REMY COINTREAU GROUP
CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2006

CONSOLIDATED BALANCE SHEET

As at 30 September 2006, 31 March 2006 and 30 September 2005. All data is expressed in millions of euros.

ASSETS	notes	30 September 2006	31 March 2006	30 September 2005
Brands and other intangible assets	3	628.4	629.6	818.8
Property, plant and equipment	4	169.0	180.5	185.8
Investments in associates	5	119.6	123.6	115.4
Other investments	6	105.5	70.7	72.6
Deferred taxes		12.0	12.3	2.1
Non-current assets		**1,034.5**	**1,016.7**	**1,194.7**
Inventories	7	789.8	852.4	845.5
Trade and other receivables	8	261.9	243.1	283.2
Income tax receivable		11.4	11.0	4.8
Derivative financial instruments	9	11.0	6.9	4.2
Cash and cash equivalents	10	16.1	31.6	20.8
Assets held for sale	2	10.8	204.0	-
Current assets		**1,101.0**	**1,349.0**	**1,158.5**
Total assets		**2,135.5**	**2,365.7**	**2,353.2**

LIABILITIES AND EQUITY	notes	30 September 2006	31 March 2006	30 September 2005
Share capital		72.9	72.8	72.5
Share premium		641.2	639.5	637.3
Treasury shares		(2.2)	(0.7)	(0.6)
Consolidated reserves		157.8	127.3	122.9
Translation reserve		(2.3)	2.0	6.2
Net profit – Group share		75.7	77.8	42.9
Equity – Group share		**943.1**	**918.7**	**881.2**
Minority interests		(2.8)	(3.2)	(2.8)
Total equity	11	**940.3**	**915.5**	**878.4**
Long-term financial debt	12	482.7	376.2	378.6
Provisions for retirement		25.1	24.5	27.1
Long-term provisions for risks and charges	13	11.8	26.3	32,3
Deferred taxes		200.6	170.8	239.0
Non-current liabilities		**720.2**	**597.8**	**677.0**
Short-term financial debt and accrued interest	12	170.7	426.9	450.6
Trade and other payables	14	255.6	300.4	304.7
Income tax payable		14.5	23.6	18.8
Short-term provisions for risks and charges	13	33.3	34.1	14.7
Derivative financial instruments	9	0.9	1.9	9.0
Liabilities held for sale	2	-	65.5	-
Current liabilities		**475.0**	**852.4**	**797.8**
Total liabilities and equity		**2,135.5**	**2,365.7**	**2,353.2**

CONSOLIDATED INCOME STATEMENT

For the period from 1 April to 30 September 2006, the year ended 31 March 2006 and the period from 1 April to 30 September 2005. All data is expressed in millions of euros.

	notes	30 September 2006	31 March 2006	30 September 2005
Net sales	15	**354.4**	**780.6**	**353.2**
Cost of sales		(172.0)	(381.7)	(172.5)
Gross profit		**182.4**	**398.9**	**180.7**
Distribution costs	16	(90.7)	(190.7)	(93.2)
Administrative expenses	16	(37.7)	(80.2)	(37.1)
Other income (expense) from operations	16	7.9	11.5	4.5
Current operating profit	15	**61.9**	**139.5**	**54.9**
Other operating income (expense)	17	(3.0)	(18.2)	-
Operating profit		**58.9**	**121.3**	**54.9**
Net finance cost		(18.7)	(64.0)	(33.6)
Other financial income (expense)		(1.3)	0.8	2.0
Net financial expense	18	**(20.0)**	**(63.2)**	**(31.6)**
Profit before tax		**38.9**	**58.1**	**23.3**
Income tax expense	19	(7.7)	(13.3)	(7.4)
Share of profit of associates	5	2.8	8.5	2.3
Net profit from continuing operations		**34.0**	**53.3**	**18.2**
Net profit (loss) from discontinued operations	20	42.1	20.6	20.9
Net profit		**76.1**	**73.9**	**39.1**
Attributable to minority interests		(0.4)	3.9	3.8
Net profit – Group share		**75.7**	**77.8**	**42.9**
Basic earnings per share				
Net profit – Group share (euros)		1.66	1.72	0.95
Net profit from continuing operations (euros)		0.75	1.18	0.40
Number of shares	11	**45,487,890**	**45,320,286**	**45,178,638**
Diluted earnings per share				
Net profit – Group share (euros)		1.65	1.70	0.91
Net profit from continuing operations (euros)		0.74	1.16	0.40
Number of shares	11	**46,017,256**	**45,893,565**	**52,598,104**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from 1 April to 30 September 2006, the year ended 31 March 2006 and the period from 1 April to 30 September 2005. All data is expressed in millions of euros.

