

RÉMY COINTREAU

ANNUAL REPORT
2008 | 2009



LOUIS XIII glass designed by Christophe Pillet

RÉMY COINTREAU

THE TASTE

OF

EXCELLENCE

Rémy Cointreau's brands are unique reflecting an innovative combination of traditional experience and contemporary boldness. They are proud to conserve their priceless roots and the expertise of generations of highly talented men and women.

Rémy Martin, Cointreau, Piper-Heidsieck, Metaxa and Mount Gay Rum are striking masterpieces, masking seductive treasures. As worldwide benchmarks for connoisseurs who are passionate about quality and reputation, the brands represent the absolute pinnacle of quality, each with its own story, unique personality, loyal to its origins, and totally immersed in its history.

CONTENTS

- 2. Message from the Chairman and the Chief Executive Officer
- 4. Key Figures
- 8. Distribution
- 12. Operations and Brands
- 24. Corporate and Environmental Responsibility
- 38. Corporate Governance
- 40. Stock Market and Shareholders
- 42. Consolidated Balance Sheet and income Statement
- 44. Commentary and Outlook

MESSAGE FROM THE CHAIRMAN
AND THE CHIEF EXECUTIVE OFFICER

A LONG TERM COMMITMENT



Dominique Hériard Dubreuil, Chairman of the Board Jean-Marie Laborde, Chief Executive Officer

The significant slowdown in the world economy, particularly in the US and Russia, adversely affected the second half of our 2008/09 results. However, far from casting doubt on our strategy, the period proves that the premium nature of our products is our best asset and it must remain our priority. At a time when values and marketing models are being called into question, our high quality products and our brands, benchmarks in global markets, give us an extraordinary advantage.

The creation of brand value is, more than ever, vital in delivering profitability. The premium segment has proved its ability to grow and to be profitable, particularly in Asia. This vast market will overtake Europe within five years if it continues to grow at its current rate. Our worldwide growth, therefore, depends on this dynamic region of the world, which we know well having operated there since 1968. It is also a key asset in our development.

The premium positioning of our brands is essential for Rémy Cointreau. We are combining brand characteristics that are solid and enduring to meet the demand for absolute quality with new and innovative ideas that will attract customers.

Our newly organised distribution demonstrates a long-term commitment.

Our strategic decision to exit Maxxium was a brave but successful choice. By consolidating our existing structures and by taking direct control of our distribution, we have gained significant advantages, particularly in the current economic climate. Rémy Cointreau's new commercial organisation has been fully operational since 1 April 2009. Although we would, of course, have preferred to open this new chapter of our history in a better economic context, our own commercial teams are organised and are highly motivated in all our markets. This year they will achieve 80% of our sales, compared with 30% previously.

Despite the difficult economic environment in the last year, our innovative marketing and promotional investment has continued to strengthen the appeal of our brands.

One of our most successful achievements has been that of *frozen Cœur de Cognac* and *V.S.O.P*; Rémy Martin has recreated the world of cognac and revealed new ways of appreciating it. Cointreau maintains its glamorous tone through its ambassador, Dita von Teese, and through innovative products such as the adventurous Cointreau Noir, an unforgettable combination of Cointreau and Rémy Martin cognac. Equally impressive, was the worldwide launch of three *Rare* vintages from Piper-Heidsieck, the prestigious cuvée spéciale presented in a bottle richly adorned in gold. Metaxa celebrated its 120th anniversary by creating a limited series of *1888* in a crystal decanter containing the exceptionally old and premium Metaxa. Mount Gay Rum's *Old Reserve* in its redesigned packaging, combined with a new communications campaign, firmly places the oldest rum in the world among the most prestigious products.

Year on year improvement: Rémy Cointreau's worldwide teams strive for excellence and confirm the effectiveness of the strategy.

We are maintaining our efforts to come through the current trading conditions in a stronger position with the resources in place to continue growing our brands. Our choice of an independent distribution network, close to our markets, and our ability to innovate will be powerful assets when the economic climate improves.

Day in day out, our employees have shown remarkable discipline to achieve our value strategy and they continue to demonstrate an enterprising spirit and determination to achieve excellence. The rollout of an ambitious and inspiring human resources policy, together with a shared commitment to corporate and environmental responsibility, have strengthened the motivation and helped to further mobilise the talent in our business. The successful integration of hundreds of new employees within the distribution network and the organisation of the business into three operating units demonstrate our long-term commitment: to develop our truly premium, attractive and successful brands.

KEY FIGURES

A LONG-TERM STRATEGY

Rémy Cointreau has four production sites and operates in 160 countries. Since 1 April 2009 it has relied on a unique and global distribution network





€714.1 million

TURNOVER

| | |
|---------------|-----------------------|
| Americas | Cognac |
| 39.6% | 43.7% |
| Europe | Liqueurs & Spirits |
| 38.6% | 27.5% |
| Asia & others | Champagne |
| 21.8% | 17.6% |
| | Partners brands |
| | 11.2% |

€137.0 million

OPERATING PROFIT

€86.1 million

NET PROFIT

19.2%

OPERATING PROFIT MARGIN

1,512

EMPLOYEES WORLDWIDE

Cognac

Sales for these 12 months decreased by 13.6% (organic) to €311.9 million. Current operating profit was €75.1 million and the operating margin was 24.1%. The sustained price increases did not fully offset the volume declines noted in the US and Russia, or the impact of destocking as a result of leaving Maxxium. In Europe, the trends were positive overall. In China, Rémy Martin retained double-digit growth. Advertising investment was increased and very targeted towards Asia.

€311.9 million
TURNOVER

€75.1 million
CURRENT
OPERATING PROFIT

24.1%
OPERATING MARGIN

Americas
42.8%

Europe
18.4%

Asia & others
38.8%

Liqueurs & Spirits

The division achieved current operating profit of €53.2 million with turnover of €196 million and an operating margin of 27.1% (25.1% in the previous year). This performance reflected a policy of sustained prices, an improvement in the product mix and the streamlining of marketing investment. Cointreau was more affected due to the proportion of US sales. Metaxa, Mount Gay Rum and Passoa, less exposed in the on-trade, held up well.



€196.0 million
TURNOVER

€53.2 million
CURRENT
OPERATING PROFIT

27.1%
OPERATING MARGIN


Americas
33.4%

Europe
59.6%

Asia & others
7.0%

Champagne

The value strategy continued by the Group limited the decrease in sales of its champagnes (-9.2%) to €125.9 million. Current operating profit was €10.8 million with an organic operating margin of 9.3% supported by price increases and lower advertising investment, even after absorbing a price increase in grapes.



€125.9 million
TURNOVER

€10.8 million
CURRENT
OPERATING PROFIT

8.6%
OPERATING MARGIN

Americas
10.4%

Europe
75.0%

Asia & others
14.6%



DISTRIBUTION

A NEW ORGANISATION

Rémy Cointreau actively prepared for its exit from Maxxium and accelerated the change in its distribution network. This new structure became fully operational on 1 April 2009. It meets three objectives: to strengthen our presence in our strategic markets, increase the flexibility and efficiency of our commercial organisation and to focus our teams on a particularly demanding premium segment.



Damien Lafaurie
Executive vice-president
Global Markets

Further aggressive investment in promising markets

In Asia-Pacific, it became necessary to use local talented teams with solid experience in the premium range segment, well-established in their region, and able to respond to the needs and demands of the markets. This wish to control markets better was reflected in the creation of our own subsidiaries in China, Taiwan, Singapore, Vietnam and Malaysia and the recruitment of over 400 people.

In Europe, Rémy Cointreau's positions were strengthened. The Group acquired Maxxium's subsidiaries in France, Belgium/Luxembourg, the Czech Republic and Slovakia and established a joint venture in Germany with Underberg. Agreements were signed with specialist distributors in the premium range in all the other markets.

In Travel Retail, a vital sector in increasing the profile of premium brands, Rémy Cointreau's long experience led us to retake direct control of this business. Our highly skilled teams travel throughout the world, strengthening our close relationships with the major players in the sector and the leading position of our brands.

The competitive environment and the market dynamics have changed

In the US, a rapidly-changing market, we have enhanced our strategic partnerships with certain wholesalers. The rollout of dedicated sales forces in key states is a major strength in supporting the growth of our brands when the economic conditions improve.

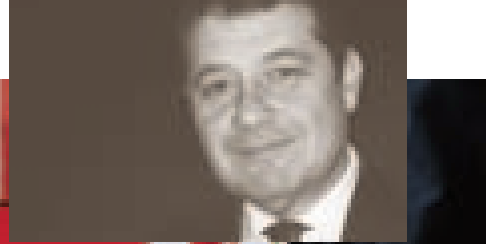
1,000 people worldwide are now dedicated to the promotion and sale of our products as well as to listening to our customers. This new organisation is a major asset in supporting our value strategy over the long-term and enhances our independence. From the first half of 2009 we achieved 80% of our turnover through our new sales subsidiaries and joint ventures in Asia, the US and Europe. The differentiation in our products and their price positioning better meets the demands of our customers and their interest in our brands, as the distribution is consistent, our teams are closer to the market and are focused on the premium segment.



