RÉMY COINTREAU

Financial Year 2009-2010

Half-Year Financial Report

HALF-YEAR MANAGEMENT REPORT

First half of the financial year ending 31 March 2010

The Rémy Cointreau Group has had a new distribution network since 1 April 2009, which took over from the Maxxium BV joint venture, when the Group exited Maxxium on 30 March 2009. In a difficult economic climate, the Group generated a current operating profit of €65.5 million over the period ended 30 September 2009, reporting growth over the previous financial year (up 4.8% as reported and up 1.9% organically), representing 18.1% of turnover, a rise of one percentage point.

The banking ratio governing the availability of the Group's principal financing facility (a €500 million syndicated loan) was complied with. This ratio was 3.24 at 30 September 2009, whilst it must remain below 3.50.

1 Commentary on the Consolidated Income Statement

All data is presented in millions of euros for the period from 1 April to 30 September. The organic change was measured on a constant foreign exchange rate basis compared with the previous year.

a Key Figures

(€ millions)	2009	2008	Gross % Change	Organic % Change
Turnover	361.9	365.2	(0.9)%	(6.8)%
Current operating profit	65.5	62.5	4.8%	2.0%
as % of turnover	*18.1%*	*17.1%*		
Other operating income and expenses	(0.6)	19.4		
Operating profit	64.9	81.9		
Net financial expenses	(10.4)	(16.3)		
Income tax	(16.7)	(17.9)		
Share in profits of associates	1.6	0.6		
Net profit from continuing operations	39.4	48.3		
Net profit from discontinued operations	3.2	-		
Net profit for the year – attributable to the parent company owners	39.8	48.3		
Basic earnings per share (euros)				
Earnings from continuing operations	€0.83	€1.04		
Earnings per share – attributable to the parent company owners	€0.84	€1.04		

b General Commentary on Current Operating Profit

Compared with September 2008, the movement in **current operating profit** can be analysed as follows:

2008 current operating profit	**62.5**
Exchange rate movements (net of hedges)	1.9
Change in the volume and product mix	(37.8)
Price increases	23.4
Change in advertising expenses (Group brands)	6.6
Impact of new network	(1.2)
Changes in sales expenses	7.1
Changes in administrative expenses and other	3.0
2009 current operating profit	**65.5**

The foreign exchange rate effect was a positive €1.9 million, primarily reflecting a favourable impact on the Chinese Yuan and a negative effect on the Pound Sterling. As for the US Dollar, which is the Group's primary transaction currency, the €/$US exchange rate was an average of 1.39 over the period, compared with 1.55 over the previous half-year. Due to its hedging policy, the Group achieved an average collection rate of 1.43 on the net US Dollar cash flow generated by its European entities, a similar level to the period ended 30 September 2008 (which had featured an average collection rate of 1.42).

The impact of the Group's new organisational model must be taken into consideration when comparing the previous financial year. In a number of markets, including Asia, the Group integrated an additional distribution level and thus increased turnover. This is offset by the full consolidation of structure costs and advertising and promotional expenditure (which were previously covered by transfer prices to the Maxxium network). The net impact of the new organisation compared with the Maxxium network is a negative €1.2 million compared with the previous year. The impact in a full year should, due to the seasonality effect, be neutral, or even moderately positive.

Rémy Cointreau continued its ambitious pricing policy, particularly with Cognac in China, where the Group now totally controls its distribution, offsetting the impact of the economic situation in other geographic regions or certain categories, notably Champagne, which were seriously affected by the economic crisis. The total effect of volume changes was a negative €37.8 million, analysed as follows:

Cognac	(25.1)
Liqueurs & Spirits	(3.1)
Champagne	(11.0)
Sub-total	(39.2)
Partner brands	1.4
Total	**(37.8)**

Additional business relating to Partner brands distributed by the European subsidiaries acquired from Maxxium was included under "impact of new network".

c Turnover and Operating Profit by Division

Turnover by division

(€ millions)	**2009**	**2008**	**Gross % Change**	**Organic % Change**
Cognac	182.8	170.2	+7.4%	(2.2)%
Liqueurs and Spirits	100.3	97.8	+2.6%	+0.4%
Champagne	35.8	61.4	(41.7)%	(42.7)%
Total Group brands	318.9	329.4	(3.2)%	(9.0)%
Partner brands	43.0	35.8	+20.1%	+12.8%
Total	361.9	365.2	(0.9)%	(6.8)%

Turnover by geographic region

	2009	**2008**	**Gross % Change**	**Organic % Change**
Europe	123.7	135.2	(8.5%)	(7.5)%
Americas	124.5	128.3	(3.0%)	(12.4)%
Asia & Others	113.7	101.7	+11.8%	+1.1%
Total	361.9	365.2	(0.9%)	(6.8)%

Current operating profit [(1)]

	2009	**2008**	**Gross % Change**	**Organic % Change**
Cognac	46.3	44.4	+4.3%	(3.6)%
Liqueurs and Spirits	24.6	23.0	+7.0%	+11.5%
Champagne	(3.7)	4.3	N/A	N/A
Total Group brands	67.2	71.7	(6.3)%	(8.4)%
Partner brands	4.3	(2.1)	N/A	N/A
Holding company	(6.0)	(7.1)	+15.5%	+15.5%
Total	65.5	62.5	+4.8%	+1.9%

[(1)] Following the introduction of IFRS 8 on segment reporting, the presentation of current operating profit by segment was amended. Holding company costs are no longer allocated to other segments but presented separately. Comparative data was restated.

Current operating margin

	2009	2009 Organic	2008
Cognac	25.3%	25.7%	26.1%
Liqueurs and Spirits	24.5%	26.1%	23.5%
Champagne	(10.3)%	(7.9)%	7.0%
Total Group brands	21.1%	21.9%	21.8%
Partner brands	10.0%	9.9%	(5.9)%
Total	18.1%	18.7%	17.1%

In the period ended 30 September 2009, the Rémy Cointreau Group generated **turnover** of €361.9 million, a decrease of 0.9% compared with the previous period (down 6.8% organically).

In the following commentary, all movements are provided in **organic** data.

By **geographic region**, Asia reported organic growth of 1.1%, reflecting a contrasting situation; Cognac grew in China, while champagne shipments to Japan and Australia declined. Europe, which was affected by the highly unfavourable climate suffered by the international champagne market was down 7.5% organically. Lastly, the economic situation in the US continued to dampen the region's performance, even though the most recent quarter posted signs of improvement. This region reported a 12.4% organic decline. Over all the markets, the Group was helped by increased control over its distribution and favoured a continuation of its pricing policy in all categories.

Cognac

Cognac sales decreased by 2.2% to €182.8 million. Growth was 11.1% in the "Asia and Others" region, under the combined effect of significant price increases, the integration of distribution and the good performance of Rémy Martin in these markets. This region represented 53% of cognac sales to the end of September, compared with 46% to the end of September 2008.

In the Americas region, sales were down 10.7%, reflecting a North American economic climate that remained weak.

In Europe, sales declined by 18.5%, as the fall in sales in Russia, which had grown strongly the previous year, could not be offset by good performances in the UK and Germany.

The Cognac business registered a current operating profit of €46.3 million, down 3.6%. The current operating margin was 25.7% (organic), in line with the previous year (26.1%). Marketing investment expressed as a percentage of turnover remained at the same level as in September 2008.

Liqueurs & Spirits

Divisional turnover was stable compared with the previous period at €100.3 million (up 0.4%), due to the wide range of the division's brand portfolio in terms of products and geographic coverage. Thus, the decline of Metaxa in Greece was offset by the good performance of other brands in other markets. The Cointreau, Passoa, Mount Gay Rum and St Rémy brands reported growth over the first half-year.

The Liqueurs & Spirits business reported an 11.5% increase in current operating profit to €24.6 million. The current operating margin was 26.1% (organic), a significant increase compared with the previous period (23.5%). Marketing expenditure remained high.

Champagne

Champagne sales posted a 42.7% decline to €35.8 million. This development was noted by all the champagne houses and reflected the highly increased impact of the economic crisis on the division's principal markets, including France, the UK, Benelux, the US and Germany. However, it should be noted that champagne sales peak in the second half-year.

The Champagne business reported a current operating loss of €3.7 million, compared with a profit of €4.3 million to 30 September 2008. The current operating margin was a negative 7.9% (organic). Advertising expenditure was maintained at the same level as a percentage of turnover and price increases were continued.

Partner brands

This division recorded a marked 12.8% decrease in turnover to €43.0 million, due to the integration of the partner brand portfolio of distribution subsidiaries acquired on 31 March 2009 in Belgium, Luxembourg, the Czech Republic and Slovakia, which represented additional turnover of €14.9 million.

After allocating a share of general sales and administrative expenses, the business generated an operating profit of €4.3 million.

d Operating Profit

The operating profit was €64.9 million after taking into account net expenses of €0.6 million relating to a restructuring plan initiated at the Group's US subsidiary.

