REMY COINTREAU GROUP
INTERIM CONSOLIDATED FINANCIAL STATEMENTS
TO 30 SEPTEMBER 2008

CONSOLIDATED INCOME STATEMENT

In millions of euros

	notes	30 September 2008	30 September 2007	31 March 2008
Revenues	15	**365.2**	**374.4**	**817.8**
Cost of sales		(160.1)	(175.3)	(375.7)
Gross profit		**205.1**	**199.1**	**442.1**
Distribution costs	16	(103.1)	(104.5)	(210.6)
Administrative expenses	16	(40.8)	(36.2)	(83.0)
Other income (expense)	16	1.3	7.2	11.1
Operating profit on ordinary activities	15	**62.5**	**65.6**	**159.6**
Impairment losses		-	-	-
Other operating income (expense)	17	19.4	(0.1)	(0.6)
Operating profit		**81.9**	**65.5**	**159.0**
Net finance cost		(14.4)	(26.4)	(40.5)
Other financial income (expense)		(1.9)	0.9	(5.3)
Net financial expense	18	**(16.3)**	**(25.5)**	**(45.8)**
Profit before tax		**65.6**	**40.0**	**113.2**
Income tax	19	(17.9)	(5.1)	(28.9)
Share of profit of associates	5	0.6	2.1	9.5
Net profit from continuing operations		**48.3**	**37.0**	**93.8**
Profit (loss) after tax from discontinued operations	20	-	1.1	4.6
Net profit for the period		**48.3**	**38.1**	**98.4**
Attributable to minority interests		-	-	-
Net profit – Group share		**48.3**	**38.1**	**98.4**
<u>Earnings per share - Group share (€)</u>				
Basic		1.04	0.83	2.12
Diluted		1.03	0.82	2.10
<u>Earnings per share from continuing operations (€)</u>				
Basic		1.04	0.80	2.03
Diluted		1.03	0.79	2.00
<u>Number of shares</u>				
Basic	11.2	46,537,099	46,033,062	46,320,872
Diluted	11.2	46,896,198	46,628,252	46,792,120

CONSOLIDATED BALANCE SHEET
In millions of euros

ASSETS	notes	30 September 2008	30 September 2007	31 March 2008
Brands and other intangible assets	3	628.1	626.8	627.0
Property, plant and equipment	4	185.9	174.1	180.0
Investments in associates	5	49.6	118.7	120.3
Other investments	6	53.8	51.4	54.1
Deferred tax assets		19.3	12.7	14.0
Non-current assets		**936.7**	**983.7**	**995.4**
Inventories	7	841.7	806.9	861.6
Trade and other operating receivables	8	289.4	263.1	238.3
Income tax receivables	19	4.8	2.2	1.5
Derivative financial instruments	9	15.4	22.9	26.1
Cash and cash equivalents	10	32.9	32.0	37.3
Assets held for sale	2	62.4	17.4	2.5
Current assets		**1,246.6**	**1,144.5**	**1,167.3**
Total assets		**2,183.3**	**2,128.2**	**2,162.7**

LIABILITIES AND EQUITY	notes	30 September 2008	30 September 2007	31 March 2008
Share capital		74.5	74.0	74.5
Share premium		664.6	659.7	664.5
Treasury shares		(0.5)	(2.2)	0.1
Consolidated reserves		127.7	88.2	100.4
Translation reserve		(11.8)	(15.3)	(24.6)
Net profit – Group share		48.3	38.1	98.4
Equity – Group share		**902.8**	**842.5**	**913.3**
Minority interests		(1.7)	(1.7)	(1.8)
Total equity	11	**901.1**	**840.8**	**911.5**
Long-term borrowings	12	346.4	419.7	322.1
Provisions for retirement		21.2	22.9	20.3
Long-term provisions for risks and charges	13	5.7	260.4	7.5
Deferred tax liabilities		173.1	138.8	163.0
Non-current liabilities		**546.4**	**841.8**	**512.9**
Short-term borrowings and accrued interest	12	123.6	160.5	156.1
Trade and other operating payables	14	305.5	264.1	307.4
Other payables	14	279.0	-	-
Income tax payables	19	12.1	2.4	6.9
Short-term provisions for risks and charges	13	14.7	18.5	267.8
Derivative financial instruments	9	0.9	0.1	0.1
Current liabilities		**735.8**	**445.6**	**738.3**
Total liabilities and equity		**2,183.3**	**2,128.2**	**2,162.7**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In millions of euros

