



RÉMY COINTREAU

**Interim Results**  
**Six months ended 30 September 2008**

**London**

**26 November 2008**



RÉMY COINTREAU

Dominique Hériard Dubreuil  
Chairman



RÉMY COINTREAU

# Key Figures

|  |                | Organic       | Gross          |
|--|----------------|---------------|----------------|
| ■ <b>Turnover</b>                                | <b>€365.2m</b> | <b>+ 4.6%</b> | <b>(2.5%)</b>  |
| ➤ of which own brands                            | €329.4m        | + 6.7%        | (0.2%)         |
| ■ <b>Current operating profit</b>                | <b>€62.5m</b>  | <b>+ 4.2%</b> | <b>(4.7%)</b>  |
| ■ <i>Operating margin</i>                        | <i>17.1%</i>   | <i>17.4%</i>  |                |
| ■ <b>Net profit from continuing operations</b>   | <b>€48.3m</b>  |               | <b>+ 30.5%</b> |
| ■ Debt reduced by 20.3% to €437.1m (in one year) |                |               |                |



# Review of Activities

Jean-Marie Laborde

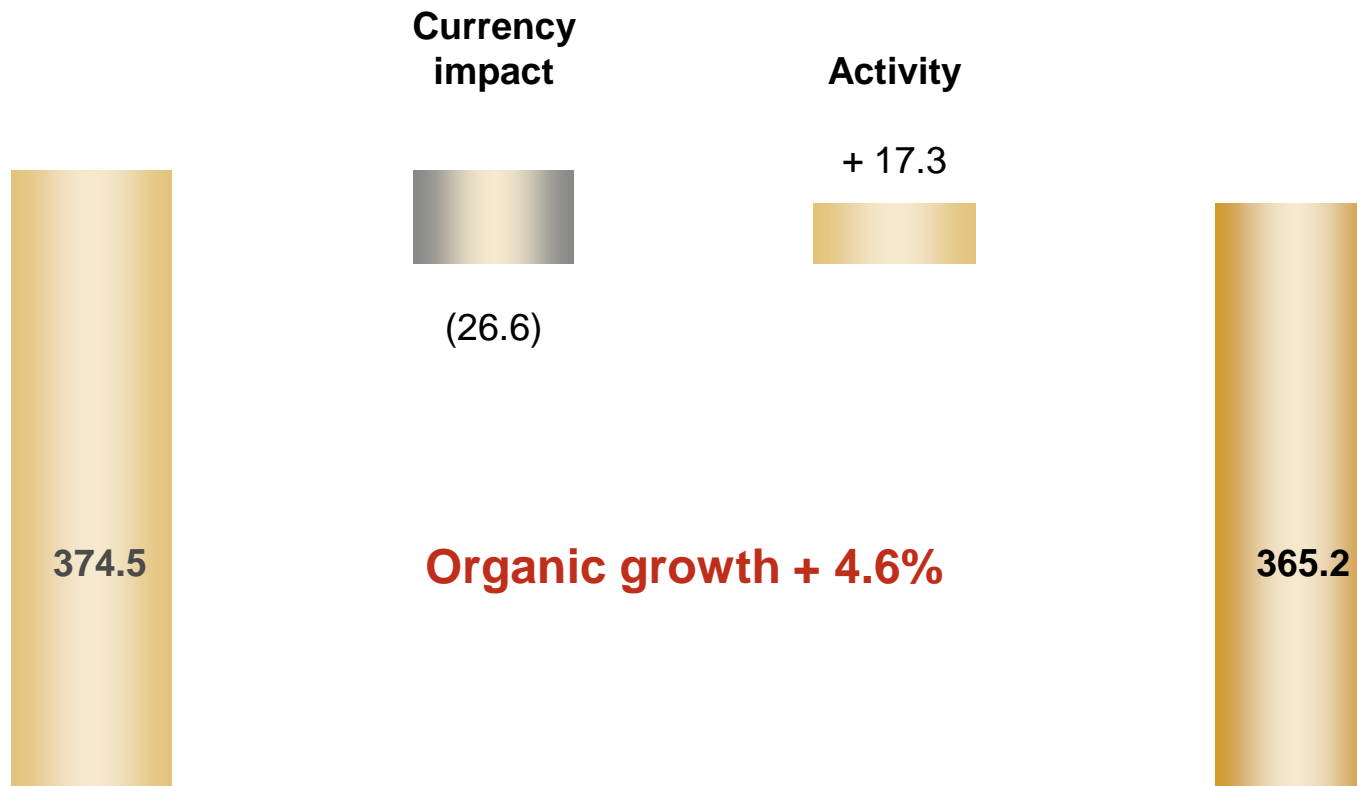
Chief Executive



RÉMY COINTREAU

# Turnover

€m



Sept 07

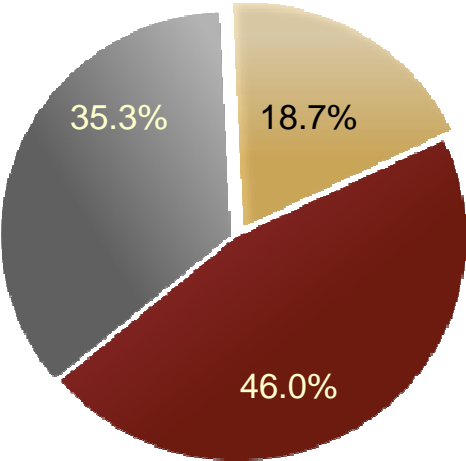


Sept 08

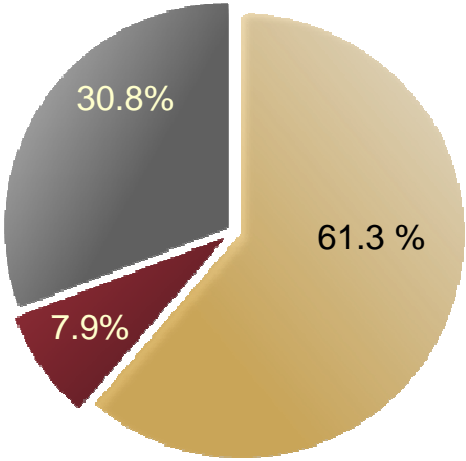
RÉMY COINTREAU

# Breakdown of Turnover

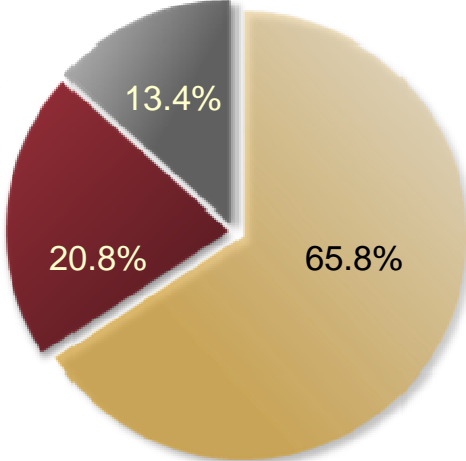
(by division/geographic area)



