



Paris, April 29th 2020

2019/20 full-year sales
(April 2019 – March 2020)

Group sales stand above €1 billion in a complex public health environment

Rémy Cointreau posted sales of **€1,024.8 million** in its 2019/20 financial year, down 9.0% on a reported basis. **Group Brands saw a moderate decline (down 4.0%)** in a complex public health environment, while sales of Partner Brands were down 68.5% as a result of the Group's voluntary withdrawal from some distribution contracts in Europe and the United States. Foreign exchange effects were positive, adding €24.5 million (2.2%) to sales over the period.

As expected, performance in the fourth quarter (down 24.0% on a reported basis) was heavily affected by the COVID-19 pandemic, which resulted particularly in the closure of on-trade outlets and the halting of international travel, first in Asia and subsequently in Europe and the United States.

In organic terms (i.e. assuming constant exchange rates and consolidation scope), Group Brands declined 6.3% over the 2019/20 financial year. The House of Rémy Martin was down 7.5%* over the period. Its cognac brands had an excellent year in China, despite lower demand since the end of January as a result of the epidemic. However, this performance was offset by an overall decline in Travel Retail, in the United States (as retailers lowered their stocks) and in Europe (due to changes in the distribution network).

The slight decline in the **Liqueurs & Spirits** division (down 3.0%*) was due to lower sales in Europe (adjustment of the distribution network) and the impact of the epidemic towards the end of the year. It thus conceals an excellent performance by Cointreau, The Botanist and the Group's portfolio of single malt whiskies in the United States.

Breakdown of sales by division:

(€m)	12 months to 31/03/20	12 months to 31/03/19	Change	
			Reported	Organic ^(*)
House of Rémy Martin	735.5	774.4	(5.0%)	(7.5%)
Liqueurs & Spirits	261.9	264.4	(1.0%)	(3.0%)
Subtotal: Group Brands	997.3	1,038.8	(4.0%)	(6.3%)
Partner Brands	27.5	87.2	(68.5%)	(68.7%)
Total	1,024.8	1,125.9	(9.0%)	(11.2%)

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

House of Rémy Martin

Sales at the **House of Rémy Martin** declined by 7.5% in organic terms in the 2019/20 financial year. China had another year of very strong growth - notably driven by the Rémy Martin CLUB quality - despite a drop in demand since the end of January due to the epidemic. Performance in other markets was more mixed, particularly in Travel Retail (firstly hit by the drop in tourism in Hong Kong and, more recently, by airport closures due to the public health crisis), the United States (with retailers reducing their stocks) and Europe (due to changes in the distribution network).

In spite of an unfavorable environment, the House of Rémy Martin's upscaling strategy continued to filter into very positive mix and price effects (adding 2.6%), partly making up for lower volumes over the period (down 10.1%).

Liqueurs & Spirits

The **Liqueurs & Spirits** division was down 3.0% in the year, on an organic basis. Changes in the distribution network in Europe and the impact of the pandemic on the Group's business in the Asia-Pacific region in the fourth quarter masked a very strong performance in the United States, favored by the success of Cointreau, The Botanist and the Group's portfolio of single malt whiskies.

The **House of Cointreau** delivered another year of strong growth in the United States. The "Cocktail Show" events platform supported this trend, establishing the brand at the heart of classic cocktails like the Margarita, the Sidecar, the Cosmopolitan and the Cointreau Fizz. Sales at the **House of Metaxa** declined over the period, mainly due to the change of distributors in Central Europe and Germany. Sales of **St-Rémy** also slowed down over the period despite a strong end to the year in Canada and successful brand marketing activities in the United States. The decline in sales of **Mount Gay** was mainly due to a deliberate slowdown in shipments ahead of the brand's relaunching in 2020/21. **The Botanist** enjoyed another year of strong growth, buoyed by the brand's expansion in the United States and Asia Pacific. Lastly, the **Whisky** business unit benefited from strong momentum in the single malt category, particularly in the United States.