	Share capital and share premium	Treasury shares	Consolidated reserves and profit for the period	Translation reserve	Group share	Minority interests	Total equity
Balance at 31 March 2007	**723.8**	**(0.9)**	**139.3**	**(8.1)**	**854.1**	**(1.6)**	**852.5**
Net profit for the period	-	-	38.1	-	**38.1**		**38.1**
Change in value of hedging instruments	-	-	3.2	-	**3.2**	-	**3.2**
Actuarial gain on retirement obligations	-	-	-	-	-	-	-
Change in value of AFS securities	-	-	0.4	-	**0.4**	-	**0.4**
Associated tax effect	-	-	(1.1)	-	**(1.1)**	-	**(1.1)**
Profit or loss taken directly to equity	-	-	2.5	-	**2.5**	-	**2.5**
Translation differences	-	-	-	(7.2)	**(7.2)**	(0.1)	**(7.3)**
Total earnings impact on equity	-	-	**40.6**	**(7.2)**	**33.4**	**(0.1)**	**33.3**
Stock option plan expense	-	-	1.6	-	**1.6**	-	**1.6**
Capital increase	9.9	-	-	-	**9.9**	-	**9.9**
Transactions in treasury shares	-	(1.3)	-	-	**(1.3)**	-	**(1.3)**
Dividends	-	-	(55.2)	-	**(55.2)**	-	**(55.2)**
Balance at 30 September 2007	**733.7**	**(2.2)**	**126.3**	**(15.3)**	**842.5**	**(1.7)**	**840.8**
Balance at 31 March 2008	**739.0**	**0.1**	**198.8**	**(24.6)**	**913.3**	**(1.8)**	**911.5**
Net profit for the period	-	-	48.3	-	**48.3**		**48.3**
Change in value of hedging instruments	-	-	(17.7)	-	**(17.7)**	**-**	**(17.7)**
Actuarial gain on retirement obligations	-	-	-	-	-	-	-
Change in value of AFS securities	-	-	(0.3)	-	**(0.3)**	**-**	**(0.3)**
Associated tax effect	-	-	6.1	-	**6.1**	**-**	**6.1**
Profit or loss taken directly to equity	-	-	(11.9)	-	**(11.9)**	-	**(11.9)**
Translation differences	-	-	-	12.8	**12.8**	0.1	**12.9**
Total earnings impact on equity	**-**	**-**	**36.4**	**12.8**	**49.2**	**0.1**	**49.3**
Stock option plan expense	-	-	1.3	-	**1.3**	-	**1.3**
Capital increase	0.1	-	-	-	**0.1**	-	**0.1**
Transactions in treasury shares	-	(0.6)	-	-	**(0.6)**	-	**(0.6)**
Dividends	-	-	(60.5)	-	**(60.5)**	-	**(60.5)**
Balance at 30 September 2008	**739.1**	**(0.5)**	**176.0**	**(11.8)**	**902.8**	**(1.7)**	**901.1**

CONSOLIDATED CASH FLOW STATEMENT

In millions of euros

	notes	30 September 2008	30 September 2007	31 March 2008
Operating profit on ordinary activities		62.5	65.6	159.6
Adjustment for depreciation, amortisation and impairment charges on non-current assets		7.0	6.6	13.6
Adjustment for share-based payments		1.3	1.6	3.5
Dividends received from associates	5	0.3	7.3	8.4
EBITDA		71.1	81.1	185.1
Change in inventories		29.7	29.4	(32.5)
Change in trade receivables		(31.5)	(26.6)	(10.3)
Change in trade payables		(21.0)	(45.5)	10.8
Change in other operating receivables and payables		(7.2)	6.7	5.8
Change in working capital		(30.0)	(36.0)	(26.2)
Net cash from operations		**41.1**	**45.1**	**158.9**
Net other operating income and expense		(2.8)	(4.0)	(9.4)
Net financial expense		(13.1)	(31.1)	(37.5)
Net income taxes paid		(5.3)	10.6	10.5
Other cash flows related to operations		(21.2)	(24.5)	(36.4)
Net cash from operating activities of continuing operations		**19.9**	**20.6**	**122.5**
Impact of discontinued operations		-	-	0.6
Net cash flow from operating activities		**19.9**	**20.6**	**123.1**
Purchases of non-current assets	3/4	(11.9)	(9.8)	(27.3)
Purchases of investment securities	5/6	-	-	-
Proceeds from sale of non-current assets		0.6	1.1	9.4
Net cash flow from investment securities	6	-	52.5	52.5
Net cash flow from other investments	6	0.6	1.8	(1.5)
Net cash used for / from investment activities of continuing operations		**(10.7)**	**45.6**	**33.1**
Impact of discontinued operations		(1.2)	(6.9)	(3.1)
Net cash flow from investing activities		**(11.9)**	**38.7**	**30.0**
Capital increase	11	0.1	2.9	8.0
Treasury shares	11	(0.6)	(1.3)	1.0
Increase in borrowings		23.9	198.1	82.0
Repayment of borrowings		(32.4)	(202.4)	(186.6)
Dividends paid to shareholders of the parent company		-	(48.1)	(48.1)
Other cash flows from financing activities		-	-	-
Net cash used for financing activities of continuing operations		**(9.0)**	**(50.8)**	**(143.7)**
Impact of discontinued operations		-	-	-
Net cash flow used for financing activities		**(9.0)**	**(50.8)**	**(143.7)**
Effect of exchange rate movements on cash and cash equivalents		(3.4)	2.9	7.3
Change in cash and cash equivalents		**(4.4)**	**11.4**	**16.7**
Opening cash and cash equivalents	10	**37.3**	**20.6**	**20.6**
Closing cash and cash equivalents	10	**32.9**	**32.0**	**37.3**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Page

INTRODUCTION

Rémy Cointreau is a *société anonyme* (French 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 condensed consolidated financial statements presented below were approved by the Board of Directors on 20 November 2008 pursuant to a recommendation from the Audit Committee following its meeting of 12 November 2008.

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 are prepared in accordance with international accounting standards applicable within the European Union as at 30 September 2008.

These standards can be consulted on the website of the European Commission at*:*
http://ec.europa.eu/internal_market/accounting/ias_en.htm#adopted-commission

The condensed consolidated financial statements presented in this document have been prepared in accordance with IAS 34 as adopted by the European Union. They do not include all notes and information required by International Financial Reporting Standards for annual consolidated financial statements and must therefore be read concurrently with the consolidated annual financial statements for the year ended 31 March 2008.

