CHAMPAGNE
Laurent-Perrier
MAISON FONDÉE
1812

Tours-sur-Marne, 29 November 2012

LAURENT-PERRIER

Financial Press Release

Laurent-Perrier sees further growth in a falling market in the first half of FY 2012-2013

- **Accelerating export sales confirmed**
- **Operating margin reflects the impact of the near -30% reduction in grape yields in the 2012 harvest and the sharp increase in communication and brand image investment as the House celebrates its 200th anniversary**
- **Financial structure benefits from further reduction in net debt-to-equity ratio: down 6 points to 114% compared to 30 September 2011**

The accounts for the first half of the 2012-2013 financial year have been signed off by the Supervisory Board, chaired by Maurice de Kervénoaël.

Main audited financial data

€ million As at 30 September	**H1 2011-2012**	**H1 2012-2013**	**Change on Y-1**
Turnover	92.0	95.5	+ 3.9%
Operating income	19.9	15.5	- 22.1%
Operating margin (%)	21.6%	16.2%	- 5.4 pts
Group net income	9.5	6.9	- 27.1%
Earnings per share (€)	1.61	1.17	- 0.44€
Net cash flow *	- 14.2	- 30.8	- 16.6M€

* Cash flow from operations minus net investment, minus dividends

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Above market average sales performance

The 3.9% increase in turnover should be set against the high comparison basis of the first half of 2011-2012 when it stood at 13.3%.
This performance was achieved in a sharply falling market, where global shipments of champagne fell by 2.5% between April and September 2012. Following a sharp rise in first-quarter volumes, Group growth slowed in the second quarter, in France and the United Kingdom in particular.

The Laurent-Perrier brand again saw a growth rate higher than the market average, affected by the economic downturn in Europe. In line with the outlook published at the end of the last financial year, the Group's international growth, driven by a strengthened sales network, saw a further improvement. The share of export sales in brand turnover rose three percentage points to 76.8% compared with the first semester of last year. In three years, the proportion of non-European sales has advanced by close to 5 percentage points to 23% of brand turnover in the first half of 2012-2013.

Reduction in operating margin

The reduction in the first-half operating margin can mainly be explained by two factors:

- The €1.8 million reduction in the margin generated by the Group's own harvest, due to the near -30% drop in grape yields in the 2012 harvest. If we factor out this margin, the gross margin would have been stable at 46.5%, on the strength of a positive price-mix effect.
- The near -34% increase in communication and brand image investment. In 2012 Laurent-Perrier celebrated its bicentenary year and a large number of events was organised to better promote its know-how and unique range of wines, which are prized the world over. To commemorate the Bicentenary, and as a tribute to Bernard de Nonancourt, Laurent-Perrier launched the Réserves Grand Siècle, a cuvée that is especially representative of the Grand Siècle style. The cuvée was selected from the reserves cellared over half a century and is available only in magnums and jeroboams. It received a very warm welcome internationally.

The Group's financial result saw an 11% improvement due to a reduction in debt and the lower interest rates seen in recent months.

The tax rate rose 1.1 percentage points to 35.6% relative to the first half of the previous financial year, when it had not yet factored in the additional taxes voted in late 2011.

As a result, Group net income came in at 6.9 million euros, or 7.2% of turnover, which can be set against the 9.5 million euros recorded in the first half of the previous financial year.

Stronger financial structure

Net cash flow was negative during the first half, which is in line with the seasonal nature of the business. The difference relative to the previous year can be notably explained by the payment of a larger balance on the 2011 harvest in the first half.

The net debt-to-equity ratio saw a further reduction: at 114%, it is down 6 points compared to the same period in the previous financial year.

Moreover, the value of inventories, required by the Group's exacting quality standards, was again well above the net debt figure, standing at 1.7 times net debt.

Outlook for 2012-2013

The current market environment is unlike that of FY 2009. In the first place, it had seen a large run-down of inventories. Secondly, the proportion of non-European sales in total Laurent-Perrier turnover is today much higher. While the situation in the European market calls for extreme prudence, the Group should continue to benefit from more upbeat global export demand.

An analysis of the Group's performance in the second half of FY 2012-2013 should take the following factors into account:

- A high comparison basis. For the record, turnover in the second half of FY 2011-2012 saw an increase of 8.8%;
- A less marked increase in advertising and brand development investment, since most of the events organised to commemorate the Bicentenary took place in the first half;
- The reduced yields in the 2012 harvest. This will contribute to improving second-half cash flow, which is traditionally positive.

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 brands Laurent-Perrier, Salon, Delamotte, and Champagne de Castellane.

Code ISIN: FR 0006864484

Bloomberg: LAUR FP

Reuters: LPER.PA

Laurent-Perrier belongs to compartment B of Euronext Paris.

It is part of the CAC Mid & Small, CAC Mid 60 and CAC All-Tradable indices

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Provisional financial timetable

Third-quarter 2012-2013 turnover:	Tuesday, 12 February 2013
Annual financial results:	Tuesday, 28 May 2013

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Annex

Analysis of turnover

	2011-2012					2012-2013		
	Q1 1 April - 30 June	**Q2** 1 July - 30 Sept.	**H1** 1 April - 30 Sept.	**Q3** 1er Oct. - 31 Dec.	**Q4** 1 Jan. - 31 Mar.	**Q1** 1 April - 30 June	**Q2** 1 July - 30 Sept.	**H1** 1 April - 30 Sept.
Turnover (€m)	41.0	51.0	92.0	91.1	35.7	45.5	50.0	95.5
Change / Y-1	11.5%	14.8%	13.3%	8.2%	10.2%	11.0%	- 1.9%	+ 3.9%
o/w Volume effect	- 2.0%	+ 12.2%	+ 5.8%	- 0.4%	+ 16.6%	+ 5.8%	- 3.3%	+ 0.8%
Price / Mix effect	+ 14.0%	+ 2.8%	+ 7.8%	+ 8.3%	- 8.0%	+ 2.7%	- 0.3%	+ 1.0%
Currency effect	- 0.5%	- 0.2%	- 0.3%	0.3%	1.6%	+ 2.5%	+ 1.7%	+ 2.1%