



Results for Financial Year  
2008-2009

**Stéphane Tsassis, Chairman of the Management Board**  
**Etienne Auriau, Chief Financial Officer**

*Wednesday June 3, 2009*

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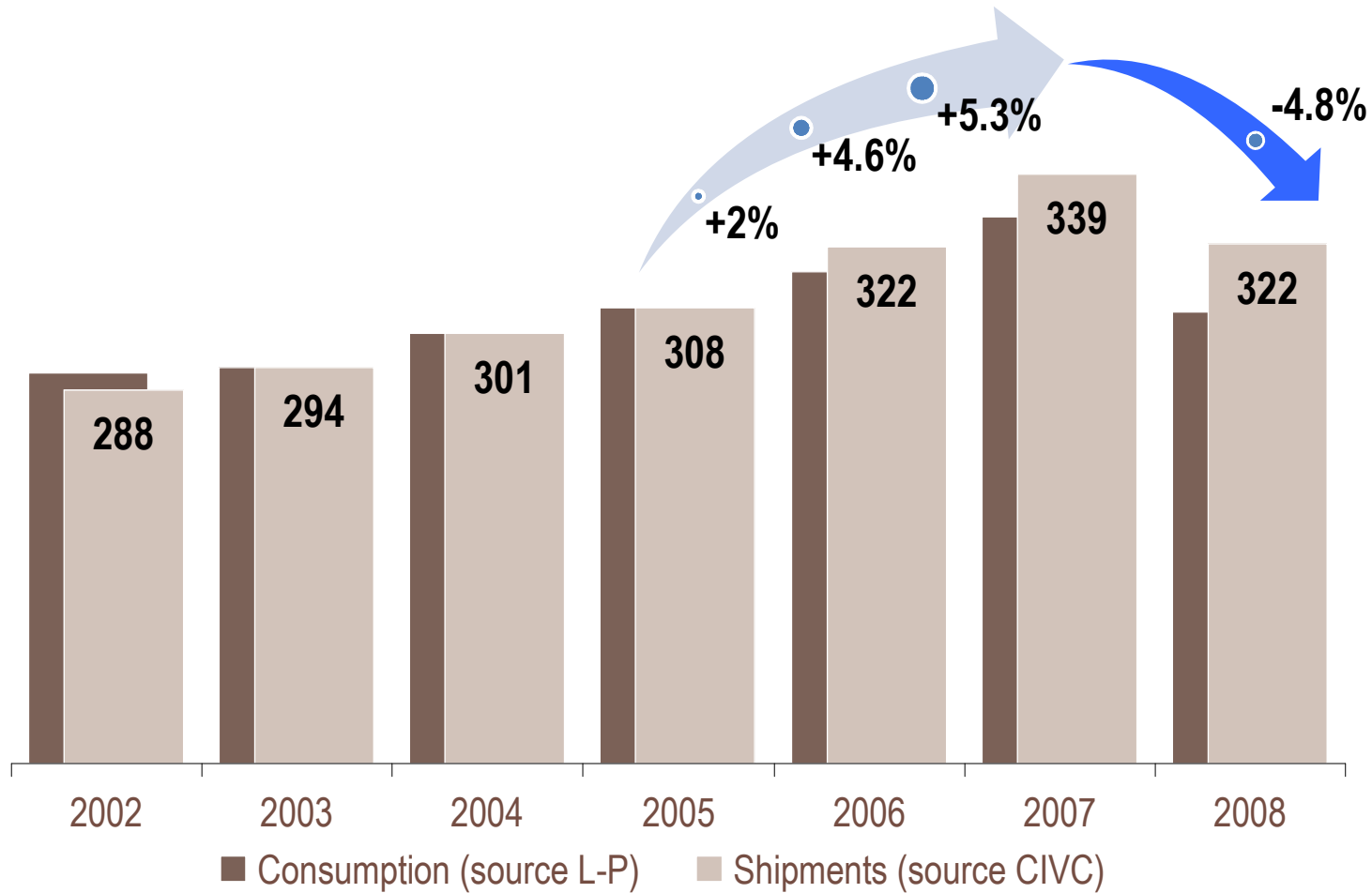
## Overview

1. 2008-2009: the Laurent-Perrier Group maintains its heading despite a particularly difficult business climate
2. The financial structure remains strong
3. Mid-term strategic objectives are unchanged

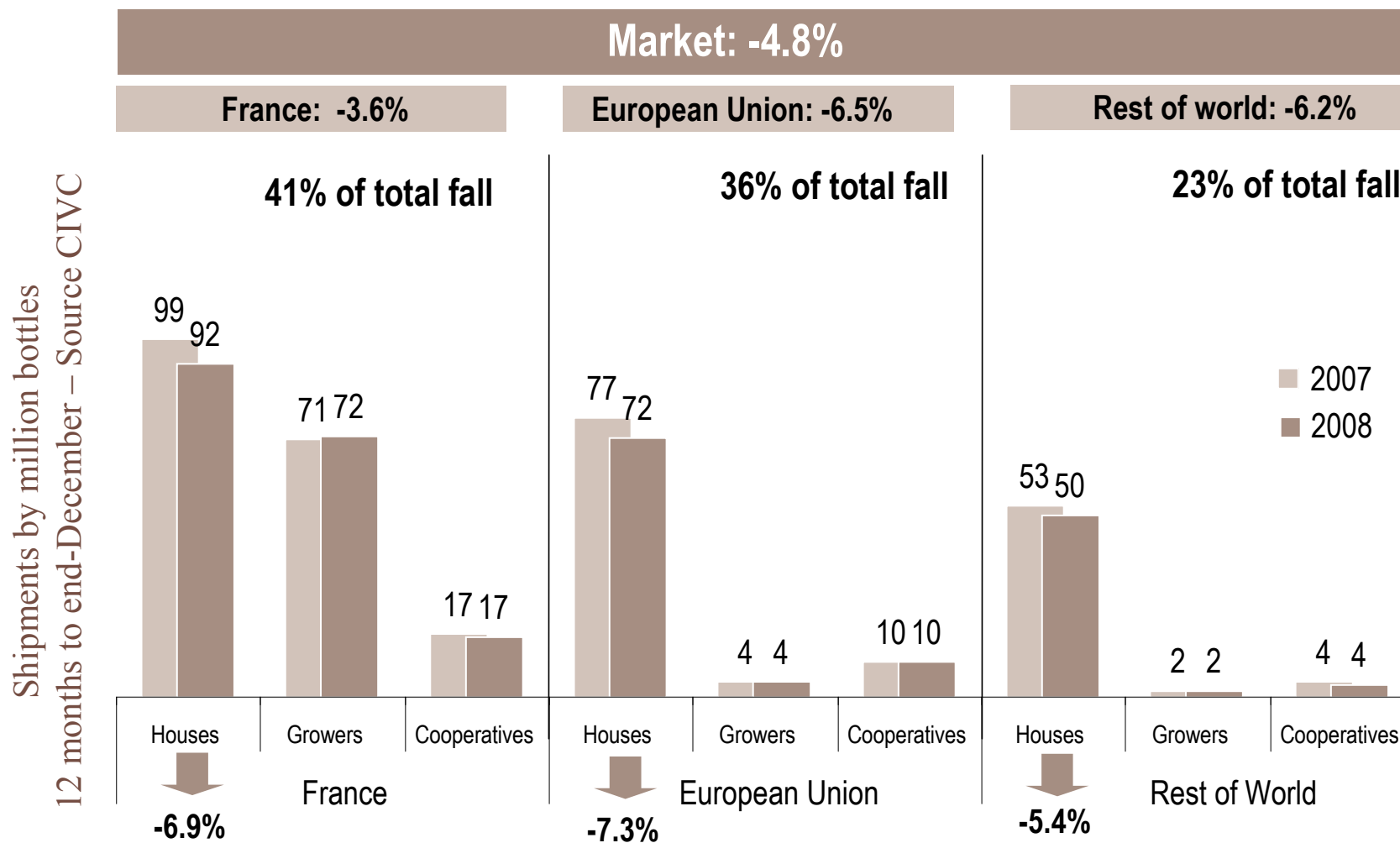
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# Market trends in 2008

*Shipments in 12 months to end-December*

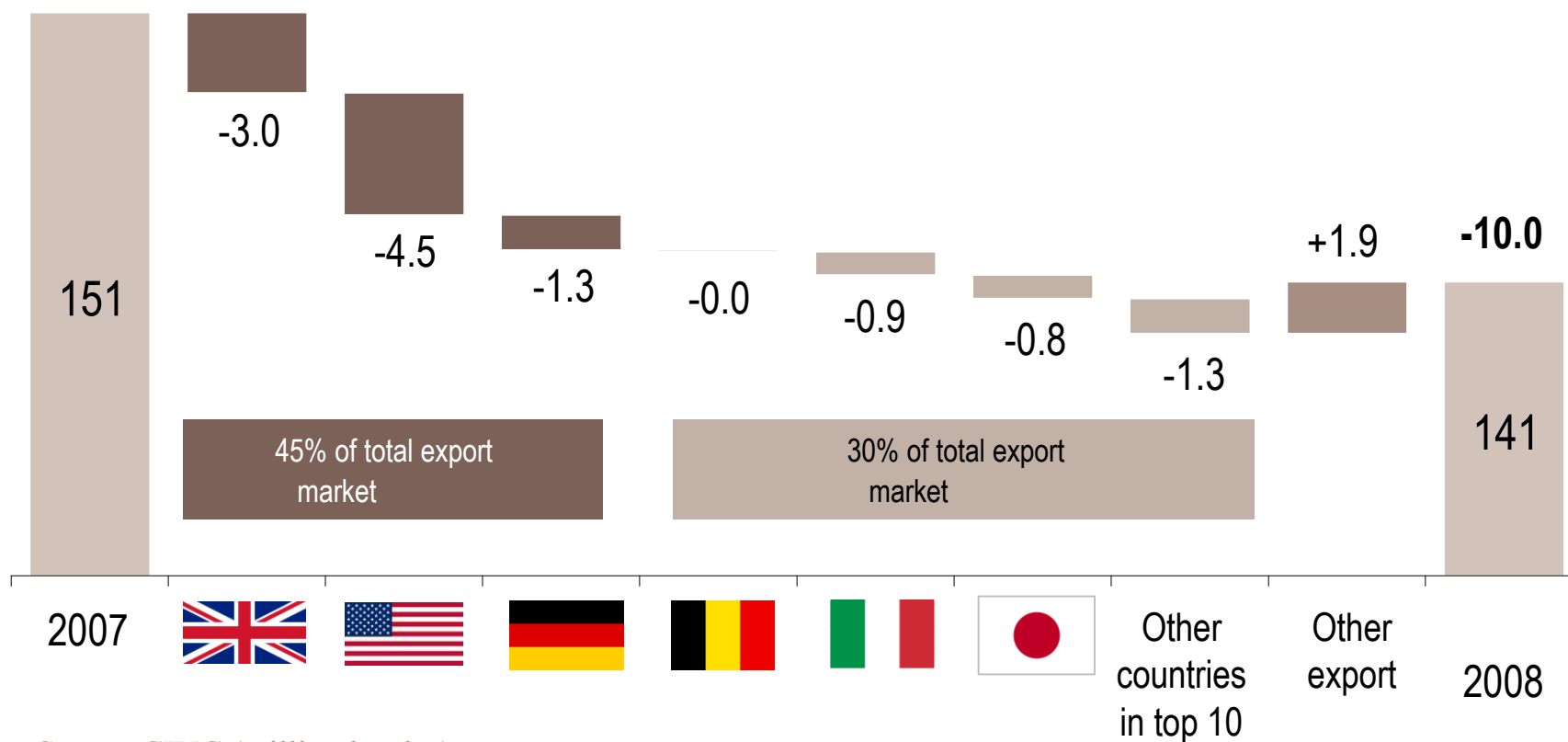


# France and European Union countries account for 3/4 of the fall at end-December 2008



90% of the fall-off in export sales was in the UK, the US and Germany; other export markets remain on an uptrend