A RESTRUCTURED AND CONTROLLED NETWORK

TRAVEL RETAIL

Peter Sant
Global Travel Retail
Managing Director
(Singapore)

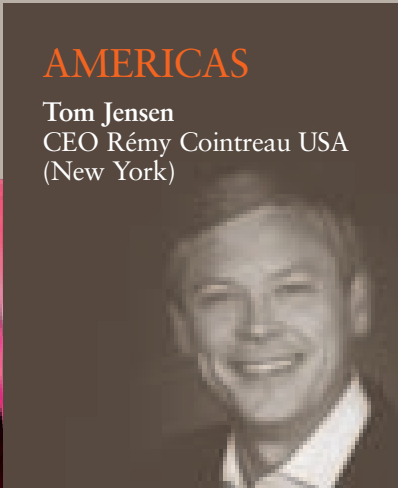


- WHOLLY OWNED SUBSIDIARIES
- GLOBAL TRAVEL RETAIL OFFICES

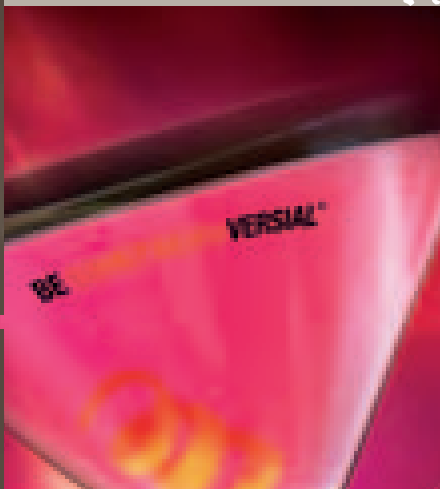
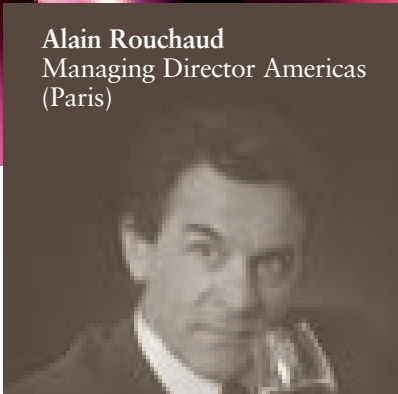


AMERICAS

Tom Jensen
CEO Rémy Cointreau USA
(New York)



Alain Rouchaud
Managing Director Americas
(Paris)



AGREEMENTS IN THE REST OF THE WORLD

Australia: Suntory / Canada: Select Wines / Denmark
Finland, Norway and Sweden: Edrington / Spain: Torres and
Varma / Greece: Karoulias / Italy: Branca
New Zealand: Hancock / Netherlands: Edrington and Bols
United Kingdom: First Drinks / Japan: Bacardi

ASIA / PACIFIC

Paul Chin
Managing Director China,
Hong Kong and Macao
(Shanghai)



Mungo Gilchrist
Managing Director
Northeast Asia and the Pacific
(Tokyo)



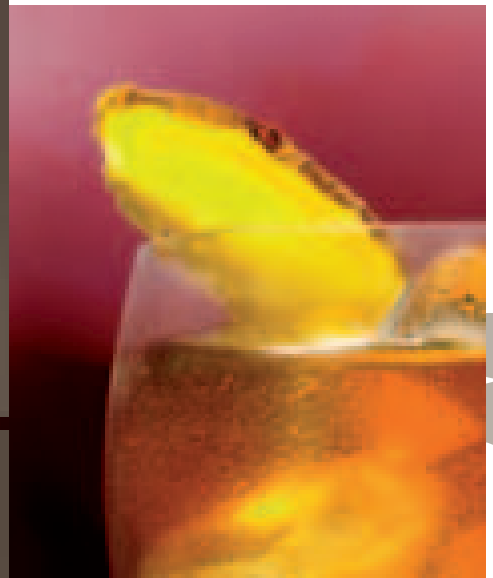
Derrick Tan
Managing Director Vietnam,
Cambodia and Laos
(Hô Chi Minh-Ville)



Suriya Parksuwan
Managing Director
Southeast Asia (Singapore)

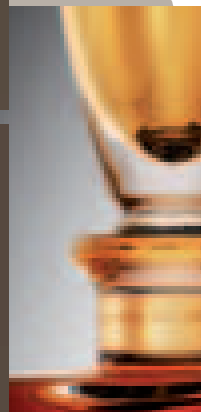
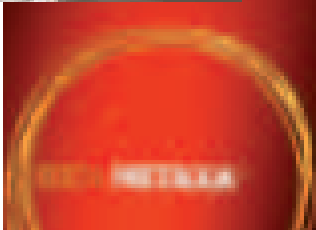


Philip Wang
Sales Director (Taiwan)



EUROPE AFRICA MIDDLE EAST

Spyros Ghikas
Managing Director Europe
(Paris)





COGNAC
RÉMY MARTIN
FINE
CHAMPAGNE
EXCELLENCE

Rémy Martin's value creation policy continued during 2008. In a difficult environment, growth remained positive in Asia, but without offsetting the worldwide economic slowdown over the last three months of the financial year (January to March 2009), particularly in the US and China.

2008 was a year of consolidation for the three leading qualities of Rémy Martin, V.S.O.P, X.O Excellence and Louis XIII. Targeted communications for each of them increased their visibility and enhanced their image.

In the US, its leading market, Rémy Martin has continued its innovative strategy by launching a limited edition of the *V.S.O.P* bottle designed by the fashionable artist, David LaChapelle. This achieved remarkable success in a declining global market. Another rare launch, the millésime 1989, was an innovation in the world of cognac where no vintage exists. The brand reaffirmed its presence among multicultural and urban communities with its new campaign "*Things are getting interesting*". Trompe-l'œil walls and 3D images lit up the streets and upmarket districts of New York, Los Angeles, Atlanta, Miami and Chicago.

In China, Rémy Martin continued its value creation strategy by using advertising campaigns, press and billboards as well as specific TV slots for the three flagship qualities on the Chinese market, Club, V.S.O.P and X.O Excellence. *1898 Coupe Fine Champagne*, a cognac that is over 30 years old, was launched exclusively on the Chinese market at the beginning of the year. It was extremely well received and recorded very satisfactory sales.

In Europe, Rémy Martin's leading position focusing on the superior qualities was enhanced by the dynamism of its V.S.O.P and X.O Excellence. The confirmed success of *Coeur de Cognac* in the UK and Germany bodes well for future development in other markets. In the majority of cases, the emphasis was placed on a desire to reinvent the world of cognac to rediscover the pleasure and to appreciate the brand.

In Russia, a new *Rare* cognac was launched to stimulate the commercial offering.

GLAMOUR, BOLDNESS AND INNOVATION IN THE WORLD OF COGNAC

As part of its policy of innovation, the Rémy Iceboxx was commented upon in bars and night clubs, bringing a totally new identity to cognac. Chilled to -18°C, and served immediately, the V.S.O.P becomes smoother and the enjoyment of the intense aromatic qualities of its eau-de-vie is sublime. The image of *Rémy Martin frozen* has become more contemporary and intentionally iconic.

Christian Liabastre
Executive vice-president
Brands Strategy and
Development



“The premium status of the Rémy Martin brand is reinforced by an ongoing policy of price increases”

The true flagship of the Rémy Martin brand, Louis XIII, continued to attract headlines. Following the success of the *Black Pearl*, limited edition, 786 decanters made from the same one hundred year old barrel, completely sold out in the Spring of 2008, the 346 *Louis XIII Black Pearl* magnums were offered to connoisseurs of rare cognac, at the recommended price of €25,000. This was a significant communications achievement which resulted in it being sold in prestigious locations in Paris, Monaco and London as well as in New York, Moscow and Shanghai.

