



RÉMY COINTREAU

Des terroirs, des hommes et du temps



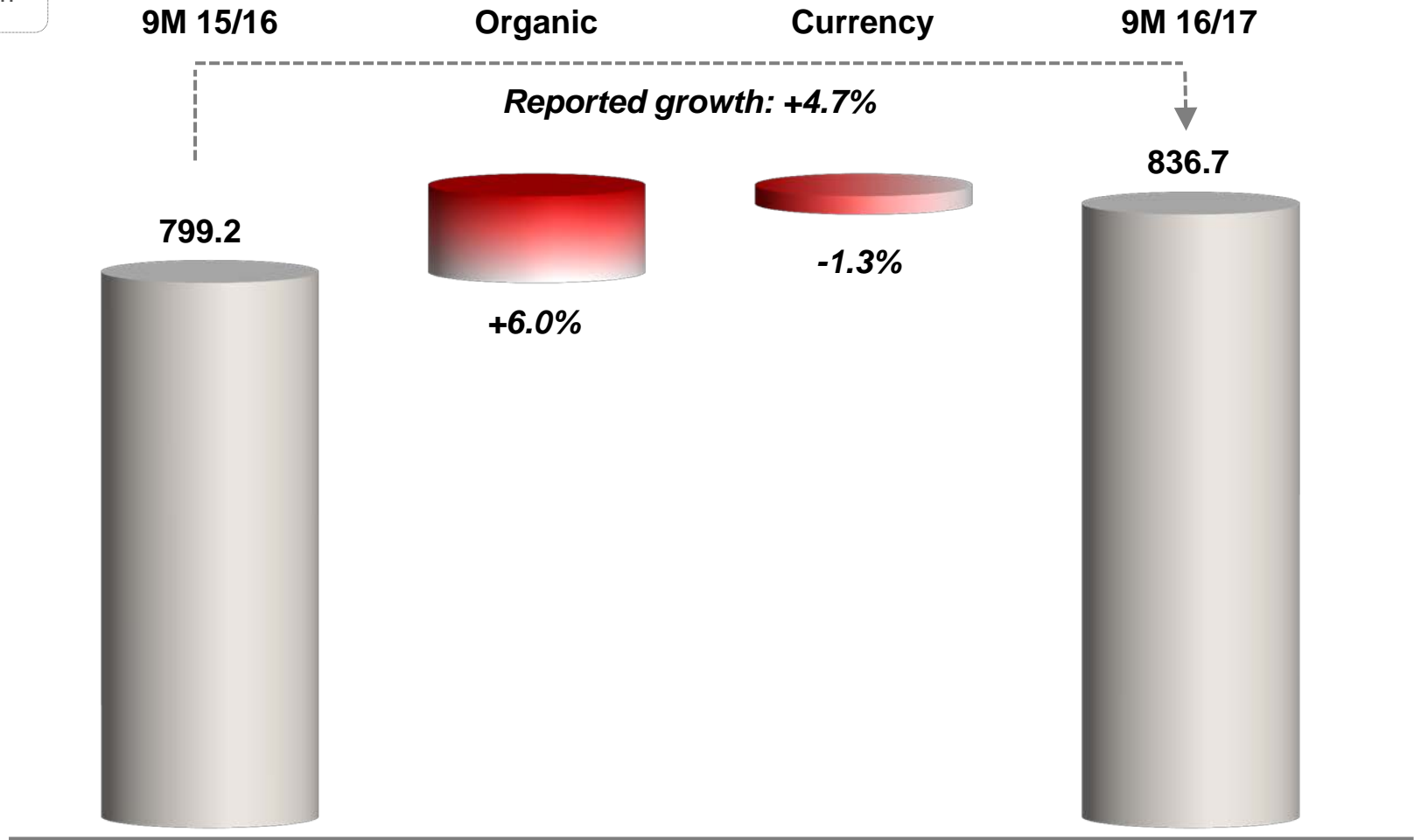
**Fiscal Year 2016/17
Sales for the 9 months
ended 31 December 2016**