**Cognac**  
46.6%



**Liqueurs & Spirits**  
26.8%

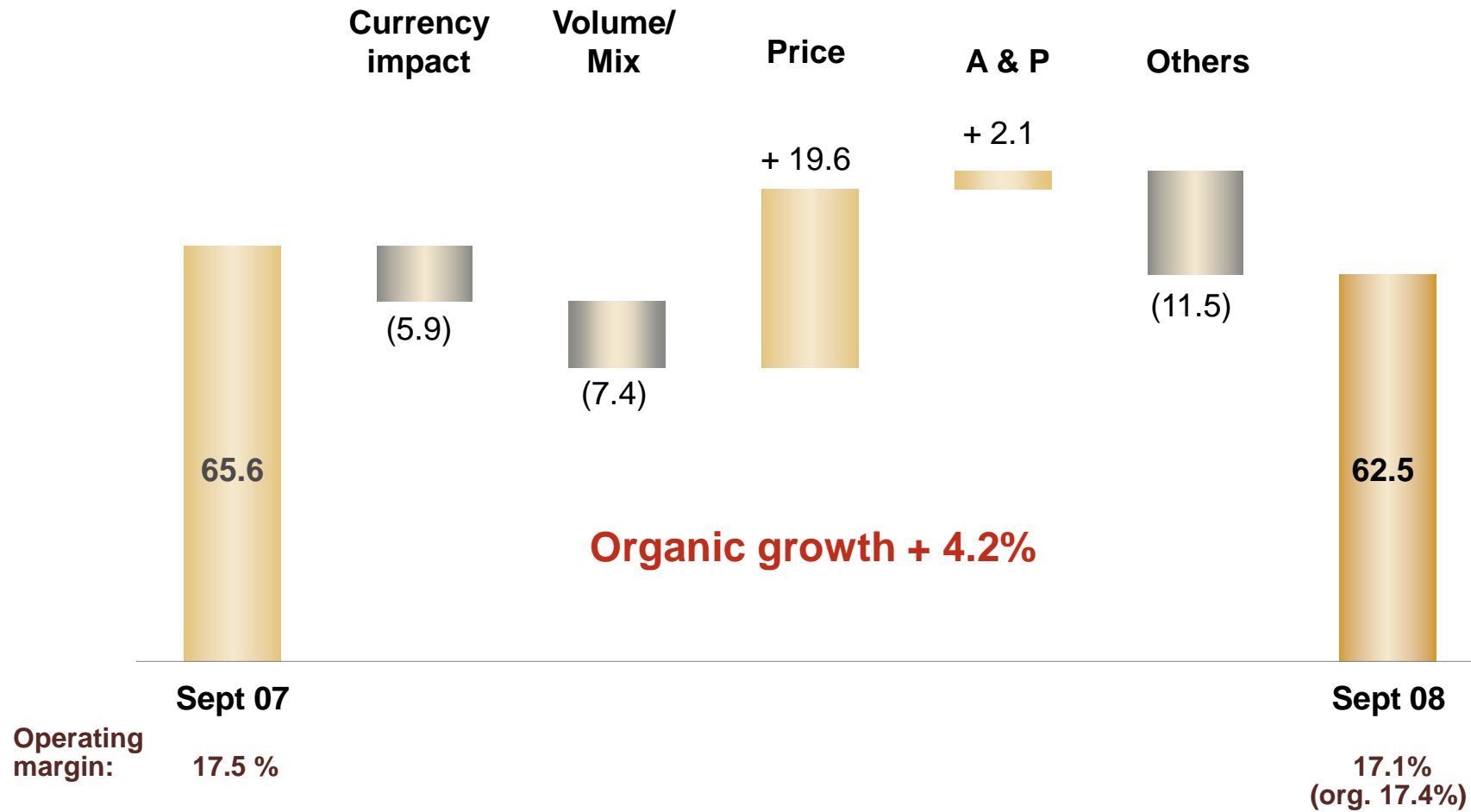


**Champagne**  
16.8%



# Current Operating Profit

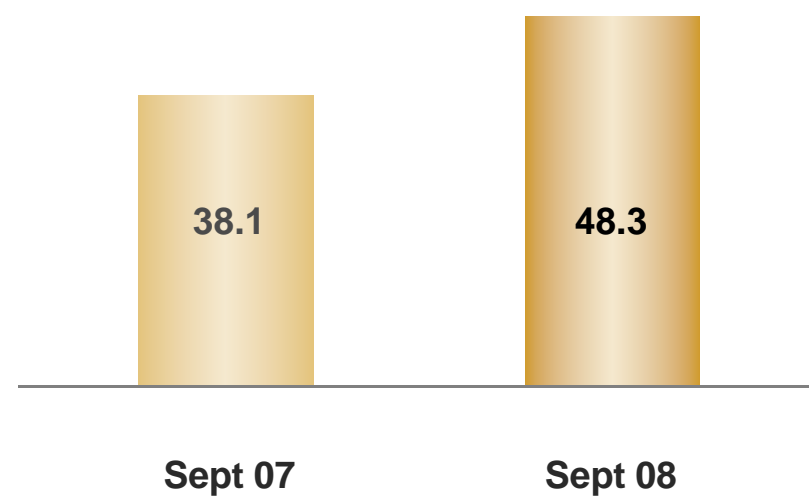
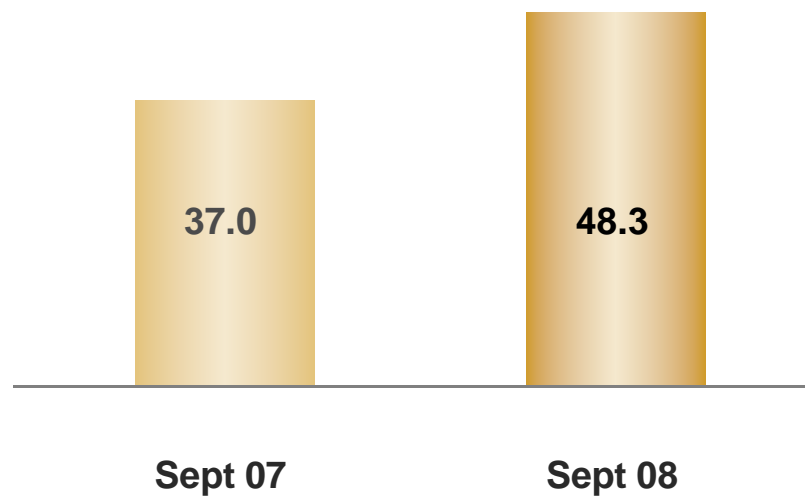
€m



