



1ST HALF 2017-2018
RESULTS
24 NOVEMBER 2017

OVERVIEW

- Highlights
- Key figures
- Analyses
- 2017 harvest & investments
- Continuation of value policy
- Outlook



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HIGHLIGHTS

➤ EXTERNAL FACTORS

- Market stable by volume
- Steady deterioration in exchange rates (£, \$ and CHF)

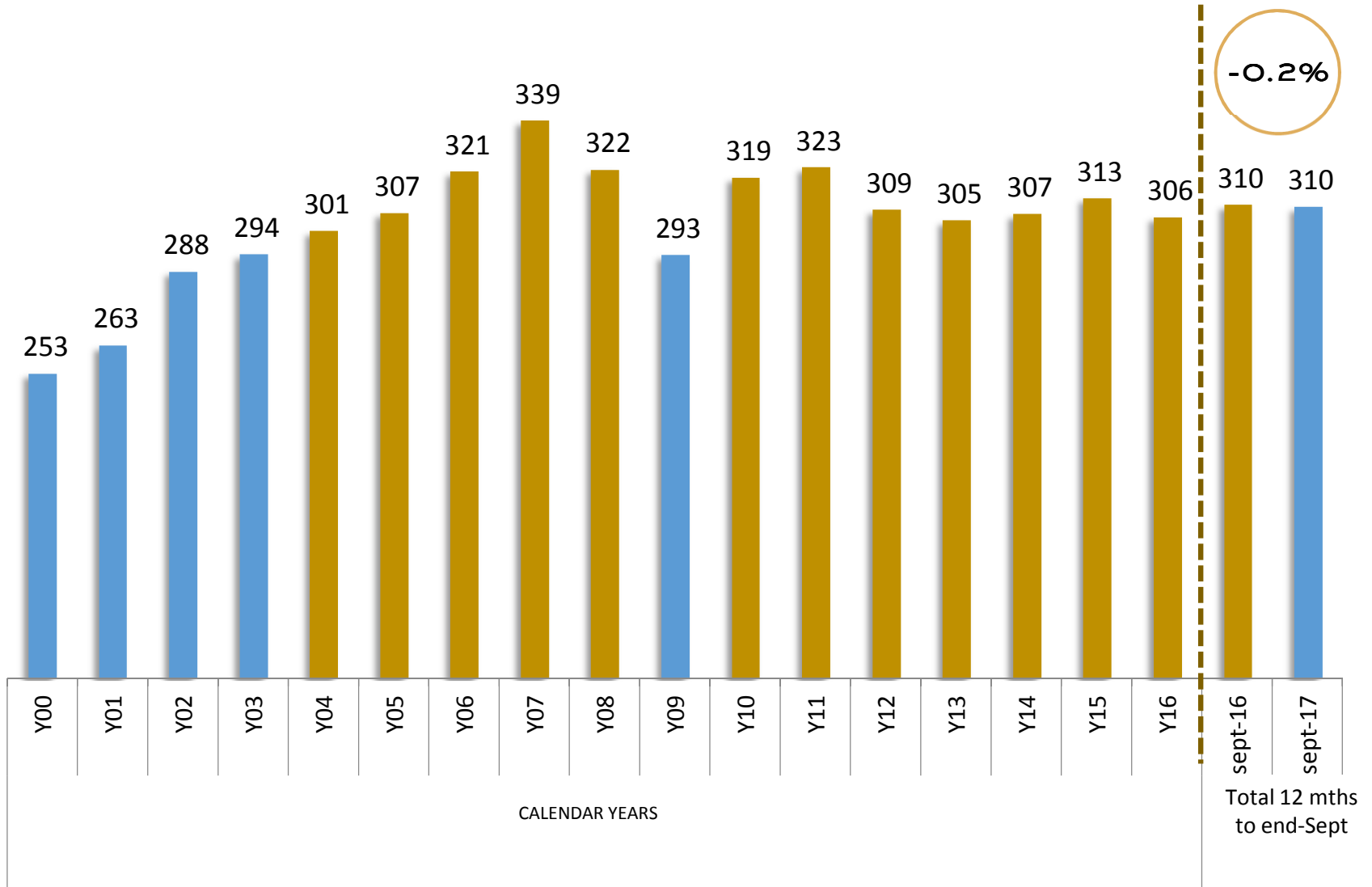
➤ INTERNAL FACTORS

- Global launch of “La Cuvée”: a real step-up from Brut LP
- Positioning of “La Cuvée”, with price increase
- Change of US distributor
- Continuation of media investment campaign
- Impact of end of Suntory distribution on 1 January 2017
- Decision to unwind Swaps contracts in connection with refinancing

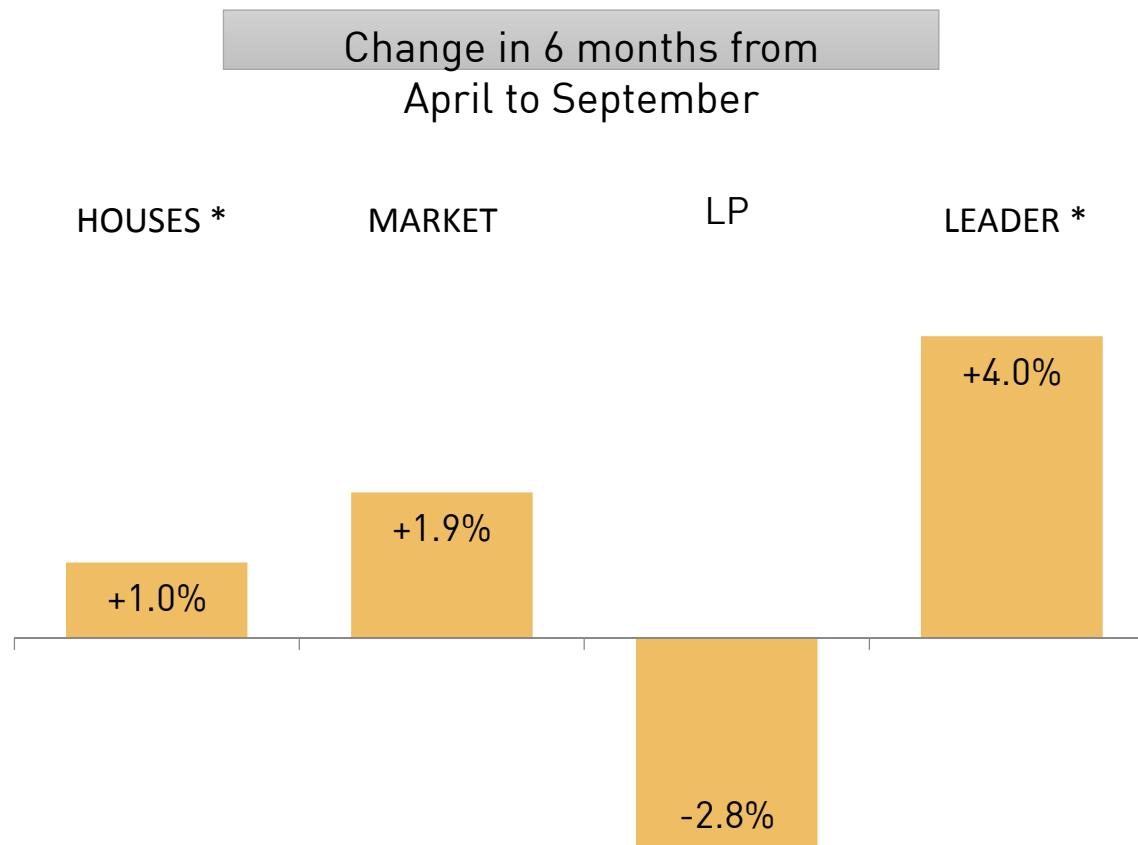


MARKET STABLE OVER ROLLING 12-MONTH PERIOD

TOTAL IN 12 MONTHS TO END-SEPTEMBER
(SOURCE : CIVC) -MILLION BOTTLES SHIPPED



MARKET CHANGE, 2017



* Estimated



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PRINCIPAL CONSOLIDATED DATA

[TOTAL IN 6 MONTHS TO END-SEPTEMBER 2017]

