HALF-YEAR FINANCIAL REPORT
FINANCIAL YEARS 2013/2014

RÉMY COINTREAU

1 HALF-YEAR BUSINESS REPORT

FIRST SIX MONTHS OF THE YEAR ENDING 31 MARCH 2014

For the period ended 30 September 2013, the Group generated current operating profit of €132.7 million, a fall of 6.2% (7.3% organic). The operating margin came to 23.8%, a slight increase on the period ended 30 September 2012.

1.1 Comments on the consolidated income statement

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

1.1.1 Key figures

(in € millions)	**2013**	2012	Reported change	Organic change
Net Sales	558.0	595.8	-6.3%	-3.6%
Current operating profit	**132.7**	**141.5**	**-6.2%**	**-7.3%**
As % of net sales	23.8%	23.7%		22.8%
Other operating income/(expense)	(3.5)	(2.7)		
Operating profit	129.2	138.8		
Financial result	(10.7)	(9.5)		
Income tax	(38.2)	(41.8)		
Share in profit of associates	(10.9)	(0.9)		
Profit from continuing operations	69.4	86.6		
Net profit/(loss) from discontinued operations	-	-		
Net profit attributable to the owners of the parent company	**69.3**	**86.6**	**-20.0%**	
Net profit excluding non-recurring items - attributable to the owners of the parent company	**85.5**	**88.5**	**-3.4%**	
Net profit per share (basic):				
On net profit excluding non-recurring items	**€1.73**	**€1.84**	**-6.0%**	
On net profit attributable to the owners of the parent company	€1.40	€1.80	-22.2%	

	Rémy Martin	Liqueurs & Spirits	Total Group brands	Partner Brands	Holding expenses	Total
Net Sales						
September 2013	327.2	120.4	447.6	110.5	-	**558.0**
September 2012	376.1	112.3	488.4	107.4	-	**595.8**
Reported change	-13.0%	+7.2%	-8.4%	+2.8%	-	**-6.3%**
Organic change	-10.4%	+10.2%	-5.7%	+6.0%	-	**-3.6%**
Current operating profit						
September 2013	116.1	20.9	137.0	4.5	(8.7)	**132.7**
September 2012	131.4	19.3	150.8	2.3	(11.6)	**141.5**
Reported change	-11.7%	+8.2%	-9.1%	+90.6%	-24.7%	**-6.2%**
Organic change	-11.7%	+2.6%	-9.9%	+74.6%	-24.7%	**-7.3%**
Operating margin						
September 2013	35.5%	17.4%	30.6%	4.0%	-	**23.8%**
September 2013 (organic)	34.5%	16.0%	29.5%	3.6%	-	**22.8%**
September 2012	34.9%	17.2%	30.9%	2.2%	-	**23.7%**

	Europe Middle East Africa	Americas	Asia Pacific	Total
Net Sales				
September 2013	151.9	219.7	186.4	**558.0**
September 2012	144.9	191.1	259.8	**595.8**
Reported change	+4.8%	+15.0%	-28.2%	**-6.3%**
Organic change	+5.4%	+19.5%	-25.6%	**-3.6%**

1.1.2 General comments on the current operating profit

Change in the **current operating profit** compared with September 2012 was as follows:

Current operating profit - September 2012	**141.5**
Change due to exchange rates (net of hedges)	1.5
Change in volumes	(37.6)
Change in price and product mix	14.9
Change in marketing investments (Group brands)	18.6
Change in other expenses	(6.2)
Current operating profit - September 2013	**132.7**

Exchange rate fluctuations had a positive overall effect in the amount of €1.5 million, primarily reflecting a net favourable effect on the U.S. dollar and related currencies. The fluctuation in the Yen had a negative impact over the period of €(0.5) million. The average €/USD rate over the period was 1.32 compared with 1.27 during the previous period. Taking into account its hedging policy, the Group recorded an average collection rate of 1.31 on the net flows in U.S. dollars generated by its European entities, which was slightly more favourable than the rate of 1.34 obtained for the period ended 30 September 2012.

The fall in volumes originated mainly in the Rémy Martin division and the Chinese market, where the Group nonetheless maintained its pricing policy and its targeted investments.

After taking into account a controlled increase in other costs, current operating profit decreased organically by €10.3 million, allowing an operating margin of close to 23% to be maintained.

1.1.3 Results from operations

For the period ended 30 September 2013, the Rémy Cointreau Group generated **net sales** of €558.0 million, an organic decrease of 3.6% compared with the previous period, which recorded an increase of 13.3%.

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

By **geographic area:** The Asia Pacific region shrank by 25.6%, reflecting the situation on the Chinese market, which continued to be slowed by certain factors that began in the second half of last year. Other countries in the region, such as Japan, posted growth. The Americas region continued its remarkable expansion, with growth of 19.5%. This region posted organic growth of 14.9% at 30 September 2012. Europe, suffering from an adverse economic environment, recorded organic growth of 5.4%, of which 7.9% was accounted for by Group brands.

RÉMY MARTIN

Net sales, which amounted to €327.2 million, were down by 10.4%. This reflected the situation on the Chinese market, which was not offset by the excellent growth recorded in the Americas and Europe regions. The temporary slowdown in the sales growth in China did not detract from the brand's fundamentals in any way and did not hinder the strategic, targeted investments made by Rémy Martin in this region.

Current operating profit fell 11.7% to €116.1 million. The current operating margin was 34.5%, close to the level recorded in the previous period (34.9%). This was a result of the continued high gross margin, more targeted marketing investment and very moderate increases in structural and distribution costs (+3.5%).

LIQUEURS & SPIRITS

Net sales were €120.4 million, which represented an increase of 10.2% compared with the previous period. All regions posted growth. The Cointreau brand grew in the United States and other countries in the Americas region, as well as on its key markets in Europe. The St-Remy, Metaxa and Mount Gay brands performed very well over the half-year period. In particular, the new Mount Gay rum range was successfully established in the United States. Bruichladdich Single Malt Scotch Whisky, acquired in September 2012, continued its integration within the Group's network.

The Liqueurs & Spirits division recorded current operating profit of €20.9 million, a 2.6% increase, with marketing investment maintained at high levels. The current operating margin was 16.0%, compared with 17.2% at end-September 2012. Excluding Bruichladdich, which is being integrated into the network, it would have been 18.1%, an increase of nearly 1 point.