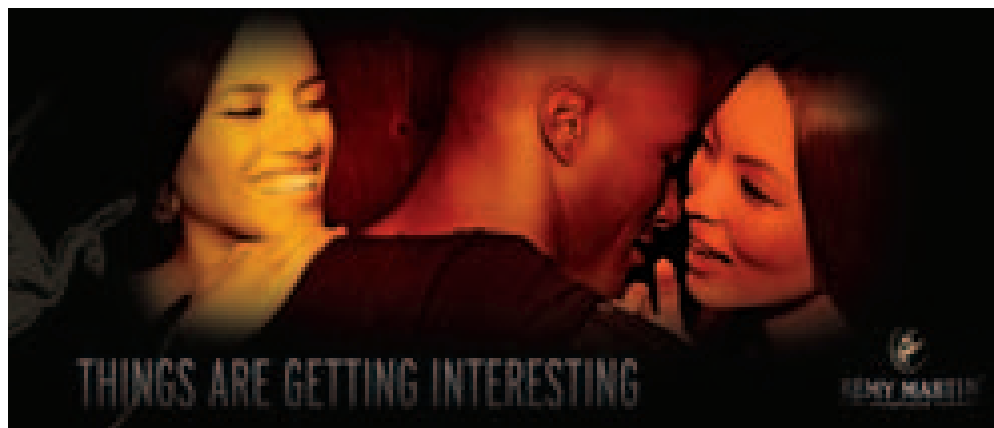
In order to awaken the senses and encourage a tasting ritual for Louis XIII, the designer, Christophe Pillet, created a range of tableware “the lights of Louis XIII” made from crystal and shiny steel.

US BILLBOARD CAMPAIGN

In *Global Travel Retail*, Rémy Martin continues to hold a strong position and to be the market leader. This sales segment remains important and is a strategic outlet for the brand. “*Premier cru*”, the range dedicated to GTR, benefited from renewed support.




RÉMY MARTIN V.S.O.P
FROM DAVID LACHAPELLE
(US LIMITED EDITION)



THE HISTORY OF LOUIS XIII: FOUR GENERATIONS OF CELLAR MASTERS

On 6 November 2008, in Cognac, around 30 journalists from ten key countries immersed themselves in the amazing history of Louis XIII. The story of Louis XIII is that of a family vision portrayed by three cellar masters, the only guardians of the secret preparation of the fabulous *Louis XIII Grande Champagne*. It is a blend of some 1,200 *eaux-de-vie* aged in oak barrels from 40 to more than 100 years. Within it is a depth of experience which gives true meaning to the phrase “the art of French living”. This event, which was reported by journalists throughout the world, is a confirmation of the brand’s exacting standards and a restricted number of carefully selected successors.





This year's numerous developments and initiatives perfectly illustrated the strong culture of innovation shared by the liqueurs and spirits brands, products of excellence that demand a great deal of creativity. Limited editions, new creations and promotions with high added value enabled the brands to demonstrate their creative dynamism, which is particularly important in a period of economic slowdown.

Cointreau, the most French of all bottles engaged the most American of French designers: Catherine Malandrino, the inspiration behind Cointreau's "American touch", who made an enormous contribution to its success. This Collector's Edition was remarkably successful and the brand achieved its objective: to ensure it was the subject of discussion, appeared in women's and upmarket publications, and changed perceptions in France, Belgium and Spain. The bottle, decorated in metal lacework, will shortly be available in other markets, notably the US, UK and Italy as well as in worldwide duty-free outlets.

Sustained efforts were made in France to increase the presence of *Cointreapolitan*, the Group's flagship cocktail. A dedicated team of ambassadors was formed in order to exceed the 500 establishments where *Cointreapolitan* is offered and actively promoted. This project was very successful despite the poor trading conditions in the on-trade. The expertise acquired by the teams on this venture will be rolled out internationally and should be highly beneficial to the development and growth of *Cointreapolitan*.

Cointreau Noir was one of the Group's noteworthy new products launched during the year. It is a combination of Cointreau's orange liqueur and Rémy Martin cognac, presented in its celebrated, highly recognisable, square bottle. It is displayed in beautiful and highly innovative metallic packaging. Cointreau Noir is reserved for the US markets. Among the numerous prizes already awarded to Cointreau Noir, was the title of Top 12 Pick of 2009, given to it by the Beverage Industry News Magazine. Significant work was carried out on the Cointreau's flagship cocktails in the US, the *Margarita*, *Cosmopolitan* and, of course, *Cointreapolitan*.



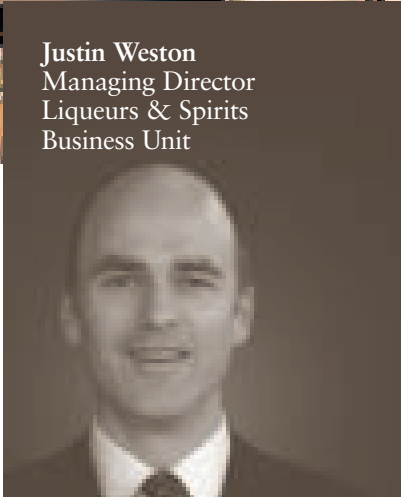
LIQUEURS
& SPIRITS

BRANDS
WITH HIGH
ADDED VALUE

BOLDNESS AND INNOVATION IN THE WORLD OF SPIRITS



Dita von Tees, adored by the media and the worlds of fashion and show business, is more than ever the inspiration behind the brand and also appears in Cointreau's international advertising campaigns. Who better than her to suggest *be cointreauversial*? Each time she makes an appearance on behalf of the brand, it is followed by significant press coverage.



Justin Weston
Managing Director
Liqueurs & Spirits
Business Unit



“Cointreau is a lively and dynamic brand that arouses passion, constantly reinventing itself”



**METAXA:
THE POSITIVE ENERGY
OF CONTEMPORARY
GREECE**

Metaxa enjoyed a year of sustained development in Europe, with particularly good growth in Austria, Poland, Russia, Hungary and Germany.

To celebrate the 120th anniversary of the brand, AEN, a highly prestigious product, launched a limited series: 1888 Sèvres crystal decanters, each capped in fine gold and presented in a luxury box. The series was launched in the three key markets of Greece, Germany and the Czech Republic, supported by communication campaigns.

As part of its communications strategy, Metaxa renewed the bottle and label of its flagship product, *Metaxa 5**. This marks the first change made to the “star” range. New packaging will be introduced on the markets in 2009. In Greece, Nikos Aliagas continues to represent this contemporary and successful brand.

VIVA PASSOA

Passoa had a good year in Europe accelerating its growth in its strategic markets of France, Belgium and the Netherlands. The new advertising campaign on the theme of “Viva Passoa” and the limited series “Passoa dresses for winter” attracted a great deal of attention. Launched at the end of 2007, *Passoa Fiesta* continues to grow strongly



in Holland. The brand has great hopes for the British market, which has welcomed the product, and bodes well for its prospects in other markets.

Mount Gay Rum continued to improve profitability in all its markets, including the US, its principal historical market, where the brand achieved a very good performance in a difficult economic environment. Its strategy of moving upmarket was reflected in the creation of high added value packaging, combined with a new communications campaign. Mount Gay Rum confirms its legitimate claim to being the oldest rum house in the world, produced in Barbados, an island where rum was invented in the 17th century “Mount Gay, the rum that invented rum”.

The new Extra Old presentation was welcomed enthusiastically while at the same time Mount Gay continued to update its offering with the launch of *1703*, an exceptionally old rum with subtle aromas. The rollout of the Group’s new distribution network offers Mount Gay Rum significant growth potential with greater attention being paid to local sales forces in English-speaking countries and the prospect of launching the brand in other countries.

**S^T-RÉMY. AUTHENTIC
FRENCH BRANDY**


In 2008, S^T-Rémy Authentic, confirmed its status as the world leader in French brandy. In a highly competitive environment, the brand strengthened its market share in its principal markets. S^T-Rémy should benefit greatly from the change in distributors, providing a major new springboard for the Rémy Cointreau strategy.

**MOUNT GAY RUM
SHARES ITS TASTE
FOR RUM
WITH THE WORLD**





CHAMPAGNE
CULTIVATING
THE
DIFFERENCE




For three years, Rémy Cointreau has sought to develop its champagnes in the top of the range segment of the market. Since the end of 2008, in a difficult economic climate, this strategy has enabled the Group to limit the decrease in sales in Europe as well as in the US, where there was a significant decline in the market. The Asian and UK markets continued to grow.

The year was marked by two major international launches: the cuvée de prestige *Rare* from Piper-Heidsieck and the *Rosé Réserve* from Charles Heidsieck. Targeted communication raised the profile of these brands. New packaging as well as eye-catching aids aimed at the on-trade attracted attention and opened doors to the most prestigious establishments.

At the end of two years' work and investment, the Group's champagne business today benefits from a new head office and new production units in Reims. There is now a streamlined production facility conveying an image of excellence which was designed by the architect Jacques Ferrier, who also designed the French pavilion at Shanghai's 2010 world expo, and the designer Ferruccio Laviani.

GLAMOUR AND INNOVATION IN THE WORLD OF FINE CHAMPAGNE



Piper-Heidsieck reinforced its status as a major international brand in its most important markets: France, the UK, Benelux, Germany, Italy, the US, Japan and duty-free. It continues to establish its extravagant and elegant positioning in its key outlet, the on-trade, with the success of the now iconic range by the designer Jaime Hayon, combining a bowl and a baroque red champagne cooler. In the world of cellar men and mass distribution, Piper-Heidsieck clearly demonstrates its desire to move upmarket, as shown by the new Crystal gift packs and the cool box offered during the summer months in every market.