Laurent-Perrier Group (€ million)	1st half 2016-2017	1st half 2017-2018	Change	Organic restatements					1st half 2017-2018 Organic	Change
				Currency es	Margi n/ rev.	Provisions & other regul'n	Third party & other	Total		
Turnover	97.9	94.7	-3.2%	+1.4	+0.2	+1.3	+2.8	97.5	-0.3%	
Gross margin	49.3	47.8	-2.9%	+1.3	-0.2	+0.2	+0.4	49.4	+0.2%	
<i>Gross margin ratio</i>	<i>50.3%</i>	<i>50.5%</i>	<i>+0.2Pts</i>					<i>50.6%</i>	<i>+0.3Pts</i>	
Brand development	-7.7	-8.3	+7.0%	-0.1		+0.1	-0.1	-8.3	+7.6%	
Comm & Admin expenses.	-22.8	-22.9	+0.8%	-0.2		-0.0	-0.2	-23.2	+1.8%	
Other income & expenses	0.4	0.3	-28.7%	-0.1		+0.1	+0.3	0.5	+20.9%	
Operating result	19.2	16.9	-11.9%	+0.8	-0.2	+0.3	+0.7	+1.5	18.4	-4.3%
<i>Operating margin ratio</i>	<i>19.6%</i>	<i>17.9%</i>	<i>-1.8Pts</i>					<i>18.8%</i>	<i>-0.8Pts</i>	

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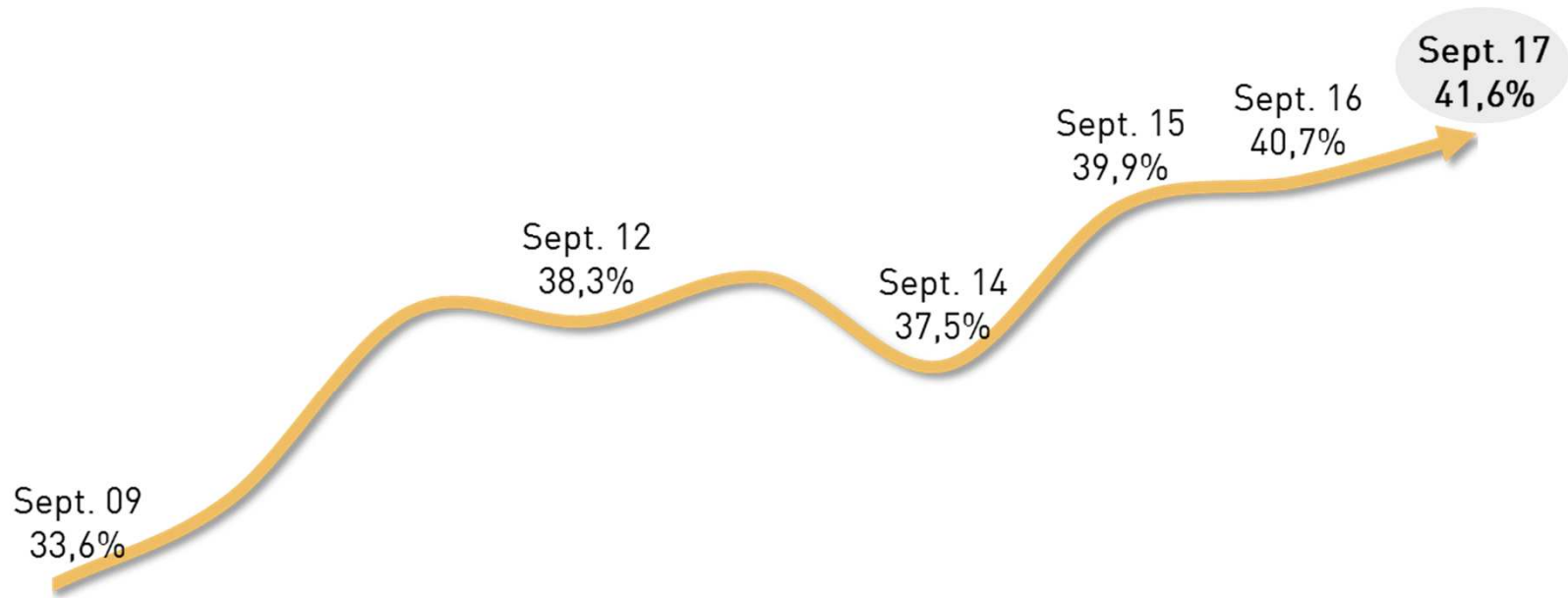
PRICE/MIX EFFECT MOSTLY OFFSETS DROP IN VOLUME

<u>Change</u> <u>Vs 1st half 2016-2017</u>	<u>% change</u> <u>Volume</u>	<u>% change</u> <u>Price / mix (*)</u>
Laurent-Perrier Group	-2.8%	+2.4%

