

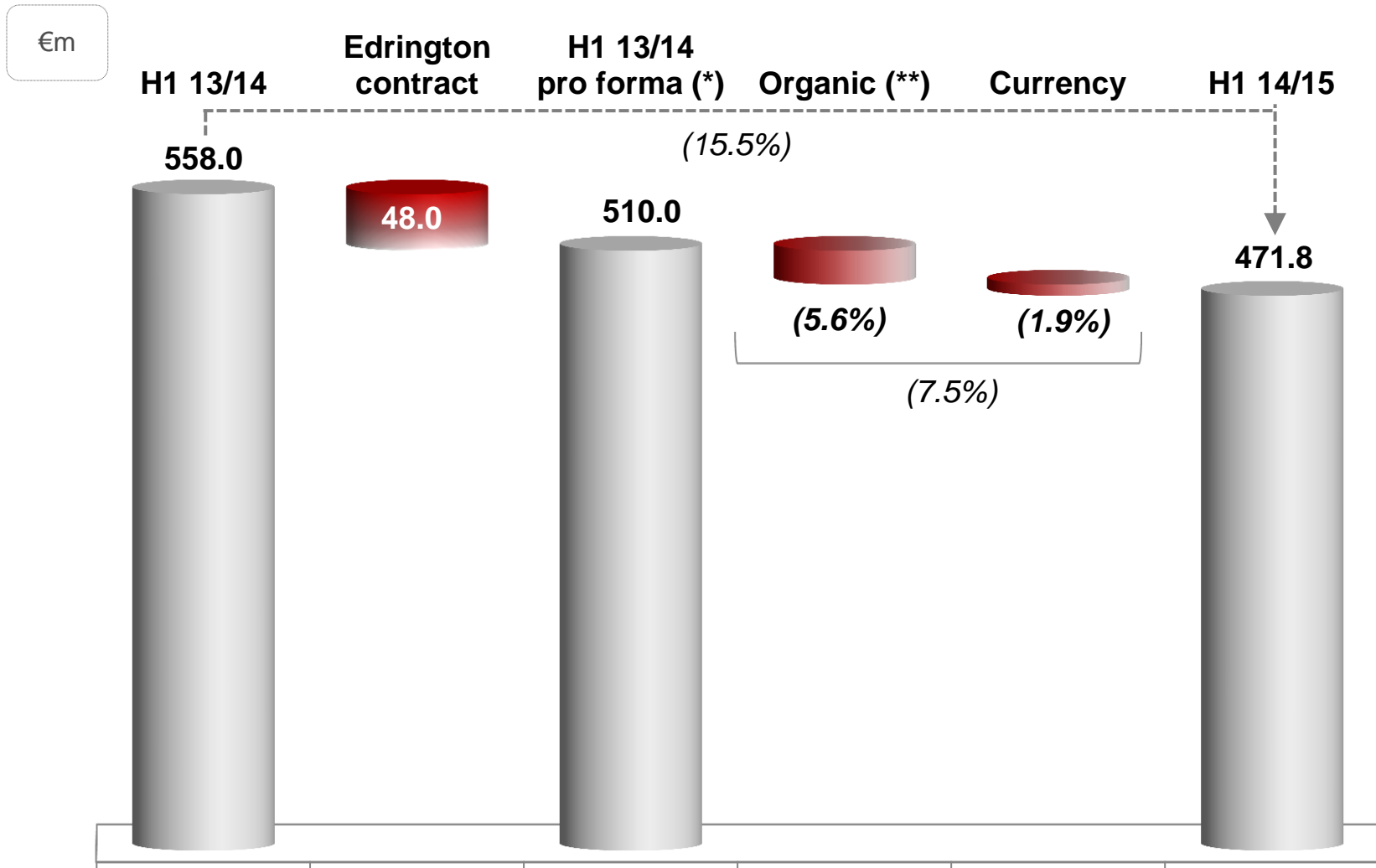


RÉMY COINTREAU

***Fiscal Year 2014/15
6 months ended
30 September 2014***

16 October 2014

H1 2014/15 Sales Analysis