*Exports - 12 months to end-December*

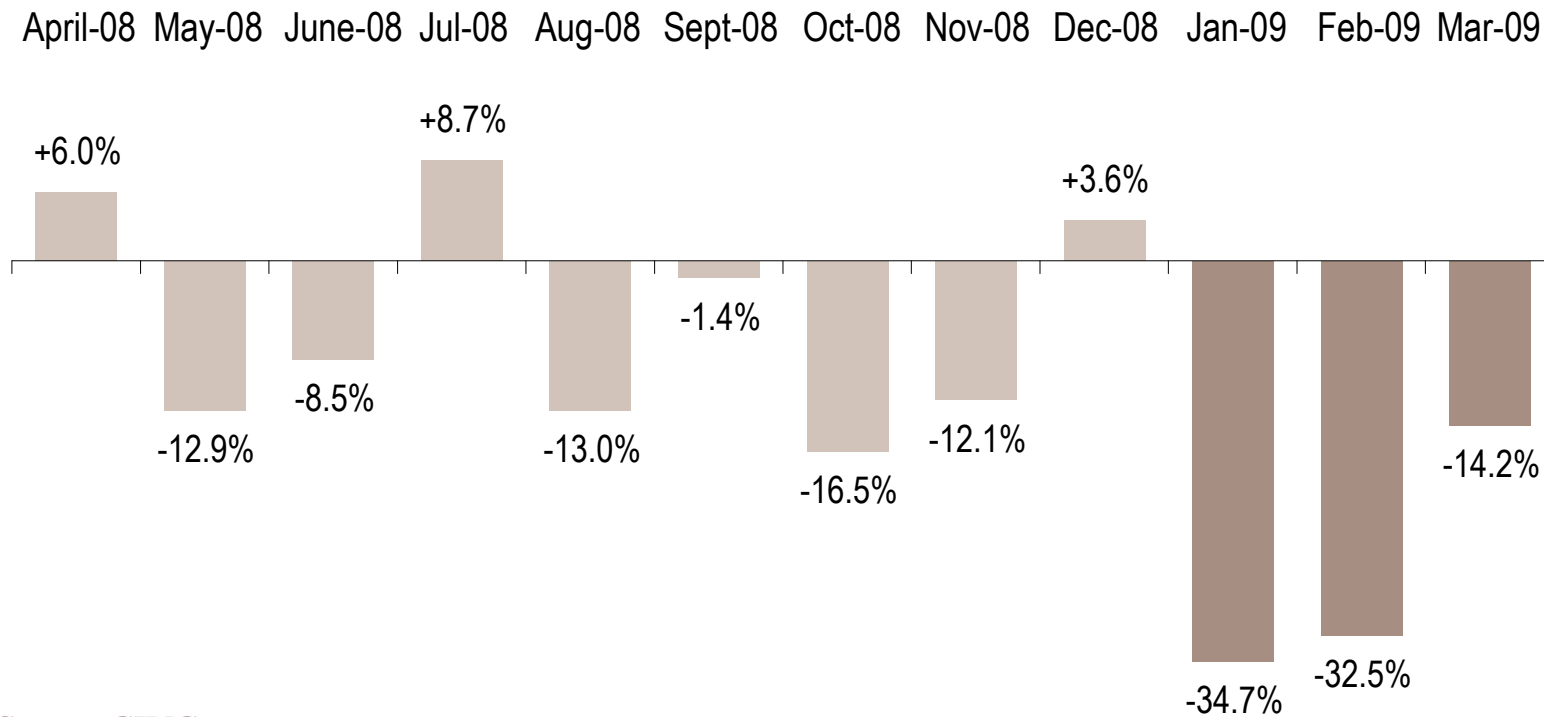


Source CIVC (million bottles)

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The fall-off gathered pace in the first quarter of 2009.  
France (-14%) more resilient than export market (-40%)

*Total shipments, monthly change over last 12 months*



Source CIVC

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## 2008-2009: New Laurent-Perrier brand sales strategy implemented in a difficult environment

### Strategic priorities

- Reposition Laurent-Perrier prestige cuvées
- Priority to specialist and selective “distribution” channels
- Targeted internationalisation
- Increase brand support investment



### Current situation

- Harmonised with target competitive environments
- Slowed by worsening business climate which has disrupted certain types of distribution in some countries
- Greater sales presence in main export markets
- International advertising campaign to promote Grand-Siècle carried out



Les choses les plus fines  
ont parfois les origines les plus simples.

*monochrome grand siècle par Kenji Toma*

L'ABUS D'ALCOOL EST DANGEREUX POUR LA SANTÉ. À CONSOMMER AVEC MODÉRATION.



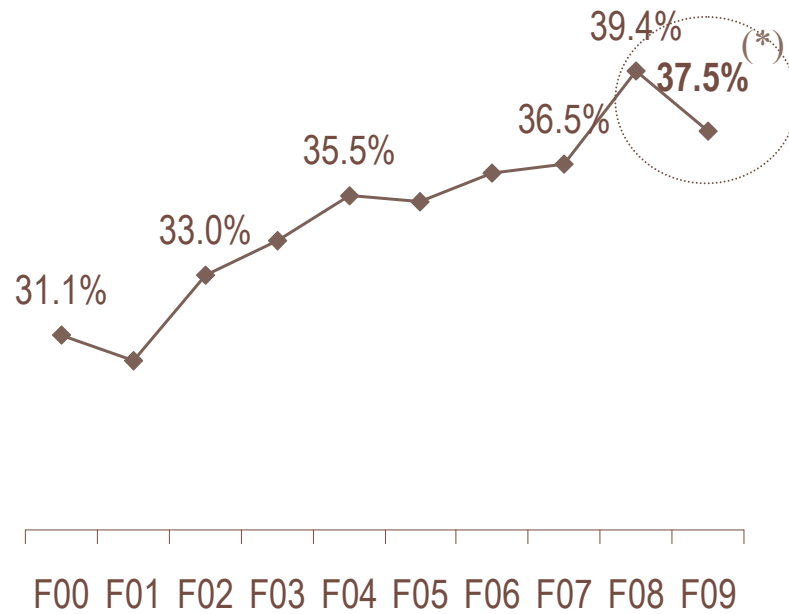
D'une apparente simplicité naissent souvent les plus grandes créations.

*monochrome grand siècle par Daniel Jonasson*

L'ABUS D'ALCOOL EST DANGEREUX POUR LA SANTÉ. À CONSOMMER AVEC MODÉRATION.

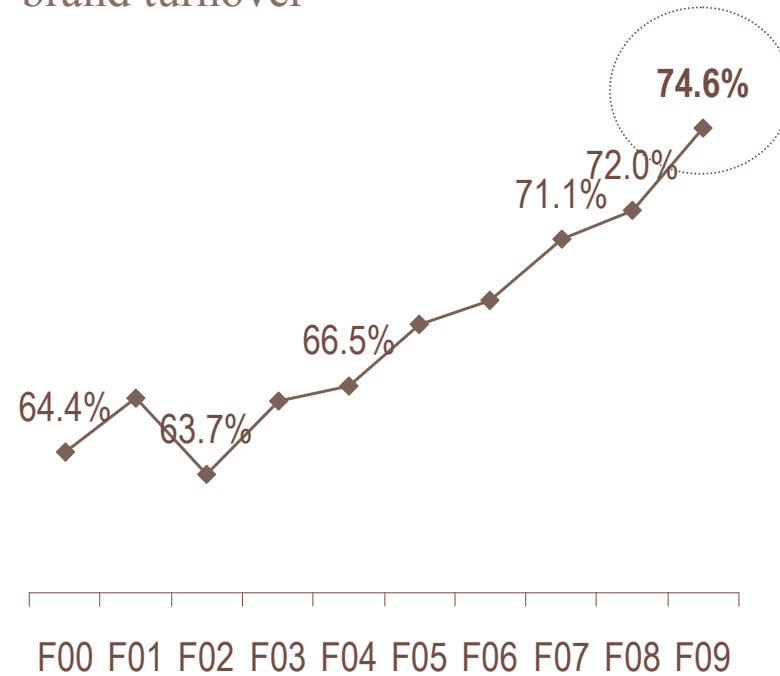
# Sustained high level for Laurent-Perrier brand value indicators

### Share of premium champagnes in Laurent-Perrier brand turnover



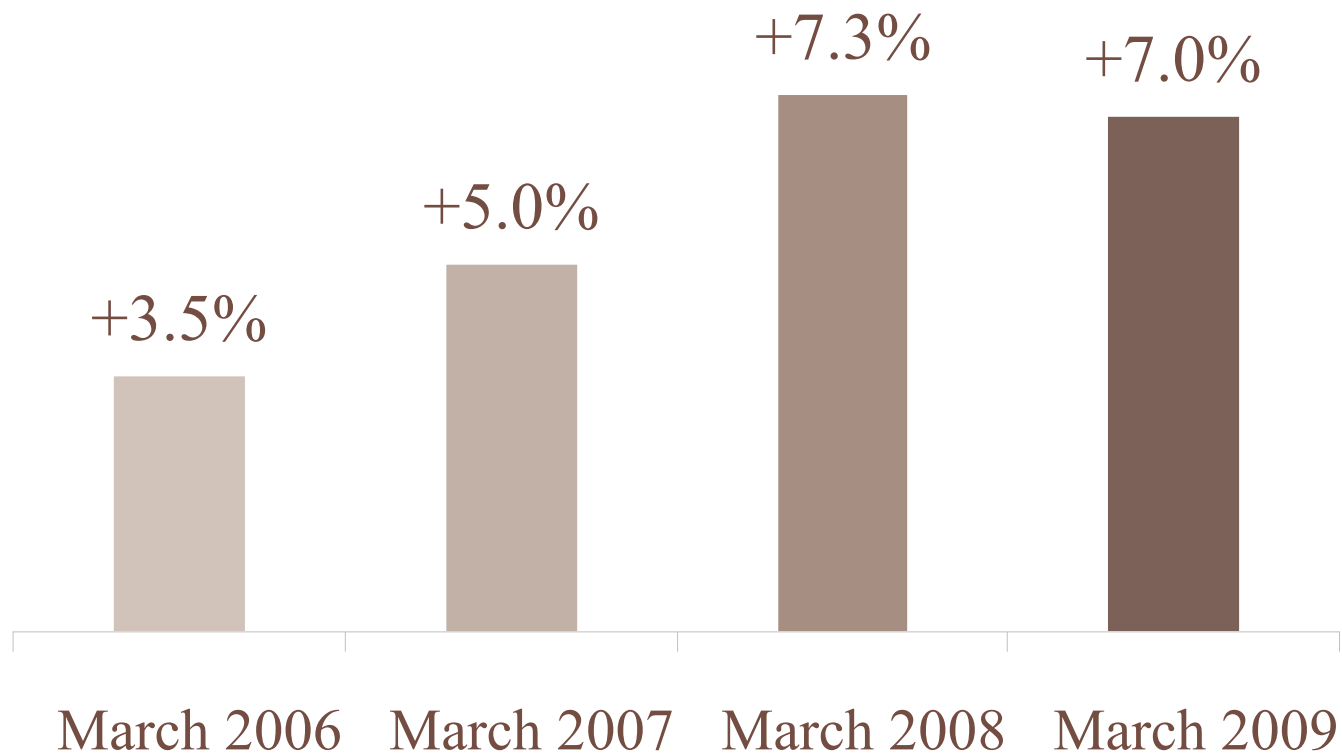
(\*) o/w negative exchange rate impact -0.6%

