CONSOLIDATED FINANCIAL STATEMENTS OF THE RÉMY COINTREAU GROUP AT 30 SEPTEMBER 2010

CONSOLIDATED INCOME STATEMENT

In € millions

	Notes	September 2010	September 2009	March 2010
Turnover	**15**	**428.2**	**361.9**	**807.8**
Cost of sales		(170.5)	(154.3)	(337.4)
Gross profit		**257.7**	**207.6**	**470.4**
Distribution costs	16	(142.0)	(108.1)	(254.3)
Administrative expenses	16	(40.0)	(37.6)	(81.7)
Other income from operations	16	5.3	3.6	5.6
Current operating profit	**15**	**81.0**	**65.5**	**140.0**
Other operating income/(expenses)	17	(45.5)	(0.6)	(7.5)
Operating profit		**35.5**	**64.9**	**132.5**
Finance costs		(17.1)	(12.0)	(24.8)
Other financial income/(expenses)		(1.7)	1.6	2.5
Financial result	**18**	**(18.8)**	**(10.4)**	**(22.3)**
Profit before tax		**16.7**	**54.5**	**110.2**
Income tax	19	(4.8)	(16.7)	(29.1)
Share in profit of associates	5	2.1	1.6	4.9
Profit from continuing activities		**14.0**	**39.4**	**86.0**
Profit from discontinued operations	20	0.1	3.2	3.0
Net profit for the year		**14.1**	**42.6**	**89.0**
Attributable to:				
non-controlling interests		-	2.8	2.7
owners of the parent company		**14.1**	**39.8**	**86.3**
Net earnings per share from continuing operations (€)				
basic		0.29	0.83	1.79
diluted		0.28	0.83	1.78
Net earnings per share – attributable to owners of the parent company (€)				
basic		0.29	0.84	1.80
diluted		0.29	0.84	1.79
Number of shares used for the calculation				
basic	10.2	48,569,924	47,435,587	47,989,124
diluted	10.2	48,905,074	47,637,039	48,191,494

STATEMENT OF COMPREHENSIVE INCOME

In € millions.

	September 2010	September 2009	March 2010
Net profit for the period	**14.1**	**42.6**	**89.0**
Movement in the value of hedging instruments [1]	1.2	0.3	(6.9)
Actuarial difference on pension commitments	-	-	(4.9)
Movement in the value of AFS [2] shares	0.2	0.1	0.1
Related tax effect	(0.4)	(0.1)	3.8
Movement in translation difference	(1.5)	(12.2)	0.3
Total income/(expenses) recorded in equity	**(0.5)**	**(11.9)**	**(7.6)**
Total comprehensive income for the period	**13.6**	**30.7**	**81.4**
Attributable to:			
owners of the parent company	13.6	28.0	78.7
non-controlling interests	-	2.7	2.7
[1] of which unrealised gains and losses transferred to income	1.1	0.1	0.2
[2] of which unrealised gains and losses transferred to income	-	-	-

STATEMENT OF FINANCIAL POSITION

In € millions.

ASSETS	Notes	September 2010	September 2009	March 2010
Brands and other intangible assets	3	584.4	628.6	629.9
Property, plant and equipment	4	206.9	195.5	208.6
Investments in associates	5	64.9	57.6	64.3
Other investments	6	73.3	64.3	71.2
Deferred tax assets	19	30.5	19.3	27.1
Non-current assets		**960.0**	**965.3**	**1,001.1**
Inventories	7	928.4	926.3	969.8
Trade and other receivables	8	261.4	248.2	248.1
Income tax receivables	19	1.5	4.3	8.3
Derivative financial instruments	14	13.6	13.7	3.2
Cash and cash equivalents	9	104.3	98.8	86.3
Assets held for sale	2	-	0.2	-
Current assets		**1,309.2**	**1,291.5**	**1,315.7**
Total assets		**2,269.2**	**2,256.8**	**2,316.8**

EQUITY AND LIABILITIES	Notes	September 2010	September 2009	March 2010
Share capital		78.6	77.4	77.6
Share premium		731.5	706.9	708.2
Treasury shares		(0.4)	(0.5)	(0.4)
Consolidated reserves		175.9	152.9	151.5
Net profit attributable to owners of the parent company		14.1	39.8	86.3
Translation reserve		(1.7)	(12.6)	(0.2)
Income/(expenses) recorded in equity		(4.4)	(0.7)	(5.4)
Equity - attributable to owners of the parent company		**993.6**	**963.2**	**1,017.6**
Non-controlling interests		0.9	0.9	0.9
Equity	**10**	**994.5**	**964.1**	**1,018.5**
Long-term borrowings	11	567.7	537.3	537.7
Provision for staff benefits		24.2	19.6	23.8
Long-term provisions for liabilities and charges	12	4.9	9.9	5.1
Deferred tax liabilities		182.5	197.0	199.8
Non-current liabilities		**779.3**	**763.8**	**766.4**
Short-term borrowings and accrued interest	11	21.3	87.7	50.0
Trade and other payables	13	381.4	353.4	439.3
Dividend payable		41.2	38.6	-
Income tax payables	19	21.3	40.3	11.9
Short-term provisions for liabilities and charges	12	17.0	2.7	19.8
Derivative financial instruments	14	13.2	6.2	10.9
Current liabilities		**495.4**	**528.9**	**531.9**
Total equity and liabilities		**2,269.2**	**2,256,8**	**2,316,8**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

In € millions.