At 30 September 2008, the Group had recognised a net income of €19.4 million in relation to the Maxxium exit transactions.

e Net Financial Income/Expenses

Net financial income/(expenses) was an expense of €10.4 million, a marked improvement compared with the period ended 30 September 2008.

(€ millions)	2009	2008	Change
Cost of gross financial debt	(12.0)	(11.4)	(0.6)
Average debt	647.4	477.0	170.4
Average interest rate	3.71%	4.76%	
Other financial income and expenses	1.6	(4.9)	6.5
Net financial expenses	**(10.4)**	**(16.3)**	**5.9**

The decrease in interest rates offset the effect of the increase in average debt, primarily due to the net cash outflow that occurred in March 2009 in relation to the cessation of business relations with Maxxium BV. The debt reduction accelerated at the end of the period.

At 30 September 2008, "Other financial income and expenses" included a €4.9 million discounting charge on the provision for compensation to Maxxium.

f Net Profit from Continuing Operations

The tax charge, estimated on the basis of a projected annual effective rate, amounted to €16.7 million, representing an effective tax rate of 30.7% (27.4% at 30 September 2008).

The share in profit of associates totalled €1.6 million, a €1.0 million increase, including €0.6 million relating to the Dynasty Group and €0.4 million relating to the contribution of the two new joint ventures, Lixir and Diversa GmbH.

Net profit from continuing operations was €39.4 million, giving basic earnings per share of €0.83 (€0.83 diluted).

g Net Profit – Group Share

Over the period ended 30 September 2009, the Group generated a €3.2 million income in respect of Polish operations sold in 2006 to CEDC, following the liquidation of entities retained and jointly owned since then with Takirra Investment Corp. €2.7 million of this income was allocated to minority interests.

Net profit – Group share thus amounted to €39.8 million (2008: €48.3 million), giving basic earnings per share of 0.84 (€0.84 diluted).

2 *Commentary on the Balance Sheet*

(€ millions)	September 2009	September 2008	March 2009	September 09 March 09 Change
Brands and other intangible assets	628.6	628.1	629.8	(1.2)
Property, plant and equipment	195.5	185.9	197.0	(1.5)
Investments in associates	57.6	49.6	62.1	(4.5)
Other investments	64.3	53.8	61.1	3.2
Non-current assets (other than deferred tax)	**946.0**	**917.4**	**950.0**	**(4.0)**
Inventories	929.1	841.7	961.2	(32.1)
Trade and other receivables	248.2	289.4	282.1	(33.9)
Trade and other payables	(353.4)	(305.5)	(452.9)	99.5
Working capital requirement	**823.9**	**825.6**	**790.4**	**33.5**
Net financial derivatives	7.5	14.5	3.9	3.6
Assets held for disposal	0.2	62.4	0.2	0.0
Net current and deferred tax	(214.7)	(161.1)	(204.9)	(9.8)
Other liabilities (Maxxium compensation)	-	(218.5)	-	0.0
Dividends payable	(38.6)	(60.5)	-	(38.6)
Provisions for liabilities and charges	(32.2)	(41.6)	(37.0)	4.8
Other net current and non-current assets	**(277.8)**	**(404.8)**	**(237.8)**	**(40.0)**
Total	**1,492.1**	**1,338.2**	**1,502.6**	**(10.5)**
Financed by:				
Equity	**965.9**	**901.1**	**970.7**	**(4.8)**
Long-term borrowings	537.3	346.4	592.4	(55.1)
Short-term borrowings and accrued interest	87.7	123.6	28.9	58.8
Cash and cash equivalents	(98.8)	(32.9)	(89.4)	(9.4)
Net financial debt	**526.2**	**437.1**	**531.9**	**(5.7)**
Total	**1,492.1**	**1,338.2**	**1,502.6**	**(10.5)**
For information:				
Total assets	**2,259.6**	**2,183.3**	**2,322.1**	**(62.5)**

Non-current assets declined by €4.0 million, primarily due to foreign exchange movements. No significant transaction was noted in these various items over the period ended 30 September 2009.

The working capital requirement increased compared with that noted in March 2009, in line with business seasonality.

The Shareholders' General Meeting of 28 July 2009 approved the payment of a dividend of €1.30 per share in respect of the year ended 31 March 2009, including the option that half the dividend be paid in shares. The payment in shares was made on 15 September for a total amount of €23.0 million. The balance payable in cash of €38.6 million was paid in October 2009. At 30 September 2008, the dividend had been recognised in full under other liabilities, since the deadline for the option of payment in shares or cash was at a later date.

The decrease in equity can be analysed thus:

Net profit for the year	42.6
Net change in the value of financial instruments	0.2
Change in value of "AFS" securities	0.1
Impact of stock option and similar plans	1.3
Increase in share capital and share premium	23.0
Transactions in treasury shares	1.8
Dividends allocated in respect of the 2008/09 financial year	(61.6)
Movement in translation reserves	(12.2)
Total change	**(4.8)**

Net debt totalled €526.2 million, close to the level of March 2009 (€531.9 million).

At 30 September 2009, Rémy Cointreau had confirmed financial resources of €812.4 million, comprising:

- €192.4 million in bond issues (interest rate: 5.2%, maturity: January 2012);
- €500.0 million "revolving" syndicated loan facilities (Euribor + 0.425%, of which €34 million will mature in June 2010 and €466 million in June 2012); and
- four bilateral facilities totalling €120 million, of which €30 million will mature on 31 December 2009, €40 million at 31 March 2010, €20 million on 30 April 2010 and €30 million on 9 July 2010.

The A ratio[1] (Average net debt/EBITDA), which defines the margin applicable to the syndicated loan was 3.24 at 30 September 2009. According to the terms and conditions of the syndicated loan, this ratio, calculated every half-year, must remain below 3.5% from 1 October 2008 to maturity.

The net effect of the exit from Maxxium led the Group to increase its level of debt. Rémy Cointreau's management is confident in the Group's capacity to comply with this ratio over the coming half-year periods.

3 Commentary on the Cash Flow Statement

(€ millions)	September 2009	September 2008	Change
Gross operating profit	76.1	71.1	5.0
Change in working capital requirement	(29.1)	(30.0)	0.9
Net cash flow from operations	**47.0**	**41.1**	**5.9**
Other operating income/(expenses)	(1.2)	(2.8)	1.6
Net financial expenses	(18.6)	(13.1)	(5.5)
Net income tax	(10.7)	(5.3)	(5.4)
Other operating cash flow	(30.5)	(21.2)	(9.3)
Net cash flow from operating activities - continuing operations	**16.5**	**19.9**	**(3.4)**
Impact of discontinued operations	-	-	-
Net cash flow from operating activities	**16.5**	**19.9**	**(3.4)**
Net cash flow from investing activities of continuing operations	(23.9)	(10.7)	(13.2)
Impact of discontinued operations	(0.8)	(1.2)	0.4
Net cash flow from investing activities	(24.7)	(11.9)	(12.8)
Capital increase	0.1	0.1	-
Treasury shares	1.8	(0.6)	2.4
Increase/(decrease) in borrowings	11.3	(8.5)	19.8
Dividends paid to shareholders of the parent company	-	-	-
Net cash flow from financing activities - continuing operations	13.2	(9.0)	22.2
Impact of discontinued operations	-	-	-
Net cash flow from financing activities	13.2	(9.0)	22.2
Translation differences on cash and cash equivalents	4.4	(3.4)	7.8
Change in cash and cash equivalents	**9.4**	**(4.4)**	**13.8**

Gross operating profit (EBITDA)[2] increased by €5.0 million, of which €3.1 million was due to the increase in current operating profit.

The change in working capital requirement, subject to strict management, was comparable to the level of the previous period. In particular, the Group implemented factoring programs which have accelerated the collection of trade receivables by €13.2 million by 30 September 2009.

Cash flow from other operating income and expenses primarily include cash outflow in respect of provisions for restructuring recognised in previous financial years.

[1] The A ratio is calculated every half-year. This is the relationship between (a) the arithmetic average of the net debt at the end of the half-year and the end of the previous half-year – here the end of September 2009 and the end of March 2009 – after inclusion of the restatements to eliminate the impact of IFRS principles on the calculation of the net debt and (b) gross operating profit (EBITDA) of the previous 12 months – here the end of September 2009 less the end of March 2009 plus September 2008.

[2] Gross operating profit (EBITDA) is calculated as current operating profit, adjusted by adding back depreciation and amortisation charges on property, plant and equipment and intangible assets and charges in respect of share-based payments and dividends received from associates during the period.

The €18.6 million net cash outflow on financial expenses was an increase of €5.5 million compared with the previous financial year, due to the differently timed payment of interest in respect of the variable portion of financial debt.

Income tax resulted in a net €10.7 million cash outflow over the period ended 30 September 2009. As in the previous period, this was due to a low cash outflow at the level of the French tax grouping. Income tax payments will be markedly higher over the second half of this financial year.