Anne-Charlotte Amory
Chairman and Managing
Director Champagnes
P&C Heidsieck

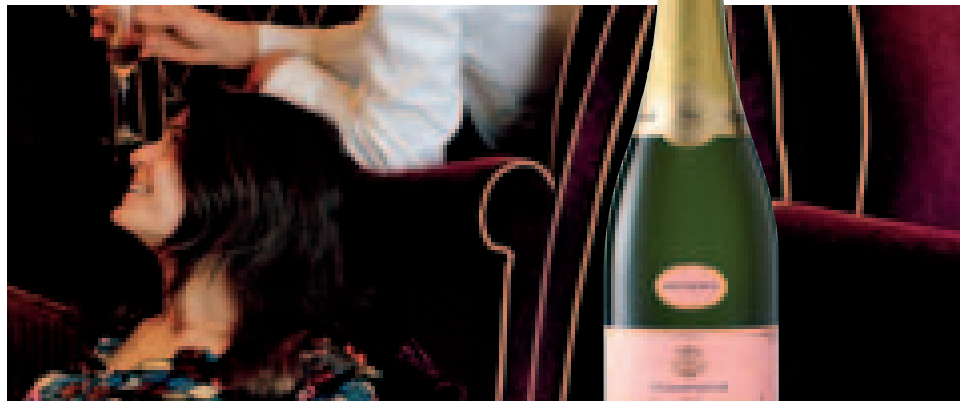


“The decline in sales was limited thanks to the value strategy of the Piper-Heidsieck and Charles Heidsieck brands”

Charles Heidsieck confirmed the unique nature of its great champagne wine (grand vin de champagne) in its traditional markets, France and the UK, and continued its progress in the US. The year was marked by the launch of *Rosé Réserve*, which was enthusiastically received. This non-vintage champagne has increased the Charles Heidsieck rosé range, which until now only offered a *vintage Rosé*. The innovation was marked by the introduction of new packaging for the complete Charles Heidsieck range. In the *Enothèque* range, for the vintage champagnes, *Brut millésimé 2000*, *Rosé millésimé 1999* and *Blanc des Millénaires 1995*, achieved satisfactory growth in prestigious restaurants.

Charles Heidsieck wanted to forge a special relationship with connoisseurs and wine enthusiasts by launching Charles Heidsieck Club Privilège last autumn. This loyalty enables members to access exclusive offers (old vintages, *Enothèque cuvées* and Collections), to purchase accessories or discover an exclusive new *cuvée*, as in the case of *Rosé Réserve*, which could be ordered on the Internet and delivered to the home.

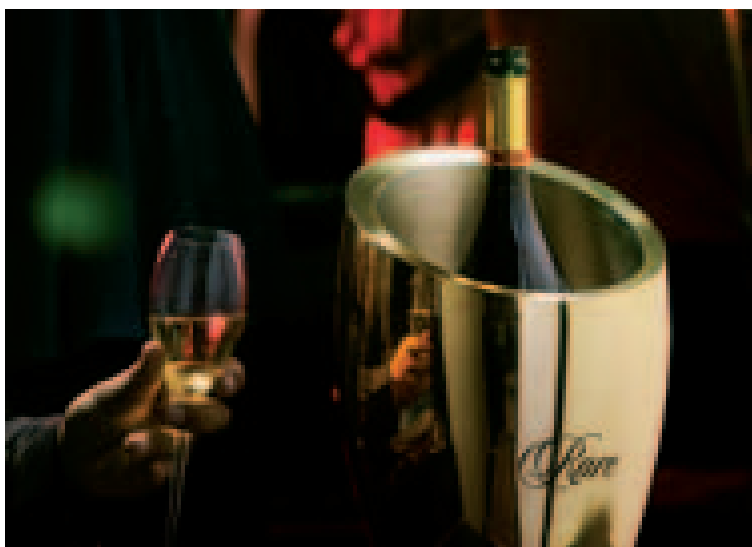
CHARLES HEIDSIECK: A YEAR OF SUCCESS AND APPRECIATION



PIPER-HEIDSIECK: CONTINUED INNOVATION

Piper-Heidsieck continued its policy of innovation with the worldwide launch of *Rare* which distinguished itself through its positioning among the special and prestige *cuvées*. There were three vintages: 1979, 1988 and 1999, each presented in a bottle richly adorned in a fine gold net. *Rare* is now available in the most fashionable establishments, such as Lavinia in France and Berry Brothers in the UK as well as in major worldwide airports. *Rare* has its own range of accessories: flamboyant, golden wine coolers and crystal champagne glasses.

Charles Heidsieck and Piper-Heidsieck continue to be awarded the most prestigious prizes. Régis Camus, cellar master of the P&C Heidsieck house, was nominated *Sparkling Winemaker of the Year*, in 2008 for the third time, by the International Wine Challenge in London.





CORPORATE AND
ENVIRONMENTAL
RESPONSIBILITY REPORT

A
RESPONSIBLE
BUSINESS

Corporate and Environmental Responsibility (CER) in business is assuming greater importance, calling into question working methods and production. Consumers and buyers demand guarantees.

Where does Rémy Cointreau stand in respect of these commitments?

Where will Rémy Cointreau focus their future actions?

“We will continue to implement the 2008/2011 action plan, with the aim of gradually improving our results in the area of CER. This begins with the development of an ISO 22000 certification, obtained for Angers and planned for Reims and Cognac. Updating carbon testing



Christian Lafage
Sustainable Development Director

“All the steps that we take are in line with our commitments to the Global Compact Charter, an international charter signed by the Group in 2003. To these codes of conduct, we have added compliance as required by the Grenelle Environment Forum (a multi-party environmental forum), sometimes ahead of schedule. In a tangible approach, we have created a CER Charter, which was presented to all our employees, to set them objectives, as we are now ready to progress. We have also created work groups around specific subjects (ie management of office documentation, carbon testing, eco-design of products) and carried out specific training.

CER is part of everyday business life. It is incorporated in our work methods and in our communications. Upstream, this involves stakeholders and, notably, suppliers: they were rigorously selected by us and they also benefit from our support, as well as training and advice. Our constant exchanges with stakeholders and, in particular, with the major regional players, confirm that the Group is perceived as an active contributor to regional sustainable development.”

on each site is a second objective. We will, therefore, finish measuring the Group’s carbon emissions, and launch a programme to reduce these emissions, notably by optimising energy consumption. The initial step will involve our suppliers and the preparation and sale of our products. Our two year objective is to obtain environmental information from our key suppliers. Following the carbon testing work undertaken by our staff, we will shortly identify the steps needed to reduce energy consumption.

We intend to reduce our impact on the environment and our consumption of natural resources without compromising quality. We must, therefore, go back to the beginning of our operations, ie the design of our products, their content and their packaging. To achieve this eco-design, we need to calculate the environmental impact of the product (ie the carbon emissions and recycling of the materials used). We have begun to do this with the aid of appropriate software ‘Environmental Footprint of Packaging - Report on Packaging’, which will be used automatically.”

INDICATORS

WINEMAKING

100%
of pesticides used are environmentally friendly.

440 winemakers
have been made aware of the Rémy Cointreau “Environment and CER” approach.

The Cognac site maintains an excellent level of respect for and conformity with the integrated agriculture benchmark applicable to the Charente vineyards, as part of the certification it received in 2007.

Reims continued its efforts to comply with the benchmark applicable to its vineyards.

In the Group’s winemaking domains, the steps related to reasoned winemaking continue to increase. Training teams in reasoned winemaking benefited **47 people**. This year, **21 soil and leaf analyses** were carried out and the entire winemaking areas were subject to attack by natural predators.

The use of pesticides is stable, even though there was a high level of disease in certain vineyards. The quantities used, however, remain below the approved levels: **below 8%**.

QUALITY, SAFETY AND THE ENVIRONMENT

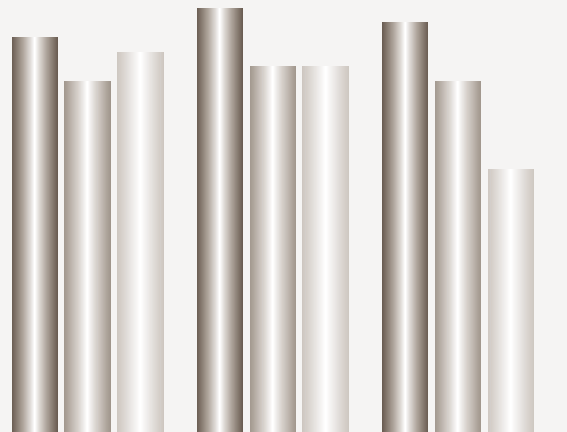
€3.40 million
was invested to improve site performance in terms of Quality, Safety and the Environment - a significant increase during the year.

28%
reduction in water consumption for all the sites.

