



Press release

**RESULTS FOR FIRST SIX MONTHS OF 2011
GROWTH IN ACTIVITY AND
OPERATING RESULT OF +5 %**

Reims, 31 August 2011

The Board of Directors of Vranken-Pommery Monopole met on 30 August 2011, under the chairmanship of Paul-François Vranken and in the presence of the Auditors, to close the accounts of the Group for the first six months of 2011.

Consolidated accounts In millions of euros	30.06.2011	30.06.10 Revised(*)	30.06.2010 Published
Turnover	126.7	120.6	120.6
Current operating result	8.3	8.1	7.3
Operating result	8.8	8.2	7.4
Consolidated net result	- 0.1	- 0.3	- 0.9
<i>of which net result, Group share</i>	<i>0.1</i>	<i>- 0.2</i>	<i>- 0.9</i>

* Revised to take account of the changes made on 31.12.10, relating primarily to the revaluation of all the land and buildings of the Group and the adjustment of the goodwill on the Domaines Listel assets.

Paul-François Vranken, Chairman and Managing Director of the Group, declared:

“Constantly striving to optimise the consolidation of the Group, we are continuing along the path outlined in our 2010-2014 plan.

We are adding to our property holdings.

We are confirming our supplies in the long term.

We are building international commercial networks.

We are integrating our leading Champagnes brands, our Châteaux de Provence and our Domaines de Camargue, as well as our special Quintas from Portugal, into a portfolio built up with one aim in mind: to continue our secure development in the long term.”

Activity

The Vranken-Pommery Monopole group is in line with its forecasts, reflected in growth in turnover of 5 % as at 30 June 2011. These achievements again confirm the estimates of steady growth in activity on an annual basis of 5 to 7 %.

The Group, strengthened by all these actions, recorded a good start to the year, confirmed by more sustained growth abroad than in France. Business activity in the subsidiaries in fact grew by 13.8 %.

- Asia is a region of the future. A new subsidiary is currently being set up in China and business activity in Japan has been reinforced by a supplementary team focusing on the Prestige business.

- In Provence and in Camargue, the decision to refocus on Châteaux and Domaines, to the detriment of the historical trading activity, involves surplus restructuring charges for 2011 and until the completion of the plan in 2014 which will be covered in future by the increase in added value.

Results

The current operating result rose to EUR 8.3 million as at 30 June 2011.

The Group is thus continuing its strategy of developing its premium brands in the world, underpinned by the marketing investments needed to gain market share and increase visibility among consumers.

It should be remembered that owing to the highly seasonal nature of Champagne sales and the charges and investments needed to develop end-of-year sales, the profitability recorded in the first half of the year does not reflect the profitability for the year as a whole.

The net financial charges in the first half of 2011 remain under control at EUR 8.8 million, compared with EUR 8.4 million in the first half of 2010. This stability is due to the maintaining of indebtedness over this period and the rates hedging undertaken, which made it possible to limit the effects of the movements seen on the interest rates markets.

Consequently, the Group share of the net result is balanced at + EUR 0.1 million, compared with – EUR 0.2 million in the previous financial year.

The Group is therefore continuing its policy of strengthening its financial structure, which can be measured over the year as a whole by the increase in its equity capital and the reduction of its debt.

Outlook

Given the results recorded in the first half of the year, and despite the financial crisis this summer, Vranken-Pommery Monopole confirms the positive trend in the development of Champagne sales on every continent. The Vins de Provence et de Camargue business activity, as well as that of port wine, has progressed and the improvement in profitability is expected to continue further to the restructuring measures.

Moreover, the decision of the *Comité Interprofessionnel des Vins de Champagne* to increase the tradeable yield from the 2011 grape harvest to 12,500 kg (compared with 10,500 kg for the previous grape harvest) will enable the Group to keep pace with the upturn in shipments and to increase its high-quality stocks, measures that are in line with its aim to improve its market share.

These performances back up the outlook of the group as regards its long-term development and the controlled improvement of its operating margin by promoting its portfolio of brands in its integrated distribution networks.

Dividends

The Ordinary General Meeting of 8 June 2011 decided to distribute a dividend of EUR 1.05 per share for the 2010 financial period, corresponding to an overall amount of EUR 7.1 million. This dividend was paid out on 8 July 2011.

Forthcoming announcement

Third quarter turnover 2011: 20 October 2011

About Vranken-Pommery Monopole

Vranken-Pommery Monopole is the second largest champagne group. Its portfolio of leading champagne brands comprises VRANKEN, with its Diamant and Demoiselle vintages, POMMERY with its Louise and POP vintages, CHARLES LAFITTE and HEIDSIECK & CO MONOPOLE. The company owns the premium ROZES and TERRAS DO GRIFO port wine brands. Finally, the group is the leading distributor of rosé wines with Sables de Camargue - gris de gris wines – from DOMAINES LISTEL and Côtes de Provence – rosé wines – from the CHATEAU LA GORDONNE.

The Vranken-Pommery Monopole group owns the largest vineyard in Europe spread among Champagne, Provence, the Camargue and Portugal.

Vranken-Pommery Monopole is listed on the NYSE Euronext Paris and Brussels.
(Code "VRAP" (Paris), code "VRAB" (Brussels); ISIN code: FR0000062796).

The documents relating to this press release are available on the company's website www.vrankenpommery.fr

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