



Tours-sur-Marne, November 24, 2017

LAURENT-PERRIER

Financial Press Release

Laurent-Perrier: slight drop in turnover, continuation of value strategy and balance sheet consolidation

The accounts for the first half of FY 2017-2018, closed on 30 September 2017, were signed off at the Supervisory Board meeting held on November 21, 2017 chaired by Mr Maurice de Kervénoaël.

Key audited financial data

€ million At September 30, 2017	H1 2016-2017	H1 2017-2018	Change on Y-1	Change in Y-1 at constant exchange rates	Change on Y-1 Organic (**)
Turnover	97.9	94.7	-3.2%	-1.8%	-0.3%
Operating result	19.2	16.9	-11.9%	-7.8%	-4.3%
Operating margin (%)	19.6%	17.9%	-1.8 pt	-1.2 pt	-0.8 pt
Group net income	10.3	7.9	-23.9%	NA	NA
Earnings per share (euros)	1.75	1.33	-0.42	NA	NA
Cash-flow from operations*	-28.1 M€	-21.8 M€	+6.3 M€	NA	NA

* Cash generated by operations minus net investment

** Excluding currency effects and third-party activities



Commenting on the half-yearly results, Management Board Chairman Mr Stéphane Dalyac said: “Against the backdrop of a flat market by volume and under pressure by value, Laurent-Perrier has maintained its turnover figure excluding currency effects and third-party activity largely thanks to the launch of “La Cuvée” and a very favourable price/mix effect. Benefitting from the acknowledged quality of its champagnes, from a strong balance sheet and its energetic workforce, the Group will maintain the course of its growth strategy.”

Turnover

In a stable champagne market (-0.2% by volume in the twelve months to end-September 2017), Laurent-Perrier Group turnover came out at 94.7 million euros at current exchange rates. At constant exchange rates, turnover stood at 96.1 million euros, and in organic terms (ie, excluding exchange rate effects and third-party activities) at 97.5 million euros, a -0.3% change.

The launch of the new Laurent-Perrier “La Cuvée” wine, combined with a very robust price/mix effect contributed to the organic stability of turnover.

Similarly, and in line with the Group’s value strategy in place for several years, the Laurent-Perrier brand continues to strengthen, with a further improvement in the contribution to sales from premium cuvées in particular, along with a rising export turnover component.

Result

The operating result, which was affected in the first quarter by the costs in connection with the launch of “La Cuvée” on all world markets, came out at 16.9 million euros at constant exchange rates. Excluding currency effects, it came out at 17.7 million euros, and at 18.4 million euros in organic terms, a drop of 4.3%.

The published operating margin reached 17.9% and 18.8% in organic terms, compared to 19.6% the previous year, a decline of -0.8 points.

Group Net income was 7.9 million euros, down 2.4 million euros. This represents 8.3% of sales at current exchange rates. It has been strongly impacted upon by a non-recurring financial charge related to a decision to unwind swaps.

Operating cash flow, traditionally negative in the first half due to the seasonal nature of sales, improved by 6.3 million euros compared to last year due to the phasing of the multi-year investment plan.



Net debt

Net debt was slightly down over the quarter and is now equivalent to 76% of shareholders' equity, compared to 81% at the same time last year.

The value of inventories increased by 2.7% and now stands at 194% of net debt, compared to 189% last time.

Outlook for 2017/2018

First-half performance cannot be extrapolated to the second due to the strongly seasonal nature of our business. In an uncertain economic and monetary environment, Laurent-Perrier will maintain the course of its value strategy. The Group intends to continue consolidating its growth plan by deriving the full benefit from the impact of the global launch of "La Cuvée", whose quality is widely acknowledged, and by continuing to rely on its premium cuvées and its international sales.

Laurent-Perrier is one of the few champagne houses listed on the French stock exchange dedicated exclusively to champagne and focused on the premium segment. Laurent-Perrier offers a broad range of products renowned for their quality, and sold under the Laurent-Perrier, Salon, Delamotte, and Champagne de Castellane brands.

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Laurent-Perrier belongs to compartment B of Euronext Paris. It is part of the EnterNext[®] PEA-PME 150 and Euronext[®] FAMILY BUSINESS indexes.

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Appendix

Breakdown of turnover

Group	H1 2017/2018 April 1– September 30
Turnover (€ million)	94.7
Change / Y-1, %	-3.2%
Of which	
Volume effect, champagne	- 2.8%
Volume effect, third-party products	-1.4%
Price / Mix effect	+ 2.4%
Exchange rate effect	- 1.4%