(*) at constant exchange rates

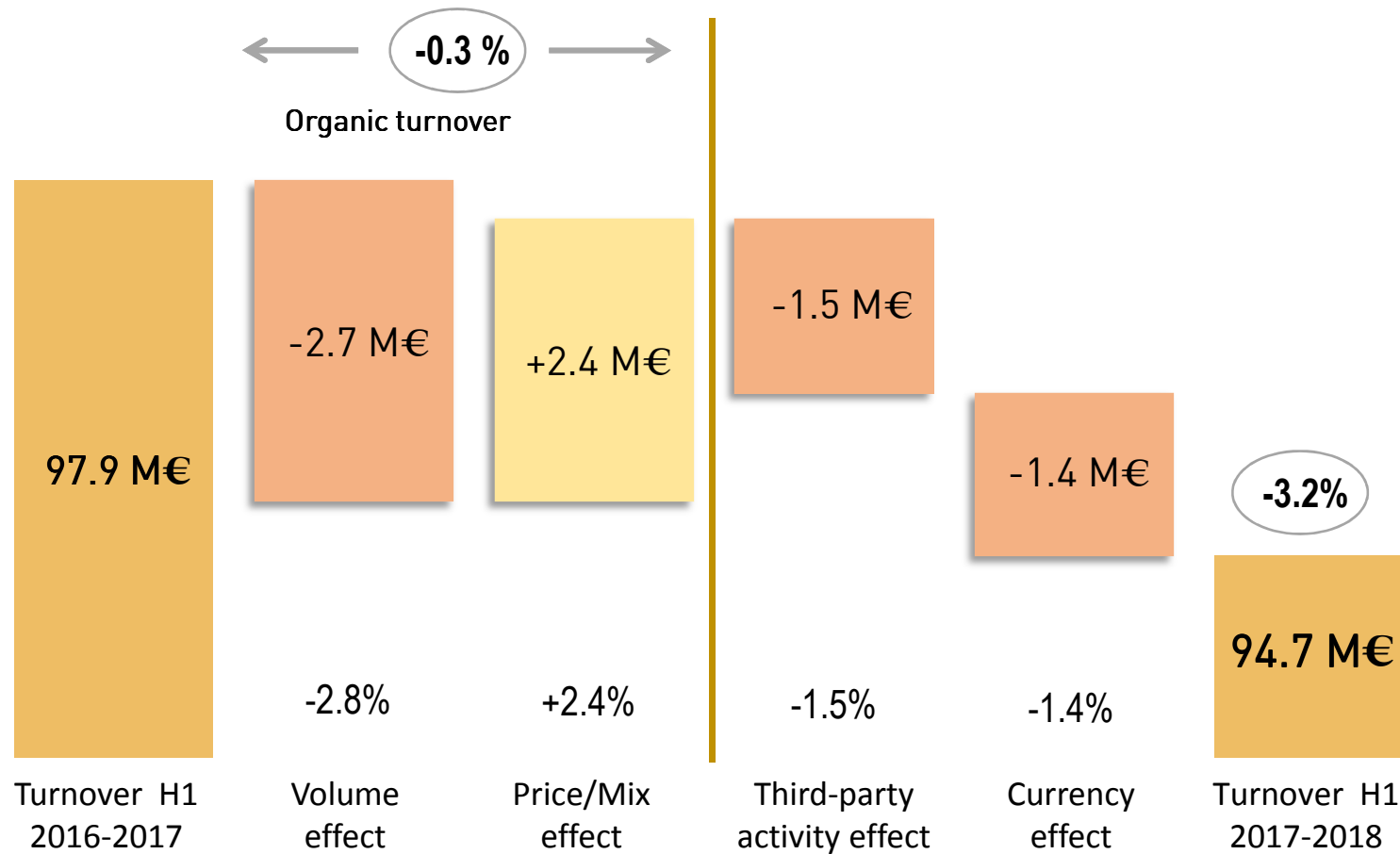


CONTRIBUTION FROM PREMIUM CUVÉES STEADILY INCREASING

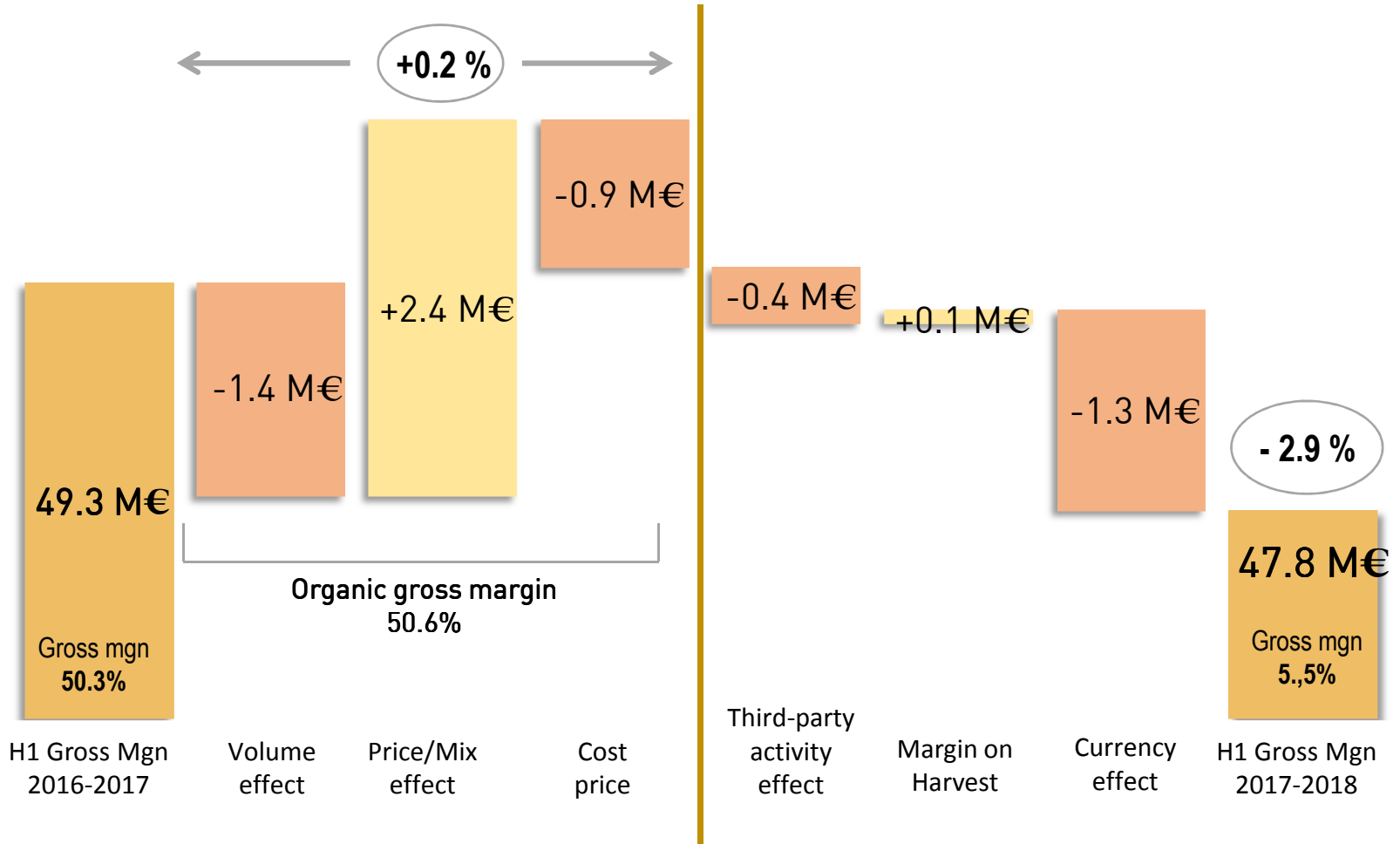


ORGANIC TURNOVER STABLE

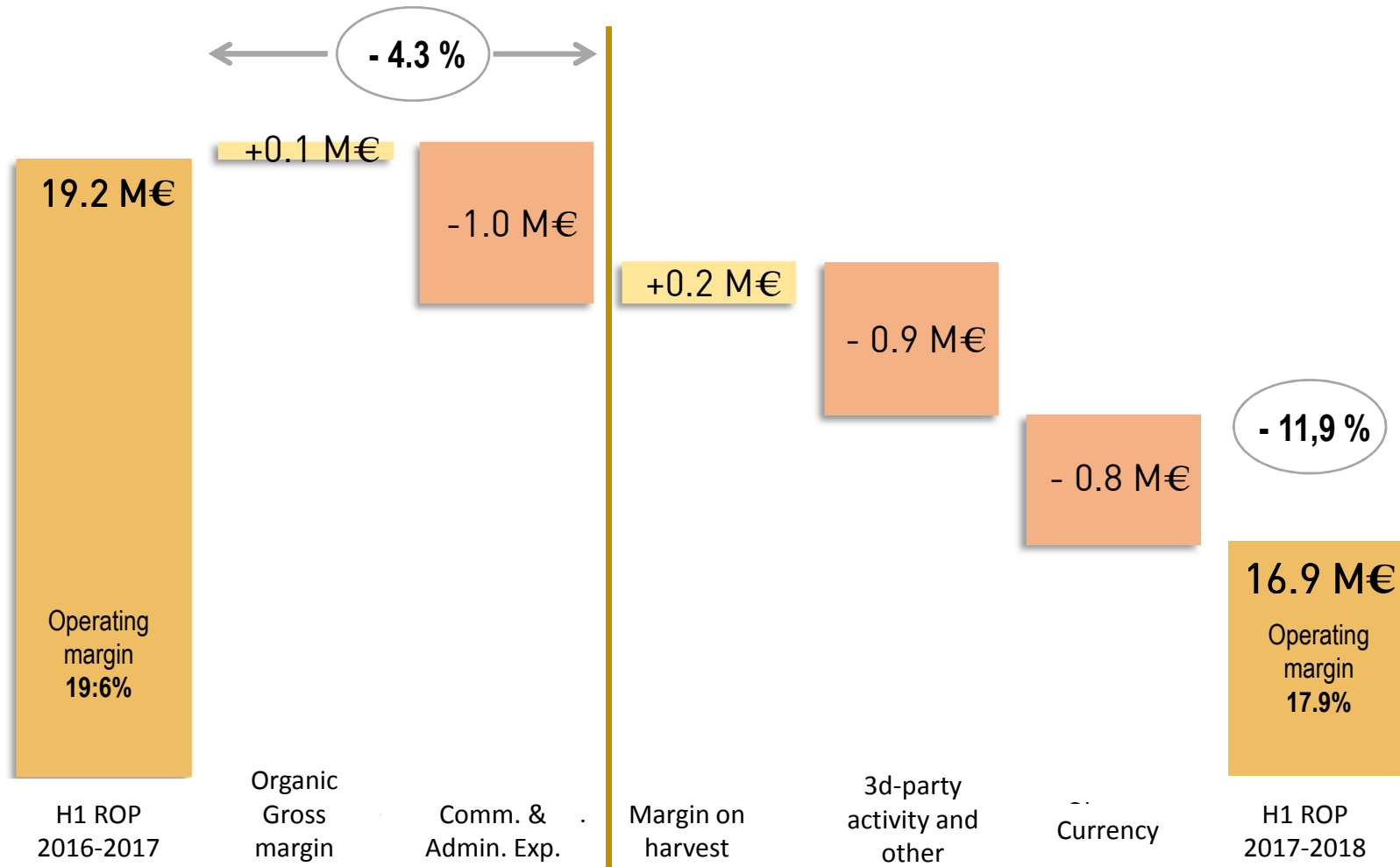
[VARIANCES IN GROUP TURNOVER VS YEAR-EARLIER PERIOD]