The €23.9 million investment cash outflow includes:

- €10.7 million in respect of capital expenditure incurred over the period, which is a level close to that of the previous period;
- A €10.4 million cash outflow in relation to the four subsidiaries acquired from Maxxium on 31 March 2009 and the incorporation of the joint venture with Underberg in Germany on the same date.

Cash flow from financing activities includes the effect of the sale of treasury shares held as part of the liquidity contract to 31 March 2009 (85,500 shares) for €1.8 million, as well as a net increase in drawdowns of €11.3 million.

After taking into account translation differences, cash and cash equivalents increased by €9.4 million to €98.8 million.

4 Outlook

In an uncertain economic environment, Rémy Cointreau maintains its long-term value strategy and is focusing investment on developing its major brands.

The early effects of its new distribution model are already highly positive. The Group was able to make the most of this new strength, which enables it to determinedly stand its ground in the difficult economic environment it faces in certain of its markets.

The Group remains confident in its capacity to successfully resist this unfavourable economic climate, due to the strength of its brands, the dynamics of its new sales resources and the firm control of its costs. It anticipates slight organic growth in current operating profit for the full year.

CONSOLIDATED FINANCIAL STATEMENTS OF THE REMY COINTREAU GROUP AT 30 SEPTEMBER 2009

CONSOLIDATED INCOME STATEMENT

In € millions

	Notes	September 2009	September 2008	March 2009
Turnover	15	**361.9**	**365.2**	**714.1**
Cost of sales		(154.3)	(160.1)	(302.3)
Gross profit		**207.6**	**205.1**	**411.8**
Distribution costs	16	(108.1)	(103.1)	(201.7)
Administrative expenses	16	(37.6)	(40.8)	(80.7)
Other income from operations	16	3.6	1.3	7.6
Current operating profit	15	**65.5**	**62.5**	**137.0**
Provision for asset impairment		-	-	-
Other operating income/(expenses)	17	(0.6)	19.4	14.9
Operating profit		**64.9**	**81.9**	**151.9**
Finance costs		(12.0)	(11.4)	(26.5)
Other financial income/(expenses)		1.6	(4.9)	(4.8)
Net financial expenses	18	**(10.4)**	**(16.3)**	**(31.3)**
Profit before tax		**54.5**	**65.6**	**120.6**
Income tax	19	(16.7)	(17.9)	(37.5)
Share in profit of associates	5	1.6	0.6	3.0
Profit from continuing operations		**39.4**	**48.3**	**86.1**
Profit/(loss) from discontinued operations	20	3.2	-	-
Net profit for the year		**42.6**	**48.3**	**86.1**
Attributable to:				
non-controlling interests		2.8	-	-
owners of the parent company		**39.8**	**48.3**	**86.1**
Net earnings per share - attributable to owners of the parent company (€)				
Basic		0.84	1.04	1.84
Diluted		0.84	1.03	1.83
Net earnings per share from continuing operations (€)				
Basic		0.83	1.04	1.84
Diluted		0.83	1.03	1.83
Number of shares used for the calculation				
Basic	10.2	47,435,587	46,537,099	46,877,143
Diluted	10.2	47,637,039	46,896,198	47,113,389

STATEMENT OF COMPREHENSIVE INCOME

In € millions

	September 2009	September 2008	March 2009
Net profit for the period	**42.6**	**48.3**	**86.1**
Movement in the value of hedging instruments [1]	0.3	(17.7)	(24.0)
Actuarial difference on pension commitments	-	-	2.8
Movement in the value of AFS [2] shares	0.1	(0.3)	(0.2)
Related tax effect	(0.1)	6.1	7.4
Movement in translation difference	(12.2)	12.9	24.1
Total income/(expenses) recorded in equity	**(11.9)**	**1.0**	**10.1**
Total comprehensive income for the period	**30.7**	**49.3**	**96.2**
Attributable to: Owners of the parent company	28.0	49.2	96.2
Non-controlling interests	2.7	0.1	-
[1] of which unrealised gains and losses transferred to income	0.1	(9.7)	(23.0)
[2] of which unrealised gains and losses transferred to income	-	-	-

STATEMENT OF FINANCIAL POSITION

In € millions

ASSETS	Notes	September 2009	September 2008	March 2009
Brands and other intangible assets	3	628.6	628.1	629.8
Property, plant and equipment	4	195.5	185.9	197.0
Investments in associates	5	57.6	49.6	62.1
Other investments	6	64.3	53.8	61.1
Deferred tax assets	19	19.3	19.3	22.4
Non-current assets		**965.3**	**936.7**	**972.4**
Inventories	7	929.1	841.7	961.2
Trade and other receivables	8	248.2	289.4	282.1
Income tax receivables	19	4.3	4.8	6.0
Derivative financial instruments	14	13.7	15.4	10.8
Cash and cash equivalents	9	98.8	32.9	89.4
Assets held for sale	2	0.2	62.4	0.2
Current assets		**1,294.3**	**1,246.6**	**1,349.7**
Total assets		**2,259.6**	**2,183.3**	**2,322.1**
EQUITY AND LIABILITIES				
Share capital		77.4	74.5	75.8
Share premium		706.9	664.6	685.5
Treasury shares		(0.5)	(0.5)	(2.3)
Consolidated reserves		154.0	127.7	127.9
Translation reserve		(12.6)	(11.8)	(0.5)
Net profit - Group share		39.8	48.3	86.1
Equity - Group share		**965.0**	**902.8**	**972.5**
Non-controlling interests		0.9	(1.7)	(1.8)
Equity	10	**965.9**	**901.1**	**970.7**
Long-term borrowings	11	537.3	346.4	592.4
Provision for staff benefits		19.6	21.2	18.7
Long-term provisions for liabilities and charges	12	9.9	5.7	12.4
Deferred tax liabilities		198.0	173.1	200.4
Non-current liabilities		**764.8**	**546.4**	**823.9**
Short-term borrowings and accrued interest	11	87.7	123.6	28.9
Trade and other payables	13	353.4	305.5	452.9
Other liabilities	13	38.6	279.0	-
Income tax payables	19	40.3	12.1	32.9
Short-term provisions for liabilities and charges	12	2.7	14.7	5.9
Derivative financial instruments	14	6.2	0.9	6.9
Current liabilities		**528.9**	**735.8**	**527.5**
Total equity and liabilities		**2,259.6**	**2,183.3**	**2,322.1**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

In € millions

	Share capital and premium	Treasury shares	Reserves and consolidated net profit	Translation reserves	Group share	Non-controlling interests	Total equity
Balance as at 31 March 2008	**739.0**	**0.1**	**198.8**	**(24.6)**	**913.3**	**(1.8)**	**911.5**
Net profit for the year			48.3		**48.3**		**48.3**
Gains and losses recorded in equity	-	-	(11.9)	12.8	**0.9**	0.1	**1.0**
Share-based payments	-	-	1.3	-	**1.3**	-	**1.3**
Capital increase	0.1	-	-	-	**0.1**	-	**0.1**
Transactions on treasury shares	-	(0.6)	-	-	**(0.6)**	-	**(0.6)**
Dividends	-	-	(60.5)	-	**(60.5)**	-	**(60.5)**
Balance as at 30 September 2008	**739.1**	**(0.5)**	**176.0**	**(11.8)**	**902.8**	**(1.7)**	**901.1**
Balance as at 31 March 2009	**761.3**	**(2.3)**	**214.0**	**(0.5)**	**972.5**	**(1.8)**	**970.7**
Net profit for the year			39.8		**39.8**	2.8	**42.6**
Gains and losses recorded in equity	-	-	0.3	(12.1)	**(11.8)**	(0.1)	**(11.9)**
Share-based payments	-	-	1.3	-	**1.3**	-	**1.3**
Capital increase	23.0	-	-	-	**23.0**	-	**23.0**
Transactions in treasury shares	-	1.8	-	-	**1.8**	-	**1.8**
Dividends	-	-	(61.6)	-	**(61.6)**	-	**(61.6)**
Balance as at 30 September 2009	**784.3**	**(0.5)**	**193.8**	**(12.6)**	**965.0**	**0.9**	**965.9**

