%</b>	
■ <b>Net profit from continuing operations</b>	<b>€37.0m</b>		<b>+ 8.8%</b>
■ <b>Debt:</b> reduced by 14% to <b>€548m</b>			

# A Good First Half

- **Significant effect of price increases**
- **Accelerated growth in Asia**
  - Premium and ultra Premium
- **Marked increase in marketing investment**
  - Brands and key markets
- **Continued efforts to improve productivity**
- **Post-Maxxium preparation**



**Results in line with our guidance of significant organic growth in operating profitability**

# Review of Activities

Jean-Marie Laborde

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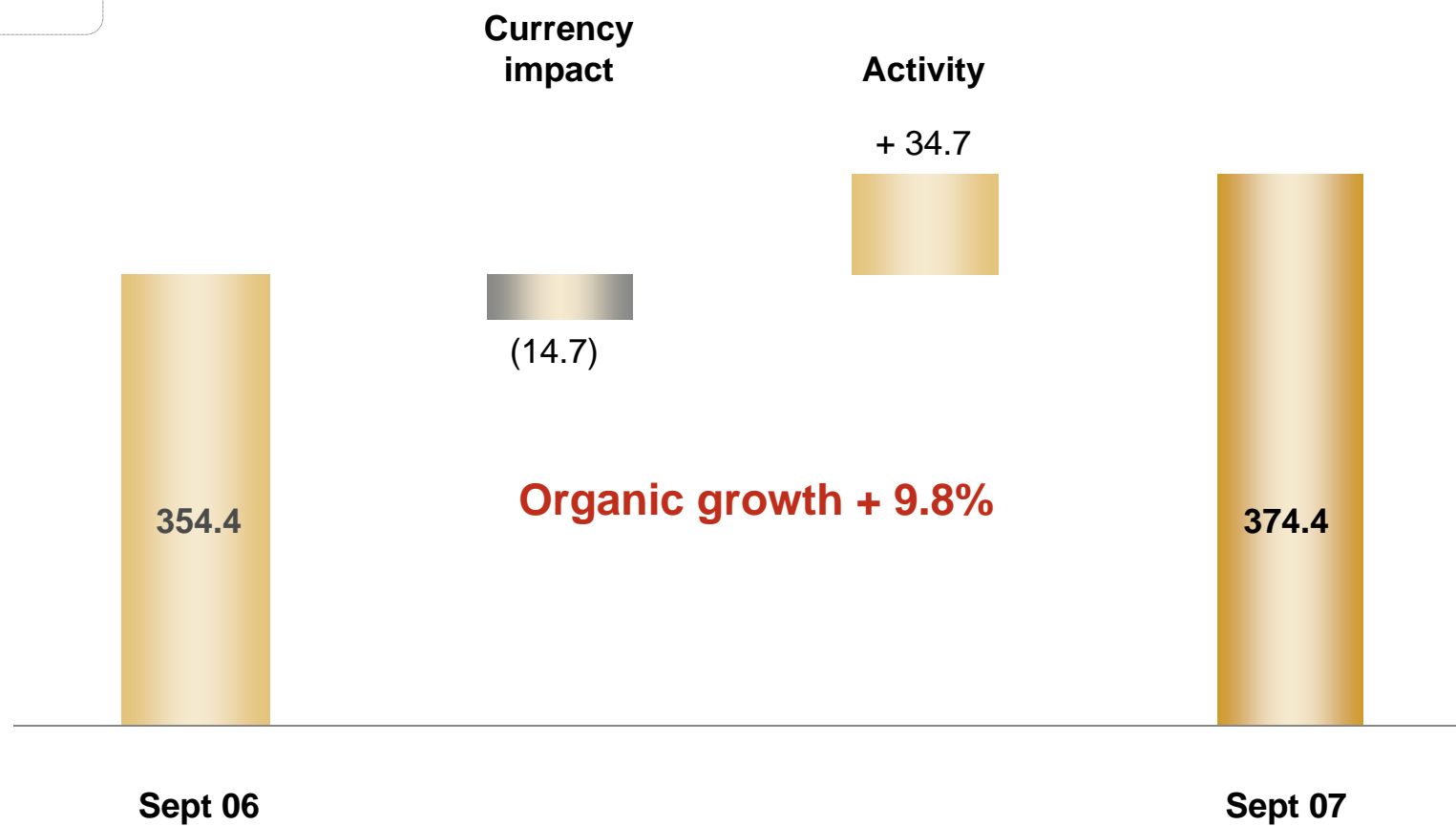
Interim results to 30 September 2007



