

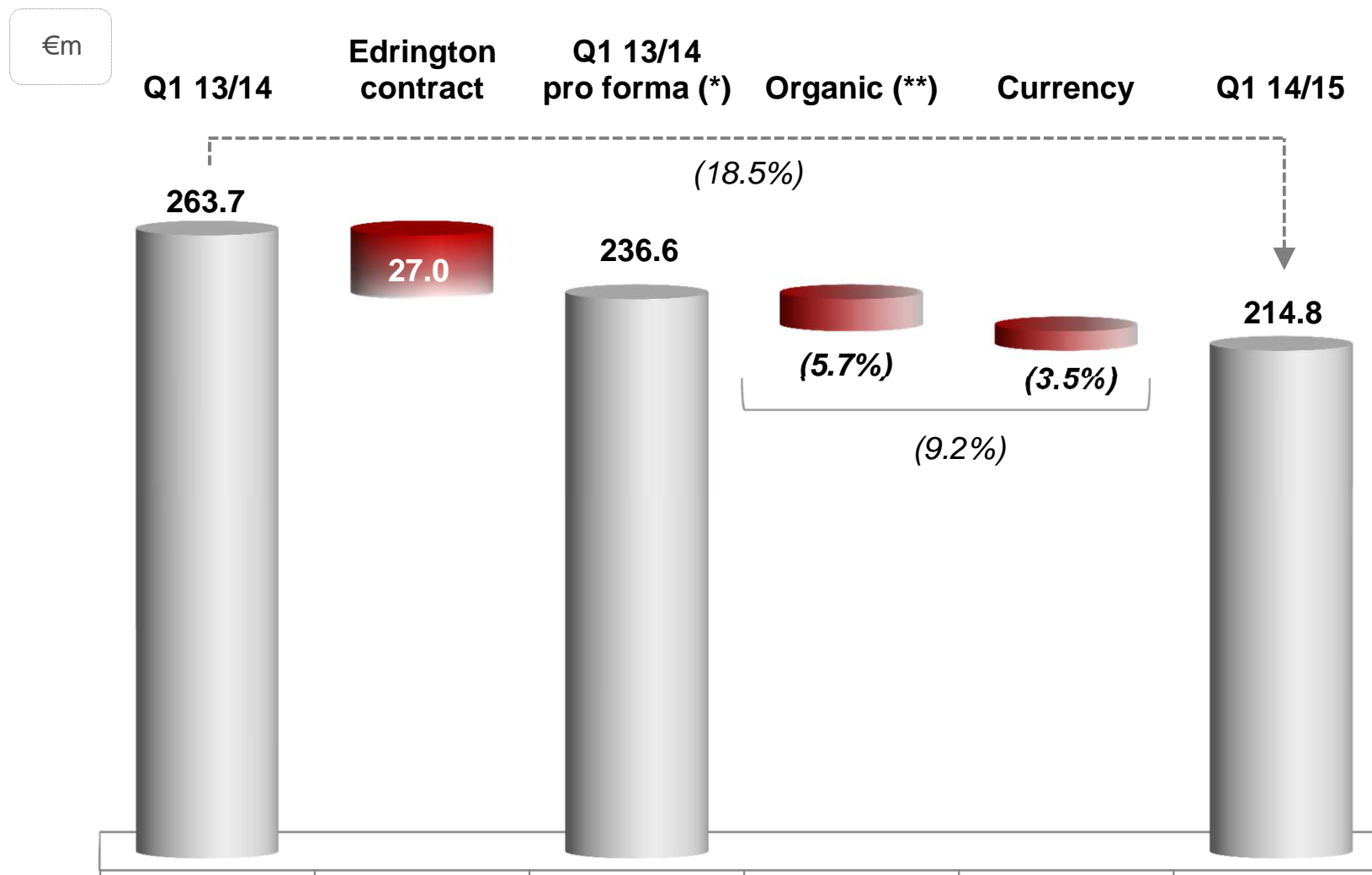


RÉMY COINTREAU

***Fiscal Year 2014/15
3 months ended
30 June 2014***

18 July 2014

Q1 2014/15 Sales Analysis