The same accounting policies are followed in these interim financial statements for the period ended 30 September 2008 as were applied in the preparation of the consolidated financial statements for the year ended 31 March 2008.

Application of IFRIC 11 became mandatory for annual periods beginning on or after 1 January 2008. Its application had no impact on the consolidated financial statements of the Rémy Cointreau Group.

In the interim consolidated financial statements for the period ended 30 September 2008, the Group did not elect for the early application of standards, amendments and interpretations that become effective for annual periods beginning on or after 1 January 2009 and 1 January 2010. This concerns notably IFRS 8 - *Operating Segments*.

Historically, some 45% of the Group's activity occurs in the first half of its financial year and some 55% in the second half. Accordingly, the interim results to 30 September 2008 may not necessarily be indicative of the results that could be expected in the year ending 31 March 2009.

In the interim consolidated financial statements, income tax for the period is based on the estimated annual effective tax rate applied to the pre-tax income of the period excluding material exceptional items. Any exceptional items during the period (for instance the sale of securities or the impact of tax disputes) are recognised with actual associated tax. As regards employee benefits expense recognised pursuant to IAS 19 and IFRS 2, this corresponds to a prorata amount based on the estimated annual employee benefits expenses.

2. CHANGES IN CONSOLIDATION SCOPE

In the period ended 30 September 2008, the shares held by Rémy Cointreau in Maxxium BV, which have been accounted for by the equity method, were reclassified under assets held for sale as required by IFRS 5 (see note 5). There was no other change in consolidation scope compared with the previous financial period.

The agreement signed on 2 September 2008 by Rémy Cointreau and Maxxium's partners having fixed the value at which the Maxxium shares are to be purchased at €60.4 million, a provision for impairment of €16.0 million was recognised given that these shares, which were accounted for by the equity method, had a carrying value of €76.4 million at 31 March 2008.

(€ millions)	**30 September 2008**	**30 September 2007**	**31 March 2008**
Maxxium BV shares	60.4	-	-
Inventories relating to the Clés des Ducs brand	-	3.5	-
Reims property assets	1.8	12.6	1.8
Machecouls industrial site	0.2	1.3	0.2
Other	-	-	0.5
Total assets held for sale	**62.4**	**17.4**	**2.5**

3. BRANDS AND OTHER INTANGIBLE ASSETS

(€ millions)	**Brands**	**Distribution rights**	**Other**	**Total**
Cost at 30 September 2007	**622.6**	**9.7**	**23.4**	**655.7**
Cost at 31 March 2008	**621.6**	**9.1**	**23.3**	**654.0**
Additions	-	-	1.2	1.2
Translation differences	0.8	0.5	0.1	1.4
Cost at 30 September 2008	**622.4**	**9.6**	**24.6**	**656.6**
Accumulated amortisation and impairment at 30 September 2007	**3.4**	**7.4**	**18.1**	**28.9**
Accumulated amortisation and impairment at 31 March 2008	**3.4**	**7.1**	**16.5**	**27.0**
Charge for the period	-	0.1	1.0	1.1
Translation differences	-	0.3	0.1	0.4
Accumulated amortisation and impairment at 30 September 2008	**3.4**	**7.5**	**17.6**	**28.5**
Carrying amount at 30 September 2007	**619.2**	**2.3**	**5.3**	**626.8**
Carrying amount at 31 March 2008	**618.2**	**2.0**	**6.8**	**627.0**
Carrying amount at 30 September 2008	**619.0**	**2.1**	**7.0**	**628.1**

The line "Other" comprises mainly software licenses and leasehold rights.

4. PROPERTY, PLANT AND EQUIPMENT

(€ millions)	Land	Buildings	Other	In progress	Total
Cost at 30 September 2007	**36.2**	**90.9**	**166.5**	**9.0**	**302.6**
Cost at 31 March 2008	**36.4**	**90.3**	**163.6**	**10.3**	**300.6**
Additions	-	1.1	0.8	8.8	10.7
Disposal and items scrapped	-	-	(0.3)	-	(0.3)
Other movements	-	0.1	6.2	(6.6)	(0.3)
Translation differences	0.1	0.8	1.3	-	2.2
Cost at 30 September 2008	**36.5**	**92.3**	**171.6**	**12.5**	**312.9**
Accumulated depreciation and impairment at 30 September 2007	**1.1**	**34.7**	**92.7**	**-**	**128.5**
Accumulated depreciation and impairment at 31 March 2008	**1.4**	**34.6**	**84.6**	**-**	**120.6**
Charge for the period	0.1	1.2	4.6	-	5.9
Disposals and items scrapped	-	-	(0.2)	-	(0.2)
Other movements	-	-	(0.2)	-	(0.2)
Translation differences	-	0.1	0.8	-	0.9
Accumulated depreciation and impairment at 30 September 2008	**1.5**	**35.9**	**89.6**	**-**	**127.0**
Carrying amount at 30 September 2007	**35.1**	**56.2**	**73.8**	**9.0**	**174.1**
Carrying amount at 31 March 2008	**35.0**	**55.7**	**79.0**	**10.3**	**180.0**
Carrying amount at 30 September 2008	**35.0**	**56.4**	**82.0**	**12.5**	**185.9**