### Share of export in Laurent-Perrier brand turnover



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The strength of the price effect (+16% for Laurent-Perrier brand) was lessened by negative mix effects



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## Overview

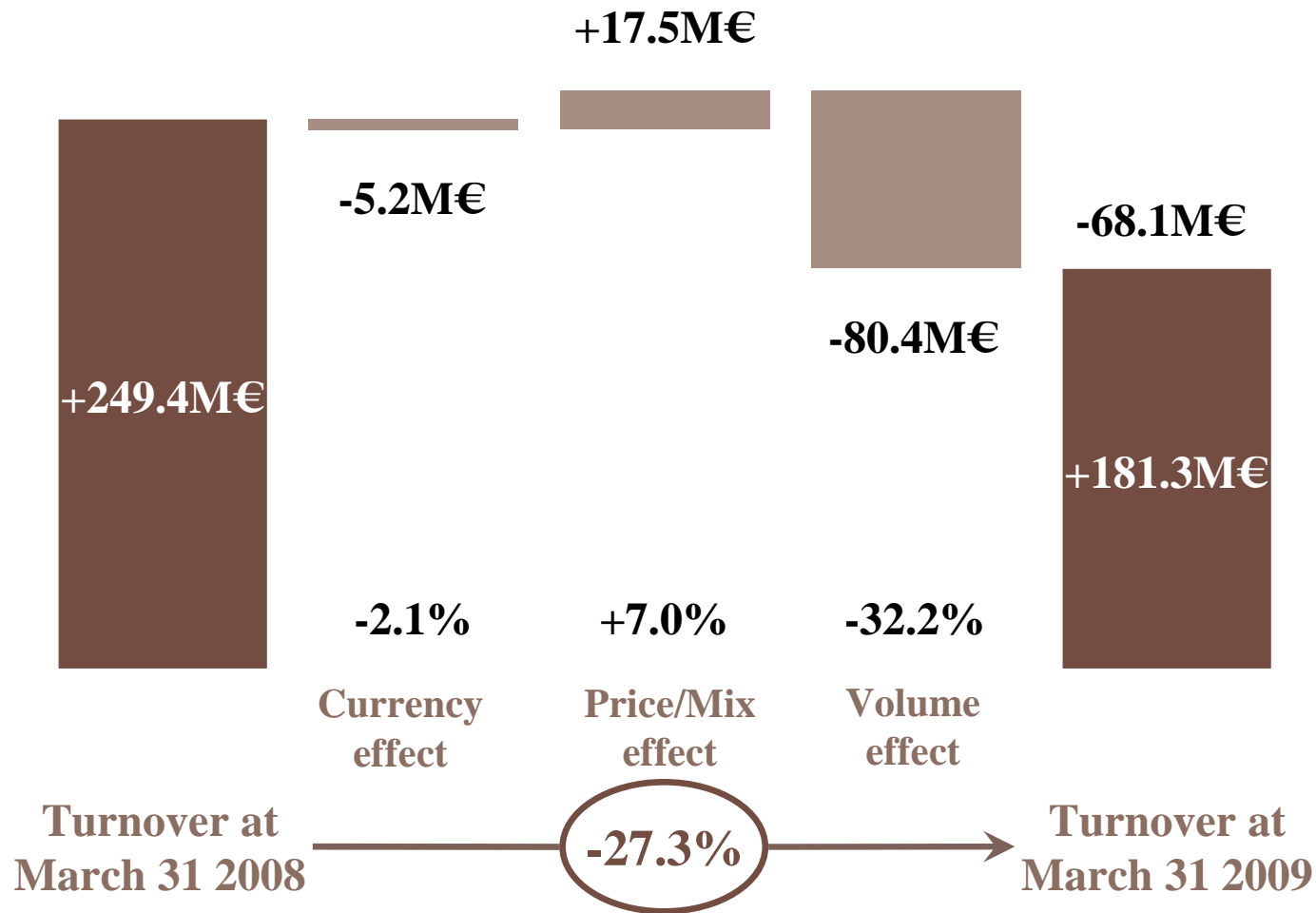
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## Key financial data

€ million	March 31 2008	March 31 2009	Change
<b>Turnover</b>	249.4	181.3	-27.3%
<b>Current operating income</b>	66.0	43.4	-34.3%
<b><i>Current operating margin</i></b>	26.5%	23.9%	-2.6pts
<b>Net attributable income</b>	34.6	19.0	-45.2%
<b><i>Net Cash Flow (*)</i></b>	-4.4	-62.0	-57.6

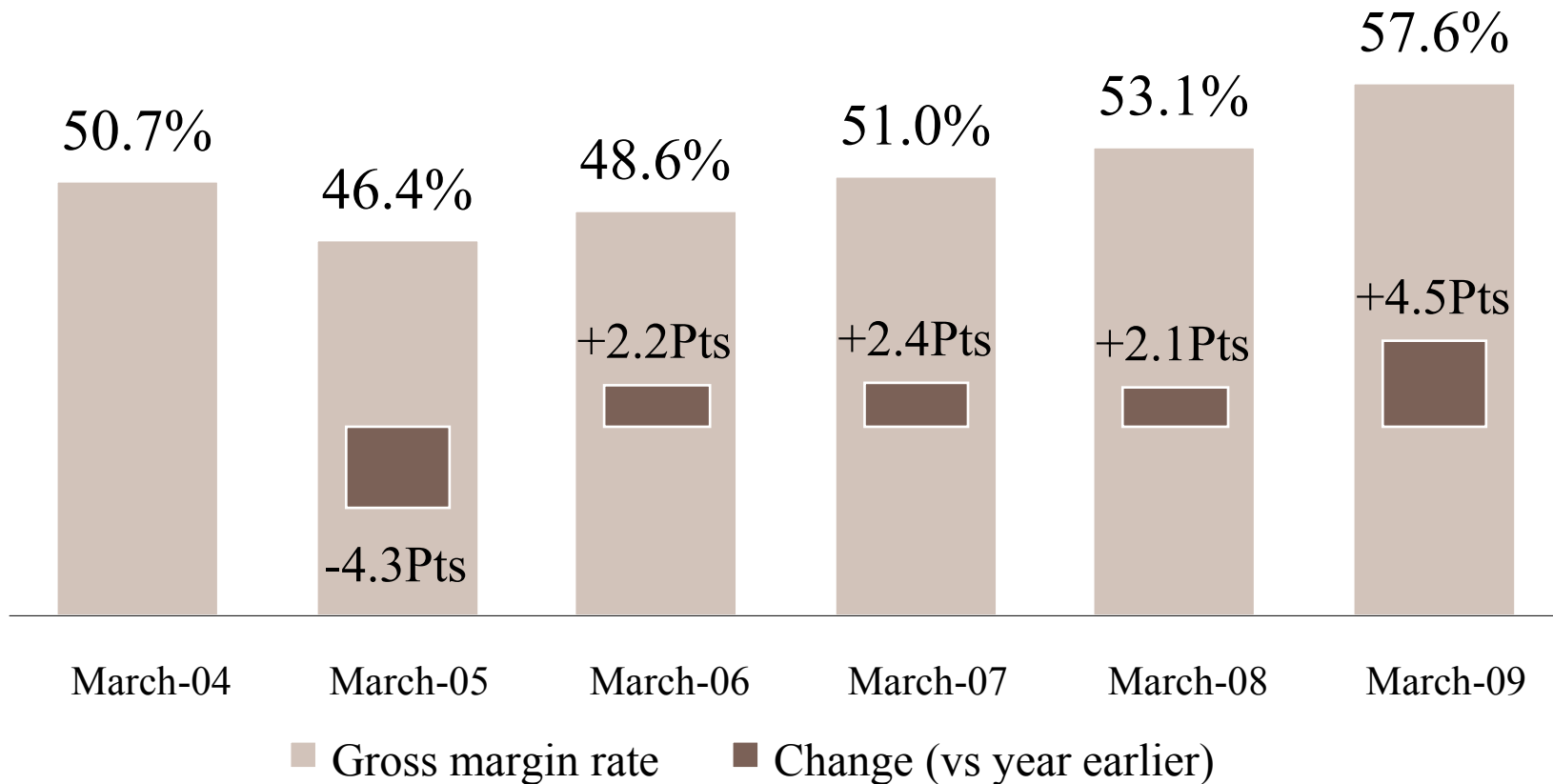
\* Cash flow from operations – net investment - dividends

The 25.2% fall in turnover (at comparable exchange rates) can be attributed to the fall in volumes

