



PRESS RELEASE

**MIXED RESULTS FOR 2015.
THE GROUP IS MOVING FORWARD WITH ITS INVESTMENTS
AND FURTHER STRENGTHENING ITS FINANCIAL STRUCTURE**

Reims, Thursday March 31st, 2016 - 5:45 pm

Following a contraction for the end of 2014 and the first half of 2015, the impacts of the upturn in business at the end of 2015 on profitability have not been enough to fully offset the volume shortfalls. The Group is moving forward with its investments and further strengthening its financial structure.

Consolidated income statement

LANSON-BCC figures		
IFRS (€'000,000)	2015	2014
Revenues	266.50	276.06
Gross margin	101.33	105.68
<i>% of revenues</i>	<i>38.0%</i>	<i>38.3%</i>
EBIT	27.08	33.10
<i>% of revenues</i>	<i>10.2%</i>	<i>12.0%</i>
Financial income / expense	-6.96	-7.58
Corporate income tax	-7.87	-9.52
<i>Effective tax rate</i>	<i>39.1%</i>	<i>37.3%</i>
Net income	12.25	16.00
<i>% of revenues</i>	<i>4.6%</i>	<i>5.8%</i>

2015 **consolidated revenues** came to **266.50 million euros** (-3.5%). Excluding the brokerage subsidiary, whose activity is traditionally subject to fluctuations, consolidated revenues represent **261.15 million euros**, compared with 268.28 million euros (-2.7%).

The **gross margin** developed in line with the business, coming in at **101.33 million euros** (-4.1%).

EBIT represents **27.08 million euros**, compared with 33.10 million euros (-18.2%). This change reflects the strong level of competition, impacting volumes in France and neighboring export markets, as well as sales prices. While sales prices are improving, they were not able to fully offset the increase in the cost price of bottles sold during the year. The change in EBIT also factors in the ongoing investments benefiting several of the Group's Houses, as well as the reorganization of distribution on several export markets.

Financial expenses primarily concern financing for the aging of Champagne stocks, coming in at **-6.96 million euros**, compared with -7.58 million euros, thanks to the continued reduction in the average rate for financial debt, down from 1.60% in 2014 to **1.37%**.

Pre-tax earnings came to **20.12 million euros**, with **7.87 million euros** in income tax. The Group's **effective corporate income tax rate** was **39.1%**.

Net income represents **12.25 million euros**, compared with 16 million euros, giving a net margin rate of 4.6%.

Consolidated balance sheet

Shareholders' equity represents **253.56 million euros**, up from 242.42 million euros at end-2014 (+4.6%), after factoring in the 2014 dividend paid in May 2015 (-2.5 million euros), net income for 2015 (+12.2 million euros) and the actuarial gains and losses recognized on employee benefits (+1.4 million euros).

Consolidated **net financial debt** totaled **498.88 million euros** (63% fixed rate), versus 473.94 million euros at end-2014. Out of this debt, **417.73 million euros**, compared with 380.14 million euros at end-2014, are allocated for financing the ageing of wine **stocks**, with a book value of **470.67 million euros**, versus 451.16 million euros at end-2014.

Other financial debt represents **81.15 million euros**, down from 93.8 million euros at end-2014 (-13.5%).

Gearing (1.96) is at a normal position for the Champagne industry, in line with its high levels of stocks for aging, down from a high of 5.68 at end-2006 following the acquisition of Maison Burtin and Champagne Lanson. Excluding stocks, this ratio drops from 0.39 in 2014 to 0.32: the Group is continuing to improve its financial structure.

LANSON-BCC's Board of Directors will be submitting a proposal for approval at the General Meeting on May 27th, 2016 for the **dividend** to be kept at **0.35 euros** per share and paid out on June 2nd, 2016. By capitalizing the bulk of its earnings, the Group has doubled its consolidated equity since 2006, highlighting the commitment by shareholders to ensuring the **Group's long-term success** and giving it the means to **develop sustainably**.

Outlook

A good end to 2015, positive pricing trends and a further reduction in financial expenses have not made it possible to offset the impacts of the contraction in volumes during a large part of the year on profitability. Nevertheless, despite its mixed results for 2015, LANSON-BCC is reasserting its long-term **value** development strategy. In July 2015, the Champagne Hillside and Cellars and Avenue de Champagne in Epernay were recognized as **UNESCO** World Heritage sites, which is important for all of Champagne, but particularly three of the Group's Houses: Boizel and De Venoge, located on Avenue de Champagne in Epernay, and Philipponnat in Mareuil sur Ay.

The Group is moving forward with major **investments** in its Houses, primarily with Lanson in Reims. The sometimes unreasonably aggressive levels of competition seen on certain markets highlight the benefits of a common sense policy to not ignore any segments.

The Group's development is underpinned by the effective fit between its Houses, combined with the increasingly widely recognized quality of their wines, their efficient production facilities and their effective management. As usual, considering the importance of the last quarter of the calendar year, the LANSON-BCC Group will not be releasing any quantified targets for 2016.

Additional information

The consolidated financial statements for 2015 were approved by the Board of Directors on March 31st, 2016. The procedures to audit the consolidated accounts have been completed. The certification report will be issued once the necessary procedures have been finalized for filing the 2015 registration document.

<p>LANSON-BCC is a group built around seven Houses that produce Champagne wines, created and led by Champagne families. The Group unites together outstanding Houses, renowned for their unique wines and benefiting from the effective fit between their customer segments. The blend of ancestral know-how and leading-edge technical capabilities, creative independence and rational synergies enables each one of its Houses to develop its performances, ensuring the LANSON-BCC Group's sustainability.</p> <ul style="list-style-type: none">- Champagne Lanson (Reims), the prestigious international brand, which is launching its new "Clos Lanson" cuvee this year.- Champagne Chanoine Frères (Reims), wines intended primarily for the European mass retail market (Chanoine brand), reputed above all for its famous Tsarine cuvee.- Champagne Boizel (Epernay), French mail-order market leader, with wines distributed in the traditional sector for international markets.- Maison Burtin (Epernay), a European mass retail supplier and owner of the Besserat de Bellefon brand, distributed through traditional networks (restaurants, wine stores).- Champagne De Venoge (Epernay), sold on selective retail markets, notably with its Louis XV grande cuvee.- Champagne Philipponnat (Mareuil sur Ay), which owns the prestigious Clos des Goisses, with wines also available on selective retail markets as well as in leading restaurants.- Champagne Alexandre Bonnet (Les Riceys), owner of a vast vineyard, with wine sold in traditional sectors. <p>www.lanson-bcc.com</p>	<p>Euronext Compartment B ISIN: FR0004027068 Ticker: LAN Reuters: LAN.PA Bloomberg: LAN:FP Indices: CAC Mid & Small, CAC All-Tradable, CAC Beverages, EnterNext PEA- PME 150</p> <p>Eligible for SME share-based savings schemes (implementing order of March 5th, 2014)</p> <p>LANSON-BCC Nicolas Roulleaux Dugage Tel: +33 3 26 78 50 00 investisseurs@lansonbcc.com actionnaires@lansonbcc.com</p> <p>CALYPTUS Cyril Combe Tel: +33 1 53 65 68 68 cyril.combe@calyptus.net</p>
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