

BELVÉDÈRE

2008 sales in line with objectives at €1.2 billion, up +13.7%

Unaudited data - In millions of Euros ⁽¹⁾	Actuals ^(*)			On a Consistent Basis ^(**)		
	12 Mos. 2007	12 Mos. 2008	%	12 Mos. 2007	12 Mos. 2008	%
Sales	1 043.2	1 186.1	13.7%	1 043.2	1 099.4	5.4%
Sales (eliminating excise taxes)	638.2	762.1	19.4%	638.2	675.4	5.8%
Sales (ex-excise tax and on a consistent basis)	638.2	742.1	16.3%	638.2	659.4	3.3%

Volumes in millions of units	Actuals ^(*)			On a Consistent Basis ^(**)		
	12 Mos. 2007	12 Mos. 2008	%	12 Mos. 2007	12 Mos. 2008	%
Spirits (9L Cases)	14.8	15.6	5.5%	14.8	15.0	1.0%
Wine (9L Cases)	16.5	13.7	-16.8%	16.5	13.5	-18.3%
Raw Alcohol (Liters)	16.4	29.9	82.0%	16.4	28.2	71.7%
Other beverages sold (9L Cases)	8.1	17.3	113.2%	8.1	16.3	101.6%

(1) In accordance with IFRS 5, the financial statements presented have been restated for 2007 to reflect the sale of the Non-alcoholic Beverage business of Marie Brizard in September 2007

* Consolidation of Florida Distillers as of 1st April 2007 and the Polish distributors as of their acquisition dates. ** Operations without Florida Distillers for Q108 and without Polish distributors prior to the date as of which they were consolidated.

For the whole of fiscal year 2008, Belvédère recorded sales of EUR1.2 billion, up +13.7% (+16.3% after eliminating excise taxes and at constant exchange rates).

In a global economy that was generally softer, Belvédère recorded significant growth, meeting its initial objectives. This performance is all the more significant in that the Group was hurt at the end of the year by a reorganization proceeding that adversely affected its ability to find working capital financing necessary to carry it through this peak period of business.

Evolution by geographic area

In Poland (63.4% of 2008 sales), Belvédère had 12 month sales of €752 million, up 19.3% (+1.8% at constant exchange rates and on a consistent basis). Distributors contributed €196 million (including €19 million registered for less than a year) to the Group's aggregate sales.

Our Group's share of the vodka market in December 2008 stayed at a significant level of 22.6%, compared to 25.8% a year earlier (source: AC Nielsen), in line with its price increase strategy.

In France (22% of 2008 sales), 12 month sales declined slightly, by -1.1%. Spirit sales over the year were stable and accounted for 43% of business. Wine pursued its recovery during the year and generated gross volumes for the fiscal year equivalent to last year, for sales that were voluntarily reduced by 16%. Finally, contract manufacturing of non-alcoholic beverages divested in 2007 accounted for €26 million of sales in 2008.

In the United States (4.8% of 2008 sales), Belvédère had sales of €57 million, up +3.2% (-4.8% on a consistent basis). These figures do not yet reflect the spectacular growth in spirits sales in this strategic market (leading vodka market worldwide in value), because of the year-on-year decline of 20.8% of the subcontracting bottling business (37.8% of sales). Other operations (62.2% of sales) grew 17.6% over the period. Supported by a marketing plan of €8 million, spirits sales were driven by the success of *Sobieski* vodka, which quadrupled its volumes in a year, going from 68,000 to 282,000 9 liter cases.

Lithuania and Bulgaria showed sales growth of 4.6% and 23%, respectively, and accounted for 5.4% and 1.6%, respectively, of our Group's total billings.

In Ukraine, 2nd largest vodka market worldwide in volume, Belvédère launched *Sobieski* during the year with a marketing and sales support plan that started in June. These investments, always very high in line with the launch, aggregated €3.3 million for the year. Sales for 2008, which benefited only in part from these activities over the year, reached €2.9 million over 12 months, compared to €0.6 million a year earlier.

Prospects

Fiscal year 2008 enabled Belvédère to show the solidity of its business in an increasingly difficult economic and financial climate. Conscious of its growth potential, our Group chose to intensify its marketing and commercial efforts in the United States and Ukraine. These launch plans, which

aggregated €11.3 million, will affect 2008 results, but will create conditions for strong growth in these markets over the next few years.

All together, taking into account our non-recurrent costs, Belvédère henceforth expects a 2008 EBITDA of approximately €30 million.

Update on the reorganization proceeding ("sauvegarde")

Proofs of claim filed with the creditors' representative have been accepted by the Company in all cases except for claims relating to the FRNs.

Out of EUR375 million in FRN claims, only approximately EUR140 million were filed as of 16 July 2008 (date on which the reorganization proceeding began), by entities claiming to hold FRNs as of such date.

In any event, all proofs of claim received in respect of the FRNs are being significantly challenged on the ground that they were not made in the form provided by law.

It will be for the Courts to decide both the validity of such proofs of claim and the amount of the claims to be included in the reorganization plan. Denied claims will be treated as not being covered by the reorganization plan, in accordance with applicable law.

To ensure a return to normal trading and operating conditions, our Group will shortly file with the Court overseeing the reorganization proceeding ("procédure de sauvegarde") an equitable plan to bring the Company out of reorganization.



Shares

Code ISIN: FR0000060873

Bonds A

Code ISIN: FR0010304774

Bonds B

Code ISIN: FR0010304782

Bonds 2014

Code ISIN: FR0010304774

BSAR 1 Code ISIN: FR0010134247

BSAR 2 Code ISIN: FR0010304733

Also refer to www.belvedere.fr

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