PARTNER BRANDS

The Group generated net sales of €110.5 million, up 6%, primarily due to the good performance of the Scotch Whisky brands distributed in the United States.

The operating profit generated by the division was positive at €4.5 million, compared with €2.3 million for the period ended 30 September 2012.

HOLDING EXPENSES

These expenses fell sharply by 24.7%, mainly as a result of increases in certain social security charges in France that needed to be accounted for in the first half of the previous year. They totalled 1.6% of net consolidated sales (1.9% at end-September 2012).

1.1.4 Operating profit

After accounting for impacts relating mainly to the Larsen transaction, in the amount of €3.5 million, operating profit came to €129.2 million (2012: €138.8 million).

1.1.5 Financial result

(in € millions)	**2013**	2012	Change
Cost of gross financial debt	(12.3)	(11.7)	(0.6)
Investment income	1.8	1.5	0.3
Sub-total	**(10.5)**	**(10.2)**	**(0.3)**
Change in value of the portfolio of interest rate hedging instruments	(0.1)	(1.2)	1.1
Currency gains/(losses)	1.3	3.0	(1.7)
Other financial expenses (net)	(1.4)	(0.9)	(0.5)
FINANCIAL RESULT	**(10.7)**	**(9.5)**	**(1.2)**

Financial result totalled €(10.7) million, an increase of €1.2 million:

- excluding the impact of non-qualified interest rate instruments, the cost of net financial debt was up by €0.3 million;
- the Group has a portfolio of interest rate swaps worth a notional amount of €150 million, to hedge against increases in short-term interest rates in the years 2012-2015. During the period ended 30 September 2013, the change in value of the portion of the portfolio that does not qualify as a hedge, now at €75 million, amounted to €(0.1) million. During the period ended 30 September 2012, a change in value of €(1.2) million was recorded in the financial result;
- currency gains/(losses) mainly comprised the impact of the value of the portfolio of currency hedging instruments in accordance with IFRS. This impact was positive by €1.3 million as of 30 September 2013, compared with net income of €3.0 million during the previous period;
- other financial expenses include items related to the change in the value of the vendor loan (a loan to the EPI group) and funding costs for certain *eaux-de-vie* owned by the AFC cooperative. There was a negative change of €0.4 million in these items compared with the previous period, related to the increase in inventories to be financed.

1.1.6 Net profit/(loss)

The tax charge, estimated on the basis of projection of an annual effective rate, amounted to €38.2 million, which is an effective tax rate of 32.2%. This was stable compared with the period ended 30 September 2012 (32.3%).

The share of profit of associates came from the 27% stake in the Chinese company Dynasty Fine Wines Ltd, a Chinese wine producer and distributor. This long-standing interest of Rémy Cointreau originated in a joint venture formed in 1980 with the city of Tianjin, which still owns 45%. Since 2005, this Group has been listed on the Hong Kong stock exchange, with a float of around 28%.

The listing was suspended on 22 March 2013, just after the Group issued a warning announcing a loss for the 2012 financial year. The suspension was the result of the Group's inability to report its financial statements for the 2012 financial year by the required deadline. This delay was caused by investigations carried out by the Audit Committee further to allegations of fraud.

At 31 March 2013, Rémy Cointreau applied an impairment charge of €15.9 million to its shareholding, deeming the downward trend of the results and the announcement of a loss to be clear indicators of impairment, quite apart from the fraud allegations and their possible impact.

As of 30 September 2013, the investigations had not been completed and the Dynasty Group had still not posted its 2012 financial statements or its 2013 half-yearly financial statements or given the slightest indication to the market of the timeframe involved, the resumption of the listing or the current state of affairs.

Rémy Cointreau carried out a new assessment with the help of an independent expert. This assessment, using all public data available about Dynasty, its competitors and the development of the wine market in China, led Rémy Cointreau to apply an additional impairment of €10.9 million to bring its fair value to €30.1 million.

As a result, net profit attributable to the owners of the parent came to €69.3 million, down 20% compared with the previous period (2012: €86.6 million), i.e. basic earnings per share of €1.40, compared with €1.80 during the previous period and €0.96 at 30 September 2011.

Excluding non-recurring items (other operating income and expense after tax and the net profits of discontinued operations and assets held for sale), the net profit attributable to the owners of the parent was down by 3.4% to €85.5 million, i.e. basic earnings per share of €1.73, compared with €1.84 during the previous period, a decrease of 6%.

1.2 Comments on the statement of financial position

(in € millions)	**September 2013**	September 2012	March 2013	Change
Brands and other intangible assets	479.8	475.8	480.2	(0.4)
Property, plant and equipment	181.4	163.0	173.1	8.3
Investments in associates	39.2	69.1	52.8	(13.6)
Other financial assets	93.2	89.0	89.9	3.3
Non-current assets (other than deferred tax)	**793.6**	**796.9**	**796.0**	**(2.4)**
Inventories	964.1	837.0	945.9	18.2
Trade and other receivables	318.2	299.2	255.5	62.7
Trade and other payables	(491.9)	(463.4)	(542.9)	51.0
Working capital requirements	**790.4**	**672.8**	**658.5**	**131.9**
Net financial derivatives	10.8	(20.7)	(12.1)	22.9
Net assets held for sale	0.2	0.2	28.8	(28.6)
Net current and deferred tax	(89.2)	(85.4)	(76.3)	(12.9)
Dividend Payable	(69.3)	(18.5)	0.0	(69.3)
Provisions for liabilities and charges	(33.0)	(30.6)	(34.6)	1.6
Other net current and non-current assets and liabilities	**(180.5)**	**(155.0)**	**(94.2)**	**(86.3)**
TOTAL	**1,403.5**	**1,314.7**	**1,360.3**	**43.2**
Financed by:				
Equity	**1,098.9**	**1,048.7**	**1,094.8**	**4.1**
Long-term financial debt	453.6	388.2	389.2	64.4
Short-term financial debt and accrued interest	59.2	49.0	63.1	(3.9)
Cash and cash equivalents	(208.2)	(171.2)	(186.8)	(21.4)
Net financial debt	**304.6**	**266.0**	**265.5**	**39.1**
TOTAL	**1,403.5**	**1,314.7**	**1,360.3**	**43.2**
For information:				
TOTAL ASSETS	**2,347.8**	**2,164.8**	**2,267.3**	**80.5**

All changes given below are compared with the financial year ended 31 March 2013.

