



Full-year results 2015-16

(year ended 31 March 2016)

9 June 2016



RÉMY COINTREAU



François
Hériard Dubreuil
Chairman



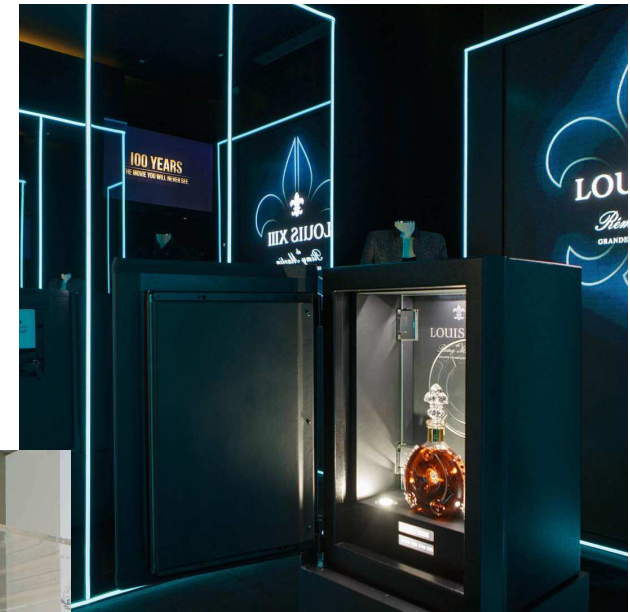
2015-16: A very special year

- First year of effective implementation of the new Group strategy
- Record year for cognac consumption worldwide (by volume) and for Rémy Martin
- Change in polarity of our world markets
- Increase in brand advertising and communication



RÉMY COINTREAU

The Louis XIII Suite in Cannes





Key figures *(as at 31 March 2016)*

		<i>Change</i>	
		Reported	Organic ^(*)
■ Sales	€1,050.7m	8.9%	0.3%
<i>of which Group's own brands</i>	€921.5m	11.3%	1.7%
■ Current operating profit	€178.4m	14.4%	6.1%
■ Current operating margin	17.0%	+80 bps	+90 bps
■ Net profit <i>(Group share)</i>	€102.4m	10.6%	- 1.4%
■ Net profit <i>(excluding non-recurring items)</i>	€110.4m	16.7%	5.0%
■ Net earnings per share <i>(Group share)</i>	€2.11	10.5%	
■ Net earnings per share <i>(excluding non-recurring items)</i>	€2.27	16.4%	
■ Net debt / EBITDA ratio:	2.29		

() Organic growth is calculated assuming constant exchange rates and consolidation scope*



Valérie
Chapoulaud-Floquet

Chief Executive Officer



Sound full-year figures

- **Sales** show organic growth of 0.3%^(*):
 - up 1.7%^(*) for the Group's own brands...
 - ...Supported by Rémy Martin's return to growth (up 3.2%)^(*)
 - Excellent performance from the United States (Group's own brands) and from Africa, Germany, the UK and Japan

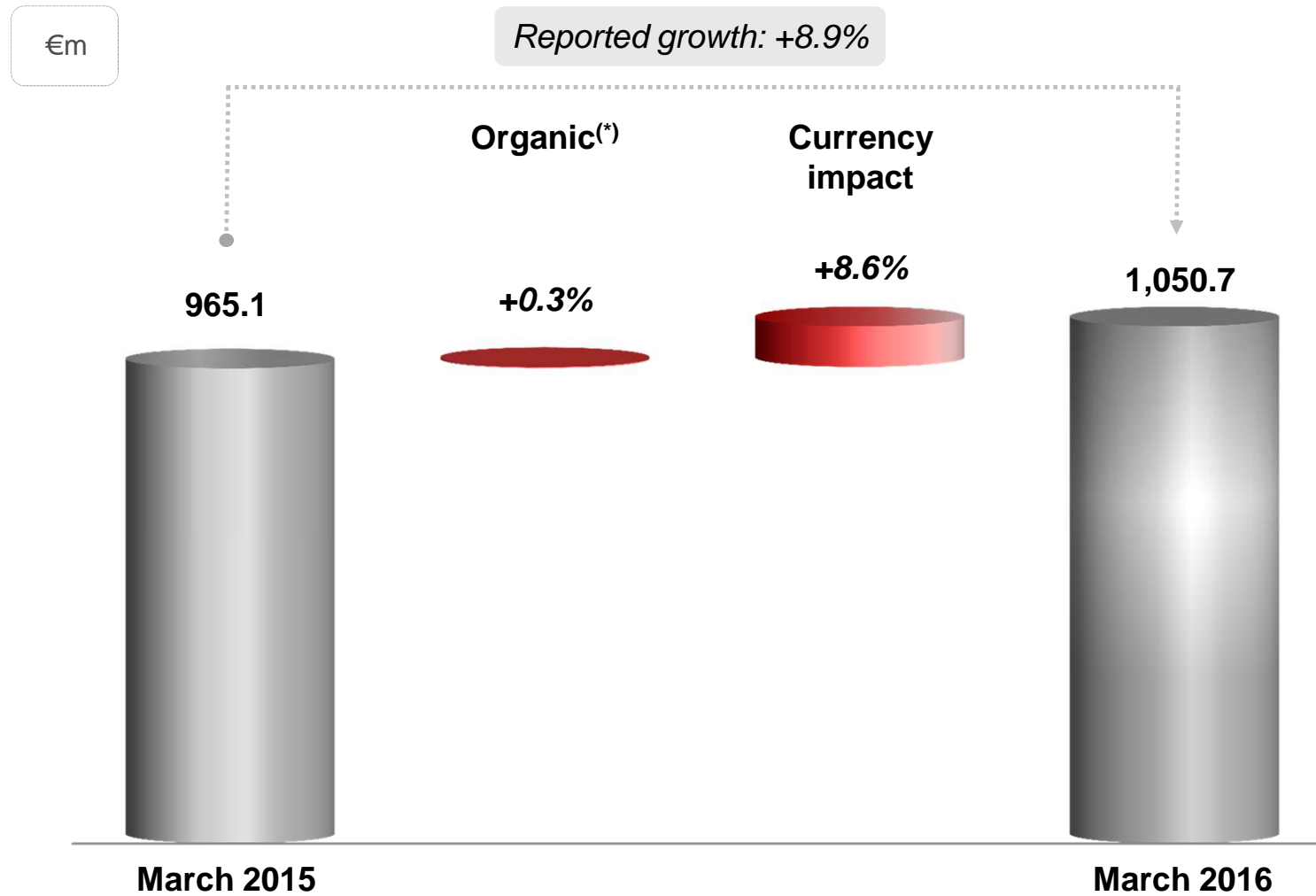
- **Current operating profit** shows organic growth of 6.1%^(*):
 - Outperformance of our exceptional spirits: positive mix and price effects
 - Optimisation of overheads, making it possible to finance....
 -Increased communications investments
 - Current operating margin at 17.0%, up 90 bps in organic terms

- **Net profit** (excluding non-recurring items) shows organic growth of 5.0%^(*)

() Organic growth is calculated assuming constant exchange rates and consolidation scope*
Full-year results year-ended 31 March 2016