Partner Brands

As expected, sales of Partner Brands fell sharply in the year (down 68.7% in organic terms) with the termination of major distribution contracts in the Czech Republic, Slovakia and the United States. For reference, the termination of these distribution contracts will reduce Group's Current Operating Profit by €5 million in the financial year 2019/20.

Outlook

After reporting full-year sales slightly above the guidance provided on April 2nd, 2020, the Group now anticipates Current Operating Profit to **decline by around 20% on a reported basis and by around 25% on an organic basis**, in the financial year 2019/20.

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

Furthermore, it confirms that wholesalers' destocking in Greater China, along with the sharp slowdown in key European and American markets due to the ongoing public health crisis, is likely to severely impact sales in the first quarter of the 2020/21 financial year: at this stage, the Group expects **organic sales to decline** by around **50 to 55%** over the period.

However, in anticipation of a **very gradual recovery in business during the second quarter of its financial year**, the Group reopened its Cognac production site on April 14th and its Angers site on April 20th, with all requisite measures in place to protect employees' health.

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

Sales and organic growth by division

First quarter 2019-20 sales (April-June 2019)

€m	Reported 19-20 A	Currency 19-20	Organic 19-20 (*) B	Reported 18-19 C	Change: Reported A/C-1	Change: Organic (*) B/C-1
House of Rémy Martin	161.1	6.0	155.1	147.0	9.6%	5.5%
Liqueurs & Spirits	55.3	1.5	53.9	55.3	0.1%	(2.6%)
Subtotal: Group Brands	216.5	7.5	209.0	202.3	7.0%	3.3%
Partner Brands	6.7	0.0	6.7	20.0	(66.4%)	(66.6%)
Total	223.2	7.5	215.6	222.2	0.4%	(3.0%)

Second quarter 2019-20 sales (July-September 2019)

€m	Reported 19-20 A	Currency 19-20	Organic 19-20 (*) B	Reported 18-19 C	Change: Reported A/C-1	Change: Organic (*) B/C-1
House of Rémy Martin	218.4	6.4	212.1	212.6	2.7%	(0.3%)
Liqueurs & Spirits	75.9	1.8	74.1	66.6	13.9%	11.2%
Subtotal: Group Brands	294.3	8.1	286.2	279.3	5.4%	2.5%
Partner Brands	6.4	0.1	6.3	25.5	(74.9%)	(75.2%)
Total	300.7	8.2	292.5	304.7	(1.3%)	(4.0%)

First half 2019-20 sales (April-September 2019)

€m	Reported 19-20 A	Currency 19-20	Organic 19-20 (*) B	Reported 18-19 C	Change: Reported A/C-1	Change: Organic (*) B/C-1
House of Rémy Martin	379.6	12.4	367.2	359.6	5.6%	2.1%
Liqueurs & Spirits	131.2	3.2	128.0	121.9	7.6%	4.9%
Subtotal: Group Brands	510.8	15.6	495.1	481.5	6.1%	2.8%
Partner Brands	13.1	0.1	13.0	45.5	(71.2%)	(71.4%)
Total	523.9	15.7	508.1	527.0	(0.6%)	(3.6%)

Third quarter 2019-20 sales (October-December 2019)

€m	Reported 19-20 A	Currency 19-20	Organic 19-20 (*) B	Reported 18-19 C	Change: Reported A/C-1	Change: Organic (*) B/C-1
House of Rémy Martin	209.4	3.8	205.6	222.4	(5.9%)	(7.6%)
Liqueurs & Spirits	71.2	1.0	70.2	74.8	(4.8%)	(6.1%)
Subtotal: Group Brands	280.6	4.8	275.8	297.2	(5.6%)	(7.2%)
Partner Brands	9.6	0.1	9.5	24.3	(60.7%)	(61.1%)
Total	290.2	4.9	285.3	321.5	(9.8%)	(11.3%)

9-month 2019-20 sales (April-December 2019)