Key Messages

- Strong Q3 organic sales growth (+9.0%) drives solid 9M (+6.0%)
- 9M performance led by Group's Own Brands (+9.1%, i.e 50% faster than total Group's growth)
- Supportive depletion trends in 9M 2016-17:
 - Further acceleration in consumer demand in all 4 sub-regions of Greater China ; positive early signs on CNY
 - Growth in the US normalizing (high single digits) after 2 very strong years (high double digits)
 - Western Europe broadly unchanged
 - Clear recovery in Russia
 - Global Travel Retail showing signs of improvement (in particular in Asia)
- Technical factors creating volatility, mainly in H2:
 - EUR8M hit in Q3 (EUR6M benefit from earlier CNY, offset by EUR1M hit from Passoa deconsolidation and EUR13M hit from Champagne contract)
 - Around EUR15M hit expected in Q4 (CNY effect to reverse; full Passoa deconsolidation; Champagne contract)
- FY16/17 outlook confirmed

9M 2016/17 Sales Analysis

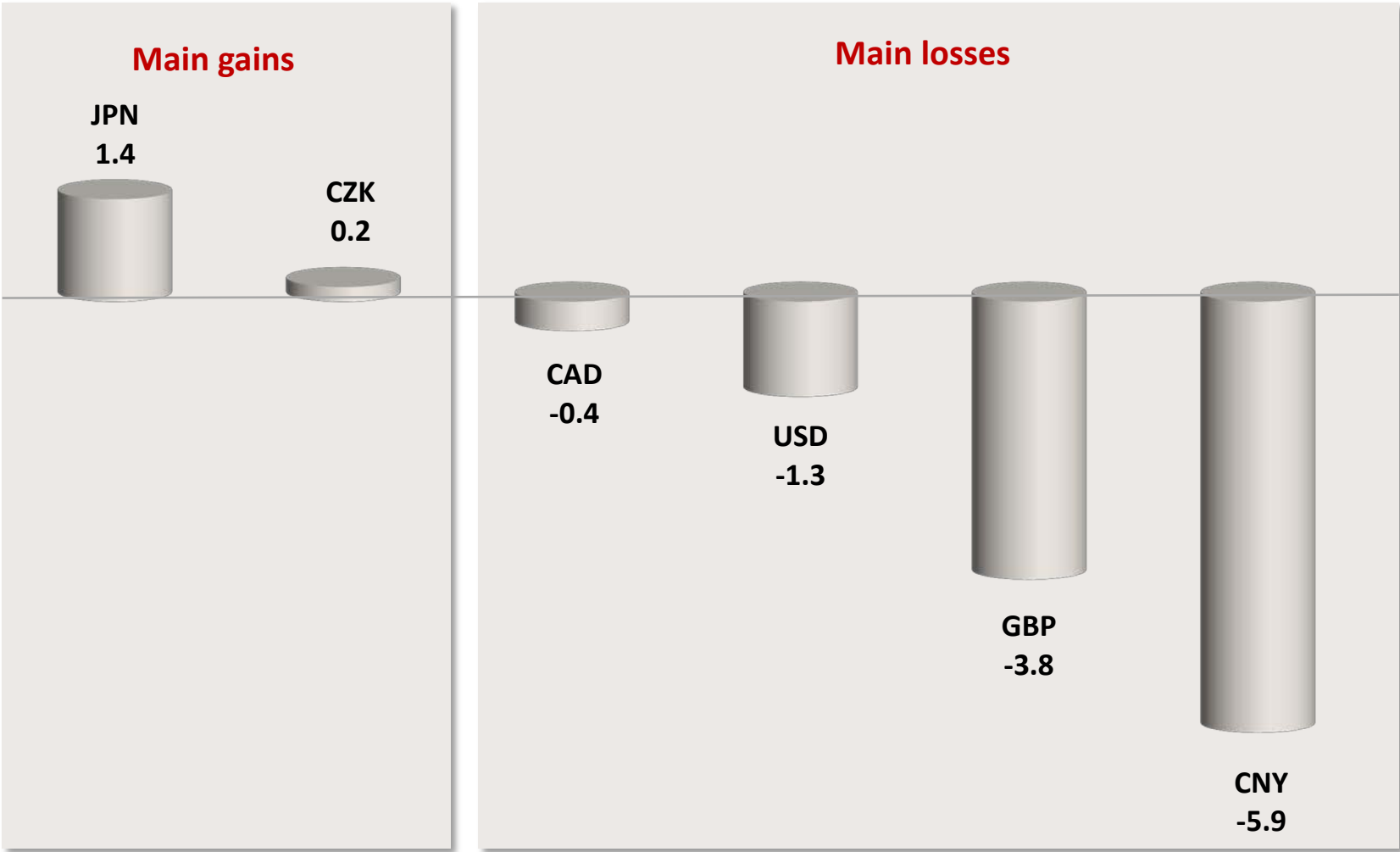
€m



Currency Impact on 9M 2016/17 Sales RC REMY COINTREAU

Negative translation currency impact : -10.2 million euros

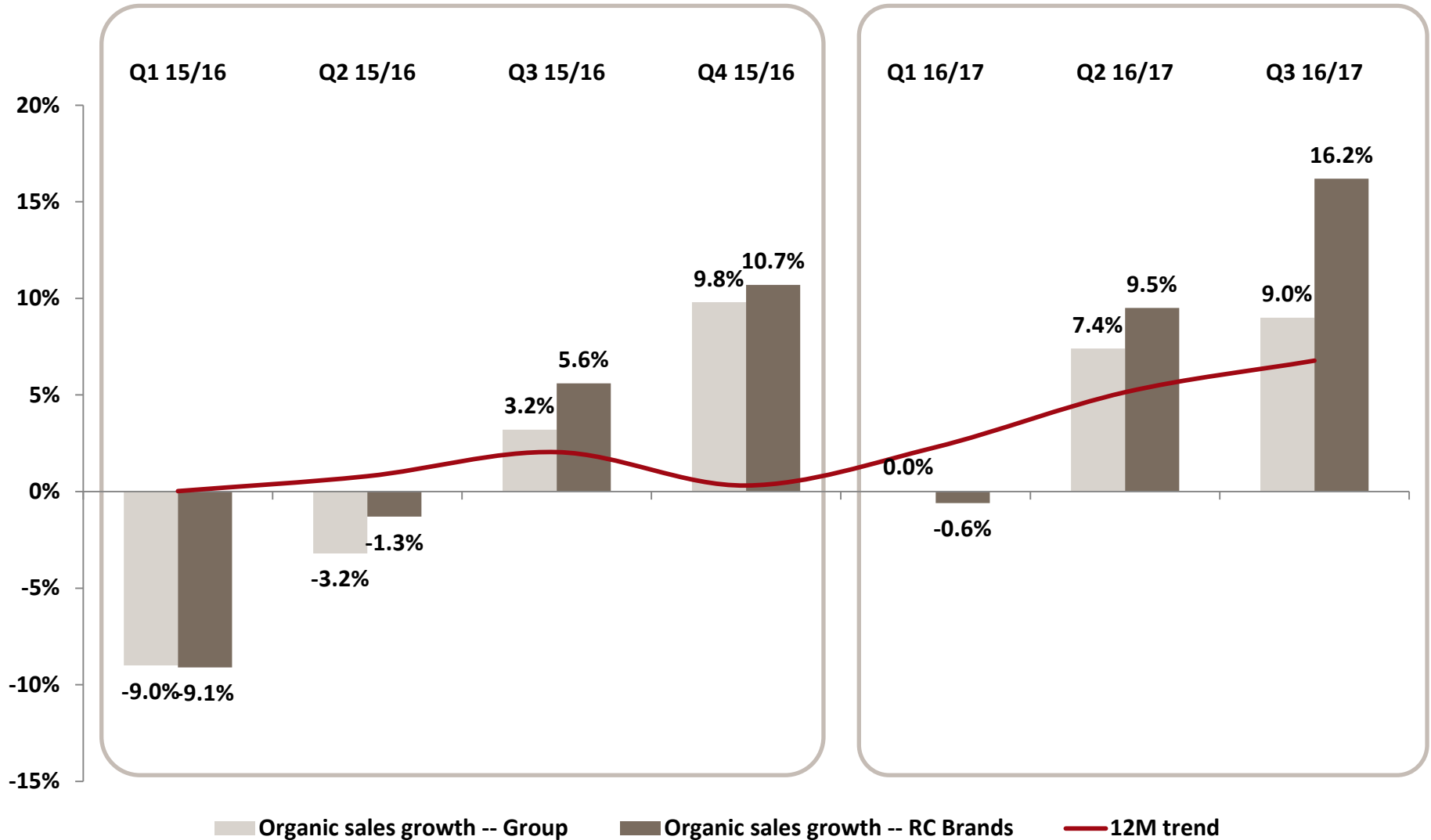
€m



Quarterly Organic Sales Growth

FY15/16: +0.3% (Group Brands: +1.7%)

9M 16/17: +6.0% (Group Brands: +9.1%)



9M 2016/17 Organic Trends by Region (1)

RÉMY COINTREAU

Asia-Pacific sales up double-digits in 9M 2016/17, partially helped by the earlier CNY

- Greater China sales up strong double-digits in 9M (EUR5M boost from earlier Chinese New Year in Q3)
- Greater China: further acceleration in 9M depletion trends led by private consumption
 - Depletions up high single digits in volume and low double digits in value, led by CLUB and superior qualities
 - Acceleration led by Mainland China and Taiwan; HK slightly positive on low comps; signs of improvement in Macau
- Australia: Strong improvement in sales trends further to change in route-to-market
- Japan negatively impacted by strong yen and price increases
- Travel Retail still in decline in 9M, despite upturn in Q3
 - Relaunch of classic VSOP and XO
 - EUR1M boost from earlier CNY

Americas sales up double-digits in 9M 2016/17

- US: Group Brands' value depletions :
 - +4.6% over 3M, +5.5% over 6M, +10.8% over 12M
 - Growth in the US normalizing (high single digits) after 2 very strong years (high double digits)
- Accelerating trends in Canada and double-digit growth in LatAm