	Share capital and premium	Treasury shares	Reserves and consolidated profit	Translation reserves	Profit recorded in equity	Attributable to		Total
						Group Share	Non-controlling interests	
Balance as at 31 March 2009	**761.3**	**(2.3)**	**213.2**	**(0.5)**	**(1.0)**	**970.7**	**(1.8)**	**968.9**
Net profit for the year	-	-	39.8	-	-	**39.8**	2.8	**42.6**
Gains (losses) recorded in equity	-	-		(12.1)	0.3	**(11.8)**	(0.1)	**(11.9)**
Share-based payments	-	-	1.3	-	-	**1.3**	-	**1.3**
Capital increase	23.0	-	-	-	-	**23.0**	-	**23.0**
Transaction on treasury shares	-	1.8	-	-	-	**1.8**	-	**1.8**
Dividends	-	-	(61.6)	-	-	**(61.6)**	-	**(61.6)**
Balance as at 30 September 2009	**784.3**	**(0.5)**	**192.7**	**(12.6)**	**(0.7)**	**963.2**	**0.9**	**964.1**
Balance as at 31 March 2010	**785.8**	**(0.4)**	**237.8**	**(0.2)**	**(5.4)**	**1.017.6**	**0.9**	**1.018.5**
Net profit for the year			14.1	-	-	**14.1**	-	**14.1**
Gains (losses) recorded in equity	-	-	-	(1.5)	1.0	**(0.5)**	-	**(0.5)**
Share-based payments	-	-	1.2	-	-	**1.2**	-	**1.2**
Capital increase	24.3	-	-	-	-	**24.3**	-	**24.3**
Transaction on treasury shares	-	-	-	-	-	**-**	-	**-**
Dividends	-	-	(63.1)	-	-	**(63.1)**	-	**(63.1)**
Balance as at 30 September 2010	**810.1**	**(0.4)**	**190.0**	**(1.7)**	**(4.4)**	**993.6**	**0.9**	**994.5**

STATEMENT OF CASH FLOWS

In € millions.

	Notes	September 2010	September 2009	March 2010
Current operating profit		81.0	65.5	140.0
Adjustment for depreciation, amortisation and impairment charges		8.4	8.0	16.1
Adjustment for share-based payments		1.2	1.3	3.4
Dividends received from associates	5	1.7	1.3	2.1
EBITDA		92.3	76.1	161.6
Change in inventories		39.7	21.9	(17.8)
Change in trade receivables		(24.4)	(43.9)	(35.0)
Change in trade payables		(52.0)	(48.0)	(0.3)
Change in other receivables and payables		15.4	40.9	65.0
Change in working capital requirement		(21.3)	(29.1)	11.9
Net cash flow from operations		**71.0**	**47.0**	**173.5**
Other operating income/(expenses)		(0.5)	(1.2)	(1.9)
Net financial expenses		(17.7)	(18.6)	(29.5)
Net income tax		(12.5)	(10.7)	(53.8)
Other operating cash flows		(30.7)	(30.5)	(85.2)
Net cash flow from operating activities – continuing operations		**40.3**	**16.5**	**88.3**
Impact of discontinued operations		-	-	-
Net cash flow from operating activities		**40.3**	**16.5**	**88.3**
Purchases of non-current assets	3/4	(18.8)	(14.1)	(24.8)
Purchases of investment securities	5/6	(0.2)	(10.4)	(10.7)
Net cash flow from sale of non-current assets		1.8	3.4	5.5
Net cash flow from sale of investment securities	6	-	-	-
Net cash flow from other investments	6	(0.9)	(2.8)	(2.7)
Net cash flow from investing activities – continuing operations		**(18.1)**	**(23.9)**	**(32.7)**
Impact of discontinued operations		(0.1)	(0.8)	1.6
Net cash flow from investing activities		**(18.2)**	**(24.7)**	**(31.1)**
Capital increase	10	1.5	0.1	1.4
Treasury shares	10	0.1	1.8	1.9
Increase in borrowings		335.5	25.5	1.5
Repayment of borrowings		(338.3)	(14.2)	(30.0)
Dividends paid to shareholders of the parent company		-	-	(38.5)
Other cash flows from financing activities		(2.9)	-	-
Net cash flow from financing activities- continuing operations		**(4.1)**	**13.2**	**(63.7)**
Impact of discontinued operations		-	-	-
Net cash flow from financing activities		**(4.1)**	**13.2**	**(63.7)**
Translation differences on cash and cash equivalents			4.4	3.4
Change in cash and cash equivalents		**18.0**	**9.4**	**(3.1)**
Cash and cash equivalents at start of period	9	**86.3**	**89.4**	**89.4**
Cash and cash equivalents at end of period	9	**104.3**	**98.8**	**86.3**

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 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 23 November 2010 pursuant to a recommendation from the Audit Committee following its meeting of 19 November 2010.

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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 2010.

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 2010.

The accounting principles applied in the preparation of the interim financial statements for the period ended 30 September 2010 are the same as those applied for the year ended 31 March 2010.

The following standards and interpretations have become applicable to Rémy Cointreau at 30 September 2010, but have no impact on the half-year accounts:

IAS 27R – Consolidated and Separate Financial Statements,
IAS 32 – Financial Instruments: disclosures: classification of foreign currency subscription rights,
2008 amendment to IAS 39 concerning the exposures eligible for hedge accounting,
IFRS 1 (amended in 2008) – First time adoption of International Financial Reporting Standards -
Amendment of IFRS 2 on the recognition of plans unwinding in cash within a group,
IFRS 3R – Business Combinations,
IFRIC 15 – Agreement for the Construction of Real Estate,
IFRIC 16 - Hedges of a Net Investment in a Foreign Operation,
IFRIC 17 - Distributions of Non-cash Assets to Owners,
IFRIC 18 - Transfers of Assets from Customers.
Improvements IFRS 2007-2009

The standards, interpretations and amendments whose application is compulsory after 30 September 2010 and where the Group has not elected for early application, are as follows:

IAS 24 – Related party disclosures – Disclosures of related party transactions,
IFRS 1 - Limited exemptions from comparative IFRS 7 disclosures for first time adopters,
IFRIC 14 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction,
IFRIC 19 - Extinguishing Financial Liabilities with Equity Instruments.
Improvements IFRS 2010

Historically, Group sales are split with 45% in the first half-year and 55% in the second half-year. As a result, the interim results at 30 September 2010 are not necessarily indicative of those expected for the full year ending on 31 March 2011.