	Number of shares	Share capital	Share premium	Treasury shares	Consolidated reserves and profit for the period	Translation reserve	Group share	Minority interests	Total equity
Balance at 1 April 2005	**45,022,661**	**72.1**	**630.7**	**(0.6)**	**174.9**	**(3.0)**	**874.1**	**11.4**	**885.5**
Net profit for the period					42.9		**42.9**	(3.8)	**39.1**
Change in value of hedging instruments					(6.7)		**(6.7)**		**(6.7)**
Associated tax effect					3.7		**3.7**		**3.7**
Profit or loss taken directly to equity					(3.0)		**(3.0)**		**(3.0)**
Translation reserve						9.2	**9.2**		**9.2**
Earnings impact on equity					**39.9**	**9.2**	**49.1**	**(3.8)**	**45.3**
Share-based payments					0.6		**0.6**		**0.6**
Capital increase	288,263	0.4	6.6				**7.0**		**7.0**
Dividends					(45.0)		**(45.0)**		**(45.0)**
Other					(4.5)		**(4.5)**		**(4.5)**
Changes in consolidation scope							**0.0**	(10.5)	**(10.5)**
At 30 September 2005	**45,310,924**	**72.5**	**637.3**	**(0.6)**	**165.9**	**6.2**	**881.3**	**(2.9)**	**878.4**
Net profit for the period					34.9		**34.9**	(0.1)	**34.8**
Change in value of hedging instruments					3.5		**3.5**		**3.5**
Actuarial gain on retirement obligations					0.6		**0.6**		**0.6**
Associated tax effect					(2.8)		**(2.8)**		**(2.8)**
Profit or loss taken directly to equity					1.3		**1.3**		**1.3**
Translation reserve						(4.2)	**(4.2)**		**(4.2)**
Earnings impact on equity					**36.2**	**(4.2)**	**32.0**	**(0.1)**	**31.9**
Share-based payments					1.1		**1.1**		**1.1**
Capital increase	413,853	0.7	8.7				**9.4**		**9.4**
Cancellation of shares	(280,927)	(0.4)	(7.2)				**(7.6)**		**(7.6)**
Conversion of bonds	32,294		0.7				**0.7**		**0.7**
Transactions in treasury shares	5,300			(0.1)			**(0.1)**		**(0.1)**
Other					1.9		**1.9**		**1.9**
Changes in consolidation scope							**0.0**	(0.2)	**(0.2)**
At 31 March 2006	**45,481,444**	**72.8**	**639.5**	**(0.7)**	**205.1**	**2.0**	**918.7**	**(3.2)**	**915.5**
Net profit for the period					75.7		**75.7**	0.4	**76.1**
Change in value of hedging instruments					1.5		**1.5**		**1.5**
Actuarial gain on retirement obligations					0.1		**0.1**		**0.1**
Associated tax effect					(0.5)		**(0.5)**		**(0.5)**
Profit or loss taken directly to equity					1.1		**1.1**		**1.1**
Translation reserve						(5.0)	**(5.0)**		**(5.0)**
Earnings impact on equity					**76.8**	**(5.0)**	**71.8**	**0.4**	**72.2**
Share-based payments					1.6		**1.6**		**1.6**
Capital increase	81,186	0.1	1.7				**1.8**		**1.8**
Transactions in treasury shares	(35,850)			(1.5)			**(1.5)**		**(1.5)**
Dividends					(50.0)		**(50.0)**		**(50.0)**
Changes in consolidation scope						0.7	**0.7**		**0.7**
Balance at 30 September 2006	**45,526,780**	**72.9**	**641.2**	**(2.2)**	**233.5**	**(2.3)**	**943.1**	**(2.8)**	**940.3**

CONSOLIDATED CASH FLOW STATEMENT

For the period from 1 April to 30 September 2006, the year ended 31 March 2006 and the period from 1 April to 30 September 2005. All data is expressed in millions of euros.

	notes	30 September 2006	31 March 2006	30 September 2005
Current operating profit		61.9	139.5	54.9
Adjustment for depreciation and impairment charges		6.8	14.3	7.3
Adjustment for share-based payments		1.7	1.7	0.6
Dividends received from associates	**5**	4.9	7.3	5.9
EBITDA		75.3	162.8	68.7
Change in working capital	**21**	(2.4)	0.4	(52.0)
Cash generated from operations		**72.9**	**163.2**	**16.7**
Other operating cash flows:				
- other operating income and expense		(1.7)	(2.5)	(1.0)
- financial expense		(29.6)	(43.6)	(27.8)
- income taxes paid		(27.4)	(24.6)	(1.6)
Pre-tax impact of discontinued operations		0.2	9.8	(0.7)
Net cash flow from operating activities		**14.4**	**102.3**	**(14.4)**
Purchases of non-current assets	**3/4**	(8.2)	(20.7)	(8.8)
Purchases of investment securities	**5**	(0.4)	(8.9)	
Proceeds from sale of non-current assets		0.2	11.1	1.4
Net cash flow from other investments		1.7	(1.8)	
Impact of discontinued operations		159.6	44.3	50.8
Net cash flow from investing activities		**152.9**	**24.0**	**43.4**
Capital increase	**11**	1.8	9.5	7.1
Treasury shares	**11**	(1.5)	(0.1)	
Increase in financial debt		229.2		
Repayment of financial debt		(363.1)	(112.5)	(69.2)
Dividends paid to shareholders of the parent company		(50.0)	(45.0)	
Other cash flows from financing activities		(0.1)	0.3	
Effect of exchange rate movements on net cash position		0.9	(0.5)	0.3
Net cash flow from financing activities		**(182.8)**	**(148.3)**	**(61.8)**
Change in net cash position		**(15.5)**	**(22.0)**	**(32.8)**
Opening cash and cash equivalents	**10**	**31.6**	**53.6**	**53.6**
Closing cash and cash equivalents	**10**	**16.1**	**31.6**	**20.8**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

Rémy Cointreau is a *société anonyme* (joint stock company) with a board of directors and subject to French legislation, notably the provisions of the French Commercial Code. Rémy Cointreau shares are listed on Euronext Paris.

The summarized consolidated financial statements presented below were approved by the board of directors on 30 November 2006 pursuant to a recommendation from the audit committee following its meeting of 23 November 2006.

1 ACCOUNTING POLICIES

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

In accordance with Regulation (EC) no. 1606/2002 of 19 July 2002, the consolidated financial statements of Rémy Cointreau were prepared in accordance with international accounting standards applicable within the European Union as at 30 September 2006.

The summarized consolidated financial statements presented below were prepared in accordance with IAS 34 as approved by the European Union.

The accounting policies applied for the interim financial statements of the period ended 30 September 2006 are the same as those applied for the year ended 31 March 2006.

The Group decided not to apply in advance the amendment to IAS 1 – *Capital Disclosures* and IFRS 7 – *Financial Instruments: Disclosures*, whose application becomes mandatory as from 1 January 2007.