5. INVESTMENTS IN ASSOCIATES

(€ millions)	Maxxium	Dynasty	Total
At 31 March 2007	**80.9**	**46.3**	**127.2**
Dividends paid [(1)]	(6.9)	(0.4)	**(7.3)**
Net profit for period	1.6	0.5	**2.1**
Translation differences	(0.3)	(3.0)	**(3.3)**
At 30 September 2007	**75.3**	**43.4**	**118.7**
Dividends paid [(1)]	-	(1.1)	**(1.1)**
Net profit for period	4.5	2.9	**7.4**
Translation differences	(3.4)	(1.3)	**(4.7)**
At 31 March 2008	**76.4**	**43.9**	**120.3**
Impairment [(2)]	(16.0)	-	**(16.0)**
Reclassified as assets held for sale [(2)]	(60.4)	-	**(60.4)**
Dividend paid	-	(0.3)	**(0.3)**
Net profit for period	-	0.6	**0.6**
Translation differences	-	5.4	**5.4**
At 30 September 2008	**-**	**49.6**	**49.6**

[(1)] For Maxxium, dividend deducted from the asset contribution premium.
[(2)] Maxxium shares were restated at their realisable value and reclassified as assets held for sale.

Maxxium

On 23 November 2006, in the name of and on behalf of the various companies of the Rémy Cointreau Group that were party to the Umbrella Agreement (Global Distribution Agreement) signed with Maxxium Worldwide BV on 31 May 2001, Rémy Cointreau SA notified the decision to terminate this exclusive distribution agreement on 30 March 2009.

As a result of the termination, Rémy Cointreau Group may relinquish its equity holding in Maxxium at any time at the initiative of Rémy Cointreau Group or, with effect from 31 March 2009, at the initiative of the other three partners.

In accordance with the terms of the Umbrella Agreement, Rémy Cointreau Group must, no later than 30 March 2009, pay Maxxium an indemnity representing three times 15% of the amount of sales of Rémy Cointreau Group products invoiced by the Maxxium distribution network during the year ended 31 March 2008.

A provision to cover this indemnity was recognised in the consolidated financial statements for the year ended 31 March 2007. It then amounted to €240.9 million. At 31 March 2008, the effect of stating this provision at its present value was reversed, which resulted in increasing the amount of this provision to €250.4 million.

On 2 September 2008, Rémy Cointreau Group signed an agreement setting the conditions for its exit from Maxxium BV. The indemnity for the termination of the distribution agreement was set at €224 million, to be settled on 28 March 2009 and the purchase price for the shares at €60.4 million, to be collected on 30 March 2009. The accounting effects of this agreement, being the reversal of a provision in an amount of €37 million and the recognition of an impairment loss of €16 million, are reported under “Other operating income (expense)”.

At 30 September 2008, the present value of the indemnity, reported under “Other payables”, amounted to €218.5 million. This provision will be increased to €224 million during the second half by recognising a financial charge amounting to €5.5 million.

6. OTHER INVESTMENTS

(€ millions)	30 September 2008	30 September 2007	31 Mars 2008
Non-consolidated equity investments	4.9	5.8	5.4
Advance payments for pension and retirement schemes	0.4	0.5	0.3
Seller’s loan	44.5	42.7	43.6
Loans to non-consolidated equity investments	0.9	1.1	1.1
Liquidity account excluding Rémy Cointreau shares	2.3	0.4	2.7
Other	0.8	0.9	1.0
Total	**53.8**	**51.4**	**54.1**

For the sale of the Lucas Bols business on 11 April 2006, Rémy Cointreau granted a seller’s loan of €50 million for a maximum term of seven years and bearing interest at 3.5%. This loan is presented net of an early repayment option at the acquirer’s initiative of €10 million. The loan interest is capitalised.

7. INVENTORIES

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Goods for resale and finished products	97.7	108.5	89.1
Raw materials	48.4	58.9	81.9
Ageing wines and eaux-de-vie	693.3	637.9	690.8
Other	5.9	5.4	4.3
At cost	**845.3**	**810.7**	**866.1**
Provision for impairment	(3.6)	(3.8)	(4.5)
Carrying amount	**841.7**	**806.9**	**861.6**

8. TRADE AND OTHER RECEIVABLES

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Trade receivables	210.7	196.0	169.4
Tax and social security (excluding income tax)	27.2	20.7	20.9
Sundry prepaid expenses	7.4	13.3	10.4
Advances paid	21.5	15.9	10.1
Receivables relating to asset disposals	5.6	0.3	5.4
Other receivables	17.0	16.9	22.1
Total	**289.4**	**263.1**	**238.3**
Of which provision for doubtful receivables	(5.6)	(4.0)	(5.3)

9. DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative 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 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 its revenues and margins.

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

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Assets			
Derivatives on interest rates	3.1	3.5	1.7
Derivatives on exchange rates	12.3	19.4	24.4
Total	**15.4**	**22.9**	**26.1**
Liabilities			
Derivatives on interest rates	-	-	-
Derivatives on exchange rates	0.9	0.1	0.1
Total	**0.9**	**0.1**	**0.1**

9.2 Derivative instruments on interest rates

Derivative instruments held in portfolio at 30 September 2008 are as indicated below:

(€ millions)	Nominal value	Designated as hedge	Initial value	Market value
Purchases of caps				
Maturing in March 2009	250.0	yes	0.8	1.2
Maturing in March 2010	200.0	yes	0.5	0.8
Maturing in March 2011	100.0	yes	0.4	0.7
Total caps	**550.0**	**yes**	**1.7**	**2.7**
Purchases of floors				
Maturing in December 2008	100.0	no	0.2	0.0
Maturing in December 2009	100.0	no	0.3	0.1
Maturing in December 2010	50.0	no	0.1	0.3
Total floors	**250.0**	**no**	**0.6**	**0.4**
Total	**800.0**		**2.3**	**3.1**

9.3 Derivative instruments on exchange rates

To hedge commercial transactions the Group uses mainly options (purchases of puts and tunnel options) as well as forward sales (outright term or tied to purchases of calls) and currency swaps with principal.
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 all 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.