GROSS MARGIN STABLE THANKS TO PRICE/MIX EFFECT

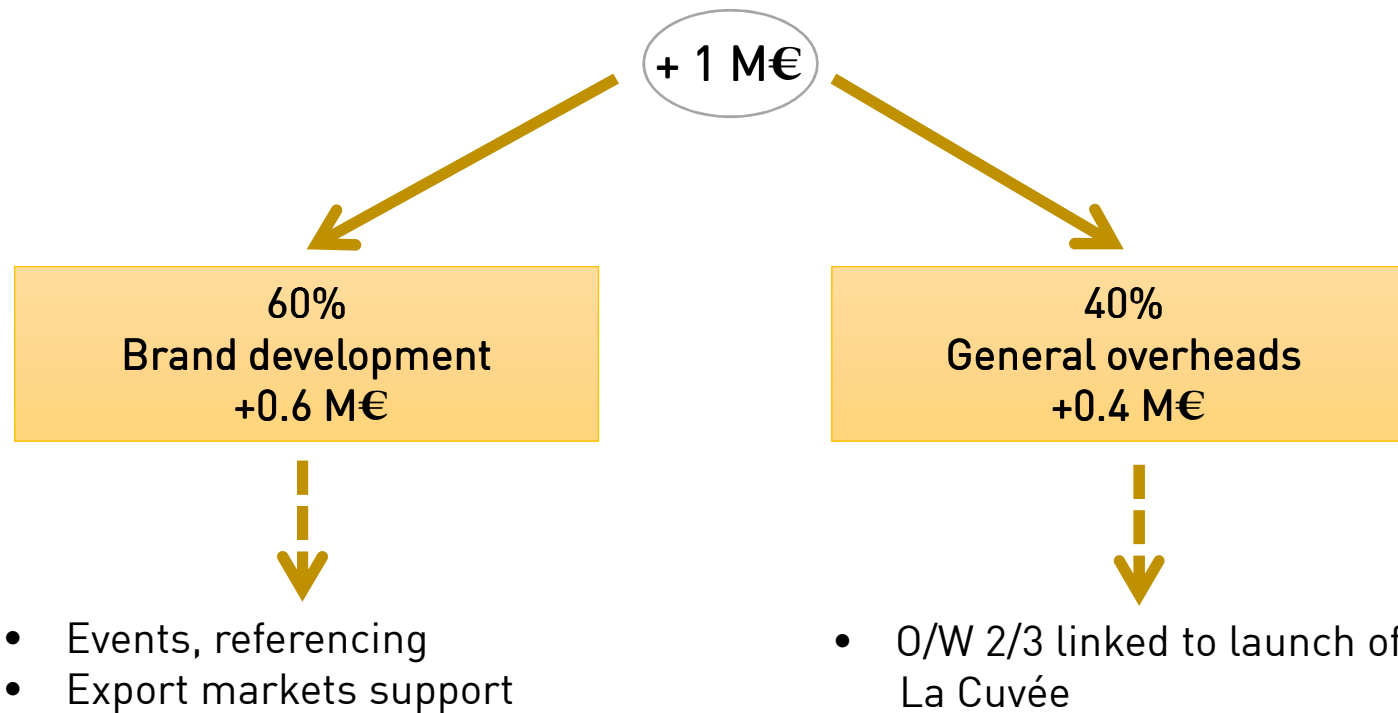


ORGANIC OPERATING RESULT AFFECTED BY RISE IN COMMERCIAL AND ADMINISTRATIVE EXPENSES

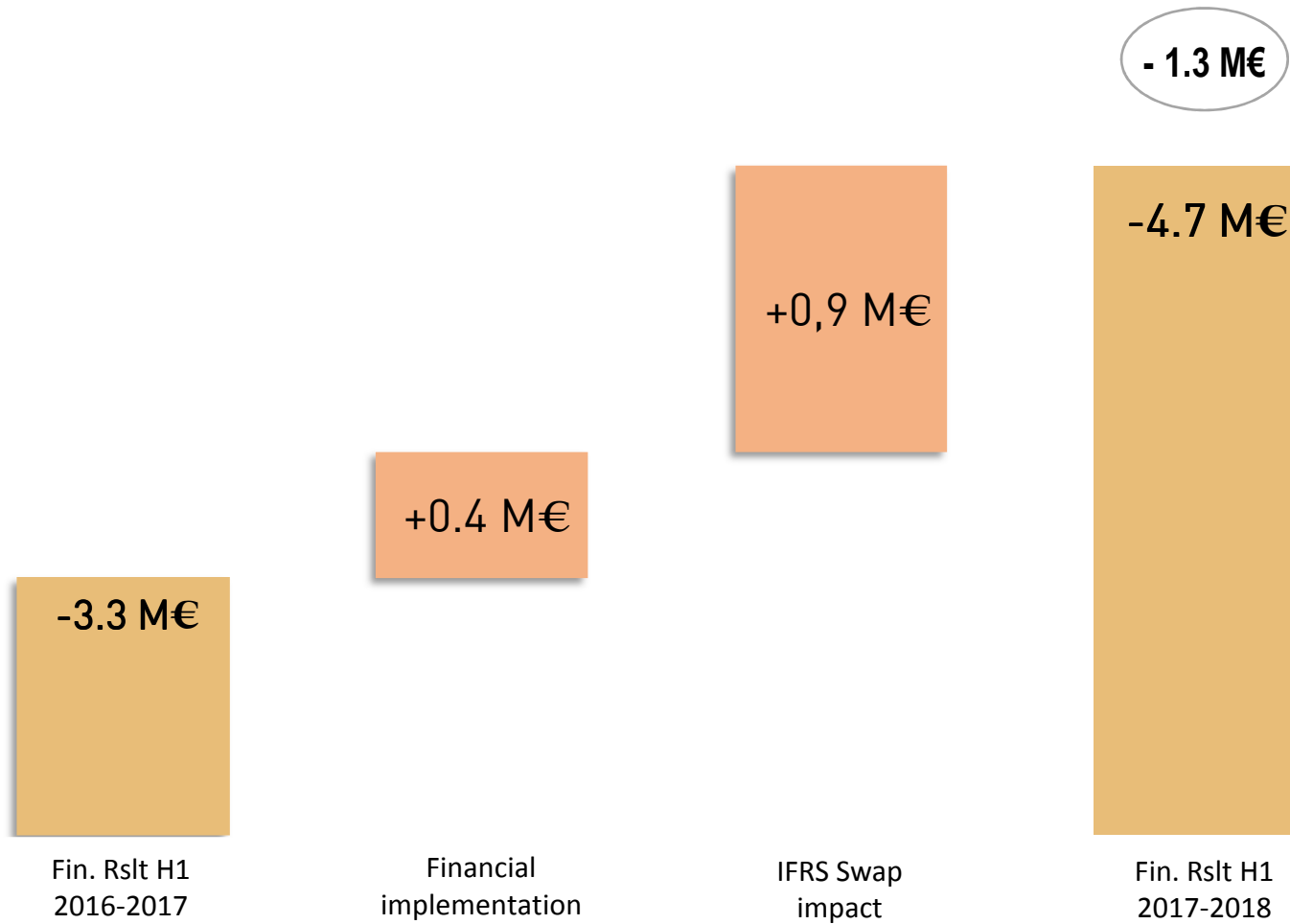


ANALYSIS OF COMMERCIAL AND ADMINISTRATIVE EXPENSES

Change vs 1st half 2016-2017
Commercial & Administrative Expenses



FINANCIAL RESULT AFFECTED BY THE UNWINDING OF SWAPS
IN CONNECTION WITH THE REFINANCING



SIMPLIFIED INCOME STATEMENT

(€ million)	1st half 2016-2017	1st half 2017-2018	Changes
Turnover	97.9	94.7	-3,.%
Gross margin	49.3	47.8	-2.9%
<i>as % of turnover</i>	50.3%	50.5%	+0.2Pts
Operating result	19.2	16.9	-11.9%
<i>as % of turnover</i>	19.6%	17.9%	-1.8Pts
Financial result	-3.3	-4.7	+39.9%
Tax	-5.5	-4.3	-21.4%
Group net income	10.3	7.9	-23.9%
<i>as % of turnover</i>	10.6%	8.3%	-2.3Pts
Net cash flow (*)	-34.3	-28.0	+6.3

