29 November 2011

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

Excellent performance in the first half-year

- **Current operating profit up 30.7%**
- **Operating margin: 22.4%**

Rémy Cointreau's turnover for the first half of the financial year ended 30 September 2011 was €474.9 million, an organic increase of 18.1%, with a current operating profit of €106.2 million, representing growth of 30.7%. The operating margin rose by almost 3 percentage points to 22.4% compared with the previous year.

This performance was due to strong sales growth in all regions of the world. The Group once again achieved remarkable growth in Asia and a strong performance in the US and Europe.

Rémy Cointreau continued its long-term value strategy by maintaining a consistent pricing policy and accelerating the move of its products upmarket, whilst committing substantial investment to support its key brands.

Key Figures

(€m)	**6 months to 30.9.11**	**6 months to 30.9.10**	**% Change Organic[1]**	**% Change Published**
▪ Turnover	**474.9**	428.1	+18.1	+10.9
of which Group brands	**380.4**	336.8	+20.6	+12.9
▪ Current operating profit	**106.2**	83.5	+30.7	+27.3
▪ Operating margin (%)	***22.4***	*19.5*		
▪ Net profit (exc. non-recurring items)	**61.5**	50.6		
▪ Net profit	**47.5**	14.1		
▪ Net debt	**114.0**	484.7		
▪ Net debt/EBITDA ratio	**1.06**	2.78		

[1]Organic change is calculated using constant exchange rates compared with the previous year.

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Current Operating Profit by division

(€m)	6 months to 30.9.11	6 months to 30.9.10	% Change Organic[1]	% Change Published
Rémy Martin	**91.2**	71.5	+34.4	+27.6
Liqueurs & Spirits	**24.1**	21.0	+10.5	+14.8
Sub-total Group brands	**115.3**	92.5	+28.9	+24.7
Partner brands	**1.5**	0.5	N/A	N/A
Holding company costs	**(10.6)**	(9.5)	(11.6)	(11.6)
Current operating profit	**106.2**	83.5	**+30.7**	**+27.3**

Rémy Martin
With substantial growth in turnover of 26.5%, on already strong comparatives, Rémy Martin reported a further remarkable organic increase of 34.4% in current operating profit to €91.2 million. The operating margin was 32.9% during the first half of the year, compared with 30.1% in 2010, driven by the pricing effect and the relative significance of premium cognacs.

Rémy Martin is benefiting fully from a thriving Asian economy, particularly in Chinese markets where superior qualities reported the strongest growth rates. Europe posted good performances, particularly in France, Germany and Russia. In the US, the trend in demand for superior qualities was favourable.

Liqueurs & Spirits – This division generated organic growth of 6.5% in overall turnover, whereas a decline of 5.5% was reported in the previous period. Current operating profit grew by 10.5% organically to €24.1 million and the current operating margin improved slightly to 21.8%. The Cointreau and Mount Gay Rum brands reported growth in their strategic markets and Metaxa enjoyed renewed growth, albeit on historically low comparatives, following a two-year decline.

Partner brands – This division now includes the distribution of the Piper-Heidsieck and Charles Heidsieck champagne brands, both transferred to EPI in July 2011. Comparative data were restated.

The 9.1% organic increase in turnover was achieved, in particular, thanks to the strong performance of Scotch whisky brands distributed in the US. The Champagne division reported strong growth in the US but showed a more contrasting situation in Europe. It should be noted that the peak period for champagne sales is in the third quarter. The division generated a current operating profit of €1.5 million.

Consolidated results

Current operating profit was €106.2 million, an organic growth of 30.7%. **The current operating margin** was 22.4%, a marked improvement compared with the previous half-year. The strong increase in gross profit paved the way for substantial marketing and commercial investment during the period, whilst significantly increasing current operating profit.

Operating profit was €102.5 million, after taking into account a €3.8 million impairment charge on two secondary brands. In 2010, the Metaxa brand was subject to a €45 million impairment charge.

Net financial expenses were €23.2 million, including a €6.6 million negative foreign exchange impact on the valuation of hedging instruments due to the considerable volatility of the US Dollar/Euro rate during the period.

The income tax charge was €21.6 million (representing an effective tax rate of 27.3%). The share in profit of associates was €0.6 million.

Net profit rose to €47.5 million, compared with €14.1 million in 2010. Excluding non-recurring items, net profit was €61.5 million, an increase of 21.5%.

Net debt decreased strongly to €114 million, compared with €484.7 million at the end of September 2010 and €328.9 million at the end of March 2011. This improvement was primarily due to the disposal of the Champagne division. The net debt to EBITDA banking ratio was 1.06 at the end of September 2011, compared with 2.19 at the end of March 2011.

Outlook

The good results in the first half-year enable us to confirm a substantial increase in earnings at the end of March 2012.

In an uncertain economic and monetary environment, in particular in Europe, Rémy Cointreau confirms the relevance of its long-term value strategy. The Group will continue its aggressive strategy of moving its brands upmarket and will focus its investment on the development of its international brands and on innovations.

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The half-year financial report will be available on the www.remy-cointreau.com website from 11.00 am today.