€m	Reported 19-20 A	Currency 19-20	Organic 19-20 (*) B	Reported 18-19 C	Change: Reported A/C-1	Change: Organic (*) B/C-1
House of Rémy Martin	588.9	16.2	572.8	582.0	1.2%	(1.6%)
Liqueurs & Spirits	202.5	4.3	198.2	196.7	2.9%	0.7%
Subtotal: Group Brands	791.4	20.4	771.0	778.7	1.6%	(1.0%)
Partner Brands	22.7	0.2	22.5	69.8	(67.5%)	(67.8%)
Total	814.0	20.6	793.4	848.5	(4.1%)	(6.5%)

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

Fourth quarter 2019-2020 sales (January-March 2020)

€m	Reported 19-20 A	Currency 19-20	Organic 19-20 (*) B	Reported 18-19 C	Change: Reported A/C-1	Change: Organic (*) B/C-1
House of Rémy Martin	146.5	2.7	143.9	192.4	(23.8%)	(25.2%)
Liqueurs & Spirits	59.4	1.2	58.2	67.7	(12.2%)	(13.9%)
Subtotal: Group Brands	205.9	3.8	202.1	260.0	(20.8%)	(22.3%)
Partner Brands	4.8	0.0	4.8	17.4	(72.2%)	(72.3%)
Total	210.8	3.8	206.9	277.4	(24.0%)	(25.4%)

Second half 2019-20 sales (October 2019 - March 2020)

€m	Reported 19-20 A	Currency 19-20	Organic 19-20 (*) B	Reported 18-19 C	Change: Reported A/C-1	Change: Organic (*) B/C-1
House of Rémy Martin	355.9	6.4	349.5	414.8	(14.2%)	(15.7%)
Liqueurs & Spirits	130.6	2.2	128.5	142.5	(8.3%)	(9.8%)
Subtotal: Group Brands	486.5	8.6	477.9	557.2	(12.7%)	(14.2%)
Partner Brands	14.4	0.1	14.3	41.7	(65.5%)	(65.8%)
Total	501.0	8.7	492.2	599.0	(16.4%)	(17.8%)

Full year 2019-2020 sales (April 2019 – March 2020)

€m	Reported 19-20 A	Currency 19-20	Organic 19-20 (*) B	Reported 18-19 C	Change: Reported A/C-1	Change: Organic (*) B/C-1
House of Rémy Martin	735.5	18.8	716.6	774.4	(5.0%)	(7.5%)
Liqueurs & Spirits	261.9	5.4	256.4	264.4	(1.0%)	(3.0%)
Subtotal: Group Brands	997.3	24.2	973.1	1,038.8	(4.0%)	(6.3%)
Partner Brands	27.5	0.2	27.3	87.2	(68.5%)	(68.7%)
Total	1,024.8	24.5	1,000.3	1,125.9	(9.0%)	(11.2%)

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

Definitions of alternative performance indicators

Rémy Cointreau's management process is based on the following alternative performance indicators, selected for planning and reporting purposes. The Group's management considers that these indicators provide users of the financial statements with useful additional information for understanding the Group's performance. These alternative performance indicators should be considered as supplementing those included in the consolidated financial statements and the resulting movements.

Organic sales growth

Organic growth is calculated excluding the impact of exchange rate fluctuations, acquisitions and disposals.

The impact of exchange rates is calculated by converting sales for the current financial year using average exchange rates from the previous financial year.

For acquisitions in the current financial year, sales of acquired entities are not included in organic growth calculations. For acquisitions in the previous financial year, sales of acquired entities are included in the previous financial year but are only included in organic growth calculations for the current year with effect from the anniversary date of the acquisition.

For significant disposals, data is post-application of IFRS 5, which systematically reclassifies the sales of sold entities in "Net profit from activities sold or to be sold" for the current and previous financial year.

This indicator serves to focus on Group performance across both financial years, which local management is more directly capable of influencing.

Contact: Laetitia Delaye – +33 (0)7 87 25 36 01

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