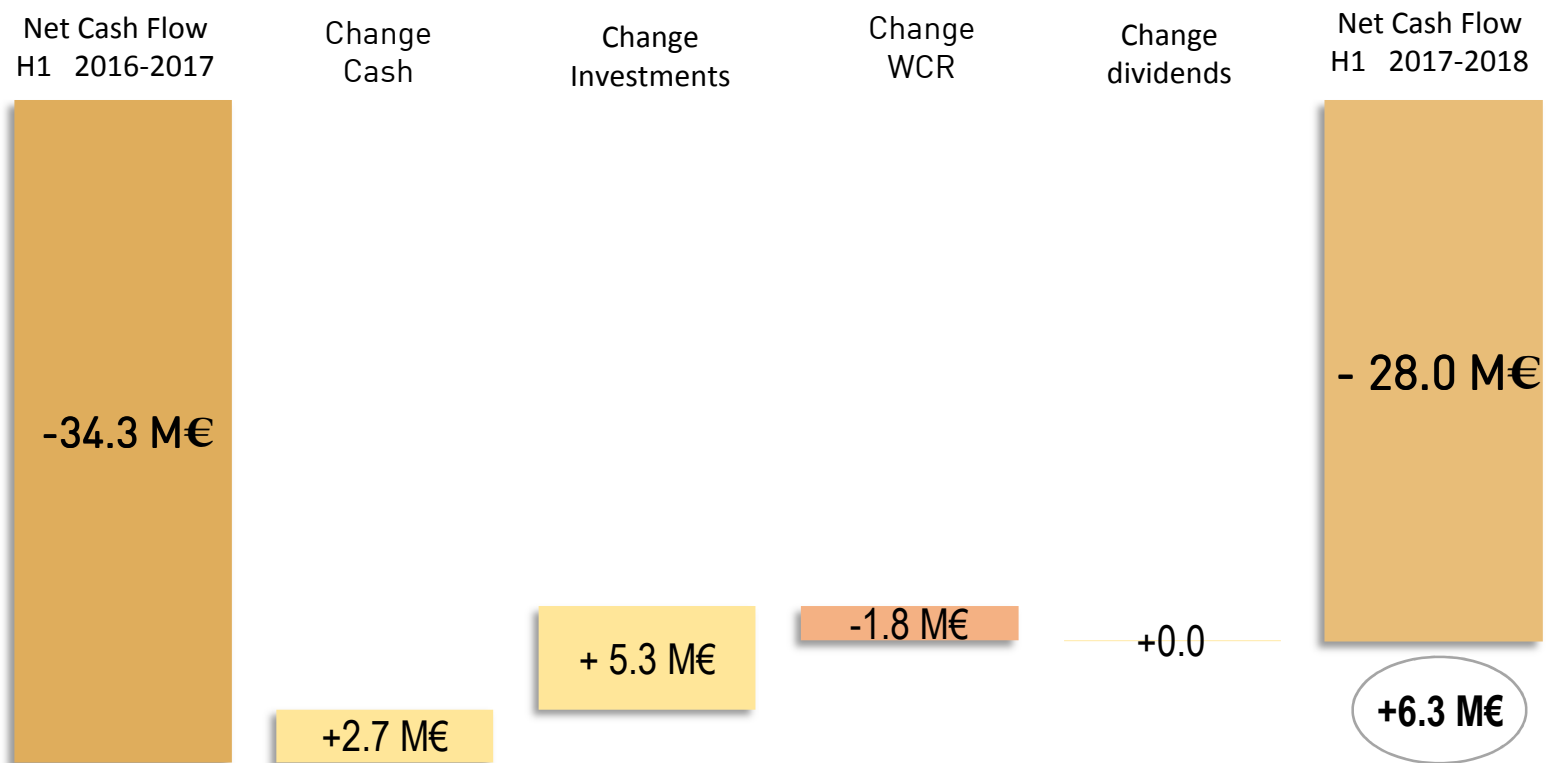
(*) net cash from operations minus net investment minus dividends