2%
reduction in electricity consumption for all the sites.

6%
reduction in gas consumption for all the sites.

Consumption of natural resources (production sites):



2006/2007 2007/2008 2008/2009

■ Electricity (in kWh)

13,020,149 13,870,122 13,579,103

■ Gas (in kWh)

11,961,831 12,204,794 11,479,084

■ Water (in m³)

125,145 122,182 88,179

HUMAN RESOURCES

42%

of waste is recycled. The rate of waste sorting remained stable, close to 90%.

4.4 million

sheets of paper were used this year, a 19.3% decrease.

5,490 hours

of training were dedicated to Quality, Safety and the Environment and CER, a 7% increase.

805 people

benefited from training, specifically in safety, a 4% increase compared with last year.

130 tons

of CO₂ were not released due to the use of video-conferencing (250,000 km of travel avoided).

SUPPLIERS AND RESPONSIBLE PURCHASING

3 progress plans

were initiated following audits carried out on suppliers.

€2.0 million

was spent on improving working conditions. The rate of work-related accidents declined by 8.99% and the level of severity also fell to 0.18.

Gender analysis of permanent workforce (2008/09):



40%

increase in the number of training hours.

Number of training hours and employees trained (2008/09):



105 meetings

took place with personnel representatives, a total annual increase of 7%:

| | |
|-----------------------|----|
| Central Works Council | 4 |
| CE and DP | 67 |
| CHSCT | 18 |
| Training | 10 |
| Housing | 2 |
| Profit-sharing | 4 |

WINEMAKING



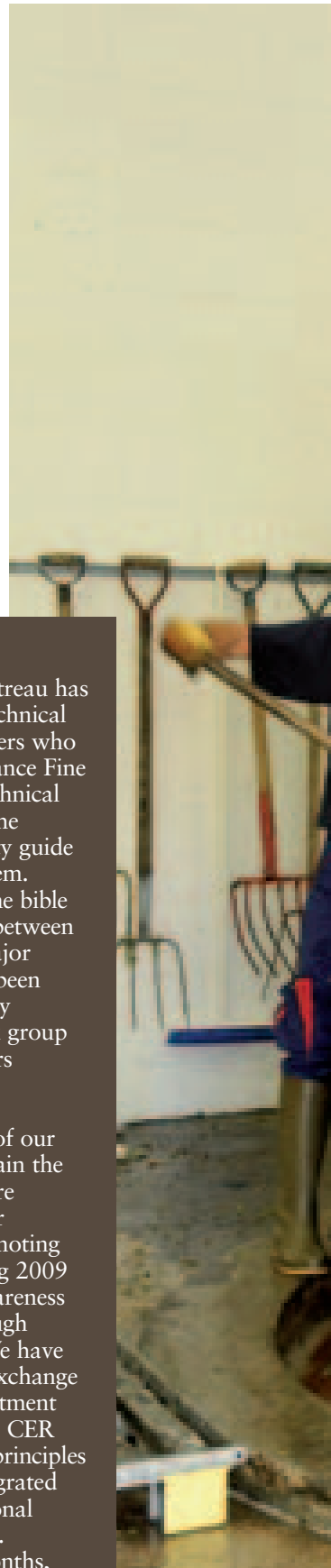
Our 2008/2011 commitment: to implement and promote competitive and economic methods of winemaking which are environmentally friendly and related to specific and traditional expertise (application of the most advanced benchmarks for responsible winemaking).

The winemaking domains of Rémy Cointreau in Cognac, which showcase environmentally friendly winemaking, continue to meet the benchmarks of the “Integrated agriculture” certification. It was obtained very rapidly in 2007 and clearly created a strong force for progress. It represents a benchmark for winemakers in the Alliance Fine Champagne co-operative. With experience, they can learn the best means of obtaining quality grapes and reduce the use of pesticides to the absolute minimum. In Reims, the Group is already encouraging winemakers to use environmental diagnostics, to comply with the “High Environmental Value” benchmark of the Grenelle Environment Forum (a multi-party environmental forum). These useful, additional steps, such as respect for the environment, led to the recycling of wood from the vineyards to produce energy.

Historically, Rémy Cointreau has provided technical support to winemakers who are members of Alliance Fine Champagne, and technical documents such as the Rémy Martin Quality guide have been sent to them. The guide is a genuine bible of expertise, shared between the brand and its major partners, and it has been enhanced this year by the efforts of a work group involving winemakers and distillers.

In addition, as part of our determination to retain the Integrated Agriculture certification, and our commitment to promoting this approach, during 2009 we will raise the awareness of winemakers through information days. We have the opportunity to exchange views on our commitment to Rémy Cointreau’s CER and to circulate the principles and methods of integrated agriculture and regional reference documents. Over the coming months, food safety, which includes traceability of products and the correct use of pesticides, will be one of our principal concerns.

Baptiste Loiseau
Consulting and Project
Engineer in Cognac





The wood recovered from the vines can become a genuinely regional asset for energy production. We are participating in a study led by the Champagne-Ardennes region into its calorific value. The object is to encourage winemakers to sort the wood and store it in collective skips, which are then turned into woodchips for use in boilers. This reduces our energy costs and our consumption of fossil fuels. An operating analysis is scheduled for the end of 2009.

Christian Siret
Manager of winemaking domains in Reims

SUPPLIERS AND RESPONSIBLE PURCHASING



Our 2008/2011 commitment: to involve our suppliers in our corporate and environmental commitments, monitor their genuine involvement and support them in their approach to improvement.

During the year, the group purchasing charter was completed and the follow up of the suppliers' CER policy was strengthened. A rapid detection chart of the risks previously posed by these companies was developed. Beyond a commitment to comply with the Global Compact Charter, specific obligations were identified, not only in relation to professionalism and value creation, but also in respect of the environment, carbon emissions and food safety. An in-depth study was also carried out among 40 key suppliers (in terms of volume and/or strategic impact on operations). In return, Rémy Cointreau agreed to respect and keep that information confidential.

In addition, the "Responsible suppliers" action plan will be extended for a further three years, as part of our partnership with a specialist company that will be selected shortly. In the event of poor results, Rémy Cointreau will support its suppliers with a programme for improvement: recently the Group assisted three of them to improve working conditions and environmental impacts.



The evaluation chart we have created enables us to rapidly assess the level of risk presented by each supplier, in France and abroad. Risks related to food safety, geographic origins and the environment are, specifically, taken into account. This initial feedback enables us to rate the supplier's CER policy. The 40 most important risks are then subject to a second rigorous examination. It covers the commitments and action taken in the area of sustainable development, notably CO₂ emissions, the existence of a back-up production unit in the event of a serious incident, and the monitoring of international standards, etc. A second rating of the supplier is then obtained. If it is poor, an audit is undertaken.

In most cases, particularly abroad, this audit is carried out by a specialist company with an impeccable reputation. It must, for example, ensure the full application of local laws, particularly in the field of wages, minimum age and working conditions. We demand the ability to deal directly with employees who are chosen at random. On this basis, the auditor determines the positive points and the areas for improvement.

Thereafter, our purchasing manager provides the supplier with a report. A follow up visit is then organised to verify the application of what was agreed.

Anne Pasteur
Group Purchasing Manager

SALES AND MARKETING ETHICS



Our 2008/2011 commitment: to support the international development of our brands by promoting responsible consumption and implementing impeccable marketing and sales ethics, in respect of the principles and transparency relayed by our distribution partners and an effective Consumer Service Department.

Signed in 2004 by the senior management of Rémy Cointreau, the Responsible Communication Charter defines six fundamental principles. It is the result of exchanges between all the players involved: consumers, public authorities, NGOs, inter-professional organisations (such as the *Bureau National de l'Interprofession du Cognac* and the European Spirits Organisation). It guides and affects the work of all the sales and marketing teams worldwide. The Responsible Communication Committee in charge of ensuring the effective application of the Charter was key to this success. It brings together the Group's most competent executives in every area concerned: legal, marketing, sales and communication. One of them is specifically responsible for monitoring the changes in the law and the current thinking in the US, due to this market's importance and influence.



We are in contact with consumers mainly through the brands' websites (France and international). Of all those who contact us, it is our French consumers who contact us the most (nearly 25% of those who contacted us in 2008), followed by the Americans (22%), the British and the Belgians. Some of our brands have added significant information to their website, to answer the Consumer Service Department's most frequently asked questions. We also respond to the questionnaires of our major buyers. Our efforts in dealing with complaints have been rewarded for many years by *Entreprise* magazine in their Ranking of 200 French Companies: we were ranked 20th in 2008.

Chantal Breuil
Group Consumer Service
Manager

Our desire to combat excessive alcohol consumption must appear in any communication aimed at consumers. In that respect, our policy is subject to the principles set out in our Responsible Communication Charter. This charter is designed to evolve with any legislation. It keeps group personnel informed of the environmental laws in force and anticipates any changes, in a field that is continuously evolving. The Responsible Communication Committee also ensures that any communication by the Group or its brands is only released after it has fully satisfied the principles set out in the charter. Its decision is made on an ethical as well as a legal level.