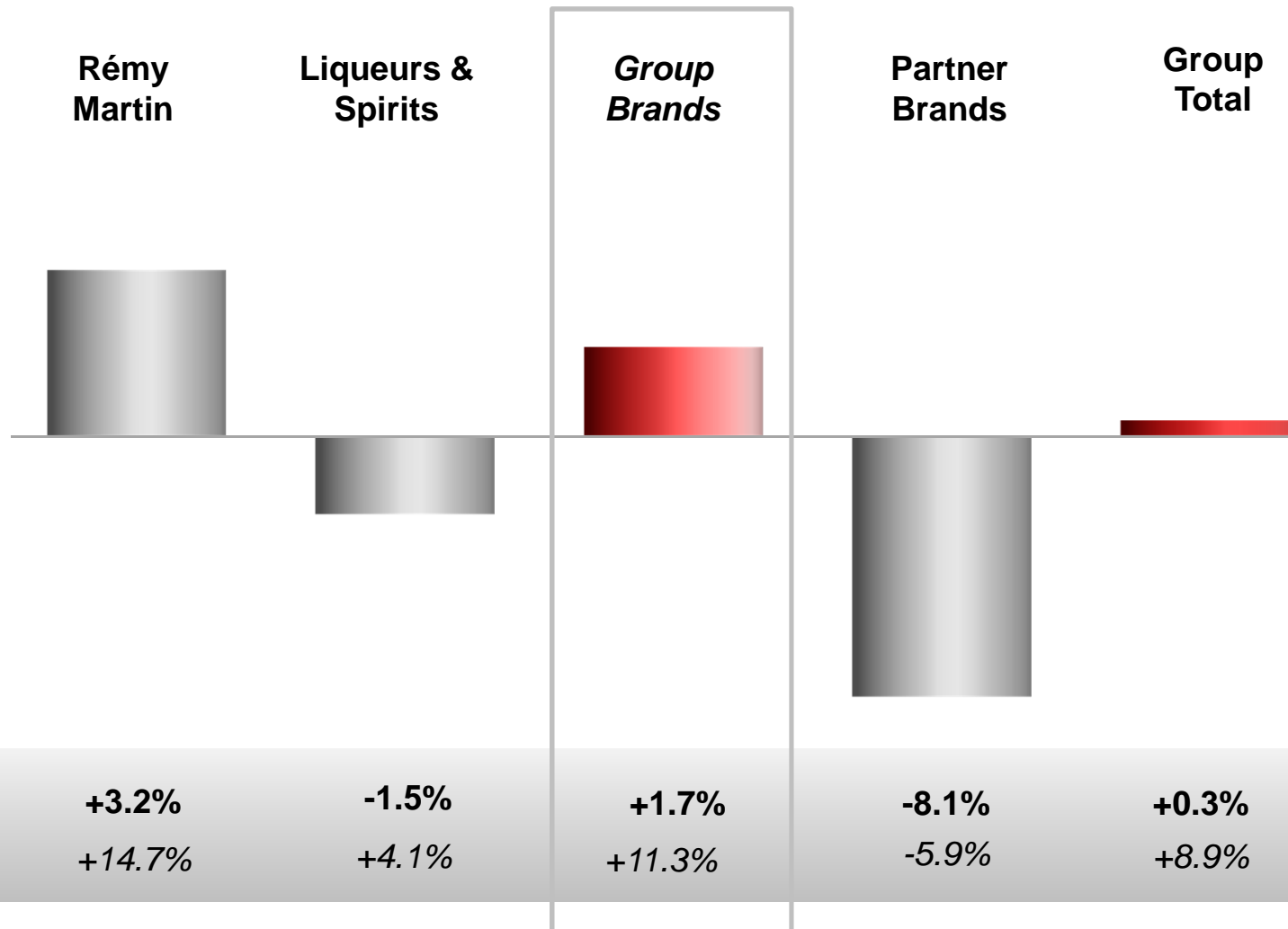
Group sales



(*) Organic growth is calculated assuming constant exchange rates and consolidation scope



Sales growth by product division



(*) Organic growth is calculated assuming constant exchange rates and consolidation scope