BALANCE SHEET ANALYSIS

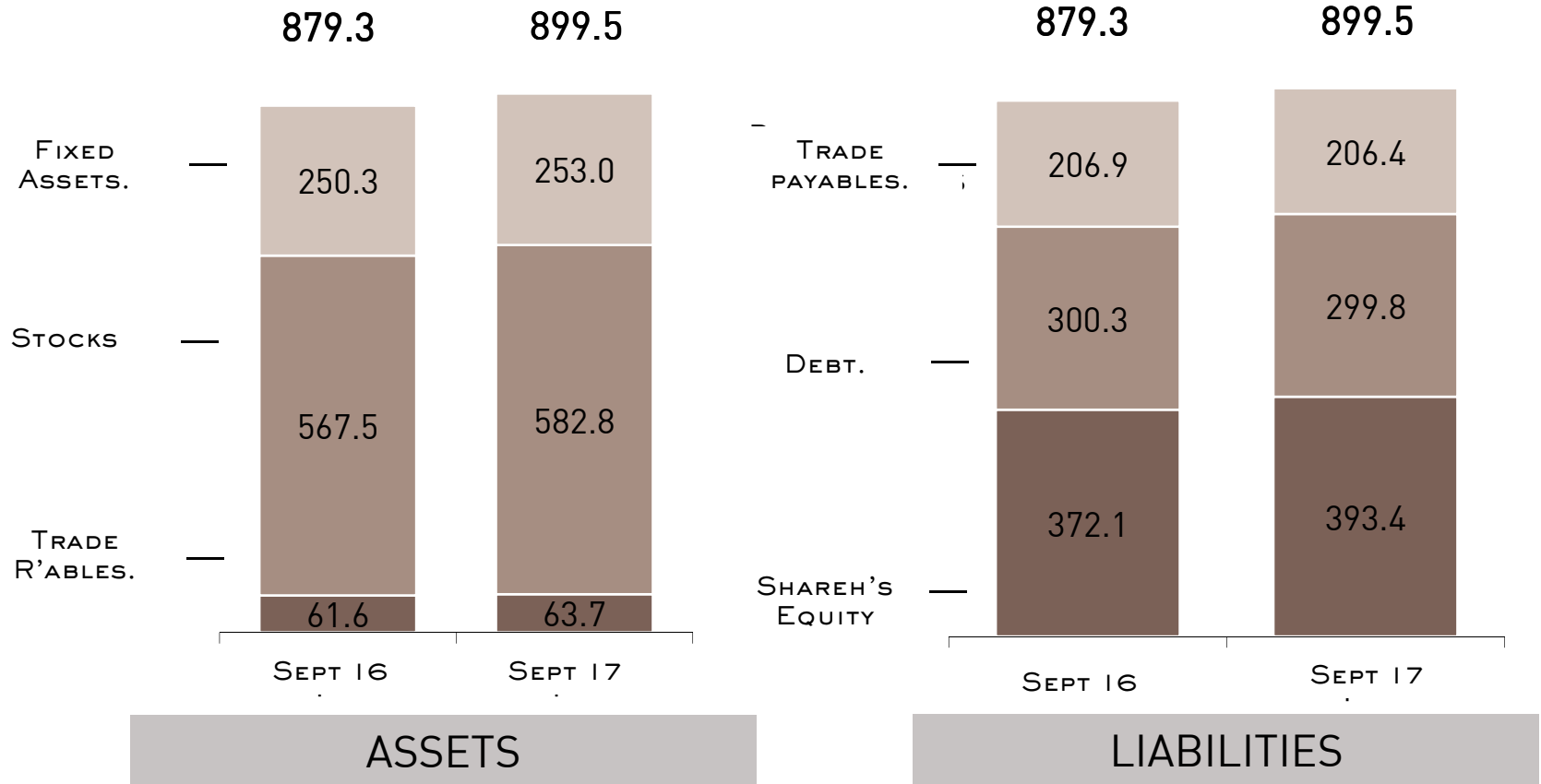


€6.3 MILLION IMPROVEMENT IN CASH FLOW



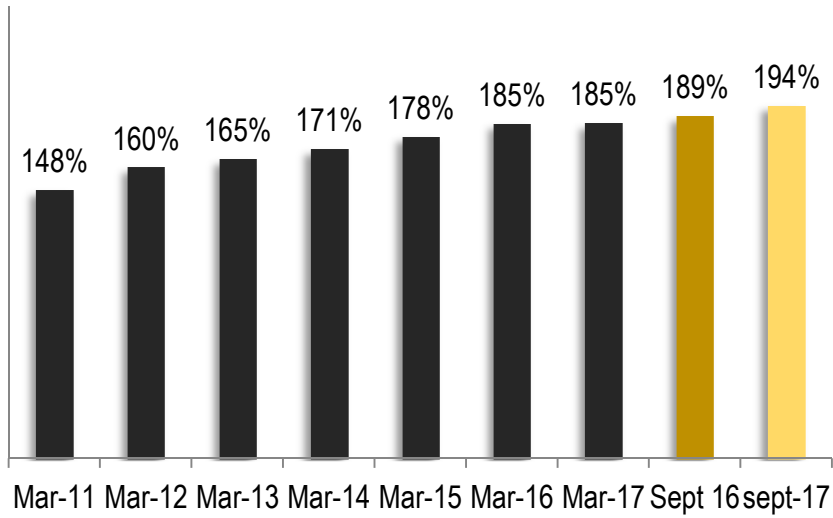
BALANCE SHEET STRUCTURE

[GROUP - TOTAL 6 MONTHS TO END-SEPTEMBER 2017]

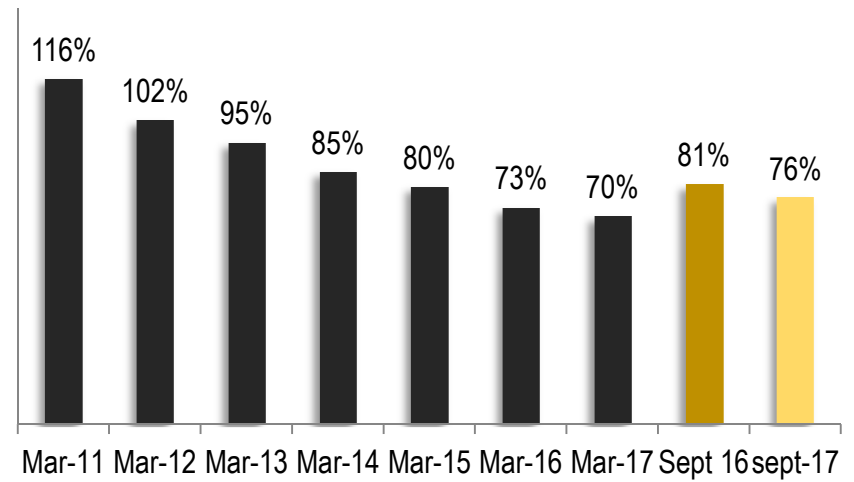


STEADY IMPROVEMENT IN DEBT RATIOS

[GROUP - TOTAL 6 MONTHS TO END-SEPTEMBER 2017]



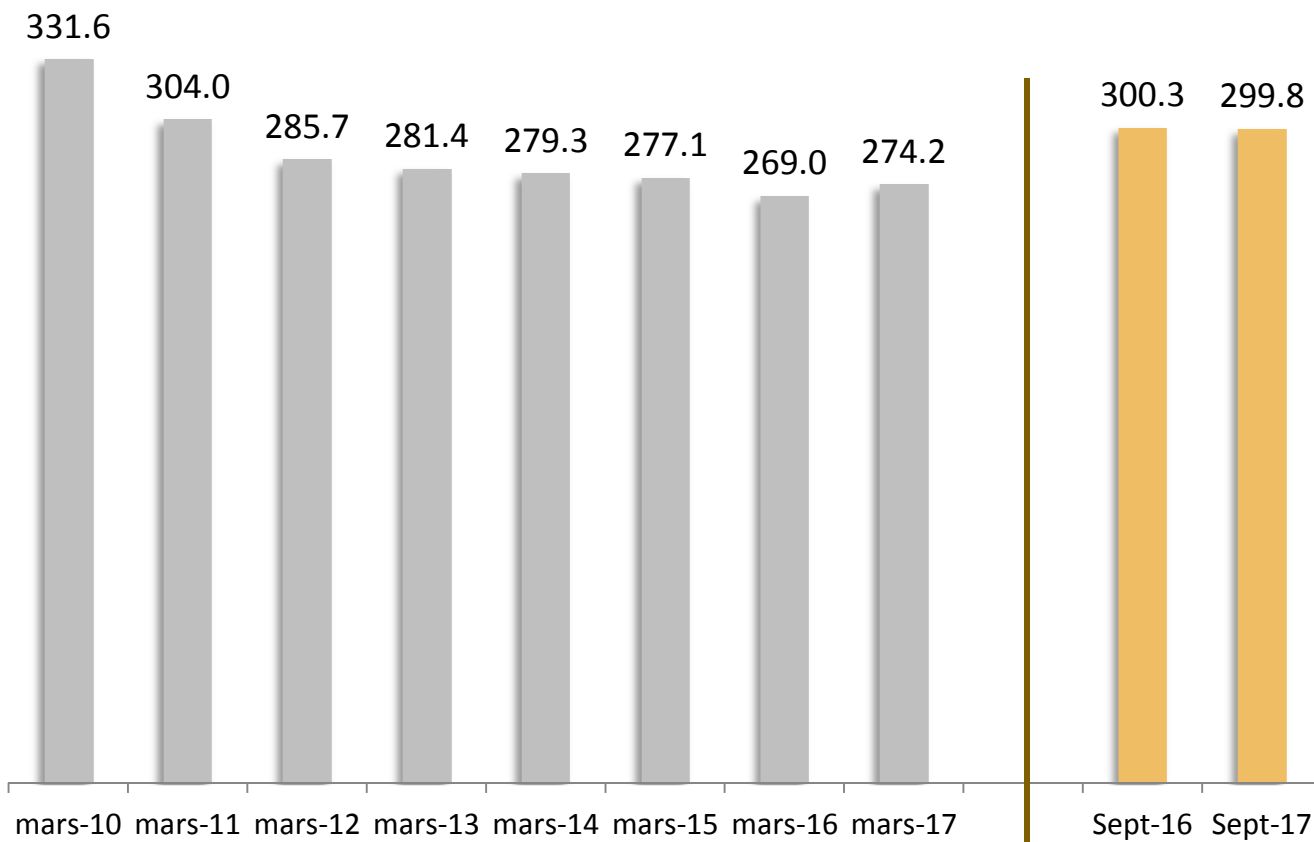
Inventories/Debt, %



Debt/Equity, %

DEBT STABLE

[GROUP - TOTAL 6 MONTHS TO END-SEPTEMBER 2017]