Standards and interpretation issued by IASB or IFRIC since 31 March 2006 have no significant impact on the consolidated financial statements of Rémy Cointreau.

2 CHANGES IN CONSOLIDATION SCOPE

2.1 Businesses sold during the previous financial year

On 17 August 2005, Rémy Cointreau finalised the sale of its 50% equity interest in Bols Sp.z.o.o., the Polish production and distribution joint venture, to Central European Distribution Corporation (CEDC).

This transaction involved selling the shares held by Botapol Holding, the parent company of Bols Sp.z.o.o., in addition to de-recognising part of the value ascribed to the Bols brand and reversing the related deferred tax.

Of the sale consideration, some $78.7 million was settled in cash and the balance in CEDC shares. On the sale date, the Group received 1,691,419 shares in CEDC representing 8.3% of the latter's capital. These shares were recognised initially on the balance sheet of Rémy Cointreau at a price of $38.19 per share on the line "Other investments" and are revalued at the end of each reporting period at market price (fair value option through profit or loss). These shares were subject to a lockup clause that expired on 17 August 2006.

On 16 June 2006, the CEDC shares were subject to a share split in the ratio of three new shares for two old shares.

In connection with this transaction, Rémy Cointreau enjoys two guarantees linked to the performance of the CEDC shares. The first guarantee, which provided for compensation in cash to be paid if the CEDC share price fell below $32.60 between 17 July and 17 August 2006, expired on 17 August 2006 without the threshold having been breached. The second guarantee concerns the performance of the CEDC shares through to 7 January 2007. Subject to certain conditions, compensation in cash will be paid to Rémy Cointreau if the CEDC share fails to achieve a minimum performance. This guarantee is accounted for at fair value through profit or loss and recorded on the line "Other investments".

2.2 Businesses sold during the period

2.2.1 Sale of a range of liqueurs and spirits brands ("Lucas Bols")

On 11 April 2006, Rémy Cointreau Group signed an agreement with an investment fund for the sale of a range of brands, essentially comprising the Italian liqueurs (Galliano and Vaccari), Bols liqueurs, the ginever brands Bols, Bokma and Hartevelt, and other Dutch liqueurs. This new group of brands assumed the name of Lucas Bols BV. The sale was accounted for with retro-active effect as at 1 April 2006.

The transaction involved the sale of brands, securities and inventories. Of the sale consideration, €158.5 million was settled in cash, in addition to which the buyer was granted a loan for a principal amount of €50.0 million. This loan bears interest and includes a clause entitling the borrower to make early repayment, which impacts the amount to be repaid. The net profit on the sale is presented in note **20**.

The income statement impact of the businesses sold had already been reclassified from the individual lines concerned to the line "Net profit (loss) from discontinued operations" for the year ended 31 March 2006. Comparative figures for the period ended 30 September 2005 were reclassified in a similar fashion. The reclassified figures were as follows:

Income statement

(€ millions)	**30 September 2005**
Net sales	**34.2**
Gross profit	17.7
Distribution costs	(7.8)
Administrative expenses	(2.0)
Other income (expense)	0.4
Current operating profit	**8.3**
Net financial expense	(1.0)
Income tax expense	(2.5)
Net profit	**4.8**

Reclassification of these figures impacted the segment reporting for the period ended 30 September 2005 as follows:

(€ millions)	**Net sales**	**Current operating profit**
Cognac		(0.9)
Liqueurs and spirits	(34.2)	(6.8)
Champagne		(0.2)
Partner brands		(0.4)
Total	**(34.2)**	**(8.3)**

(€ millions)	**Net sales**
Europe	(25.2)
Americas	(3.6)
Asia and rest of world	(5.4)
Total	**(34.2)**

2.2.2 Sale of Cognac de Luze

On 25 July 2006, Rémy Cointreau Group finalised the sale of the Cognac de Luze brand to a local operator in the Cognac sector. This transaction, which included the sale of inventories relating to this brand, was settled in cash, being a total of €8.3 million. The sale was accounted for with retro-active effect as at 30 June 2006.

The income statement impact of the businesses sold had already been reclassified from the individual lines concerned to the line "Net profit (loss) from discontinued operations" for the year ended 31 March 2006. Comparative figures for the period ended 30 September 2005 were reclassified in a similar fashion. The reclassified figures were as follows:

Income statement

(€ millions)	**30 September 2005**
Net sales	**2.7**
Gross profit	0.7
Distribution costs	(0.6)
Current operating profit	**0.1**
Income tax expense	(0.1)
Net profit	**0.0**

Reclassification of these figures impacted the segment reporting for the period ended 30 September 2005 as follows:

(€ millions)	**Net sales**	**Current operating profit**
Cognac	(2.7)	(0.1)
Total	**(2.7)**	**(0.1)**

(€ millions)	**Net sales**
Europe	(2.5)
Americas	(0.1)
Asia and rest of world	(0.1)
Total	**(2.7)**

2.2.3 Sale of Bols Hungary

On 12 July 2006, Rémy Cointreau Group completed the sale of the distribution company Bols Hungary Kft to Central European Distribution Corporation (CEDC) for €15.4 million in cash.