# Net Profit

**Continuing operations**  
**+ 30.5%**

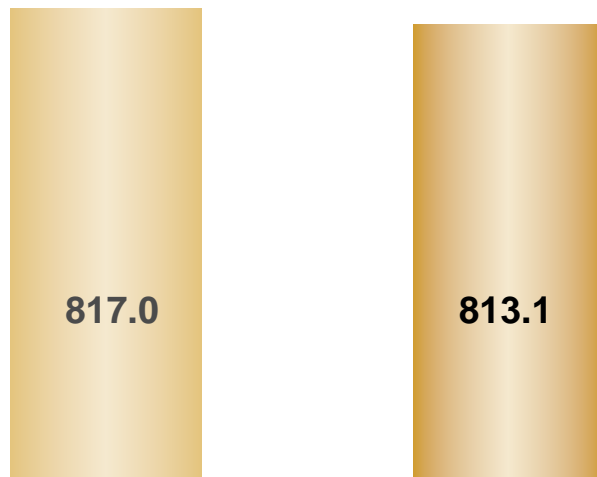
**Group share**  
**+ 26.7%**





# Cognac

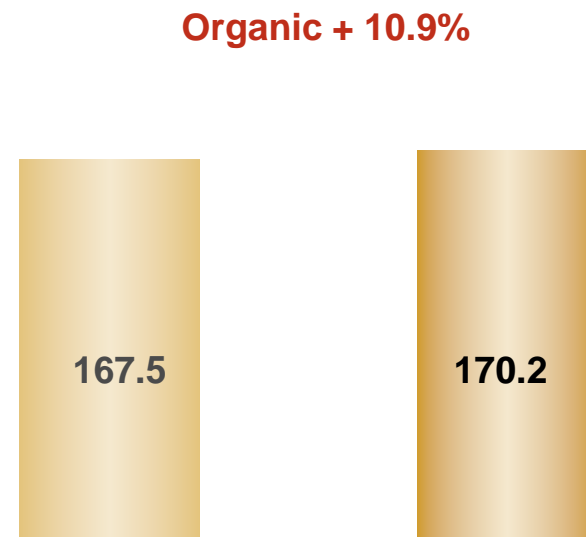
Volume sales ('000 cases)



Sept 07

Sept 08

Turnover (€m)