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# Turnover

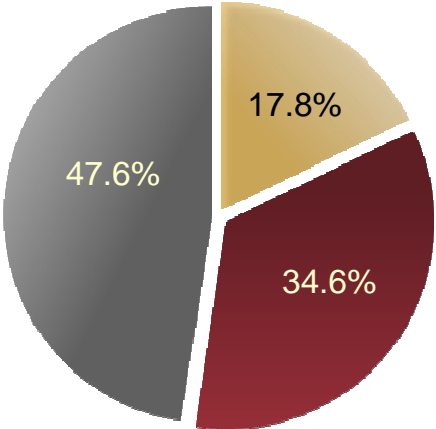
€m



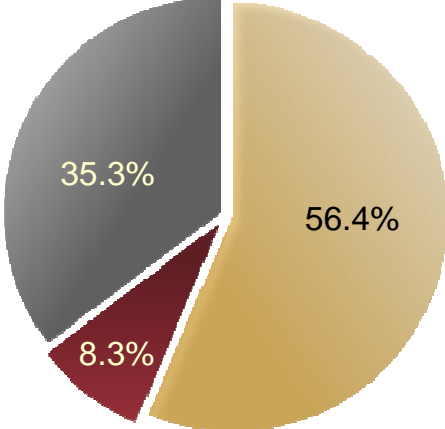
Interim results to 30 September 2007

# Breakdown of Turnover

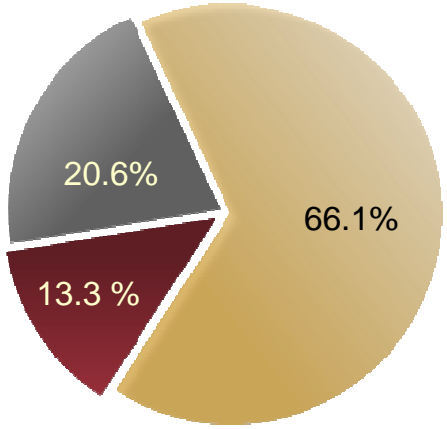
(by division/geographic area)