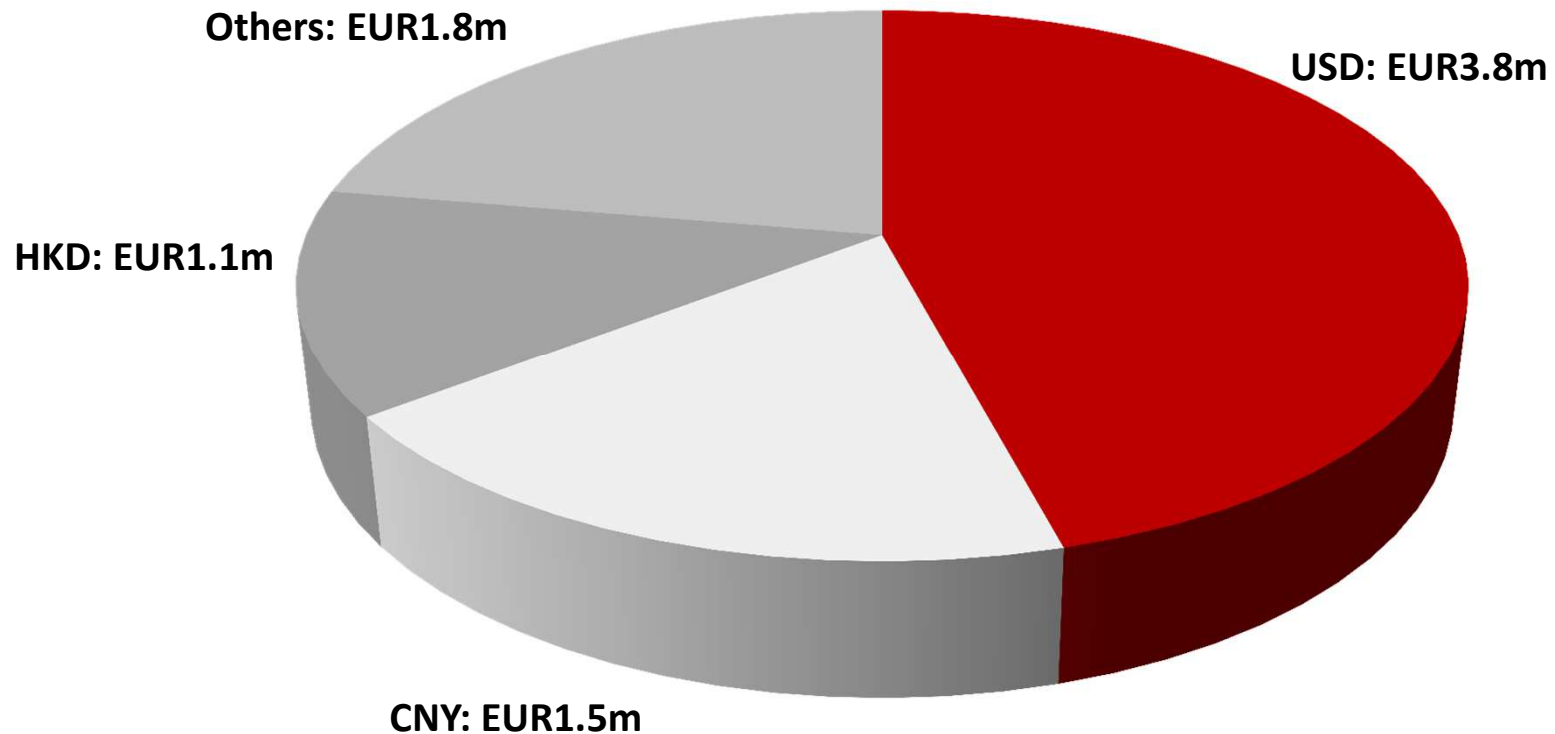


(*) Pro forma for the end of the Edrington distribution contract in the US (with effect from 1 April 14)