Non-current assets decreased by €2.4 million to €793.6 million, breaking down as:

- an increase in property, plant and equipment of €8.3 million (additions €16.2 million, amortisation for the period €(6.8) million, translation differences and other €(1.1) million);
- the impact of the impairment of Dynasty shares in the amount of €(10.9) million and a translation difference of €(1.9) million on these shares held in Hong Kong Dollars;
- the capitalisation of interest on the vendor loan granted when the Champagne division was sold for €2.2 million.

The working capital requirement, which is always structurally higher at the end of September than at the end of March, increased by €131.9 million including €139.5 million in operating flows and €(7.6) million in translation differences and other.

The change in the value of financial instruments originated mainly in the portfolio of exchange rate instruments, which was at its highest level during the period and whose market value increased significantly.

The item "Assets held for sale" fell €28.6 million owing to the finalisation on 30 August 2013 of the sale of the Larsen cognacs business (brand, industrial and commercial assets, inventories required to operate the business) to the Nordic group Altia. These assets were presented under "Assets held for sale" at 31 March 2013 at their fair value less costs to sell and tax.

The tax item shows a net seasonal change of €12.9 million.

The Shareholders' Meeting of 24 September 2013 approved the payment of a dividend of €1.40 per share in respect of the year ended 31 March 2013. The payment of €69.3 million was made in October 2013. This debt is recorded under "Dividend payable" as at 30 September 2013. The previous year's dividend was partially paid in shares.

The change in shareholders' equity breaks down as follows:

Net profit/(loss) for the year	**69.4**
Income/(expenses) recorded directly in equity	9.2
Impact of stock option and similar plans	3.1
Change in translation reserves	(9.4)
Transactions on treasury shares	0.9
Dividend paid out in shares and in cash	(69.1)
TOTAL CHANGE	**4.1**

Net debt totalled €304.6 million, an increase of €39.1 million compared with March 2013, reflecting the trend in operating cash flows.

As of 30 September 2013, the Rémy Cointreau Group's confirmed financial resources totalled €665 million, breaking down as:

- a private placement of €140 million maturing on 10 June 2015 and bearing interest at the rate of 3.67%;
- a €205 million bond maturing on 15 December 2016, with a coupon of 5.18% and an issue premium of 2.26%;
- a €255 million syndicated revolving loan concluded on 5 June 2012 for a period of five years, replacing an old loan which matured on 7 June 2012;
- a €65 million bond issued on 13 August 2013 and maturing on 13 August 2023, with a coupon of 4% and an issue premium of 2.00%.

The A ratio [1] (net debt/EBITDA), which determines the availability of private placements and the syndicated loan as well as the margin applicable to drawdowns on the syndicated loan, was 1.09 as of 30 September 2013. The terms of the syndicated loan and private placement stipulate that this ratio, calculated every six months, must remain below or equal to 3.5 until the loan matures.

(1) The A ratio is calculated every six months. It is the ratio of (a) the arithmetic average of net debt at the end of the half-year and the end of the prior half-year and (b) EBITDA for the previous 12 months.

1.3 Comments on the consolidated cash flow statement

(in € millions)	**2013**	2012	Change
EBITDA	144.3	152.0	(7.7)
Change in working capital requirement	(139.5)	(105.7)	(33.8)
Net cash flow from operations	4.8	46.3	(41.5)
Other operating income/(expenses)	(0.1)	(0.2)	0.1
Financial income/(expense)	(20.6)	(13.6)	(7.0)
Income tax	(38.9)	(25.4)	(13.5)
Other operating cash flows	(59.6)	(39.2)	(20.4)
Net cash flow from operating activities	**(54.8)**	**7.1**	**(61.9)**
Net cash flow from investment activities	14.1	(75.4)	89.5
Net cash flow before financing activities	**(40.7)**	**(68.3)**	**27.6**
Treasury shares	0.9	(0.7)	1.6
Dividends paid to owners of the parent	-	-	-
Capital expenditure	**0.9**	**(0.7)**	**1.6**
Repayment of financial debt	61.7	49.3	12.4
Net cash flow after financing activities	**21.9**	**(19.7)**	**41.6**
Translation differences on cash and cash equivalents	(0.5)	0.8	(1.3)
Change in cash and cash equivalents	**21.4**	**(18.9)**	**40.3**

EBITDA [1] fell by €7.7 million, owing to a change in current operating profit in the amount of €8.8 million.

The change in working capital requirements, which rose by €139.5 million, was €(33.8) million compared with the previous period, of which €29.4 million originated in a larger increase in inventories of finished products as a result of slower sales.

Net cash outflows relating to financing activities were €20.6 million, an increase of €7 million including €1.5 million in interest payments and €4.5 million in currency related impacts.

Net flows of taxes amounted to €(38.9) million, reflecting the Group's tax charge over the period.

Investment flows over the period amounted to a positive €14.1 million and mainly comprised a €21.4 million outflow for purchases of intangible assets and property, plant and equipment and a €36.8 million inflow from the disposal of the Larsen business. For the period ended 30 September 2012, they included €62.6 million for the purchase of shares of Bruichladdich Distillery Company Ltd and €12.7 million for industrial investments.

After taking into account capital expenditure, net change in financial debt and translation differences, the item cash and cash equivalents increased by €21.4 million. The Group thus had €208.2 million in gross cash as of 30 September 2013.

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

1.4 Subsequent events

The Dynasty Group has not yet posted its 2012 financial statements or its 2013 half-year financial statements, nor expressed a view on the veracity of the fraud allegations made against it. Its listing remains suspended.

On 24 October 2013, the ratings agency Moody's upgraded Rémy Cointreau's rating to Baa3. Standard & Poor's had also upgraded its rating on Rémy Cointreau on 10 October 2013. Consequently, Rémy Cointreau is now rated as "Investment Grade".

1.5 Outlook

In the context of an uncertain background in Europe and a marked slowdown in China, continuing to be impacted by the level of retail inventories, with poor short-term visibility, the outlook for the second half-year is less favourable. This situation will have a downward influence on current operating profit, which is expected to suffer a significant double-digit fall by the end of the financial year, following many years of regular, sustained growth. Nevertheless, the Group remains confident in the medium and long term in Asia, and China in particular, and its development potential remains unchanged.

Rémy Cointreau is resolutely pursuing its strategy based on premium brands and long-term value.

Targeted development of its brands, continuing innovation, improving the quality of its distribution and strict management make the Group confident that its value creation model will lead to a return to steady growth.