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THE WINE GROWING YEAR: 2017

- A very mild winter but with spring frosts which had major consequences (Côte des Blancs, Vallée de La Marne, Aube, etc.): 23% of buds lost over the total growing area
- Until end-July, the vines were in remarkable condition, despite low rainfall
- Heavy rain on 25 August in the Marne (100mm), and a subsequent heat wave from 29 August, just as the grapes were ripe, led to outbreaks of botrytis



APPRAISAL OF THE 2017 HARVEST

- The quality of the harvest differed widely for each of the three varietals from one region to another
- Agronomic yield: total for Champagne: 9,000 kg / ha (8,500 kg/ ha in 2016): 20% less than in 2015
- Usable AOC yield = 10,800 Kg/ha (10,300 kg +500 kg from release of individual reserves)



INVESTMENT UPDATE

- The centralisation of wine making processes in 2014-2016 is now complete (Cellars & Winery)
- Investment in cellars in 2017-2018 in view of a site disposal in order to group all storage facilities at Tours-sur-Marne
- Reorganisation of reception and stand-by facilities



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Laurent-Perrier
LA CUVÉE

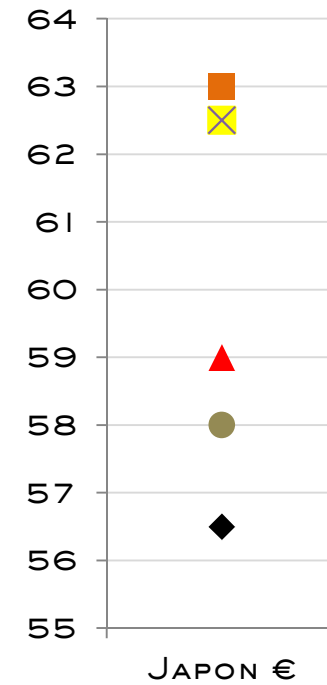
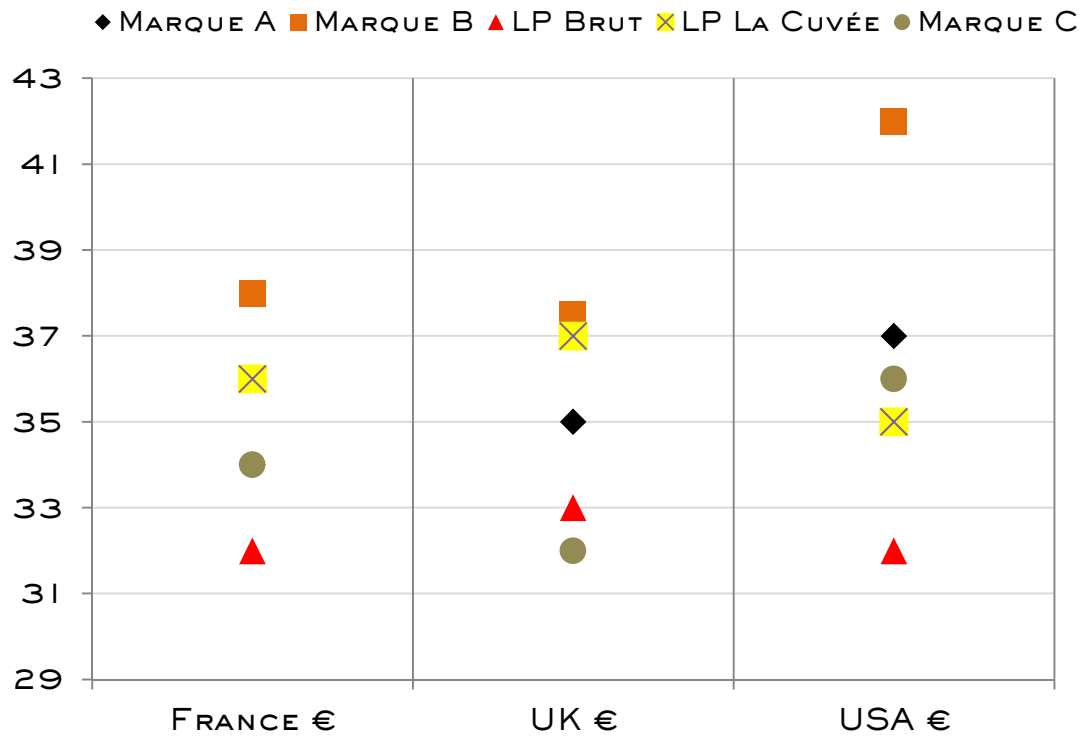