(€ millions)	Nominal value (1)	Initial value	Market value
Put options and tunnel options			
USD/EUR	410.0	5.0	7.5
GBP/EUR	18.5	0.5	1.7
JPY/EUR	3,200.0	0.3	0.3
CAD/EUR	17.0	0.2	0.3
AUD/EUR	13.0	0.2	0.4
SGD/EUR	29.0	0.3	0.2
Total options		**6.5**	**10.4**
Forward sales and synthetic tunnels			
USD/EUR	30.0	0.4	0.8
CAD/EUR	2.0	-	0.1
NZD/EUR	3.0	-	0.1
JPY/EUR	200.0	-	-
Total forward sales		**0.4**	**1.0**
Total		**6.9**	**11.4**

(1) Expressed in millions of currency units

	Nominal in millions of currency units	Nominal in millions of euros
Purchase (sale) currency swaps on commercial transactions		
USD/EUR	(90.7)	(63.4)
AUD/EUR	(3.0)	(1.7)
CAD/EUR	(3.0)	(2.0)
JPY/EUR	(635.7)	(4.2)
GBP/EUR	(2.3)	(3.0)
NZD/EUR	(1.3)	(0.6)
HKD/USD	7.2	0.6
Total		**(74.2)**
Purchase (sale) currency swaps on financing activities		
HKD/EUR	30.9	2.8
AUD/EUR	2.4	1.4
USD/EUR	(81.0)	(56.6)
Total		**(52.5)**

9.4 Other derivative instruments

Other derivatives in the portfolio at 30 September 2008 comprised call options on 224,497 Rémy Cointreau shares that, in accordance with IAS 39, are not recognised on the balance sheet.

10. CASH AND CASH EQUIVALENTS

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Marketable securities	0.1	0.1	0.1
Shareholders' current accounts	1.2	1.4	1.2
Cash at bank	31.6	30.5	36.0
Total	**32.9**	**32.0**	**37.3**

11. EQUITY

11.1 Share capital, share premium and treasury shares

	Number of shares	Treasury shares	Total number of shares	Share capital	Share premium	Treasury shares
At 31 March 2007	**45,999,802**	**(25,000)**	**45,974,802**	**73.6**	**650.2**	**(0.9)**
Exercise of stock options	117,246	-	117,246	0.2	2.7	-
Partial payment of dividend in shares	142,739	-	142,739	0.2	6.8	-
Change in liquidity account	-	(24,000)	(24,000)	-	-	(1.2)
Other treasury shares	-	(2,703)	(2,703)	-	-	(0.1)
At 30 September 2007	**46,259,787**	**(51,703)**	**46,208,084**	**74.0**	**659.7**	**(2.2)**
Exercise of stock options	211,006	-	211,006	0.3	4.8	-
Allocations under bonus share plan	88,000		88,000	0.2	-	-
Change in liquidity account	-	49,000	49,000	-	-	2.5
Other treasury shares		(2,002)	(2,002)	-	-	-
Net gain on liquidity account transactions	-	-	-	-	-	(0.2)
At 31 March 2008	**46,558,793**	**(4,705)**	**46,554,088**	**74.5**	**664.5**	**0.1**
Exercise of stock options	7,290	-	7,290	-	0.1	-
Change in liquidity account	-	(18,100)	(18,100)	-	-	(0.6)
Other treasury shares	-	(2,500)	(2,500)	-	-	(0.1)
Net gain on liquidity account transactions	-	-	-	-	-	0.1
At 30 September 2008	**46,566,083**	**(25,305)**	**46,540,778**	**74.5**	**664.6**	**(0.5)**

11.1.1 Share capital and share premium

At 30 September 2008, the share capital consisted of 46,566,083 shares with a nominal value of €1.60 per share.

Between 1 April 2008 and 30 September 2008, 7,290 shares were issued in connection with the stock subscription options granted to certain employees.

11.1.2 Treasury shares

At 30 September 2008, Rémy Cointreau held 18,100 treasury shares in a liquidity account and a further 7,205 shares being the balance on transactions arising from the no. 12 stock purchase option plan. These shares are deducted from equity. Post-tax gains on the shares held by the manager of the liquidity account amounted to €0.1 million in the period under review.

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

	30 September 2008	30 September 2007	31 March 2008
Average number of shares (basic):			
Average number of shares in issue	46,562,404	46,084,765	46,325,577
Average number of treasury shares	(25,305)	(51,703)	(4,705)
Total used for calculating basic earnings per share	**46,537,099**	**46,033,062**	**46,320,872**
Average number of shares (diluted):			
Average number of shares in issue	46,537,099	46,033,062	46,320,872
Dilution effect from the exercise of options (1) (2)	359,099	595,190	471,248
Total used for calculating diluted earnings per share	**46,896,198**	**46,628,252**	**46,792,120**

(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 €37.05 at 30 September 2008, €52.38 at 30 September 2007 and €49.06 at 31 March 2008