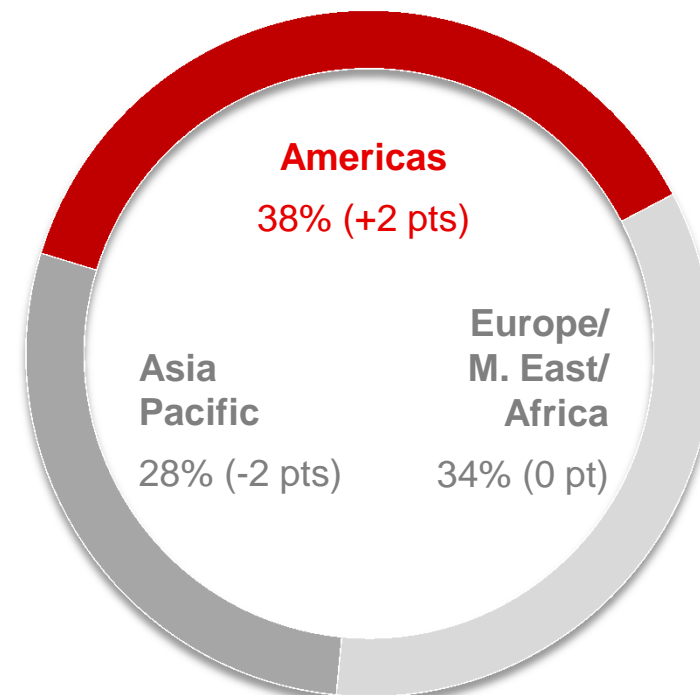


Breakdown of Group sales

by Division

by Region

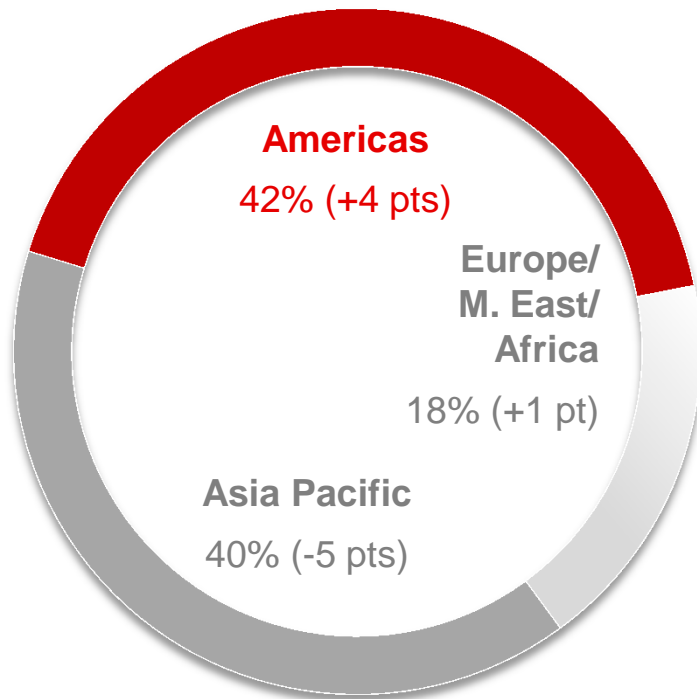
€1,050.7m



Sales breakdown for the Group's own brands

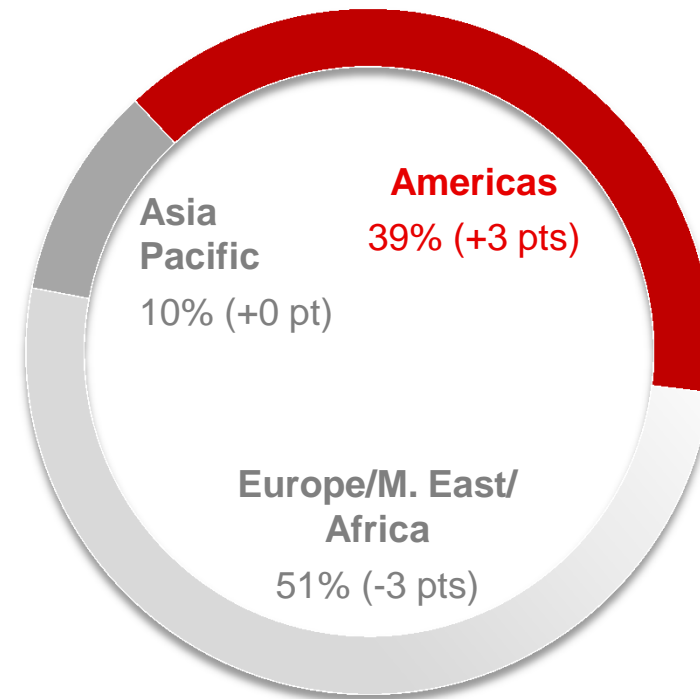
Rémy Martin

€647.8m



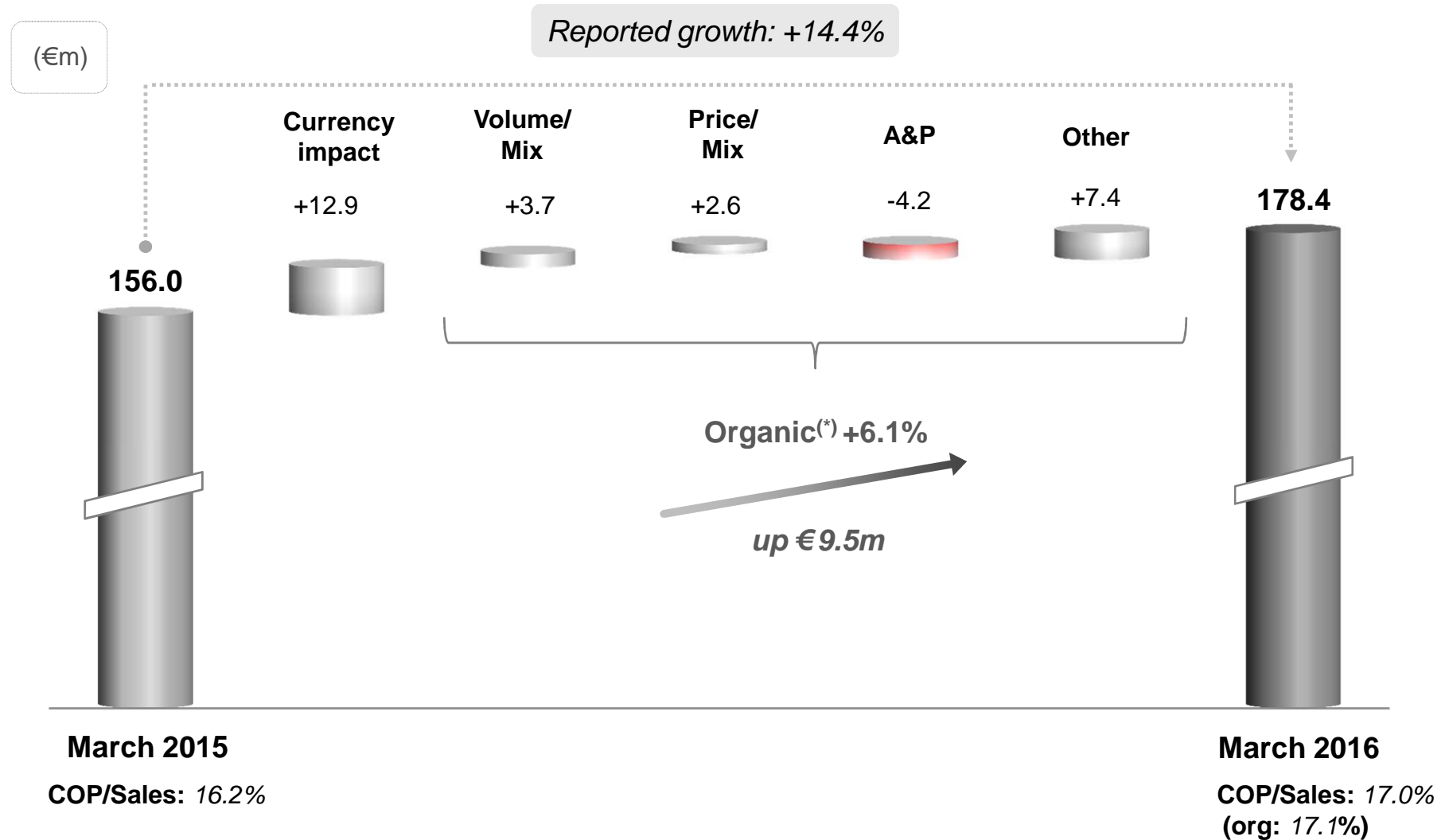
Liqueurs & Spirits

€273.7m





Current operating profit



(*) Organic growth is calculated assuming constant exchange rates and consolidation scope

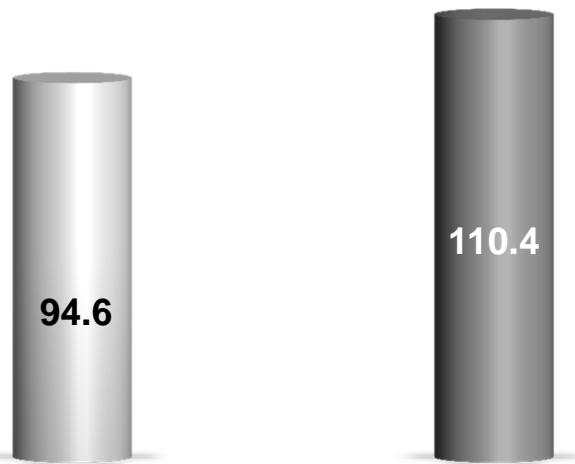


Net profit

(€m)

Net profit excluding non-recurring items

Reported +16.7%
organic^() change: +5.0%*

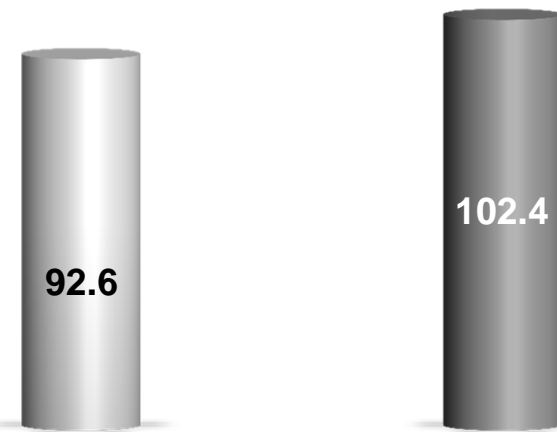


March 2015

March 2016

Net profit Group share

Reported +10.6%
organic^() change: -1.4%*



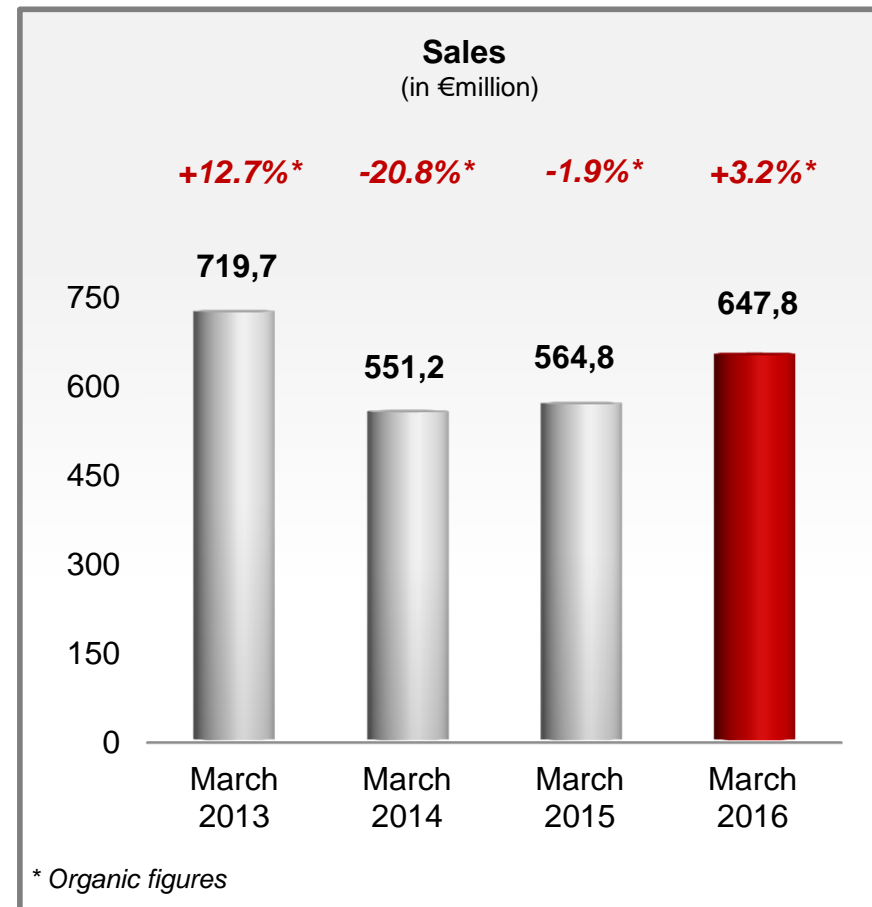
March 2015

March 2016

() Organic growth is calculated assuming constant exchange rates and consolidation scope*

House of Rémy Martin

- **Sales** show organic growth of 3.2% (volumes up 10.5%)
 - Record year by volume
 - Excellent performance in the United States
 - Buoyant demand in Africa, Germany, the UK and South-east Asia
 - Upturn in China: depletions up 5% in volume, stable in value



Rémy Martin: marketing initiatives



RÉMY COINTREAU

Rémy Martin: One Life/ Live Them advertising campaign



Rémy Martin Club limited edition by Christofle



La Maison Rémy Martin in London (2nd time held)

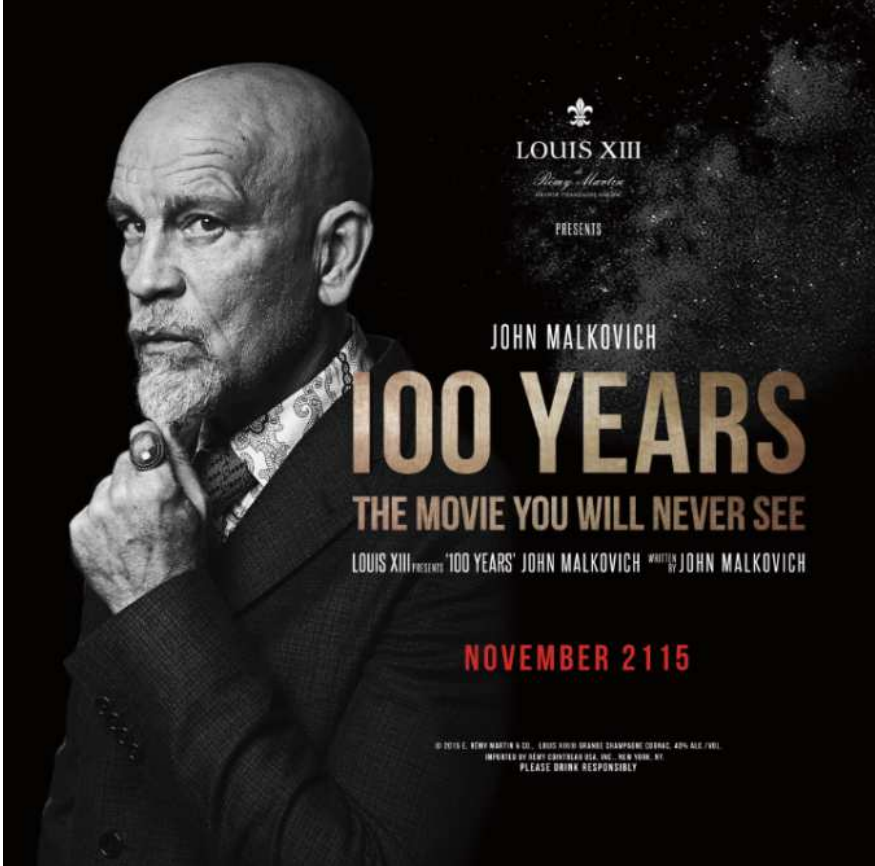


Connected bottle Rémy Martin Club in China



Louis XIII: marketing initiatives

Advertising campaign
“100 Years, the movie you will never see” with John Malkovich



