27 November 2012

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012
An excellent first half-year

Current operating profit up 33.2%
Operating margin of 23.7%

Rémy Cointreau's sales for the six months to 30 September 2012 were €595.8 million, reflecting organic growth of 13.3%. Current operating profit was €141.5 million, an increase of 33.2% (18.0% organic growth) compared with the same period the previous year, which had already risen strongly. The operating margin, at 23.7%, increased again compared with the period ended 30 September 2011, in which it had also grown strongly.

This six months performance was due to strong business momentum in all regions of the world. The Group once again achieved remarkable growth in Asia and the US and, to a lesser extent, in Europe.

Rémy Cointreau continued its long-term value strategy by maintaining a consistent pricing policy and moving its products upmarket at a more rapid pace, with targeted investment to support its brands.

Key figures

(€m)	6 months to 30.09.12	6 months to 30.09.11	% Change Organic[1]	% Change Published
Net sales	**595.8**	474.9	+13.3	+25.5
of which Group brands:	**489.4**	380.4	+15.6	+28.7
Current operating profit	**141.5**	106.2	+18.0	+33.2
Operating margin %	**23.7**	22.4		
Net profit (exc. non-recurring items)	**88.5**	61.5		+43.9
Net profit	**86.6**	47.3		+83.0
Net debt	**266.0**	114.0		
Net debt/EBITDA ratio	**0.86**	1.06		
Net profit per share (basic)	**1.80**	0.96		+87.5

[1] on a like-for-like basis

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Current operating profit by division

(€m)	6 months to 30.09.12	6 months to 30.09.11	% Change Organic	% Change Published
Rémy Martin	**131.4**	91.2	+27.3	+44.1
Liqueurs & Spirits	**19.5**	24.1	-24.9	-19.1
Sub-total - Group brands	**150.9**	115.3	+16.4	+30.9
Partner brands	**2.2**	1.5	+80.0	+46.7
Holding company costs	**(11.6)**	(10.6)	-9.4	-9.4
Current operating profit	**141.5**	106.2	**+18.0**	+33.2

Rémy Martin
With strong organic sales growth of 20.1%, on the back of already high comparatives, Rémy Martin, once again, reported an outstanding 44.1% increase in current operating profit (up 27.3% organically) to €131.4 million. The operating margin was 34.9% for the six months under review compared with 32.9% the previous year, driven by the pricing effect and the growing significance of upmarket cognacs.

Rémy Martin proved very dynamic in its strategic markets, particularly in China and the US, where all qualities, especially the upmarket qualities, recorded substantial growth. Europe also showed signs of growth in some countries, such as Russia.

Liqueurs & Spirits – The entire division achieved organic sales growth of 3.5%. Cointreau and St-Rémy gained ground in their strategic markets while Metaxa, which also reported growth, remained affected by the situation in Greece.

The Liqueurs & Spirits division generated a current operating profit of €19.5 million due to higher marketing investment during the period. The current operating margin was 17% compared with 23.4% in the six months of the previous year.

Partner brands – The Group achieved sales growth of 4.1%, primarily due to the strong performance of Scotch whiskies distributed in the US. Champagne sales remained challenging, particularly in Europe. It should be noted that the peak period for champagne sales is in the third quarter of the Group's financial year. This division generated an increase in operating profit to €2.2 million.

Consolidated results

Operating profit was €138.8 million, after taking into account expenses of €2.7 million relating to the Bruichladdich acquisition.

Net financial expense was €9.5 million, a significant decline of €13.7 million.

The tax charge was €41.8 million representing an effective tax rate of 32.3% (27.3% for the same period last year). The share of losses of associates was €0.9 million.

Net profit increased significantly to €86.6 million, compared with €47.3 million for the first six months of the previous year, representing earnings per share of €1.80 compared with €0.96 in 2011. Excluding non-recurring items, net profit was €88.5 million, an increase of 43.9%.

Net debt was €266 million following the Bruichladdich acquisition estimated at €72.8 million. The net debt to EBITDA ratio was 0.86 at the end of September 2012, compared with 1.06 at the end of September the previous year.

Significant events for the first six months of the 2012 financial year

The foreign exchange rate effect was favourable to Rémy Cointreau during the first six months of the year. The average €/USD book rate was 1.27 during the period, compared with 1.44 in the previous period, while the hedged rate was virtually unchanged between the two half-years.

On 3 September 2012, the Group acquired the Bruichladdich Distillery Company Ltd, a distillery founded in 1881, renowned for its production of premium single malt Scotch whisky on the Isle of Islay in Scotland, based on an enterprise value of £58 million. In view of the effective date of this transaction, this acquisition did not have a significant impact on the results for the first six months of the financial year.

On 5 June 2012, the Group signed a €255 million syndicated revolving credit facility to replace a previous facility which had matured.

Post-balance sheet events

On 31 October 2012, Rémy Cointreau announced that it had entered into exclusive negotiations with the Larsen Family with a view to acquiring a majority shareholding in the Larsen Cognac company. Founded in 1926, Larsen has built up inventories of aged eaux-de-vie which enables it to guarantee the quality of its production and optimise its purchasing power.

Outlook

In an uncertain economic environment, particularly in Europe, Rémy Cointreau confirms the effectiveness of its value and long-term strategy. Management will continue to implement strict cost control in the second half of the year, whilst closely monitoring market developments.

After the excellent results in the first half of the year, the Group expects more moderate growth in the second half, but confirms its objective of substantially increasing its full-year earnings.

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The 2012 half-year Financial Report will be available on the www.remy-cointreau.com website from 11.00 am today.