11.3 Stock option plans and similar schemes

11.3.1 Stock option plans

These plans were granted under the authorisations given by the Shareholders' 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 (1)	Number of options granted	Exercise price (€)	Lapsed options	Options exercised at 31 March 2008	Options exercised during the period	Average exercised price (€)	Outstanding options at 30 September 2008
28 April 1999	7	10 years	S	289,300	12.2	4,700	259,325	-	-	25,275
7 December 1999	8	10 years	S	499,100	16.36	3,400	452,717	4,810	32.05	38,173
30 May 2000	9	10 years	S	131,280	18.85	-	113,740	-	-	17,540
1 March 2003	10	8 years	S	1,016,600	27.1	34,000	749,810	2,000	30.89	230,790
8 March 2006	11	6 years	S	659,500	25.00	8,500	456,867	480	42.77	193,653
16 September 2007	12	6 years	P	287,000	27.67	27,000	70,295	12,500	38.50	177,205
24 December 2008	13	6 years	P	262,000	28.07	35,000	-	-	-	227,000
Total				**3,144,780**		**112,600**	**2,102,754**	**19,790**	**36.26**	**909,636**

(1) S: subscription; P: purchase

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

11.3.2 Bonus share issues

Grant date	Plan no.	Vesting period	Minimum retention period	Original number of options granted	Share price on grant date	Lapsed options	Options granted at the end of the vesting period	Outstanding options at 30 September 2008
11 October 2005	2005	2 years	2 years	96,500	36.89	8,500	88,000	-
12 October 2006	2006	2 years	2 years	97,000	40.41	2,500	n/a	94,500
20 November 2007	2007	2 years	2 years	91,100	50.47	-	n/a	91,100
Total				**284,600**		**11,000**	**88,000**	**185,600**

For these three plans, the Board of Directors determined that share acquisitions would be subject to the following conditions:

- 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 measured at the end of the financial year preceding the end of the vesting period.

These three plans were implemented pursuant to the authorisation given by the Extraordinary General Meeting of 28 July 2005.

The shares granted at the end of the vesting period for the 2005 plan resulted in the creation of 88,000 new shares as a deduction against reserves.

11.3.3 Calculation of the charge for the period

In accordance with IFRS 2, plans 12 and 13 and the bonus share plans are valued for accounting purposes.

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

The charge amounted to €1.3 million in the six months ended 30 September 2008 (€1.6 million in the six months ended 30 September 2007).

11.4 Dividends

The Shareholders' General Meeting of 16 September 2008 approved the payment of a dividend of €1.30 per share for the year ended 31 March 2008, with an option for half the dividend, i.e. €0.65 to be paid in shares. This dividend will be paid on 8 October 2008. At 30 September 2008, a total dividend of €60.5 million was recognised to the debit of reserves and to the credit of "Other payables".

11.5 Minority interests

(€ millions)	**30 September 2008**	**30 September 2007**	**31 March 2008**
Minority interests of Mount Gay Distilleries	0.8	0.8	0.7
Other entities linked to Takirra Invest Corp	(2.5)	(2.5)	(2.5)
Total	**(1.7)**	**(1.7)**	**(1.8)**

The minority interests in the Polish entities held by Takirra Investment Corp. NV were removed from the balance sheet following the sale of these businesses to CEDC during the year ended 31 March 2006. At the time of the transaction, provisions for outstanding disputes were recognised at the level of the continuing joint ventures with Takirra Investment Corp. NV.

12. BORROWINGS

12.1 Breakdown of gross borrowings by type

	30 September 2008			30 September 2007			31 March 2008		
(€ millions)	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**
Total bonds	191.2	(0.4)	190.8	190.8	1.8	192.6	191.0	1.9	192.9
Drawndowns on syndicated bank line	130.0	-	130.0	228.0	-	228.0	130.0	-	130.0
Drawndowns on other confirmed credit lines	23.9	-	23.9	-	-	-	-	-	-
Drawndowns on unconfirmed credit lines	-	85.0	85.0	-	114.5	114.5	-	88.9	88.9
Other borrowings and overdrafts	-	0.4	0.4	-	0.1	0.1	-	0.4	0.4
Issue costs for syndicated loan	(0.2)	(0.4)	(0.6)	(0.6)	(0.3)	(0.9)	(0.4)	(0.4)	(0.8)
Accrued interest not yet due	-	2.8	2.8	-	4.7	4.7	-	2.9	2.9
Total - Rémy Cointreau SA	**344.9**	**87.4**	**432.3**	**418.2**	**120.8**	**539.0**	**320.6**	**93.7**	**414.3**
Finance leases	0.1	0.1	0.2	0.1	0.1	0.2	0.1	0.1	0.2
Other borrowings and overdrafts	1.4	5.7	7.1	1.4	5.2	6.6	1.4	9.3	10.7
Accrued interest not yet due	-	0.0	0.0	-	0.1	0.1	-	0.0	0.0
Borrowings of special purpose entities	-	30.4	30.4	-	34.3	34.3	-	53.0	53.0
Total - subsidiaries	**1.5**	**36.2**	**37.7**	**1.5**	**39.7**	**41.2**	**1.5**	**62.4**	**63.9**
Gross borrowings	**346.4**	**123.6**	**470.0**	**419.7**	**160.5**	**580.2**	**322.1**	**156.1**	**478.2**

12.2 Net borrowings

	30 September 2008			30 September 2007			31 March 2008		
(€ millions)	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**
Gross borrowings	346.4	123.6	470.0	419.7	160.5	580.2	322.1	156.1	478.2
Cash and cash equivalents	-	(32.9)	(32.9)	-	(32.0)	(32.0)	-	(37.3)	(37.3)
Net borrowings	**346.4**	**90.7**	**437.1**	**419.7**	**128.5**	**548.2**	**322.1**	**118.8**	**440.9**

12.3 Bonds

At 30 September 2008, borrowings comprised bonds issued on 15 January 2005 with a nominal value of €192.4 million for a period of 7 years, bearing interest at 5.2% and redeemable at par. The terms and conditions of these bonds are described in note **11.3.1** of the consolidated financial statements for the year ended 31 March 2008.