**Cognac**  
44.7%



**Liqueurs & Spirits**  
27.3%

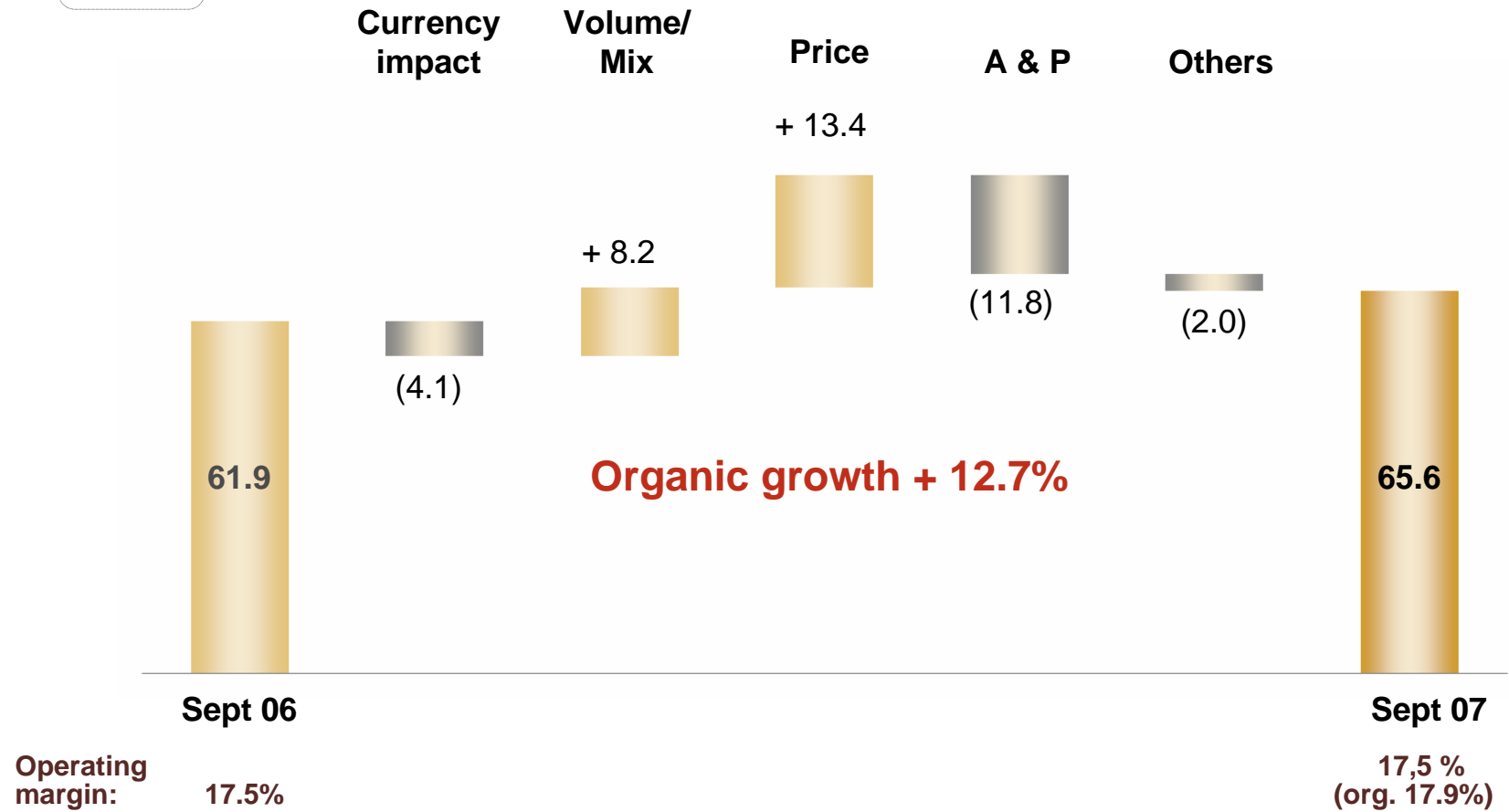


**Champagne**  
16.1%



# Current Operating Profit

€m

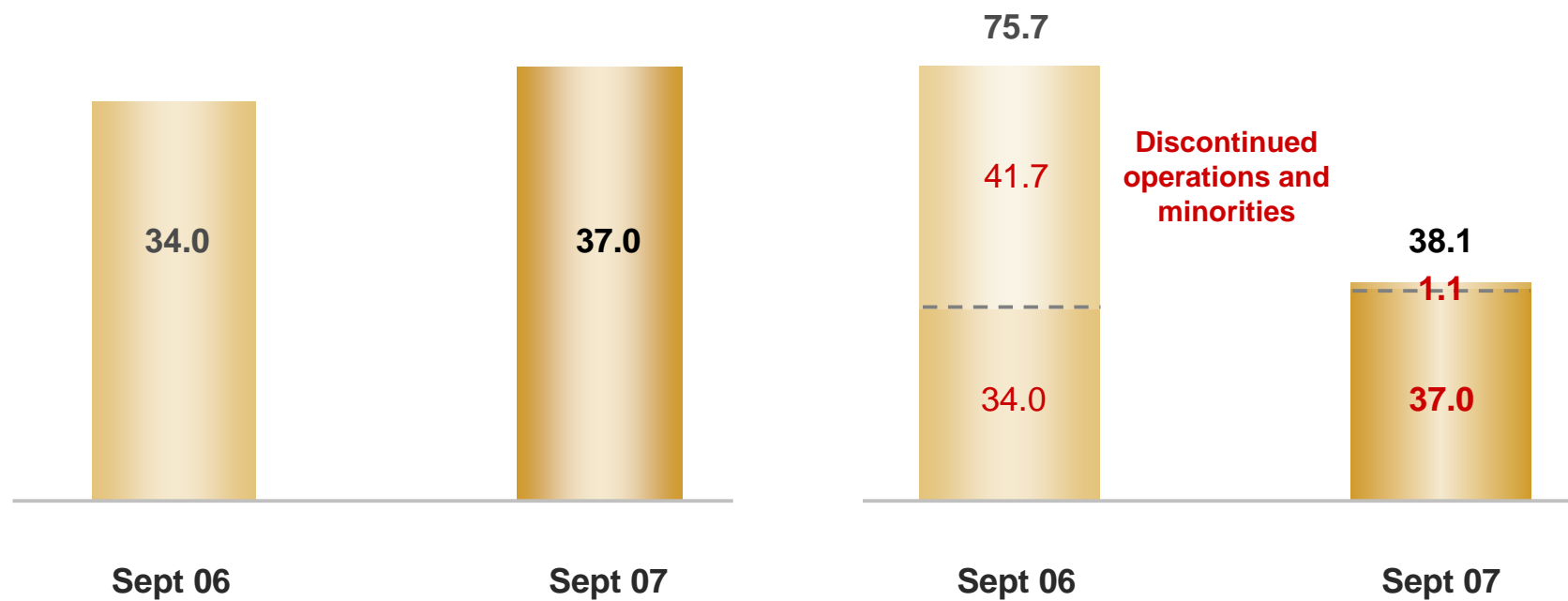




