



Ivry-sur-Seine, 23 November 2015

UPWARD REVISION OF THE 2018 FINANCIAL TARGETS

- **2018 sales: €450 – 500m**
- **2018 EBITDA margin: 15%**
- **Revenue from divestments: > €40m**

CONVENING OF AN EXTRAORDINARY SHAREHOLDERS MEETING WITHIN THE FRAMEWORK OF THE PUBLIC EXCHANGE OFFER ON STOCK WARRANTS

START OF THE CONTINUATION PLAN EXIT PROCESS

Marie Brizard Wine & Spirits (Euronext Paris: MBWS) today announces the updating of its strategic plan for the period from 2015 to 2018, *BiG 2.0*.

Jean-Noël Reynaud, CEO of Marie Brizard Wine & Spirits, comments: *“Following a year devoted to putting our BiG 2018 strategic plan in place, we felt it was important to issue an update on its implementation and, at the same time, shed light on the opportunities associated with the changes in our shareholding structure around industrial players from the wine and spirits sector. More than ever, our ambition is to establish Marie Brizard Wine & Spirits as a player at the very heart of the wine and spirits market, and this first year of implementation confirms that it is our rightful place, with a positioning that perfectly matches the expectations of our customers. Lastly, our cash flow forecasts, combined with the continued improvement in our Working Capital Requirements, the upward revision in revenue from the divestment of non-strategic activities and the upcoming restructuring of our stock warrants further strengthen our confidence in our ability to shortly exit the business continuation plan. This will represent the final element in our Group’s normalization.”*

I. UPWARD REVISION IN OUR FINANCIAL TARGETS CONFIRMED

Reviewing our strategic work has allowed us to confirm the upward revision in the Group’s 2018 financial targets, in terms of both sales and EBITDA:

- **Sales of between €450 and 500m** (versus €420 to 460m indicated in BiG 1.0)
- **EBITDA margin of 15%** (versus a bracket of 12% to 15% in BiG 1.0), i.e.
EBITDA of between €67 and 75m (versus a bracket of €50 to 70m in BiG 1.0)
- **Revenue from the divestment of non-strategic assets of over €40m** (versus €20m in BiG 1.0)
- Cumulative self-financed investments of €50 to 60m between 2015 and 2018 (unchanged from BiG 1.0)



II. 2015: RESULTS IN LINE WITH OUR STRATEGIC PLAN, ACCELERATION IN PROFITABILITY

Whilst 2014 was a year devoted to cleaning up the Group's operations, 2015 was the first year of implementation of its strategic plan. Marie Brizard Wine & Spirits has successfully reached key milestones in its restructuring, and 2015 has resulted in the establishing of solid and long-lasting foundations for the Group's operational success. In 2015, Marie Brizard Wine & Spirits thus managed to:

- Obtain approval of 2014 accounts without qualification for the first time in 6 years;
- Recupérate full operational control over its activities in Bulgaria;
- Obtain the reimbursement of a €31m carry-back receivable;
- Adopt the new name Marie Brizard Wine & Spirits to illustrate its desire to move forward within a new framework for its employees and to strengthen a corporate culture based on four values: excellence, team spirit, innovation and entrepreneurship;
- Reach an agreement with the *Direction des Vérifications Nationales et Internationales* (DVNI, the French National and International Audit Office) ending its dispute with the tax authorities regarding the deductibility of the interest charges on the FRN debt. With respect to this agreement, the Group has obtained €20.4m in tax relief, which corresponds to the amount in dispute;
- Begin its early exit from the business continuation plan, starting with its French subsidiary Marie Brizard & Roger International;
- Announce, in September 2015, a doubling of its 2015 EBITDA target compared with 2014 (€5.2m);
- Strengthen the market share of its pillar brands on its key markets.

These factors are mirrored in the Group's stock market price, which has risen 73% since 1 January 2015.