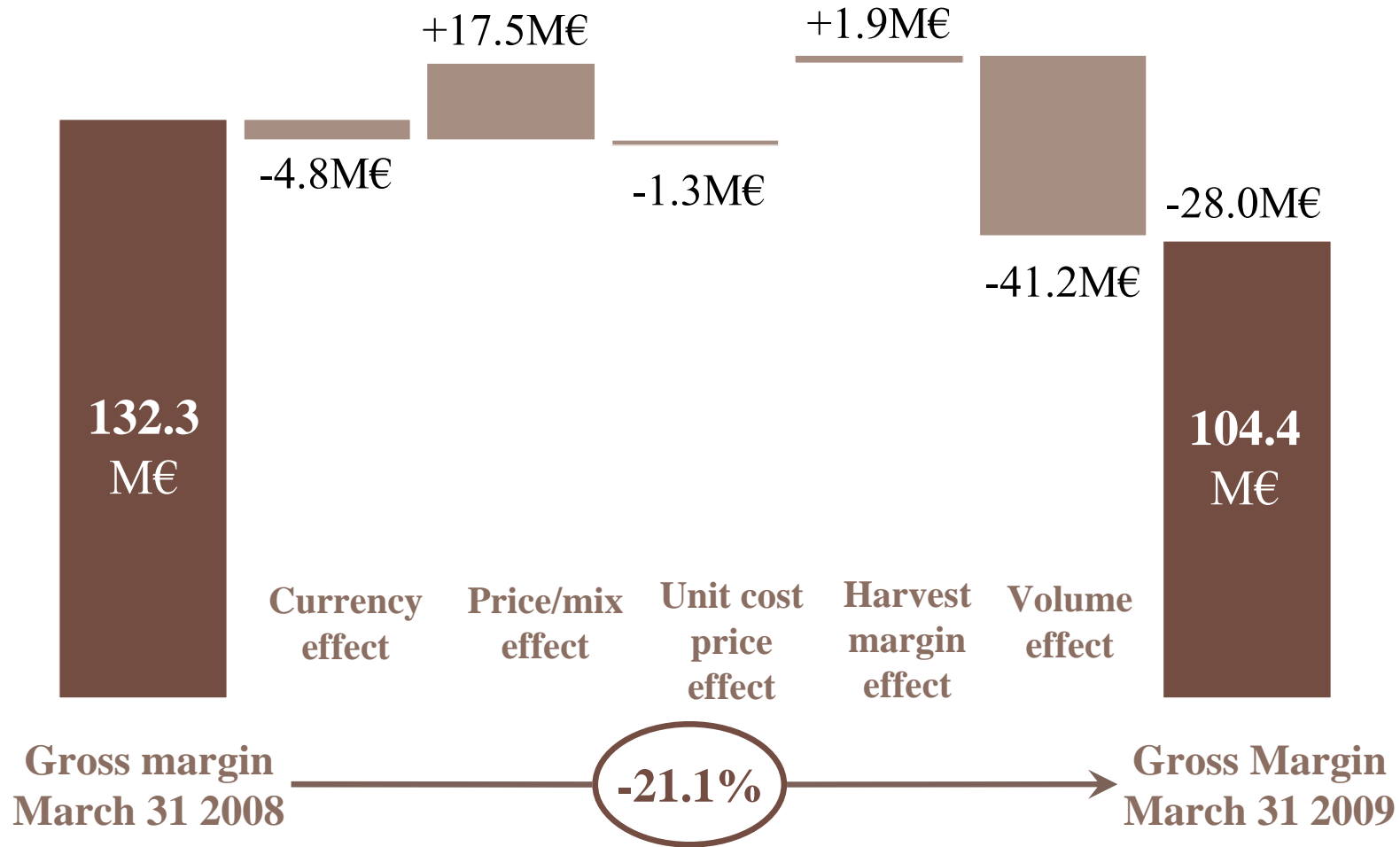


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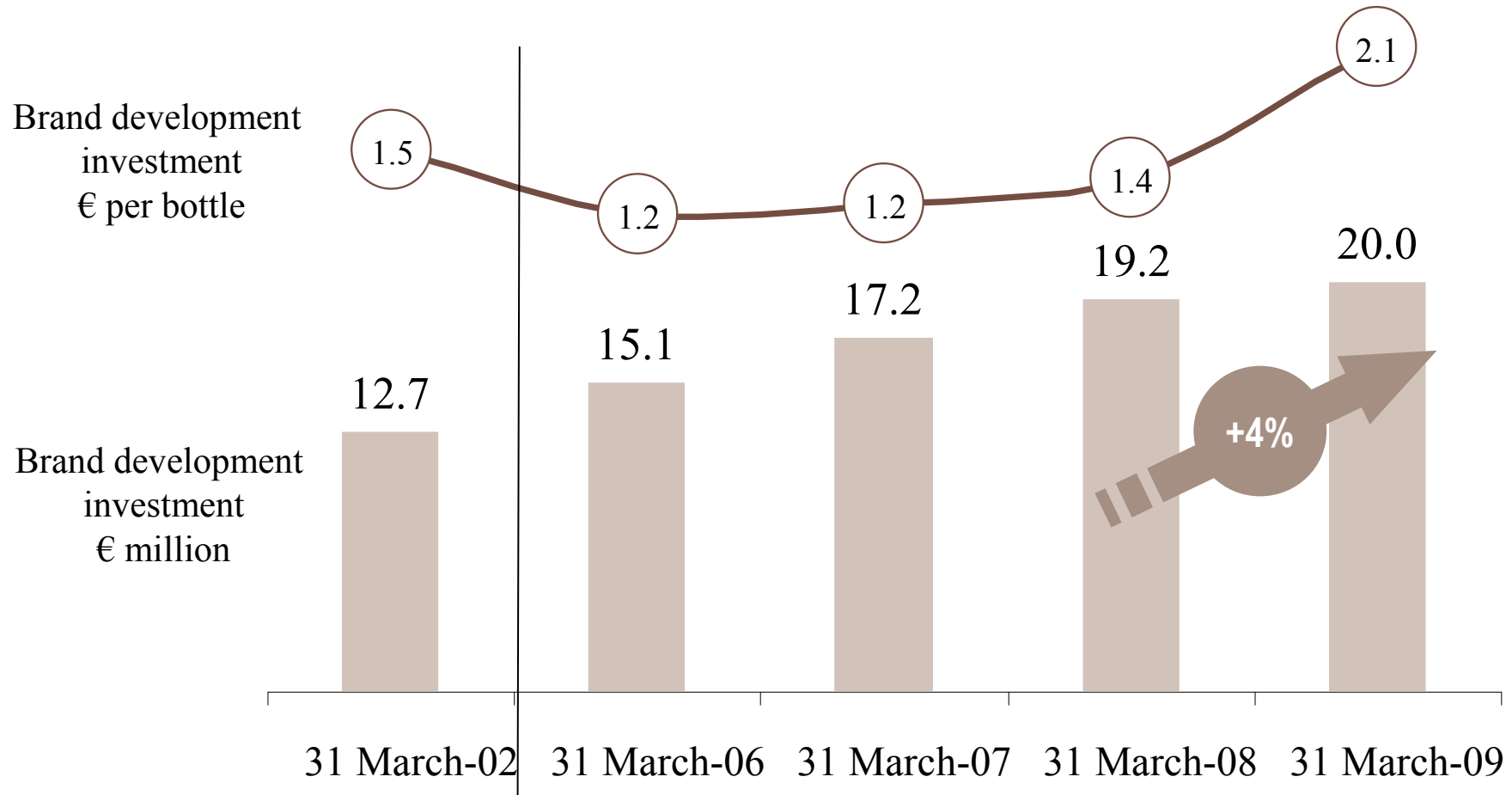
The gross margin rate increased considerably: +4.5 points in 2008-2009



Keeping price/mix effect high helped minimise erosion of gross margin

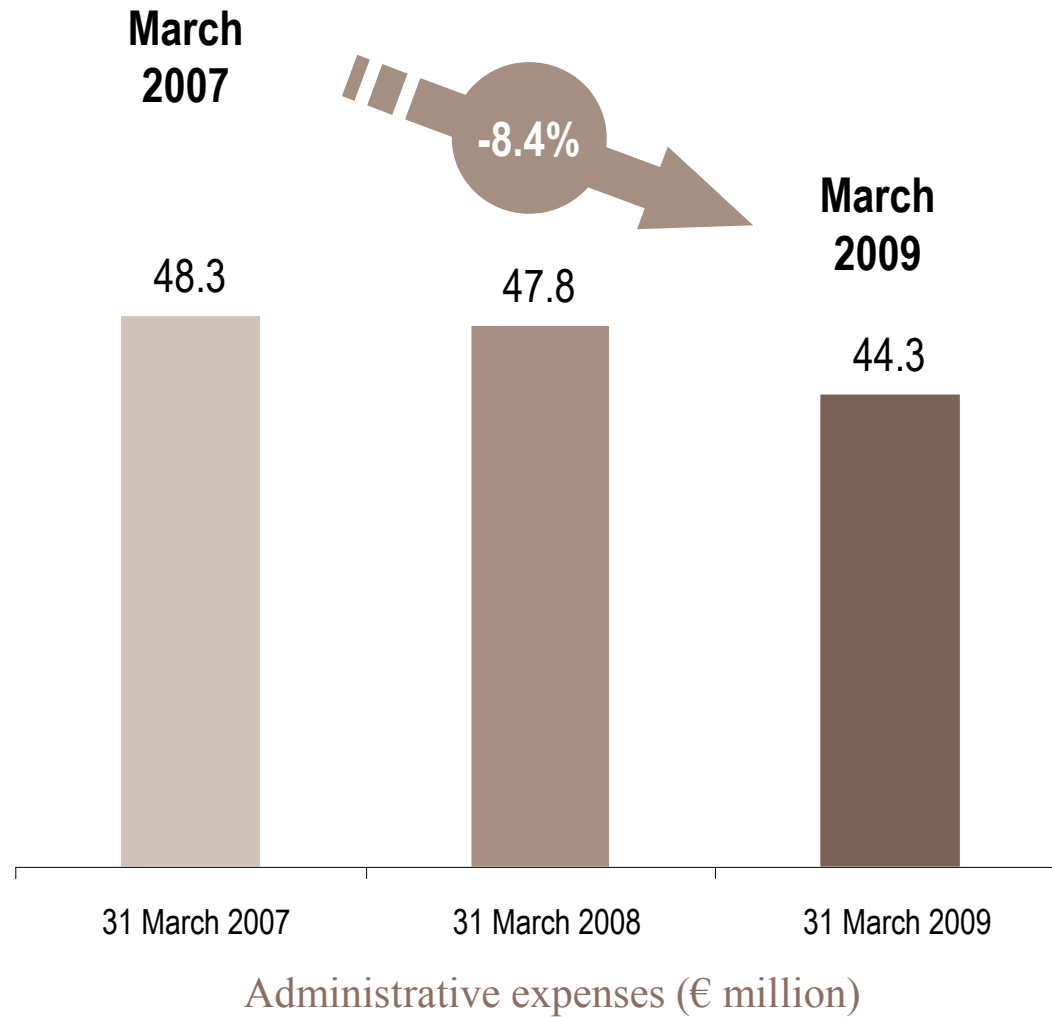


## Brand development investment rose by 4%



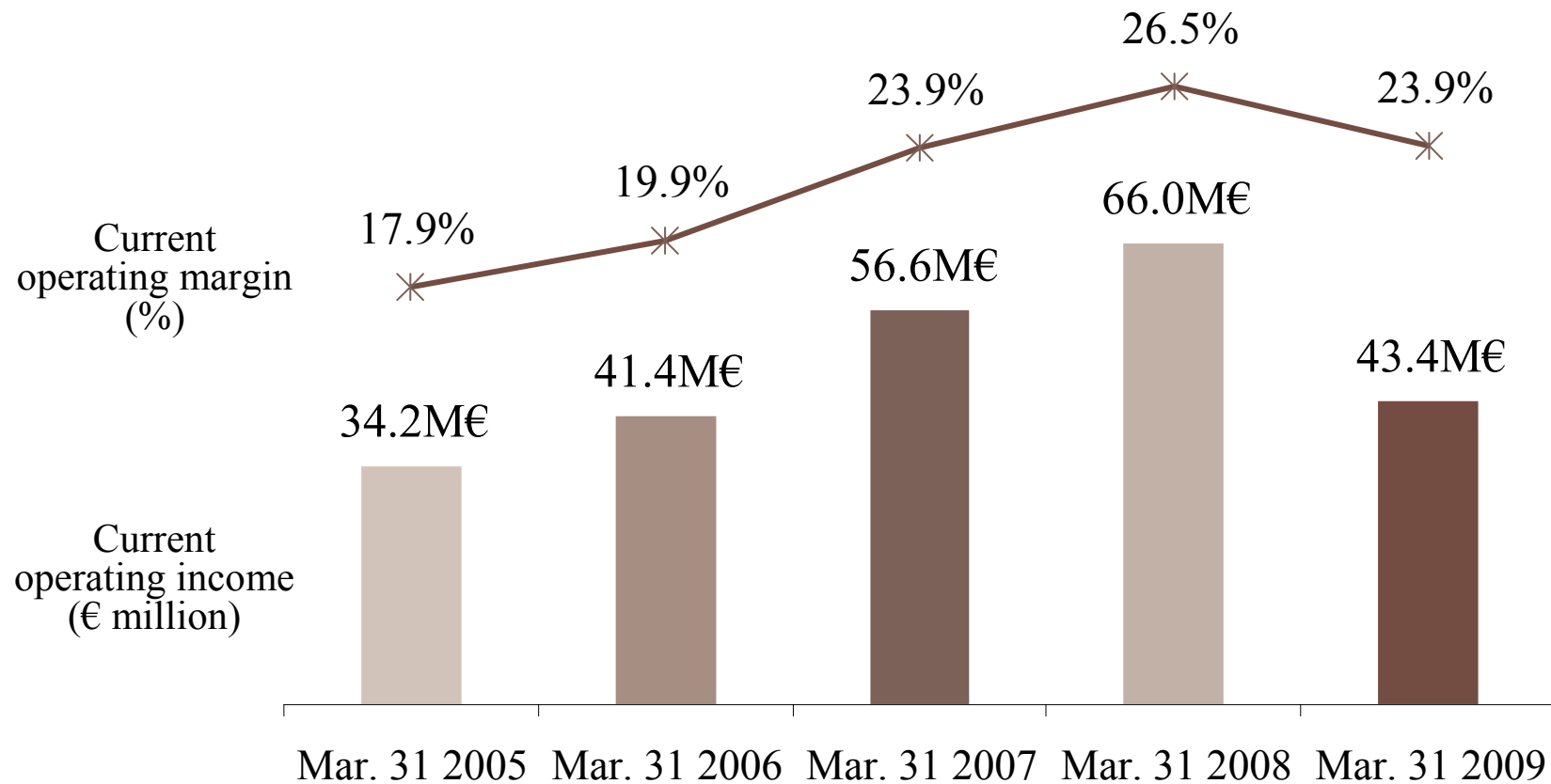
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Cost controls have reduced administrative expenses by 8.4%  
in two years