The income statement impact of the businesses covered by this sale was reclassified from the individual lines concerned to the line "Net profit (loss) from discontinued operations" for the year ended 31 March 2006 and for the period ended 30 September 2005. The reclassified figures were as follows:

Income statement

(€ millions)	31 March 2006	30 September 2005
Net sales	**17.7**	**7.7**
Gross profit	9.1	4.3
Distribution costs	(6.8)	(3.2)
Current operating profit	**2.3**	**1.1**
Net financial income	0.1	0.1
Income tax expense	(0.4)	(0.2)
Net profit	**2.0**	**1.0**

Reclassification of these figures impacted the segment reporting for the year ended 31 March 2006 and the period ended 30 September 2005 as follows:

(€ millions)	Net sales		Current operating profit	
	31 March 2006	**30 September 2005**	**31 March 2006**	**30 September 2005**
Cognac	(0.1)		(0.4)	(0.2)
Liqueurs and spirits	(7.5)	(3.8)	(2.0)	(1.0)
Champagne			(0.1)	
Partner brands	(10.1)	(3.9)	0.2	0.1
Total	**(17.7)**	**(7.7)**	**(2.3)**	**(1.1)**

(€ millions)	Net sales	
	31 March 2006	**30 September 2005**
Europe	(17.7)	(7.7)
Total	**(17.7)**	**(7.7)**

2.3 Assets in the process of being sold

Following the decision to bring together the Group's champagne operations at a single site in Reims, an assortment of property assets with a net carrying amount of €10.8 million was covered by a commitment to sell concluded on June 2006. The assets concerned were reclassified on the line "Assets held for sale".

3 BRANDS AND OTHER INTANGIBLE ASSETS

(€ millions)	Brands	Distribution rights	Other	Total
Net amount at 30 September 2005	**803.6**	**8.7**	**6.5**	**818.8**
Net amount at 31 March 2006	**620.6**	**2.8**	**6.2**	**629.6**
Additions			0.4	0.4
Amortisation and impairment charges			(1.0)	(1.0)
Changes in consolidation scope			(0.1)	(0.1)
Other			0.1	0.1
Translation reserve	(0.4)	(0.1)	(0.1)	(0.6)
Net amount at 30 September 2006	**620.2**	**2.7**	**5.5**	**628.4**

"Other" largely consists of software licences and lease rights.

4 PROPERTY, PLANT AND EQUIPMENT

(€ millions)	Land	Buildings	Other	In progress	Total
Net amount at 30 September 2005	**41.1**	**71.2**	**66.4**	**7.1**	**185.8**
Net amount at 31 March 2006	**39.9**	**64.5**	**67.4**	**8.7**	**180.5**
Additions		0.1	4.3	3.4	7.8
Depreciation and impairment charges		(1.8)	(4.0)		(5.8)
Disposals and assets scrapped	(1.0)		(0.4)		(1.4)
Reclassified under assets held for sale	(3.3)	(7.0)	(0.5)		(10.8)
Changes in consolidation scope		(0.1)	(0.6)		(0.7)
Other		0.4	1.6	(2.1)	(0.1)
Translation reserve		(0.2)		(0.3)	(0.5)
Net amount at 30 September 2006	**35.6**	**55.9**	**67.8**	**9.7**	**169.0**

5 INVESTMENTS IN ASSOCIATES

(€ millions)	Maxxium	Dynasty	Avandis	Total
At 31 March 2005	**77.9**	**32.1**	**3.6**	**113.6**
Dividends paid (1)	(3.4)	(2.5)		**(5.9)**
Net profit for the period	1.1	1.2		**2.3**
Translation reserve	1.4	4.0		**5.4**
At 30 September 2005	**77.0**	**34.8**	**3.6**	**115.4**
Dividends paid (1)		(1.4)		**(1.4)**
Net profit for the period	3.3	2.9		**6.2**
Reclassified under assets held for sale			(3.6)	**(3.6)**
Acquisitions		8.8		**8.8**
Other		0.2		**0.2**
Translation reserve	(1.1)	(0.9)		**(2.0)**
At 31 March 2006	**79.2**	**44.4**	**0.0**	**123.6**
Dividends paid (1)	(4.2)	(0.7)		**(4.9)**
Net profit for the period	2.4	0.4		**2.8**
Translation reserve	(0.5)	(1.4)		**(1.9)**
At 30 September 2006	**76.9**	**42.7**	**0.0**	**119.6**

(1) For Maxxium, the dividend is deducted from the share premium.

6 OTHER INVESTMENTS

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Non-consolidated equity investments	5.6	5.3	5.1
CEDC shares	46.9	53.7	59.8
Value of guarantee on CEDC shares	8.1	7.2	5.4
Advance payments for pension and retirement schemes	0.6	0.6	0.4
Loans to non-consolidated equity investments	2.4	1.2	1.0
Vendor loan	40.9		
Liquidity account (excluding Rémy Cointreau shares)	0.2	1.9	
Other	0.8	0.8	0.9
Total	**105.5**	**70.7**	**72.6**

On selling its Polish businesses (note **2**), Rémy Cointreau received 1,691,419 CEDC shares that are revalued at the closing market price. The movement is recorded in "Other financial income (expense)". During the period under review, the CEDC shares were subject to a share split, on completion of which Rémy Cointreau held 2,537,129 shares. The CEDC shares were valued at $23.41 per share at 30 September 2006 ($25.63 at 31 March 2006 and $28.39 at 30 September 2005).

As part of the "Lucas Bols" transaction (note **2**), Rémy Cointreau granted the buyer a loan of €50 million for a maximum period of seven years and bearing interest at 3.5%. This loan is disclosed after deducting the buyer's early repayment option of € 10 million.

7 INVENTORIES

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Goods for resale and finished products	86.3	78.6	99.4
Raw materials	44.1	69.3	46.2
Wines and eaux-de-vie undergoing ageing process	649.5	696.1	689.8
Other	13.8	13.0	13.7
Gross carrying amount	**793.7**	**857.0**	**849.1**
Provision for impairment	(3.9)	(4.6)	(3.6)
Net amount	**789.8**	**852.4**	**845.5**

8 TRADE AND OTHER RECEIVABLES

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Trade receivables	218.0	183.6	240.4
Tax and social security receivables (other than income tax)	14.0	16.2	16.1
Sundry prepaid expenses	6.9	8.1	7.5
Other receivables	23.0	35.2	19.2
Total	**261.9**	**243.1**	**283.2**
Of which, provision for doubtful receivables	(3.2)	(3.2)	(3.5)

9 DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments in its hedging strategy against interest rate and currency risks. The market risk management policy complies with prudential rules approved by the board of directors. Specifically, the sale of options is limited to tunnel strategies or to the resale of previously purchased instruments that are subject to approval on an individual basis.