STATEMENT OF CASH FLOWS

In € millions

	Notes	September 2009	September 2008	March 2009
Current operating profit		65.5	62.5	137.0
Adjustment for depreciation, amortisation and impairment charges		8.0	7.0	14.8
Adjustment for share-based payments		1.3	1.3	3.6
Dividends received from associates	5	1.3	0.3	1.4
EBITDA		76.1	71.1	156.8
Change in inventories		21.9	29.7	(67.2)
Change in trade receivables		(43.9)	(31.5)	43.6
Change in trade payables		(48.0)	(21.0)	92.1
Change in other receivables and payables		40.9	(7.2)	(65.2)
Change in working capital requirement		(29.1)	(30.0)	3.3
Net cash flow from operations		**47.0**	**41.1**	**160.1**
Other operating income/(expenses)		(1.2)	(2.8)	(232.5)
Net financial expenses		(18.6)	(13.1)	(17.6)
Net income tax		(10.7)	(5.3)	27.9
Other operating cash flows		(30.5)	(21.2)	(222.2)
Net cash flow from operating activities – continuing operations		**16.5**	**19.9**	**(62.1)**
Impact of discontinued operations		-	-	-
Net cash flow from operating activities		**16.5**	**19.9**	**(62.1)**
Purchases of non-current assets	3/4	(14.1)	(11.9)	(31.5)
Purchases of investment securities	5/6	(10.4)	-	(5.8)
Net cash flow from sale of non-current assets		3.4	0.6	4.5
Net cash flow from sale of investment securities	6	-	-	60.4
Net cash flow from other investments	6	(2.8)	0.6	1.6
Net cash flow from investing activities – continuing operations		**(23.9)**	**(10.7)**	**29.2**
Impact of discontinued operations		(0.8)	(1.2)	(0.7)
Net cash flow from investing activities		**(24.7)**	**(11.9)**	**28.5**
Capital increase	10	0.1	0.1	0.9
Treasury shares	10	1.8	(0.6)	(2.2)
Increase in borrowings		25.5	23.9	136.6
Repayment of borrowings		(14.2)	(32.4)	(2.3)
Dividends paid to shareholders of the parent company		-	-	(39.2)
Other cash flows from financing activities		-	-	-
Net cash flow from financing activities- continuing operations		**13.2**	**(9.0)**	**93.8**
Impact of discontinued operations		-	-	-
Net cash flow from financing activities		**13.2**	**(9.0)**	**93.8**
Translation differences on cash and cash equivalents		4.4	(3.4)	(8.1)
Change in cash and cash equivalents		**9.4**	**(4.4)**	**52.1**
Cash and cash equivalents at start of year	9	**89.4**	**37.3**	**37.3**
Cash and cash equivalents at end of year	9	**98.8**	**32.9**	**89.4**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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INTRODUCTION

Rémy Cointreau is a société anonyme (joint stock company) with a Board of Directors subject to French legislation and in particular to the French Commercial Code. Rémy Cointreau shares are listed on NYSE Euronext Paris.

The consolidated financial statements presented below were approved by the Board of Directors on 19 November 2009 pursuant to a recommendation from the Audit Committee following its meeting of 17 November 2009.

1 ACCOUNTING POLICIES

Rémy Cointreau's financial year runs from 1 April to 31 March.

In accordance with European Regulation (EC) No. 1606/2002, the consolidated financial statements of Rémy Cointreau are prepared in accordance with the international accounting policies applicable within the European Union as at 30 September 2009.

These standards can be consulted on the website of the European Commission at:
http://ec.europa.eu/internal_market/accounting/ias_fr.htm

The condensed consolidated financial statements presented in this document were prepared pursuant to IAS 34 Interim Financial Reporting, as adopted by the European Union. They do not include all the notes and disclosures required by IFRS for annual financial statements and must therefore be read in conjunction with the annual financial statements for the year ended 31 March 2009.

The accounting principles applied in the preparation of the interim financial statements for the period ended 30 September 2009 are the same as those applied for the year ended 31 March 2009.

The following standards and interpretations have become applicable to Rémy Cointreau at 30 September 2009:

- IFRS 8 – *Operating Segments*. This standard, that replaces IAS 14 – Segment Reporting, treats information to be disclosed in respect of operating segments. The impact of the application of this new standard is described in Note **15**.

- Revisions to IAS 1R – *Presentation of Financial Statements*. The application of these revisions by the Group has had no significant impact on the results or financial position of the Group. Rémy Cointreau now presents income and expenses recorded in the period in two separate statements: (i) a statement detailing the components of net profit ("Consolidated Income Statement") and (ii) a statement detailing the gains and losses recorded directly in equity ("Consolidated Statement of Comprehensive Income"). In addition, the Balance Sheet is now described as "Consolidated Statement of Financial Position".

- Revisions to IAS32 –*Financial Instruments : Presentation.* The application of these revisions by the Group has had no significant impact on the results or financial position of the Group.

- Revision to IFRIC 13 Customer Loyalty Programmes, IFRIC 14 – IAS 19 - *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* and IFRIC 11 - *Group and Treasury Shares Transactions*. These interpretations have no significant impact on the Group's results or its financial position.

The Group is not concerned by the revision to IAS 23 covering Borrowing Costs, nor by the revision to IFRS 2 – *Share-Based Payment, relative to the terms and conditions of acquisitions and cancellation of stock options.*

The texts or compulsory amendments for years starting on or after 1 January 2010 have not given rise to an early application in the consolidated financial statements at 30 September 2009.

Historically, Group sales are split with 45% in the first half-year and 55% in the second half-year. As a result, the interim results at 30 September 2009 are not necessarily indicative of those expected for the full year ending on 31 March 2010.

In respect of the interim financial statements, the tax charge for the period is an estimate of the effective annual rate which is applied to the profit before tax of the period excluding significant exceptional items. Possible exceptional items in the period, such as the disposal of securities or the effect of a tax dispute, are recorded with their actual tax rate. In addition, the costs recorded in respect of employee benefits (IAS 19 and IFRS 2) correspond to the pro rata share of the amounts estimated for the current year.

2 CHANGES IN CONSOLIDATION SCOPE

The Rémy Cointreau Group made no acquisitions or disposals during the period ended 30 September 2009, but it completed transactions of the previous fiscal year by paying a remaining balance of €10.4 million in respect of the four distribution entities acquired from Maxxium and of creation of the joint venture with Underberg in Germany.

3 BRANDS AND OTHER INTANGIBLE ASSETS

(in € millions)	Brands	Distribution rights	Other	Total
Gross value at 30 September 2008	**622.4**	**9.6**	**24.6**	**656.6**
Gross value at 31 March 2009	**623.0**	**9.3**	**25.0**	**657.3**
Acquisitions	-	-	1.2	1.2
Translation differences	(0.8)	(0.5)	(0.2)	(1.5)
Gross value at 30 September 2009	**622.2**	**8.8**	**26.0**	**657.0**
Cumulated amortisation and impairment at 30 September 2008	**3.4**	**7.5**	**17.6**	**28.5**
Cumulated amortisation and impairment at 31 March 2009	**3.4**	**7.4**	**16.7**	**27.5**
Charge for the year	-	-	1.3	1.3
Translation difference	-	(0.3)	(0.1)	(0.4)
Cumulated amortisation and impairment at 30 September 2009	**3.4**	**7.1**	**17.9**	**28.4**
Net carrying amount at 30 September 2008	**619.0**	**2.1**	**7.0**	**628.1**
Net carrying amount at 31 March 2009	**619.6**	**1.9**	**8.3**	**629.8**
Net carrying amount at 30 September 2009	**618.8**	**1.7**	**8.1**	**628.6**

“Other” includes mainly software licences and leasehold rights.

At 30 September 2009, the principal brands were subject to an impairment test. The current value of these brands was determined by an independent expert and compared to their net carrying value. These tests revealed no impairment. The methodology used to determine the current value of brands is described in Note 1.8 to the consolidated annual financial statements.
For tests carried out in the period, the current value used was the value in use, determined on the basis of discounting future cash flows taken from medium term plans (5 to 7 years according to the business) approved by the Board of Directors. The before tax discount rates used were between 7,8% and 9,1% and the rates of growth to infinity between 1% and 2%. An increase of 1% in the discount rates or a 0.5% decrease in the growth to infinity would not incur any impairment of the brands subject to these tests.