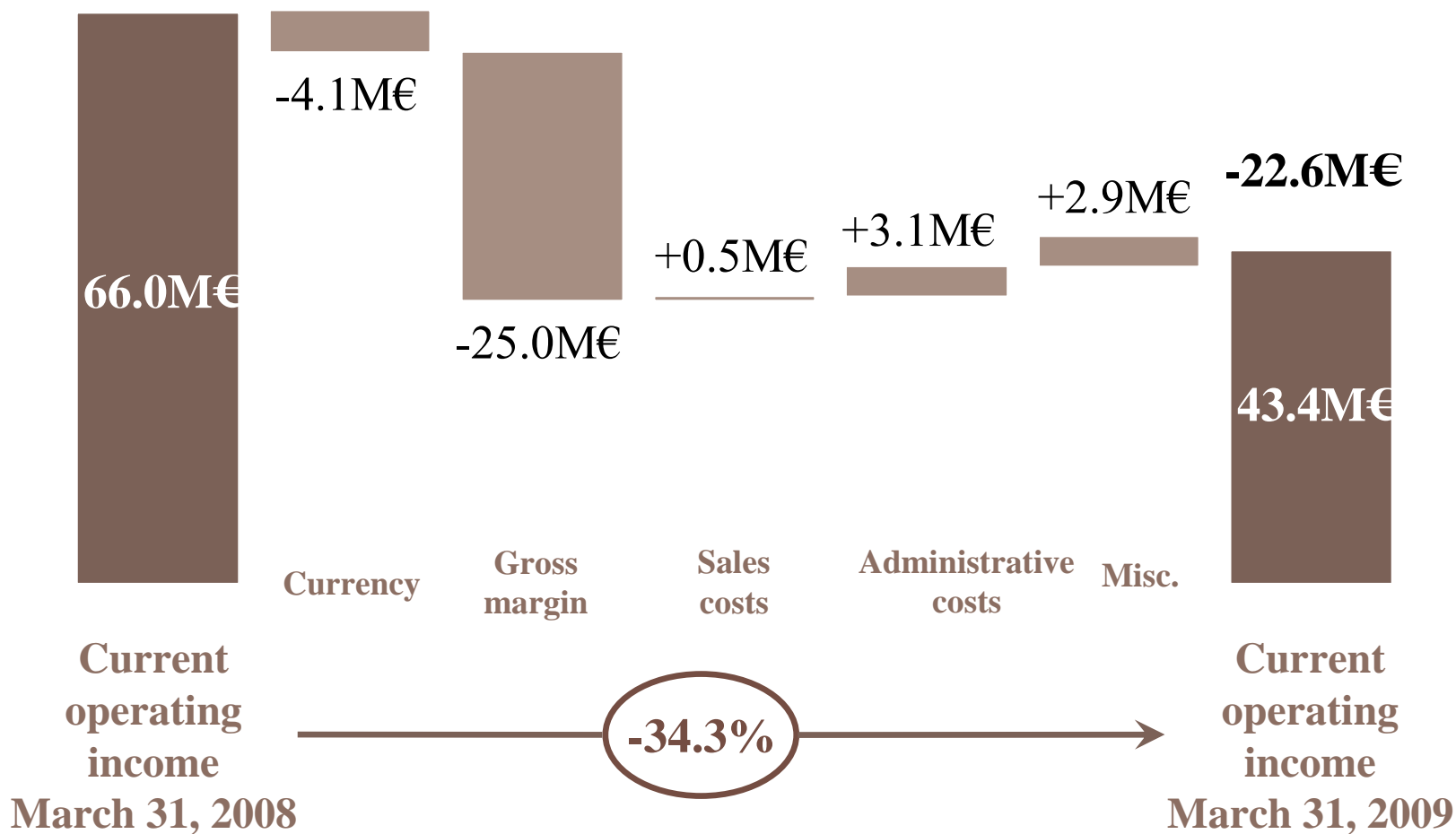


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The Group generated higher current operating income than in FY2005-2006 despite nearly €30 million drop in turnover



Lower costs cushioned the negative impact of falling volumes on current operating income



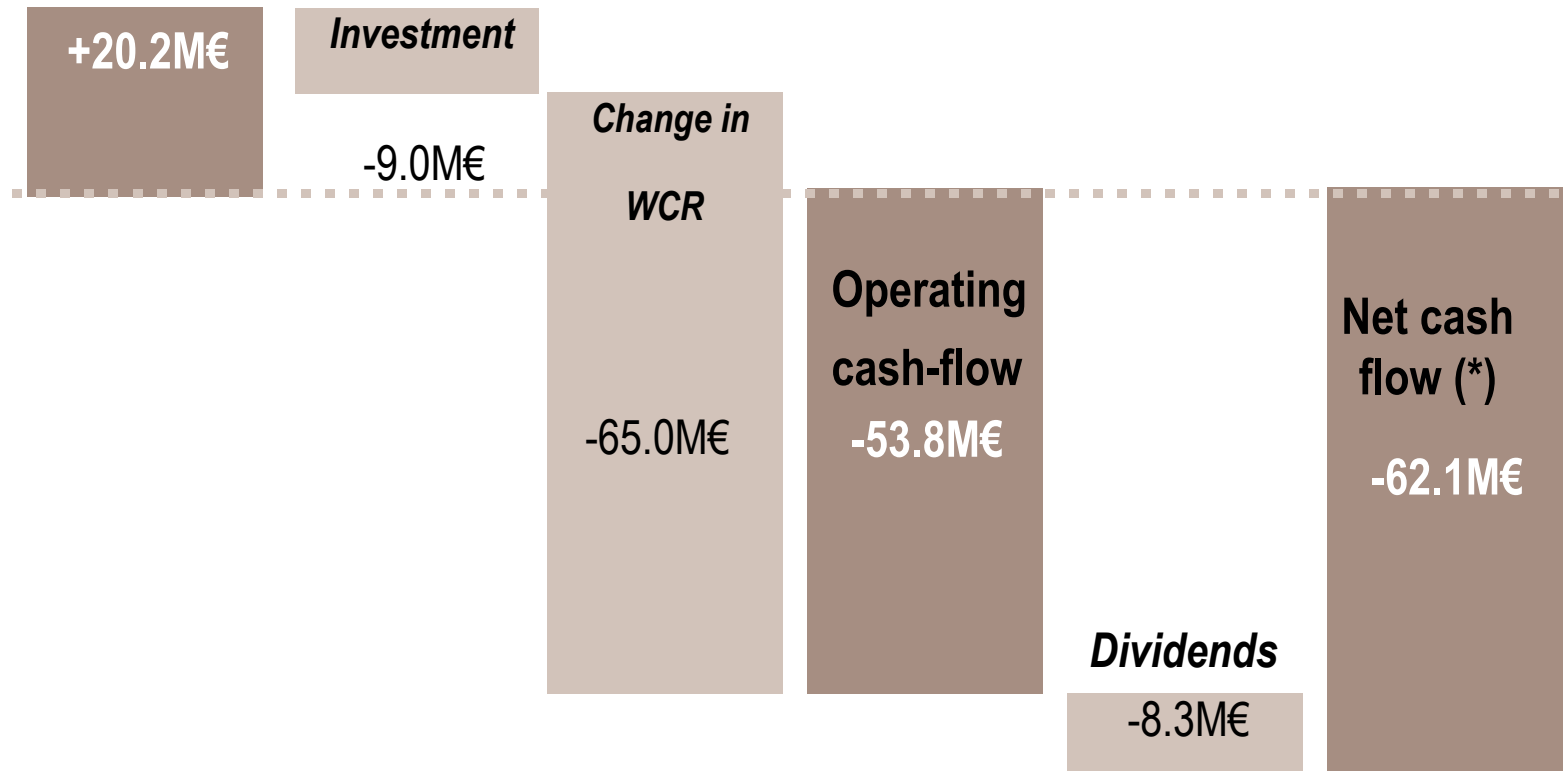
## 2008-2009 Income statement

<b>Laurent-Perrier Group</b> (Bottles 000s / € million)	<b>March 31 2008</b>	<b>March 31 2009</b>	<b>Chge %</b>
<b>CHAMPAGNE VOLUME</b>	<b>14 157</b>	<b>9 593</b>	<b>-32.2%</b>
<b>TURNOVER</b>	<b>249.4</b>	<b>181.3</b>	<b>-27.3%</b>
COST PRICE	-117.1	-77.0	-34.3%
<b>GROSS MARGIN</b>	<b>132.3</b>	<b>104.4</b>	<b>-21.1%</b>
BRAND SUPPORT	-19.2	-20.0	+4.3%
OTHER SALES COSTS	-26.9	-25.2	-6.4%
ADMINISTRATIVE EXPENSES	-20.9	-19.1	-8.6%
OTHER OPERATING INCOME	-0.0	2.7	NS
<b>CURRENT OPERATING INCOME</b>	<b>66.0</b>	<b>43.4</b>	<b>-34.3%</b>
<i>Operating margin</i>	<b>26.5%</b>	<b>23.9%</b>	<b>-2.6pts</b>
OTHER INCOME AND EXPENSES	-0.2	-0.1	-38.6%
FINANCIAL INCOME	-12.2	-14.1	+15.6%
<b>CURRENT INCOME</b>	<b>53.6</b>	<b>29.1</b>	<b>-45.7%</b>
TAX	-18.8	-10.0	-46.8%
<b>NET ATTRIBUTABLE INCOME</b>	<b>34.6</b>	<b>19.0</b>	<b>-45.2%</b>
<i>As % of turnover</i>	<b>13.9%</b>	<b>10.5%</b>	<b>-3.4pts</b>