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

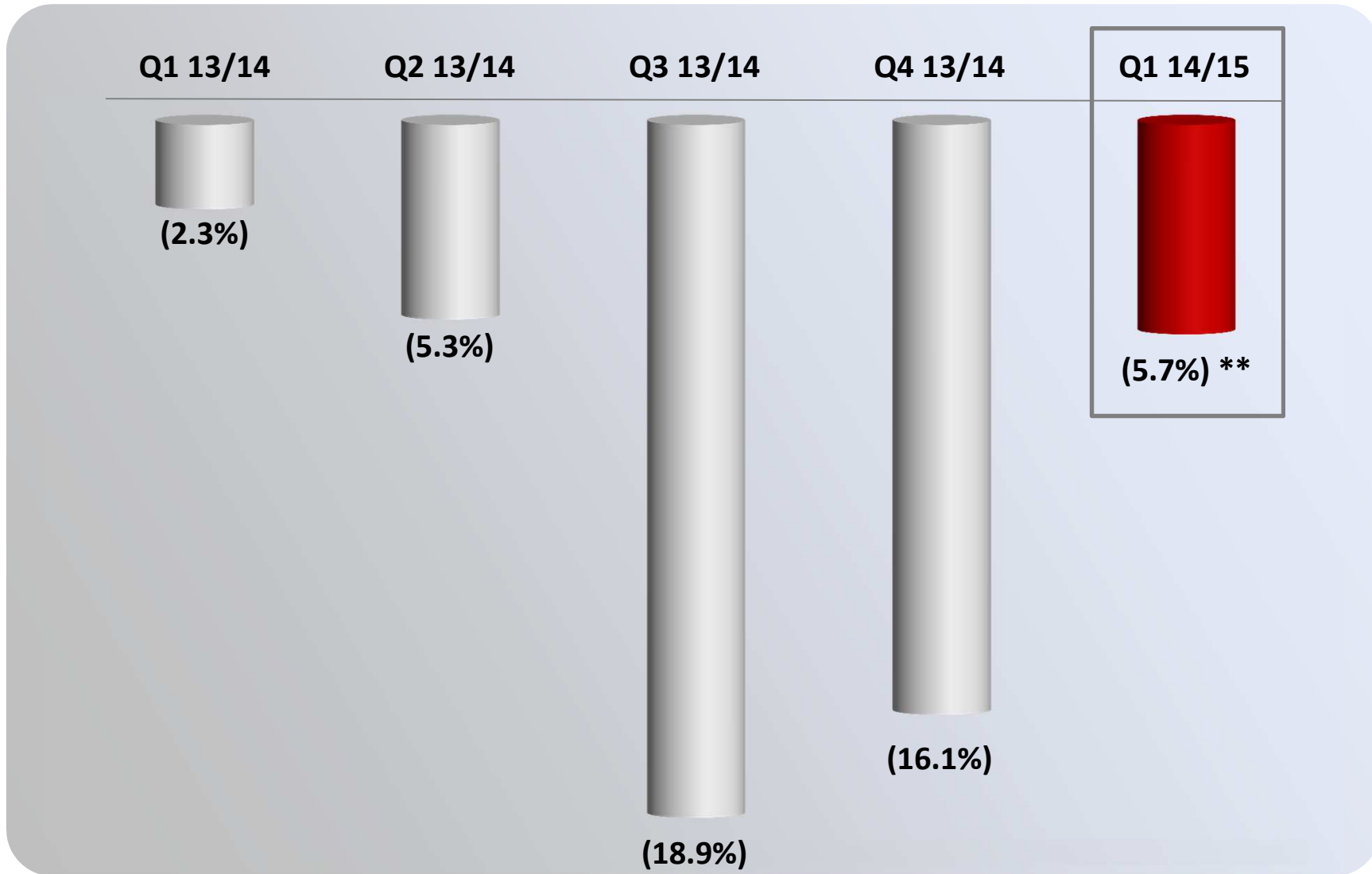
Currency Impact on Q1 Sales

Negative currency impact: EUR8.2m ⁽¹⁾

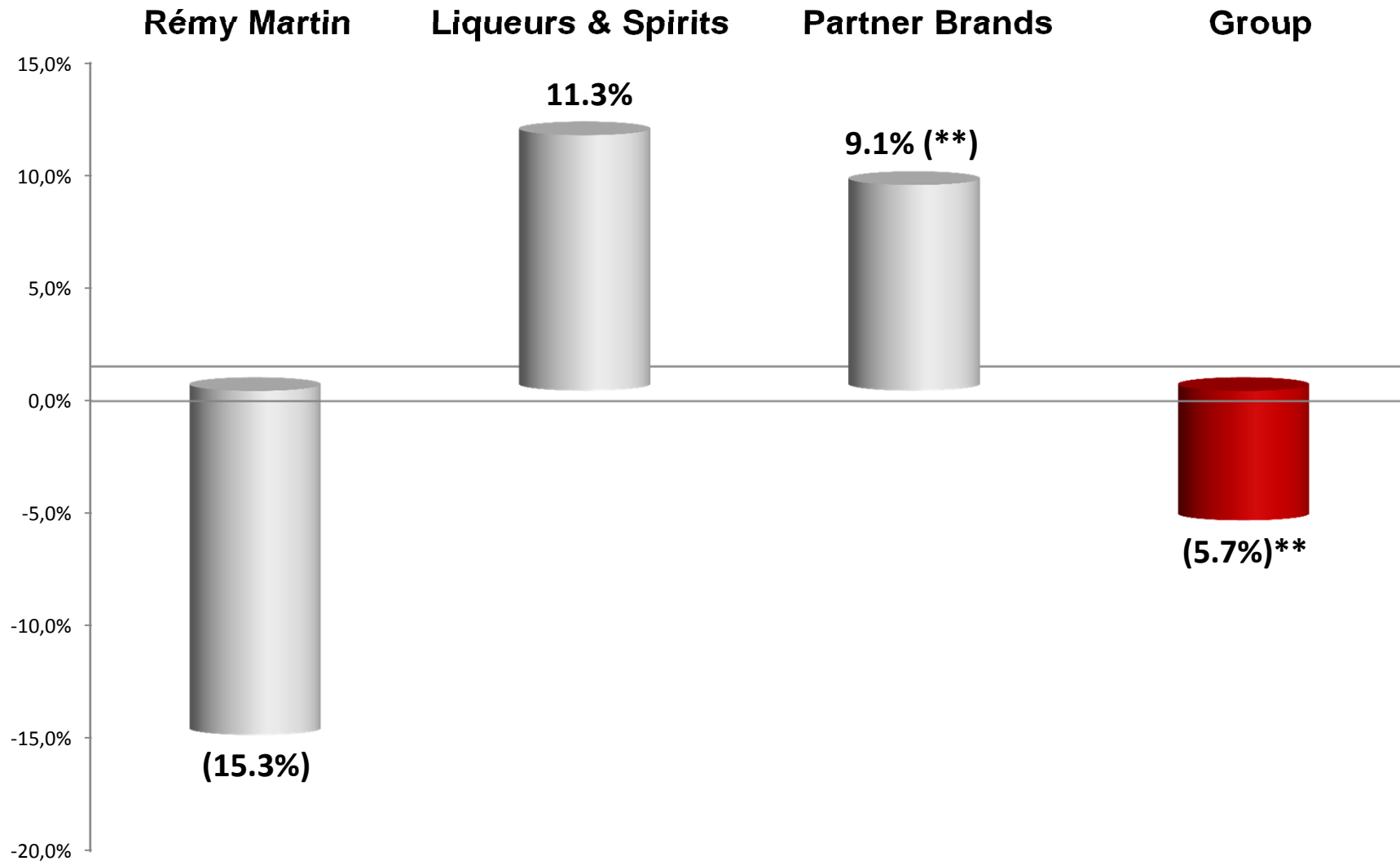


(1) Currency impact is calculated based on 2013/14 pro forma sales

V-Shape Recovery on Track



Q1 Organic Growth by Product Division



Q1 Trends by Regions

- **Asia Pacific still impacted by destocking in China:**
 - Destocking continued in China as our depletions are not yet stabilized (Q1 trends in-line with our FY expectations)
 - South East Asia and North East Asia (Japan) posted healthy growth in the quarter
 - Solid growth in Liqueurs & Spirits, on a small base
- **Americas: slight decline in Q1 shipments masks good depletion trends**
 - High comps at Rémy Martin (strong double-digit increase in 1Q14)
 - Favourable shipment phasing at Cointreau (from 4Q14 into 1Q15)
 - Group Brands' US volume depletions (excluding VS Cognac) stand at +5% in the 12M period to June vs. US market at +1%