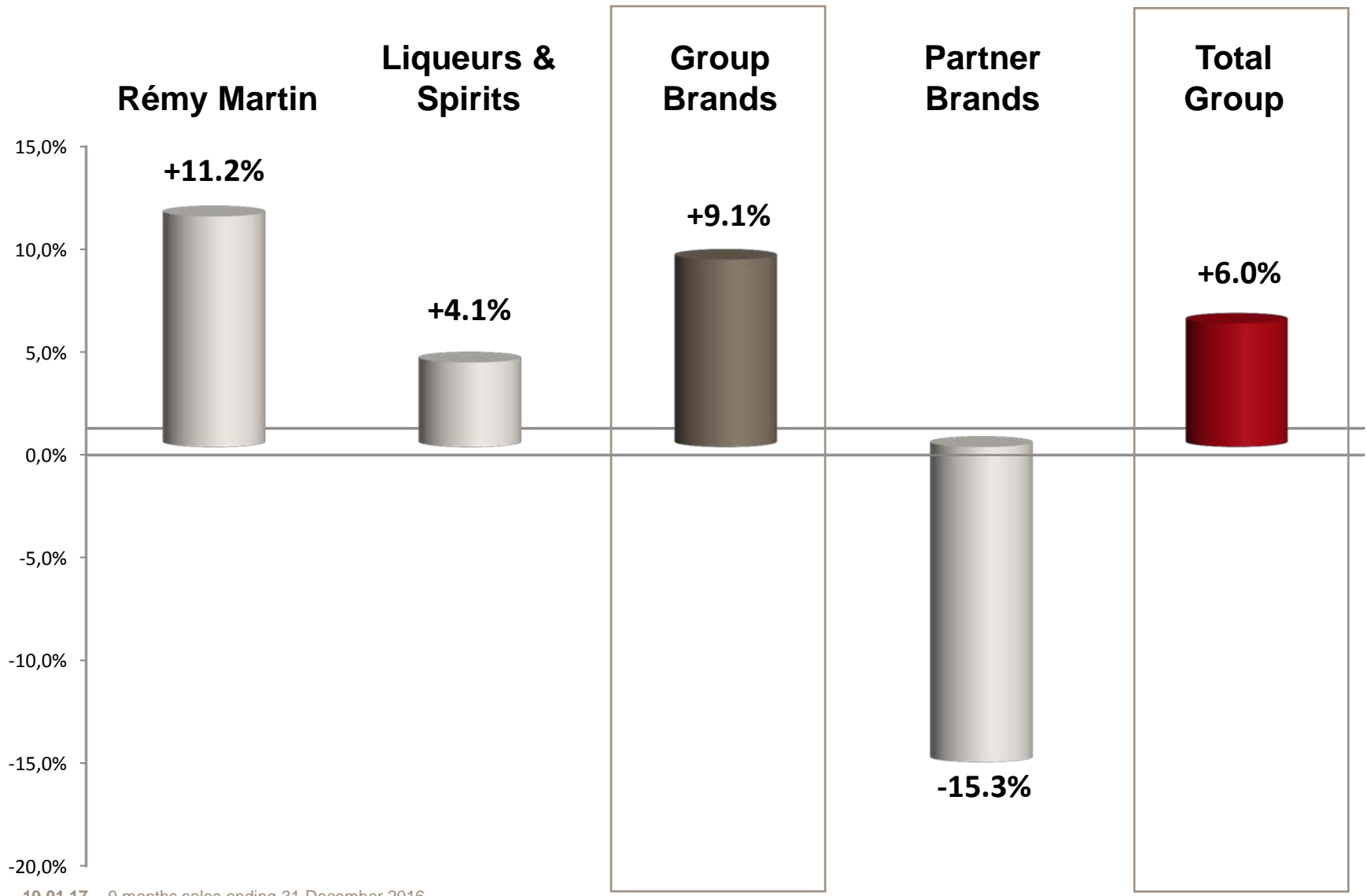
9M 2016/17 Organic Trends by Region (2)



Europe, Middle East & Africa sales slightly down in 9M 2016/17, due to technical factors

- Region penalized by the end of the distribution contract with Piper & Charles Heidsieck (EUR18M) and by the deconsolidation of Passoa from December 1st (EUR1M)
- Western Europe: double-digit sales decline in 9M, but flattish growth excluding technical factors
 - Good depletion trends in the UK and in France,...
 - ...but weakness in Belgium further to duty increase
- Central Europe: double-digit growth in 9M
 - Solid momentum led by Czech Republic and Slovakia
 - Greece back to double-digit growth after a good summer season
 - Poland gradually improving
- Russia/CIS: back to double-digit growth in 9M
 - Sell-in and depletion trends both growing double-digits, led by Louis XIII, Cointreau, Metaxa and St-Rémy
- Travel Retail: up mid-single digits in 9M; RC brands back to solid growth in Q3 led by Russian travellers
- Africa held back by Nigeria (macro-economic factors) in 9M; South Africa strong both in sell-in and sell-out

9M 2016/17 Organic Growth by Product Division



19.01.17 - 9 months sales ending 31 December 2016

Rémy Martin (+11.2% organic growth in 9M)

RÉMY COINTREAU

Asia-Pacific

- Double-digit sales growth in 9M, led by accelerated trends in Greater China, improving trends in GTR and a favorable shipment phasing due to the earlier timing of the Chinese New Year in Q3
- Greater China: depletions up high single digits in volume, low double digits in value in 9M