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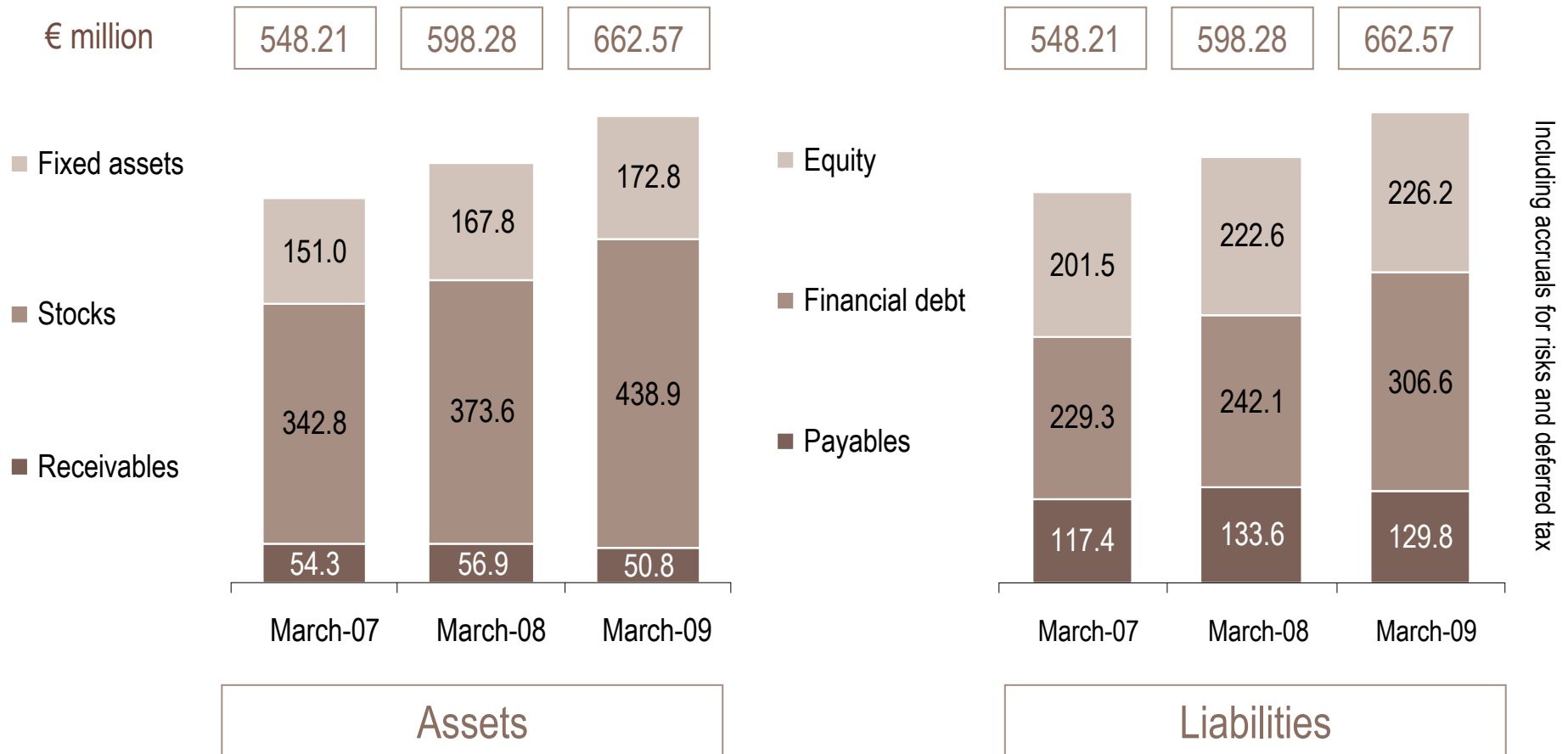
# Increase in inventories largely exceeded cash flow...

## Free cash-flow



(\*) Before share buy-back

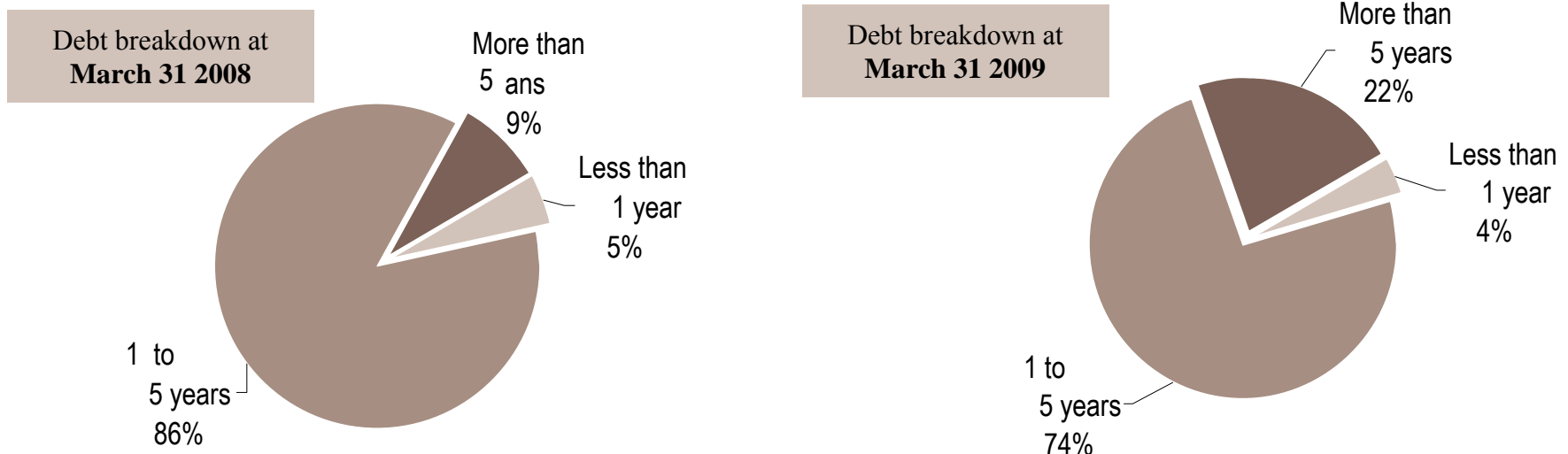
## ...and explains the increase in debt



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For 2009-2010, the Group has secured €350 million in credit lines

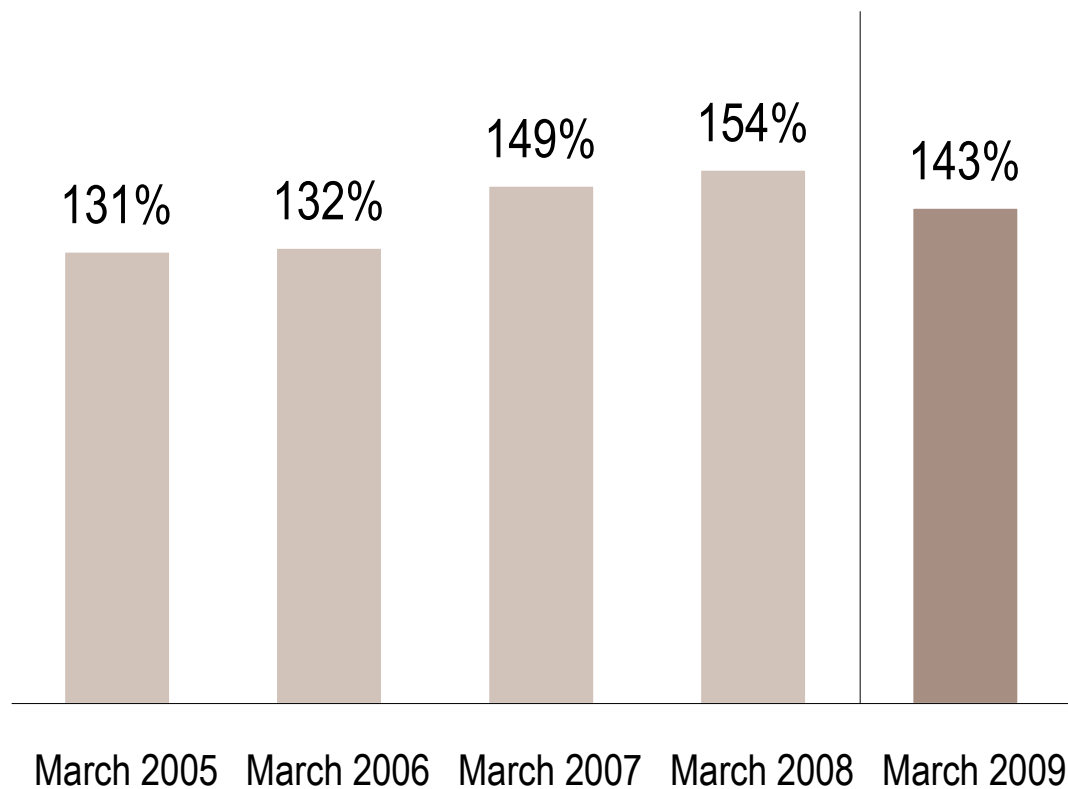
- 60% of debt is guaranteed by inventories: 5-year revolving credit, extended in early 2009 until end-2013
- Average maturity lengthened



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## Value of inventories exceeds net debt by 43%