Partnership with Hermès, Puiforcat and Sèvres:
L'Odyssée d'un Roi (A King's Odyssey)



"100 Years" wins creativity awards



**A Wood Pencil from D&AD (Design and Art Direction) in
"The Best in Advertising and Design" category**

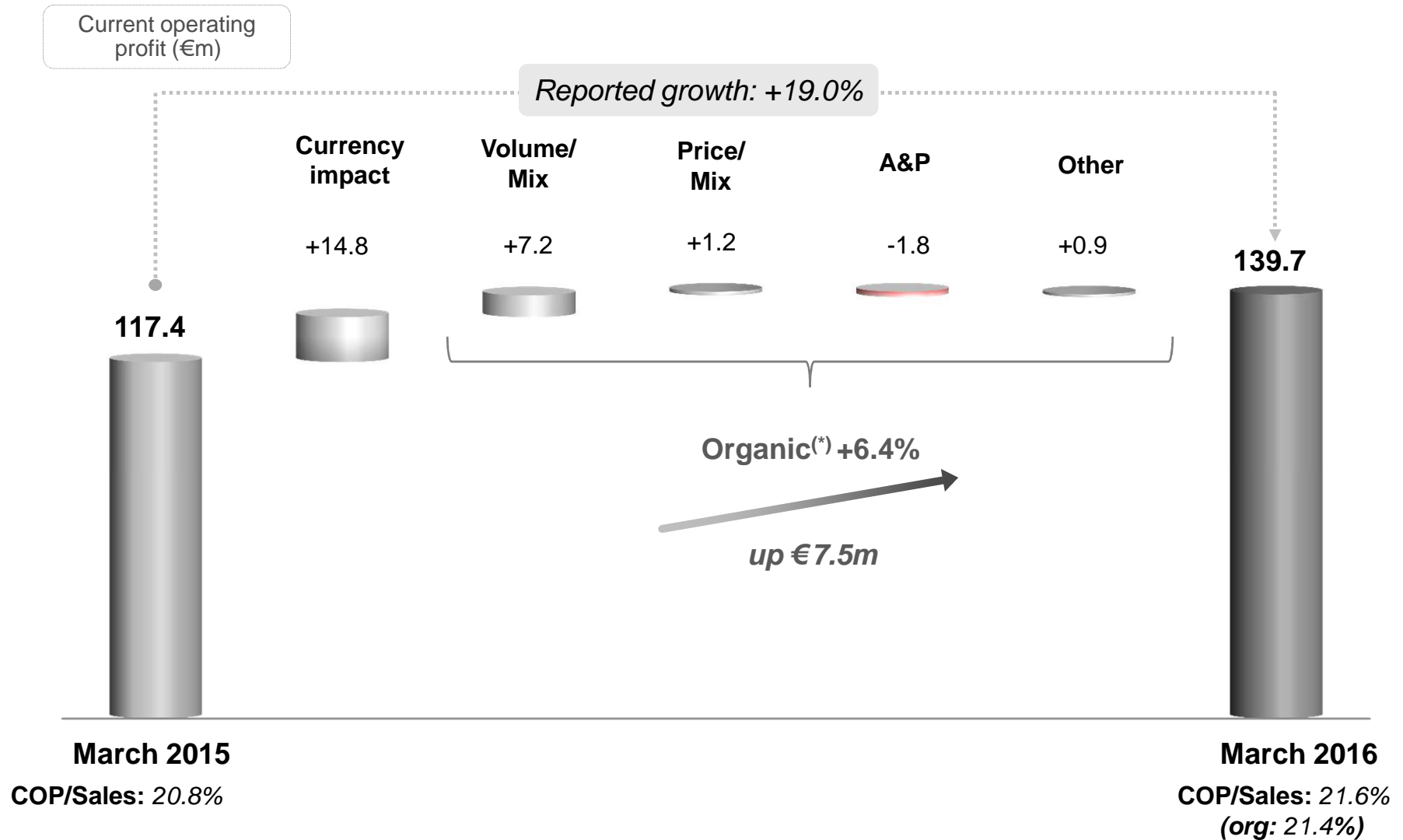


**The "Best in One Show" prize in the "Branded Entertainment" category
(5 prizes in total) at The One Show**



**The "Brand of the Year" prize for its commitment to creativity and
innovation (12 prizes in total) at New York Festivals**

House of Rémy Martin



(*) Organic growth is calculated assuming constant exchange rates and consolidation scope

Full-year results year-ended 31 March 2016

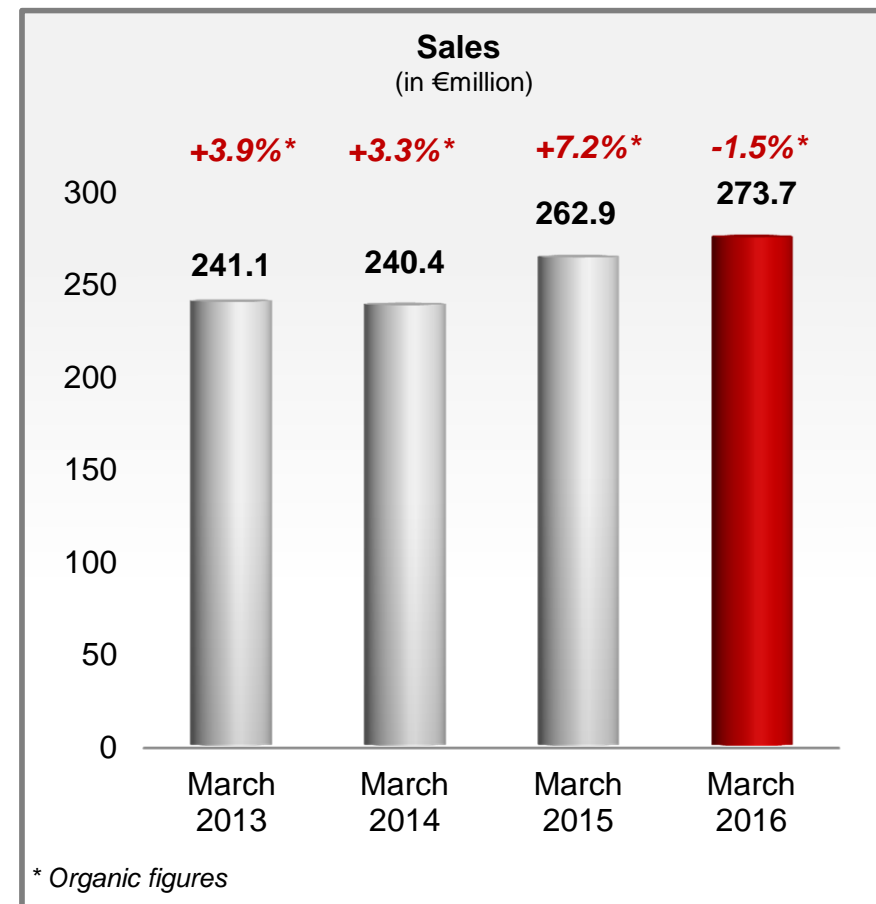
Liqueurs & Spirits



RÉMY COINTREAU

■ **Sales** show organic decrease of 1.5% (volumes down 4.0%)

- **Cointreau**
 - Decline in sales reflecting high comparison baseline in first half-year
 - Final demand sound in United States, slightly improving in Europe
- **Metaxa**
 - Sales suffered from the economic situation in Russia and Greece
 - Upturn in second half-year
- **Mount Gay**
 - Solid growth in main markets
- **Bruichladdich/Botanist**
 - Continued sustained growth



Liqueurs & Spirits: marketing initiatives



RÉMY COINTREAU

Octomore 7.4 Virgin Oak



Metaxa Angels' Treasure



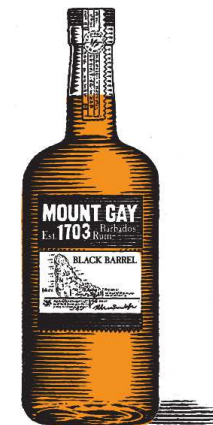
The Botanist



Bruichladdich and Port Charlotte



Cointreau Blood Orange



Mount Gay Black Barrel



*Metaxa AEN
Everness by Dimitri Tsigos*

Cointreau Creative Crew: media success



RÉMY COINTREAU



marie claire
THINK SMART, LOOK AMAZING

Win 20K For Your Business Idea



Cointreau Are Offering £20,000 To A Creative Young Entrepreneur

Fancy winning £20,000 to fund a new business?