# Net Profit

Continuing operations  
+ 8.8%

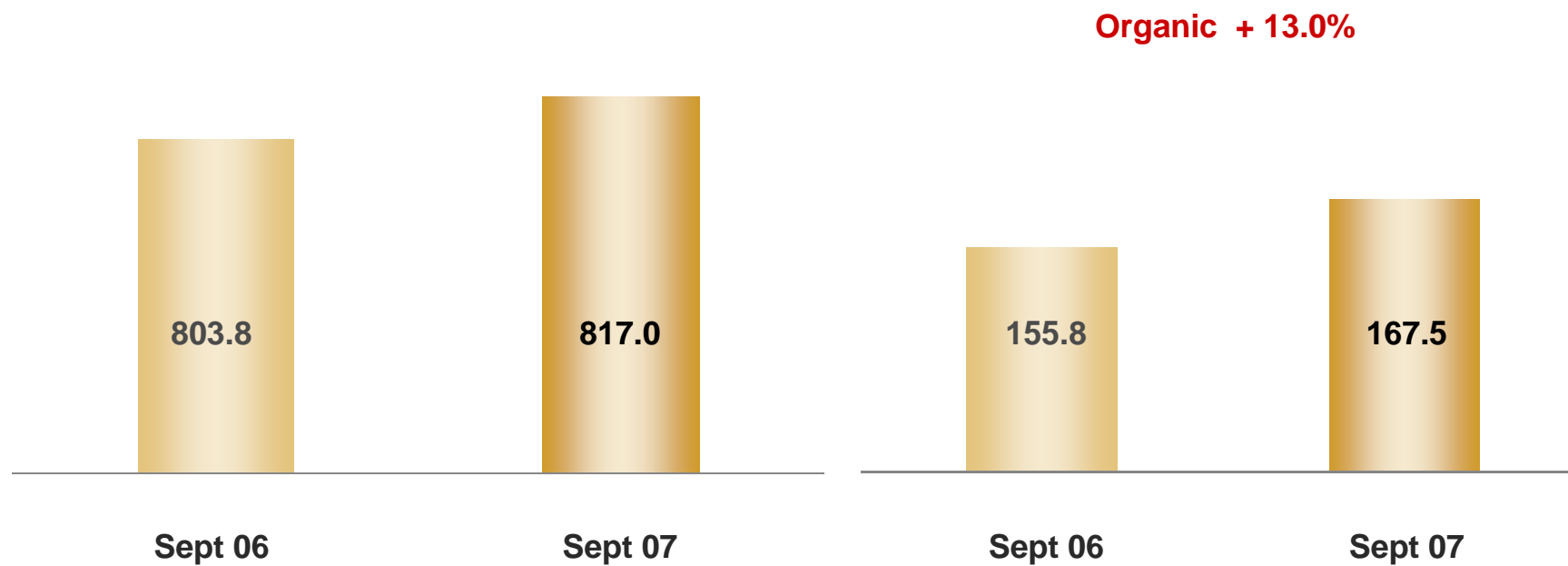
Group share



# Cognac

Volume sales ('000 cases)

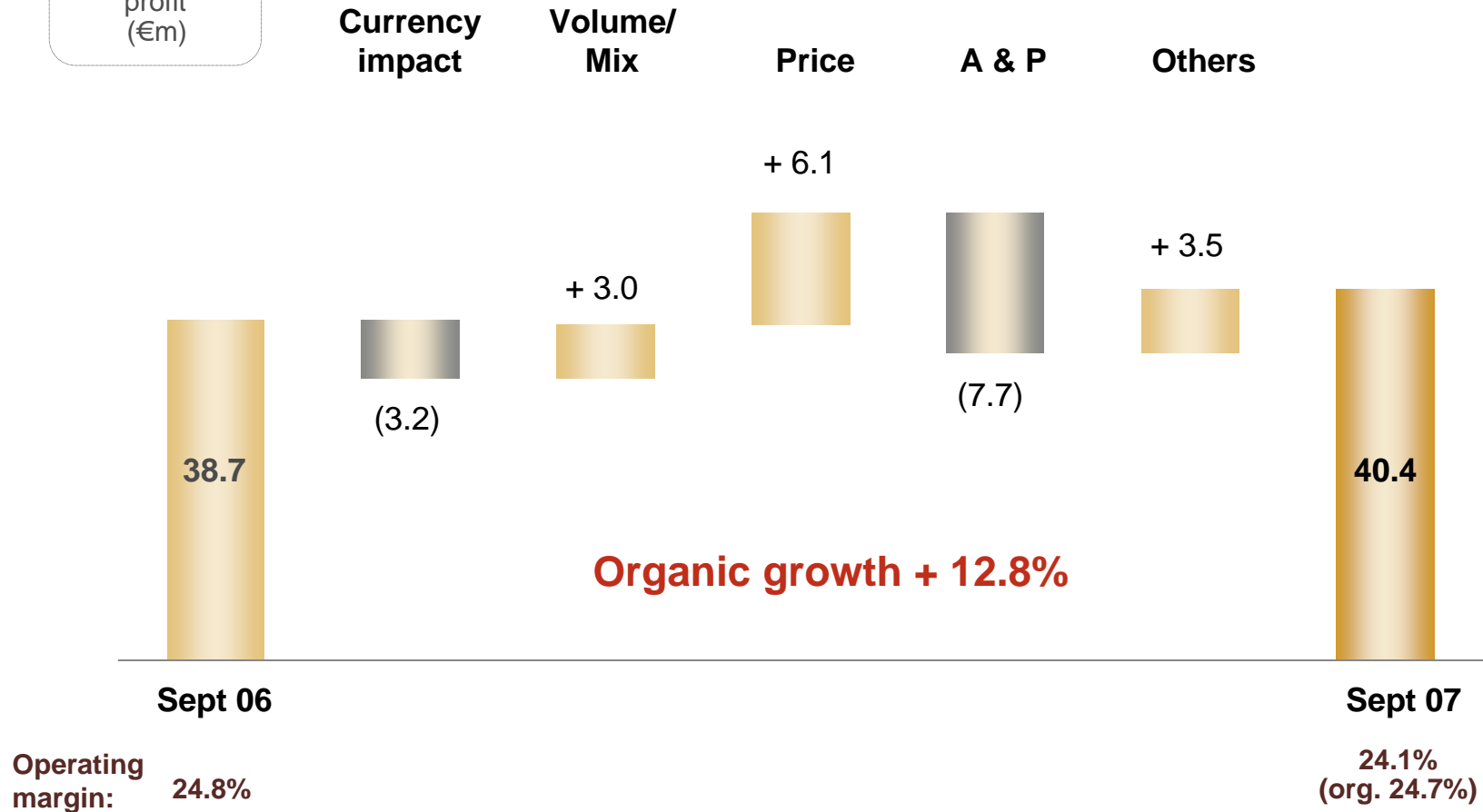
Turnover (€m)