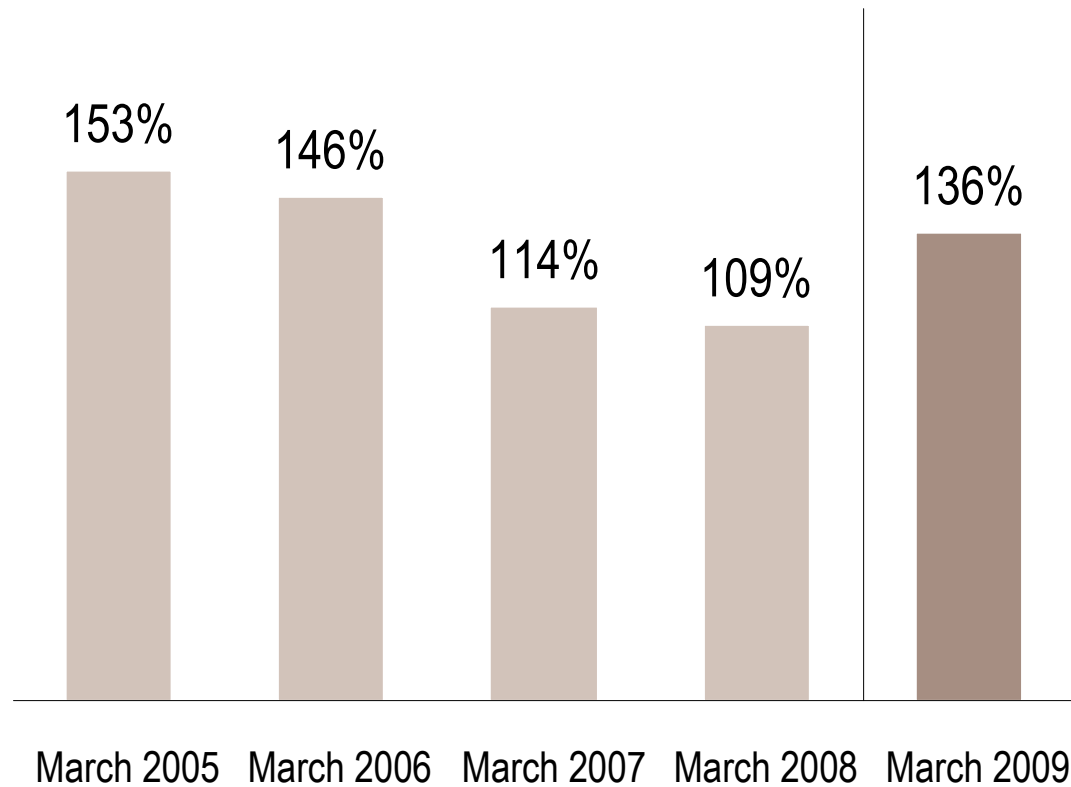
*Inventories/Net debt at end-March (%)*



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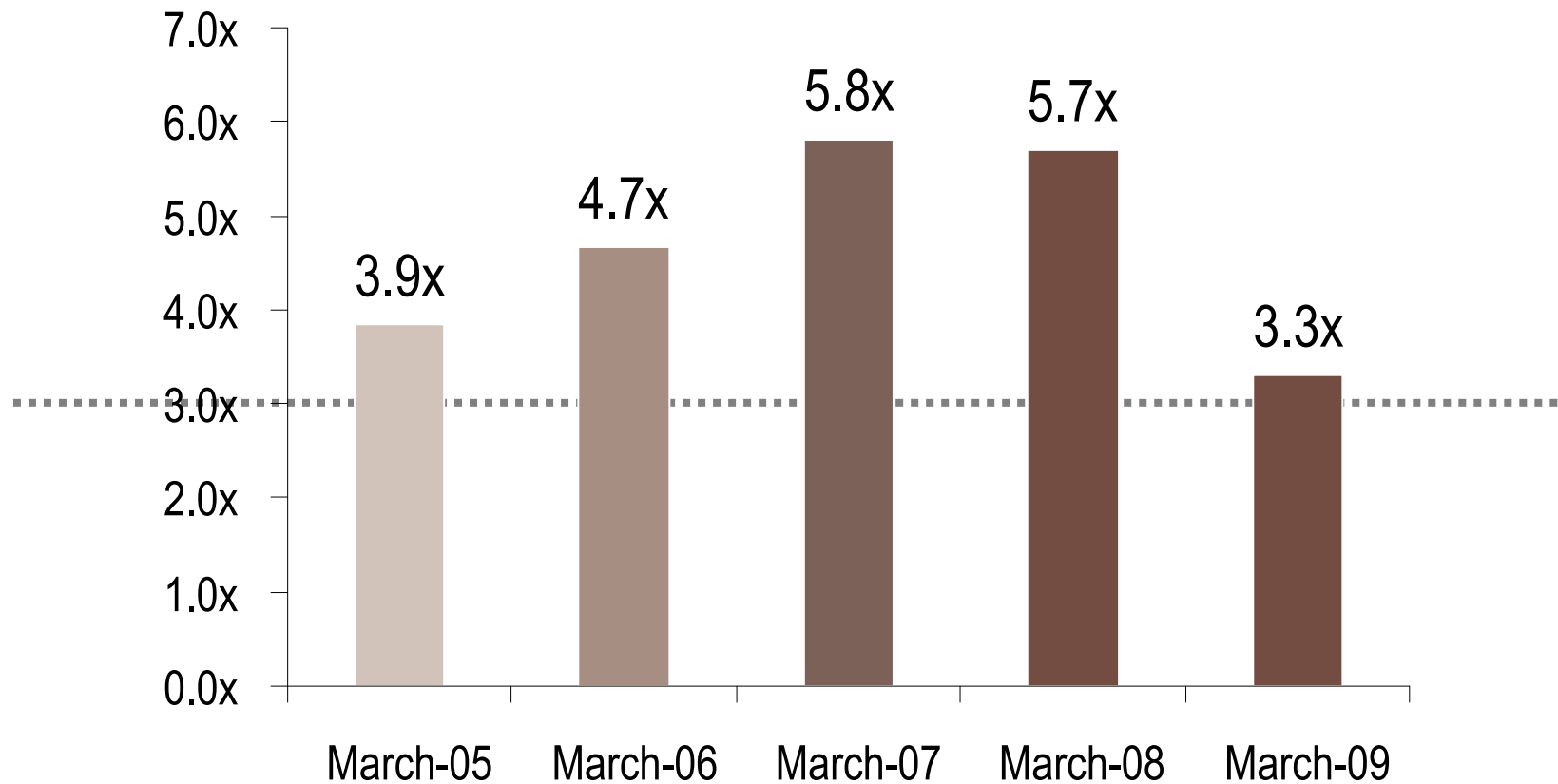
## Debt to Equity ratio remains at a reasonable level

*Net debt / Shareholders' equity*



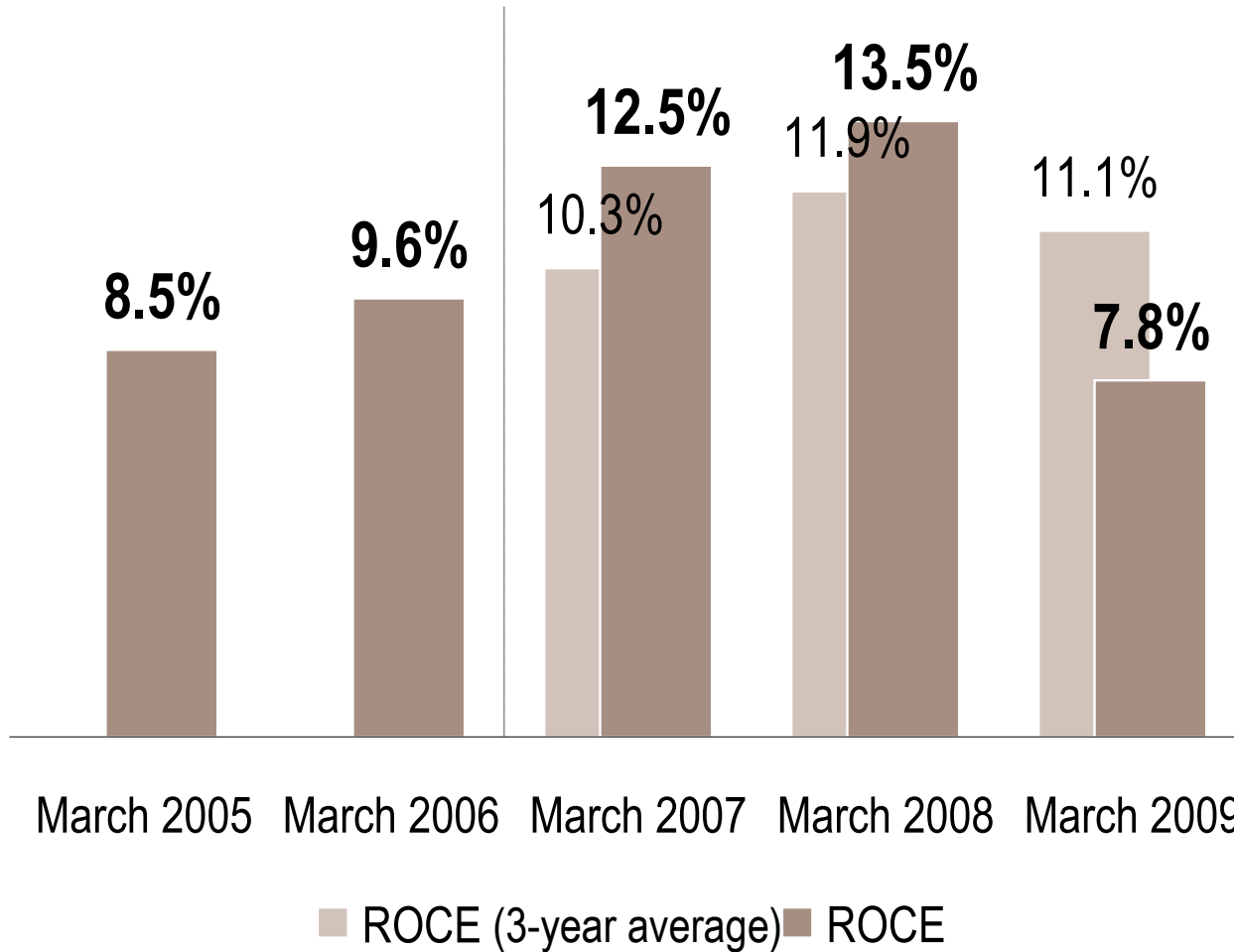
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Excluding impairment costs on financial instruments, the ratio of operating income to interest charges is in line with our covenants



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On average over three years, return on capital employed remains over 11%

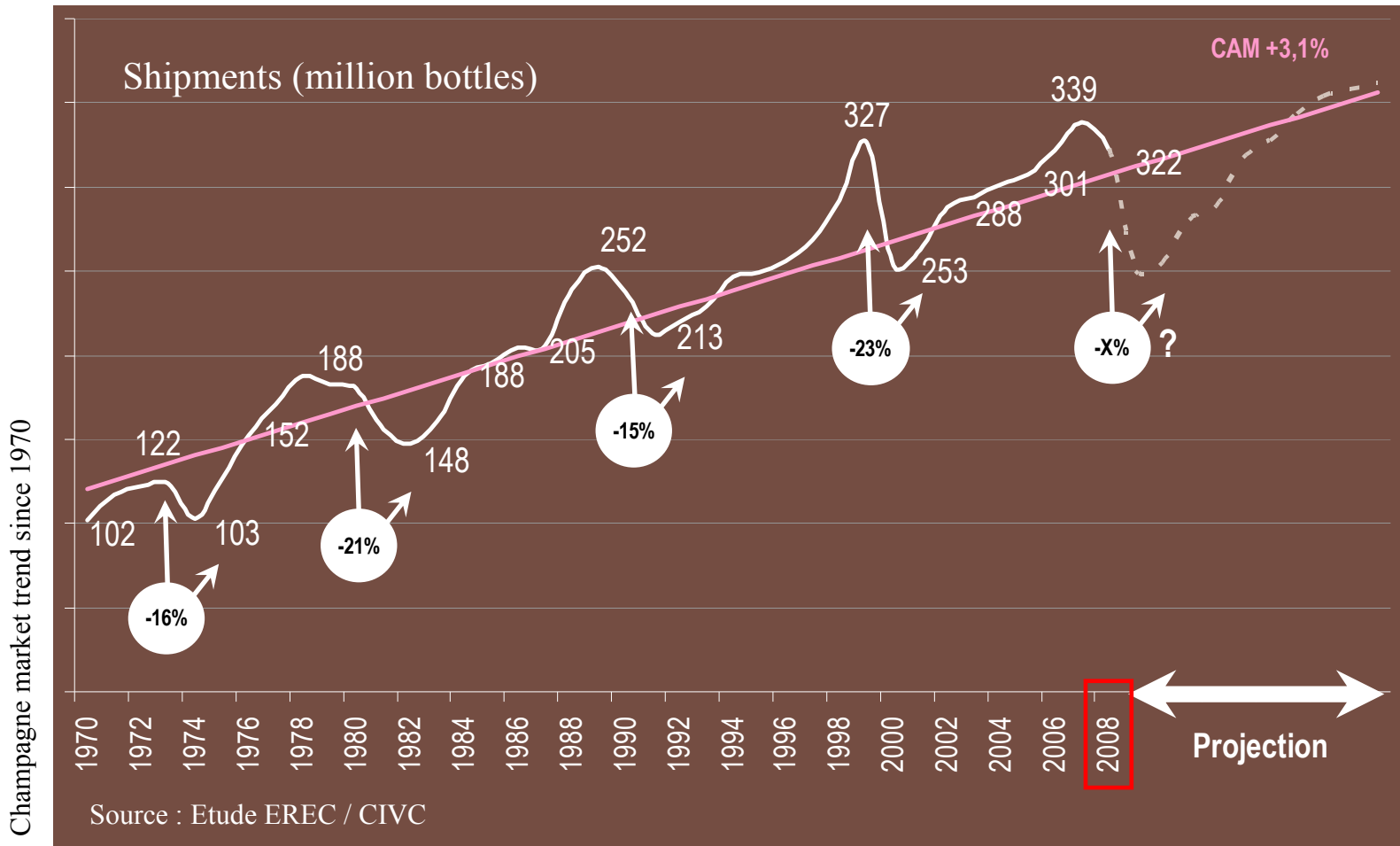


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## Overview

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2. Financial structure remains strong
3. Mid-term strategic objectives unchanged

