RÉMY COINTREAU

Financial Year 2012-2013

Half-Year Financial Report

A / HALF-YEAR BUSINESS REPORT

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HALF-YEAR BUSINESS REPORT

First six months of the year ending 31 March 2013

For the period ended 30 September 2012, the Group generated a current operating profit of €141.5 million, recording a significant growth of 33.2% (+18% organic). The operating margin was 23.7%, marking an increase in excess of one percentage point.

Following exclusive negotiations, which started on 9 July 2012, the Rémy Cointreau Group signed an agreement on 23 July 2012 for the acquisition of Bruichladdich Distillery Company Ltd., a distillery established in 1881 and known for the production of Premium Malt Scotch Whisky on the Isle of Islay in Scotland. The acquisition agreement was implemented on 3 September 2012 on the basis of an enterprise value of £58 million. In view of the date of implementation, this operation did not have a significant impact on the result of the current half-year.

1 Comments on the consolidated income statement

All data is presented in millions of euros (€M) for the six months from 1 April to 30 September. Organic change was measured on a constant exchange rate and a like-for-like basis compared with the previous year.

a Key Figures

(in € millions)	2012	2011	Reported change	Organic change
Net sales	595.8	474.9	+25.5%	+13.3%
Current operating profit	**141.5**	**106.2**	**+33.2%**	**+18.0%**
As % of net sales	23.7%	22.4%		23.3%
Other operating income/(expenses)	(2.7)	(3.7)		
Net financial income/(expense)	(9.5)	(23.2)		
Income tax	(41.8)	(21.6)		
Share of profits of associates	(0.9)	0.6		
Net profit/(loss) from continuing operations	86.6	58.3	+48.5%	
Profit/(loss) from discontinued operations and assets held for sale	-	(10.8)		
Net profit/(loss) attributable to the owners of the parent	**86.6**	**47.3**	**+83.1%**	
Net profit/(loss) excluding non-recurring items attributable to the owners of the parent	**88.5**	**61.5**	**+43.9%**	
Basic earnings per share:				
excluding non-recurring items	€1.84	€1.24	+48.4%	
Attributable to the owners of the parent	**€1.80**	**€0.96**	**+87.5%**	

	Europe-Middle East-Africa	Americas	Asia-Pacific	Total
Net Sales				
September 2012	144.9	191.1	259.8	**595.8**
September 2011	139.7	146.4	188.8	**474.9**
Reported change	+3.7%	+30.5%	+37.6%	**+25.5%**
Organic change	+2.7%	+14.9%	+19.9%	**+13.3%**

	Rémy Martin	Liqueurs & Spirits	Total Group brands	Partner brands	Expenses - Holding	Total
Net Sales						
September 2012	376.1	113.3	489.4	**106.4**	-	**595.8**
September 2011	277.3	103.1	380.4	**94.5**	-	**474.9**
Reported change	+35.6%	+9.9%	+28.7%	**+12.6%**	-	**+25.5%**
Organic change	+20.1%	+3.5%	+15.6%	**+4.1%**	-	**+13.3%**
Current operating profit						
September 2012	131.4	19.5	150.9	**2.2**	(11.6)	**141.5**
September 2011	91.2	24.1	115.3	**1.5**	(10.6)	**106.2**
Reported change	+44.1%	(19.1%)	+30.9%	**+46.7%**	(9.4%)	**+33.2%**
Organic change	+27.3%	(24.9%)	+16.4%	**+80.0%**	(9.4%)	**+18.0%**
Operating margin						
September 2012	34.9%	17.2%	30.8%	**2.1%**	-	**23.7%**
September 2012 (organic)	34.9%	17.0%	30.5%	**2.7%**	-	**23.3%**
September 2011	32.9%	23.4%	30.3%	**1.6%**	-	**22.4%**

b General comments on the current operating profit

Change in the **current operating profit** compared with September 2011 was as follows:

Current operating profit – September 2011	**106.2**
Change due to exchange rates (net of hedges)	15.9
Change in scope	0.2
Change in volumes	37.3
Change in price and product mix	12.0
Change in marketing investments (Group brands)	(18.9)
Change in other expenses	(11.2)
Current operating profit - September 2012	**141.5**

Exchange rate fluctuations had a positive effect in the amount of €15.9 million, primarily reflecting a net favourable effect on the U.S. dollar, the Chinese yuan and related currencies. The average €/USD rate over the period was 1.27 compared with 1.44 during the previous period. Taking into account its hedging policy, the Group record an average collection rate of 1.34 on the net flows in U.S. dollars generated by its European entities, compared with 1.35 for the period ended 30 September 2011.

Price changes and the increasing significance of premium products in net sales contributed €12 million to the increase in current operating profit. The volume effect of €37.3 million reflects an increase in volumes for all the businesses. After taking into account the increase in marketing investments and other expenses, current profit increased by €19.2 million in absolute value, enabling growth of close to one percentage point in the organic operating margin to 23.3%.

The effect of the consolidation of Bruichladdich, at €0.2 million, is not significant, and corresponds to the profit generated in the month of September.

c Results from operations

For the period ended 30 September 2012, the Rémy Cointreau Group generated **net sales** of €595.8 million, an increase of 25.5% compared with the previous period (organic change of +13.3%).

All the changes described in the following comments relate to **organic** change.

All geographic areas posted growth. Asia-Pacific continued its robust expansion, with organic growth of 19.9%. The Americas saw organic growth of 14.9% in the first six months, reflecting a positive trend in the American market in all categories, particularly in premium products. Lastly, Europe posted organic growth of 2.7% including 5.9% for Group brands.

Rémy Martin

At €376.1 million, net sales saw a sharp rise of 20.1%, reflecting the commercial dynamics of the brand in Asia, the United States and also in Europe.

Current operating profit also saw a strong increase of 27.3% to €131.4 million. The current operating margin was 34.9%, up 2 percentage points compared with the previous period (32.9%). This was due to the high level of gross margin, sustained marketing investment and very moderate increases in structural and distribution costs (+3.9%).

Liqueurs & Spirits

Net sales were €113.3 million, which represented an increase of 3.5% compared with the previous period. In Europe, all brands in this division continued to record growth. The Cointreau brand grew in both the United States and Europe. St Remy and Passoa posted positive growth. Metaxa sales increased but continued to be affected by the situation in Greece.

The Liqueurs & Spirits division recorded a current operating profit of €19.5 million, a 24.9% decline, primarily due to the higher levels of marketing investment during the period. The current operating margin was 17% compared with 23.4% at end-September 2011.

Partner brands

The Group generated net sales of €106.4 million, up 4.1%, primarily due to the good performance of the Scotch Whisky brands distributed in the United States. Champagne sales continued to be difficult, particularly in Europe.

The operating profit generated by the division was positive at €2.2 million.

Holding company expenses

These expenses had increased by €1 million, mainly due to the increase in social security charges in France. They totalled 1.9% of net consolidated sales (2.2% at end-September 2011).

d Operating profit

Operating profit was €138.8 million, including expenses related to the acquisition of Bruichladdich for €2.7 million.

During the previous period, provisions for impairment on two secondary brands had been recorded for €3.8 million.

e Net financial income/(expense)

(in € millions)	2012	2011	Change
Cost of gross financial debt	(11.7)	(10.4)	(1.3)
Investment income	1.5	0.8	0.7
Sub-total	(10.2)	(9.6)	(0.6)
Change in value of the portfolio of interest rate hedging instruments	(1.2)	(7.1)	5.9
Currency gains/(losses)	2.9	(5.1)	8.0
Other financial expenses (net)	(1.0)	(2.4)	1.4
Effect of IFRS 5 reclassification (disposal of Champagne division)		1.0	(1.0)
Net financial income/(expense)	**(9.5)**	**(23.2)**	**13.7**

Net financial expense totalled €9.5 million, a sharp drop of €13.7 million:

- excluding the impact of non-qualified interest rate instruments, the cost of net financial debt was up by €0.6 million;
- the Group has a portfolio of interest rate swaps worth a notional amount of €150 million, to hedge against increases in short-term interest rates in the years 2012-2015. During the period ended 30 September 2012, the change in value of the portion of the portfolio that does not qualify as a hedge, now at €75 million, amounted to €(1.2) million. During the period ended 30 September 2011, a change in value of €(7.1) million was recorded in net financial income/(expense);

- currency gains/(losses) mainly comprised the impact of the value of the portfolio of currency hedging instruments in accordance with IFRS. This impact was positive by €2.4 million as of 30 September 2012, compared with a total expense of €7.2 million during the previous period;

- other financial expenses include items related to the change in the value of the vendor loan (a loan to the EPI group) and funding costs for certain *eaux-de-vie* owned by the AFC cooperative. There was a positive change of €1.4 million in these items compared with the previous period, since the vendor loan only carried interest over 3 months during the previous period.

f Net profit/(loss)

The tax charge, estimated on the basis of projection of an annual effective rate, amounted to €41.8 million, which is an effective tax rate of 32.3% (27.3% as of 30 September 2011), resulting from the geographical breakdown of the profits for the period, with a significant portion of the profit generated in France.