Americas

- Sales up double-digits in 9M
- US depletions : volume trends normalizing (high single digits) after 2 years of very strong growth (high double digits)

	Volume depletion trends to Dec. 2016		
	3 months	6 months	12 months
US Cognac/Brandy Market	2.9%	6.9%	6.9%
Rémy Martin	3.6%	4.2%	9.2%

Source: NABCA/Discus

- Solid depletion trends of 1738 and Louis XIII drove **price/mix gains of 3-4pp** in the 12M period to December

Europe, Middle East & Africa

- Sales slightly declined in 9M led by Western Europe and Nigeria
- Good depletion trends in the UK and South Africa
- Solid upturn in Russia/CIS

Rémy Martin: Marketing Initiatives

On the heels of the success of La Maison Rémy Martin in London:

La Maison Rémy Martin in Guanzhou

La Maison Rémy Martin opened in:

- Manchester: September 2016
- New York City: 18-22 October 2016
- Chicago : 3-6 November 2016
- Los Angeles : 17-20 November 2016
- Guangzhou : 1-15 December 2016



Total engagement on social media: 11 Million
Total reads on Weibo: 50 Million

...and back to London : 16 February - 3 March 2017

Liqueurs & Spirits (+4.1% organic growth in 9M)

Liqueurs & Spirits posted 4.1% organic growth in 9M, led by all three macro-regions

Cointreau

- Good sales growth, mainly driven by the US and growth relays
- US volume depletions held back by slower December trends (underlying +3-4%)
- Brand steadily gaining share in a depressed category
- US value depletions benefited from a **price/mix gain of 1-2pp** in the 12M period to December

	Volume depletion trends to Dec. 2016		
	3 months	6 months	12 months
Total US Cordials Market	-16.1%	-14.3%	-12.3%
Cointreau	0.3%	1.3%	4.2%

Source: NABCA/Discus

- Solid Cointreau depletions in France (+3-4% 12M ending December)
- Growing contribution of Greater China and Russia, as growth relays

Metaxa: Good sell-in and sell-out trends in 9M, led by ongoing strength in Central Europe and an upturn in Russia/CIS and Greece. Successful relaunch of Metaxa “12 Stars”.

Liqueurs & Spirits (+4.1% organic growth in 9M)

Mount Gay

- Gradual quarterly improvement in the Americas and EMEA drives positive 9M sales growth
- Positive mix gains led by the continued international roll-out of Black Barrel and XO
- US volume depletions still impacted by the gradual de-emphasis on entry-price Eclipse

	Volume depletion trends to Dec. 2016		
	3 months	6 months	12 months
Total US Rum Market	5.8%	1.9%	-0.3%
Mount Gay	-5.5%	0.1%	-1.9%

Source: NABCA/Discus

- US value depletions enjoyed a **price/mix gain of 2-3pp** in the 12M period ending December