2 CONSOLIDATED FINANCIAL STATEMENTS OF THE RÉMY COINTREAU GROUP

AT 30 SEPTEMBER 2013

2.1 Consolidated income statement

(in € millions)	*Notes*	**September 2013**	September 2012	March 2013
Net Sales	*15*	**558.0**	**595.8**	**1,193.3**
Cost of sales		(213.8)	(221.6)	(456.4)
Gross margin		**344.2**	**374.2**	**736.9**
Distribution costs	*16*	(170.5)	(192.0)	(403.3)
Administrative expenses	*16*	(41.6)	(41.9)	(89.8)
Other income from operations	*16*	0.6	1.2	1.6
Current operating profit	*15*	**132.7**	**141.5**	**245.4**
Other operating income/(expense)	*17*	(3.5)	(2.7)	(7.5)
Operating profit		**129.2**	**138.8**	**237.9**
Finance costs		(10.6)	(11.4)	(22.1)
Other financial income/(expense)		(0.1)	1.9	2.1
Financial result	*18*	**(10.7)**	**(9.5)**	**(20.0)**
Profit before tax		**118.5**	**129.3**	**217.9**
Income tax	*19*	(38.2)	(41.8)	(72.0)
Share in profit of associates	*5*	(10.9)	(0.9)	(15.5)
Profit from continuing operations		**69.4**	**86.6**	**130.4**
Net profit/(loss) from discontinued operations	*20*	-	-	-
Net profit for the period		**69.4**	**86.6**	**130.4**
Attributable to:				
non-controlling interests		0.1	-	-
owners of the parent company		69.3	86.6	130.4
Net earnings per share - from continuing operations (€)				
basic		1.40	1.80	2.67
diluted		1.40	1.79	2.66
Net earnings per share - attributable to owners of the parent company (€)				
basic		1.40	1.80	2.67
diluted		1.40	1.79	2.66
Number of shares used for the calculation				
basic	*10.2*	49,474,968	48,221,807	48,880,252
diluted	*10.2*	49,667,468	48,408,307	49,010,681

2.2 Consolidated statement of comprehensive income

(in € millions)	**September 2013**	September 2012	March 2013
Net profit for the year	**69.4**	**86.6**	**130.4**
Change in the value of hedging instruments (1)	14.3	(3.7)	5.0
Actuarial difference on pension commitments	-	-	(3.1)
Change in the value of AFS shares (2)	-	-	0.3
Related tax effect	(5.1)	1.2	(0.7)
Change in translation differences	(9.4)	5.4	1.6
Total income/(expenses) recorded in equity	**(0.2)**	**2.9**	**3.1**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**69.2**	**89.5**	**133.5**
Attributable to:			
owners of the parent company	69.1	89.4	133.5
non-controlling interests	0.1	0.1	-

(1) of which unrealised gains and losses transferred to income	*0.4*	*(0.4)*	*1.7*
(2) of which unrealised gains and losses transferred to income	*-*	*-*	*-*

2.3 Consolidated statement of financial position

(in € millions)	*Notes*	**September 2013**	**September 2012**	**March 2013**
Brands and other intangible assets	*3*	479.8	475.8	480.2
Property, plant and equipment	*4*	181.4	163.0	173.1
Investments in associates	*5*	39.2	69.1	52.8
Other financial assets	*6*	93.2	89.0	89.9
Deferred tax assets		40.7	50.9	47.2
Non-current assets		**834.3**	**847.8**	**843.2**
Inventories	*7*	964.1	837.0	945.9
Trade and other receivables	*8*	318.2	299.2	255.5
Income tax receivables	*19*	1.1	0.9	0.8
Derivative financial instruments	*14*	21.7	8.5	6.3
Cash and cash equivalents	*9*	208.2	171.2	186.8
Assets held for sale		0.2	0.2	28.8
Current assets		**1,513.5**	**1,317.0**	**1,424.1**
TOTAL ASSETS		**2,347.8**	**2,164.8**	**2,267.3**
Share capital		81.4	81.3	81.4
Share premium		828.6	828.6	828.6
Treasury shares		(96.5)	(96.5)	(97.4)
Consolidated reserves and profit for the year		283.0	220.1	270.7
Translation reserve		1.1	13.9	10.3
Equity - attributable to owners of the parent company		**1,097.6**	**1,047.4**	**1,093.6**
Non-controlling interests		1.3	1.3	1.2
Equity	*10*	**1,098.9**	**1,048.7**	**1,094.8**
Long-term financial debt	*11*	453.6	388.2	389.2
Provision for employee benefits		25.6	22.2	25.2
Long-term provisions for liabilities and charges	*12*	5.8	7.1	5.8
Deferred tax liabilities		90.1	97.6	99.0
Non-current liabilities		**575.1**	**515.1**	**519.2**
Short-term financial debt and accrued interest	*11*	59.2	49.0	63.1
Trade and other payables	*13*	491.9	463.4	542.9
Dividend payable	*10*	69.3	18.5	-
Income tax payables	*19*	40.9	39.6	25.3
Short-term provisions for liabilities and charges	*12*	1.6	1.3	3.6
Derivative financial instruments	*14*	10.9	29.2	18.4
Current liabilities		**673.8**	**601.0**	**653.3**
TOTAL EQUITY AND LIABILITIES		**2,347.8**	**2,164.8**	**2,267.3**

2.4 Statement of changes in consolidated shareholders' equity

(in € millions)	Share capital and premium	Treasury shares	Reserves and consolidated profit	Translation difference	Profit recorded in equity	Attributable to: owners of the parent company	Attributable to: non-controlling interests	Total equity
At 31 March 2012	**817.6**	**(95.8)**	**262.5**	**8.6**	**(18.1)**	**974.8**	**1.2**	**976.0**
Net profit for the period	-	-	86.6	-	-	**86.6**	-	**86.6**
Gains (losses) recorded in equity	-	-	-	5.3	(2.5)	**2.8**	0.1	**2.9**
Share-based payments	-	-	2.4	-	-	**2.4**	-	**2.4**
Transactions on treasury shares	-	(0.7)	-	-	-	**(0.7)**	-	**(0.7)**
Dividends	92.3	-	(110.8)	-	-	**(18.5)**	-	**(18.5)**
At 30 September 2012	**909.9**	**(96.5)**	**240.7**	**13.9**	**(20.6)**	**1,047.4**	**1.3**	**1,048.7**
At 31 March 2013	**910.0**	**(97.4)**	**287.4**	**10.3**	**(16.7)**	**1,093.6**	**1.2**	**1,094.8**
Net profit for the period	-	-	69.3	-	-	**69.3**	0.1	**69.4**
Gains (losses) recorded in equity	-	-	-	(9.4)	9.2	**(0.2)**	-	**(0.2)**
Share-based payments	-	-	3.1	-	-	**3.1**	-	**3.1**
Transactions on treasury shares	-	0.9	-	-	-	**0.9**	-	**0.9**
Dividends	-	-	(69.3)	0.2	-	**(69.1)**	-	**(69.1)**
AT 30 SEPTEMBER 2013	**910.0**	**(96.5)**	**290.5**	**1.1**	**(7.5)**	**1,097.6**	**1.3**	**1,098.9**