The share of profit of associates, i.e. €(0.9) million, stemmed chiefly from the investment in the Dynasty group.

As of 30 September 2011, the net profit from discontinued operations included the final impacts of the disposal of the Champagne division.

The net profit attributable to owners of the parent was €86.6 million, an increase of 83.1% compared with the previous period (2011: €47.3 million), i.e. basic earnings per share of €1.80, compared with €0.96 during the previous period (diluted: €1.79 compared with €0.95).

Excluding non-recurring items (other operating income and expense after tax and the net profits of discontinued operations and assets held for sale), the net profit attributable to the owners of the parent was €88.5 million, i.e. basic earnings per share of €1.84, compared with €1.24 during the previous period, an increase of 48.4%.

2 Comments on the statement of financial position

	September 2012	September 2011	March 2012	Change Sept. /March 2012
Brands and other intangible assets	475.8	443.2	443.2	32.6
Property, plant and equipment	163.0	141.6	146.4	16.6
Investments in associates	69.1	68.5	68.4	0.7
Other financial assets	89.0	84.4	86.9	2.1
Non-current assets (other than deferred tax)	**796.9**	**737.7**	**744.9**	**52.0**
Inventories	837.0	746.9	792.6	44.4
Trade and other receivables	299.2	254.0	207.9	91.3
Trade and other payables	(463.4)	(390.7)	(467.5)	4.1
Working capital requirements	**672.8**	**610.2**	**533.0**	**139.8**
Net financial derivatives	(20.7)	(13.4)	(19.8)	(0.9)
Net assets held for sale	0.2	0.2	0.2	0.0
Net current and deferred tax	(85.4)	(68.3)	(63.5)	(21.9)
Dividends to be paid	(18.5)	(113.7)	-	(18.5)
Provisions for liabilities and charges	(30.6)	(36.1)	(30.2)	(0.4)
Other net current and non-current assets and liabilities	**(155.0)**	**(231.3)**	**(113.3)**	**(41.7)**
Total	**1,314.7**	**1,116.6**	**1,164.6**	**150.1**
Financed by:				
Shareholders' equity	**1,048.7**	**1,002.6**	**976.0**	**72.7**
Long-term financial debt	388.2	339.2	340.0	48.2
Short-term financial debt and accrued interest	49.0	12.0	38.7	10.3
Cash and cash equivalents	(171.2)	(237.2)	(190.1)	18.9
Net financial debt	**266.0**	**114.0**	**188.6**	**77.4**
Total	**1,314.7**	**1,116.6**	**1,164.6**	**150.1**
For information:				
Total assets	**2,164.8**	**2,028.0**	**1,989.2**	**175.6**

All changes given below are compared with the financial year ended 31 March 2012.

On 3 September 2012, the Rémy Cointreau Group acquired all the shares of Bruichladdich Distillery Company Ltd, which has been fully consolidated on the basis of the assets and liabilities of the acquired company as of 31 August 2012. The accounting of this acquisition is provisional. The impact on the balance sheet items as of 30 September 2012 was as follows:

(in € millions)	September 2012
Brands and other intangible assets	33.0
Property, plant and equipment	13.9
Non-current assets (other than deferred tax)	**46.9**
Inventories	34.8
Trade and other receivables	3.0
Trade and other payables	(3.4)
Working capital requirements	34.5
Net current and deferred tax	(6.8)
Provisions for liabilities and charges	(0.3)
Other net current and non-current assets and liabilities	(7.1)
Total	**74.3**
Financed by:	
Shareholders' equity	61.7
Long-term financial debt	12.7
Cash and cash equivalents	(0.1)
Net financial debt	12.6
Total	**74.3**

Non-current assets increased by €52 million, including €46.9 million from the Bruichladdich acquisition (including goodwill amounting to €19.7 million, brands amounting to €13.3 million and property, plant and equipment amounting to €13.9 million).

The working capital requirement increased by €139.8 million, including €34.5 million from the Bruichladdich acquisition. The balance is linked to the seasonal nature of the business.

The change in the value of the portfolio of financial instruments includes a difference of €(2) million on the portfolio of interest rate instruments and a difference of €1.1 million on the portfolio of exchange rate instruments.

The tax item shows a net change of €21.9 million, including €6.8 million of deferred tax impact from the Bruichladdich acquisition. The balance reflects an increase in value of the Group's tax expense.

The Shareholders' Meeting held on 26 July 2012 approved the payment of an ordinary dividend of €1.30 per share for the year ended 31 March 2012 and a special dividend of €1 per share, both payable in a choice of cash or in the form of shares. Within the framework of this operation, 1,190,350 shares were created at end-September 2012, resulting in a capital increase of €92.3 million. The amount of €18.5 million payable in cash in October 2012 is recorded under "dividends to be paid" as of 30 September 2012.

The change in shareholders' equity breaks down as follows:

Net profit for the period	86.6
Change in the net value of financial instruments	(2.5)
Impact of stock option and similar plans	2.4
Change in translation reserves	5.4
Transactions on treasury shares	(0.7)
Capital increase linked to the payment of dividend in the form of shares	92.3
Dividend allocated for the financial year 2011/12	(110.8)
Total change	**72.7**

Net debt totalled €266 million, an increase of €77.4 million compared with March 2012. The impact of the Bruichladdich acquisition can be estimated at €72.8 million, including the net financial debt of the acquired entity.

As of 30 September 2012, the Rémy Cointreau Group's confirmed financial resources totalled €600 million, breaking down as:

- a private placement of €140 million maturing on 10 June 2015 and bearing interest at the rate of 3.67%;
- a €205 million bond maturing on 15 December 2016, with a coupon of 5.18% and an issue premium of 2.26%;
- a €255 million syndicated revolving loan concluded on 5 June 2012 for a period of five years, replacing an old loan which matured on 7 June 2012.

The A ratio[1] (net debt/EBITDA), which determines the availability of private placements and the syndicated loan as well as the margin applicable to drawdowns on the syndicated loan, was 0.86 as of 30 September 2012. The terms of the syndicated loan and private placement stipulate that this ratio, calculated every six months, must remain below or equal to 3.5 until the loan matures.

[1] The A ratio is calculated every six months. It is the ratio of (a) the arithmetic average of net debt at the end of the half-year and the end of the prior half-year – in this case end-September 2012 and end-March 2012 and (b) EBITDA for the previous 12 months – in this case end-September 2012 less end-March 2012 plus September 2011.

3 Comments on the consolidated cash flow statement

	September 2012	September 2011	Change
EBITDA	152.0	116.5	35.5
Change in working capital requirements	(105.7)	(76.0)	(29.7)
Net cash flow from operations	46.3	40.5	5.8
Other operating income/(expenses)	(0.2)	(0.2)	-
Net financial income/(expense)	(13.6)	(12.8)	(0.8)
Net income tax	(25.4)	(56.8)	31.4
Other operating cash flows	(39.2)	(69.8)	30.6
Net cash flow from operating activities – continuing operations	7.1	(29.3)	36.4
Impact of discontinued operations or assets held for sale	-	(0.6)	0.6
Net cash flow from operating activities	7.1	(29.9)	37.0
Net cash flow from investment activities – continuing operations	(75.4)	(6.1)	(69.3)
Impact of discontinued operations or assets held on sale	-	71.3	(71.3)
Net cash flow before financing activities	(68.3)	35.3	(103.6)
Capital increases	-	1.3	(1.3)
Treasury shares	(0.7)	(1.6)	0.9
Capital expenditure	(0.7)	(0.3)	(0.4)
Repayment of financial debt	49.3	(58.3)	107.6
Impact of early repayment costs	-	-	-
Impact of discontinued operations or assets held on sale	-	175.3	(175.3)
Net cash flow after financing activities	(19.7)	152.0	(171.7)
Translation differences on cash and cash equivalents	0.8	4.6	(3.8)
Change in cash and cash equivalents	(18.9)	156.6	(175.5)

For the period ended 30 September 2011, the impact of discontinued operations corresponds to the sale of the Champagne division.