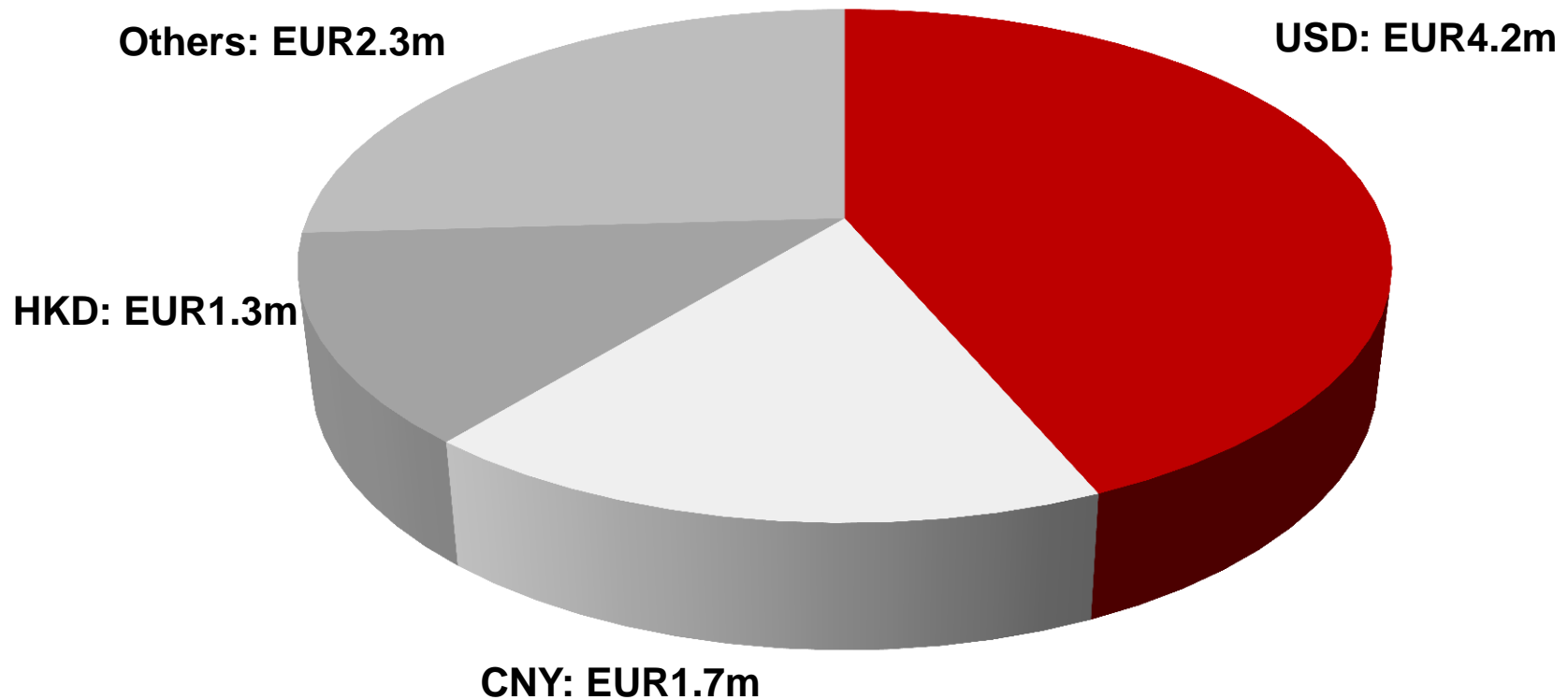


(*) Pro forma for the end of the Edrington distribution contract in the US (with effect from 1 April 14)