Jean-Pierre Lacarrière
Director of Corporate
Relations

QUALITY, SAFETY AND THE ENVIRONMENT



Our 2008/2011 commitment: to guarantee the premium nature of the products, through ongoing investment in research, a constant demand for quality, food safety and industrial safety, and action taken to preserve the environment.

To constantly increase the quality and gradually reduce the consumption of resources: Rémy Cointreau's objectives are clear and guarantee the premium quality of its products over the long term. The Group takes a number of tangible steps as part of this overall approach, including carbon testing on an annual basis, for example at Reims, where a number of activities emitting CO₂ have been identified and where a team of employees drawn from various departments have been working on the issues.

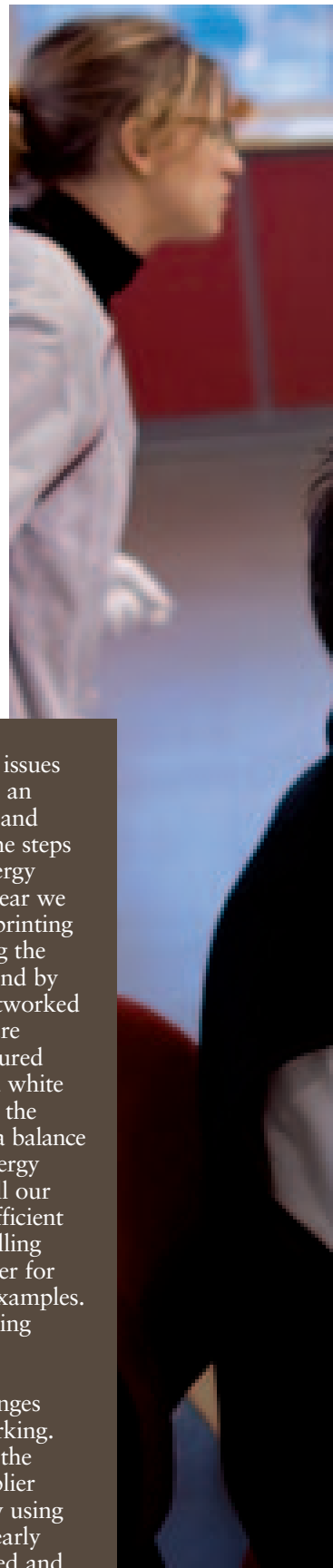
Eco-design, mobilising all Rémy Cointreau's teams, has gone beyond the initial reflective stage. Due to the new tools introduced this year, the environmental impact is now taken into account in a tangible way. More comprehensively, the desire to reduce resource consumption is shared by everyone in the Group, in every function, and the buyers have also integrated these criteria. The Group's choice of service providers is made based on their involvement in more environmentally friendly approaches.

Guaranteeing the food safety of products is vital and all the sites are part of a certification approach in this sphere of their operations.

Environmental issues have also had an impact on IT and we are involved in the steps needed to reduce energy consumption. This year we have optimised our printing solutions by reducing the number of printers and by ensuring they are networked on every site. They are automatically configured to print in black and white and on both sides of the paper. We must find a balance between cost and energy savings. Replacing all our laptops with more efficient equipment and installing a unique virtual server for everyone are some examples. We are also considering other improvements.

Using less paper changes our approach to working. In order to optimise the management of supplier invoices, we are now using specific software. Nearly 250 users are involved and we have achieved tangible savings.

Mickaël Boluen
IT Manager





The very demanding ISO 22000 certification was obtained this autumn. It applies to agri-food companies and guarantees their customers quality, with no risk to their consumption (ie allergens, GMO's, particles, etc.). This new certification confirms our ability to ensure total quality, with no defects and no risk to food. It is the culmination of major work carried out for more than a year.

Maud David
Quality Control Manager
in Angers

Complete optimisation (ie quality, cost, energy consumption and environmental impact) must be achieved when a product and its packaging are designed. New methods and software enable us to carry out this eco-design. From estimation, we progress to a true evaluation, due to the acquisition of software which assesses the environmental impact of each project. Training was carried out this year and an initial assessment will be made during the course of next year. The objective is to make continuous progress and to find the best compromise between economic imperatives and, taking into account a new parameter, the environmental performance of the products.

Claude Angelier
Product Development Service
Manager in Cognac

HUMAN RESOURCES



Our 2008/2011 commitment: to guarantee social equality and the personal development of all our employees, encourage their adherence to the Company's business strategy and involve them in the Group's socially responsible actions, within the framework of Rémy Cointreau's fundamental commitment to the values of listening and dialogue.

In view of the daunting challenges presented by the distribution network's new organisation, the Group implemented an innovative and dynamic human resources policy. To succeed in spreading and developing knowledge and expertise, an action plan was defined for every employee and existing training was enhanced and was the subject of significant individual communication. A specific approach to talent opens up opportunities: development is planned and achieved at an international level and includes foreign subsidiaries.

In April 2008, an agreement on diversity was signed with employee representatives. It was very specific and confirmed the Group's past decisions on unavoidable subjects: integration of young people, handicapped personnel, work for senior citizens, professional equality of men and women and the recognition of trade unions are all taken into account by the Group even though there is still room for improvement. The agreement engages all the Group's manpower, primarily its managers and human resources. The Group confirms its commitment to this agreement in its temporary employment of handicapped staff, integration of young apprentices taking into account future retirement, and the fact that in 2008/09 over 51% of those recruited were women.



A number of communication tools on diversity and training were designed for the Group's employees. The agreement on diversity was documented with the creation of a highly practical and in-depth manual. Following publication of a booklet introducing the four principal areas on which the training policy is based (sales culture, luxury goods culture, economic culture and professional development) a personalised document was given to all employees. It formed the basis of a report on the training undertaken and offered advice on the way forward, based on the right to individual training, in order to encourage everyone to take responsibility for their professional development.

Julieta Toublanc
Group Human Resources
Development Director

Héraclès is a 4,000 hour training programme over two years. This ambitious programme mobilised all 65 members of the Packaging team on the Cognac site, with a view to improving quality and enhancing everyone's skills. Initiated in October 2008, the training began with a compulsory module of six days. The programme included quality, safety, the environment, discipline and industrial culture. Thereafter, a second module of five further days was offered on a voluntary basis with a view to acquiring and implementing, in some cases, ongoing improvement techniques. This has been very successful and a number of people have asked if they could participate in the enhanced module.

Jérôme Charpentier
Human Resources Manager
in Cognac

STAKEHOLDERS AND SUSTAINABLE DEVELOPMENT



Our 2008/2011 commitment: to respond to the needs of stakeholders and share our experience in the area of sustainable development at a regional level where Rémy Cointreau operates, with specific action for sustainable development at a local level.

Dialogue, long-term commitment and volunteering are the main features of Rémy Cointreau's relations with its stakeholders, within and outside the Company. Meetings with employee volunteers, organised in 2007, identified 11 eco-steps and led to the creation and distribution of documentation and small posters. In the same spirit of responsibility, some 20 employees held quarterly meetings and endorsed preventative measures on the risk of alcohol to business.

The Group works, in particular, with the French Institute of Environmental Training and Research, which is a highly active organisation in Poitou Charentes, dedicated to environmental education in the institutional, educational and entrepreneurial spheres. In addition, true to its commitment initiated in 2004, the Group also supports the Second Chance Foundation: 19 volunteers from Rémy Cointreau support projects for people experiencing difficulties in the Reims and Cognac regions.



To support our internal premium policy, this year the staff seminar focused on Design. This is a vital theme for Rémy Cointreau as we work with talented designers such as Viktor & Rolf, Catherine Maladrino and Jaime Hayon. We have also designed the "Escapes" one-day training programmes, focusing on the specific features of a country. It is a means of making our people aware of the culture and current thinking of a country and the way that they can work together. In 2008, the topic was China.

Mayanne Chauvet-Viudes
Director of Internal and Corporate Communication

Rémy Cointreau's participation in our organisation is particularly enriching for our members who are regional entrepreneurs. The integration of corporate and environmental responsibility parameters in all operations and functions of the Group, whether in the management of its personnel, the demand for quality, or the relationship with suppliers, is synonymous with excellence.

Rémy Cointreau hosted a workshop on "Relationships with suppliers and sustainable development" that in several sessions over six months brought together the management of different types of business in Poitou-Charentes. This workshop led to the publication of very useful analysis for our members. It was also an opportunity for face-to-face and, occasionally, critical discussion on specific experiences.