EBITDA[2] increased by €35.5 million attributable to the increase in the current operating profit.

Change in working capital requirements was down by €(29.7) million compared with the previous period, attributable chiefly to trade receivables, linked to the sharp increase in operations.

Net cash outflows relating to financing activities were €13.6 million, an increase of €0.8 million compared with the previous period, in line with change in the financial expense.

Net flows of taxes amounted to €(25.4) million, a decline of €31.4 million compared with the previous period in which nearly half the amount concerned the balance of a tax debt related to the settlement of a past dispute.

Investment flows over the period included €62.6 million for the purchase of shares of Bruichladdich Distillery Company Ltd and €12.7 million for industrial investments, an increase of €4 million compared with the previous period.

After taking into account capital expenditure, net change in financial debt and translation differences, the item cash and cash equivalents decreased by €18.9 million compared with 31 March 2012 (i.e. a balance of €171.2 million).

4 Subsequent Events

On 31 October 2012, the Rémy Cointreau Group announced that it had entered into exclusive negotiations for the potential acquisition of the majority of the capital of Larsen, an independent family-owned company producing cognac since 1926.

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

5 Outlook

In a more uncertain global economic environment, particularly in Europe, the Group is continuing its strategy of value creation and making targeted investments in its brands. Rémy Cointreau continues to be vigilant regarding developments in its major markets and maintains rigorous cost management.

The Rémy Cointreau Group, which has built a very effective distribution network supporting its premium brands, has all the elements to ensure profitable growth and confirms its aim of improving its profits significantly.

CONSOLIDATED FINANCIAL STATEMENTS OF THE REMY COINTREAU GROUP AT 30 SEPTEMBER 2012

CONSOLIDATED INCOME STATEMENT

In € millions

	notes	September 2012	September 2011	March 2012
Net Sales	15	**595.8**	**474.9**	**1.026.1**
Cost of sales		(221.6)	(179.2)	(396.1)
Gross margin		**374.2**	**295.7**	**630.0**
Distribution costs	16	(192.0)	(153.2)	(344.8)
Administrative expenses	16	(41.9)	(37.5)	(79.0)
Other income/(expense)	16	1.2	1.2	1.5
Current operating profit	15	**141.5**	**106.2**	**207.7**
Other operating income/(expense)	17	(2.7)	(3.7)	(3.0)
Operating profit		**138.8**	**102.5**	**204.7**
Net finance costs		(11.4)	(15.7)	(26.9)
Other financial income/(expense)		1.9	(7.5)	(8.4)
Net financial result	18	**(9.5)**	**(23.2)**	**(35.3)**
Profit before tax		**129.3**	**79.3**	**169.4**
Income tax	19	(41.8)	(21.6)	(47.3)
Share of profits of associates	5	(0.9)	0.6	(0.4)
Profit from continuing operations		**86.6**	**58.3**	**121.7**
Net profit/(loss) from discontinued operations	20	-	(10.8)	(10.6)
Net profit/(loss) for the year		**86.6**	**47.5**	**111.1**
Attributable to :				
non-controlling interests		-	0.2	0.3
owners of the parent		**86.6**	**47.3**	**110.8**
Net earnings per share - from continuing operations (€)				
basic		1.80	1.18	2.47
diluted		1.79	1.17	2.46
Net earnings per share - attributable to owners of the parent (€)				
basic		1.80	0.96	2.25
diluted		1.79	0.95	2.24
Number of shares used for the calculation				
basic	10.2	48,221,807	49,419,081	49,324,332
diluted	10.2	48,408,307	49,643,558	49,473,230

STATEMENT OF COMPREHENSIVE INCOME

In € millions

	September 2012	September 2011	Mars 2012
Net profit/(loss) for the year	**86.6**	**47.5**	**111.1**
Movement in the value of hedging instruments [(1)]	(3.7)	(14.1)	(16.2)
Actuarial difference on pension commitments	-	(0.4)	(1.7)
Movement in the value of AFS shares [(2)]	-	(0.3)	(0.3)
Related tax effect	1.2	4.9	6.3
Release of actuarial difference on pension commitments of the Champagne division, net of tax	-	(1.5)	(1.5)
Movement in translation differences	5.4	14.8	16.3
Total income/(expenses) recorded in equity	**2.9**	**3.4**	**2.9**
Total comprehensive income for the year	**89.5**	**50.9**	**114.0**
Attributable to owners of the parent company	89.4	50.7	113.7
Attributable to non-controlling interests	0.1	0.2	0.3
[(1)] of which unrealised gains and losses transferred to income	(0.4)	(7.5)	(12.0)
[(2)] of which unrealised gains and losses transferred to income	-	-	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In € millions

	notes	September 2012	September 2011	March 2012
Brands and other intangible assets	3	475.8	443.2	443.2
Property, plant and equipment	4	163.0	141.6	146.4
Investments in associates	5	69.1	68.5	68.4
Other financial assets	6	89.0	84.4	86.9
Deferred tax assets		50.9	37.1	44.0
Non-current assets		**847.8**	**774.8**	**788.9**
Inventories	7	837.0	746.9	792.6
Trade and other receivables	8	299.2	254.0	207.9
Income tax receivables	19	0.9	2.1	3.9
Derivative financial instruments	14	8.5	12.8	5.6
Cash and cash equivalents	9	171.2	237.2	190.1
Assets held for sale		0.2	0.2	0.2
Current assets		**1,317.0**	**1,253.2**	**1,200.3**
Total assets		**2,164.8**	**2,028.0**	**1,989.2**
Share capital		81.3	79.2	79.4
Share premium		828.6	736.9	738.2
Treasury shares		(96.5)	(2.2)	(95.8)
Consolidated reserves and profit of the year		220.1	180.5	244.4
Translation reserve		13.9	7.1	8.6
Equity - attributable to owners of the parent		**1,047.4**	**1,001.5**	**974.8**
Non-controlling interests		1.3	1.1	1.2
Equity	**10**	**1,048.7**	**1,002.6**	**976.0**
Long-term financial debt	11	388.2	339.2	340.0
Provision for employee benefits		22.2	21.2	21.8
Long-term provisions for liabilities and charges	12	7.1	6.7	6.9
Deferred tax liabilities		97.6	91.8	98.4
Non-current liabilities		**515.1**	**458.9**	**467.1**
Short-term financial debt and accrued interest	11	49.0	12.0	38.7
Trade and other payables	13	463.4	390.7	467.5
Dividend Payable	10	18.5	113.7	-
Income tax payables	19	39.6	15.7	13.0
Short-term provisions for liabilities and charges	12	1.3	8.2	1.5
Derivative financial instruments	14	29.2	26.2	25.4
Current liabilities		**601.0**	**566.5**	**546.1**
Total equity and liabilities		**2,164.8**	**2,028.0**	**1,989.2**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