III. BiG 2.0: UPDATING OF THE RATIONALIZATION ASPECT – INCREASE IN REVENUE FROM DIVESTMENTS TO OVER €40M

Work on updating the strategic plan has enabled the three financial impacts of the BiG 2018 Rationalization aspect to be reassessed:

- A €100m decrease in sales between 2016 and 2018 (less than the €120m between 2015 and 2018 announced in BiG 1.0);
- A €3.5m improvement in EBITDA between 2016 and 2018 (versus €10m between 2015 and 2018 in BiG 1.0, thanks to the rationalization of distribution assets that were running at a loss in 2013 and have been restructured in 2014 and 2015).
- An upward revision in revenue from divestments to over €40m, with most of these divestments due to take place before the end of 2016.



IV. BiG 2.0: UPDATING OF THE OPTIMISATION ASPECT – ADDITIONAL EBITDA OF €25M

Marie Brizard Wine & Spirits has identified five projects enabling it to optimize its operations. Significant progress has been recorded for these projects, to which should be added new opportunities associated with the arrival of industrial shareholders. All in all, regarding this Optimization aspect, the Group intends to generate an additional €25m in EBITDA between 2016 and 2018, versus a bracket of €20 to €30m between 2015 and 2018 indicated in BiG 1.0, by:

- Upgrading the industrial footprint:
 - Vodka production. In Lithuania, work has begun and the industrial tool will become operational in early 2016. In Poland, modernization work will be completed in 2017. The Group is reaffirming its investment of €20m, including €3m in 2015 and €17m in 2016 and 2017, as well as the EBITDA improvement targets (€10m to €12m);
 - The modernization of the Beaucaire industrial site and transfer of part of the liqueur production from Bordeaux to Zizurkil will have been finalized before the end of 2015;
 - The reconfiguration of the Moncigale logistics networks will be finalized by the end of 2015 and will generate an additional €1.5m in EBITDA.
- Better sourcing:
 - A first wave of contract renegotiations regarding Scotch Whisky supplies and the sourcing of dry and liquid goods was undertaken in 2015.

In this respect, the arrival of industrial shareholders will result in new opportunities, and in particular:

- Bottling concession contracts between the Group and its industrial shareholders;
 - Additional diversification of Scotch Whisky sourcing;
 - Pooling of sourcing synergies between the Group and its industrial shareholders.
- Strengthened Route to Market:
 - The refocusing on 9 priority states in the United States and the reorganization of export markets;
- The arrival of industrial shareholders will also generate new opportunities as yet not incorporated within BiG 2018 2.0, and in particular:
- The distribution of Marie Brizard Wine & Spirits brands in Africa;
 - The distribution by the Group of certain brands owned by its industrial shareholders;
 - The pooling of distribution capacities on some markets;
 - The marketing of certain Group brands by wine merchants belonging to its industrial shareholders.
- Simplifying industrial operations.
 - Developing core capabilities by:
 - Putting category management tools in place in France and Poland and normalizing distribution relations in 2015;
 - Putting industrial and commercial planning in place in France and Poland.



V. BiG 2.0: UPDATING OF THE GROWTH ASPECT – AVERAGE ANNUAL GROWTH FOR CORE ACTIVITIES OF BETWEEN 8 AND 13% OVER 2016 - 2018

Regarding the Growth aspect, BiG 2.0 reaffirms all the levers defined in the 1st version of BiG 2018 whilst adding further opportunities, in terms of both markets and brands. Altogether, Marie Brizard Wine & Spirits thus anticipates, regarding this Growth aspect of its strategy, additional sales of between €70 and 120m, and EBITDA revised up to €28 - 36m between 2016 and 2018.