4 PROPERTY, PLANT AND EQUIPMENT

(in € millions)	Land	Buildings	Other	In progress	Total
Gross value at 30 September 2008	**36.5**	**92.3**	**171.6**	**12.5**	**312.9**
Gross value at 31 March 2009	**38.0**	**105.4**	**182.3**	**2.6**	**328.3**
Additions	-	-	1.0	5.4	6.4
Disposals, items scrapped	-	-	(0.7)	-	(0.7)
Other movements	-	1.1	5.0	(6.1)	-
Translation differences	-	(0.8)	(1.4)	-	(2.2)
Gross value at 30 September 2009	**38.0**	**105.7**	**186.2**	**1.9**	**331.8**
Cumulated depreciation and impairment at 30 September 2008	**1.5**	**35.9**	**89.6**	**-**	**127.0**
Cumulated depreciation and impairment at 31 March 2009	**1.5**	**37.2**	**92.6**	**-**	**131.3**
Charge for the period	0.1	1.4	5.2		6.7
Disposals, items scrapped			(0.6)		(0.6)
Translation differences		(0.2)	(0.9)		(1.1)
Cumulated depreciation and impairment at 30 September 2009	**1.6**	**38.4**	**96.3**	**-**	**136.3**
Net carrying amount at 30 September 2008	**35.0**	**56.4**	**82.0**	**12.5**	**185.9**
Net carrying amount at 31 March 2009	**36.5**	**68.2**	**89.7**	**2.6**	**197.0**
Net carrying amount at 30 September 2009	**36.4**	**67.3**	**89.9**	**1.9**	**195.5**

5 INVESTMENTS IN ASSOCIATES

(in € millions)	Maxxium	Dynasty	Lixir	Diversa	Total
At 31 March 2008	**76.4**	**43.9**	**-**	**-**	**120.3**
Impairment of investment	(16.0)	-	-	-	**(16.0)**
Reclassified as assets to be disposed	(60.4)	-	-	-	**(60.4)**
Dividends paid	-	(0.3)	-	-	**(0.3)**
Net profit for the year	-	0.6	-	-	**0.6**
Translation differences	-	5.4	-	-	**5.4**
At 30 September 2008	**-**	**49.6**	**-**	**-**	**49.6**
Dividends paid	-	(1.1)	-	-	**(1.1)**
Net profit for the year	-	1.7	0.7	-	**2.4**
Change in consolidation scope	-	-	0.6	7.2	**7.8**
Translation differences	-	3.4	-	-	**3.4**
At 31 March 2009	**-**	**53.6**	**1.3**	**7.2**	**62.1**
Dividends paid	-	(0.6)	(0.7)	-	**(1.3)**
Net profit for the period	-	1.2	0.3	0.1	**1.6**
Translation differences	-	(4.8)	-	-	**(4.8)**
At 30 September 2009	**-**	**49.4**	**0.9**	**7.3**	**57.6**

6 OTHER FINANCIAL ASSETS

(in € millions)	September 2009	September 2008	March 2009
Non-consolidated equity investments	5.0	4.9	4.8
Prepayments into post-employment benefit schemes	0.6	0.4	0.4
Seller's loan	53.7	44.5	52.8
Loans to non-consolidated equity investments	1.2	0.9	1.0
Liquidity account excluding Rémy Cointreau's shares	2.8	2.3	1.1
Other	1.0	0.8	1.0
Total	**64.3**	**53.8**	**61.1**

In respect of the sale of the Lucas Bols division on 11 April 2006, Rémy Cointreau granted a seller's loan of €50 million for a maximum term of seven years (expiring 11 April 2013) and bearing interest at 3.5%. The loan interest is capitalised.

This loan was initially recorded net of a €10 million early repayment option at the acquirer's initiative.
Such option had to be exercised before 11 April 2009.

On 6 February 2009, Lucas Bols BV, beneficiary of the loan, confirmed that it would not exercise the early repayment option. Consequently, and as stated by the contract, if loan is repaid before 11 April 2010, the repayment option at the acquirer's initiative is brought down to €5 million and the interest charge is retro-actively computed with a 4.5% interest rate per annum. Should repayment not take place at that date but before 11 April 2011, early repayment option is brought down to €2.5 million and interest rate is increased to 5.5%. For the subsequent period until maturity, early repayment option is nil and interest charge is computed for each annual period based on EURIBOR 3 months plus a spread of 3.04%.

The loan is recorded at the current value of the flows that Rémy Cointreau would receive in the event of a repayment before 11 April 2010 according to the contract.

7 INVENTORIES

(in € millions)	September 2009	September 2008	March 2009
Goods for resale and finished goods	121.8	97.7	117.4
Raw materials	59.8	48.4	97.0
Ageing wines and “eaux-de-vie”	744.6	693.3	745.0
Other	5.4	5.9	4.3
At cost	**931.6**	**845.3**	**963.7**
Provision for impairment	(2.5)	(3.6)	(2.5)
Carrying amount	**929.1**	**841.7**	**961.2**

8 TRADE AND OTHER RECEIVABLES

(in € millions)	September 2009	September 2008	March 2009
Trade receivables	187.9	210.7	154.9
Receivables related to taxes and social charges (exc. income tax)	19.7	27.2	70.5
Sundry prepaid expenses	6.7	7.4	8.4
Advances paid	21.5	21.5	9.5
Receivables related to asset disposals	4.4	5.6	7.7
Other receivables	8.0	17.0	31.1
Total	**248.2**	**289.4**	**282.1**
of which, provision for doubtful debts	(6.3)	(5.6)	(4.7)

During the period ended 30 September 2009, a factoring programme enabled the early collection of €13.2 million in trade receivables.

9 CASH AND CASH EQUIVALENTS

(in € millions)	September 2009	September 2008	March 2009
Short-term deposits	55.1	0.1	66.1
Associates’ current accounts	-	1.2	1.9
Cash at bank	43.7	31.6	21.4
Total	**98.8**	**32.9**	**89.4**

The short-term deposits at 30 September 2009 correspond to an excess of cash drawn down temporarily and invested in the money market.

10 EQUITY

10.1 Share capital and premium, treasury shares

	Number of shares	Treasury shares	Total	Share capital	Share premium	Treasury shares
At 31 March 2008	**46,558,793**	**(4,705)**	**46,554,088**	**74.5**	**664.5**	**0.1**
Exercise of options	7,290	-	7,290	-	0.1	-
Liquidity contract	-	(18,100)	(18,100)	-	-	(0.6)
Other treasury shares	-	(2,500)	(2,500)	-	-	(0.1)
Net capital gain in liquidity account	-	-	-	-	-	0.1
At 30 September 2008	**46,566,083**	**(25,305)**	**46,540,778**	**74.5**	**664.6**	**(0.5)**
Exercise of options	40,618	-	40,618	0.1	0.7	-
Part payment of dividend in shares	673,843	-	673,843	1.1	20.2	-
2006 free share plan	89,500	-	89,500	0.1	-	-
Liquidity contract	-	(67,900)	(67,900)	-	-	(1.2)
Other treasury shares	-	(10,000)	(10,000)	-	-	(0.2)
Reclassified to consolidated reserves	-	-	-	-	-	(0.4)
At 31 March 2009	**47,370 044**	**(103,205)**	**47,266,839**	**75.8**	**685.5**	**(2.3)**
Exercise of options	3,262	-	3,262	-	-	-
Part payment of dividend in shares	980,095		980,095	1.6	21.4	-
Liquidity account	-	85,500	85,500	-	-	1.8
At 30 September 2009	**48,353,401**	**(17,705)**	**48,335,696**	**77.4**	**706.9**	**(0.5)**

10.1.1 Share capital and premium

At 30 September 2009, the share capital comprised 48,353,401 shares with a nominal value of €1.60.

During the period 1 April 2009 to 30 September 2009, 3,262 shares were issued in connection with the exercise of stock options to subscribe for shares granted to certain employees.

On 15 September 2009, Rémy Cointreau issued 980,095 shares following the option for partial dividend payment in shares instead of cash.

10.1.2 Treasury shares

At 30 September 2009, 500 Rémy Cointreau shares were held in the liquidity account and 17,205 shares arising from the balance of transactions related to the option plans No. 12 and 13 to purchase shares. These shares were recorded as a deduction from equity.

10.2 Number of shares used for the calculation of earnings per share

	September 2009	September 2008	March 2009
Average number of shares (basic):			
Average number of shares	47,453,292	46,562,404	46,980,348
Number of treasury shares	(17,705)	(25,305)	(103,205)
Total used for calculating basic earnings per share	**47,435,587**	**46,537,099**	**46,877,143**
Average number of shares (diluted):			
Average number of shares (basic)	47,435,587	46,537,099	46,877,143
Dilution effect of stock options [1]	201,452	359,099	236,246
Total used for calculating diluted earnings per share	**47,637,039**	**46,896,198**	**47,113,389**

[1] The Rémy Cointreau share price used as a reference when calculating the shares that could be issued in the future as a result of the exercise of options was €26.20 for September 2009, €37.05 for September 2008 and €31.05 for March 2009.

10.3 Stock option and free share plans

10.3.1 Stock option plans

These plans were granted under the authorisations given by the Extraordinary General Meetings held on 26 August 1998 (Plans 7, 8 and 9), 24 August 2000 (Plans 10 and 11), 21 September 2001 (Plans 11 and 12) and 7 September 2004 (Plan 13).

Exercise start date	Plan No.	Term in years	Type (1)	Options granted	Exercise price in €	Lapsed options	Options exercised at 31 March 2009	Options exercised during the year	Average exercise price	Outstanding options at 31 March
28 April 1999	7	10	S	289,300	12.2	4,700	281,338	3,262	21.57	-
7 December 1999	8	10	S	499,100	16.36	3,400	464,352	1,000	28.50	30,348
30 May 2000	9	10	S	131,280	18.85	-	113,740	-	-	17,540
1 March 2003	10	8	S	1,016,600	27.1	34,000	758,810	-	-	223,790
8 March 2006	11	6	S	659,500	25.00	8,500	462,127	-	-	188,873
16 September 2007	12	6	A	287,000	27.67	27,000	82,795	-	-	177,205
24 December 2008	13	6	A	262,000	28.07	35,000	8,000	-	-	219,000
Total				**3,144,780**		**112,600**	**2,171,162**	**4,262**	**23.19**	**856,756**

[1] S = Subscription, A = Purchase

For all plans, one option corresponds to one share granted.

