



RÉMY COINTREAU

Paris, 16 October 2014

Fiscal Year 2014/15 Consolidated Sales for First Half-Year (April – September 2014)

Rémy Cointreau achieved sales of €471.8 million for the first six months of the fiscal year, an organic decline of 5.6%, with a second quarter (-5.5%) broadly in line with the first.

Against very high comparables (H1 2013/14), the EMEA (Europe, Middle East & Africa) region posted sales growth over the first half-year, and the Americas were close to stability, whilst Asia-Pacific remained adversely affected by the continued destocking in China.

Generally, the decrease in our shipments over the first half masks the strong sell-out momentum of our upmarket brands in most of our major markets, such as the US, Asia-Pacific (excluding China), and Central and Eastern Europe.

The change in published sales also reflects the impact of adverse movements in exchange rates (€9.5 million) and the end of the Edrington contract in the US (€48.0 million).

Divisional sales analysis:

(€ millions)	6 months to 30/9/14		6 months to 30/9/13		% Change	
	Published	Published	Pro forma (*)	Published	Organic (**)	
Rémy Martin	276.8	327.2	327.2	-15.4%	-13.4%	
Liqueurs & Spirits	129.5	120.4	120.4	7.6%	9.1%	
S/total Group brands	406.3	447.6	447.6	-9.2%	-7.4%	
Partner Brands	65.5	110.5	62.5	-40.7%	6.8%	
Total	471.8	558.0	510.0	-15.5%	-5.6%	

(*) Pro forma for the end of the Edrington distribution contract in the US (with effect from 1 April 2014)

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

Rémy Martin (13.4% organic decline)

Over the first six months of this fiscal year, the decline in **Rémy Martin's** sales was due to the continued destocking in Asia and a complex macro-economic environment in Western Europe, as well as very high base effects in the Americas (up 25% in H1 2013/14) and the strategic withdrawal from the VS (Very Special) category in the US.

This situation masks the success of the brand's superior qualities in the US (particularly *1738 Accord Royal*), as well as a demand which remains strong in Central and Eastern Europe, South-East Asia and Africa.

Liqueurs & Spirits (9.1% organic growth)

Divisional growth was buoyant across all its major regions.

Cointreau achieved a solid performance over the first six months, the result of strong momentum in its major markets (US, France, Australia and Japan), and a favourable shipment phasing to the US, over the period.

Metaxa continued to report double-digit growth, driven by Central and Eastern European markets, outstanding growth in Greece and the success of its *Metaxa 12 Stars* upmarket quality.

Bruichladdich sales doubled in the first half, driven by the strong momentum of its product range in the US, Taiwan, the UK and Travel Retail.

Mount Gay, which was boosted by the launch of Black Barrel in the first half of 2013/14, consolidated its sales at the beginning of this period. Travel Retail, Canada, France and Eastern Europe emerged as additional growth drivers for the brand.

St-Rémy posted respectable growth, particularly due to the dynamism of its leading market, Canada.

Passoa benefited from the successful launch of *Passoa Red Shot* in France, and positive trends in Germany, Scandinavia, Switzerland and Travel Retail.

Partner Brands (6.8% organic growth)

Following the end of the Edrington contract in the US (as of 1 April 2014), the Group's partner brands now include the Piper-Heidsieck and Charles Heidsieck champagnes, some of William Grant & Sons Group's spirits and the Russian Standard vodkas.

The solid sales growth over the first six months is due to their strong performance in the EMEA region and in Travel Retail.

2014/15 Outlook

Rémy Cointreau confirms its 2014/15 targets of delivering positive organic growth in both sales and current operating profit. These targets should be calculated based on a 2013/14 pro forma (i.e. excluding the contribution of the Edrington distribution contract in the US) and at constant exchange rates.

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Appendix attached: Divisional and quarterly analysis of sales and organic growth

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2014/2015 fiscal year

(€millions)	Rémy Martin	Liqueurs & Spirits	Partner Brands	Total
First quarter	120.8	62.6	31.4	214.8
Second quarter	156.1	66.9	34.0	257.0
Total sales	276.8	129.5	65.5	471.8

2013/2014 fiscal year

(€millions)	Rémy Martin	Liqueurs & Spirits	Partner Brands	Total
First quarter	149.3	57.8	56.6	263.7
Second quarter	177.9	62.6	53.9	294.4
Total sales	327.2	120.4	110.5	558.0

2014/2015 vs. 2013/2014

Organic growth	Rémy Martin	Liqueurs & Spirits	Partner Brands	Total
First quarter	-15.3%	11.3%	9.1%	-5.7%
Second quarter	-11.8%	7.0%	4.8%	-5.5%
Total sales	-13.4%	9.1%	6.8%	-5.6%