Bruno Dubrac
Chairman of the Association Altère Entreprises

OBJECTIVES AND ACTION PLANS FOR

THEMES COMMITMENTS 2008/2011 OBJECTIVES

| | | |
|--|---|---|
| Winemaking | To implement and promote competitive and economic methods of winemaking which are environmentally friendly and related to specific and traditional expertise (application of the most advanced benchmarks for responsible winemaking). | Integrated agriculture: - continue to meet the benchmarks of the “Integrated agriculture” certification in the Cognac winemaking domain - apply the benchmark to the Reims domain |
| Quality, Safety and the Environnement | To guarantee the premium nature of the products, through ongoing investment in research, a constant demand for quality, food safety and industrial safety, and action taken to preserve the environment. | Reduce CO₂ emissions: - gradually replace vehicles by clean vehicles - draw up a status report and take steps to reduce CO ₂ emissions related to transport - balance emissions by tree planting Reduce consumption: - reduce energy consumption - reduce paper, cardboard and wood consumption Design of products: optimisation ie the optimisation of packaging (recycling, weight and volume) must be achieved when a product is designed |
| Suppliers | To involve our suppliers in our corporate and environmental commitments, monitor their genuine involvement and support them in their approach to improvement. | Follow ups and audits: - validate rating criteria - identify key suppliers - progress to a rating Reduction of CO₂ emissions: - collect “CO ₂ emissions” data |
| Sales and marketing ethics | To support the international development of our brands by promoting responsible consumption and implementing impeccable marketing and sales ethics, in respect of the principles and transparency relayed by our distribution partners and an effective Consumer Service Department. | Responsible communication: - validation of communication campaigns by the Responsible Communication Committee |
| Human Resources | To guarantee social equality and the personal development of all our employees, encourage their adherence to the Company’s business strategy and involve them in the Group’s socially responsible actions, within the framework of Rémy Cointreau’s fundamental commitment to the values of listening and dialogue. | Training and mobilisation: - encourage professional development - develop the sales, economic, financial and luxury goods culture of the Group as well as professional development |
| Stakeholders and regions sustainable development | To respond to the needs of stakeholders and share our experience in the area of sustainable development at a regional level where Rémy Cointreau operates, with specific action for sustainable development at a local level. | Involvement of stakeholders: - develop the dialogue with stakeholders Participation in regional sustainable development: - exchanges with CCI organisations and local companies |

2008/2011

ACTION TAKEN IN 2008/2009

- Retain the “Integrated Agriculture” in Cognac
 - Certification in Reims (calculate the risk of pesticides)
 - Recycle wood to produce energy
 - Update the technical Guide aimed at winemakers
 - Organise training in Integrated Agriculture
 - Encourage the practice of environmental diagnostics
-

- Effective calculation of the Carbon Test on each site
 - Individual record of travel
 - Reduce work travel through the use of video conferencing
 - Adopt a “car pooling” policy, with priority given to the use of electric vehicles or vehicles with CO₂ emissions lower than 120g/km)
-

- Identify eco steps to reduce the consumption of natural resources such as paper, electricity and water
 - Create paperless billing tracking software
 - Road mapping the follow up of paper consumption
 - Only use PEFC paper
 - Integrate the High Environmental Value benchmark when building new projects
-

- Implement software to measure the environmental effects of packaging
 - Train Product Development teams
 - Prepare an “Eco-design” internal guide
-

- Identify key suppliers
 - Create and use a rapid detection chart of risks
 - Undertake audits
 - Establish a closely monitored individual progress plan
 - Select a new internal audit company
-

- Send out Carbon Testing questionnaires
 - Detection of (high) risk suppliers
-

- Validate communication campaigns by the Responsible Communication Committee
 - Ongoing improvement in processing requests for information by consumers and major buyers
-

- Individual report on recommended training for each employee and a summary of the individual training rights
 - Training over two years of the packaging teams in Cognac (Héraclès programme)
 - Sign the diversity agreement
 - Issue an internal publication on the themes of diversity and HR
-

- Distribute the CER Charter and support dedicated to eco steps
 - Organise a seminar on Design awareness
 - A day dedicated to the discovery of a large country: China
 - Participate in Poitou-Charentes regional workshop exchanges
 - Lead a “Responsible purchasing” workshop (Association Altère Entreprise)
-

- Continue to support the Second Chance Foundation
 - Support the “Students and Sustainable Development” Forum
 - Support the ETIC schools network in Poitou-Charentes
 - Participate in an awareness campaign on Sustainable Development through theatre
-



CORPORATE GOVERNANCE

The Board of Directors aims to increase the Company's value strategy and to defend its corporate interests. Its role is to adopt significant strategic steps and to monitor their implementation as well as to verify the reliability and true nature of information concerning the Group.

Board of Directors

Mr. Pierre Cointreau
Honorary Chairman

Mrs Dominique Hériard Dubreuil
Chairman of the Board

Mr. François Hériard Dubreuil
Mr. Marc Hériard Dubreuil

Sir Brian Ivory

Mr. Jean Burelle⁽¹⁾

Mr. Jacques Étienne de T'Serclaes⁽¹⁾

Mr. Gabriel Hawawini⁽¹⁾

Mr. Tim Jones

Mr. Patrick Thomas⁽¹⁾

Orpar (represented by
Mrs Marie Barbaret)

M. Jürgen Reimnitz, Censor

Each Board member must hold at least 100 shares according to the bylaws. Between 1 April 2008 and 31 March 2009, the Board of Directors met seven times with a 90% attendance rate.

Executive Committee

Mr. Jean-Marie Laborde
Chief Executive Officer

Mr. Jean-François Boueil
Senior Vice-President Human Resources

Mr. Hervé Dumesny
Chief Financial Officer

Mr. Damien Lafaurie
Executive Vice-President Global Markets

Mr. Christian Liabastre
Executive Vice-President Brands
Strategy and Development

Mr. Patrick Marchand
Senior Vice-President Operations

Statutory Auditors

Ernst & Young & Autres
Represented by Marie-Laure Delarue

Auditeurs & Conseils Associés
Represented by Olivier Juramie

Committees

The following four committees have been established within the Board of Directors. Each committee comprises at least one independent member.

“Audit and Finance” Committee

Chaired by Jacques Etienne de T'serclaes, the role of this committee is to examine the annual and interim parent company and consolidated financial statements, before their submission to the Board of Directors and to ensure implementation of internal controls, the hedging policy as well as the Group's tax position.

“Nomination-Remuneration” Committee

Chaired by Sir Brian Ivory, this committee submits proposals on remuneration and the allocation of free shares. It examines the salary policy for the year, the profit-sharing plan and the implementation of the legal conditions for executives.

“Development and Marketing Strategy” Committee

Chaired by Dominique Hériard Dubreuil, the principal role of this committee is to focus on the Group's distribution strategy and the post-Maxxium distribution geographical coverage.

“Ethics, Environment and Sustainable Development” Committee

Chaired by Gabriel Hawawini, the role of this committee is to examine the implementation of the Group's Corporate and Environmental Responsibility policy.

Each committee reports its findings to the Board of Directors.

(1) There are four independent Board members.

STOCK MARKET AND SHAREHOLDERS SHARE PERFOR- MANCE

Market: Euronext Paris
ISIN Code: FR0000130395
Reuters Code: RCO-FR
Bloomberg Code: RCO FP
Indices: CAC MID100 and SBF 120



2009/10 Shareholders' Agenda

| | |
|-----------|--|
| 16.07.09 | Q1 turnover (April - June 2009) |
| 28.07.09 | Annual General Meeting in Cognac (Charente) |
| 16.10.09 | H1 turnover (April - September 2009) |
| 25.11.09 | Interim results (as at 30 September 2009) |
| 22.01.10 | Q3 turnover (April - December 2009) |
| 22.04.10 | 12 months' turnover (April 2009 - March 2010) |
| June 2010 | Preliminary results (as at March 2010) |

Shareholder information

The Financial Communications department is responsible for the Group's information policy in respect of the financial community, investors and shareholders. The department is available to respond to any enquiries regarding the Group. It distributes a shareholders' letter on a regular basis.

The e-mail address is:
info@remy-cointreau.com

The Rémy Cointreau website www.remy-cointreau.com is designed to provide information on the Group and its operations. It includes press releases issued to the financial community, as well as presentations given to analysts and journalists. It also provides access to the share price in real time.

All regulatory information required by the AMF is directly available at the following dedicated address www.remy-cointreau.com

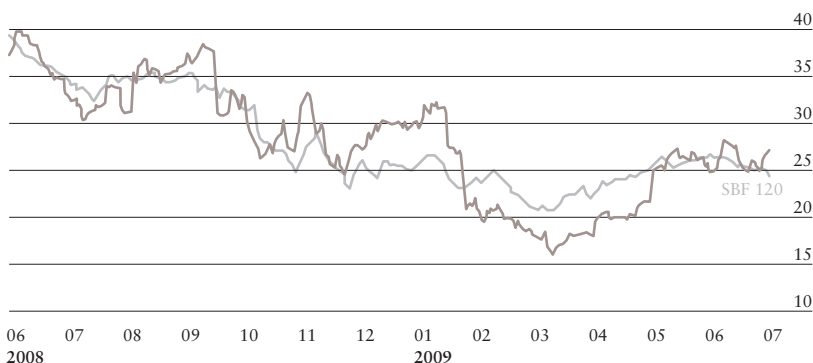


Rémy Cointreau's share performance

Stock markets were significantly impacted, from August 2007, by the financial crisis which continued and deepened during 2008. Stock market prices and consumer and company behaviour were strongly affected. In this context, this year share markets experienced one of their biggest declines, following five years of growth.