In € millions

	Share capital and premium	Treasury shares	Reserves and net profit	Translation difference	Profit recorded in equity	Attributable to owners of the parent company	Attributable to non-controlling interests	Total equity
At 31 March 2011	**814.8**	**(0.6)**	**261.1**	**(7.7)**	**(4.7)**	**1,062.9**	**0.9**	**1,063.8**
Net profit /(loss) for the period	-	-	47.3	-	-	**47.3**	0.2	**47.5**
Gains (losses) recorded in equity	-	-	-	14.8	(11.4)	**3.4**	-	**3.4**
Share-based payments	-	-	1.8	-	-	**1.8**	-	**1.8**
Capital increase	1.3	-	-	-	-	**1.3**	-	**1.3**
Transactions on treasury shares	-	(1.6)	-	-	-	**(1.6)**	-	**(1.6)**
Dividends	-	-	(113.6)	-	-	**(113.6)**	-	**(113.6)**
At 30 September 2011	**816.1**	**(2.2)**	**196.6**	**7.1**	**(16.1)**	**1,001.5**	**1.1**	**1,002.6**
At 31 March 2012	**817.6**	**(95.8)**	**262.5**	**8.6**	**(18.1)**	**974.8**	**1.2**	**976.0**
Net profit /(loss) for the period	-	-	86.6	-	-	**86.6**	-	**86.6**
Gains (losses) recorded in equity	-	-	-	5.3	(2.5)	**2.8**	0.1	**2.9**
Share-based payments	-	-	2.4	-	-	**2.4**	-	**2.4**
Transactions on treasury shares	-	(0.7)	-	-	-	**(0.7)**	-	**(0.7)**
Dividends	92.3	-	(110.8)	-	-	**(18.5)**	-	**(18.5)**
At 30 September 2012	**909.9**	**(96.5)**	**240.7**	**13.9**	**(20.6)**	**1,047.4**	**1.3**	**1,048.7**

STATEMENT OF CASH FLOWS

In € millions

	notes	September 2012	September 2011	March 2012
Current operating profit		141.5	106.2	207.7
Depreciation, amortisation and impairment		7.6	7.1	14.7
Share-based payments		2.3	1.8	4.3
Dividends received from associates	5	0.6	1.4	2.0
EBITDA		152.0	116.5	228.7
Change in inventories		0.7	4.4	(40.0)
Change in trade receivables		(88.1)	(37.2)	4.4
Change in trade payables		(26.0)	(39.7)	5.5
Change in other receivables and payables		7.7	(3.5)	23.4
Change in working capital requirement		(105.7)	(76.0)	(6.7)
Net cash flow from operations		**46.3**	**40.5**	**222.0**
Other operating income/(expenses)		(0.2)	(0.2)	(0.3)
Financial income/(expense)		(13.6)	(12.8)	(16.9)
Income tax		(25.4)	(56.8)	(104.2)
Other operating cash flows		(39.2)	(69.8)	(121.4)
Net cash flow from operating activities - continuing operations		**7.1**	**(29.3)**	**100.6**
Impact of discontinued operations		-	(0.6)	12.0
Net cash flow from operating activities		**7.1**	**(29.9)**	**112.6**
Purchase of intangible assets and property, plant and equipement	3/4	(12.7)	(8.7)	(17.2)
Purchase of shares in associates and non-consolidated investments	5/6	(62.6)	-	(0.7)
Disposal of intangible assets and property, plant and equipement		0.1	0.6	1.4
Disposal of shares in associates and non-consolidated investments	6	-	1.3	1.3
Net cash flow from other investments	6	(0.2)	0.7	(0.3)
Net cash flow from investment activities - continuing operations		**(75.4)**	**(6.1)**	**(15.5)**
Impact of discontinued operations/assets held for sale		-	71.3	71.3
Net cash flow from investment activities		**(75.4)**	**65.2**	**55.8**
Capital increase	10	-	1.3	2.7
Treasury shares	10	(0.7)	(1.6)	(95.2)
Increase in financial debt		61.6	2.4	25.0
Repayment of financial debt		(12.3)	(60.7)	(58.1)
Dividends paid to owners of the parent		-	-	(113.6)
Net cash flow from financing activities - continuing operations		**48.6**	**(58.6)**	**(239.2)**
Impact of discontinued operations		-	175.3	172.7
Net cash flow from financing activities		**48.6**	**116.7**	**(66.5)**
Translation differences on cash and cash equivalents		0.8	4.6	7.6
Change in cash and cash equivalents		**(18.9)**	**156.6**	**109.5**
Cash and cash equivalents at start of year	9	**190.1**	**80.6**	**80.6**
Cash and cash equivalents at end of year	9	**171.2**	**237.2**	**190.1**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

INTRODUCTION

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

The consolidated financial statements presented below were approved by the Board of Directors on 20 November 2012 pursuant to a recommendation from the Audit Committee following its meeting of 19 November 2012.

1. ACCOUNTING POLICIES

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

In accordance with European Regulation (EC) No. 1606/2002, of 19 July 2002, the consolidated financial statements of Rémy Cointreau are prepared in accordance with the international accounting policies applicable within the European Union as at 30 September 2012.

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

The condensed consolidated financial statements presented on this document were prepared pursuant to IAS 34 *Interim Financial Reporting*, as adopted by the European Union. They do not include all the notes and disclosures required by IFRS for annual financial statements and must therefore be read in conjunction with the annual financial statements for the year ended 31 March 2012.

The accounting principles applied in the preparation of the interim financial statements for the period ended 30 September 2011 are the same as those applied for the year ended 31 March 2012.

Historically, Group sales are not evenly split between the first half-year and the second half-year. As a result, the interim results at 30 September 2012 are not necessarily indicative of those expected for the full year ending 31 March 2013.

In respect of the interim financial statements, the tax charge for the period is an estimate of the effective annual rate which is applied to the profit before tax of the period excluding significant exceptional items. Possible exceptional items in the period, such as the disposal of securities or the effect of a tax dispute, are recorded with their actual tax effect.

2. CHANGE IN CONSOLIDATION SCOPE

Following exclusive negotiations which were initiated on 9 July 2012, on 23 July 2012 the Rémy Cointreau Group signed an agreement to acquire Bruichladdich Distillery Company Ltd, a distillery founded in 1881 renowned for its production of premium malt Scotch whisky on the Isle of Islay in Scotland, based on an enterprise value of £58 million. This transaction was concluded on 3 September 2012.

The consolidation date is 31 August 2012. The profit and loss statement for the period ended 30 September 2012 incudes only one month of the activity of the acquired company.

Provisional purchase price allocation comprises the following :

(in € millions)	**Net book value**	**Price allocation**
Brands	-	13.3
Property, plant and equipment	5.8	13.9
Inventories	18.5	32.9
Working capital requirement, excluding inventories	(0.7)	(0.7)
Net current and deferred tax	1.2	(7.0)
Provisions for liabilities and charges	(0.2)	(0.2)
Net financial debt	(9.4)	(9.4)
Total net assets purchase	**15.1**	**42.8**
Goodwill	-	19.8
Total purchase price	**-**	**62.6**

The resulting goodwill corresponds to the know-how of the 130 year old distillery and the synergies arising from the acquired activity joining the portfolio and the network of the Rémy Cointreau Group.

3. INTANGIBLE ASSETS

(en € millions)	Goodwill	Brands	Distribution rights	Other	Total
Gross value at 30 September 2011	**-**	**486.2**	**7.0**	**22.2**	**515.4**
Gross value at 31 March 2012	**-**	**486.3**	**7.0**	**23.4**	**516.7**
Acquisitions	-	-	-	0.3	0.3
Perimeter variation	19.7	13.2	-	-	32.9
Translation difference	0.1	0.4	-	0.2	0.7
Gross value at 30 September 2012	**19.8**	**499.9**	**7.0**	**23.9**	**550.6**
Accumulated amortisation and depreciation at 30 September 2011	**-**	**52.1**	**5.1**	**15.0**	**72.2**
Accumulated amortisation and depreciation at 31 March 2012	**-**	**52.2**	**5.1**	**16.2**	**73.5**
Charges	-	-	-	1.2	1.2
Translation difference	-	0.1	-	-	0.1
Accumulated amortisation and depreciation at 30 September 2012	**-**	**52.3**	**5.1**	**17.4**	**74.8**
Net carrying amount at 30 September 2011	**-**	**434.1**	**1.9**	**7.2**	**443.2**
Net carrying amount at 31 March 2012	**-**	**434.1**	**1.9**	**7.2**	**443.2**
Net carrying amount at 30 September 2012	**19.8**	**447.6**	**1.9**	**6.5**	**475.8**

"Other" includes mainly software licences and leasehold rights.

At 30 September 2012, the value in use of brands for which there is an indication of impairment was subject to an impairment test, reviewed by an independent expert. The methodology used to determine the current value of brands is described in note 1.8 of the notes to the year-end consolidated financial statements.