LAUNCH OF LA CUVÉE: 15 YEARS OF INVESTMENT
IN THE SERVICE OF QUALITY



CHANGE IN RETAIL PRICE POSITIONING (€) LA CUVÉE VS BRUT LAURENT-PERRIER

Source: Laurent-Perrier



FIRST CONCLUSIONS

The quality of the wine is a major asset



At the right relative price point, performance is better than Brut's



CUVÉE ROSÉ





Laurent-Perrier
choisi par *Le Prince de Galles.*

CUVÉE ROSÉ
CHOISIE PAR LES MEILLEURS

CHAMPAGNE



MAISON FONDÉE
1812



Photographie: de laurier / Boudier - Paris, 1974

@laurentperrierose

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



MEDIA CAMPAIGN NOW COVERS 70% OF THE MARKET

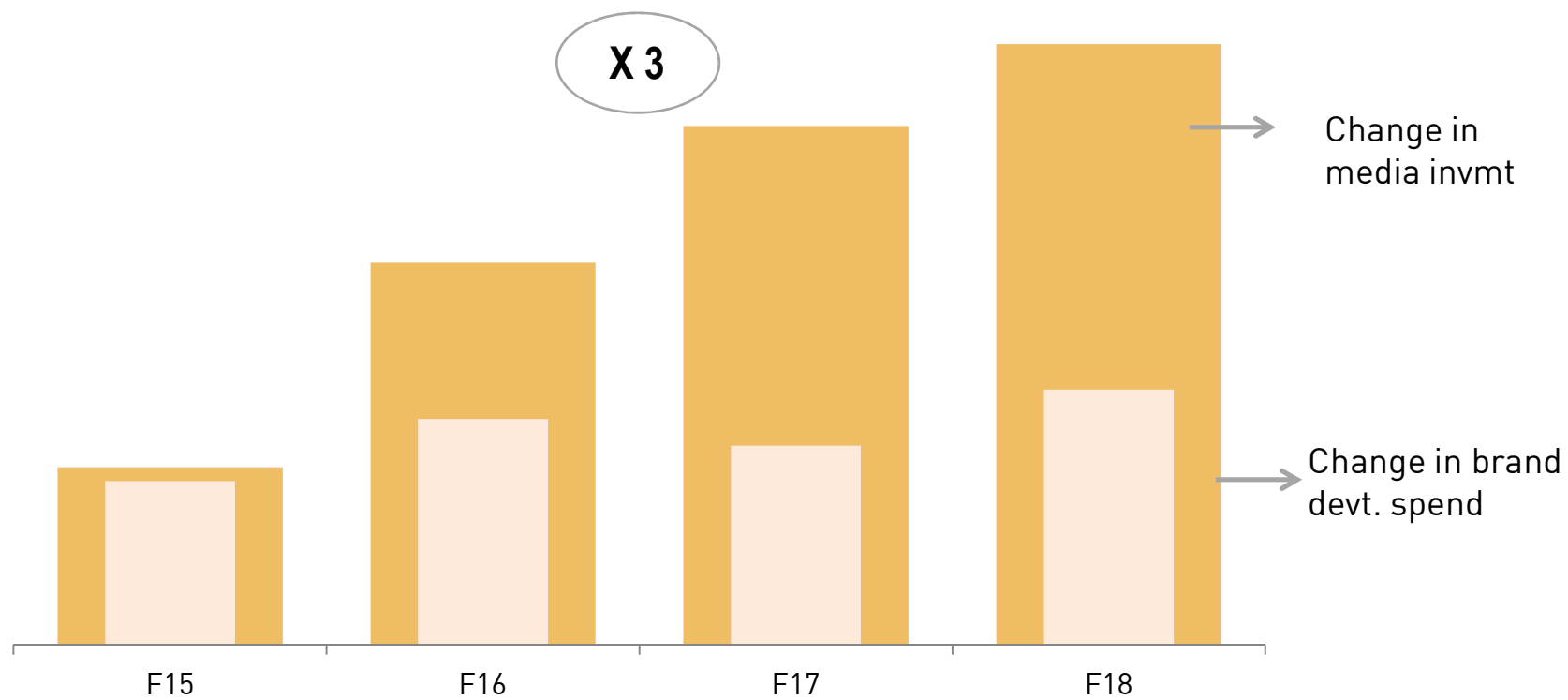


Switzerland (G), USA - California

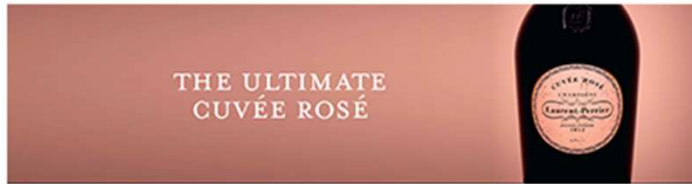
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CHANGE IN MEDIA INVESTMENT



DEVELOPMENT OF COMMERCIAL DIGITAL INVESTMENT



1. COPY FADES UP AS WE ZOOM OUT OF BOTTLE IMAGE.



4. OTHER RESTAURANTS FADE UP THEN MOVE AWAY AND FADE OUT.



2. ZOOM OUT TO FULL BOTTLE. COPY CHANGES.



5. COPY FADES AND 5 STARS FADES UP.



3. RESTAURANT NAME FADES UP.



6. FINISH ON OFFER AND CTA.



DEVELOPMENT OF PARTNERSHIPS WITH MEDIA / PRESTIGE CLIENTS / LAURENT-PERRIER



Win a luxury stay at Corinthia with Champagne Laurent-Perrier

With this exclusive offer, FT readers can win a stay at Corinthia Hotel London, in partnership with Champagne Laurent-Perrier. This luxurious experience for two includes:

- An overnight stay, with English breakfast in a stunning Penthouse, along with a bottle of Laurent-Perrier Cuvée Rosé on arrival
- A relaxing morning at SPA Life at Corinthia, London's most exclusive spa. Enjoy a personalised pampering treatment each and access to the exclusive thermal floor followed by a light lunch in The Spa Lounge
- A three course dinner in Maniero Restaurant & Bar, Corinthia's exquisite Italian eatery, with a bottle of Laurent-Perrier Cuvée Rosé


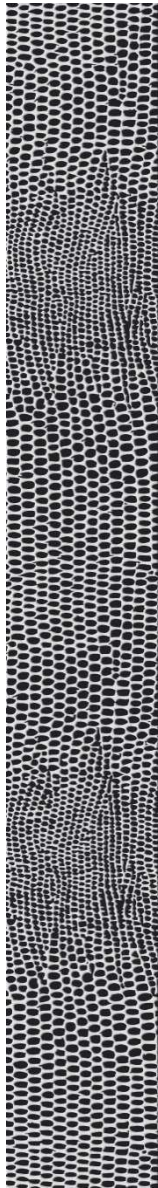
For a chance to win this luxurious experience, enter now at ft.com/champagne




Win a luxury stay at Corinthia with Champagne Laurent-Perrier ▶

FT Weekend






Au-delà des Millésimes rares

RECRÉER L'ANNÉE PARFAITE

*"La nature ne nous donnera probablement jamais l'année analogique parfaite,
mais l'art de l'assemblage permet de recréer cet absolu."*

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www.grandsiecle.com

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



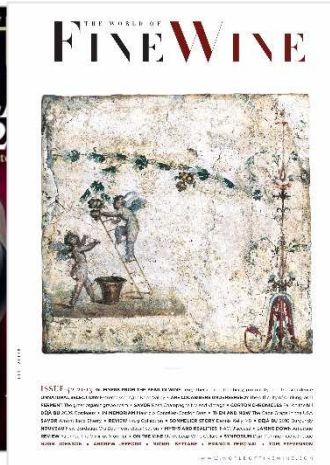
DEVELOPMENT OF TARGETED MEDIA INVESTMENT



France



UK



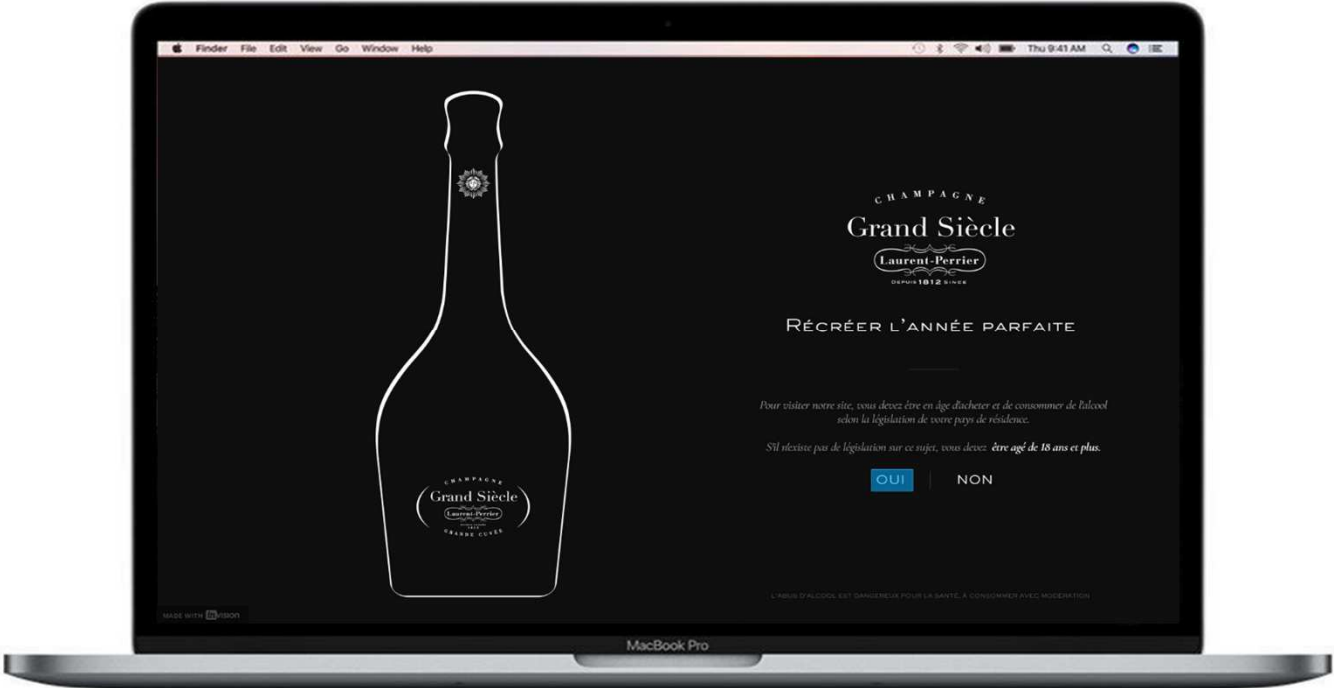
Italy



& digital marketing investment



GRAND SIÈCLE WEBSITE





INVESTMENT IN HOSPITALITY

DEVELOPING A UNIQUE EXPERIENCE FOR KEY CLIENTS



KEY TAKEAWAYS: FIRST-HALF

- General increase in average sales prices in connection with the quality of our wines
- La Cuvée price increase in line with our objectives
- Prestige cuvée volumes stable
- Stronger balance sheet
- Decline in Brut segment volumes: commercial decisions assumed



CONCLUSION

- Value strategy to be maintained
- Continued caution in second half
- Organisation to continually adapt to future challenges





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