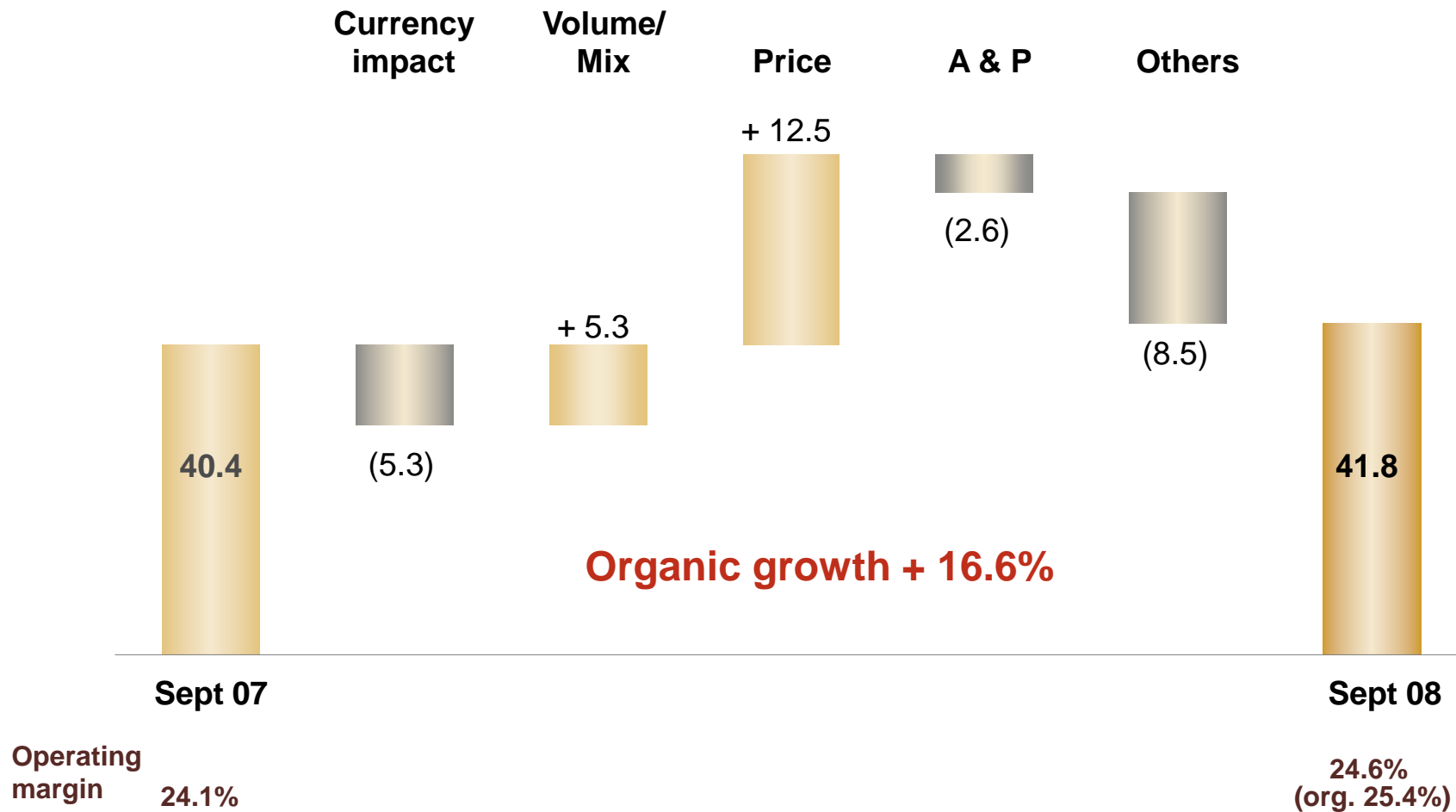
Sept 07

Sept 08



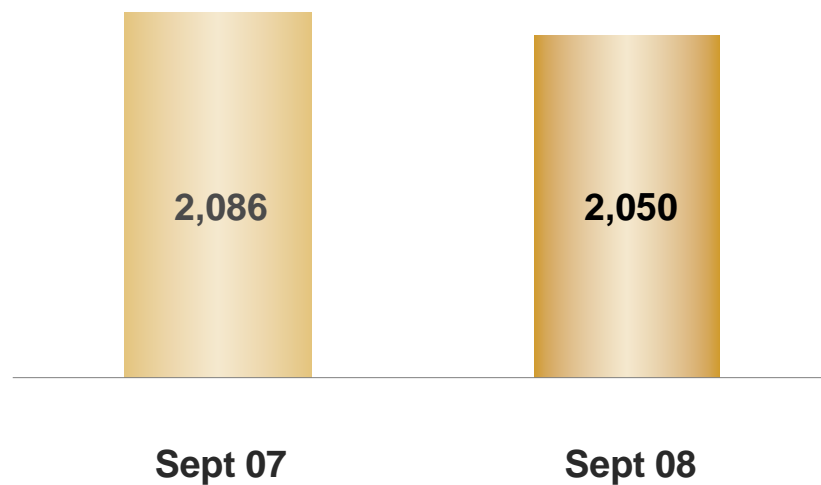
# Cognac

Current operating profit (€m)