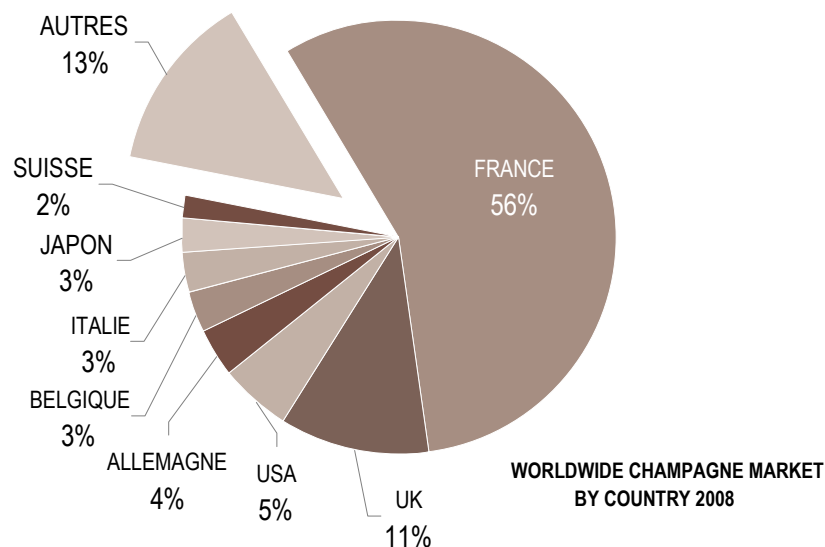
The market will return to its long-term growth trend of over 2% on average per year



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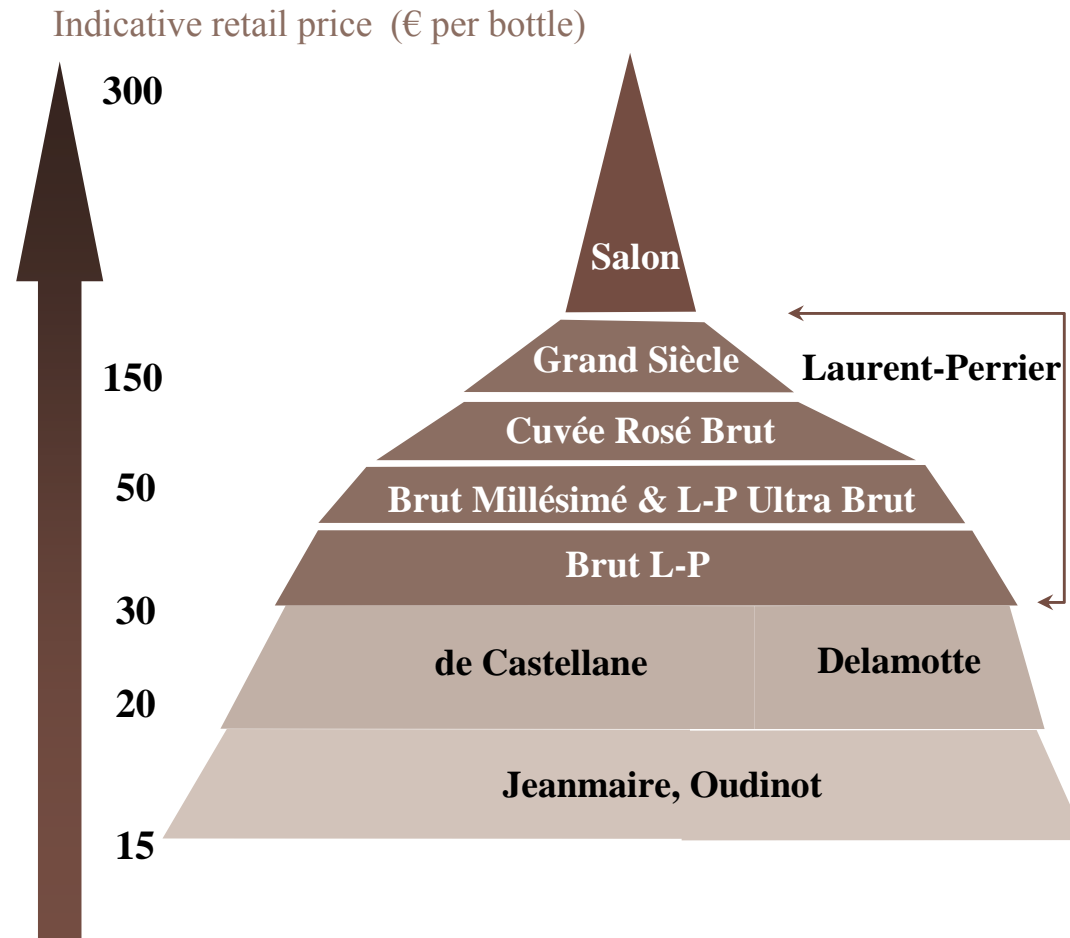
## During this difficult period, the Group is moving closer to its customers and consumers

- The Group has a local presence on all eight main markets (87% of the world market)
- New distributors in Asia (China, Hong Kong, Singapore)
- Continued development in Japan and the United States



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The Group intends to leverage the breadth of its brand portfolio and its coverage of distribution segments



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The Group will continue to adapt its cost structure in line with its sales development

- Control over wage bill
- Expected benefits of transferring Château Malakoff production to Champagne de Castellane site
- Strict management of receivables risk
- Step up cost commitment and control procedures, driven by upgraded IT systems
- Brand development: spending committed very gradually, mainly devoted to points of sale

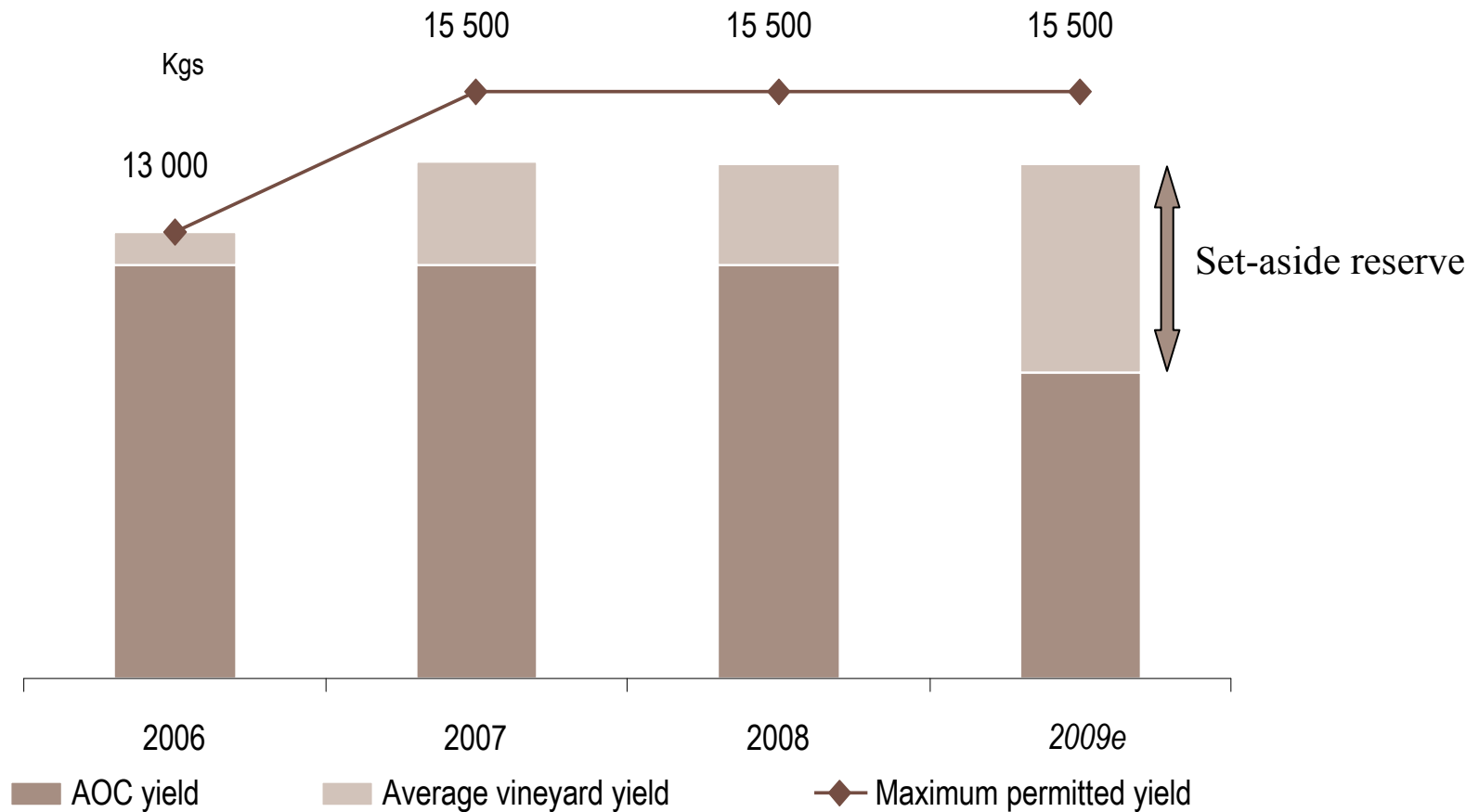
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From as early as 2009-2010, Group cash flow will benefit from positive factors

- Sharp fall in net investment
- Fall in interest rates
- After five years of high volumes, inventories will probably benefit from reduction in the 2009 harvest yield

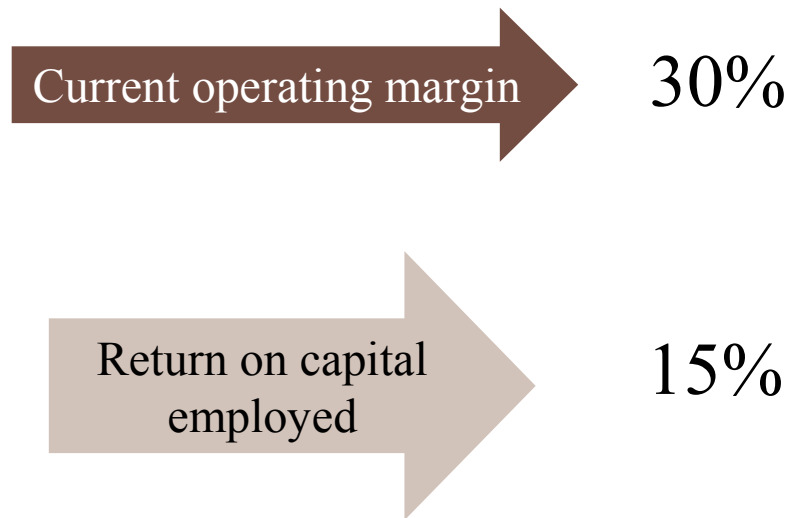
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## Grape supply regulation mechanism (2009 assumptions)



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## Laurent-Perrier maintains its main mid-term financial targets



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## Group assets and values are robust and enduring

- Supplies of high-quality grapes based on strong partnerships with growers
- Wine quality, safeguarded thanks to end-to-end control over all production processes and observance of necessary ageing times
- Transmission of know-how guaranteed by high average staff seniority
- Long-term commitment of family shareholders



Results for Financial Year  
2008-2009

**Stéphane Tsassis, Chairman of the Management Board**  
**Etienne Auriau, Chief Financial Officer**

*Wednesday June 3, 2009*