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 CHANGES IN CONSOLIDATION SCOPE

The Rémy Cointreau Group had no acquisitions or disposals during the period ended 30 September 2010.

3 BRANDS AND OTHER INTANGIBLE ASSETS

(in € millions)	Brands	Distribution rights	Other	Total
Gross value at 30 September 2009	**622.2**	**8.8**	**26.0**	**657.0**
Gross value at 31 March 2010	**622.9**	**9.2**	**27.6**	**659.7**
Additions	-	-	1.0	1.0
Translation differences	(0.1)	-	(0.1)	(0.2)
Gross value at 30 September 2010	**622.8**	**9.2**	**28.5**	**660.5**
Cumulated amortisation and impairment at 30 September 2009	**3.4**	**7.1**	**17.9**	**28.4**
Cumulated amortisation and impairment at 31 March 2010	**3.4**	**7.4**	**19.0**	**29.8**
Charge for the period	45.0	-	1.3	46.3
Cumulated amortisation and impairment at 30 September 2010	**48.4**	**7.4**	**20.3**	**76.1**
Net carrying amount at 30 September 2009	**618.8**	**1.7**	**8.1**	**628.6**
Net carrying amount at 31 March 2010	**619.5**	**1.8**	**8.6**	**629.9**
Net carrying amount at 30 September 2010	**574.4**	**1.8**	**8.2**	**584.4**

“Other” includes mainly software licences and leasehold rights.

At 30 September 2010, the principal brands were subject to an impairment test. These tests were reviewed by an independent expert. The methodology used to determine the current value of brands is described in note 1.8 of the note to the consolidated annual 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 medium term plans (5 to 7 years according to the business) approved by the Board of Directors. The before tax discount rates used were between 7.3% and 10.2% and the rates of growth to infinity between 1% and 2%.

On completion of these tests, the Greek brandy trademark Metaxa that was acquired in 2000 was subject to an impairment charge of €45 million, reflecting the difference between its recoverable value and its carrying value. This arises from the deterioration in financial data used for the medium-term plans of this brand, one of the principal markets of which is Greece.

4 PROPERTY, PLANT AND EQUIPMENT

(in € millions)	Land	Buildings	Other	In progress	Total
Gross value at 30 September 2009	**38.0**	**105.7**	**186.2**	**1.9**	**331.8**
Gross value at 31 March 2010	**41.9**	**113.6**	**191.3**	**3.3**	**350.1**
Additions	0.2	0.9	2.2	2.5	5.8
Disposals, items scrapped	(0.1)	-	(0.8)	-	(0.9)
Other movements	0.1	0.9	1.1	(2.1)	-
Translation differences	-	(0.2)	(0.2)	-	(0.4)
Gross value at 30 September 2010	**42.1**	**115.2**	**193.6**	**3.7**	**354.6**
Cumulated depreciation and impairment at 30 September 2009	**1.6**	**38.4**	**96.3**	**-**	**136.3**
Cumulated depreciation and impairment at 31 March 2010	**1.8**	**39.9**	**99.8**	**-**	**141.5**
Charge for the period	0.3	1.5	5.3	-	7.1
Disposals, items scrapped	-	-	(0.8)	-	(0.8)
Translation differences	-	-	(0.1)	-	(0.1)
Cumulated depreciation and impairment at 30 September 2010	**2.1**	**41.4**	**104.2**	**-**	**147.7**
Net carrying amount at 30 September 2009	**36.4**	**67.3**	**89.9**	**1.9**	**195.5**
Net carrying amount at 31 March 2010	**40.1**	**73.7**	**91.5**	**3.3**	**208.6**
Net carrying amount at 30 September 2010	**40.0**	**73.8**	**89.4**	**3.7**	**206.9**

5 INVESTMENTS IN ASSOCIATES

(en millions d'euros)	Dynasty	Lixir	Diversa	Total
As at 31 March 2009	**53.6**	**1.3**	**7.2**	**62.1**
Dividends paid	(0.6)	(0.7)	-	**(1.3)**
Net profit for the period	1.2	0.3	0.1	**1.6**
Translation differences	(4.8)	-	-	**(4.8)**
As at 30 September 2009	**49.4**	**0.9**	**7.3**	**57.6**
Dividends paid	(0.8)	-	-	**(0.8)**
Net profit for the period	2.8	0.4	0.1	**3.3**
Translation differences	4.2	-	-	**4.2**
As at 31 March 2010	**55.6**	**1.3**	**7.4**	**64.3**
Dividends paid	(1.0)	(0.7)	-	**(1.7)**
Net profit for the period	1.9	0.4	(0.2)	**2.1**
Translation differences	0.2	-	-	**0.2**
As at 30 September 2010	**56.7**	**1.0**	**7.2**	**64.9**

6 OTHER FINANCIAL ASSETS

(in € millions)	September 2010	September 2009	March 2010
Non-consolidated equity investments	5.2	5.0	5.1
Prepayments into post-employment benefit schemes	0.4	0.6	0.4
Seller's loan	61.8	53.7	60.7
Loans to non-consolidated equity investments	2.1	1.2	1.1
Liquidity account excluding Rémy Cointreau's shares	3.0	2.8	2.9
Other	0.8	1.0	1.0
Total	**73.3**	**64.3**	**71.2**

In respect of the sale of the Lucas Bols division on 11 April 2006, Rémy Cointreau granted a seller's loan of €50 million for a maximum term of seven years (expiring 11 April 2013) and bearing interest at 3.5%. The loan interest is capitalised.