For tests carried out in the period, the current value used was the recoverable value, determined on the basis of discounting future cash flows taken from 5 year medium term plans approved by the Board of Directors.

On completion of these tests, no impairment charge reflecting a potential difference between recoverable value and the carrying value of the brands had to be booked.

4. PROPERTY, PLANT AND EQUIPMENT

(in € millions)	Land	Buildings	Other	In progress	Total
Gross value at 30 September 2011	**8.1**	**83.6**	**173.1**	**3.7**	**268.5**
Gross value at 31 March 2012	**8.2**	**84.9**	**179.8**	**4.5**	**277.4**
Acquisitions	-	0.1	4.0	4.5	8.6
Disposals, items scrapped	-	-	(0.7)	-	(0.7)
Perimeter variation	0.7	3.0	14.0	-	17.7
Other movements	-	0.4	2.1	(2.5)	-
Translation difference	-	0.4	0.7	-	1.1
Gross value at 30 September 2012	**8.9**	**88.8**	**199.9**	**6.5**	**304.1**
Accumulated amortisation and depreciation at 30 September 2011	**1.2**	**34.4**	**91.3**	**-**	**126.9**
Accumulated amortisation and depreciation at 31 March 2012	**1.4**	**35.5**	**94.1**	**-**	**131.0**
Charges	0.2	1.2	4.9	-	6.3
Disposals, items scrapped	-	-	(0.5)	-	(0.5)
Perimeter variation	-	0.5	3.3	-	3.8
Translation difference	-	0.1	0.4	-	0.5
Accumulated amortisation and depreciation at 30 September 2012	**1.6**	**37.3**	**102.2**	**-**	**141.1**
Net carrying amount at 30 September 2011	**6.9**	**49.2**	**81.8**	**3.7**	**141.6**
Net carrying amount at 31 March 2012	**6.8**	**49.4**	**85.7**	**4.5**	**146.4**
Net carrying amount at 30 September 2012	**7.3**	**51.5**	**97.7**	**6.5**	**163.0**

5. INVESTMENT IN ASSOCIATES

in € millions	Dynasty	Lixir	Diversa	Other	Total
As at 31 March 2011	**56.1**	**1.2**	**7.6**	**-**	**64.9**
Dividend paid	(0.8)	(0.6)	-	-	**(1.4)**
Profit /(loss)	0.5	0.3	(0.2)	-	**0.6**
Translation difference	4.4	-	-	-	**4.4**
As at 30 September 2011	**60.2**	**0.9**	**7.4**	**-**	**68.5**
Dividend paid	(0.4)	-	(0.2)	-	**(0.6)**
Perimeter variation	-	-	-	0.7	**0.7**
Profit /(loss)	(1.8)	0.4	0.4	-	**(1.0)**
Translation difference	1.0	-	-	-	**1.0**
Other	(0.2)	-	-	-	**(0.2)**
As at 31 March 2012	**58.8**	**1.3**	**7.6**	**0.7**	**68.4**
Dividend paid	-	(0.6)	-	-	**(0.6)**
Perimeter variation	-	-	-	0.4	**0.4**
Profit / (loss)	(0.9)	0.1	(0.1)	-	**(0.9)**
Translation difference	1.8	-	-	-	**1.8**
As at 30 September 2012	**59.7**	**0.8**	**7.5**	**1.1**	**69.1**

6. OTHER FINANCIAL ASSETS

(in € millions)	September 2012	September 2011	March 2012
Non-consolidated equity investments	4.6	4.6	4.6
Prepayments for post-employment benefit schemes	-	0.4	-
Vendor loan	80.1	76.0	78.0
Loan to non-consolidated equity investments	0.1	0.1	0.1
Liquidity account excluding Rémy Cointreau's shares	3.0	2.1	3.0
Other	1.2	1.2	1.2
Total	**89.0**	**84.4**	**86.9**

As part of the disposal of the Champagne division, which took place on 8 July 2011, the Remy Cointreau Group granted a vendor loan of €75 million, over a maximum term of nine years (maturing on 8 July 2020), bearing interest at 5% during the first 5 years and 6% during the last three years. Interest will be capitalised in the first three years.

At 30 September 2012, this loan was recognised at the present value of cash flow to be collected by Rémy Cointreau in the event that the loan is repaid on maturity in accordance with the terms and conditions of the contract.

7. INVENTORIES

(in € millions)	September 2012	September 2011	March 2012
Goods for resale and finished goods	173.7	154.7	138.8
Raw materials	50.7	43.5	47.8
Ageing wines and "eaux-de-vie"	615.1	549.6	610.2
Other	3.8	3.4	3.0
Gross value	843.3	751.2	799.8
Provision for impairment	(6.3)	(4.3)	(7.2)
Carrying amount	**837.0**	**746.9**	**792.6**

8. TRADE AND OTHER RECEIVABLES

(in € millions)	September 2012	September 2011	March 2012
Trade receivables	252.5	202.1	160.5
Receivables related to taxes and social charges (excl. income tax)	9.8	20.1	16.5
Sundry prepaid expenses	10.1	7.8	7.2
Advances paid	12.4	9.2	6.8
Receivables related to asset disposals	0.0	0.1	0.0
Other receivables	14.4	14.7	16.9
Total	**299.2**	**254.0**	**207.9**
Of which provision for doubtful debts	(6.6)	(6.1)	(5.3)

9. CASH AND CASH EQUIVALENTS

(in € millions)	September 2012	September 2011	March 2012
Financial assets measured at fair value through profit and loss	100.1	174.0	126.4
Cash at bank	71.1	63.2	63.7
Total	**171.2**	**237.2**	**190.1**

10. EQUITY

10.1. Share capital and premium, treasury shares

	Number of shares	Treasury shares	Total number of shares	Share capital	Issue premium	Treasury shares
As at 31 March 2011	**49,428,402**	**(21,310)**	**49,407,092**	**79.1**	**735.7**	**(0.6)**
Exercise of stock options	51,000	-	51,000	0.1	1.2	-
Liquidity account	-	(29,500)	(29,500)	-	-	(1.7)
Other treasury shares	-	3,250	3,250	-	-	0.1
As at 30 September 2011	**49,479,402**	**(47,560)**	**49,431,842**	**79.2**	**736.9**	**(2.2)**
Exercise of stock options	52,860	-	52,860	0.1	1.3	-
2009 free share plan	97,300	-	97,300	0.1	-	-
Share Buyback program	-	(1,421,003)	(1,421,003)	-	-	(95.6)
Liquidity account	-	29,500	29,500	-	-	1.7
Other treasury shares	-	10,410	10,410	-	-	0.4
As at 31 March 2012	**49,629,562**	**(1,428,653)**	**48,200,909**	**79.4**	**738.2**	**(95.7)**
Dividend part paid in shares	1,190,350	-	1,190,350	1.9	90.4	-
Share Buyback program	-	(7,791)	(7,791)	-	-	(0.6)
Other treasury shares	-	(4,100)	(4,100)	-	-	(0.2)
As at 30 September 2012	**50,819,912**	**(1,440,544)**	**49,379,368**	**81.3**	**828.6**	**(96.5)**

10.1.1. Share capital and premium

At 30 September 2012, the share capital comprised 50,819,912 shares with a nominal value of 1.60 euros.

10.1.2. Treasury shares

At its meeting of 22 November 2011, the Board of Directors of Rémy Cointreau had decided to appoint an investment services provider to buy back shares of Rémy Cointreau SA, within the limit of 10% of the share capital net of the shares currently held by Rémy Cointreau, including thoses acquired under the liquidity contract.

In compliance with the description of the share buyback program published in the registration document of Rémy Cointreau registered with the AMF on 29 June 2011, as amended by the Shareholders' General Meeting of 26 July 2011, the shares bought will be allocated to the following objectives (i) retention with a view to use for external growth within the limits permitted by law and (ii) cancellation.

Execution for this share buyback program started on 6 December 2011 and Rémy Cointreau decided to resume it on 23 Mai 2012. As part of this program, 1,428,794 shares have been purchased representing 2.88% of share capital. The average purchase price was €67.29.