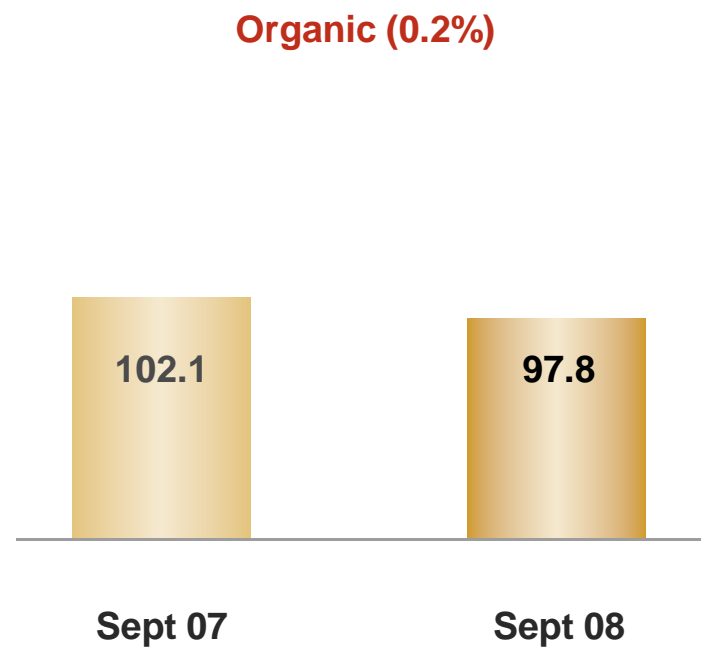


# Liqueurs & Spirits

Volume sales ('000 cases)

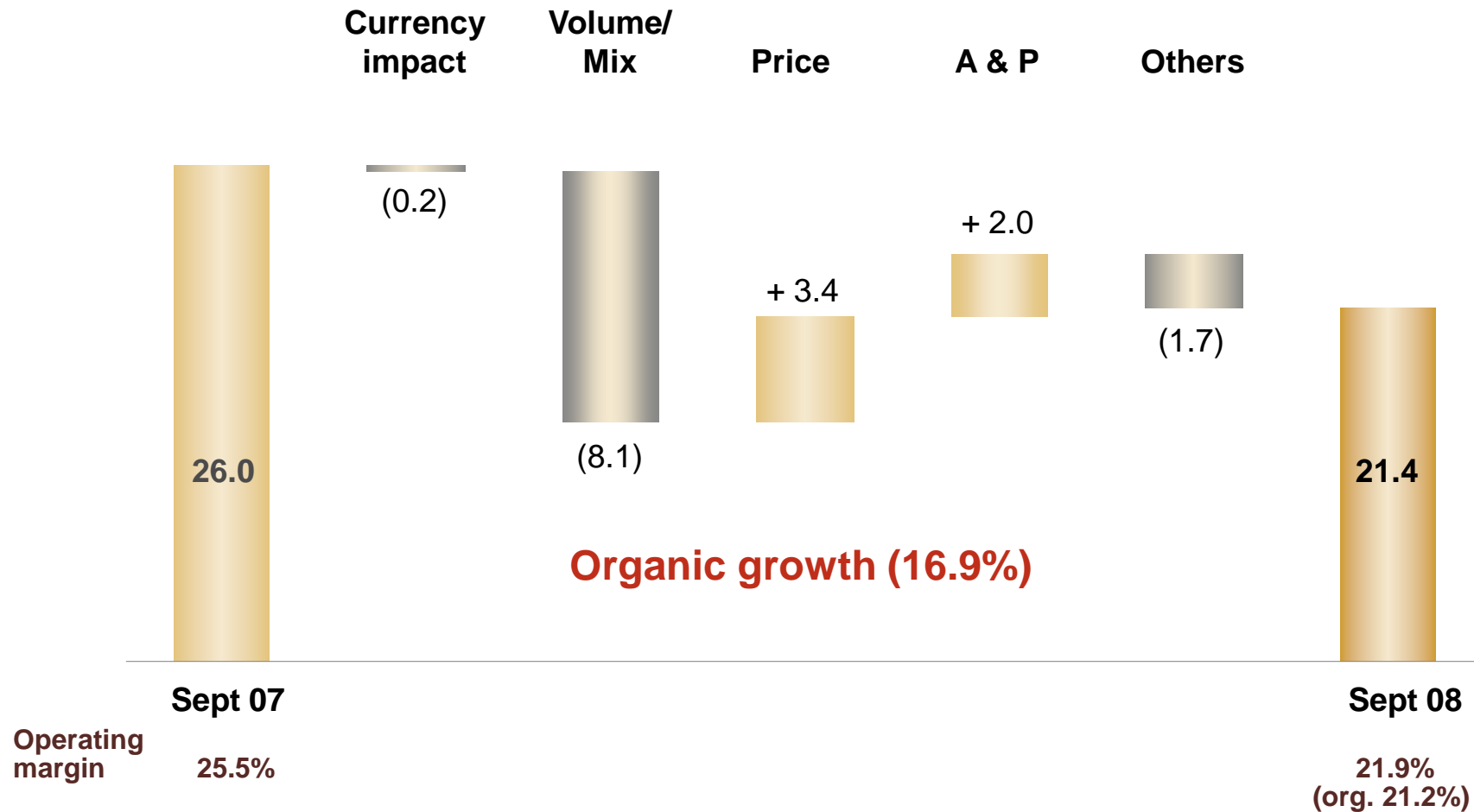


Turnover (€m)