Interim results to 30 September 2007

# Cognac

Current operating profit (€m)

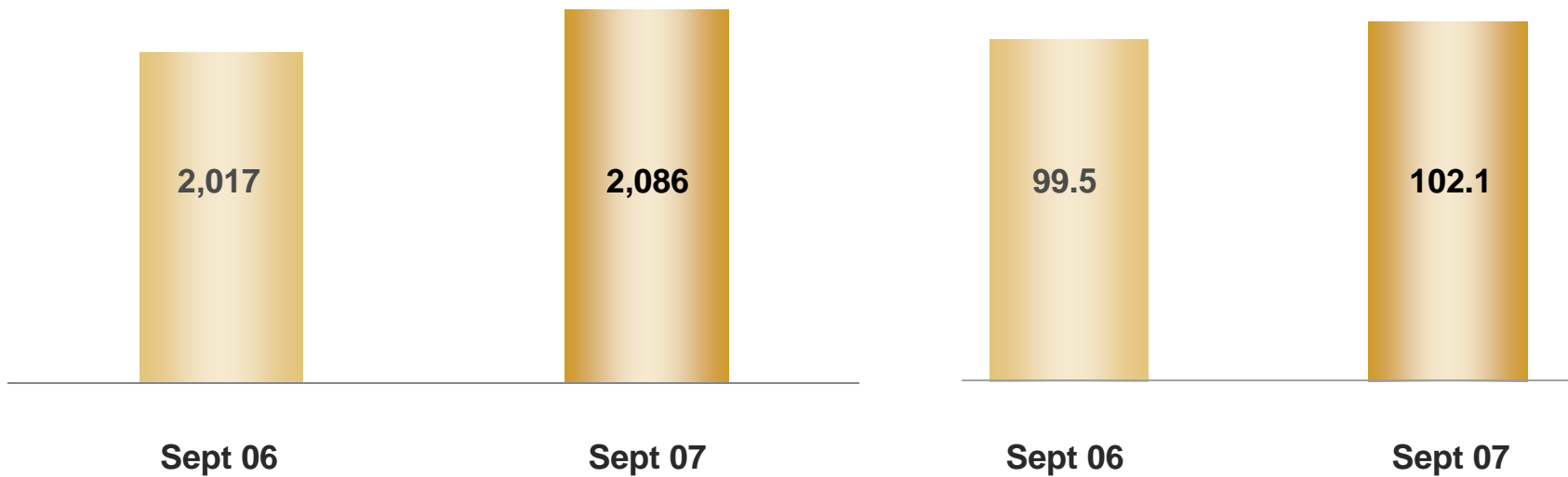


Interim results to 30 September 2007

# Liqueurs & Spirits

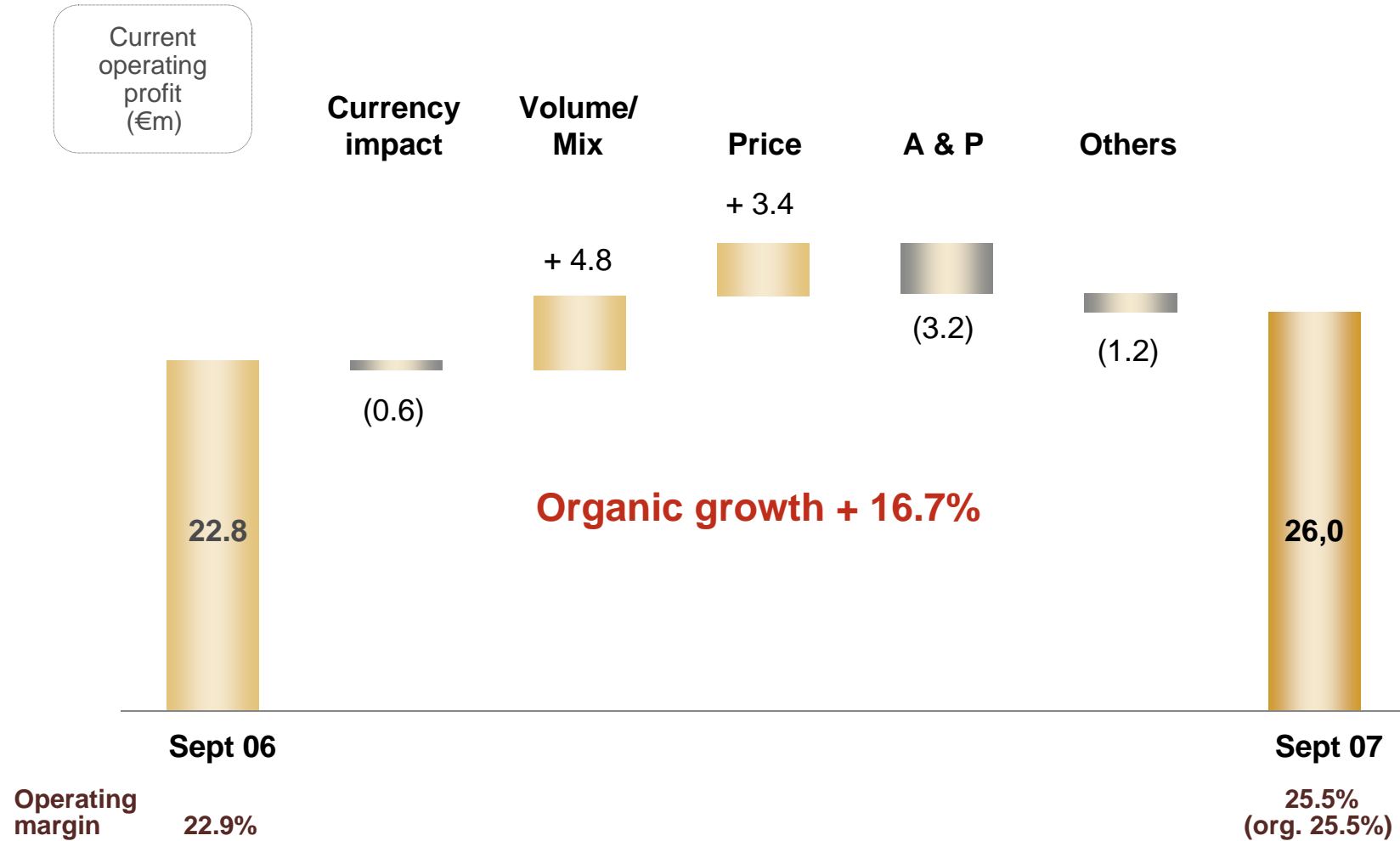
Volume sales ('000 cases)