All hedging transactions are contracted with top-quality international banks.

With regard to currency risks, the Group endeavours to hedge its projected net commercial exposure over a rolling horizon of around 15 to 18 months. This involves entering into firm or optional currency hedging contracts in compliance with the guidelines set by the board of directors.

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

The hedging policy covers only short-term currency risks. It does not attempt to protect the Group against the economic effects of long-term money market trends on its revenues and margins.

9.1 Breakdown of financial instruments (based on interest rates and exchange rates)

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Assets			
Interest rate derivatives	3.4	2.9	0.9
Exchange rate derivatives	7.6	4.0	3.3
Total	**11.0**	**6.9**	**4.2**
Liabilities			
Interest rate derivatives	-	0.6	2.8
Exchange rate derivatives	0.9	1.3	6.2
Total	**0.9**	**1.9**	**9.0**

9.2 Interest rate derivatives

The following interest rate derivatives were held in the portfolio at the period end:

	30 September 2006			
(€ millions)	Nominal value	Qualified as hedge	Initial value	Market value
Caps				
Maturing December 2006	120.0	No	0.3	
Maturing March 2007	325.0	No	0.7	0.6
Maturing March 2008	200.0	Yes	0.9	2.4
Maturing March 2009	100.0	Yes	0.5	0.3
Total	**745.0**		**2.4**	**3.3**
Purchases of floors				
Maturing September 2008	50.0	Yes	0.2	0.1
Total	**50.0**		**0.2**	**0.1**

9.3 Exchange rate derivatives

The Group uses options to hedge its commercial transactions. Commercial cash flows outstanding at the balance-sheet date are hedged by short-term currency swaps.
Furthermore, Rémy Cointreau SA, which manages the Group's financing, and its subsidiary Financière Rémy Cointreau enter into intra-Group loans and borrowings in the currency of the counterparty. The Group hedges these loans and borrowings with perfectly matched currency swaps. The maturity of all such transactions ranges from one month to one year.

The table below summarises all currency hedging instruments in the portfolio at the balance-sheet date. All these instruments mature in 15 months or less.

(€ millions)	Nominal value (1)	Qualified as hedge	Initial value	Market value
	30 September 2006			
Put options and option tunnels				
USD/EUR	340.0	Yes	5.7	5.1
AUD/EUR	7.0	Yes	0.1	0.1
AUD/EUR	4.0	No	-	0.1
CAD/EUR	13.0	Yes	0.1	0.1
CAD/EUR	4.0	No	0.1	-
GBP/EUR	19.0	Yes	0.6	0.3
JPY/EUR	2,300.0	Yes	0.3	0.1
JPY/EUR	400.0	No	0.1	0.9
Total			**7.0**	**6.7**

(1) *expressed in millions of the currency concerned*

	Nominal value (1)	Qualified as hedge	Nominal value at guaranteed price
	30 September 2006		
Short-term (seller) buyer currency swaps on commercial cash flows			
USD/EUR	(5.4)	No	(4.3)
AUD/EUR	(1.1)	No	(0.7)
CAD/EUR	0.7	No	0.5
JPY/EUR	383.0	No	2.6
GBP/EUR	(1.7)	No	(2.6)
NZD/EUR	0.5	No	0.3
HKD/USD	(1.4)	No	(0.2)
Total			**(4.4)**
Buyer (seller) currency swaps on financing activities			
HKD/EUR	33.1	No	3.4
AUD/EUR	2.4	No	1.4
CHF/EUR	0.9	No	0.6
GBP/EUR	0.7	No	1.0
USD/EUR	(60.0)	No	(47.2)
Total			**(40.8)**

(1) *expressed in millions of the currency concerned*

9.4 Equity Swap

On 31 October 2001, Rémy Cointreau SA entered into an equity swap contract covering 2,100,000 Rémy Cointreau shares with a financial institution. At 30 September 2006 there were 210,000 shares outstanding under the contract. Rémy Cointreau pays interest at variable rates in addition to any capital losses based on the reference share price (€20.52) and receives dividends on the shares and any other related income streams. The financial institution will receive the full amount of any capital gain on maturity of the contract, i.e. on 8 November 2006.

During the period, a net interest charge of €0.1 million was recognised in net financial expense (2005: net income of €0.1 million).

9.5 Other derivatives

Other derivatives in the portfolio at 30 September 2006 comprised:

- a guarantee received in connection with the sale of the Polish businesses to CEDC (note **2**) that is recognised in "Other investments" (note **6**);
- call options on 224,497 Rémy Cointreau shares that, in accordance with IAS 39, are not included in the balance sheet.

10 CASH AND CASH EQUIVALENTS

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Marketable securities	0.1	10.8	0.1
Shareholders' current accounts	0.2	3.6	7.0
Cash at bank	15.8	17.2	13.7
Total	**16.1**	**31.6**	**20.8**

11 EQUITY

11.1 Share capital, share premium and treasury shares

(in units and € millions)	Number of shares	Treasury shares	Total number of shares	Share capital	Share premium	Treasury shares
At 31 March 2006	**45,506,144**	**(24,700)**	**45,481,444**	**72.8**	**639.5**	**(0.7)**
Exercise of stock options	81,186		81,186	0.1	1.7	
Change in liquidity account		(35,850)	(35,850)			(1.5)
Net capital gain on liquidity account transactions						
At 30 September 2006	**45,587,330**	**(60,550)**	**45,526,780**	**72.9**	**641.2**	**(2.2)**

11.1.1 Share capital and share premium

At 30 September 2006, the share capital consisted of 45,587,330 shares with a nominal value of €1.60 per share.