La Maison Cointreau and French Model L'Oréal Paris have joined forces to announce the official launch of the Cointreau Creative Crew £20,000 Grant Scheme. Fans of a worldwide philanthropic programme, it will see the drinks company champion creative minds across the country, and encourage them to make their dreams a reality.



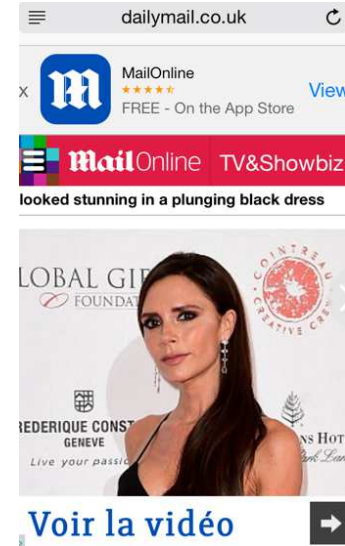
between
10ands
THE ONLINE MAGAZINE

DESIGN · ILLUSTRATION · PHOTOGRAPHY · VIDEO · ADVERTISING · ART · FASHION · FEATURES



Written by Sabina Pado on April 7, 2016 in Campaigns, Competition

24 May Nacmie Harris wore a simple asymmetric dress and a silky clutch for the Cointreau Creative Awards at Liberty London.



THE COCKTAIL LOVERS
One man, one woman, living the London



Win a £20,000 grant for your creative vision with Cointreau Creative Crew - entry opens today!

Harpers.co.uk
Celebrating the best people in the UK with style and grace

Cointreau launches £20,000 creativity award



The Cointreau Creative Crew launched a £20,000 grant scheme to champion creativity and artistic innovation worldwide this week. The competition will run until Friday, April 15 and is open to anyone over the age of 25. Entries are invited with no criteria other than that the proposal matches Cointreau Creative Crew's Dream, Dare, Create vision. Participants will have to write 500 words about their particular talent and how the Cointreau Grant will help them to achieve their ambitions.

Harpers
BAZAAR

BEST DRESSED THIS WEEK: 23 MAY

SEE PHOTOS



24 May Nacmie Harris wore a simple asymmetric dress and a silky clutch for the Cointreau Creative Awards at Liberty London.



THE COCKTAIL LOVERS
One man, one woman, living the London cocktail lifestyle



Cointreau crowns its first Cointreau Creative Crew winner

May 31, 2016

Thanks to the fabulous folk at Cointreau one creative project is £20,000 better off than it was at this time last week. The fantastically generous business grant was the top prize in the first Cointreau Creative Crew initiative launched by La Maison Cointreau and L'Oréal Paris in London earlier this year. It's a wonderful story that we're excited to share.

THE COMPANION
Life

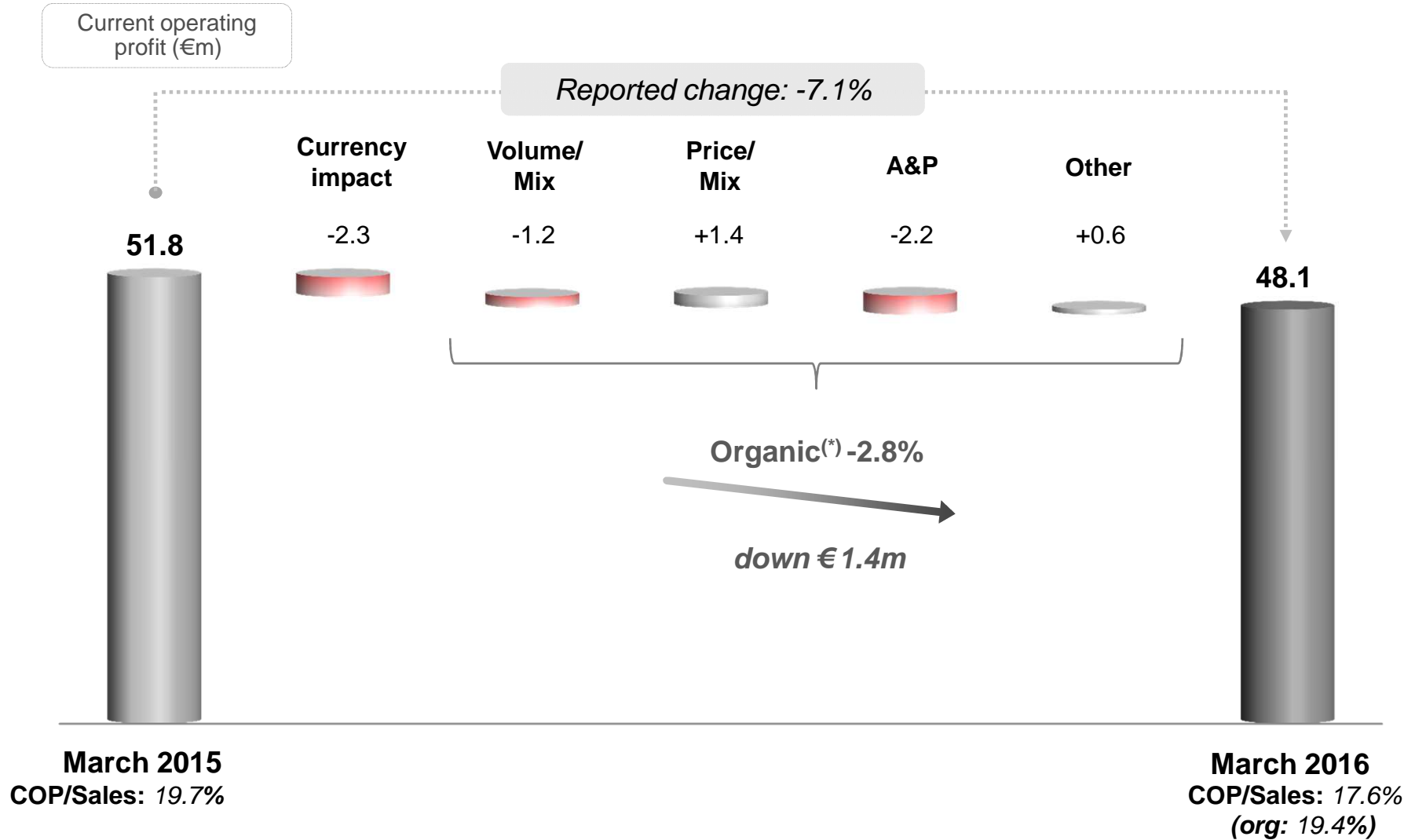
HOME · LIFESTYLE · SHOWBIZ · TRENDING · LS DIARIES · ON THE COVER

Cointreau Creative Crew Officially Launches in Nigeria





Liqueurs & Spirits

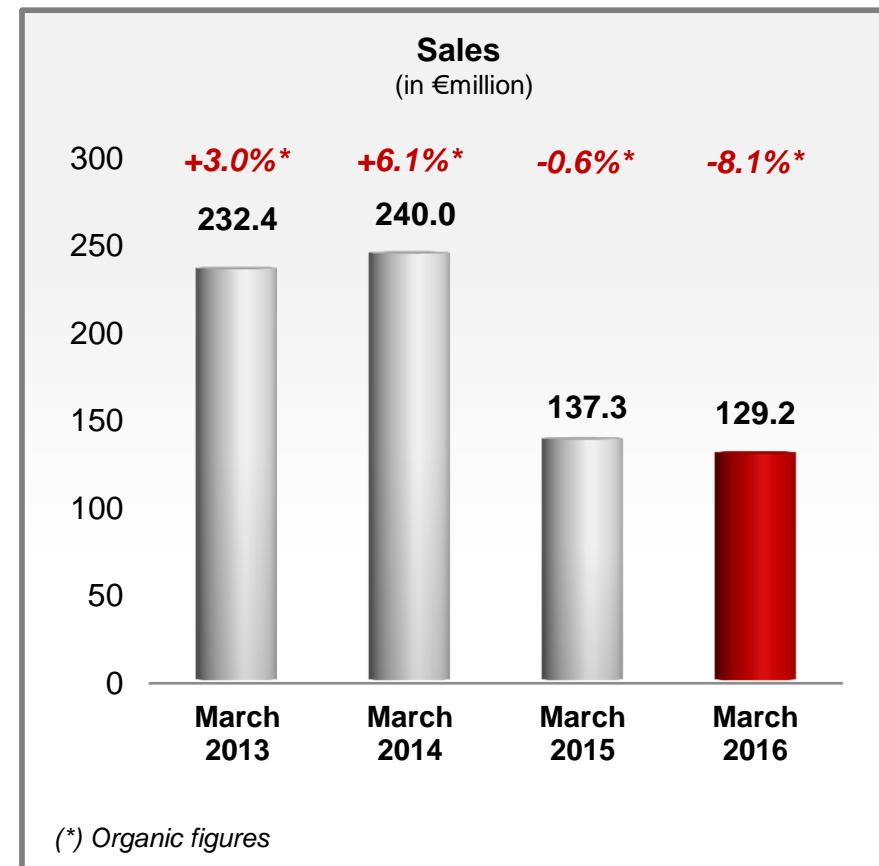


(*) Organic growth is calculated assuming constant exchange rates and consolidation scope