Marie Brizard Wine & Spirits remains:

- An innovative leader in France: confirmation of the 2018 net sales target of over €200m. The main routes are:
 - Pillar brands supported by the putting in place of a targeted A&P strategy;
 - The launch of a premium version of William Peel;
 - The gradual revitalization of the portfolio's secondary brands.
- A leading and diversified player in Poland: upward revision in the 2018 net sales target (for core activities) to over €100m. The main routes are:
 - The strengthening of Krupnik's distribution;
 - The balancing of the Krupnik product mix following the development of flavored versions of the brand;
 - The relaunch of Sobieski;
 - A Scotch Whisky market-share target of 10% for William Peel in 2018;

Marie Brizard Wine & Spirits is targeting:

- Healthy growth in the United States: 2018 net sales target of over €50m reaffirmed. The main routes are:
 - Sobieski's new positioning: an appealing, differentiated and craft vodka;
 - The launch of Sobieski Estate and Fruits and Wine;
 - The activation of Marie Brizard.
- Solid growth in Lithuania: upward revision in the 2018 net sales target to over €25m. The main routes are:
 - The relaunch of Sobieski: new bottle design and enhanced A&P support;
 - The rationalization of the portfolio and the migration of local brands to pillar brands;
- Value-creating partnerships in Spain: upward revision in the 2018 net sales target to over €25m. The main routes are:
 - The strengthening of distribution relations by supplying private label brands;
 - Marie Brizard's growth via A&P and the strengthening of its brand identity;
 - Further development of Shotka.

*A detailed presentation of this strategic plan is available on the Marie Brizard Wine & Spirits website (<http://en.mbws.com/major>), in the **Investors / Financial presentations section**.*



VI. CONVENING OF A SHAREHOLDERS' MEETING WITHIN THE FRAMEWORK OF THE PLANNED SIMPLIFIED PUBLIC EXCHANGE OFFER ON STOCK WARRANTS

The Shareholders' Meeting of 30 June approved Resolution J regarding the principle of a public exchange offer on the existing stock warrants issued by Marie Brizard Wine & Spirits, for new stock warrants with a maturity date of 31 December 2016 to be issued by Marie Brizard Wine & Spirits, and granted full powers to the Board of Directors to implement this operation.

However, notably in order to allow shareholders to make an informed decision regarding this offer, having received prior information regarding possible parity ratios and dilutions and given the report by an independent expert and the memorandum of information, the Board of Directors has decided to convene an Extraordinary Shareholders' Meeting on 5 January 2016. The aim of this meeting will be to ask shareholders to vote on a new resolution relative to this offer, close to the resolution approved on 30 June but foreseeing that holders having exercised their 2015 stock warrants before 31 March 2016 (instead of 29 February 2016 previously) will furthermore receive a new 2023 reimbursable stock warrant for free for each 2015 stock warrant exercised.

The wording of the resolutions that will be tabled at this Shareholders' Meeting will be published in the *Bulletin des Annonces Légales Obligatoires* public notices and on the Company's website on 25 November, 2015.

The Marie Brizard Wine & Spirits' shareholders represented at the Board of Directors (Diana Holding group, La Martiniquaise group and DF Holding) have already indicated, during the Board Meeting of 18 November, that they intend to support the new resolution pertaining to the offer put to shareholders, to the exclusion of any other resolution that may be put to the Shareholders' Meeting without prior approval from the Board.

About Marie Brizard Wine & Spirits

Marie Brizard Wine & Spirits is a wine and spirits group operating in Europe and the United States. Marie Brizard Wine & Spirits stands out through its know-how, its assortment of brands with a long tradition and a spirit firmly focused on innovation. From the founding of Maison Marie Brizard in 1755 to the launch of Fruits and Wine in 2010, the Marie Brizard Wine & Spirits group has shown an ability to develop its brands in a modern way whilst respecting their origins.

Marie Brizard Wine & Spirits is committed to providing value by offering its clients trustworthy and audacious brands packed with flavors and experiences. Today, the Group has a consistent portfolio of brands that are leaders on their respective segments, and notably William Peel, Sobieski, Fruits and Wine and Marie Brizard.

Marie Brizard Wine & Spirits is listed on Compartment B of Euronext Paris (FR0000060873 - MBWS) and is included in the EnterNext® PEA-PME 150 index.



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