Between 1 April 2006 and 30 September 2006, a total of 81,186 shares were issued in connection with the stock options granted to certain employees.

11.1.2 Treasury shares

At 30 September 2006, Rémy Cointreau held 60,550 of its own shares under a liquidity agreement. These shares were deducted from equity. Post-tax gains earned on the shares by the manager of the liquidity account during the period were not material.

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

The table below shows the number of shares used to calculate basic and diluted earnings per share. The first column indicates the number of shares in issue at the period end.

	30 September 2006		
Number of shares in issue	**Balance**	**Average**	**Diluted**
Brought forward:			
Shares in issue	45,506,144	45,506,144	45,506,144
Treasury shares	(24,700)	(24,700)	(24,700)
Movements during the period:			
Exercise of stock options	81,186	42,296	42,296
Change in treasury shares	(35,850)	(35,850)	(35,850)
Sub-total	**45,526,780**	**45,487,890**	**45,487,890**
Shares that could be issued in the future			
Exercise of stock options (1)			529,366
Sub-total	**-**	**-**	**529,366**
Total	**45,526,780**	**45,487,890**	**46,017,256**

(1) The Rémy Cointreau share price used as a reference for calculating shares that could be issued in the future in connection with the exercise of stock options was €40.42.

11.3 Stock option plans

11.3.1 Subscription/purchase 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).

Plan start date	Plan no.	Term	Type	Number of options granted	Exercise price (€)	Lapsed options	Options exercised at 31 March 2006	Options exercised during the period	Options outstanding at 30 September 2006
28 April 1999	7	10 years	Subscription	289,300	12.20	4,700	231,484	1,000	52,116
7 December 1999	8	10 years	Subscription	499,100	16.36	3,400	337,550	25,640	132,510
30 May 2000	9	10 years	Subscription	131,280	18.85		61,565		69,715
1 March 2003	10	8 years	Subscription	1,016,600	27.10	32,000	466,450	17,500	500,650
8 March 2006	11	6 years	Subscription	659,500	25.00		113,500	37,046	508,954
16 September 2007	12	6 years	Purchase	287,000	27.67	23,000			264,000
24 December 2008	13	6 years	Purchase	262,000	28.07	30,000			232,000
Total				**3,144,780**		**93,100**	**1,210,549**	**81,186**	**1,759,945**

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

11.3.2 Bonus share issues

A bonus share scheme (2005 plan) covering 96,500 shares was agreed by the meeting of the board of directors held on 11 October 2005 under the authorisation given by the extraordinary general meeting of 28 July 2005. The vesting period is two years and the final allocation of shares is subject to Group performance criteria as of 31 March 2007.

11.3.3 Calculation of the charge for the period

In accordance with IFRS 2, plans 12 and 13 and the 2005 plan are measured for accounting purposes.

The charge calculated is the value per stock option of the plans, multiplied by the estimated number of options that will be exercised, amortised on a straight-line basis over the vesting period (four years for plans 12 and 13, and two years for the 2005 plan).

The charge amounted to €1.7 million for the six months ended 30 September 2006 (30 September 2005: €0.6 million).

11.4 Dividends

In July 2006, Rémy Cointreau S.A. paid a dividend of €1.10 per share (€50.0 million in total) in respect of the year ended 31 March 2006.

11.5 Minority interests

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Minority interests in Mount Gay Distilleries	0.8	0.7	0.7
Other entities linked to Takirra Invest Corp.	(3.6)	(3.9)	(3.5)
Total	**(2.8)**	**(3.2)**	**(2.8)**

The minority interests in the Polish entities held by the Takirra Investment Corp. NV Group were removed from the balance sheet following the sale of these businesses to CEDC (note **2**). Under the terms of the transaction, provisions for ongoing litigation were set aside in the retained entities owned jointly with Takirra Investment Corp. NV.

12 FINANCIAL DEBT

12.1 Analysis of gross financial debt by type

	30 September 2006			31 March 2006			30 September 2005		
	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
TSDI (mutual loan fund units)					11.9	11.9		23.2	23.2
OCEANE and other convertible bonds					331.6	331.6		325.0	325.0
Bonds	372.2	2.6	374.8	375.5	2.0	377.5	374.9	2.0	376.9
Confirmed and unconfirmed credit lines	110.0	122.1	232.1		1.3	1.3		51.9	51.9
Actuarial adjustments	(0.9)	(0.4)	(1.3)	(1.1)	(0.4)	(1.5)	(1.2)	(0.4)	(1.6)
Accrued interest		5.6	5.6		18.1	18.1		12.9	12.9
Total Rémy Cointreau S.A.	481.3	129.9	611.2	374.4	364.5	738.9	373.7	414.6	788.3
Finance leases		0.1	0.1		0.1	0.1	0.1	0.1	0.2
Other borrowings and overdrafts	1.4	8.0	9.4	1.8	13.3	15.1	4.8	3.7	8.5
Borrowings of ad-hoc entities		32.7	32.7		49.0	49.0		32.2	32.2
Total subsidiaries	1.4	40.8	42.2	1.8	62.4	64.2	4.9	36.0	40.9
Gross borrowings	**482.7**	**170.7**	**653.4**	**376.2**	**426.9**	**803.1**	**378.6**	**450.6**	**829.2**

12.2 Calculation of net financial debt

	30 September 2006			31 March 2006			30 September 2005		
	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Gross financial debt	482.7	170.7	653.4	376.2	426.9	803.1	378.6	450.6	829.2
Cash and cash equivalents		(16.1)	(16.1)		(31.6)	(31.6)		(20.8)	(20.8)
Net financial debt	**482.7**	**154.6**	**637.3**	**376.2**	**395.3**	**771.5**	**378.6**	**429.8**	**808.4**

12.3 Banking syndicate

Under the syndicated loan signed on 7 June 2005, Rémy Cointreau has access to a revolving credit line of €500 million for a period of five years. Amounts drawn down attract interest at EURIBOR plus a margin, fixed at the outset at 0.675% per annum, that may vary based on the "Average net debt/EBITDA" ratio (ratio A) as follows:

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 commission on the undrawn portion of the credit line is 37.5% of the margin applicable if A > 3.75 and 35% if A < 3.75.