In addition, as at 30 September 2012, no shares were held under the liquidity contract put in place in November 2005 and 11,750 shares were held temporarily, to be allocated to the exercise of stock option plans 12 and 13.

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

	September 2012	**September 2011**	**March 2012**
Average number of shares (basic):			
Average number of shares	49,662,085	49,466,641	49,587,843
Average number of treasury shares	(1,440,278)	(47,560)	(263,511)
Total used for calculating basic earnings per share	**48,221,807**	**49,419,081**	**49,324,332**
Average number of shares (diluted):			
Average number of shares (basic)	48,221,807	49,419,081	49,324,332
Dilution effect of stock options and free share plans (1)	186,500	224,477	148,898
Total used for calculating diluted earnings per share	**48,408,307**	**49,643,558**	**49,473,230**

(1) The Rémy Cointreau share price used as a reference for the dilution effect was €61.23 for March 2012 and €57.68 for September 2011

10.3. Dividends

The General Meeting of 26 July 2012 approved the payment of a dividend of €1.30 per share in respect of the year ended 31 March 2012 and the payment of a special dividend of €1.00 per share both payable in choice of cash or in the form of shares. Within the framework of this operation, 1,190,350 shares were created at the end of September 2012 at a price of €77.53 per share. The amount of €18.5 million payable in cash in October 2012 is recorded under "Dividend payable" as at 30 September 2012.

10.4. Minority Interests

(in € millions)	**September 2012**	**September 2011**	**March 2012**
Minority interests in Mount Gay Distilleries	1.3	1.1	1.2
Total	**1.3**	**1.1**	**1.2**

11. FINANCIAL DEBT

11.1. Net Financial debt

	September 2012			September 2011			March 2012		
(in € millions)	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**
Gross financial debt	388.2	49.0	437.2	339.2	12.0	351.2	340.0	38.7	378.7
Cash and cash equivalent (note **9**)	-	(171.2)	(171.2)	-	(237.2)	(237.2)	-	(190.1)	(190.1)
Net financial debt	**388.2**	**(122.2)**	**266.0**	**339.2**	**(225.2)**	**114.0**	**340.0**	**(151.4)**	**188.6**

11.2. Gross financial debt by type

	September 2012			September 2011			March 2012		
(in € millions)	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**
Bonds	199.7	-	199.7	198.6	-	198.6	199.1	-	199.1
Private Placement	139.4	-	139.4	139.0	-	139.0	139.3	-	139.3
Drawdown on syndicated credit	47.5	-	47.5	-	-	-	-	-	-
Drawdown on other facilities	-	29.8	29.8	-	-	-	-	25.0	25.0
Other financial debt and overdrafts	-	0.2	0.2	-	1.0	1.0	-	0.1	0.1
Accrued interest	-	5.0	5.0	-	4.7	4.7	-	7.3	7.3
Total Rémy Cointreau S.A.	**386.6**	**35.0**	**421.6**	**337.6**	**5.7**	**343.3**	**338.4**	**32.4**	**370.8**
Other financial debt and overdrafts	1.6	10.6	12.2	1.6	1.2	2.8	1.6	1.2	2.8
Borrowings by special purpose entities	-	3.4	3.4	-	5.1	5.1	-	5.1	5.1
Total subsidiaries	**1.6**	**14.0**	**15.6**	**1.6**	**6.3**	**7.9**	**1.6**	**6.3**	**7.9**
Gross financial debt	**388.2**	**49.0**	**437.2**	**339.2**	**12.0**	**351.2**	**340.0**	**38.7**	**378.7**

11.3. Bonds

In June 2010, Rémy Cointreau carried out a new 6.5-year bond issue with a par value of €205 million. The bonds have a par value of €50,000 each and were issued at 97.745% of par value (issue premium of 2.255%), bearing interest of 5.18% payable on 15 June and 15 December of every year. They will be redeemed at par at maturity on 15 December 2016.

This bond is not secured.

The issue carries a number of clauses relating to early redemption at the issuer's option, primarily in the event of a capital increase, whether for the general public or privately placed, or in the event of a material change in the tax regime applicable to payments made by the issuer on the bonds subsequent to the issue date. Furthermore, in the event of a change of control all bearers are entitled to request redemption of their bonds held at 101%

In the event of the sale of assets and in the absence of the sale proceeds being used for authorised operations, Rémy Cointreau must, within 365 days from the date of receipt of sale proceeds, offer early redemption of the issue up to the amount of the sale proceeds. The agreement additionally contains certain conventions that may limit the maximum dividend payout in the event of a loss.

After taking the issue premium into account, the net proceeds from the issue were about €197 million, making an effective interest rate of approximately 5.89%.

The proceeds were allocated to the early redemption, in June and August 2010, of the seven-year bonds issued on 15 January 2005, bearing interest at 5.2%, the outstanding par value of which was € 192.4 million at 31 March 2010. As part of this transaction, a redemption premium of €2.7 million was paid to bond holders. This expense was included in the cost of net financial debt for the period ended March 2011.

11.4. Private placement

On 10 June 2010, Rémy Cointreau secured a so-called "private placement" syndicated finance package with financial institutions. This €140 million contract was concluded for five years (maturing on 10 June 2015). The structure package includes a two-tranche loan of €65 million (tranche A) and €75 million (tranche B), respectively as well as various back-to-back swap contracts, thus guaranteeing a fixed rate of 3.6675% for the duration of the contract.

After deducting the commitment fee, the net proceeds from the issue were about €138.6 million, which resulted in an effective interest rate of approximately 3.94%. The proceeds were allocated to the repayment of drawdowns on the syndicated credit.

This contract is unsecured. Availability of the funds is subject to the A ratio (see Syndicated credit) remaining below 3.5 at each half-year end for the duration of the contract.

11.5. Syndicated credit

On 5 June 2012, Rémy Cointreau concluded a new syndicated credit agreement in replacement for the €346 million revolving facility which expired on 7 June 2012. The new agreement provides for a 5-year €255 million revolving credit facility. Amounts drawn down bear interest at Euribor plus a margin varying based on the level of the ratio "average net financial debt / EBITDA" (A ratio).

The facility is not subject to any security.

Under this agreement, Rémy Cointreau undertakes that the A ratio remains below or equal to 3.5 at each half-year end for the duration of the contract. As at 30 September 2012, the A ratio stood at 0.86.

12. PROVISION FOR LIABILITIES AND CHARGES

12.1. Analysis of change

(in € millions)	Restructu- -ring	Other	Total
At 31 March 2011	**0.7**	**15.3**	**16.0**
Increase	-	2.2	2.2
Reversals - Used	(0.2)	(8.1)	(8.3)
Reversals - Unused	-	(1.6)	(1.6)
Translation difference	-	0.1	0.1
At 31 March 2012	**0.5**	**7.9**	**8.4**
Increase	-	0.6	0.6
Reversals - Used	(0.1)	(0.4)	(0.5)
Reversals - Unused	-	(0.3)	(0.3)
Perimeter variance	-	0.2	0.2
At 30 September 2012	**0.4**	**8.0**	**8.4**

12.2. Maturity

(in € millions)	September 2012	September 2011	March 2012
Long-term provisions (or unknown maturity)	7.1	6.7	6.9
Short-term provisions	1.3	8.2	1.5
Total	**8.4**	**14.9**	**8.4**

13. TRADE AND OTHER PAYABLES

(in € millions)	September 2012	September 2011	March 2012
Trade payables – « eaux-de-vie »	155.3	142.4	193.8
Other trade payables	99.0	82.9	83.6
Advances from customers	9.0	6.9	8.2
Payables related to tax and social charges (excl. income tax)	48.8	42.0	49.1
Excise duties	2.5	1.5	1.0
Advertising expenses payable	73.3	54.7	66.0
Miscellaneous deferred income	12.2	15.9	13.7
Other liabilities	63.3	44.4	52.1
Total	**463.4**	**390.7**	**467.5**

14. FINANCIAL INSTRUMENTS AND MARKET RISKS

The Group uses financial instruments to manage its interest rate and currency risk exposure. The policy for managing market risks complies with the prudential rules approved by the Board of Directors. More 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 of the financial statements of companies outside the Eurozone into euros.

