

## Financial press release

### **Vranken-Pommery Monopole full-year turnover for 2014: up +2.5% to €322.9 million Growth across all business lines**

*Outstanding sales performances by international brands*

Reims, 23 January 2015

#### **Business**

Vranken-Pommery Monopole is reporting €322.9 million in turnover for 2014, compared with €315.1 million the previous year, up 2.5%.

All the Group's estates in the Champagne, Camargue, Provence and Douro regions have contributed towards this progress. The strategy announced at the start of 2013, focused on creating value, has been consolidated, despite the general economic uncertainty.

In 2014, the year when the new "Viticulture Durable en Champagne" standards were launched, Vranken-Pommery Monopole's vineyards were certified for sustainable champagne production, while it has also been awarded "Haute Valeur Environnementale" high environmental value certification, securing the Group's commitment to a strategy to develop quality levels, while ensuring the greatest respect for the environment.

The subsidiary Listel started up its activities on 30 June 2014, in a joint-venture with the Castel group, resulting in a €16.9 million reduction in Vranken-Pommery Monopole's turnover, offset to a great extent by the sale of the latest harvest.

The Group has retained full ownership of all the Camargue and Provence vineyards.

Listel is consolidated on an equity basis

#### **Champagne**

In a market that grew 0.7% (source: Comité Interprofessionnel des Vins de Champagne), the Group has continued to develop its international network's focus on value rather than volume.

The increase in value by nearly 2% has been driven primarily by the dynamic development of the Pommery and Heidsieck & Co Monopole brands.

The fourth quarter's contraction in turnover is primarily due to low-margin operations not being renewed in line with the Group's value creation and deleveraging strategy.

#### **Provence and Camargue wines**

Sales of Côtes de Provence rosé wines and Sable de Camargue grey wines are concentrated around Château La Gordonne and Domaine Royal de Jarras, making a positive contribution to the change in the mix price.

The Group's international development is focusing in particular on Anglo-Saxon markets. Illustrating this, the American subsidiary is reporting turnover growth of nearly 20%, thanks to the strong development of rosé wine sales.

#### **Other activities**

The Portuguese subsidiary has performed well, successfully developing sales of "Terras do Grifo" red and white wines from its vineyards.

#### **Outlook**

The new automation phase for production facilities, planned over the next three years, will be getting underway in 2015.

Alongside this, Vranken-Pommery Monopole will continue rolling out its strategic plan, built around a premium positioning for its brands, which will help bring down its levels of debt.

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<i>In millions of euros</i>	Year ended 31 December			
	2014	2013	Change	Change as %
Champagnes (*)	238.6	237.5	1.1	0.5%
Provence and Camargue wines (*)	53.0	50.4	2.6	5.2%
Other	18.5	15.8	2.7	17.1%
<b>Sub-total of brand sales</b>	<b>310.1</b>	<b>303.7</b>	<b>6.4</b>	<b>2.1%</b>
Trade sales (semi-finished products) and generic wines	12.8	11.4	1.4	12.3%
<b>Sub-total</b>	<b>12.8</b>	<b>11.4</b>	<b>1.4</b>	<b>12.3%</b>
<b>Total turnover for 2014</b>	<b>322.9</b>	<b>315.1</b>	<b>7.8</b>	<b>2.5%</b>

(\*) Excluding trade sales

<i>In millions of euros</i>	Q4 (1 October - 31 December)			
	2014	2013	Change	Change as %
Champagnes (*)	114.9	120.0	-5.1	-4.3%
Provence and Camargue wines (*)	16.1	8.6	7.5	87.2%
Other	6.4	6.3	0.1	1.6%
<b>Sub-total of brand sales</b>	<b>137.4</b>	<b>134.9</b>	<b>2.5</b>	<b>1.9%</b>
Trade sales (semi-finished products) and generic wines	5.7	2.3	3.4	147.8%
<b>Sub-total</b>	<b>5.7</b>	<b>2.3</b>	<b>3.4</b>	<b>147.8%</b>
<b>Total turnover for 1 October to 31 December</b>	<b>143.1</b>	<b>137.2</b>	<b>5.9</b>	<b>4.3%</b>

(\*) Excluding trade sales

<i>In millions of euros</i>	1 January - 30 September			
	2014	2013	Change	Change as %
Champagnes (*)	123.7	117.5	6.2	5.3%
Provence and Camargue wines (*)	36.9	41.8	-4.9	-11.7%
Other	12.1	9.5	2.6	27.4%
<b>Sub-total of brand sales</b>	<b>172.7</b>	<b>168.8</b>	<b>3.9</b>	<b>2.3%</b>
Trade sales (semi-finished products) and generic wines	7.1	9.1	-2.0	-22.0%
<b>Sub-total</b>	<b>7.1</b>	<b>9.1</b>	<b>-2.0</b>	<b>-22.0%</b>
<b>Total turnover for 1 January to 30 September</b>	<b>179.8</b>	<b>177.9</b>	<b>1.9</b>	<b>1.1%</b>

(\*) Excluding trade sales

## Next date

Publication of 2014 full-year earnings: 30 March 2015

## About Vranken-Pommery Monopole

Vranken-Pommery Monopole is the second largest Champagne group.

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

Its brand portfolio includes:

- the leading Champagne brands VRANKEN, POMMERY, HEIDSIECK & Co MONOPOLE et CHARLES LAFITTE;
  - the ROZES port and TERRAS DO GRIFO Douro wine brands;
  - the Sable de Camargue DOMAINE ROYAL DE JARRAS and Côtes de Provence CHATEAU LA GORDONNE rosé wines.
- In addition, it is the joint owner, with the Castel Group of the LISTEL brand portfolio.

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

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

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