Q1 Trends by Regions

- **Europe, Middle East & Africa shows resilience overall**
 - Rémy Martin affected by slower market trends across the region
 - Growth in Liqueurs & Spirits: strength of Metaxa more than offset Cointreau's weakness
 - Solid performance of Partner Brands in the region
 - Challenging macro in Western Europe (France, Germany, Benelux)
 - New distribution platform in the UK
 - Slower shipment trends in Russia and in Africa (our depletions are still showing healthy growth)
 - Solid performance of Travel Retail EMEA

Rémy Martin (15.3% organic decline)

- **Asia Pacific:**

- Further destocking in China (as expected), albeit at a slower pace than in H2 13/14
- Good performance in South East Asia

- **Americas:**

- Technical decline in US shipments: high comps base (mainly V) and pursuing exit from VS
- Rémy Martin US volume depletions (excluding VS) enjoy sustained growth and market outperformance, led by double-digit growth at Rémy Martin 1738

	Volume depletion trends to June 2014		
	3 months	6 months	12 months
US Cognac Market	3.3%	5.6%	4.2%
Rémy Martin (excl. VS)	8.9%	7.7%	7.9%

Source: NABCA/Discus

- US value depletions benefited from **price/mix gains of 3-4pp** in the 12M period to June

- **Europe, Middle East & Africa:**

- Weakness in Western Europe + impact from the new UK platform
- Double-digit growth in Travel Retail
- Solid depletion trends in our Russian and key African markets

Rémy Martin: Marketing Initiatives

Baptiste Loiseau's Induction Tour



Fresh Design for Rémy Martin VSOP



Liqueurs & Spirits (11.3% organic growth)

- **Good start to the year** thanks to the solid performance of our main brands. However, Q1 trends should not be extrapolated to the full-year 2014/15
- **Cointreau:**
 - Double-digit growth in Q1 largely driven by US shipment phasing from 4Q14 into 1Q15
 - US volume depletion trends remain sound; further share gains amid weaker on-trade market trends

Volume depletion trends to June 2014			
	3 months	6 months	12 months
US Cordials Market	0.1%	0.6%	3.8%
Cointreau	1.9%	4.2%	3.4%

Source: NABCA/Discus

- US value depletions benefited from **price/mix gains of 2-3pp** in the 12M period to June
 - Further softness in Western Europe, solid trends in Japan, C&E Europe and Travel Retail
- **Metaxa:** Strong performance fuelled by Greece, Central European markets and the success of the new premium range Metaxa 12 Stars.

Liqueurs & Spirits (11.3% organic growth)

- **Mount Gay:**

- Good performance in US volume depletions, with strong re-ordering trends for Black Barrel in the key targeted accounts.

Volume depletion trends to June 2014			
	3 months	6 months	12 months
US Rum Market	-3.2%	0.5%	-1.0%
Mount Gay	5.6%	1.4%	-0.2%

Source: NABCA/Discus

- US value depletions enjoyed strong **price/mix of 9-10pp** in the 12M period to June
- **Bruichladdich** sales doubled in 1Q15, contributing nearly 1pp to Group's organic growth
- **St Rémy:** healthy growth in the quarter continued to be driven by Canada, the brand's largest market, as well as by EMEA Travel Retail
- **Passoa:** flat growth in the quarter reflected a solid performance in France (which benefited from pre-'World Cup' purchasing) and in Travel Retail, offset by lingering weakness in other European markets

Liqueurs & Spirits: Marketing Initiatives

**Bruichladdich:
Private Event Held by Jim McEwan**



**Passoa:
Brazil World Cup Limited Edition**



Partner Brands (9.1%** organic growth)

- End of the distribution contract with Edrington in the US from 1 April 2014 (sales contribution from those brands was EUR27m in 1Q14 and EUR103m in FY13/14)
- Main Partner Brands now include: Charles and Piper-Heidsieck champagnes, some of the William Grant & Sons' spirits, and the Russian Standard vodkas
- Solid organic growth in Q1: strong performance of the spirits distributed in Europe and in Travel Retail

2014/15 Outlook Unchanged

- At the end of the first three months of the fiscal year, the Group remains confident in delivering organic growth in both sales and current operating profit in 2014/15
- This objective should be calculated:
 - Based on a 2013/14 pro forma for the end of the Edrington distribution contract, i.e excluding EUR103m in sales and EUR14m in COP (of which EUR3m of direct margin and EUR11m of fixed costs absorption)
 - at constant exchange rates.



RÉMY COINTREAU

Q&A