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

14.1. Breakdown of financial instruments (interest and foreign exchange rates)

(in € millions)	September 2012	September 2011	March 2012
Assets			
Interest rate derivatives	-	-	-
Exchange rate derivatives	8.5	12.8	5.6
Total	**8.5**	**12.8**	**5.6**
Liabilities			
Interest rate derivatives	17.5	12.3	15.5
Exchange rate derivatives	11.7	13.9	9.9
Total	**29.2**	**26.2**	**25.4**

14.2. Interest rate derivatives

As at 30 Septembre 2012, interest rate derivatives in the portfolio were as follows:

(in € millions)	September 2012	September 2011	March 2012
Liabilities			
Interest rate swaps	11.5	9.6	11.2
Instruments related to Private Placement	6.0	2.7	4.3
Total	**17.5**	**12.3**	**15.5**

(in € millions)	Nominal	Initial value	Market value	Qualification
Interest rate swaps :				
Maturing January 2015	75.0	0.0	5.8	Trading (1)
Maturing January 2015	50.0	0.0	3.7	FVH (1)
Maturing March 2015	25.0	0.0	2.0	FVH (1)
Related to Private Placement maturing June 2015	140.0	-	6.0	FVH (1)
Total liabilities	**290.0**	**0.0**	**17.5**	

(1) FVH : Fair value hedge ; Trading : held for trading purposes

For the period ended 30 September 2012, a pre-tax expense of €2.3 million was recognised directly in equity in respect of the valuation of the interest rate instrument portfolio, wholly related to the change in value of the effective part of the portfolio.

14.3. Exchange rates derivatives

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

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

The following table summarises all currency hedging instruments in the portfolio at the balance sheet date.

(in € millions)	Nominal [1]	Initial value	Market value	Of which CFH [2]	Of which Trading [2]
Put options and tunnel options					
Seller USD (vs EUR)	201.1	5.6	0.7	0.7	-
Other currencies (vs EUR)	25.8	0.5	(0.4)	(0.4)	-
	226.9	**6.1**	**0.3**	**0.3**	**-**
Forward sales					
Seller USD (vs EUR)	193.3	-	(1.2)	(1.2)	-
Other currencies (vs EUR)	40.6	-	(0.5)	(0.5)	-
	234.0	**-**	**(1.7)**	**(1.7)**	**-**
Purchase/(sale) of currency swaps (operating activities) [3]					
Seller USD (vs EUR)	(59.1)	-	0.3	-	0.3
Other currencies (vs EUR)	(9.7)	-	(0.0)	-	(0.0)
	(68.7)	**-**	**0.3**	**0.0**	**0.3**
Purchase/(sale) of currency swaps (financing activities) [3]					
Seller USD (vs EUR)	(60.8)	-	0.0	-	0.0
Other currencies (vs EUR)	(68.9)	-	(2.3)	-	(2.3)
	(129.7)	**-**	**(2.3)**	**-**	**(2.3)**
Total	**262.4**	**6.1**	**(3.3)**	**(1.4)**	**(1.9)**

[1] Nominal amount in foreign currency translated at the closing rate

[2] CFH: Cash Flow Hedge; Trading: held for tradind purposes.

[3] Difference between closing price and future price

For the period ended 30 September 2012, a pre-tax expense of €1.4 million was recognised directly in equity in respect of the valuation of the exchange rates instrument portfolio, of which €0.4 million related to recycling to profit and loss following the expiry of the instruments and €1.0 million related to the change in value of the effective part of the portfolio.

15. SEGMENT REPORTING

As required by IFRS 8, the Rémy Cointreau Group provides an analysis by business and geographical area of certain items of its consolidated financial statements. The operating segments to be presented are those for which separate financial information is available internally and which are used by the "main operational decision-maker" to make operational decisions. Rémy Cointreau's main operational decision-maker is the Executive Committee, which examines the operating performance and allocates resources based on financial information analysed at the level of the Rémy Martin, Liqueurs & Spirits and Partner Brands businesses. Consequently, the Group has identified these businesses as the operating segments to be presented. In addition, a holding segment includes the central expenses that are not allocated to the various divisions.

Information given by business segment is identical to that presented to the Executive Committee.

15.1. Business

The brands are allocated to three business segments as follows:

Rémy Martin
Liqueurs & Spirits: Cointreau, Passoa, Metaxa, Saint Rémy, Mount Gay.and Bruichladdich (since 31 August 2012)
Partner Brands: brands which are not owned by the Group and those whose production is not carried out wholly by the Group. These brands are distributed using the Group's distribution network. The principle brands are the Scotch whiskies owned by The Edrington Group and the Piper-Heidsieck and Charles Heidsieck champagnes.

(in € millions)	Net Sales			Current operating profit		
	September 2012	September 2011	March 2012	September 2012	September 2011	March 2012
Rémy Martin	376.1	277.3	592.5	131.4	91.2	173.0
Liqueurs & Spirits	113.3	103.1	215.8	19.5	24.1	52.6
Sub-total Group brands	489.4	380.4	808.3	150.9	115.3	225.6
Partner brands	106.4	94.5	217.8	2.2	1.5	4.2
Holding	-	-	-	(11.6)	(10.6)	(22.1)
Total	**595.8**	**474.9**	**1,026.1**	**141.5**	**106.2**	**207.7**

There are no intra-segment sales.

15.2. Geographic area

(in € millions)	Net Sales		
	September 2012	September 2011	March 2012
Europe – Middle East – Africa	144.9	139.7	317.4
Americas	191.1	146.4	321.3
Asia Pacific	259.8	188.8	387.4
Total	**595.8**	**474.9**	**1,026.1**

16. ANALYSIS OF OPERATING EXPENSES BY TYPE

(in € millions)	September 2012	September 2011	March 2012
Personnel costs	(75.2)	(64.3)	(135.7)
Advertising and promotion expenses	(124.7)	(93.2)	(220.5)
Depreciation, amortisation and impairment of non-current assets	(7.6)	(7.1)	(14.7)
Other expenses	(50.2)	(47.6)	(98.2)
Expenses allocated to inventories and production costs	23.8	21.5	45.3
Total	**(233.9)**	**(190.7)**	**(423.8)**
Of which:			
Distribution costs	(192.0)	(153.2)	(344.8)
Administrative expenses	(41.9)	(37.5)	(79.0)
Total	**(233.9)**	**(190.7)**	**(423.8)**

Distribution costs comprise advertising and promotion expenses, commission income or expenses, brand royalties, ordinary write-downs of inventories and trade receivables and the overheads of the Group distribution companies.

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

Other income and expenses correspond to the profit generated by peripheral activities.

17. OTHER OPERATING INCOME AND EXPENSES

(in € millions)	September 2012	September 2011	March 2012
Expenses related to the acquisition of Bruichladdich	(2.9)		
Impairment of brands	-	(3.8)	(3.8)
Tax adjustments (other than on income taxes)	0.3	-	0.7
Other	(0.1)	0.1	0.1
Total	**(2.7)**	**(3.7)**	**(3.0)**

The amounts booked under the caption “Impairment of brands” for the period ended 30 September 2011 and the year ended 31 March 2012 are related to secondary brands.

18. FINANCIAL INCOME/(EXPENSE)

18.1. Cost of net financial debt by type

(in € millions)	September 2012	September 2011	March 2012
Bonds	(5.9)	(5.8)	(11.7)
Private placement	(2.6)	(2.6)	(5.2)
Syndicated credit and unconfirmed lines	(1.3)	(0.6)	(0.9)
Finance costs of special purpose entities	(1.2)	(1.3)	(2.9)
Interest flows on interest rate hedging instruments	(1.1)	-	-
Ineffective portion of interest rate hedging instruments	0.4	-	-
Other financial expenses	-	(0.1)	-
Sub-total	(11.7)	(10.4)	(20.7)
Impact of non-hedging interest rate instruments	(1.2)	(7.1)	(9.2)
Cost of gross financial debt	**(12.9)**	**(17.5)**	**(29.9)**
Interest income	1.5	0.8	2.0
Cost of net financial debt before reclassification	**(11.4)**	**(16.7)**	**(27.9)**
Reclassification to profit/(loss) from discontinued operations	-	1.0	1.0
Cost of net financial debt	**(11.4)**	**(15.7)**	**(26.9)**

Financial debt is described in note **11**.