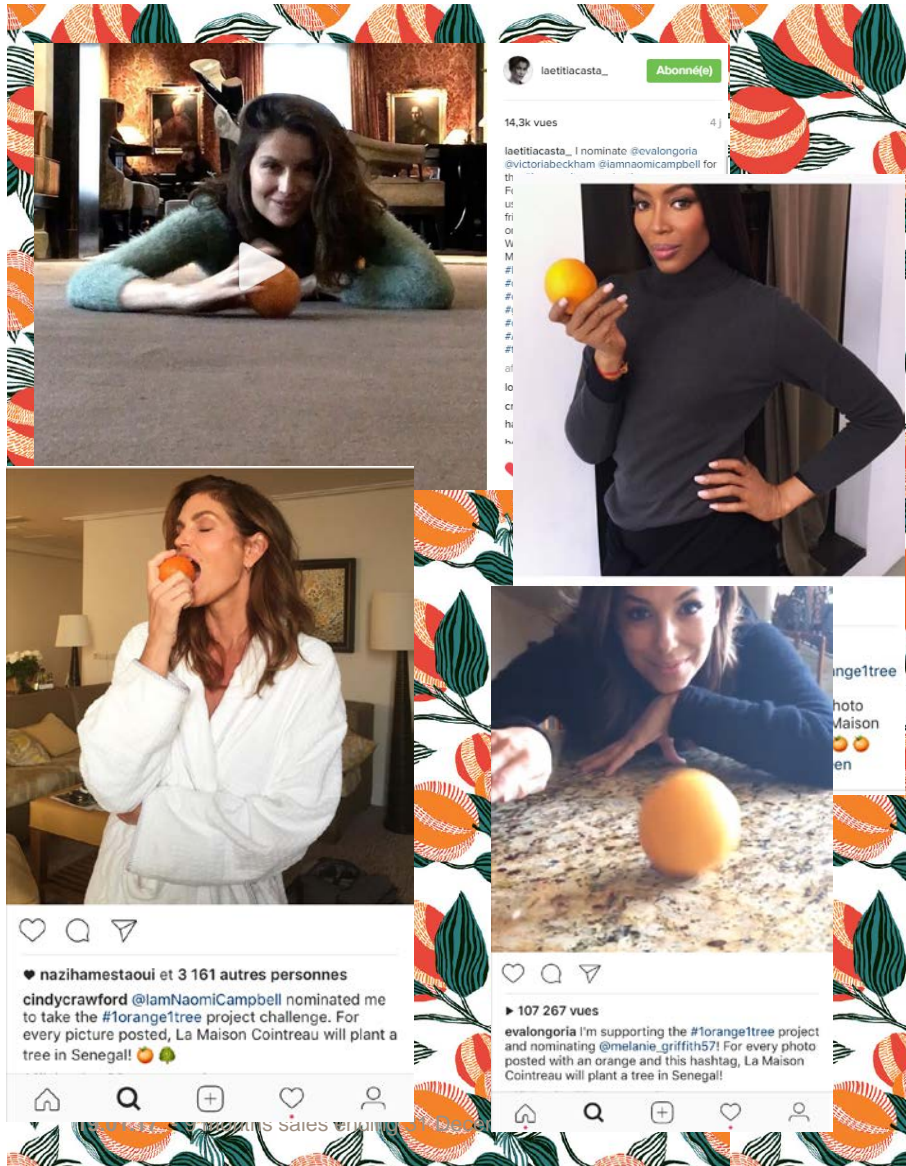
Islay Spirits: Double-digit sales growth led by key markets (Europe, US, and Travel Retail)

St-Rémy: Strength in St-Rémy XO offset by a decline in low-end quality volumes in Nigeria

Liqueurs & Spirits: Marketing Initiatives

RÉMY COINTREAU

The #1Orange1Tree Global Participative Project



WHAT

A **reforestation project** in Senegal

WHO

by Cointreau Artistic Director **Laetita Casta** with the support of the artist and founder of “One Heart One Tree”, **Naziha Mestaoui**

WHY

To contribute in restoring the local biodiversity and create a social impact in the Senegal community

HOW

Have your picture taken with an orange and share it on Instagram/Twitter/Facebook using **#1orange1tree** and nominate a friend to the same. **Cointreau will then plant 1 tree on your behalf!**

Partner Brands (-15.3% organic decline in 9M)



- Sales decline reflects the end of the distribution contract for Piper Heidsieck and Charles Heidsieck in EMEA and Travel Retail (EUR18M loss in 9M)
- Other Third-Party spirits distributed in EMEA grew mid-single digits in 9M

2016/17 Outlook Confirmed

- 9M 2016/17 organic sales performance in-line with Group's expectations
- Maintains guidance of delivering positive growth in Current Operating Profit, at constant exchange rate and scope, for the financial year 2016/17



RÉMY COINTREAU

Des terroirs, des hommes et du temps



Questions & Answers