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 date of signature to 30 September 2006	Ratio A < 4.50
From 1 October 2006 to 30 September 2007	Ratio A < 4.00
From 1 October 2007 to 30 September 2008	Ratio A < 3.75
From 1 October 2008 to maturity	Ratio A < 3.50

The definition of the indicators included in the calculation of ratio A is as follows :
EBITDA : current operating profit adding back depreciation and amortisation charges in respect of intangible and tangible fixed assets and share-based payments and adding the dividend income from associated companies received during the period.
Net debt : long-term financial debt plus short-term financial debt and accrued interest less cash a,d cash equivalents. The amounts retained for the calculation are adjusted based on the contract terms.

At 30 September 2006, ratio A stood at 3.65 (2005: 3.93).

12.4 Confirmed credit lines not drawn down

At 30 September 2006, confirmed credit lines not drawn down amounted to €390 million (2005: €500 million).

13 PROVISIONS FOR RISKS AND CHARGES

13.1 Change in provisions for risks and charges

(€ millions)	Restructuring	PRP[1] plan	Other	Total
At 31 March 2006	**25.7**	**3.2**	**31.5**	**60.4**
Charge for the period	1.1		6.3	7.4
Utilised during the period	(2.8)	(0.5)	(8.9)	(12.2)
Write-backs of provisions no longer required			(10.6)	(10.6)
Translation adjustment			(0.1)	(0.1)
Other			0.2	0.2
At 30 September 2006	**24.0**	**2.7**	**18.4**	**45.1**

[1] PRP (*pré-retraites progressives*) = gradual early retirement

13.2 Maturity

These provisions cover probable charges that are expected to fall due as follows:

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Long-term provisions (or unknown maturity)	11.8	26.3	32.3
Short-term provisions	33.3	34.1	14.7
Total	**45.1**	**60.4**	**47.0**

14 TRADE AND OTHER PAYABLES

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Trade payables – eaux-de-vie suppliers	75.4	69.3	63.3
Other trade payables	65.8	109.4	74.4
Customer advances	0.1	0.2	0.1
Tax and social security payables (other than income tax)	34.7	36.7	35.9
Payables for advertising charges	35.4	29.8	34.2
Miscellaneous deferred income	4.9	4.9	4.6
Dividend payable			45.0
Other liabilities	39.3	50.1	47.2
Total	**255.6**	**300.4**	**304.7**

15 SEGMENT REPORTING

15.1 Activities

Brands are split into four activities comprising 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	Brands not owned by the Group and, by extension, those not fully produced by the Group, which are distributed through the Group's own distribution network, consisting principally of Highland Distillers scotches and Piper Sonoma and Antinori wines in the US (the Antinori distribution agreement was terminated in June 2006).

(€ millions)	Net sales			Current operating profit		
	30 September 2006	31 March 2006	30 September 2005	30 September 2006	31 March 2006	30 September 2005
Cognac	155.8	322.5	151.3	38.7	75.9	30.6
Liqueurs and spirits	99.5	212.4	97.3	22.8	49.9	21.4
Champagne	53.4	122.2	48.7	1.4	9.6	1.5
Partner brands	45.7	123.5	55.9	(1.0)	4.1	1.4
Total	**354.4**	**780.6**	**353.2**	**61.9**	**139.5**	**54.9**

There are no inter-segment sales.

15.2 Geographical regions

(€ millions)	Net sales		
	30 September 2006	31 March 2006	30 September 2005
Europe	115.2	281.4	122.4
Americas	173.0	374.3	171.6
Asia and rest of world	66.2	124.9	59.2
Total	**354.4**	**780.6**	**353.2**

Revenues are analysed according to the region for which the goods sold are destined.

16 ANALYSIS OF OPERATING EXPENSES BY NATURE

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Personnel costs	(51.9)	(105.1)	(50.1)
Advertising and marketing expenses	(62.2)	(130.2)	(63.3)
Depreciation, amortisation and impairment of fixed assets	(6.8)	(14.3)	(7.3)
Other costs	(37.8)	(78.4)	(38.9)
Costs reallocated to inventories and production cost	30.3	57.1	29.3
Total	**(128.4)**	**(270.9)**	**(130.3)**
Of which:			
Distribution costs	(90.7)	(190.7)	(93.2)
Administrative expenses	(37.7)	(80.2)	(37.1)
Total	**(128.4)**	**(270.9)**	**(130.3)**

Distribution costs comprise marketing and advertising expenses, commissions payable and receivable, brand royalties, ordinary provisions in respect of inventories and trade receivables and the overheads of Group distribution companies.

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

Other income and expense correspond to the profit or loss generated by activities peripheral to the sale of cognac, liqueurs, spirits, champagnes and partner brands.

17 OTHER OPERATING INCOME (EXPENSE)

(€ millions**)**	**30 September 2006**	**31 March 2006**	**30 September 2005**
Additional tax assessments (other than income tax)	(3.0)		
Restructuring and site closure/transfer plan		(18.2)	
Total	**(3.0)**	**(18.2)**	**0.0**

During the period, the tax authorities raised additional tax assessments on various French entities of the Group relating to the calculation of business tax and land tax from 2002 onwards.

