

## Financial press release

### Results for the first half of 2017 23% increase in income from continuing operations

Reims, 11 September 2017

Vranken-Pommery Monopole's Board of Directors met on 11 September 2017, chaired by Paul-François Vranken and in the presence of the statutory auditors, to approve the Group's financial statements for the first half of 2017.

Consolidated financial statements in millions of euros	30 June 2017	30 June 2016	Year-on-year change
<b>Revenue</b>	<b>101.4</b>	<b>95.2</b>	<b>+6.5%</b>
<b>Income from continuing operations</b>	<b>3.2</b>	<b>2.6</b>	<b>+23.0%</b>
<b>EBIT (*)</b>	<b>3.2</b>	<b>2.3</b>	<b>+39.1%</b>
<b>Financial income</b>	<b>-9.7</b>	<b>-8.6</b>	<b>-12.8%</b>
<b>Net income</b>	<b>-4.4</b>	<b>-4.7</b>	<b>+6.4%</b>
- attributable to equity holders of the parent	-4.4	-4.5	+2.2%

(\*) Including the share of net income of companies accounted for using the equity method whose operations are consistent with the Group's activity

#### Sales

All of the Group's businesses contributed to the increase in revenue in the first half of the year. Growth was particularly strong in the second quarter abroad, where sales were up substantially by 7.3%.

Thanks to its subsidiaries' presence locally, Vranken-Pommery Monopole's sales continued to increase in long-distance markets, notably Australia, Japan and North America. Champagne sales were up by around 20% in Australia and Japan, while those of Provence and Camargue wines increased by around 30% in the United States and Australia.

#### Results

The Group posted solid income from continuing operations, with a 23% year-on-year increase from €2.6 million at 30 June 2016 to €3.2 million at 30 June 2017. This growth was driven by international development and a favourable brand mix.

Champagne Pommery & Greno enjoyed considerable export sales growth. Better profitability on rosé wines also contributed to this income growth.

Note that given the highly seasonal nature of Champagne sales, with 70% sold at year-end, expenses and income balance out in the second half of the year.

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At 30 June 2017, the Group's net financial expenses totalled €9.7 million compared with €8.6 million at 30 June 2016, the reason being a step-up clause, which will only impact the first half-year.

There was a net loss of €4.4 million, 6.4% smaller than at 30 June 2016.

The change in debt during the first half of the year is comparable to that recorded during the same period in 2016 and reflects the seasonal nature of the Group's business.

## Outlook

### Harvests

. In Provence, thanks to Grands Domaines du Littoral's strategic decision to manage watering, yields were maintained at normal levels for the 2017 harvest.

. The harvest is complete in Camargue. As for the major vineyards of southern France, yields here were down by around 20% compared to 2016.

In Champagne, the high quality reserves thankfully ensured constant supply.

### Pommery

Clément Pierlot was appointed Champagne Pommery & Greno's tenth chief winemaker. He takes over from Thierry Gasco, who has agreed to head up the Group's new sparkling wines arm. This division will span three winemaking regions: California, New Hampshire and the Camargue.

### Sparkling wines

. The Louis Pommery California sparkling wine launched successfully on 15 June 2017.

Champagne Pommery & Greno's visibility in the US will be enhanced by cross-advertising with the Louis Pommery sparkling wine.

. The Camargue-produced Brut de France was presented to customers, with signs that it can be successfully marketed from 2018.

The Group's deleveraging program will be boosted by the sale of Vranken-Pommery Monopole's 50% stake in Listel SAS, for €44 million.

## Next release

Q3 2017 revenue: 19 October 2017

## About Vranken-Pommery Monopole

Vranken-Pommery Monopole is the second largest Champagne group.

With sites in Champagne, Provence, the Camargue and Douro, it is Europe's leading wine grower.

Its brand portfolio includes:

- the leading Champagne brands VRANKEN, POMMERY, HEIDSIECK & CO MONOPOLE and CHAMPAGNE CHARLES LAFITTE;
- the ROZES and SAO PEDRO port and TERRAS DO GRIFO Douro wine brands;
- the DOMAINE ROYAL DE JARRAS Sable de Camargue and CHATEAU LA GORDONNE Côtes de Provence rosé wines.

Vranken-Pommery Monopole is listed on NYSE Euronext (Paris and Brussels).

(Codes "VRAP" (Paris), and "VRAB" (Brussels); ISIN: FR0000062796).

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