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

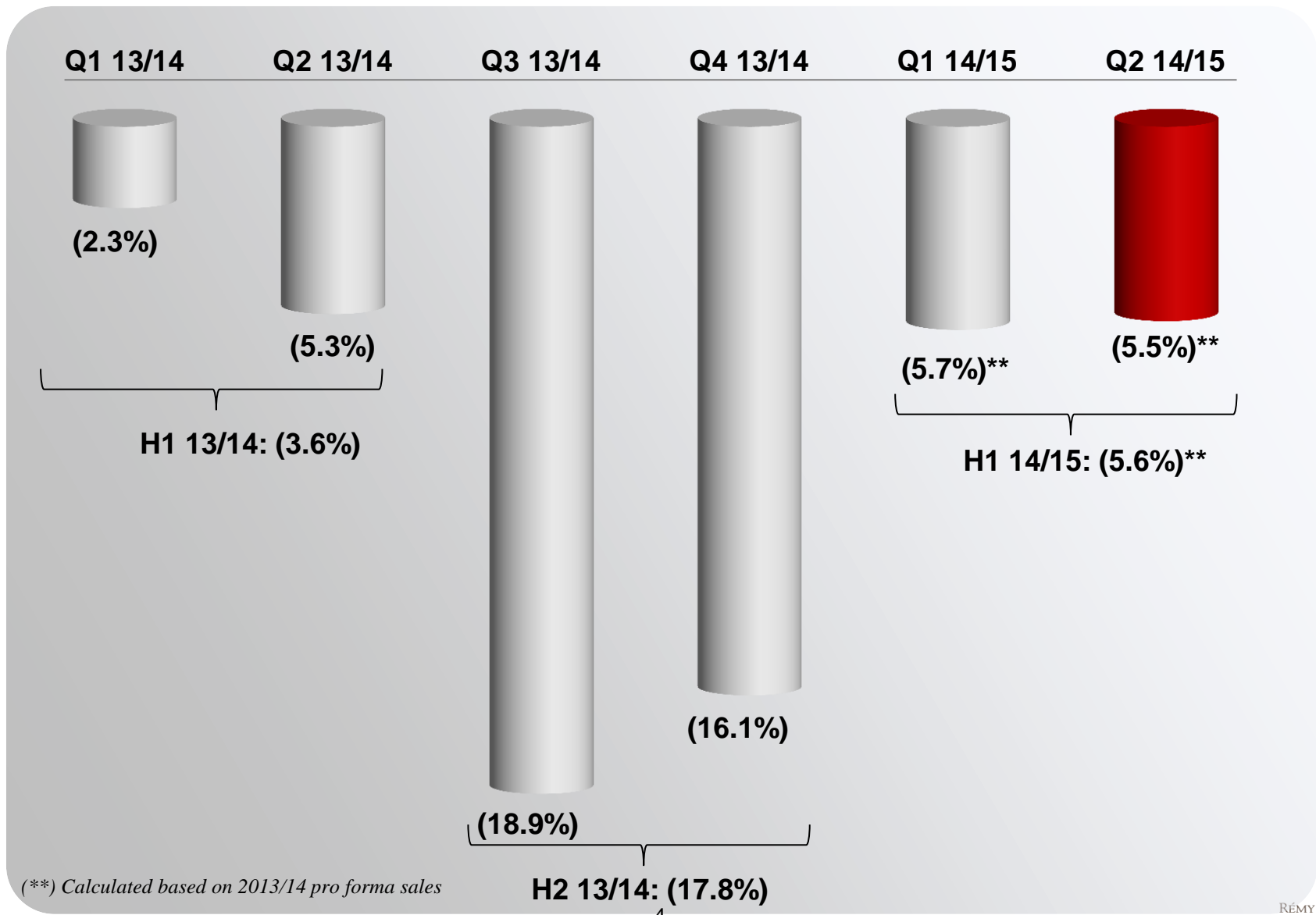
Currency Impact on H1 Sales

Negative currency impact ⁽¹⁾: EUR9.5m

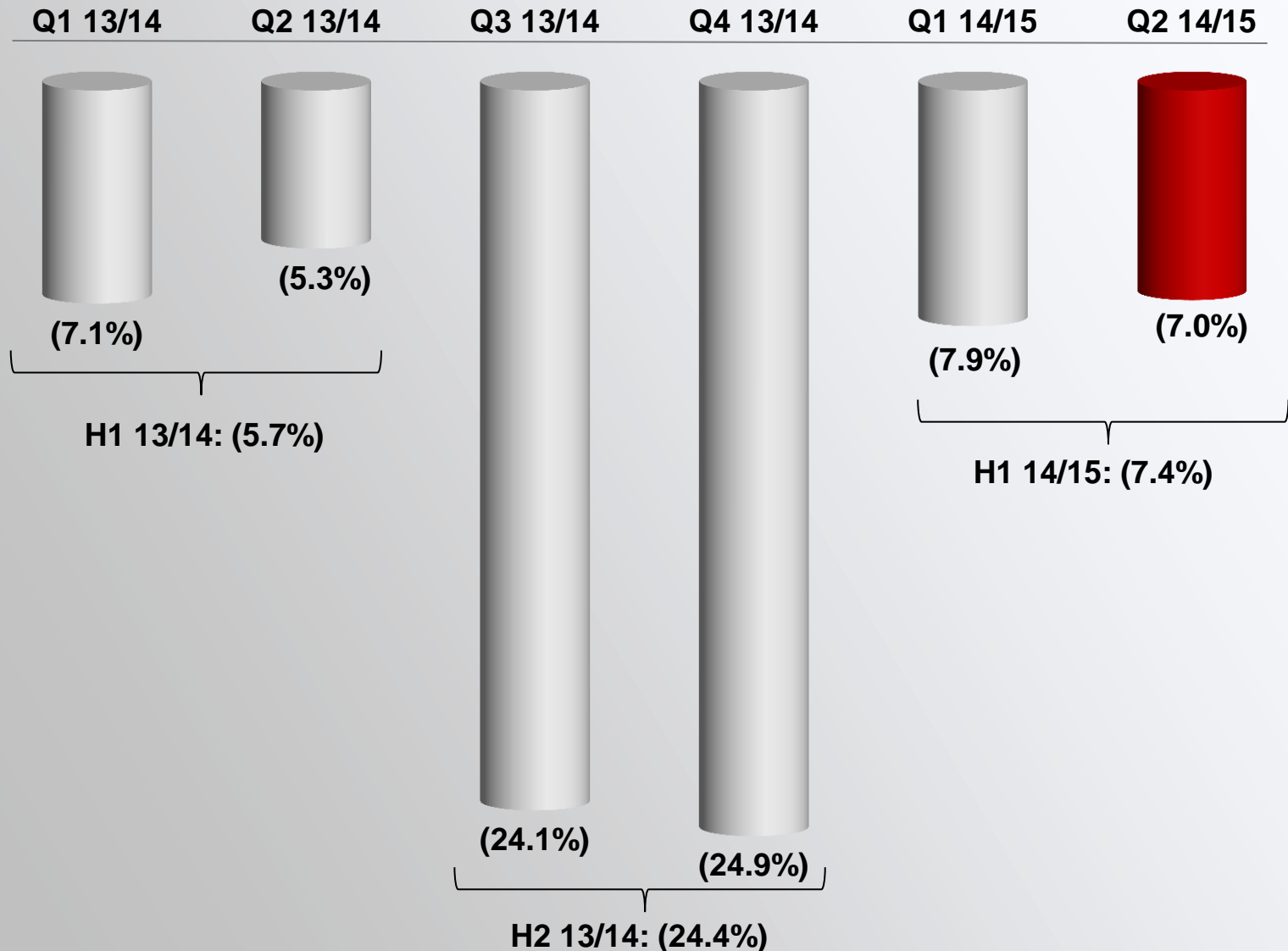


(1) Currency impact is calculated based on 2013/14 pro forma sales

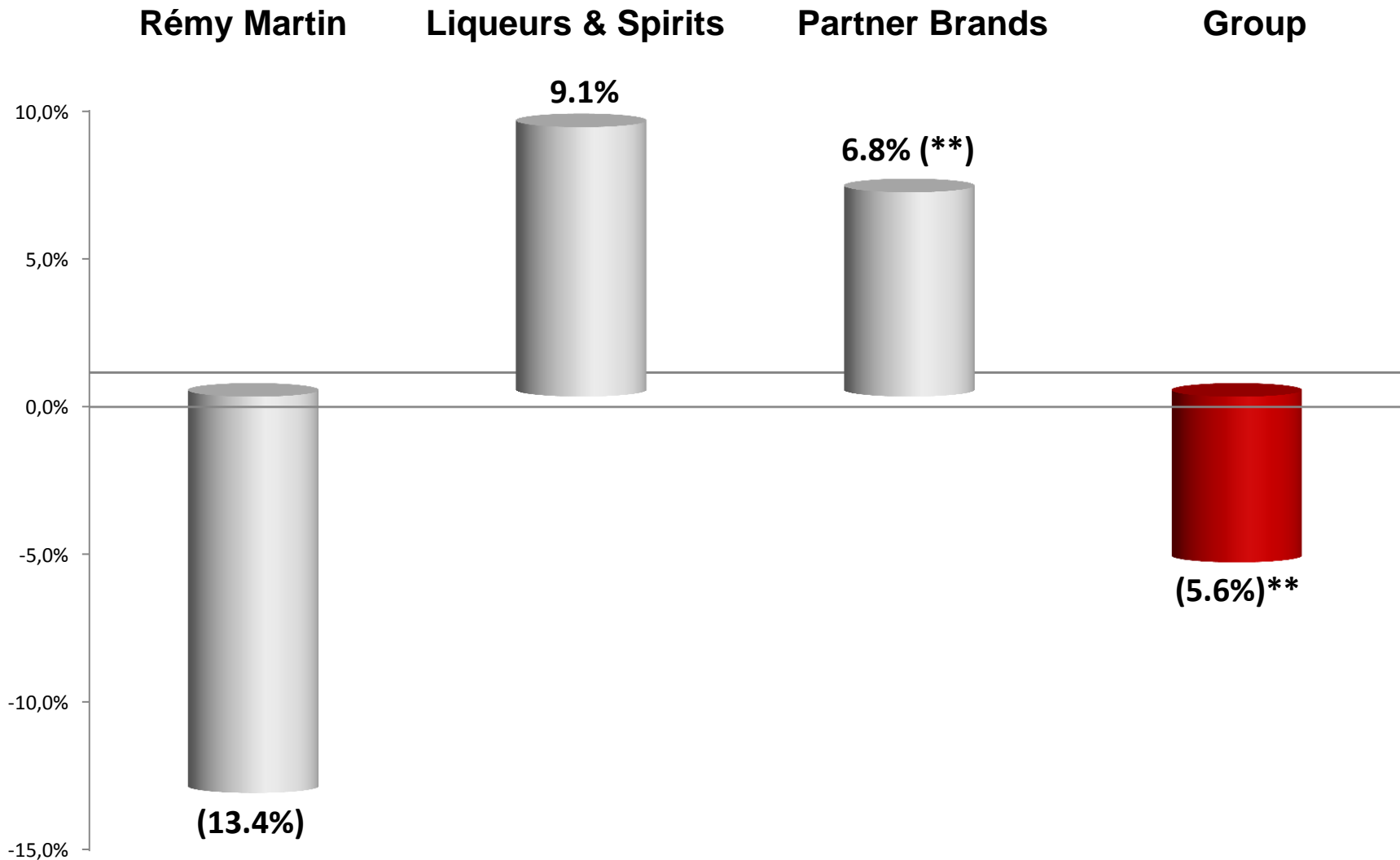
Quarterly Organic Sales Growth



Quarterly Organic Growth for RC Brands



H1 Organic Growth by Product Division



(**) Calculated based on 2013/14 pro forma sales

H1 Trends by Regions

- Group organic sales growth **slightly positive** excluding Greater China
- **Double-digit decline in Asia Pacific led by Greater China:**
 - Destocking efforts maintained in Greater China as depletions have not yet stabilised, amid consumers' lingering wait-and-see attitude
 - Good growth in South East Asia and North East Asia
 - Double-digit growth in Liqueurs & Spirits, on a small base
- **Americas muted by high comps and VS exit in the US**
 - High comps at Rémy Martin (+25% in 1H14) and Mount Gay (launch of Black Barrel)
 - Strategic exit from the VS (Very Special) category in the US
 - Favourable shipment phasing at Cointreau (from 4Q14 into 1H15)
 - US value depletions (excl. VS Cognac) stand at +4.4% in H1, +5.9% MAT