18.2. Other financial income and expenses

(in € millions)	September 2012	September 2011	March 2012
Currency gains	3.0	-	-
Vendor loan - interest accrued and revaluation	2.1	1.0	3.0
Other financial income	**5.1**	**1.0**	**3.0**
Currency losses	-	(5.1)	(5.1)
Other financial expenses of special purpose entities	(2.6)	(2.6)	(4.7)
Discounting charge on provisions	-	(0.2)	-
Other financial expenses	(0.6)	(0.6)	(1.6)
Other financial expenses	**(3.2)**	**(8.5)**	**(11.4)**
Total	**1.9**	**(7.5)**	**(8.4)**

The item “Vendor loan – interest accrued and revaluation” relates to loan granted at the time of the disposal of the Champagne division (note **6**).

Currency losses and gains recorded in “Other financial expenses” include mainly the impact of hedge accounting under IAS 39 relating to the cash flow hedge and the currency gains/(losses) from financing transactions. Currency gains/(losses) from operations are recognised in gross profit.

19. INCOME TAXES

19.1. Net income tax expense

(in € millions)	September 2012	September 2011	March 2012
Current tax income/(expense)	(54.5)	(35.0)	(73.7)
Deferred tax income/(expense)	12.7	13.4	26.4
Total	**(41.8)**	**(21.6)**	**(47.3)**
Effective tax rate	-32.3%	-27.3%	-27.9%

19.2. Income tax balances

(in € millions)	September 2012	September 2011	March 2012
Income tax receivables	0.9	2.1	3.9
Income tax payables	(39.6)	(15.7)	(13.0)
Net asset/(liability)	**(38.7)**	**(13.6)**	**(9.1)**

20. NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

(in € millions)	September 2012	September 2011	March 2012
Champagne			
Disposal expenses	-	(1.0)	(1.1)
Restatement on EPI distribution contract	-	(9.8)	(9.5)
Sub-total Champagne	**-**	**(10.8)**	**(10.6)**
Other net profit/(loss) from discontinued operations	-	-	-
Total	**-**	**(10.8)**	**(10.6)**

Pursuant to IFRS, part of the disposal price of the Champagne division was allocated to the distribution contract, whose terms are favourable to the buyer in the initial years. This amount was recognized as a liability at the time of the sale and will be released over the periods concerned. The related charge after tax was €9.5 million, initially.

21. NET PROFIT/(LOSS) EXCLUDING NON-RECURRING ITEMS

Net profit/(loss) excluding non-recurring items corresponds to net profit/(loss) restated for other operating income/(expense) (as described in Note 18), the related tax effects and the profit/(loss) from discontinued operations.

21.1. Reconciliation with net profit/(loss)

Net profit/(loss) excluding non-recurring items attributable to the owners of the parent may be reconciled with net profit/(loss) attributable to the owners of the parent as follows:

(in € millions)	September 2012	September 2011	March 2012
Net profit/(loss) attributable to the owners of the parent	**86.6**	**47.3**	**110.8**
Brand impairment	-	3.8	3.8
Expenses related to the acquisition of Bruichladdich	2.9	-	-
Tax adjustments (excluding income taxes)	-	-	(0.7)
Other	(0.2)	(0.1)	(0.1)
Tax effect	(0.8)	(0.3)	(0.5)
Net profit/(loss) from discontinued operations	-	10.8	10.6
Net profit/(loss) excluding non-recurring items attributable to the owners of the parent	**88.5**	**61.5**	**123.9**

21.2. Net profit/(loss) excluding non-recurring items per share – attributable to the owners of the parent

(in € millions)		September 2012	September 2011	March 2012
Net profit excluding non-recurring items attributable to the owners of the parent		88.5	61.5	123.9
Number of shares				
Basic	10.2	48,221 807	49,419 081	49,324,332
Diluted	10.2	48,408,307	49,643,558	49,473,230
Per share (€)				
Basic		1.84	1.24	2.51
Diluted		1.83	1.24	2.50

22. OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

22.1. Off-balance sheet commitments

At 30 September 2012, the agricultural warrants on the inventories of Alliance Fine Champagne amounted to €27.9 million compared with €27.9 million at 31 March 2012 and €30.0 million at 30 September 2011.

At 30 September 2012, commitments to buy wine amounted to €22.6 million, compared with €37.7 million at 31 March 2012 and €30.2 million at 30 September 2011.

From July 2012, Rémy Cointreau has granted to Diversa Spezialitaten GmbH a guarantee to back-up a factoring contract up to a maximum amount of €10 million.

The other purchase and rental commitments and various guarantees have not changed significantly since 31 March 2012.

At 30 September 2012, guarantees on finance lines amounted to €8.7 million compared with €8.7 million at 31 March 2012 and €5.0 million at 30 September 2011.

The other guarantees granted and not prescribed at 30 September 2012 have not changed significantly since 31 March 2012.

22.2. Contingent liabilities

In connection with disposal transactions, guarantees in respect of liabilities are generally granted to the buyers for defined periods and amounts stipulated in the agreements. Liabilities for tax, excise duties and social security payments that may arise following audits covering periods prior to the sale are generally included until such liabilities lapse under the statute of limitations.

The guarantees granted and still outstanding at 30 September 2012 were as follows:

Disposal transaction	Transaction date	Description of outstanding guarantees	Term	Maximum amount
Piper-Heidsieck Compagnie Champenoise	8 July 2011	Tax items and assimilated	Legal period + 90 days	No limit
		Other elements	31 December 2012	45.0

The guarantees granted on the “Lucas Bols” transaction have expired on 11 October 2012.

23. RELATED PARTIES

During the period ended 30 September 2012, relationships with related parties remained similar to those for the year ended 31 March 2012.

24. POST-BALANCE SHEET EVENTS

On 31 October 2012, the Rémy Cointreau Group announced that it had entered into exclusive negotiations for the potential acquisition of the majority of the capital of Larsen, an independent family-owned company producing cognac since 1926.

25. UPDATE ON THE CONSOLIDATION SCOPE

Sociétés	Activity	% interest September 2012	% interest March 2012
CHANGE IN SCOPE			
Bruichladdich Distillery Company Ltd (1)	Production	100,00	-
Rémy Cointreau UK Ltd (2)	Holding / Finance	100,00	-

(1) Acquired during the period

(2) Incorporated during the period

AUDITEURS ET CONSEILS ASSOCIES
Nexia International

ERNST & YOUNG et Autres

This is a free translation into English of the statutory auditors' review report on the half-yearly consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. This report also includes information relating to the specific verification of information given in the group's interim management report.
This report should be read in conjunction with and construed in accordance with French law and professional standards applicable in France.

Rémy Cointreau S.A.

Period from April 1 to September 30, 2012

Statutory auditors' review report on the first half-yearly financial information

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Membre de la compagnie
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Rémy Cointreau S.A.

Period from April 1 to September 30, 2012

Statutory auditors' review report on the first half-yearly financial information

To the Shareholders,

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

- the review of the accompanying condensed half-yearly consolidated financial statements of Rémy Cointreau S.A., for the period from April 1 to September 30, 2012, and

- the verification of the information contained in the interim management report.

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

1. Conclusion on the financial statements

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

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

2. Specific verification

We have also verified the information presented in the interim management report in respect of the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed half-yearly consolidated financial statements.

Paris and Paris-La Défense, November 22, 2012

The statutory auditors
French original signed by

AUDITEURS ET CONSEILS ASSOCIES Nexia International	ERNST & YOUNG et Autres
Olivier Juramie	Pierre Bidart

CERTIFICATE OT THE PERSON RESPONSIBLE FOR THE HALF-YEAR REPORT

I certify that, to the best of my knowledge, the interim financial statements for the first half-year 2012/13 were prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, the financial position and the financial performance of the Company and all the companies included in the consolidation, and the half-year operating report presents a true and fair view of significant events which occurred in the first six months of the year, their impact on the half-year financial statements, significant transactions between related parties, as well as the principal risks and uncertainties for the remaining six months of the financial year.

Paris, 22 November 2012

Jean-Marie Laborde
Chief Executive Officier of Rémy Cointreau