This loan was initially recorded net of a €10 million early repayment option at the acquirer's initiative.
Such option had to be exercised before 11 April 2009.

During the year ended 31 March 2010, Lucas Bols BV, beneficiary of the loan, confirmed that it would not exercise the early repayment option before 11 April 2010. As a result, and under the terms of the contract, the early redemption option is revised to €2.5 million and the interest is recalculated retroactively at 5.5%, subject to a repayment before 11 April 2011. In the event of no repayment by this date, the early redemption option will be reduced to zero and the interest will be recalculated retroactively for every period on the basis of EURIBOR 3 months plus a margin of 3.04%. The final repayment date of the loan is 11 April 2013.

At 30 September 2010, the loan is recognised at the current value of funds that Rémy Cointreau will receive in the event of a repayment before 11 April 2011 under the terms of the contract.

7 INVENTORIES

(in € millions)	September 2010	September 2009	March 2010
Goods for resale and finished goods	129.1	119.0	105.4
Raw materials	57.6	59.8	85.7
Ageing wines and "eaux-de-vie"	741.7	744.6	780.0
Other	4.1	5.4	2.4
At cost	**932.5**	**928.8**	**973.5**
Provision for impairment	(4.1)	(2.5)	(3.7)
Carrying amount	**928.4**	**926.3**	**969.8**

8 TRADE AND OTHER RECEIVABLES

(in € millions)	September 2010	September 2009	March 2010
Trade receivables	213.1	187.9	191.5
Receivables related to taxes and social charges (exc. income tax)	15.0	19.7	19.5
Sundry pre-paid expenses	6.5	6.7	6.1
Advances paid	16.8	21.5	18.6
Receivables related to asset disposals	1.4	4.4	2.9
Other receivables	8.6	8.0	9.5
Total	**261.4**	**248.2**	**248.1**
of which, provision for doubtful debts	(6.3)	(6.3)	(5.1)

9 CASH AND CASH EQUIVALENTS

(in € millions)	September 2010	September 2009	March 2010
Short-term deposits	33.7	55.1	28.1
Associates' current accounts	0.3	-	0.2
Cash at bank	70.3	43.8	58.1
Total	**104.3**	**98.9**	**86.4**

10 EQUITY

10.1 Share capital and premium, treasury shares

	Number of shares	Treasury shares	Total number of shares	Share capital	Share premium	Treasury shares
At 31 March 2009	**47,370,044**	**(103,205)**	**47,266,839**	**75.8**	**685.5**	**(2.3)**
Exercise of stock options	3,262	-	3,262	-	-	-
Liquidity contract	-	85,500	85,500	-	-	1.8
Dividend part paid in shares	980,095		980,095	1.6	21.4	-
At 30 September 2009	**48,353,401**	**(17,705)**	**48,335,696**	**77.4**	**706.9**	**(0.5)**
Exercise of stock options	69,768	-	69,768	0.1	1.3	-
2007 free share plan	86,600	-	86,600	0.1	-	-
Liquidity contract	-	(1,753)	(1,753)	-	-	-
Other treasury shares	-	4,605	4,605	-	-	0.1
At 31 March 2010	**48,509,769**	**(14,853)**	**48,494,916**	**77.6**	**708.2**	**(0.4)**
Exercise of stock options	92,277	-	92,277	0.1	2.3	-
Dividend part paid in shares	565,770		565,770	0.9	21.0	-
Liquidity contract	-	2,253	2,253	-	-	-
Other treasury shares	-	(350)	(350)	-	-	-
At 30 September 2010	**49,167,816**	**(12,950)**	**49,154,866**	**78.6**	**731.5**	**(0.4)**

10.1.1 Share capital and premium

At 30 September 2010, the share capital comprised 49,167,816 shares with a nominal value of €1.60.

During the period 1 April 2010 to 30 September 2010, 92,277 shares were issued in connection with the exercise of stock options to subscribe for shares granted to certain employees.

On 15 September 2010, Rémy Cointreau issued 565,770 shares following the option for partial dividend payment in shares instead of cash

10.1.2 Treasury shares

At 30 September 2010. Rémy Cointreau held 12,950 shares arising from the balance of transactions related to Option Plans Nos. 12 and 13 to purchase shares. These shares were recorded as a deduction from equity.

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

	September 2010	September 2009	March 2010
Average number of shares (basic):			
Average number of shares	48,582,874	47,453,292	48,003,977
Average number of treasury shares	(12,950)	(17,705)	(14,853)
Total used for calculating basic earnings per share	**48,569,924**	**47,435,587**	**47,989,124**
Average number of shares (diluted):			
Average number of shares (basic)	48,569,924	47,435,587	47,989,124
Dilution effect of stock options (1)	335,150	201,452	202,370
Total used for calculating diluted earnings per share	**48,905,074**	**47,637,039**	**48,191,494**

(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 €43.14 for September 2010; €26.20 for September 2009 and €30.69 for March 2010.

10.3 Dividends

The General Meeting of 27 July 2010 approved the payment of a dividend of €1.30 per share in respect of the year ended 31 March 2010 with the option that half the dividend, being €0.65 per share, be paid in shares. The payment in shares was made on 15 September for a total of €21.9 million. The balance of €41.2 million was paid in October 2010. At 30 September 2010, this was recorded in equity with counterpart in “other liabilities”.