10.3.2 Free share plans

Grant date [1]	Plan No.	Vesting period	Minimum retention period	Initial number of shares granted	Share price on the grant date	Lapsed options	Shares granted at the end of the vesting period	Number of shares outstanding at 30 September 2009
20 November 2007	2007	2 years	2 years	91,100	50.47	4,500	n/a	86,600
20 November 2008	2008	2 years	2 years	89,900	24.89	1,000	n/a	88,900
Total				**181,000**		**5,500**	**-**	**175,500**

[1] The grant date is the date of the Board meeting which decided on granting each plan.

For these two plans, the Board of Directors determined that the following acquisition terms would apply:
- 60% of the shares are granted on the condition that the beneficiary is still employed by the Group at the end of the vesting period.
- 40% of the shares are granted on the condition that the beneficiary is still employed by the Group at the end of the vesting period and that the Group has achieved the performance criteria as a measure at the end of the financial years preceding the end of the vesting period. Performance indicators are the current operating profit margin and return on capital employed measured at constant exchange rates and scope.

The 2007 Plan was granted under the authorisation given by the Combined General Meeting of 28 July 2005. In respect of the 2008 Plan, the authorisation was given by the Combined General Meeting of 16 September 2008.

10.3.3 Calculation of the charge for the year

In accordance with IFRS 2, a charge representing the estimated value of the benefit granted to the beneficiaries of share-based payments is recognised in operating profit. Only plans granted after 7 November 2002 are taken into account.

For each plan, the unit value of the option or the free share is determined. The charge is calculated by multiplying these unit values by the estimated number of options or free shares that will be allocated. The amount is amortised on a straight-line basis over the rights vesting period from the date decided by the Board for each plan (2 years for current plans).

For the period ended 30 September 2009, the charge was €1.3 million (30 September 2008: €1.3 million).

10.4 Dividends

The General Meeting of 28 July 2009 approved the payment of a dividend of €1.30 per share in respect of the year ended 31 March 2009 with the option that half the dividend, being €0.65 per share, be paid in shares. The payment in shares was made on 15 September 2009 for a total of €23.0 million. The balance of €38.6 million was paid in October 2009. At 30 September 2009, this was recorded in equity with a counterpart in “other liabilities”.

10.5 Non-controlling interests

(in € millions)	September 2009	September 2008	March 2009
Non-controlling interests in Mount Gay Distilleries	0.9	0.8	0.9
Other entities linked to Takirra Invest Corp	-	(2.5)	(2.7)
Total	**0.9**	**(1.7)**	**(1.8)**

11 BORROWINGS

11.1 Net borrowings

(in € millions)	September 2009			September 2008			March 2009		
	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Gross borrowings	537.3	87.7	625.0	346.4	123.6	470.0	592.4	28.9	621.3
Cash and cash equivalents	-	(98.8)	(98.8)	-	(32.9)	(32.9)	-	(89.4)	(89.4)
Net borrowings	**537.3**	**(11.1)**	**526.2**	**346.4**	**90.7**	**437.1**	**592.4**	**(60.5)**	**531.9**

11.2 Breakdown by type

(in € millions)	September 2009			September 2008			March 2009		
	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Bonds	191.2	-	191.2	191.2	(0.4)	190.8	191.0	-	191.0
Drawdown on syndicated credit	344.8	25.2	370.0	130.0	-	130.0	370.0	-	370.0
Drawdown on other confirmed lines	-	45.0	45.0	23.9	-	23.9	30.0	-	30.0
Drawdown on unconfirmed credit lines	-	10.0	10.0	-	85.0	85.0	-	-	-
Other borrowings and overdrafts	-	0.4	0.4	-	0.4	0.4	-	0.6	0.6
Issue costs for syndicated credit	(0.1)	(0.1)	(0.2)	(0.2)	(0.4)	(0.6)	(0.1)	(0.4)	(0.5)
Accrued interest	-	3.3	3.3	-	2.8	2.8	-	8.3	8.3
Total Rémy Cointreau S.A.	**535.9**	**83.8**	**619.7**	**344.9**	**87.4**	**432.3**	**590.9**	**8.5**	**599.4**
Finance leases	-	0.1	0.1	0.1	0.1	0.2	0.1	-	0.1
Other borrowings and overdrafts	1.4	1.4	2.8	1.4	5.7	7.1	1.4	12.5	13.9
Accrued interest	-	-	-	-	0.0	0.0	-	-	-
Borrowings by special purpose entities	-	2.4	2.4	-	30.4	30.4	-	7.9	7.9
Total subsidiaries	**1.4**	**3.9**	**5.3**	**1.5**	**36.2**	**37.7**	**1.5**	**20.4**	**21.9**
Gross borrowings	**537.3**	**87.7**	**625.0**	**346.4**	**123.6**	**470.0**	**592.4**	**28.9**	**621.3**

11.3 Bonds

At 30 September 2009, the financial debt of Rémy Cointreau included bonds issued on 15 January 2005 for seven years, redeemable at par and bearing interest at 5.2%. The nominal value of these bonds is €192.4 million. The terms and conditions are described in Note **11.6** to the consolidated financial statements for the year ended 31 March 2009.

11.4 Syndicated credit

Rémy Cointreau has access to a €500 million syndicated loan entered into on 7 June 2005. The agreement provides for a revolving credit facility of €500 million of which €34 million expires on 7 June 2010 and €466 million on 7 June 2012.

Amounts drawn down bear interest at EURIBOR plus a margin fixed at the outset at 0.675% per annum that may vary as shown in the following table based on the average net debt/EBITDA ratio (ratio A):

Ratio A	**Applicable margin**
A > 4.25	0.875%
3.75 < A < 4.25	0.675%
3.25 < A < 3.75	0.525%
2.75 < A < 3.25	0.425%
A < 2.75	0.325%

The commitment fee on the undrawn portion of the borrowing is 37.5% of the margin applicable if A > 3.75 and 35% if A < 3.75.

This facility is not subject to any security.

Under this agreement, Rémy Cointreau undertakes to comply with the following financial ratios calculated at 30 September and 31 March each year:

Period	Ratio A
From the outset to 30 September 2006	Ratio A < 4.50
1 October 2006 to 30 September 2007	Ratio A < 4.00
1 October 2007 to 30 September 2008	Ratio A < 3.75
1 October 2008 to maturity	Ratio A < 3.50

At 30 September 2009, ratio A was 3.24 (September 2008: 2.37; March 2009: 2.99).

11.5 Other confirmed credit lines

At 30 September 2009, the Group had four confirmed credit lines, in addition to the syndicated bank loan, amounting to €120 million in total. The characteristics of these lines are as follows:

Amount (In € millions)	Maturity	Benchmark	Margin	Engagement commission
30.0	31 December 2009	EURIBOR	0.350%	0.300%
40.0	31 March 2010	EONIA	0.350%	0.200%
20.0	30 April 2010	EURIBOR	0.400%	0.600%
30.0	9 July 2010	EURIBOR	0.250%	0.250%

11.6 Confirmed but undrawn credit lines

At 30 September 2009, the undrawn confirmed credit lines (syndicated and other lines) were €205 million (September 2008: €466.1 million; March 2009: €220 million).

12 PROVISIONS FOR LIABILITIES AND CHARGES

12.1 Analysis of change

(in € millions)	Maxxium compensation	Restructuring	Early retirement plan	Other	Total
At 31 March 2008	**250.4**	**10.9**	**1.0**	**13.0**	**275.3**
Increase				8.4	8.4
Discounting	10.6	0.1			10.7
Decrease	(224.0)	(5.6)	(0.6)	(2.4)	(232.6)
Unused	(37.0)	(2.7)		(3.3)	(43.0)
Reclassifications				(0.6)	(0.6)
Change in consolidation scope				0.1	0.1
At 31 March 2009	**-**	**2.7**	**0.4**	**15.2**	**18.3**
Increase	-	-	-	3.0	3.0
Decrease	-	(0.6)	(0.2)	(4.5)	(5.3)
Unused	-	-	-	(2.7)	(2.7)
Reclassifications	-	-	-	(0.7)	(0.7)
At 30 September 2009	**-**	**2.1**	**0.2**	**10.3**	**12.6**

12.2 Maturity

The provisions are intended to cover probable items of expenditure payable as follows:

(in € millions)	September 2009	September 2008	March 2009
More than one year or unknown	9.9	5.7	12.4
Less than one year	2.7	14.7	5.9
Total	**12.6**	**20.4**	**18.3**

13 TRADE AND OTHER PAYABLES

13.1 Trade and other payables

(in € millions)	September 2009	September 2008	March 2009
Trade payables – eaux-de-vie	140.6	99.1	160.6
Other trade payables	108.4	83.8	150.1
Advances to customers	0.4	0.6	1.2
Payables related to tax and social charges (exc. income tax)	42.2	44.1	80.7
Excise duties	2.8	0.5	2.4
Advertising expenses payable	27.9	36.7	23.0
Miscellaneous deferred income	1.4	1.5	1.5
Other liabilities	29.7	39.2	33.4
Total	**353.4**	**305.5**	**452.9**

13.2 Other liabilities

(in € millions)	September 2009	September 2008	March 2009
Dividend payable	38.6	60.5	-
Maxxium compensation	-	218.5	-
Total	**38.6**	**279.0**	**-**

14 FINANCIAL INSTRUMENTS AND MARKET RISKS

The Group uses financial instruments to manage its interest rate and currency risk exposure. The policy for managing market risks complies with the prudential rules approved by the Board of Directors. Specifically, the sale of options is limited to tunnel strategies and the resale of previously purchased instruments that are subject to approval on an individual basis.