2.5 Statement of cash flows

(in € millions)	*Notes*	**September 2013**	September 2012	March 2013
Current operating profit		132.7	141.5	245.4
Depreciation, amortisation and impairment		8.1	7.6	16.5
Share-based payments		3.1	2.3	5.3
Dividends received from associates	*5*	0.4	0.6	0.9
EBITDA		**144.3**	**152.0**	**268.1**
Change in inventories		(28.7)	0.7	(50.5)
Change in trade receivables		(72.6)	(88.1)	(28.7)
Change in trade payables		(29.6)	(26.0)	16.8
Change in other receivables and payables		(8.6)	7.7	16.2
Change in working capital requirement		**(139.5)**	**(105.7)**	**(46.2)**
Net cash flow from operations		**4.8**	**46.3**	**221.9**
Other operating income/(expenses)		(0.1)	(0.2)	0.9
Financial result		(20.6)	(13.6)	(24.0)
Income tax		(38.9)	(25.4)	(66.8)
Other operating cash flows		**(59.6)**	**(39.2)**	**(89.9)**
Net cash flow from operating activities - continuing operations		**(54.8)**	**7.1**	**132.0**
Impact of discontinued operations		-	-	-
Net cash flow from operating activities		**(54.8)**	**7.1**	**132.0**
Purchase of intangible assets and property, plant and equipment	*3/4*	(21.4)	(12.7)	(26.1)
Purchase of shares in associates and non-consolidated investments	*5/6*	-	(62.6)	(151.8)
Disposal of intangible assets and property, plant and equipment		36.8	0.1	0.3
Net cash flow from other investments	*6*	(1.3)	(0.2)	0.6
Net cash flow from investment activities - continuing operations		**14.1**	**(75.4)**	**(177.0)**
Impact of discontinued operations		-	-	-
Net cash flow from investment activities		**14.1**	**(75.4)**	**(177.0)**
Treasury shares	*10*	0.9	(0.7)	2.4
Increase in financial debt		63.7	61.6	96.6
Repayment of financial debt		(2.0)	(12.3)	(40.6)
Dividends paid to shareholders of the parent company		-	-	(18.4)
Net cash flow from financing activities - continuing operations		**62.6**	**48.6**	**40.0**
Impact of discontinued operations		-	-	-
Net cash flow from financing activities		**62.6**	**48.6**	**40.0**
Translation differences on cash and cash equivalents		(0.5)	0.8	1.7
Change in cash and cash equivalents		**21.4**	**(18.9)**	**(3.3)**
Cash and cash equivalents at start of year	*9*	**186.8**	**190.1**	**190.1**
Cash and cash equivalents at end of year	*9*	**208.2**	**171.2**	**186.8**

2.6 Notes to the consolidated financial statements

CONTENTS

INTRODUCTION

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

The condensed consolidated financial statements presented below were approved by the Board of Directors on 19 November 2013 pursuant to a recommendation from the Audit Committee following its meeting of 18 November 2013.

NOTE 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 2013.

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

The condensed consolidated financial statements presented in 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 2013.

The accounting principles applied in the preparation of the interim financial statements for the period ended 30 September 2013 are the same as those applied for the year ended 31 March 2013.

The following standards and amendments became mandatory for the Group for the first-time as of 1 January 2013:

- amendments to IAS 19, primarily aimed at removing the option to postpone the recognition of all or part of actuarial differences (corridor method);
- IFRS 13, "Fair value measurement";
- amendments resulting from the annual improvement process for IFRS 2009-2011;
- amendments to IFRS 7, "Financial instruments": offsetting of financial assets and financial liabilities.

The first-time adoption of a certain number of these standards and amendments has no material impact on the Group's consolidated financial statements.

The following standards and amendments became mandatory after 30 September 2013:

- IFRS 10, "Consolidated financial statements";
- FRS 11, "Joint arrangements";
- IFRS 12, "Disclosure of interests in other entities";
- IAS 28, "Investments inassociates and joint ventures";
- amendments to IFRS 10, IFRS 11 and IFRS 12 setting out transition guidance;
- amendments to IAS 32 setting out the principles relating to offsetting financial assets and financial liabilities;
- IFRS 9, "Financial instruments", and its Amendment which puts back the effective date of the standard to annual periods beginning on or after 1 January 2015;
- amendments to IFRS 7 relating to disclosures during the transition to IFRS 9;
- interpretation of IFRIC 21,"Levies", relating to the recognition of a liability for a levy;
- amendment to IAS 36, "Impairment of assets", relating to recoverable amount disclosures for non-financial assets.

Subject to their definitive adoption by the European Union, these standards, amendments and interpretations are mandatory on or after 1 January 2014. The Group is currently assessing any impact from first-time adoption of these standards and amendments.

Historically, Group sales are not evenly split between the first half-year and the second half-year. As a result, the interim results at 30 September 2013 are not necessarily indicative of those expected for the full year ending 31 March 2014.

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.

NOTE 2 CHANGES IN CONSOLIDATION SCOPE

On 30 August 2013, Rémy Cointreau finalised the sale of the Larsen cognacs business (brand, industrial and commercial assets, inventories required to operate the business) to the Finnish group Altia. These assets were presented under “Assets held for sale” at 31 March 2013 at their fair value less costs to sell and tax. The value of the sale, before tax, was €36.4 million.

Rémy Cointreau acquired Larsen SA on 28 December 2012. Large inventories of high-quality *eaux-de-vie* that formed a substantial and strategic portion of the acquired assets were kept.