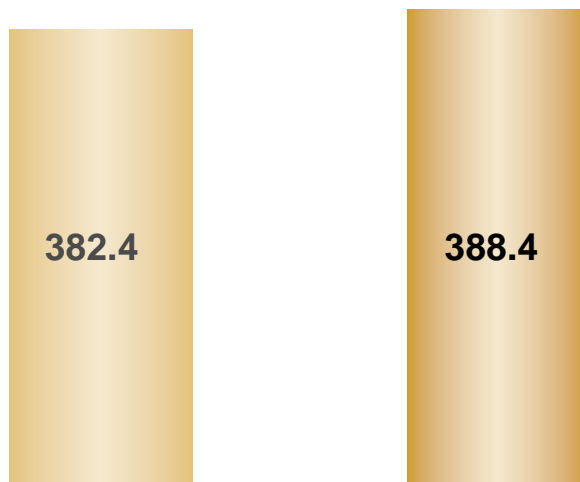
# Liqueurs & Spirits

Current operating profit (€m)



# Champagne

Volume sales ('000 cases)



Sept 07

Sept 08

Turnover (€m)

Organic + 6.5%



Sept 07

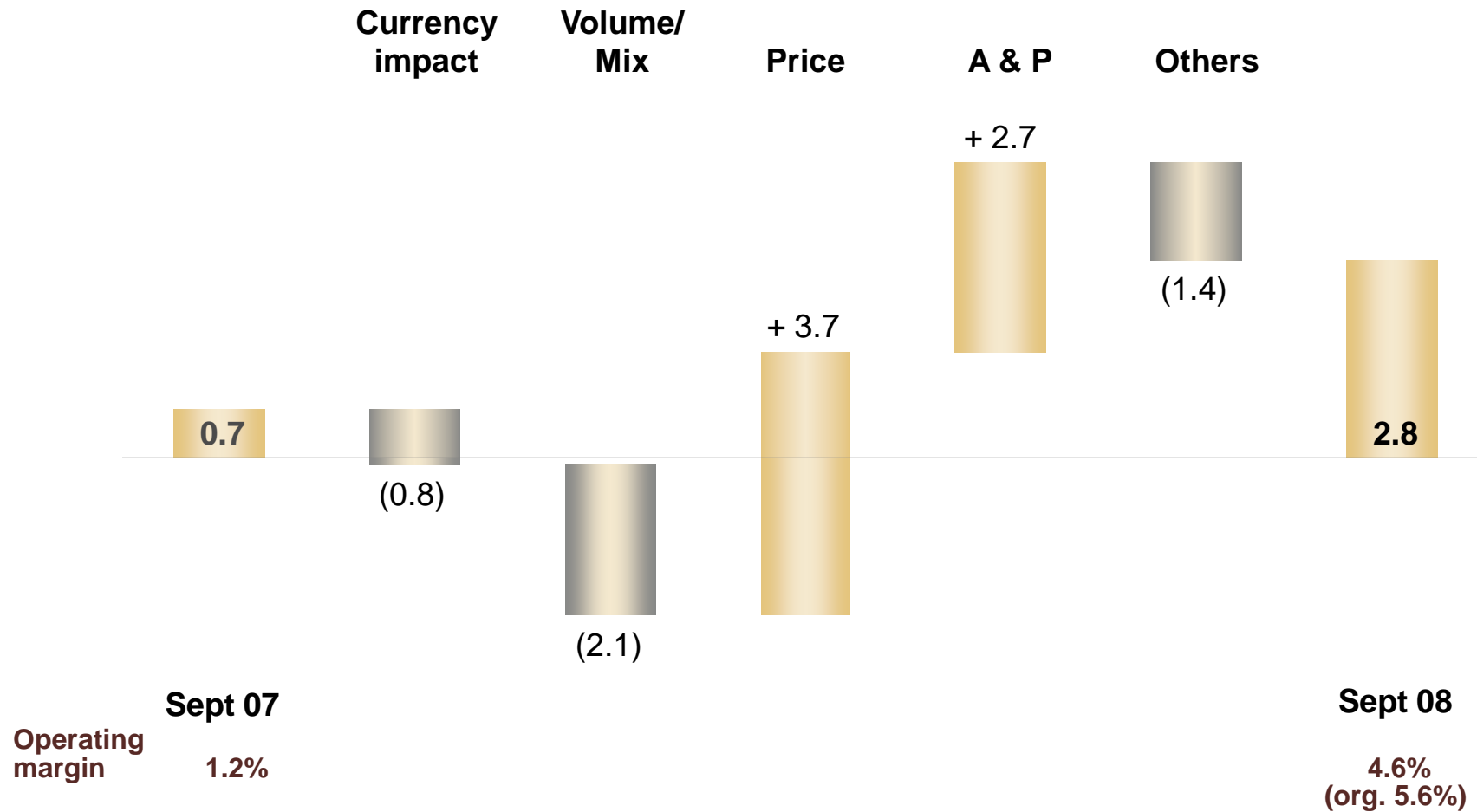
Sept 08



# Champagne

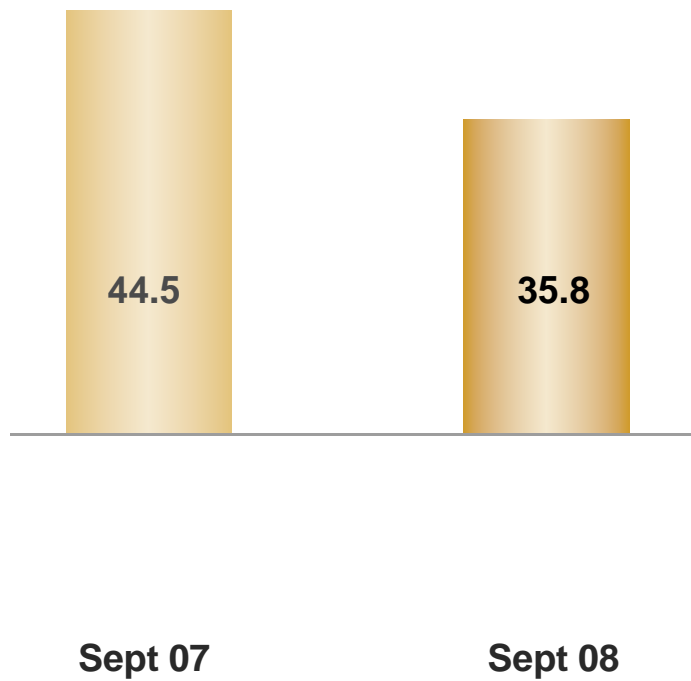
Current operating profit (€m)

**Organic growth + 414.3%**

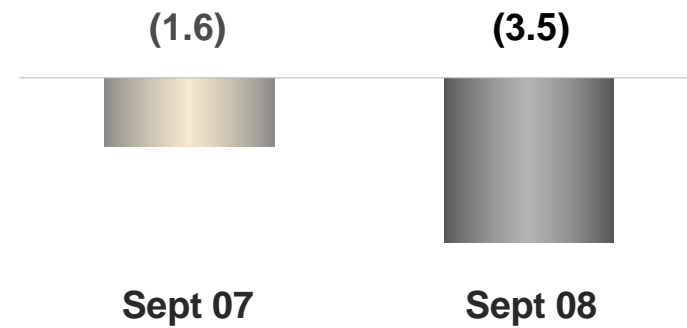


# Partner Brands

Turnover (€m)



Current operating profit (€m)



# Distribution

- Exit from Maxxium on 30 March 2009
- New geographic network finalised
  - **Our subsidiaries in key markets**
    - China (70 people already in place)
    - South East Asia and Duty Free (establishment of a team in Singapore)
    - Takeover of Maxxium subsidiaries in Belgium, Luxembourg, the Czech Republic and Slovakia)
    - 50/50 Joint Venture with William Grant in France (*Lixir*) and Underberg in Germany (*Diversa*)