10.4 Non-controlling interests

(in € millions)	September 2010	September 2009	March 2010
Non-controlling interests in Mount Gay Distilleries	0.9	0.9	0.9
Total	**0.9**	**0.9**	**0.9**

11 BORROWINGS

11.1 Net borrowings

(in € millions)	September 2010			September 2009			March 2010		
	Long term	**Short term**	**Total**	**Long term**	**Short term**	**Total**	**Long term**	**Short term**	**Total**
Gross borrowings	567.7	21.3	589.0	537.3	87.7	625.0	537.7	50.0	587.7
Cash and cash equivalents	-	(104.3)	(104.3)	-	(98.8)	(98.8)	-	(86.3)	(86.3)
Net borrowings	**567.7**	**(83.0)**	**484.7**	**537.3**	**(11.1)**	**526.2**	**537.7**	**(36.3)**	**501.4**

11.2 Breakdown by type

(in € millions)	September 2010			September 2009			March 2010		
	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Bonds	197.4	-	197.4	191.2	-	191.2	191.5	-	191.5
Private placement	138.7	-	138.7	-	-	-	-	-	-
Drawdown on syndicated credit	230.0	-	230.0	344.8	25.2	370.0	344.8	25.2	370.0
Drawdown on other confirmed lines	-	-	-	-	45.0	45.0	-	-	-
Drawdown on unconfirmed credit lines	-	-	-	-	10.0	10.0	-	-	-
Other borrowings and overdrafts	-	-	-	-	0.4	0.4	-	0.5	0.5
Issue costs for syndicated credit			-	(0.1)	(0.1)	(0.2)	-	(0.1)	(0.1)
Accrued interest	-	4.4	4.4	-	3.3	3.3	-	2.4	2.4
Total Rémy Cointreau S.A.	**566.1**	**4.4**	**570.5**	**535.9**	**83.8**	**619.7**	**536.3**	**28.0**	**564.3**
Finance leases	-	-	-	-	0.1	0.1	-	-	-
Other borrowings and overdrafts	1.6	13.4	15.0	1.4	1.4	2.8	1.4	15.8	17.2
Borrowings by special purpose entities	-	3.5	3.5	-	2.4	2.4	-	6.2	6.2
Total subsidiaries	**1.6**	**16.9**	**18.5**	**1.4**	**3.9**	**5.3**	**1.4**	**22.0**	**23.4**
Gross borrowings	**567.7**	**21.3**	**589.0**	**537.3**	**87.7**	**625.0**	**537.7**	**50.0**	**587.7**

11.3 Bonds

In June 2010, Rémy Cointreau proceeded with the issue of new bonds of €205.0 million nominal value with a 6.5 year life. The bonds, with a unit nominal value of €50,000 were issued at 97.745% of their nominal value (an issue discount of 2.255%) and carrying interest of 5.18% payable on 15 June and 15 December of every year. They are repayable at par on maturity (15 December 2016).

This loan is free of any security.

The issue contains early repayment clauses by the issuer, principally in the event of a public or reserved capital increase or material change in the tax regime applicable to payments made by the issuer on the bonds after the date of issue. In addition, all bearers have the right to request repayment of their bonds at a price of 101% in the event of change in control.

In the event of disposal of assets and the absence of the use of the proceeds of the disposal for authorised transactions, Rémy Cointreau must propose within a period of 365 days from the receipt of the proceeds of the disposal, an early repayment of the issue up to the value of the proceeds of the disposal. Moreover, the contract provides covenants that may limit the capacity for dividend distribution notably in the event of a loss.

Taking account of the discount and the issue costs, the net proceeds of this issue amounted to around €197.0 million, giving an effective interest rate of some 5.89%.

The proceeds of the issue were allocated to the early repayment, in June and August 2010, of bonds issued on 15 January 2005 for 7 years carrying interest at 5.2%, whose nominal balance at 31 March 2010 was €192.4 million. At the time of this transaction, a redemption premium of €2.7 million was paid to holders of the bonds. This charge was recorded in the cost of net financial debt for the period ended 30 September 2010.

11.4 Private placement

Rémy Cointreau concluded a syndicated financing (private placement) with financial institutions on 10 June 2010. This contract covers €140.0 million for a period of 5 years (maturity 10 June 2015). This structured financing comprises a loan of two tranches of €65 million (tranche A) and €75 million (tranche B) respectively as well as various swap contracts exactly embedded in these two tranches guaranteeing a fixed rate of 3.6675% for the period of the contract..

Taking account of the arrangement commission, the net proceeds of this issue amounted to around €138.6 million, giving an effective interest rate of some 3.94%. The net proceeds of the issue were used to repay draw-downs under the syndicated credit.

This contract is free of any security. The availability of funds is subject to meeting ratio A (see Banking Syndication) at a level below 3.5 at every half-year end for the period of the contract.

11.5 Syndicated credit

Rémy Cointreau has access to a syndicated loan entered into on 7 June 2005. The agreement provides for a revolving credit facility of €466 million which expires on 7 June 2012.

Amounts drawn down bear interest at EURIBOR plus a margin fixed at the outset at 0.675% per annum that may vary as shown in the following table based on the average net debt/EBITDA ratio (ratio A):

Ratio A	Applicable margin
A > 4.25	0.875%
3.75 < A < 4.25	0.675%
3.25 < A < 3.75	0.525%
2.75 < A < 3.25	0.425%
A < 2.75	0.325%

The commitment fee on the undrawn portion of the borrowing is 37.5% of the margin applicable if A > 3.75 and 35% if A < 3.75.

This facility is free of any security.

Under this agreement, Rémy Cointreau undertakes that ratio A is below 3.5 at 30 September and 31 March each year until the final maturity date.