Partner Brands

■ **Sales** show organic decrease of 8.1% (volumes down 0.8%)

- Healthy increase in third party brands in the EMEA region
- Decline in champagne sales (end of champagne distribution agreement in the United States)

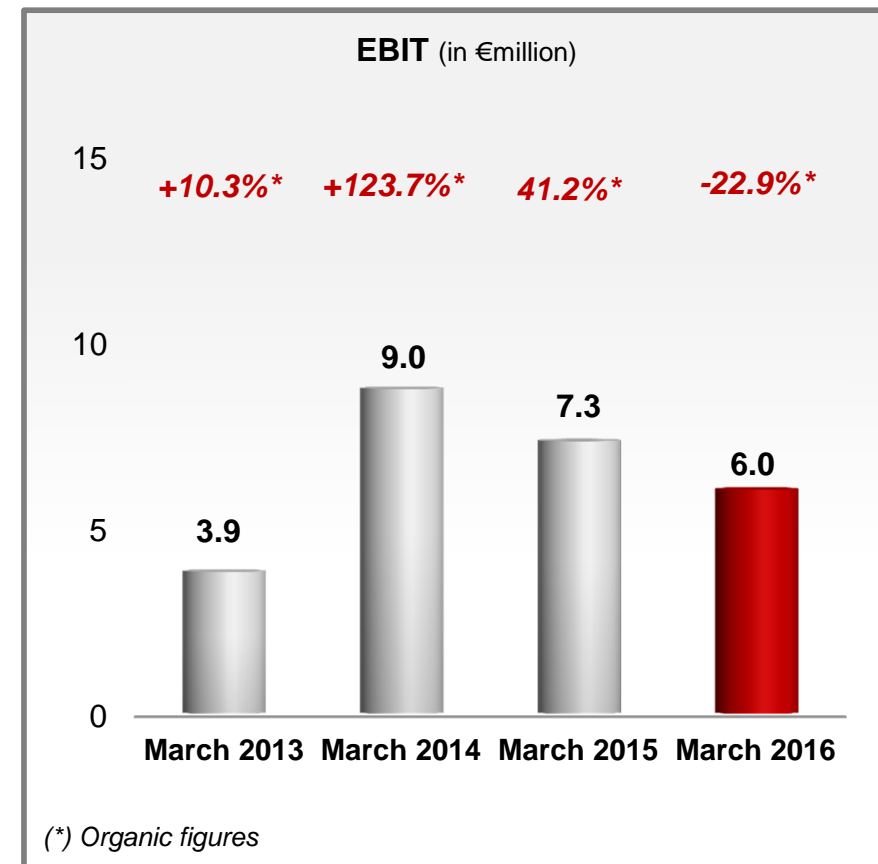




Partner Brands

- **Current operating profit: €6.0m (down 22.9% in organic terms)**

- End of champagne brands distribution agreement in the United States (impact: €1.5m)
- Unfavourable product mix effects





Luca Marotta

*Chief Financial
Officer*

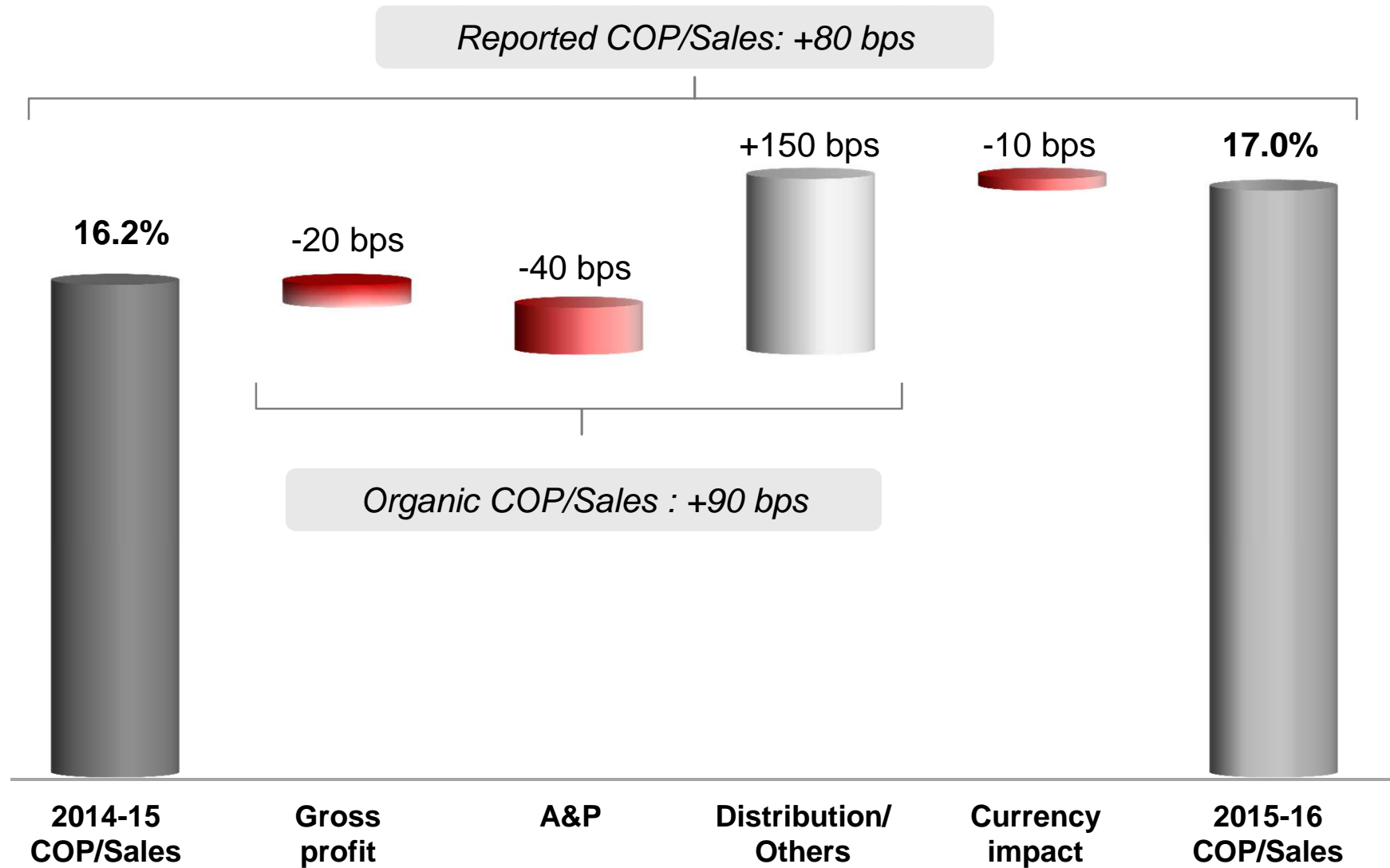


Current operating profit

<i>(€m)</i>	2015	2016	Reported change	Organic change
Sales	965.1	1,050.7	+8.9%	+0.3%
Gross profit	618.1	665.8	+7.7%	+0.0%
<i>in %</i>	<i>64.0%</i>	<i>63.4%</i>	<i>-60 bps</i>	<i>-20 bps</i>
Sales and marketing expenses	(374.2)	(406.7)	+8.7%	-0.5%
Administrative expenses	(89.4)	(81.6)	-8.7%	-9.4%
Other income & expenses	1.5	0.9	-	-
Current operating profit	156.0	178.4	+14.4%	+6.1%
Current operating margin	16.2%	17.0%	+80 bps	+90 bps



Current operating margin





Net profit

(€m)	2015	2016
Current operating profit	156.0	178.4
Other operating income (expenses)	0.5	0.3
Operating profit	156.5	178.7
Net financial income (charges)	(29.7)	(27.3)
Pre-tax profit	126.8	151.4
Taxes	(33.5)	(44.1)
Tax rate	26.4%	29.1%
Share in profit (loss) of associate companies	(0.7)	(4.8)
Net profit Group share	92.6	102.4
Net margin Group share	9.6%	9.7%
Net profit (excluding non-recurring items)	94.6	110.4
Net margin (excluding non-recurring items)	9.8%	10.5%



Net debt/Cash flow

(€m)	2015	2016	Change
Opening net financial debt (1 April)	(413.5)	(466.6)	(53.1)
Gross operating profit (EBITDA)	178.2	199.6	21.4
WCR of eaux-de-vie and spirits in ageing process	(38.0)	(42.6)	(4.6)
Other working capital items	(42.7)	0.0	42.7
Capital expenditure	(36.8)	(30.8)	6.0
Financial expenses	(26.6)	(21.1)	5.5
Tax payments	(24.3)	(29.9)	(5.6)
Total free cash flow	9.8	75.2	65.4
Dividends	(48.0)	(72.8)	(24.8)
Net proceeds of asset acquisitions/disposals	1.7	1.5	(0.2)
Conversion differences and other	(16.6)	4.5	21.1
Total cash flow for the period	(53.1)	8.4	61.5
Closing net financial debt (31 March)	(466.6)	(458.2)	8.4
A ratio (Net debt/EBITDA)	2.64	2.29	(0.35)