# Distribution

## ➤ Agreements in the rest of the world

– United Kingdom

**First Drinks (subsidiary of William Grant)**

– Germany/Austria/Switzerland

**Underberg**

– Greece

**Karoulias**

– Canada

**Select Wines**

– Scandinavia

**Edrington**

– Italy

**Branca**

– Spain

**Torres & Varma**

– The Netherlands

**Maxxium**

– Australia

**Suntory**

– New Zealand

**Hancock**

– Japan

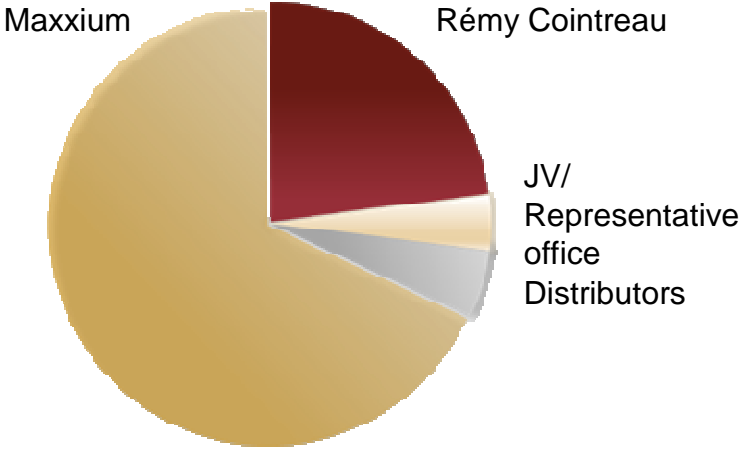
*In progress*



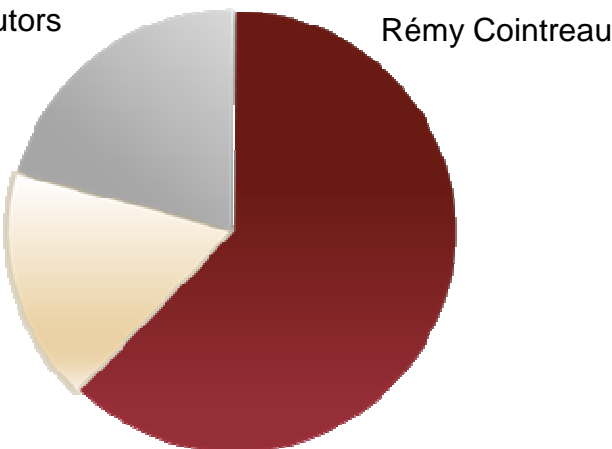
# Distribution: Improved Control

Today

Tomorrow



JV 50/50 Representative office



Note: as % of turnover



# Consolidated Half Year Results

Hervé Dumesny

Finance Director



Interim results to 30 September 2008

RÉMY COINTREAU

# Analysis of Current Operating Profit

| (€m)                            | Sept 08      | Sept 07      |
|---------------------------------|--------------|--------------|
| Turnover                        | 365.2        | 374.4        |
| Gross profit                    | 205.1        | 199.1        |
| Sales & marketing expenses      | (103.1)      | (104.5)      |
| Administrative expenses         | (40.8)       | (36.2)       |
| Other income & expenses         | 1.3          | 7.2          |
| Current operating profit        | 62.5         | 65.6         |
| <b>Current operating margin</b> | <b>17.1%</b> | <b>17.5%</b> |



# Exit from Maxxium

- On 2 September 2008, the four partners signed an agreement finalising the exit terms of V&S Pernod Ricard (1 October 2008) and Rémy Cointreau (30 March 2009) from the Maxxium network
- Exit compensation payable on 28 March 2009: €224m
- Disposal of shareholding in Maxxium held by the Group on 30 March 2009: €60.4m



# Analysis of Operating Profit

| (€m)                                      | Sept 08     | Sept 07     |
|---|-------------|-------------|
| Current operating profit                  | 62.5        | 65.6        |
| Other operating income & expenses         | 19.4        | (0.1)       |
| Release of Maxxium provision              | 37.0        | -           |
| Provision for writedown of Maxxium shares | (16.0)      | -           |
| Others                                    | (1.6)       | (0.1)       |
| <b>Operating profit</b>                   | <b>81.9</b> | <b>65.5</b> |



# Financial Charges

| (€m)                                | Sept 08       | Sept 07       |
|-------------------------------------|---------------|---------------|
| Net borrowing cost                  | (14.4)        | (26.4)        |
| Net average financial debt          | 477.0         | 552.6         |
| Interest rate                       | 6.04%         | 5.47%         |
| Recurring borrowing cost            | (14.4)        | (15.9)        |
| Early redemption premium and waiver | -             | (10.5)        |
| Other financial income and expense  | (1.9)         | 0.9           |
| <b>Financial charges</b>            | <b>(16.3)</b> | <b>(25.5)</b> |



# Net Profit from Continuing Operations

| (€m)   | Sept 08       | Sept 07       |
|--|---------------|---------------|
| Current operating profit   | 62.5          | 65.6          |
| Operating profit   | 81.9          | 65.5          |
| <b>Financial charges</b>   | <b>(16.3)</b> | <b>(25.5)</b> |
| Profit before tax  | 65.6          | 40.0          |
| Taxation   | (17.9)        | (5.1)         |
| Share in profits of associated undertakings<br>(Maxxium – Dynasty) | 0.6           | 2.1           |
| <b>Net profit from continuing operations</b>                       | <b>48.3</b>   | <b>37.0</b>   |





# Net Profit - Group Share

| (€m)   | Sept 08     | Sept 07     |
|--|-------------|-------------|
| Net profit from continuing operations  | 48.3        | 37.0        |
| <b>Net profit from discontinued operations<br/>or in the process of sale</b> | -           | 1.1         |
| <b>Net profit – Group share</b>  | <b>48.3</b> | <b>38.1</b> |



# Financial Debt & Cash Flow

| (€m)   | Sept 08    | Sept 07     |
|--|------------|-------------|
| Net debt                                       | 437.1      | 548.2       |
| Operating cash flow from continuing activities | 19.9       | 20.6        |
| Disposal of CEDC securities                    | -          | 52.5        |
| Other (inc. capital expenditure)               | (11.9)     | (13.8)      |
| <b>Cash flow before financing activities</b>   | <b>8.0</b> | <b>59.3</b> |

**Net debt ratio/EBITDA = 2.37**



## Balance Sheet at 30 September - Assets

| (€m)                             | 2008           | 2007           |
|----------------------------------|----------------|----------------|
| Intangible assets                | 814.0          | 800.9          |
| Investments in associates        | 49.6           | 118.7          |
| Other investments                | 53.8           | 51.4           |
| Deferred tax assets              | 19.3           | 12.7           |
| <b>Non-current assets</b>        | <b>936.7</b>   | <b>983.7</b>   |
| Inventories                      | 841.7          | 806.9          |
| Trade accounts receivable        | 289.4          | 263.1          |
| Income tax recoverable           | 4.8            | 2.2            |
| Derivative financial instruments | 15.4           | 22.9           |
| Assets held for sale             | 62.4           | 17.4           |
| Cash and cash equivalents        | 32.9           | 32.0           |
| <b>Current assets</b>            | <b>1,246.6</b> | <b>1,144.5</b> |
| <b>Total assets</b>              | <b>2,183.3</b> | <b>2,128.2</b> |



## Balance Sheet at 30 September – Equity and Liabilities

| (€m)                                | 2008           | 2007           |
|-------------------------------------|----------------|----------------|
| Shareholders' equity                | 901.1          | 840.8          |
| Non-current liabilities             | 546.4          | 841.8          |
| Current liabilities                 | 735.8          | 445.6          |
| <b>Total equity and liabilities</b> | <b>2,183.3</b> | <b>2,128.2</b> |



# Change in Impact of Hedging