At 30 September 2010, ratio A was 2.78 (September 2009: 3.24; March 2010: 3.17).

12 PROVISIONS FOR LIABILITIES AND CHARGES

12.1 Analysis of change

(in € millions)	Restructuring	Early retirement plan	Other	Total
At 31 March 2009	**2.7**	**0.4**	**15.2**	**18.3**
Increase	5.6	-	15.7	21.3
Uses	(1.0)	(0.3)	(5.4)	(6.7)
Releases unused	(0.2)	-	(7.9)	(8.1)
Translation differences	-	-	0.1	0.1
At 31 March 2010	**7.1**	**0.1**	**17.7**	**24.9**
Increase	-	-	1.0	1.0
Uses	(0.4)	(0.1)	(0.8)	(1.3)
Releases unused	(0.1)	-	(2.5)	(2.6)
Translation differences	-	-	(0.1)	(0.1)
At 30 September 2010	**6.6**	**0.0**	**15.3**	**21.9**

12.2 Maturity

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

(in € millions)	September 2010	September 2009	March 2010
More than one year or unknown	4.9	9.9	5.1
Less than one year	17.0	2.7	19.8
Total	**21.9**	**12.6**	**24.9**

13 TRADE AND OTHER PAYABLES

(in € millions)	September 2010	September 2009	March 2010
Trade payables – eaux-de-vie	147.7	140.6	175.8
Other trade payables	99.3	108.4	131.9
Advances to customers	8.6	0.4	10.1
Payables related to tax and social charges (exc. income tax)	38.8	42.2	40.3
Excise duties	2.6	2.8	1.8
Advertising expenses payable	42.4	27.9	40.7
Miscellaneous deferred income	1.5	1.4	1.6
Other liabilities	40.5	29.7	37.1
Total	**381.4**	**353.4**	**439.3**

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 prudent 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 Group's 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 the Group's turnover and margins.

14.1 Breakdown of derivative financial instruments (interest rate and exchange rate)

(in € millions)	September 2010	September 2009	March 2010
Assets			
Interest rate derivatives	0.4	0.3	1.4
Exchange rate derivatives	13.2	13.4	1.8
Total	**13.6**	**13.7**	**3.2**
Liabilities			
Interest rate derivatives	10.8	3.9	7.4
Exchange rate derivatives	2.4	2.3	3.5
Total	**13.2**	**6.2**	**10.9**

14.2 Interest rate derivative instruments

The Group manages the risk of an increase in interest rates on its variable rate financial resources, which are generally based on EURIBOR (1 month or 3 months), using options (caps). Rémy Cointreau also entered into interest rate swap contracts in the context of decreasing interest rates on the market.

Rémy Cointreau also enters into floor contracts to back its fixed rate borrowings. However, such contracts do not qualify as hedging instruments according to IAS39. They pertain to the "Trading" category.

At 30 September 2010, derivative financial instruments on recent rates were as follows:

(in € millions)	September 2010	September 2009	March 2010
Assets			
Purchases of cap	-	0.3	0.1
Purchases of floor	0.4	-	1.3
Total	**0.4**	**0.3**	**1.4**
Liabilities			
Sales of floor	0.4	-	1.3
Interest rate swaps	10.4	3.9	6.1
Total	**10.8**	**3.9**	**7.4**

(in € millions)	Nominal amount	Initial value	Market value	Of which CFH (1)	Of which Trading (1)
Purchases of cap					
Maturity before March 2011	375.0	1.1	-	-	-
Maturity before March 2012	250.0	0.6	-	-	-
	625.0	1.7	-	-	-
Purchases of floor					
Maturity before March 2011	50.0	0.1	0.4	-	0.4
	50.0	0.1	0.4	-	0.4
Total assets		**1.8**	**0.4**	**-**	**0.4**
Sales of floor					
Maturity before March 2011	50.0	1.1	0.4	-	0.4
	50.0	1.1	0.4	-	0.4
Interest rate swaps					
Maturity before March 2011	375.0	-	1.1	0.9	0.2
Maturity before March 2012	25.0	-	-	-	-
Maturity before March 2015	150.0	-	7.4	7.4	-
	550.0	-	8.5	8.3	0.2
Swaps related to the private placement (2)	140.0	-	1.9	1.2	0.7
Total liabilities		**1.1**	**10.8**	**9.5**	**1.3**

(1) Cash Flow Hedge: hedging future cash flows; Trading: held for trading purposes
(2) See note 11.4. the maturity of these swaps is 10 June 2015

During the period ended 30 September 2010, a pre-tax expense of €3.6 million was recognised directly in equity corresponding to the movement in the effective value of instruments qualifying as a cash flow hedge (CFH) or to the movement in value of instruments qualifying as trading.

14.3 Exchange rate derivative instruments

In order to hedge commercial flows, the Group uses options and future instruments. The commercial flows of the period that are not collected at the date of closing are covered by exchange 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 currency swaps to perfectly 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 period end. All these instruments mature within 18 months.