All hedging transactions are entered into with top-tier international banks.

With regard to currency risk, the Group endeavours to hedge its budgeted net commercial exposure over a rolling period of approximately 15 to 18 months. This is achieved by entering into firm or optional currency hedging agreements in accordance with the guidelines set by the Board of Directors.

The Group does not hedge the currency risk arising from the translation into euros of the financial statements of companies outside the Euro zone.

The Group's hedging policy allows only for the hedging of short-term currency risk. It is not intended to protect the Group against the economic effects of long-term money market trends on the Group's turnover and margins.

14.1 Breakdown of derivative financial instruments

(in € millions)	September 2009	September 2008	March 2009
Assets			
Interest rate derivatives	0.3	3.1	3.4
Exchange rate derivatives	13.4	12.3	7.4
Total	**13.7**	**15.4**	**10.8**
Liabilities			
Interest rate derivatives	3.9	-	5.6
Exchange rate derivatives	2.3	0.9	1.3
Total	**6.2**	**0.9**	**6.9**

14.2 Interest rate derivative

The Group manages the risk of an increase in interest rates on its variable rate financial resources, which are generally based on EURIBOR (1 month or 3 month), using options (caps). Rémy Cointreau also entered into interest rate swap contracts in the context of decreasing interest rates on the market.

Rémy Cointreau also enters into floor contracts to back its fixed rate borrowings. However, such contracts do not qualify as hedging instruments according to IAS39. They pertain to the "Trading" category.

At 30 September 2009, derivative financial instruments on recent rates were as follows:

(in € millions)	September 2009	September 2008	March 2009
Assets			
Purchases of cap	0.3	2.7	0.2
Purchases of floor	-	0.4	3.2
Total	**0.3**	**3.1**	**3.4**
Liabilities			
Sales of floor	-	-	3.2
Interest rate swaps	3.9	-	2.4
Total	**3.9**	**-**	**5.6**

(in € millions)	Nominal amount	Initial value	Market value	Of which CFH [1]	Of which Trading [1]
Purchases of cap					
Maturity before March 2010	200.0	0.5	-	-	-
Maturity before March 2011	375.0	1.1	0.2	0.2	-
Maturity before March 2012	50.0	0.1	0.1	0.1	-
	625.0	**1.7**	**0.3**	**0.3**	**-**
Purchases of floor					
Maturity before March 2010	100.0	0.2	-	-	-
Maturity before March 2011	50.0	0.1	-	-	-
	150.0	**0.3**	**-**	**-**	**-**
Total assets		**2.0**	**0.3**	**0.3**	**-**
Sales of floor					
Maturity before March 2010	100.0	1.0	-	-	-
Maturity before March 2011	50.0	1.1	-	-	-
	150.0	**2.1**	**-**	**-**	**-**
Interest rate swaps					
Maturity before March 2010	200.0	-	1.4	1.4	-
Maturity before March 2011	225.0	-	1.5	1.5	-
Maturity before March 2015	150.0	-	1.0	1.0	-
	575.0	**-**	**3.9**	**3.9**	**-**
Total liabilities		**2.1**	**3.9**	**3.9**	**-**

[1] *Cash Flow Hedge: hedging future cash flows; Trading: held for trading purposes*

During the period ended 30 September 2009, a pre-tax expense of €1.4 million was recognised directly in equity corresponding to the movement in the effective value of instruments qualifying as a cash flow hedge (CFH).

14.3 Exchange rate derivatives

The Group uses options or forward contracts to hedge its cash flows from commercial transactions. Commercial transactions for the year for which payment has not been received as at the balance sheet date are hedged by short-term currency swaps.

Furthermore, Rémy Cointreau SA, which centralises the Group's financing needs, and its subsidiary Financière Rémy Cointreau make intra-Group loans and borrowings denominated in the counterparty's currency. The Group uses currency swaps to perfectly match these loans and borrowings. The maturity of such transactions ranges from one month to one year.

The following table summarises all currency hedging instruments in the portfolio at the balance sheet date. All these instruments mature within 18 months.

(in € millions)	Nominal amount	Initial value	Market value	Of which FVH [1]	Of which CFH [1]	Of which Trading [1]
Put options and tunnel options						
Seller USD (vs EUR)	317.6	5,1	8,2	-	8,2	-
Other currencies (vs EUR)	37.7	0,6	-	-	-	-
	355.3	**5,7**	**8,2**	**-**	**8,2**	**-**
Forward sales						
Seller USD (vs EUR)	20.5	-	3,5	-	3,5	-
Seller CZK (vs EUR)	6.0	-	(0,3)	-	(0,3)	-
Seller CAD (vs EUR)	5.1	-	(0,0)	-	(0,0)	-
Seller CHF (vs EUR)	3.3	-	0,0	-	0,0	-
Seller NZD (vs EUR)	2.5	-	(0,2)	-	(0,2)	-
Other currencies (vs EUR)	7.7	-	(0,1)	-	(0,1)	-
	45.1	**-**	**2,9**	**-**	**2,9**	**-**
Forward sales						
Buyer SGD (vs EUR)	(2.9)	-	-	-	-	-
Total	**397.5**	**5,7**	**11,1**	-	**11,1**	-

[1] FVH: Fair Value Hedge, CFH: Cash Flow Hedge: hedging future cash flows; Trading: held for trading purposes;

	September 2009	
	Nominal [1]	Nominal at guaranteed rate
Exchange swaps (sale) purchases on commercial flows		
USD/EUR	(116.7)	(79.7)
GBP/EUR	(2.5)	(2.8)
AUD/EUR	(1.8)	(1.1)
CAD/EUR	(1.9)	(1.2)
Other currencies		0.7
Total		**(84.0)**
Currency swaps – purchases (sale) on financing activities		
USD/EUR	(98.6)	(67.4)
HKD/EUR	28.0	2.5
AUD/EUR	2.4	1.4
CZK/EUR	20.0	0.8
JPY/EUR	(151.7)	(1.2)
Total		**(63.8)**

[1] expressed in millions of the currency concerned

For the period ended 30 September 2009, a pre-tax income of €1.7 million was recognised directly in equity, related to the calculation of the portfolio of exchange rate derivatives, of which €0.1 million was recycled to profit following their expiry or change to non-hedging status of the instruments. The balance, of €1.6 million, is the change in the effective value of instruments qualifying as Cash Flow Hedge (CFH).

14.4 Other derivative instruments

Other derivative instruments held in the portfolio at 31 September 2009 comprised call options on 224,497 Rémy Cointreau shares that, in accordance with IAS 39, are not recorded on the statement of financial position.

15 SEGMENT REPORTING

As explained in Note **1**, Rémy Cointreau applies IFRS 8 – *Operating Segments* from 1 April 2009. Under this standard, the segments to be presented are the operating segments for which separate financial information is available internally and that the "chief operating decision maker" uses to take operational decisions. The chief operating decision maker of Rémy Cointreau is the Executive Committee. This committee examines the operating performance and allocates resources on the basis of financial information analysed at the operating level Cognac, Liqueurs & Spirits, Champagnes and Partner brands. As a result, the Group has identified these four divisions as the operating segments to be presented.

The application of this new standard, coinciding with the setting up of a new sales organisation led the Group to review the presentation of its operating segments. A "Holding Company" segment was thus created to contain the costs of holding companies that were previously allocated to operating segments. Comparative data was restated

Information given by operations is identical to those presented to the Executive Committee.

15.1 Operations

Brands are broken down into four divisions which thus comprise the principal products and brands, as follows:

Cognac	Rémy Martin
Liqueurs and Spirits	Cointreau, Passoa, Metaxa, Saint Rémy, Mount Gay
Champagne	Piper-Heidsieck, Charles Heidsieck
Partner brands	Non-Group brands and, by extension, those not produced by the Group, which are marketed through the Group's own distribution network. It includes mainly the Edrington Group Scotch whiskies in the US.