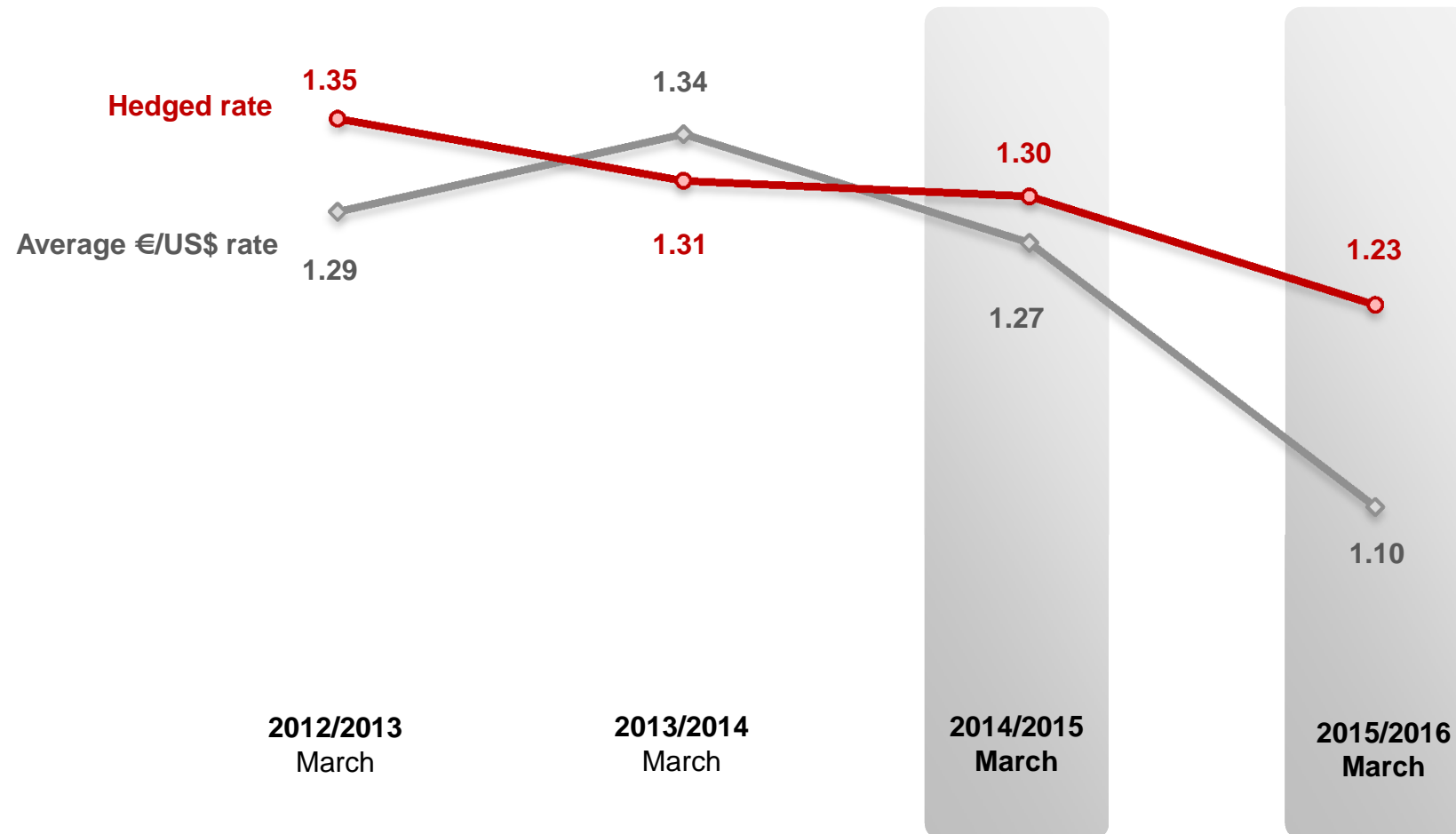


Net financial income (charges)

(€m)	2015	2016
Gross debt servicing costs	(26.8)	(24.1)
Investment income	2.9	0.1
Sub-total	(23.9)	(24.0)
Change in value of interest rate hedging instrument portfolio	(0.1)	-
Net currency gains (losses)	(2.0)	0.8
Other financial expenses (net)	(3.7)	(4.1)
Net financial income (charges)	(29.7)	(27.3)



Foreign exchange: hedging impact





Balance sheet at 31 March 2016

Assets

Liabilities

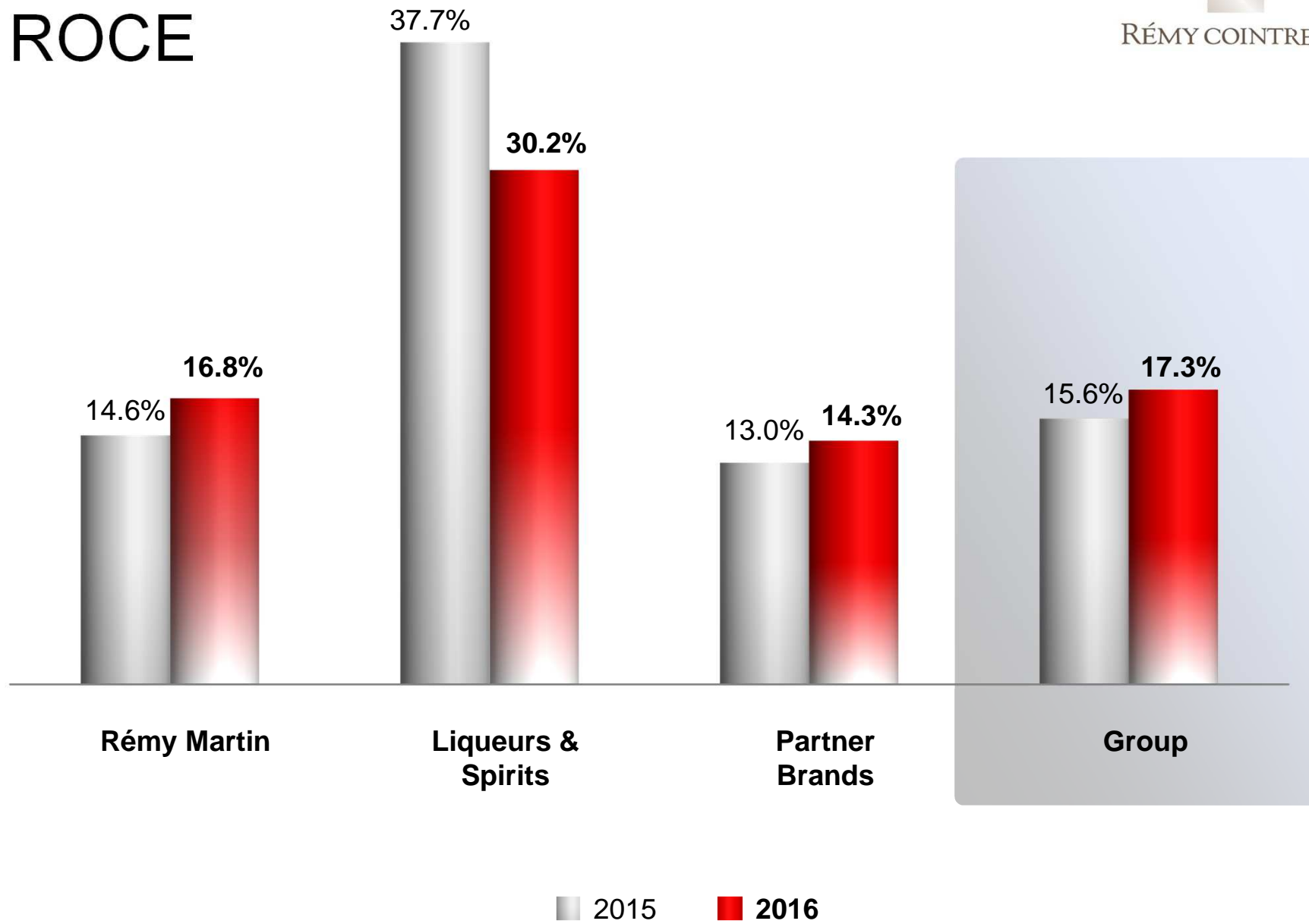
(€m)

	2015	in %	2016	in %		2015	in %	2016	in %
Non-current assets	889	38%	875	38%	Shareholders' equity	1,076	46%	1,113	49%
Current assets	1,376	59%	1,360	60%	Current and non-current liabilities	722	31%	664	29%
<i>o/w inventories</i>	1,109	47%	1,108	49%					
Cash	74	3%	47	2%	Gross financial debt	541	23%	505	22%
Total Assets	2,339	100%	2,282	100%	Total Liabilities	2,339	100%	2,282	100%
Stocks/Assets		47%		49%	Net gearing ratio		43%		41%