NOTE 3 BRANDS AND OTHER INTANGIBLE ASSETS

(in € millions)	Goodwill	Brands	Distribution rights	Other	Total
Gross value at 30 September 2012	**19.8**	**499.9**	**7.0**	**23.9**	**550.6**
Gross value at 31 March 2013	**22.5**	**501.5**	**7.1**	**25.4**	**556.5**
Acquisitions	-	-	-	1.1	1.1
Disposals, items scrapped	-	-	-	(0.4)	(0.4)
Translation difference	0.2	(0.4)	(0.1)	(0.2)	(0.5)
Gross value at 30 September 2013	**22.7**	**501.1**	**7.0**	**25.9**	**556.7**
Accumulated amortisation and depreciation at 30 September 2012	**-**	**52.3**	**5.1**	**17.4**	**74.8**
Accumulated amortisation and depreciation at 31 March 2013	**-**	**52.2**	**5.2**	**18.9**	**76.3**
Charges	-	-	-	1.3	1.3
Disposals, items scrapped	-	-	-	(0.4)	(0.4)
Translation difference	-	(0.1)	(0.1)	(0.1)	(0.3)
Accumulated amortisation and depreciation at 30 September 2013	**-**	**52.1**	**5.1**	**19.7**	**76.9**
Net carrying amount at 30 September 2012	**19.8**	**447.6**	**1.9**	**6.5**	**475.8**
Net carrying amount at 31 March 2013	**22.5**	**449.3**	**1.9**	**6.5**	**480.2**
Net carrying amount at 30 September 2013	**22.7**	**449.0**	**1.9**	**6.2**	**479.8**

Intangible assets include the goodwill resulting from the purchase of Bruichladdich Distillery Ltd.

The net carrying amount in “Distribution rights” is an amount attributable to a brand.

“Other” includes mainly software licences.

At 30 September 2013, accumulated depreciation on intangible assets was €52.1 million, entirely related to brands (September 2012: €52.3 million; March 2013: €52.2 million).

Brands owned by Rémy Cointreau are all considered to have an indefinite useful life. As such they are not amortised. The present value of some brands was tested on 30 September 2013 and 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 notes to the year-end consolidated financial statements.

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

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

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

(in € millions)	Land	Buildings	Other	In progress	Total
Gross value at 30 September 2012	**8.9**	**88.8**	**199.9**	**6.5**	**304.1**
Gross value at 31 March 2013	**9.4**	**94.7**	**196.8**	**16.1**	**317.0**
Acquisitions	-	0.6	3.2	12.4	16.2
Disposals, items scrapped	(0.1)	(0.3)	(0.5)	-	(0.9)
Other movements	0.2	4.1	5.3	(9.6)	-
Translation difference	-	(0.4)	(1.1)	-	(1.5)
Gross value at 30 September 2013	**9.5**	**98.7**	**203.7**	**18.9**	**330.8**
Accumulated amortisation and depreciation at 30 September 2012	**1.6**	**37.3**	**102.2**	**-**	**141.1**
Accumulated amortisation and depreciation at 31 March 2013	**1.9**	**38.3**	**103.7**	**-**	**143.9**
Charges	0.2	1.4	5.2	-	6.8
Disposals, items scrapped	(0.1)	-	(0.4)	-	(0.5)
Translation difference	-	(0.1)	(0.7)	-	(0.8)
Accumulated amortisation and depreciation at 30 September 2013	**2.0**	**39.6**	**107.8**	**-**	**149.4**
Net carrying amount at 30 September 2012	**7.3**	**51.5**	**97.7**	**6.5**	**163.0**
Net carrying amount at 31 March 2013	**7.5**	**56.4**	**93.1**	**16.1**	**173.1**
Net carrying amount at 30 September 2013	**7.5**	**59.1**	**95.9**	**18.9**	**181.4**

NOTE 5 INVESTMENT IN ASSOCIATES

(in € millions)	Dynasty	Lixir	Diversa	Other	Total
As at 31 March 2012	**58.8**	**1.3**	**7.6**	**0.7**	**68.4**
Dividend paid	-	(0.6)	(0.3)	-	**(0.9)**
Perimeter variation	-	-	-	0.8	**0.8**
Profit for the year	-	0.4	0.2	(0.2)	**0.4**
Provision for impairment	(15.9)	-	-	-	**(15.9)**
As at 31 March 2013	**42.9**	**1.1**	**7.5**	**1.3**	**52.8**
Dividend paid	-	(0.4)	(0.2)	-	**(0.6)**
Perimeter variation	-	-	-	0.1	**0.1**
Profit for the year	-	-	-	(0.1)	**(0.1)**
Translation difference	(1.9)	-	-	(0.2)	**(2.1)**
Provision for impairment	(10.9)	-	-	-	**(10.9)**
As at 30 September 2013	**30.1**	**0.7**	**7.3**	**1.1**	**39.2**

Rémy Cointreau owns a 27% stake in Dynasty Fine Wines Ltd, a Chinese wine producer and distributor. This long-standing interest of Rémy Cointreau originated in a joint venture formed in 1980 with the city of Tianjin, which still owns 45%. Since 2005, this Group has been listed on the Hong Kong stock exchange, with a float of around 28%.

The listing was suspended on 22 March 2013, just after the Group issued a warning announcing a loss for the 2012 financial year. The suspension was the result of the Group's inability to report its financial statements for the 2012 financial year by the required deadline. This delay was caused by investigations carried out by the Audit Committee further to allegations of fraud. At 31 March 2013, Rémy Cointreau applied an impairment charge of €15.9 million to its shareholding, deeming the downward trend of the results and the announcement of a loss to be clear indicators of impairment, quite apart from the fraud allegations and their possible impact.

As of 30 September 2013, the investigations had not been completed and the Dynasty Group had still not posted its 2012 financial statements or its 2013 half-yearly financial statements or given the slightest indication to the market of the timeframe involved, the resumption of the listing or the current state of affairs. Rémy Cointreau carried out a new assessment with the help of an independent expert. This assessment, using all public data available about Dynasty, its competitors and the development of the wine market in China, led Rémy Cointreau to apply an additional impairment of €10.9 million to bring its fair value to €30.1 million.

The fair value was based on discounted future cash flows calculated using a long-term plan (12 years). The assumptions used in this valuation include a perpetual growth rate of 3% and a discount rate of 18%.

