



BELVÈDÈRE

RESULTS FOR THE FIRST SIX MONTHS OF 2008

A level of EBITDA consistent with our Group's growth strategy

- > Strong growth in Poland, Bulgaria, and Lithuania
- > Relative decline in France
- > Period of investment in the United States and Ukraine

Net income (loss) of €-38.7 million, significantly affected by non-recurrent financial developments

Income Statement in Millions of M€	1st Half Year 2007 (1)	1st Half Year 2008	Change
Sales	463.9	572.5	23%
Current EBITDA*	13.5	12.4	-8%
Current operating income	6.1	5.7	-7%
Operating income	6.8	13.9	103%
Cost of debt service	-20.8	-40.8	-96%
Financial results	-19.7	-50.2	-155%
Net income (loss) Group share	0.1	-38.7	

(1) restated for operations sold (IFRS 5)

PROFITABLE CONTINUING OPERATIONS IN A CONTEXT OF STRONG GROWTH

During the first 6 months of fiscal year 2008, Belvédère's sales showed growth of +23%. On a consistent basis and using constant exchange rates, growth was +7.6%.

In terms of results, our Group showed strong EBITDA growth in Poland (+60%), Lithuania (+16.2%), and Bulgaria (+210%).

In France, since the recovery in wine was only partially reflected at the end of June, EBITDA declined over 6 months by -17% compared to last year.

In the United States and in Ukraine, Belvédère has made significant efforts to accelerate sales growth over the last six months. In both these countries, where the priority objective is growth rather than profitability, our Group showed negative EBITDA during this six month period of €1.9 million.

Taken as a whole, Belvédère showed EBITDA of €12.4 million for the first six months of 2008, for a level comparable to last year (€13.5 million). At the same time, current operating income for the half year period was €5.7 million (compared to €6.1 million for the first half year 2007).

Operating income, which benefited in particular from the gain of €13.3 million (US\$20.5 million) realized on the sale of the Vinegar and Cooking Wine business in the United States early in the year, was €13.9 million during the first half year, compared to €6.8 million last year.



FINANCIAL RESULTS SIGNIFICANTLY AFFECTED BY NON-RECURRENT CHARGES

Financial income was €50.2 million, affected by €17.9 million of non-recurrent financial charges completely arising from a charge over the six month period of residual expenses relating to the issue of the 2006 OBSAR Bonds and FRNs.

Until 31 December 2007, such expenses had been expensed over 6 and 7 years, in accordance with the Effective Interest Rate method (*“Méthode TIE - Taux d’Intérêt Effectif”*). The placing of the Company under court protection from creditors and reorganization (*“Procédure de Sauvegarde”*) in July automatically made such obligations immediately due and payable. As a result, the expensing of such costs over the life of the obligation was no longer possible.

All in all, after taking into consideration all income and non-recurrent charges, net income (loss) was €-38.7 million.

At 30 June 2008, Belvédère had sufficient cash to finance the growth of its business.

INFORMATION ON THE PROTECTION/REORGANIZATION PROCEEDING

BELVEDERE and its affected subsidiaries were granted court protection from creditors and placed in reorganization (*“procédure de sauvegarde”*) by an Order of the *Tribunal de Commerce* (Commercial Court) of Beaune entered on 16 July 2008. Such Order was published for the record in the *BODACC* journal on 28 July 2008. French creditors, therefore, were given until 28 September, under applicable law, to file proofs of their claim with the court-appointed trustee (*“mandataire judiciaire”*) and foreign creditors, under applicable law, were given until 28 November to do so. The period for filing all proofs of claim has now expired. It appears to the Company, on the basis of the analysis it has made of applicable statutory and case law, that, with the exception of certain holders of “FRN” securities in a nominal amount of less than €20 million, all of the other “FRN” creditors have not filed proofs of claim in the form provided by law, so they will not qualify to benefit from the reorganization/protection plan (*“plan de sauvegarde”*). BELVEDERE and its subsidiaries, in this respect, plan to submit their point of view and arguments to the trustee (*“mandataire judiciaire”*) and the Presiding Magistrate (*“Juge commissaire”*), who will decide.

Detailed Financial Statements for the First Six Months of 2008 are available at the Company’s website:
www.belvedere.fr