Turnover (€m)



Interim results to 30 September 2007

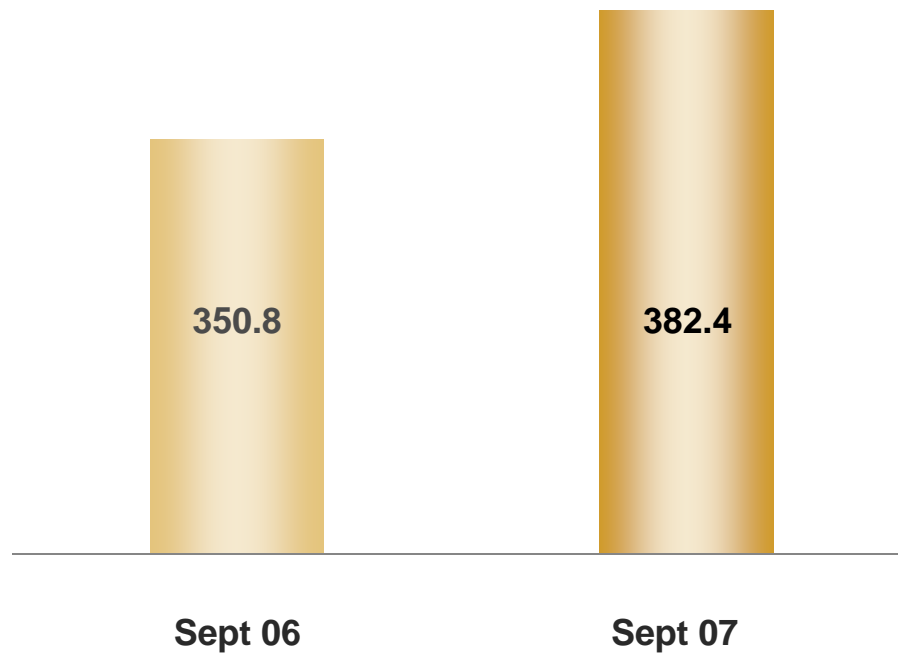
# Liqueurs & Spirits



Interim results to 30 September 2007

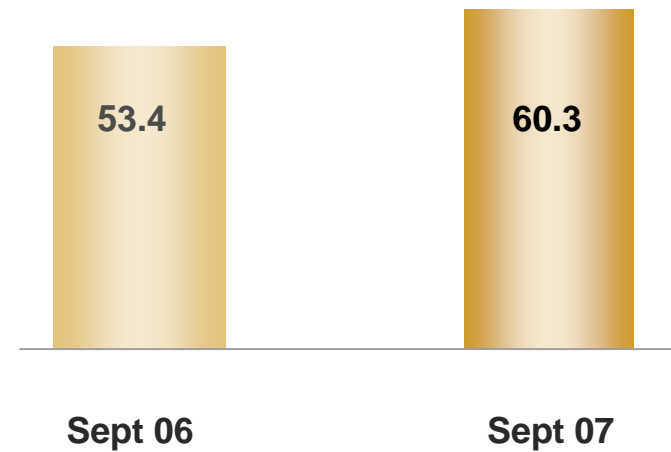
# Champagne

Volume sales ('000 cases)



Turnover (€m)