NOTE 6 OTHER FINANCIAL ASSETS

(in € millions)	**September 2013**	September 2012	March 2013
Non-consolidated equity investments	4.1	4.6	4.2
Vendor loan	84.3	80.1	82.1
Loan to non-consolidated investments	0.1	0.1	0.1
Liquidity account excluding Rémy Cointreau shares	3.1	3.0	2.2
Other	1.6	1.2	1.3
TOTAL	**93.2**	**89.0**	**89.9**

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

At 30 September 2013, this loan was recognised at the present value of cash flow to be collected by Rémy Cointreau in the event that the loan is repaid on maturity in accordance with the terms and conditions of the contract.

NOTE 7 INVENTORIES

(in € millions)	**September 2013**	September 2012	March 2013
Raw materials	33.5	26.7	30.5
Ageing wines and *eaux-de-vie*	770.2	639.1	779.1
Goods for resale and finished goods	166.3	177.5	142.5
Gross cost	**970.0**	**843.3**	**952.1**
Provision for impairment	(5.9)	(6.3)	(6.2)
Carrying amount	**964.1**	**837.0**	**945.9**

NOTE 8 TRADE AND OTHER RECEIVABLES

(in € millions)	September 2013	September 2012	March 2013
Trade receivables	260.3	252.5	197.2
Receivables related to taxes and social charges (excl. income tax)	13.5	9.8	8.6
Sundry prepaid expenses	7.5	10.1	6.0
Advances paid	18.1	12.4	24.5
Other receivables	18.8	14.4	19.2
TOTAL	**318.2**	**299.2**	**255.5**
of which provision for doubtful debts	(6.2)	(6.6)	(6.6)

NOTE 9 CASH AND CASH EQUIVALENTS

(in € millions)	September 2013	September 2012	March 2013
Financial assets measured at fair value through profit and loss	100.0	100.1	100.9
Cash at bank	108.2	71.1	85.9
TOTAL	**208.2**	**171.2**	**186.8**

NOTE 10 EQUITY

10.1 SHARE CAPITAL, ISSUE PREMIUM, TREASURY SHARES

At 30 September 2013, the share capital comprised 50,909,912 shares with a nominal value of 1.60 euros.

	Number of shares	Treasury shares	Total number of shares	Share capital	Issue premium	Treasury shares
As at 31 March 2012	**49,629,562**	**(1,428,653)**	**48,200,909**	**79.4**	**738.2**	**(95.7)**
Dividend part paid in shares	1,190,350	-	1,190,350	1.9	90.4	-
Share buyback program	-	(7,791)	(7,791)	-	-	(0.6)
Other treasury shares	-	(4,100)	(4,100)	-	-	(0.2)
As at 30 September 2012	**50,819,912**	**(1,440,544)**	**49,379,368**	**81.3**	**828.6**	**(96.5)**
2010 free share plan	90,000	-	90,000	0.1	-	-
Liquidity account	-	(10,000)	(10,000)	-	-	(0.9)
Other treasury shares	-	1,250	1,250	-	-	-
As at 31 March 2013	**50,909,912**	**(1,449,294)**	**49,460,618**	**81.4**	**828.6**	**(97.4)**
Liquidity account	-	6,500	6,500	-	-	0.6
Other treasury shares	-	7,850	7,850	-	-	0.3
As at 30 September 2013	**50,909,912**	**(1,434,944)**	**49,474,968**	**81.4**	**828.6**	**(96.5)**

10.1.1 Treasury shares

In application of resolutions 13 and 15 of the Shareholders' General Meeting of 26 July 2011, at its meeting of 22 November 2011, the Board of Directors of Rémy Cointreau decided to appoint an investment services provider to buy back shares of Rémy Cointreau SA, within the limit of 10% of the share capital net of the shares currently held by Rémy Cointreau, including those acquired under the liquidity contract.

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

Execution of this share buyback programme started on 6 December 2011 and Rémy Cointreau decided to end the programme on 23 May 2012. As part of this programme, 1,428,794 shares were purchased, representing 2.88% of share capital. The average purchase price was €67.29.

In addition, as at 30 September 2013, 3,500 Rémy Cointreau shares were held in the liquidity account set up in November 2005 and 2,650 shares were held temporarily, for allocation to the exercise of stock option plan 13.

10.2 NUMBER OF SHARES USED FOR THE CALCULATION OF EARNINGS PER SHARE

	September 2013	September 2012	March 2013
Average number of shares (basic):			
Average number of shares	50,909,912	49,662,085	50,329,413
Average number of treasury shares	(1,434,944)	(1,440,278)	(1,449,161)
TOTAL USED FOR CALCULATING BASIC EARNINGS PER SHARE	**49,474,968**	**48,221,807**	**48,880,252**
Average number of shares (diluted):			
Average number of shares (basic)	49,474,968	48,221,807	48,880,252
Dilution effect of free share plans	192,500	186,500	130,429
TOTAL USED FOR CALCULATING DILUTED EARNINGS PER SHARE	**49,667,468**	**48,408,307**	**49,010,681**

10.3 DIVIDENDS

The Shareholders' General Meeting of 24 September 2013 approved the payment of a dividend of €1.40 per share in respect of the year ended 31 March 2013. The amount of €69.3 million was paid in October 2013 and is recorded under "Dividend payable" as at 30 September 2013.

10.4 NON-CONTROLLING INTERESTS

(in € millions)	September 2013	September 2012	March 2013
Non-controlling interests in Mount Gay Distilleries	1.3	1.3	1.2
TOTAL	**1.3**	**1.3**	**1.2**

NOTE 11 FINANCIAL DEBT

11.1 NET FINANCIAL DEBT

	September 2013			September 2012			March 2013		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Gross financial debt	453.6	59.2	512.8	388.2	49.0	437.2	389.2	63.1	452.3
Cash and cash equivalents (note **9**)	-	(208.2)	(208.2)	-	(171.2)	(171.2)	-	(186.8)	(186.8)
Net financial debt	**453.6**	**(149.0)**	**304.6**	**388.2**	**(122.2)**	**266.0**	**389.2**	**(123.7)**	**265.5**