(in € millions)	Turnover			Current operating profit		
	September 2009	September 2008	March 2009	September 2009	September 2008	March 2009
Cognac	182.8	170.2	311.9	46.3	44.4	78.4
Liqueurs and Spirits	100.3	97.8	196.0	24.6	23.0	56.3
Champagne	35.8	61.4	125.9	(3.7)	4.3	13.6
Group brands	**318.9**	**329.4**	**633.8**	**67.2**	**71.7**	**148.3**
Partner brands	43.0	35.8	80.3	4.3	(2.1)	0.4
Holding	-	-	-	(6.0)	(7.1)	(11.7)
Total	**361.9**	**365.2**	**714.1**	**65.5**	**62.5**	**137.0**

There are no intra-segment sales.

15.2 Geographic regions

(in € millions)	Turnover		
	September 2009	September 2008	March 2009
Europe	123.7	135.2	275.1
Americas	124.5	128.3	283.0
Asia and rest of the world	113.7	101.7	156.0
Total	**361.9**	**365.2**	**714.1**

Turnover is allocated on the basis of the destination of the goods sold.

16 ANALYSIS OF OPERATING EXPENSES BY TYPE

(in € millions)	September 2009	September 2008	March 2009
Personnel costs	(61.3)	(53.5)	(107.8)
Advertising and promotion expenses	(65.3)	(68.8)	(131.9)
Depreciation, amortisation and impairment of non-current assets	(8.0)	(7.0)	(14.8)
Other costs	(38.6)	(43.1)	(92.2)
Costs allocated to inventories and production cost	27.5	28.5	64.3
Total	**(145.7)**	**(143.9)**	**(282.4)**
of which:			
Distribution costs	(108.1)	(103.1)	(201.7)
Administrative expenses	(37.6)	(40.8)	(80.7)
Total	**(145.7)**	**(143.9)**	**(282.4)**

Distribution costs comprise marketing and advertising expenses, commission income or expenses, brand royalties, ordinary writedowns of inventories and trade receivables and the overheads of the Group distribution companies.

Administrative expenses comprise all the overheads of the holding companies and production companies.

Other income and expenses correspond to the profit generated by activities that are peripheral to the sale of cognac, liqueurs, spirits, champagnes and partner brands.

17 OTHER OPERATING INCOME AND EXPENSES

(in € millions)	September 2009	September 2008	March 2009
Maxxium compensation and related charges	-	35.4	33.6
Impairment of Maxxium shares	-	(16.0)	(16.0)
Maxxium translation reserve	-	-	(4.0)
Restructuring plans, closures or transfer of sites	(0.6)	-	0.6
Tax adjustments (excluding income taxes)	-	-	0.2
Other	-	-	0.5
Total	**(0.6)**	**19.4**	**14.9**

18 NET FINANCIAL EXPENSES

18.1 Net cost of borrowings

(in € millions)	September 2009	September 2008	March 2009
Bonds	(5.2)	(5.3)	(10.5)
Syndicated credit, confirmed and unconfirmed lines	(4.1)	(6.2)	(16.7)
Finance costs of special purpose entities	(1.2)	(1.2)	(2.3)
Impact of interest rate derivatives	(1.4)	1.3	1.1
Other finance costs	(0.1)	-	0.1
Gross cost of borrowings	**(12.0)**	**(11.4)**	**(28.3)**
Interest earned on deposits	-	-	1.8
Net cost of borrowings	**(12.0)**	**(11.4)**	**(26.5)**

Borrowings are described in Note **11**.

Given that net borrowings averaged €647.4 million for the period ended 30 September 2009, the average interest rate was 3.71% (September 2008: 4.76%; March 2009: 5.56%).

18.2 Other financial income/(expenses)

(in € millions)	September 2009	September 2008	March 2009
Exchange gains	2.1	4.6	4.7
Interest and revaluation of the seller's loan	0.9	0.9	9.2
Other financial income	**3.0**	**5.5**	**13.9**
Other financial expenses of special purpose entities	(0.5)	(4.9)	(7.2)
Discounting charge on provisions	(0.1)	(5.0)	(10.7)
Other	(0.8)	(0.5)	(0.8)
Other financial expenses	**(1.4)**	**(10.4)**	**(18.7)**
Other financial income/(expenses)	**1.6**	**(4.9)**	**(4.8)**

The exchange gains and losses comprise mainly the effect of recognition of hedging under IFRS 39 relative to the portfolio of financial instruments qualified as "cash flow hedge" as well as exchange gains and losses related to financial flows. Exchange gains and losses related to operating flows are included in gross losses related to operating flows are included in gross margin.

19 INCOME TAX

19.1 Net income tax charge

(in € millions)	September 2009	September 2008	March 2009
(Current tax (expenses)/income	(15.6)	(6.3)	(0.3)
Deferred tax (expenses)/income	(1.1)	(11.6)	(37.2)
Income tax charge	**(16.7)**	**(17.9)**	**(37.5)**
Effective tax rate	30.7%	27.4%	31.1%

19.2 Income tax receivable and payable

(in € millions)	September 2009	September 2008	March 2009
Recoverable income tax	4.3	4.8	6.0
Income tax liability	(40.3)	(12.1)	(32.9)
Net position – asset/(liability)	**(36.0)**	**(7.3)**	**(26.9)**

20 NET PROFIT FROM DISCONTINUED OPERATIONS

The profit net of tax of operations sold at 30 September 2009 of €3.2 million arises from the liquidation of entities that were held together with Takirra Investment Corp. NV following the disposal of the Polish operations to CEDC in the year ended 31 March 2006. €2.7 million of this was reallocated to non-controlling interests.

21 OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

At 30 September 2009, the agricultural warrants on the inventories of Alliance Fine Champagne amounted to €34.4 million compared with €7.9 million at 31 March 2009 and €30.4 million at 30 September 2008.

The other purchase and rental commitments and various guarantees have not changed significantly since 31 March 2009.

At 30 September 2009, guarantees on finance lines amounted to €21.2 million compared to €12.3 million at 31 March 2009 and €12.3 million at 30 September 2008.

The other guarantees granted and not prescribed at 30 September 2009 have not changed significantly since 31 March 2009.

22 RELATED PARTIES

During the period ended 30 September 2009, relationships with related parties remained similar to those for the year ended 31 March 2009.

The Maxxium Worldwide BV joint venture ceased to be a related party on 30 March 2009. Turnover to Maxxium BV during the period ended 30 September 2008 amounted to €191.0 million.

23 POST BALANCE SHEET EVENTS

There are no events that are likely to have a material impact on the Group financial statements at 30 September 2009.

24 CHANGES IN GROUP STRUCTURE

	% interest	
Company	September 2009	March 2009
Tequisco [(1)]	-	100.00

[(1)] company merged into Cointreau

This is a free translation into English of the statutory auditors' review report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meetings and in accordance with article L.451-1-2 III of the French monetary and financial code (code monétaire et financier), we hereby report to you on:

- our review of the accompanying condensed half-yearly consolidated financial statements of Rémy Cointreau, for the period from April 1st, 2009 to September 30, 2009, and
- the verification of the information contained in the interim management report.

These condensed half-yearly consolidated financial statements are the responsibility of the board of directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with the professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the professional standards applicable in France and consequently does not enable us to obtain assurance that the financial statements, taken as a whole, are free from material misstatements, as we would not become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that these condensed half-yearly consolidated financial statements are not prepared in all material respects in accordance with IAS 34 – IFRS as adopted by the European Union applicable to interim financial information.

Without modifying the conclusion expressed above, we draw your attention to note 1 to the condensed half-yearly consolidated financial statements which sets out the changes in accounting methods resulting from the mandatory application, from April 1st, 2009, of IFRS 8 "Operating Segments" and IAS1R "Presentation of Financial Statements".

2. Specific verification

We have also verified the information provided in the interim management report in respect of the half-yearly financial statements that were the object of our review.

We have no matters to report on the fairness and consistency of this information with the condensed half-yearly financial statements.

Neuilly-sur-Seine and Paris, November 20, 2009

The Statutory Auditors

French original signed by

ERNST & YOUNG ET AUTRES	**AUDITEURS ET CONSEILS ASSOCIES**
	NEXIA International
Marie-Laure DELARUE	**Olivier JURAMIE**

CERTIFICATE OF THE PERSON RESPONSIBLE FOR THE HALF-YEAR REPORT

I certify that, to the best of my knowledge, the interim financial statements for the first half-year 2009/2010 were prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, the financial position and the financial performance of the Company and all the companies included in the consolidation, and the half-year operating report presents a true and fair view of significant events which occurred in the first six months of the year, their impact on the half-year financial statements, significant transactions between related parties, as well as the principal risks and uncertainties for the remaining six months of the financial year.

Paris, 20 November 2009

Jean-Marie Laborde
Chief Executive Officer of Rémy Cointreau