12.4 Syndicated bank loan

Rémy Cointreau negotiated a €500 million syndicated loan on 7 June 2005. The agreement provides for a revolving credit facility of €500 million, of which €34 million is repayable 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 and which may vary in accordance with the average debt/EBITDA ratio (ratio A), as shown in the following table:

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 facility commission on the undrawn portion of the borrowing is 37.5% of the margin applicable if A exceeds 3.75, and 35% if A is less than 3.75.

This facility has no collateral.

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

Period	Ratio A
Date of signing 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

At 30 September 2008, ratio A stood at 2.37 (30 September 2007: 2.92; 31 March 2008: 2.54).

12.5 Other confirmed credit lines

In the period ended 30 September 2008, the Group negotiated additional confirmed credit lines in addition to the syndicated bank loan amounting to €120 million in total. The characteristics of these credit lines are summarised in the table below:

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

12.6 Undrawn amounts against confirmed credit lines

At 30 September 2008, undrawn amounts against confirmed credit lines (syndicated bank loan and other confirmed credit lines) totalled €466.1 million (30 September 2007: €272 million; 31 March 2008: €370 million).

13. PROVISIONS FOR RISKS AND CHARGES

13.1 Change in provisions for risks and charges

(€ millions)	Maxxium indemnity	Restructuring	Early retirement plan	Other	Total
At 31 March 2008	**250.4**	**10.9**	**1.0**	**13.0**	**275.3**
Charge for year	-	-	-	-	-
Discounting	4.9	0.1	-	-	5.0
Utilisations	-	(3.2)	(0.2)	(1.2)	(4.6)
Write-back of provisions no longer required	(37.0)	-	-	-	(37.0)
Translation differences	0.2	-	-	-	0.2
Reclassification as other payables	(218.5)	-	-	-	(218.5)
At 30 September 2008	**-**	**7.8**	**0.8**	**11.8**	**20.4**

Changes in the Maxxium indemnity are explained in note 5.

13.2 Maturity

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

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Long-term provisions (or maturity unknown)	5.7	260.4	7.5
Short-term provisions	14.7	18.5	267.8
Total	**20.4**	**278.9**	**275.3**

14 TRADE AND OTHER PAYABLES

14.1 Trade and other operating payables

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Trade payables - eaux-de-vie suppliers	99.1	71.9	85.8
Other trade payables	83.8	69.2	110.9
Customer advances	0.6	0.1	1.0
Taxes payable (other than income tax)	44.1	39.2	35.1
Excise duties payable	0.5	0.2	0.5
Advertising charges payable	36.7	45.2	32.6
Miscellaneous deferred income	1.5	0.6	0.5
Other liabilities	39.2	37.7	41.0
Total	**305.5**	**264.1**	**307.4**

14.2 Other payables

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Dividends payable (see note **11.4**)	60.5	-	-
Maxxium indemnity (see note **5**)	218.5	-	-
Total	**279.0**	**-**	**-**

15. SEGMENT REPORTING

15.1 Activities

Brands are broken down 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	Non-group brands and, by extension, those not fully produced by the Group, which are marketed through the Group's own distribution network; mainly Edrington Group scotches, Imperia vodka and a portfolio of wines in the United States.

In the period ended 30 September 2008, two distribution agreements for partner brands came to an end in the United States (Imperia and Russian Standard vodkas and Merryvale California wines).

(€ millions)	Revenues			Operating profit on ordinary activities		
	30 September 2008	30 September 2007	31 March 2008	30 September 2008	30 September 2007	31 March 2008
Cognac	170.2	167.5	362.3	41.8	40.4	93.5
Liqueurs and spirits	97.8	102.1	211.7	21.4	26.0	53.2
Champagne	61.4	60.3	142.4	2.8	0.7	12.4
Partner brands	35.8	44.5	101.4	(3.5)	(1.5)	0.5
Total	**365.2**	**374.4**	**817.8**	**62.5**	**65.6**	**159.6**

There are no intra-segment sales.

15.2 Geographical regions

	Revenues		
(€ millions)	**30 September 2008**	**30 September 2007**	**31 March 2008**
Europe	135.2	130.6	303.3
America	128.3	167.4	350.6
Asia and rest of world	101.7	76.4	163.9
Total	**365.2**	**374.4**	**817.8**

Revenues are broken down according to the region of destination of the goods sold.