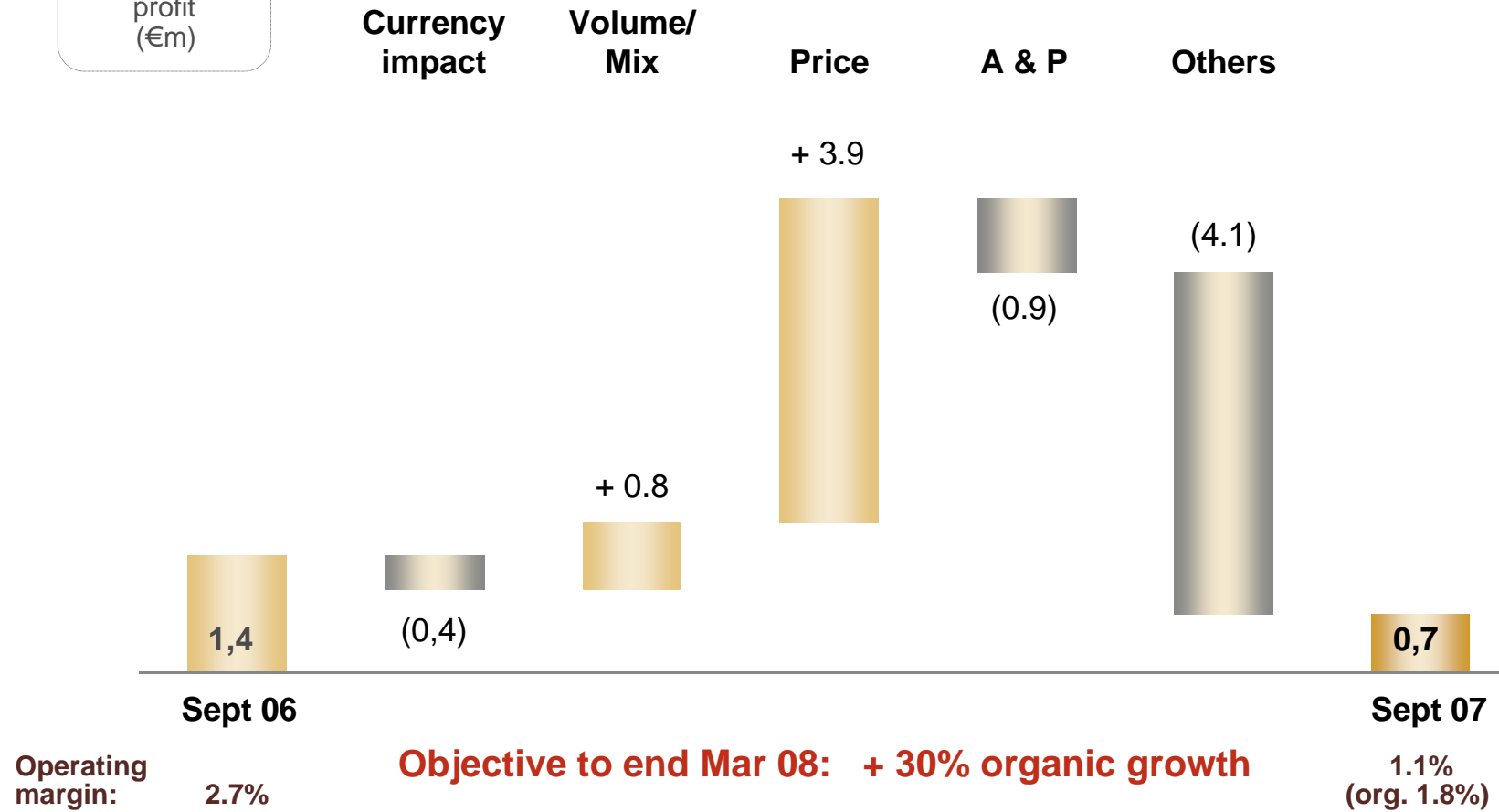
Organic + 14.8%



Interim results to 30 September 2007

# Champagne

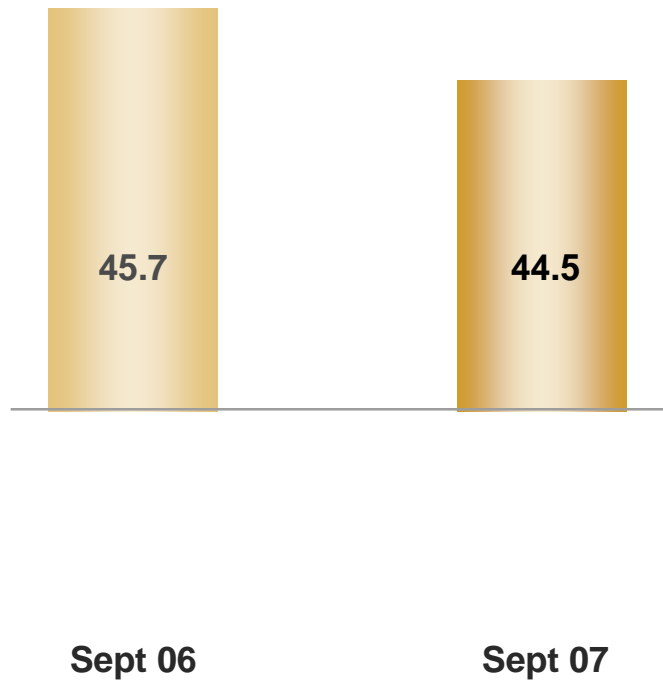
Current  
operating  
profit  
(€m)