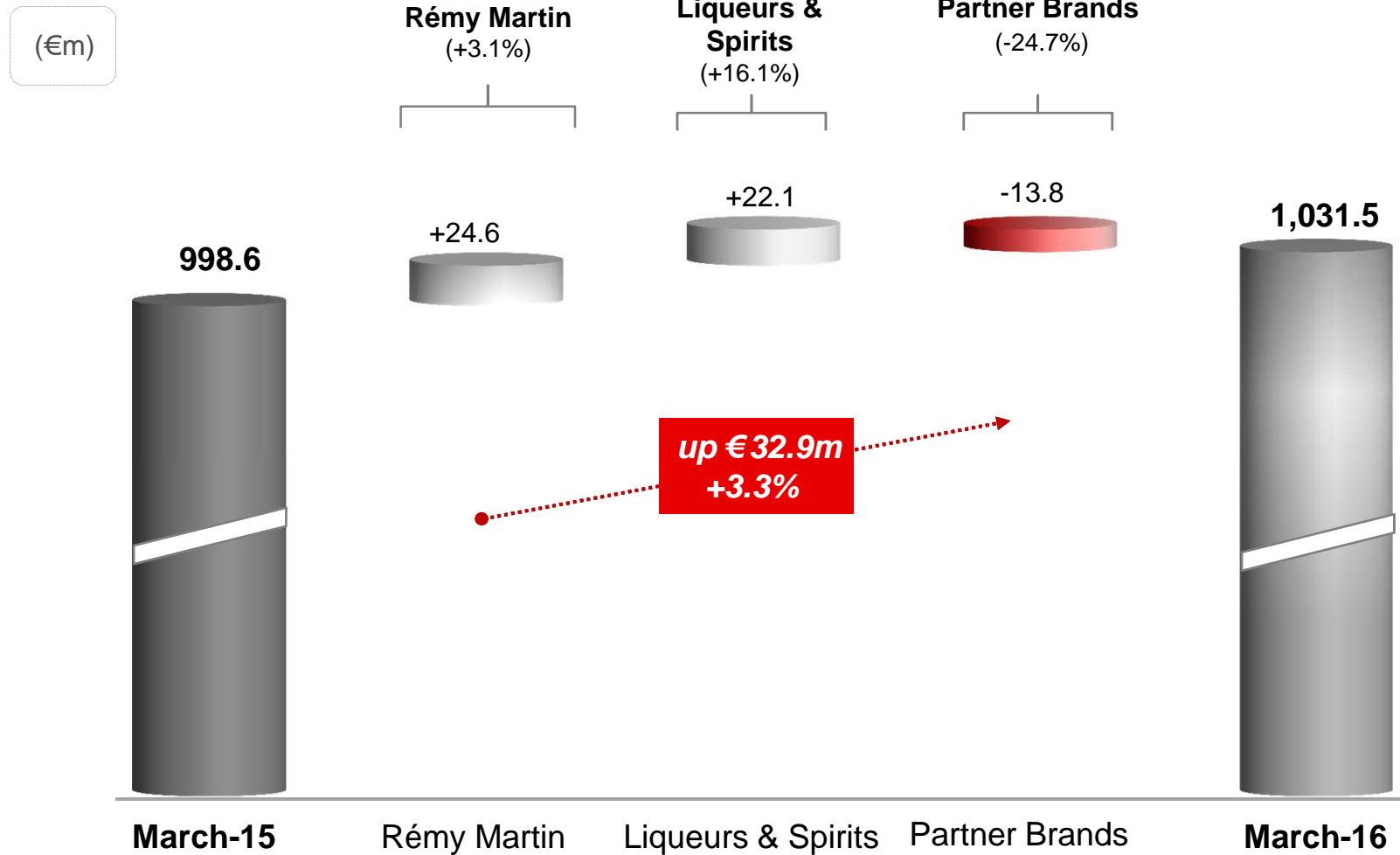
RÉMY COINTREAU

ROCE





Changes in capital employed





Key events during the year and post year-end

- **27 October 2015** → Sale of Izarra – Distillery de la Côte Basque to Spirited Brands
- **26 July 2016** → A dividend of €1.60 per share, with an option for payment in cash or shares (for the entire dividend paid out), will be put to the shareholders' vote at the AGM on 26 July 2016.

In €	2012/13	2013/14	2014/15	2015/16
Dividend	1.40	1.27	1.53	1.60

- **31 August 2016** → Exit from Lixir joint-venture in France
- **1 September 2016** → Distribution agreement with Bollinger Diffusion on the French market for the Maison Rémy Martin and Mount Gay rum brands

CSR: renewed ambitions



RÉMY COINTREAU

2015-16 highlights

- Launch of the new 2020 CSR Plan
- First HR Worldwide satisfaction survey
85% response rate
- In-house initiatives on Responsible Consumption
- New Ethics Charter
- Joined SEDEX (procurement)
- Maintain GC Advanced (Global Compact) level
No. 1 in Industry sector /Gaïa index

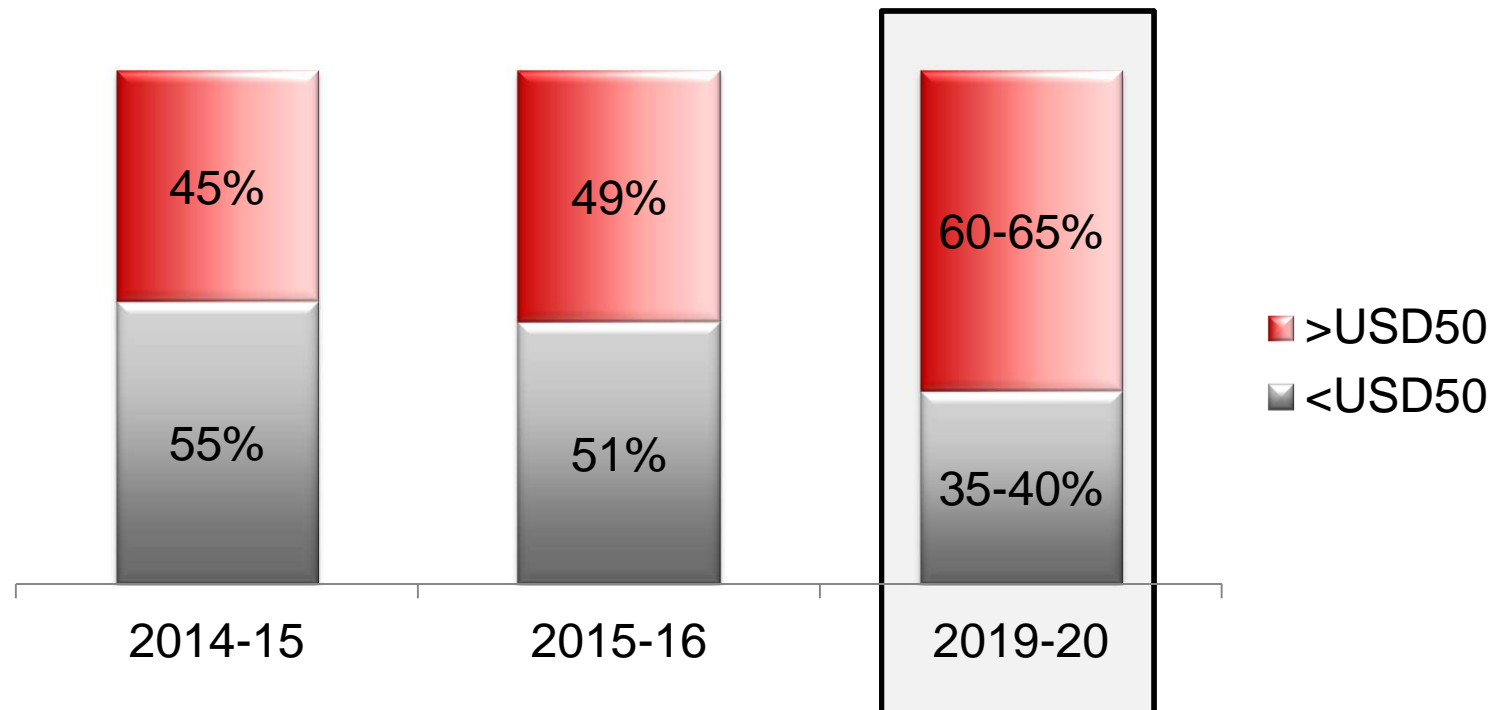
Plans for 2016-17

- Align Group objectives with those of COP 21
- CSR partnership with Viticulture (Cognac)
Reporting in Scope III
- Senior management remuneration linked to CSR metrics
(2017/18)
- Creation of a CSR Committee within the Board of
Directors



2015-16 performance consistent with our 2019-20 financial objectives

- **Exceptional spirits (>US\$50) will account for 60-65% of the Group's sales by 2019-20**



- **Current Operating Margin in the 18-20% range by 2019-20** (at 2014-15's exchange rate and like-for-like consolidation scope), i.e. an organic increase of 200-400 bps over the period



Outlook for 2016-17

- With worldwide economic, geopolitical and monetary circumstances remaining uncertain...
- ...The Group remains confident in its strategy of accelerating its move upmarket, supported by product creativity, targeted increases in communications investments, and optimisation of its distribution network
- **Growth in current operating profit in 2016-17, assuming constant exchange rates and consolidation scope**



Q&A