16. ANALYSIS OF OPERATING EXPENSES BY TYPE

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Personnel costs	(53.5)	(50.1)	(104.8)
Advertising and promotion expenses	(68.8)	(72.6)	(140.2)
Depreciation, amortisation and impairment of non-current assets	(7.0)	(6.6)	(13.6)
Other costs	(43.1)	(42.2)	(93.9)
Costs allocated to inventories and production costs	28.5	30.8	58.9
Total	**(143.9)**	**(140.7)**	**(293.6)**
Of which:			
Distribution costs	(103.1)	(104.5)	(210.6)
Administrative expenses	(40.8)	(36.2)	(83.0)
Total	**(143.9)**	**(140.7)**	**(293.6)**

Distribution costs comprise marketing and advertising expenses, commissions payable and receivable, brand royalties, ordinary allowances for 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

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Maxxium indemnity (and related charges) (see note 5)	35.4	-	(0.4)
Impairment losses in respect of Maxxium shares (see note 5)	(16.0)	-	-
Site restructuring, closure and transfer plans	-	-	(0.9)
Additional tax assessments (other than income tax)	-	(0.1)	0.7
Total	**19.4**	**(0.1)**	**(0.6)**

18 NET FINANCIAL EXPENSES

18.1 Finance costs by type of financing

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Bonds	(5.3)	(8.9)	(14.3)
Syndicated loan and unconfirmed lines	(6.2)	(5.7)	(13.0)
Finance costs of special purpose entities	(4.3)	(3.0)	(6.4)
Charges arising on the early redemption of the 6.5% bonds	-	(8.0)	(8.0)
Waiver on the 5.2% bonds	-	(2.5)	(2.5)
Other finance costs	0.1	(0.2)	(0.2)
Impact of interest rate hedges	1.3	1.9	3.9
Total	**(14.4)**	**(26.4)**	**(40.5)**

Borrowings are described in Note **12**.

Given that net borrowings averaged €477 million in the six months ended 30 September 2008, the average interest rate was 6.04% not taking into account the costs of the waiver and early redemption of the €175 million bond issue (six months ended 30 September 2007: 5.47%; year ended 31 March 2008: 5.54%).

18.2 Other financial income and expenses

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Profit on sale of CEDC shares	-	4.2	4.2
Charge on discounting provisions	(5.0)	(4.8)	(9.6)
Interest on seller's loan	0.9	0.9	1.8
Currency (losses) and gains	4.6	(0.7)	(1.6)
Other financial income and expenses	(2.4)	1.3	(0.1)
Total	**(1.9)**	**0.9**	**(5.3)**

Currency losses and gains include mainly the effect of applying hedge accounting as required by IAS 39 to the portfolio of financial instruments designated as cash flow hedges and foreign currency gains and losses arising from financing activities. Foreign exchange gains and losses arising from operating activities are recognised in arriving at the gross profit.

19. INCOME TAX

19.1 Income tax expense

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Current tax (expense) income	(6.3)	0.2	(1.5)
Deferred tax (expense) income	(11.6)	(5.3)	(27.4)
Income tax (expense) income	**(17.9)**	**(5.1)**	**(28.9)**
Effective tax rate	-27.4%	-12.8%	-25.5%

The lower effective tax rate in the six months ended 30 September 2007 was due to non-recurring items.

19.2 Income taxes receivable and payable

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Income taxes receivable	4.8	2.2	1.5
Income taxes payable	(12.1)	(2.4)	(6.9)
Net (liability) asset	**(7.3)**	**(0.2)**	**(5.4)**

20. NET PROFIT AFTER TAX FROM DISCONTINUED OPERATIONS

(€ millions)	30 September 2008	30 September 2007	31 March 2008
Italian liqueurs and Dutch liqueurs and spirits			
Gain on sale (before tax)	-	0.5	2.7
Tax effect	-	0.6	1.8
Bols Hungary			
Gain on sale (before tax)	-	-	-
Tax effect	-	-	0.1
Armagnac activity			
Loss on sale (before tax)	-	-	(0.2)
Tax effect	-	-	0.2
Total	-	**1.1**	**4.6**

The net profit after tax from discontinued operations in the year ended 31 March 2008 and the six months ended 30 September 2007 corresponds to adjustments to the gain on the sale of the Dutch liqueurs and spirits recognised in the year ended 31 March 2007.

21. OFF-BALANCE SHEET ITEMS AND CONTINGENT ASSETS AND LIABILITIES

At 30 September 2008, the agricultural warrants on the inventories of Alliance Fine Champagne amounted to €30.4 million compared with €53.0 million at 31 March 2008.

At 30 September 2008, the Maxxium financing guarantee amounted to €31.9 million compared with €40.4 million at 31 March 2008. Because V&S pulled out of Maxxium at 30 September 2008, the maximum financing guarantee given to Maxxium will increase from €62.5 million to €90.0 million from 1 October 2008.

Other purchasing commitments, operating lease obligations and sundry guarantees were largely unchanged from 31 March 2008.

Guarantees given and still in existence at 30 September 2008 were largely unchanged from 31 March 2008.

Pursuant to the agreement signed on 2 September 2008 (see note **5**), the €40.0 million variable price component dating back to agreements creating Maxxium in August 1999 is no longer applicable.

22. RELATED PARTIES

Relations with related parties during the six months ended 30 September 2008 were similar to those during the year ended 31 March 2008.

The Maxxium BV joint venture constitutes the most significant related party at commercial level. Revenue generated with Maxxium BV during the six months ended 30 September 2008 amounted to €191.0 million (2007: €170.8 million).

23. POST-BALANCE SHEET EVENTS

On 7 October 2008, Rémy Cointreau Group acquired 50% of the capital of the French distribution company Lixir from William Grant & Sons Investments Ltd for €0.5 million. Furthermore, on 24 October 2008, the Group announced having signed an agreement for the creation of a distribution joint venture in Germany with the Underberg group that will come into existence on 1 April 2009.

24. INFORMATION ON CONSOLIDATED COMPANIES

Company	Activity	% interest 30 September 2008	31 March 2008
Seguin & Cie [1]	Production	-	100.00
Lelie BV [2]	Holding / Finance	-	100.00

[1] Company merged with E. Rémy Martin & Cie
[2] Company wound up