The amount recognised in the period to 31 March 2006 corresponds mainly to a reorganisation plan for the Group's main subsidiary, CLS Rémy Cointreau, that was presented to staff representatives on 22 March 2006 and for which the final terms and conditions were under negotiation at the balance-sheet date. This plan includes 126 job cuts while favouring voluntary redundancy via an early retirement scheme financed in full by the company.

18 NET FINANCIAL EXPENSE

18.1 Net finance cost

(€ millions**)**	**30 September 2006**	**31 March 2006**	**30 September 2005**
Financial expense on TSDI	(0.1)	(1.0)	(0.7)
Financial expense on OCEANE bonds	0.1	(18.3)	(9.2)
Redemption premium on OCEANE bonds		(6.6)	(3.3)
Other financial expense	(18.5)	(37.1)	(19.8)
Interest rate hedges (other than TSDI)	(0.2)	(1.1)	(0.6)
Total	**(18.7)**	**(64.0)**	**(33.6)**

Financial debt is described in note **12**.

Given that average net borrowings for the period ended 30 September 2006 were €641.0 million, the average interest rate amounted to 5.85% (8.03% for the period ended 30 September 2005). The sharp decline in the average interest rate is due to the OCEANE and TSDI having matured.

18.2 Other financial income (expense)

(€ millions)	**30 September 2006**	**31 March 2006**	**30 September 2005**
Change in fair value of equity investments	(5.9)	0.2	4.5
Currency (losses) and gains	2.7	(0.8)	(3.6)
Other financial income and expense	1.9	1.4	1.1
Other financial income (expense)	**(1.3)**	**0.8**	**2.0**

The change in fair value of equity investments consists of the change in value of the CEDC shares received in connection with the sale of Bols Sp.z.o.o and the change in value of the put options relating to this transaction (see notes **2** and **6**).

The amount recognised as currency (losses) and gains relates to the application of IAS32 and IAS39. Currency losses and gains arising from operational cash flows are recognised in gross profit.

19 INCOME TAX

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Current income tax expense	(9.5)	(42.5)	(12.5)
Deferred tax income	1.8	29.2	5.1
Income tax expense	**(7.7)**	**(13.3)**	**(7.4)**
Effective tax rate	-19.7%	-23.0%	-31.5%

20 NET PROFIT FROM DISCONTINUED OPERATIONS

(€ millions)	30 September 2006	31 March 2006	30 September 2005
Polish businesses			
Bols Sp z.o.o. – net profit for the period	-	0.5	0.5
Gain on sale	-	16.8	14.6
Italian liqueurs and Dutch liqueurs and spirits			
Net profit for the period	-	6.5	4.8
Gain (expense) on sale	29.6	(5.0)	-
Cognac de Luze			
Net profit (loss) for the period	0.0	(0.2)	0.0
Gain on sale	5.4	-	-
Bols Hungary			
Net profit for the period	-	2.0	1.0
Gain on sale	7.1	-	-
Total	**42.1**	**20.6**	**20.9**

21 CHANGE IN WORKING CAPITAL

(€ millions)	30 September 2006	31 March 2006	30 September 2005
(Increase) decrease in inventories	59.6	31.4	44.1
(Increase) decrease in trade receivables	(42.3)	(23.9)	(69.9)
Increase (decrease) in trade payables	(35.4)	(2.3)	(27.7)
Net change in other receivables and payables	15.7	(4.8)	1.5
Change in working capital	**(2.4)**	**0.4**	**(52.0)**

22 CONTINGENT ASSETS AND LIABILITIES

In connection with the asset sales described in note **2**, the Group granted the buyers liabilities guarantees as follows:

(€ millions)

Sale transactions	Transaction date	Nature of non-lapsed guarantees	Maturity	Maximum amount
Lucas Bols	11 April 2006	Tax liabilities	11 October 2012	
		General guarantees	11 October 2007	
		Guarantees on shares sold	unlimited	
		Total of all guarantees		200.0
		Deductible amount		2.6
Bols Hungary	12 July 2006	Tax liabilities	12 July 2012	
		Other liabilities	12 January 2007	
		Total of all guarantees		3.9
Cognac de Luze	25 July 2006	Total of all guarantees	31 December 2008	2.8

23 RELATED PARTIES

During the period ended 30 September 2006, transactions with related parties remained similar as those of the year end 31 March 2006.

Transactions with the related party Maxxium BV are the most significant in terms of operating activities.
Net sales to Maxxium BV during the period ended 30 September 2006 amount to €144.3 million.

24 POST-BALANCE SHEET DATE EVENTS

On 23 November 2006, Rémy Cointreau notified Maxxium BV of the termination of the Global Distribution agreement with effect from 30 March 2009.

The expected financial impact of the termination is as follows:

- Payment by Rémy Cointreau of compensation totalling an estimated €240 million before tax. The compensation will be recognised as of 31 March 2007 and paid no later than 30 March 2009.
- The exit by Rémy Cointreau as a Maxxium shareholder on a date subsequent to 31 March 2009, at a price based on its share of the net assets less the restructuring costs payable by Rémy Cointreau.

On 30 September 2006, Rémy Cointreau's share of the net assets was €76.9 million.

25 UPDATE OF THE LIST OF CONSOLIDATED COMPANIES

The following legal entities were sold during the period:

Company	Activity	% interest 30 September 2006	% interest 31 March 2006
Rémy Finance BV	Holding / Finance	-	100.00
Avandis CV	Production	-	33.33
Pisang Ambon BV	Holding / Finance	-	100.00
Bokma Distillateurs BV	Holding / Finance	-	100.00
Beleggingsmaatschappij Honthorst II BV	Holding / Finance	-	100.00
Erven Lucas Bols Pty. Ltd	Distribution	-	50.00
Bols Hungary Kft	Distribution	-	100.00