H1 Trends by Regions

■ Europe, Middle East & Africa posted good growth

- Western Europe still declining, penalised by:
 - A weak and competitive environment (France, Germany, Southern Europe)
 - The new distribution platform in the UK
- Strong growth in Central Europe driven by:
 - Strong dynamics in Poland and Czech & Slovak Republics
 - Success of Metaxa and Partner Brands
- Eastern Europe and Africa impacted by some delayed shipments:
 - Geopolitical uncertainty (Russia) and health concerns (Africa)
 - Shipments postponed from H1 to H2
 - Depletions trends remain dynamic (double-digit growth in both regions)
- Solid performance in Travel Retail

Rémy Martin (13.4% organic decline in H1)

■ Asia Pacific:

- Further destocking in Greater China (value depletions in decline/volume depletions flat+)
- Good performance in South East Asia

■ Americas:

- Decline in Rémy Martin shipments: high comps base (mainly V) and strategic exit from VS
- Rémy Martin US volume depletions (excl. VS) enjoyed sustained growth, led by double-digit trends for 1738 Accord Royal

	Volume depletion trends to Sept 2014		
	3 months	6 months	12 months
US Cognac Market	8.2%	7.1%	6.2%
Rémy Martin (excl. VS)	11.4%	7.7%	8.5%

Source: NABCA/Discus

- US value depletions benefited from **price/mix gains of 1pp** in the 12M period to Sept.

■ Europe, Middle East & Africa:

- Weakness in Western Europe + impact from the new UK platform
- Double-digit increase in depletion trends in Russia and key African markets

Rémy Martin: Marketing Initiatives

Futur Héritage by Rémy Martin



The Totem



The Shaker



**The Redesigned
Milk Basket**

Louis XIII Black Pearl Anniversary Edition



Liqueurs & Spirits (9.1% organic growth in H1)

- **Solid H1 performance** led by all regions except Western Europe
- **Cointreau:**
 - High single-digit growth led by strength in the Americas (partially helped by a favourable shipment phasing in H1) and Asia-Pacific (Australia, Japan, Greater China)
 - Further softness in Western Europe (except in France)
 - US volume depletion trends suggest further share gains

	Volume depletion trends to Sept 2014		
	3 months	6 months	12 months
US Cordials Market	0.4%	-0.7%	1.2%
Cointreau	1.3%	1.2%	3.2%

Source: NABCA/Discus

- US value depletions benefited from **price/mix gains of 2-3pp** in the 12M period to Sept.
- **Metaxa:** Very strong performance fuelled by Greece, Central & Eastern European markets and the success of the new premium range Metaxa 12 Stars.

Liqueurs & Spirits (9.1% organic growth in H1)

■ Mount Gay:

- Sales consolidated in H1, due to high comps
- US volume depletions penalised by the cycling of Black Barrel's launch, last year, and by the de-emphasising of the (lower-end) Eclipse range. Not reflective of brand health.

	Volume depletion trends to Sept 2014		
	3 months	6 months	12 months
US Rum Market	-4.2%	-3.6%	-1.4%
Mount Gay	-7.4%	-5.9%	-1.9%

Source: NABCA/Discus

- Effective value strategy: US value depletions enjoyed a **6-7pp price/mix gain** in the 12M period to September
- Travel Retail, Canada, France, Eastern Europe emerging as new growth drivers
- **Bruichladdich** sales doubled in 1H15, contributing +0.8pp to Group's organic growth
- **St-Rémy**: good growth led by a double-digit increase in Canada, the brand's largest market
- **Passoa** benefited from the FIFA World Cup and the launch of Passoa Red Shot in France

Liqueurs & Spirits: Marketing Initiatives

Mount Gay Masterclasses



Cointreau Rickey Private Dinner in the Hamptons



Partner Brands (6.8%** organic growth in H1)

- End of the distribution contract with Edrington in the US as of 1 April 2014 (sales contribution from those brands was EUR48.0m in 1H14 and EUR103m in FY13/14)
- Solid organic growth in H1 led by EMEA and Travel Retail:
 - Champagne: Double-digit decline reflects a challenging macro environment in Western Europe and EPI's long-term value strategy
 - Third-party spirits brands: Strong growth driven by the positive leverage of RC's European distribution network

2014/15 Outlook Unchanged

- Confirms 2014/15 objectives of delivering positive organic growth for:
 - Sales
 - Current operating profit

- These objectives should be calculated:
 - On a 2013/14 pro forma basis 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