(in € millions)	Nominal amount (currency)	Nominal amount	Initial value	Marked to Market	Of which CFH (1)	Of which Trading (1)
Options de vente (achat) et tunnels optionnels						
Vendeur USD (vs EUR)	380.0	278.4	4.8	9.8	9.8	-
Autres devises (vs EUR)		34.6	0.7	(0.8)	(0.8)	-
		313.0	**5.5**	**9.0**	**9.0**	**-**
Ventes à terme						
Vendeur AUD (vs EUR)	4.0	2.8	-	(0.1)	(0.1)	-
Vendeur CAD (vs EUR)	2.0	1.4	-	(0.1)	(0.1)	-
Vendeur CHF (vs EUR)	7.0	5.3	-	(0.3)	(0.3)	-
Vendeur CZK (vs EUR)	97.5	4.0	-	(0.1)	(0.1)	-
Vendeur HUF (vs EUR)	300.0	1.1	-	-	-	-
Vendeur NOK (vs EUR)	18.0	2.3	-	-	-	-
Vendeur NZD (vs EUR)	6.5	3.5	-	(0.1)	(0.1)	-
Vendeur PLN (vs EUR)	11.0	2.8	-	(0.1)	(0.1)	-
Vendeur SEK (vs EUR)	36.5	4.0	-	(0.2)	(0.2)	-
Vendeur SGD (vs EUR)	0.0	0.0	-	0.2	-	0.2
		27.1	**-**	**(0.8)**	**(1.0)**	**0.2**
Total		**340.1**	**5.5**	**8.2**	**8.0**	**0.2**

	September 2010		
	Nominal (1)	**Nominal at guaranteed rate**	**Carrying value**
Exchange swaps purchase (sale) on operating flows			
USD/EUR	(109.0)	(79.8)	2.0
GBP/EUR	1.4	1.7	-
AUD/EUR	(7.0)	(5.0)	-
CAD/EUR	(7.2)	(5.1)	-
Autres devises		(5.2)	0.0
Total		**(93.5)**	**2.0**
Currency swaps purchase (sale) on financing flows			
USD/EUR	(66.7)	(48.8)	1.0
HKD/EUR	75.3	7.1	(0.4)
AUD/EUR	2.4	1.7	-
CZK/EUR	34.4	1.4	-
JPY/EUR	19.4	0.2	-
Total		**(38.5)**	**0.6**

(1) expressed in millions of currency

For the period ended 30 September 2010, a pre-tax income of €4.8 million was recognised directly in equity, related to the calculation of the portfolio of exchange rate derivatives, of which €1.2 million was recycled to profit following their expiry or change to non-hedging status of the instruments. The balance, of €3.6 million, is the change in the effective value of instruments qualifying as Cash Flow Hedge (CFH).

14.4 Other derivative instruments

Other derivative instruments held in the portfolio at 30 September 2010 comprised call options on 224,497 Rémy Cointreau shares that, in accordance with IAS 39, are not recorded on the statement of financial position.

15 SEGMENT REPORTING

Rémy Cointreau has applied IFRS 8 – Operating Segments since 1 April 2009. Under this standard, the segments to be presented are the operating segments for which separate financial information is available internally and that the “chief operating decision maker” uses to take operational decisions. The chief operating decision maker of Rémy Cointreau is the Executive Committee. This committee examines the operating performance and allocates resources on the basis of financial information analysed at the operating level of Cognac, Liqueurs & Spirits, Champagnes and Partner brands. As a result, the Group has identified these four divisions as the operating segments to be presented. In addition, a “Holding Company” segment contains the costs of holding companies that are not allocated to operating segments.

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

15.1 Operations

Brands are broken down into four divisions which thus comprise 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 produced by the Group, which are marketed through the Group’s own distribution network. It includes mainly the Edrington Group Scotch whiskies in the US.

(in € millions)	Turnover			Current operating profit [1]		
	September 2010	September 2009	March 2010	September 2010	September 2009	March 2010
Cognac	237.0	182.8	405.7	71.5	49.1	105.9
Liqueurs and Spirits	99.8	100.3	206.5	21.0	25.8	51.6
Champagnes	41.4	35.8	96.7	(2.8)	(3.5)	(4.0)
Group brands	**378.2**	**318.9**	**708.9**	**89.7**	**71.4**	**153.5**
Partner brands	50.0	43.0	98.9	0.8	2.1	4.4
Holding	-	-	-	(9.5)	(8.0)	(17.9)
Total	**428.2**	**361.9**	**807.8**	**81.0**	**65.5**	**140.0**

[1] As explained in note **1** of the annual consolidated financial statements, data for the 2009 financial year were restated.

There are no intra-segment sales.

15.2 Geographic regions

(€ millions)	Turnover September 2010	September 2009	March 2010
Europe	127.8	123.7	281.0
Americas	147.1	124.5	275.7
Asia & Others	153.3	113.7	251.1
Total	**428.2**	**361.9**	**807.8**

Turnover is allocated on the basis of the destination of the goods sold.

16 ANALYSIS OF OPERATING EXPENSES BY TYPE

(in € millions)	September 2010	September 2009	March 2010
Personnel costs	(64.2)	(61.3)	(122.5)
Advertising and promotional expenses	(87.5)	(65.3)	(159.8)
Depreciation, amortisation and impairment of non-current assets	(8.4)	(8.0)	(16.1)
Other costs	(47.2)	(38.6)	(94.3)
Costs allocated to inventories and production costs	25.3	27.5	56.7
Total	**(182.0)**	**(145.7)**	**(336.0)**
of which:			
Distribution costs	(142.0)	(108.1)	(254.3)
Administrative expenses	(40.0)	(37.6)	(81.7)
Total	**(182.0)**	**(145.7)**	**(336.0)**

Distribution costs comprise marketing and advertising expenses, commission income or expenses, brand royalties, ordinary write-downs of inventories and trade receivables and the overheads of 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

(in € millions)	September 2010	September 2009	March 2010
Impairment of the Metaxa trademark	(45.0)	-	-
Restructuring plans, closures or transfer of sites	-	(0.6)	(5.9)
Tax adjustments (excluding income taxes)	(0.5)	-	(1.5)
Other	-	-	(0.1)
Total	**(45.5)**	**(0.6)**	**(7.5)**

18 NET FINANCIAL EXPENSES

18.1 Net cost of borrowings

(in € millions)	September 2010	September 2009	March 2010
Bonds	(6.3)	(5.2)	(10.5)
Private placement	(1.7)	-	-
Syndicated credit, confirmed and unconfirmed lines	(1.6)	(4.1)	(6.6)
Finance costs of special purpose entities	(1.6)	(1.2)	(3.0)
Early redemption premium and accelerated amortisation of the issue costs of the 5.2% bonds	(3.7)	-	-
Impact of interest rate derivatives	(2.2)	(1.4)	(4.5)
Other finance costs	-	(0.1)	(0.2)
Gross borrowing costs	**(17.1)**	**(12.0)**	**(24.8)**
Interest earned on deposits	-	-	-
Net borrowing costs	**(17.1)**	**(12.0)**	**(24.8)**

Borrowings are described in note 11.