Rémy Cointreau's share price ended the 2008 calendar year at €29.63. At 31 March 2009, the Company's financial year end, the share price was €17.85. At that date, Rémy Cointreau's market capitalisation was €844,830,254 million.

Rémy Cointreau's share price performance from 1 June 2008 to 30 June 2009



The Privilège Club

The Privilège Club is open to all individual shareholders who are particularly interested in the Group. The Club enables members to familiarise themselves with the Group, its operations and its brands, particularly by providing special offers on certain products.

The Club also offers members a VIP welcome at the various production sites that are open to the public.

Rémy Cointreau
Shareholders' Club
21 boulevard Haussmann
75009 Paris

info@remy-cointreau.com
Tel. + 33 1 44 13 45 15

CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

| | | |
|--|----------------|----------------|
| Assets (as at 31 March in € millions) | 2009 | 2008 |
| Brands and other intangible assets | 629.8 | 627.0 |
| Property, plant and equipment | 197.0 | 180.0 |
| Investments in associates | 62.1 | 120.3 |
| Other investments | 61.1 | 54.1 |
| Deferred tax assets | 22.4 | 14.0 |
| Non-current assets | 972.4 | 995.4 |
| Inventories | 961.2 | 861.6 |
| Trade and other receivables | 282.1 | 238.3 |
| Income tax receivables | 6.0 | 1.5 |
| Derivative financial instruments | 10.8 | 26.1 |
| Cash and cash equivalents | 89.4 | 37.3 |
| Assets held for sale | 0.2 | 2.5 |
| Current assets | 1,349.7 | 1,167.3 |
| TOTAL ASSETS | 2,322.1 | 2,162.7 |
| Equity and liabilities (as at 31 March in € millions) | 2009 | 2008 |
| Share capital | 75.8 | 74.5 |
| Share premium | 685.5 | 664.5 |
| Treasury shares | (2.3) | 0.1 |
| Consolidated reserves | 127.9 | 100.4 |
| Translation reserve | (0.5) | (24.6) |
| Net profit – Group share | 86.1 | 98.4 |
| Equity – Group share | 972.5 | 913.3 |
| Minority interests | (1.8) | (1.8) |
| Total equity | 970.7 | 911.5 |
| Long-term borrowings | 592.4 | 322.1 |
| Provision for staff benefits | 18.7 | 20.3 |
| Long-term provisions for liabilities and charges | 12.4 | 7.5 |
| Deferred tax liabilities | 200.4 | 163.0 |
| Non-current liabilities | 823.9 | 512.9 |
| Short-term borrowings and accrued interest | 28.9 | 156.1 |
| Trade and other payables | 452.9 | 307.4 |
| Income tax payables | 32.9 | 6.9 |
| Short-term provisions for liabilities and charges | 5.9 | 267.8 |
| Derivative financial instruments | 6.9 | 0.1 |
| Current liabilities | 527.5 | 738.3 |
| TOTAL EQUITY AND LIABILITIES | 2,322.1 | 2,162.7 |

| Income statement (as at 31 March in € millions) | 2009 | 2008 |
|--|---------------|---------------|
| Turnover | 714.1 | 817.8 |
| Cost of sales | (302.3) | (375.7) |
| Gross profit | 411.8 | 442.1 |
| Distribution costs | (201.7) | (210.6) |
| Administrative expenses | (80.7) | (83.0) |
| Other income (expenses) from operations | 7.6 | 11.1 |
| Current operating profit | 137.0 | 159.6 |
| Other operating income (expenses) | 14.9 | (0.6) |
| Operating profit (loss) | 151.9 | 159.0 |
| Finance costs | (33.1) | (40.5) |
| Other financial income (expense) | 1.8 | (5.3) |
| Net financial charges | (31.3) | (45.8) |
| Profit before tax | 120.6 | 113.2 |
| Income tax | (37.5) | (28.9) |
| Share of profit of associates | 3.0 | 9.5 |
| Profit from continuing operations | 86.1 | 93.8 |
| Profit (loss) from discontinued operations | - | 4.6 |
| NET PROFIT FOR THE YEAR | 86.1 | 98.4 |
| GROUP SHARE | 86.1 | 98.4 |
| EARNINGS PER SHARE - GROUP SHARE (€) | | |
| Basic | 1.84 | 2.12 |
| Diluted | 1.83 | 2.10 |
| NUMBER OF SHARES USED FOR THE CALCULATION | | |
| Basic | 46,877,143 | 46,320,872 |
| Diluted | 47,113,389 | 46,792,120 |

COMMENTARY AND OUTLOOK

The year ended 31 March 2009 was marked by a significant event which was critical for the Group's long-term strategy: Rémy Cointreau exited the Maxxium joint venture distribution network on 30 March 2009. The new distribution network was immediately operational, as expected, in 38 markets worldwide.

This exit was reflected in the payment of compensation to Maxxium of €224 million, and by the disposal of its investment in the joint venture for €60.4 million. Turnover fell due to the economic environment, the significant level of destocking noted in the markets for a number of months, as well as inventories taken back by the Group from Maxxium. This transition also led to temporary excess costs of around €12 million.

In this context, Rémy Cointreau demonstrated great resilience in the current crisis due to a well executed transition, the dynamics of its brands and the quality of its products.

Consolidated results

Turnover was €714.1 million, a decline of 11.6% (10.4% for Group brands).

Current operating profit amounted to €137 million, a decline of 12.9%, while the operating margin remained stable at 19.2% (21.9% for Group brands).

Operating profit was €151.9 million, after taking into account net income of €14.9 million, of which €13.6 million directly related to the exit from Maxxium. In September 2008, the Group revised the exit compensation provision (a release of €37 million) and recorded an impairment charge of €16 million in respect of the value of Maxxium shares.

Net financial charges of €31.3 million was a significant improvement (+€14.5 million) compared with the published figure last year. The year 2007/08 financial year included an exceptional charge of €10.5 million due to the early repayment premium of the 6.5% bonds. Average debt fell by nearly 12%, while average interest rates increased by 1.4 points due to the increased cost of financing the inventories of the co-operative and hedging at less favourable rates.

Profit before tax was €120.6 million, an increase of 6.6% (4.2% organic).

Profit from continuing operations was €86.1 million after tax. This takes into account an effective tax charge of 31.1%, an increase compared with the previous year (25.5%) mostly due to the non-deductibility of the impairment charge of the Maxxium shares.

Net profit - Group share amounted to €86.1 million, an organic decline of 14.3%, in line with guidance.

Net financial debt amounted to €531.9 million, an increase of €91 million. This includes the payment of the compensation for exiting Maxxium of €224 million, net of the sale of the Maxxium shares of €60.4 million, representing a net outflow of €163.6 million. The positive movement in debt led to a Debt/Ebitda ratio of 2.99 which complies with the banking covenant of the Group's syndicated credit (below 3.50). The confirmed financial resources of Rémy Cointreau amount to €812.4 million.

Equity was €970.7 million, a €59 million increase compared with the previous year.

At the General Meeting to be held on 28 July 2009, a **dividend** of €1.30 will be put to a shareholders' vote with the option of a payment in shares of 50% or a full payment in cash.

Outlook

In an uncertain economic environment, Rémy Cointreau has decided to maintain its long-term value strategy, now based on a substantially restructured and controlled distribution network, and to continue its strategy of carefully selected price increases for its premium brands.

Rémy Cointreau remains confident in its ability to successfully come through this period of adverse trading conditions, due to the strength of its brands, the dynamism provided by its new commercial resources and the quality of funding at its disposal.



RÉMY COINTREAU

21 boulevard Haussmann 75009 Paris

Telephone +33 1 44 13 44 13

The French version of this document is available
on request or via the remy-cointreau.com website

Photo credits: Rémy Cointreau, Alexis Blondel,
Marc Praquin & Faustine Cornette de Saint Cyr
Designed and produced by Agence Marc Praquin



This document is printed on 100% recyclable and biodegradable coated paper,
manufactured from ECF (Elemental Chlorine Free) bleached pulp in a European factory is
certified ISO 9001 (for its quality management), ISO 14001 (for its environmental management),
CoC PEFC (for the use of paper from sustainably managed forests)
and is EMAS-accredited (for its environmental performance).