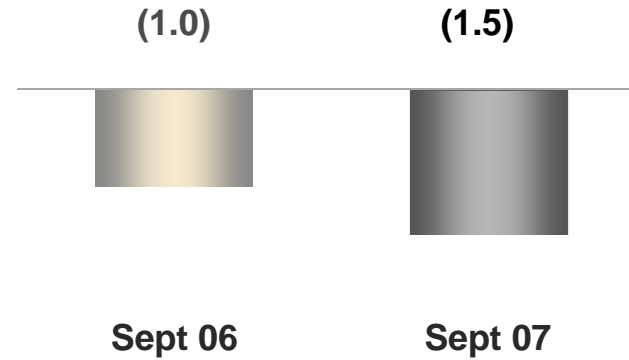
Interim results to 30 September 2007

# Partner Brands

Turnover (€m)



Current operating profit (€m)



Interim results to 30 September 2007



# Distribution

- **Effective and constructive relationships with our partners in Maxxium**
  - ✓ **Good commercial results to date (Asia & Europe)**
- **Management team established in China**
  - ✓ **Preparation of the infrastructure in South East Asia**
- **Commencement of negotiations with our future distributors (post March 2009)**

# Consolidated Half Year Results

Hervé Dumesny

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Interim results to 30 September 2007



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# Analysis of Operating Profit

(€m)	Performance			
	Sept 07	Sept 06	Published	Organic
Turnover	374.4	354.4	+ 5.7%	+ 9.8%
Gross profit	199.1	182.4	+ 9.1%	+ 13.3%
Sales & marketing expenses	(104.5)	(90.7)	+ 15.2%	+18.9%
Administrative expenses	(36.2)	(37.7)	(4.0)%	(4.0)%
Other income & expenses	7.2	7.9	(8.9)%	(8.9)%
<b>Current operating profit</b>	<b>65.6</b>	<b>61.9</b>	<b>+ 5.9%</b>	<b>+ 12.7%</b>
Operating margin	17.5%	17.5%	-	-
Other operating expenses	(0.1)	(3.0)	-	-
<b>Operating profit</b>	<b>65.5</b>	<b>58.9</b>	-	-

# Net Profit from Continuing Operations

(€m)	Sept 07	Sept 06
Current operating profit	65.6	61.9
Operating profit	65.5	58.9
<b>Financial charges</b>	<b>(25.5)</b>	<b>(20.0)</b>
Profit before tax	40.0	38.9
Taxation	(5.1)	(7.7)
Share in profits of associated undertakings (Maxxium – Dynasty)	2.1	2.8
<b>Net profit from continuing operations</b>	<b>37.0</b>	<b>34.0</b>

Interim results to 30 September 2007

# Financial Charges

(€m)	Sept 07	Sept 06
<b>Debt servicing cost (excluding early repayment)</b>	<b>(15.1)</b>	<b>(18.7)</b>
Repayment of 6.5% bond	(7.9)	-
Maxxium penalty discounting	(4.6)	-
Movement in value of CEDC share	4.2	(5.9)
Others	(2.1)	4.6
<b>Financial charges</b>	<b>(25.5)</b>	<b>(20.0)</b>

# Net Profit (Group Share)

(€m)	Sept 07	Sept 06
Net profit from continuing operations	37.0	34.0
<b>Net profit from discontinued operations or in the process of sale</b>	<b>1.1</b>	<b>42.1</b>
Minority interests	-	(0.4)
<b>Net profit – Group share</b>	<b>38.1</b>	<b>75.7</b>

# Financial Debt & Cash Flow

(€m)	Sept 07	Sept 06
Net debt	548.2	637.3
Operating cash flow from continuing operations	20.6	14.4
Cash flow before financing activities	38.7	152.9

**Net debt/EBITDA ratio = 2.92**

# Balance Sheet at 30 September - Assets

(€m)	2007	2006
Intangible assets	800.9	797.4
Investments in associates	118.7	119.6
Other investments	51.4	105.5
Deferred tax assets	12.7	12.0
<b>Non-current assets</b>	<b>983.7</b>	<b>1,034.5</b>
Inventories	806.9	789.8
Trade accounts receivable	263.1	261.9
Income tax recoverable	2.2	11.4
Derivative financial instruments	22.9	11.0
Assets held for sale	17.4	10.8
Cash and cash equivalents	32.0	16.1
<b>Current assets</b>	<b>1,144.5</b>	<b>1,101.0</b>
<b>Total assets</b>	<b>2,128.2</b>	<b>2,135.5</b>



# Balance Sheet at 30 September - Liabilities

(€m)	2007	2006
Shareholders' equity	840.8	940.3
Non-current liabilities	841.8	720.2
Current liabilities	445.6	475.0
<b>Total liabilities</b>	<b>2,128.2</b>	<b>2,135.5</b>

# 2007/08 Outlook

## Continuation and acceleration of H1 trend:

- Movement upmarket
- Increased strength of Champagne
- Dynamism of Asia and Russia



**Renewed confidence**

**Significant organic growth in current  
operating profit confirmed**