Given that net borrowings averaged €607.9 million for the period ended 30 September 2010, the average interest rate was 5.62% (September 2009: 3.71%; March 2010: 3.86%).

Excluding the early repayment premiums and accelerated amortisation of the issue of the previous bonds, the average interest cost is 4.41%.

18.2 Other financial income/(expenses)

(in € millions)	September 2010	September 2009	March 2010
Exchange gains	0.7	2.1	-
Interest and revaluation of the seller's loan	1.1	0.9	7.9
Other financial income	**1.8**	**3.0**	**7.9**
Exchange losses	-	-	(2.1)
Other financial expenses of special purpose entities	(2.7)	(0.5)	(1.0)
Discount charge on provisions	-	(0.1)	(0.1)
Other	(0.8)	(0.8)	(2.2)
Other financial expenses	**(3.5)**	**(1.4)**	**(5.4)**
Other financial income/(expenses)	**(1.7)**	**1.6**	**2.5**

The exchange gains and losses comprise mainly the effect of recognition of hedging under IAS 39 relative to the portfolio of financial instruments qualified as "cash flow hedge" as well as exchange gains and losses related to financial flows. Exchange gains and losses related to operating flows are included in gross margin.

19 INCOME TAX

19.1 Net income tax charge

(in € millions)	September 2010	September 2009	March 2010
Current tax (expenses)/income	(24.2)	(15.6)	(32.1)
Deferred tax (expenses)/income	19.4	(1.1)	3.0
Income tax charge	**(4.8)**	**(16.7)**	**(29.1)**
Effective tax rate	-29.0%	-30.7%	-26.4%

As at 30 Septembre 2010, thet net deferred tax gain includes 11.5 million related to reversal of a deferred tax liability on the Metaxa trademark following the impairment charge posted during the period (note 3).

19.2 Income tax receivable and payable

(in € millions)	September 2010	September 2009	March 2010
Recoverable income tax	1.5	4.3	8.3
Income tax liability	(21.3)	(40.3)	(11.9)
Net position – asset/(liability)	**(19.8)**	**(36.0)**	**(3.6)**

20 NET PROFIT FROM DISCONTINUED OPERATIONS

The profit net of tax of operations sold at 30 September 2010 of €0.1 million arises from a release of an unused provision.

The profit net of tax of operations sold at 30 September 2009 of €3.2 million arises from the liquidation of entities that were held together with Takirra Investment Corp. NV following the disposal of the Polish operations to CEDC in the year ended 31 March 2006. €2.7 million of this was reallocated to non-controlling interests.

21 NET PROFIT EXCLUDING NON-RECURRING ITEMS

21.1 Reconciliation with net profit

The net profit excluding non-recurring items attributable to owners of the parent company reconciles as follows with the net profit attributable to owners of the parent company:

(in € millions)	September 2010	September 2009	March 2010
Net profit attributable to owners of the parent company	**14.1**	**39.8**	**86.3**
Brand impairment	45.0	-	-
Restructuring plans, closures or transfer of sites	-	0.6	5.9
Tax adjustments excluding income tax	0.5	-	1.5
Other	-	-	0.1
Tax effect	(12.0)	(0.2)	(2.1)
Profit net of tax of operations sold	(0.1)	(3.2)	(3.0)
Net profit excluding non-recurring items attributable to owners of the parent company	**47.5**	**37.0**	**88.7**

21.2 Net profit excluding non-recurring items per share attributable to owners of the parent company

(in € millions)	September 2010	September 2009	March 2010
Net profit excluding non-recurring items per share attributable to owners of the parent company	**47.5**	**37.0**	**88.7**
Number of shares			
basic	48,569,924	47,435,587	47,989,124
diluted	48,905,074	47,637,039	48,191,494
Net profit per share excluding non-recurring items attributable to owners of the parent company (€)			
basic	**0.98**	**0.78**	**1.85**
diluted	**0.97**	**0.78**	**1.84**

22 OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

At 30 September 2010, the agricultural warrants on the inventories of Alliance Fine Champagne amounted to €35.4 million compared with €6.6 million at 31 March 2010 and €34.4 million at 30 September 2009.

The other purchase and rental commitments and various guarantees have not changed significantly since 31 March 2010

At 30 September 2010, guarantees on finance lines amounted to €11.4 million compared with €22.9 million at 31 March 2010 and €21.2 million at 30 September 2009.

The other guarantees granted and not prescribed at 30 September 2010 have not changed significantly since 31 March 2010.

23 RELATED PARTIES

During the period ended 30 September 2010, relationships with related parties remained similar to those for the year ended 31 March 2010.

24 POST-BALANCE SHEET EVENTS

On 15 November 2010, Rémy Cointreau has initiated a competitive bid process for the possible sale of its Champagne division comprising the nrands Piper-Heidsieck and Charles Heidsieck.

25 CHANGES IN GROUP STRUCTURE

	% interest	
Companies	September 2010	March 2010
RC India Private Ltd [(1)]	100.00	-

[(1)] set up in the period