11.2 GROSS FINANCIAL DEBT BY TYPE

	September 2013			September 2012			March 2013		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Bonds	200.9	-	200.9	199.7	-	199.7	200.3	-	200.3
Private Placement	139.6	-	139.6	139.4	-	139.4	139.5	-	139.5
Drawdown on syndicated credit	48.1	-	48.1	47.5	-	47.5	47.8	-	47.8
Drawdown on other confirmed facilities	-	-	-	-	29.8	29.8	-	-	-
Other financial debt and overdrafts	-	0.3	0.3	-	0.2	0.2	-	0.1	0.1
Accrued interest	-	5.0	5.0	-	5.0	5.0	-	7.5	7.5
Total Rémy Cointreau SA	**388.6**	**5.3**	**393.9**	**386.6**	**35.0**	**421.6**	**387.6**	**7.6**	**395.2**
Bonds	63.5	-	63.5	-	-	-	-	-	-
Other financial debt and overdrafts	1.5	45.6	47.1	1.6	10.6	12.2	1.6	49.3	50.9
Accrued interest	-	0.3	0.3	-	-	-	-	-	-
Borrowings by special purpose entities	-	8.0	8.0	-	3.4	3.4	-	6.2	6.2
Total subsidiaries	**65.0**	**53.9**	**118.9**	**1.6**	**14.0**	**15.6**	**1.6**	**55.5**	**57.1**
Gross financial debt	**453.6**	**59.2**	**512.8**	**388.2**	**49.0**	**437.2**	**389.2**	**63.1**	**452.3**

11.3 BONDS

11.3.1 Bond issue €205 million

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

This bond is not secured.

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

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

After taking the issue premium and costs into account, the net proceeds from the issue amounted to some €197 million, making an effective interest rate of approximately 5.89%.

11.3.2 Bond issue €65 million

On 13 August 2013, Financière Rémy Cointreau SA/NV issued 10-year bonds in the amount of €65 million, which were guaranteed by Rémy Cointreau SA.

The bonds have a par value of €250,000 each and were issued at 97.977% of par value (issue premium of 2.003%), bearing interest of 4% payable on 13 August of every year. They will be redeemed at par at maturity on 13 August 2023.

This bond is not secured.

After taking the issue premium and costs into account, the net proceeds from the issue were €63.2 million, making an effective interest rate of 4.35%.

11.4 PRIVATE PLACEMENT

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

After deducting the commitment fee, the net proceeds from the issue amounted to some €138.6 million, which resulted in an effective interest rate of approximately 3.94%.

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

11.5 SYNDICATED CREDIT

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

The facility is unsecured.

Under this agreement, Rémy Cointreau undertakes to ensure that the A ratio remains less than or equal to 3.5 at each half-year end for the duration of the contract. As at 30 September 2013, the A ratio stood at 1.09.

NOTE 12 PROVISION FOR RISKS AND LIABILITIES

The Group's entities in France and abroad are subject to regular tax audits. Appropriate provisions are made for adjustments, or tax positions identified as uncertain but for which an adjustment has not yet been made. The amount of such provisions is reviewed regularly in accordance with the requirements of IAS 37.

12.1 ANALYSIS OF CHANGE

(in € millions)	Restructuring	Litigation	Total
At 31 March 2012	**0.5**	**7.9**	**8.4**
Increase	-	3.7	3.7
Reversals - Used	(0.2)	(0.4)	(0.6)
Reversals - Unused	-	(2.2)	(2.2)
Perimeter variance	-	0.2	0.2
Translation difference	-	(0.1)	(0.1)
At 31 March 2013	**0.3**	**9.1**	**9.4**
Increase	-	0.7	0.7
Reversals - Used	-	(2.7)	(2.7)
At 30 September 2013	**0.3**	**7.1**	**7.4**

The "Restructuring" section covers site restructuring, closure and transfer costs incurred in the Netherlands. The "Disputes" section includes provisions recorded for commercial and tax disputes.

12.2 MATURITY

These provisions cover probable charges with the following deadlines:

(in € millions)	September 2013	September 2012	March 2013
Long-term provisions (or unknown maturity)	5.8	7.1	5.8
Short-term provisions	1.6	1.3	3.6
TOTAL	**7.4**	**8.4**	**9.4**

NOTE 13 TRADE AND OTHER PAYABLES

(in € millions)	**September 2013**	September 2012	March 2013
Trade payables – *eaux-de-vie*	164.5	155.3	211.5
Other trade payables	114.3	99.0	98.9
Advances from customers	5.1	5.9	5.6
Payables related to tax and social charges (excl. income tax)	50.4	48.8	51.0
Excise duties	1.5	2.5	0.9
Advertising expenses payable	92.7	76.4	102.4
Miscellaneous deferred income	8.7	12.2	10.4
Other liabilities	54.7	63.3	62.2
TOTAL	**491.9**	**463.4**	**542.9**

NOTE 14 FINANCIAL INSTRUMENTS AND MARKET RISKS

The Group uses financial instruments to manage its interest rate and currency risk exposure. The policy for managing market risks complies with the prudential rules approved by the Board of Directors. More specifically, the sale of options is limited to tunnel strategies and the resale of previously purchased instruments that are subject to approval on an individual basis.

All hedging transactions are entered into with top-tier international banks.

With regard to currency risk, the Group endeavours to hedge its budgeted net commercial exposure over a rolling period of approximately 15 to 18 months. This is achieved by entering into firm or optional currency hedging agreements in accordance with the guidelines set by the Board of Directors.

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

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

14.1 BREAKDOWN OF FINANCIAL INSTRUMENTS (INTEREST RATES AND EXCHANGE RATES)

(in € millions)	**September 2013**	September 2012	March 2013
Assets			
Interest rate derivatives	-	-	-
Exchange rate derivatives	21.7	8.5	6.3
TOTAL	**21.7**	**8.5**	**6.3**
Liabilities			
Interest rate derivatives	10.3	17.5	13.9
Exchange rate derivatives	0.6	11.7	4.5
TOTAL	**10.9**	**29.2**	**18.4**

14.2 INTEREST RATE DERIVATIVES

As at 30 September 2013, interest rate derivatives in the portfolio were as follows:

14.2.1 By category

(in € millions)	**September 2013**	September 2012	March 2013
Liabilities			
Interest rate swaps	6.5	11.5	9.0
Instruments related to Private Placements	3.8	6.0	4.9
TOTAL	**10.3**	**17.5**	**13.9**

14.2.2 By maturity and designation

(in € millions)	Nominal	Initial value	Market value	Qualification
Interest rate swaps:				
Maturing January 2015	75.0	-	3.3	Trading (1)
Maturing January 2015	50.0	-	2.1	CFH (1)
Maturing March 2015	25.0	-	1.2	CFH (1)
Related to Private Placement, maturing June 2015	140.0	-	3.8	CFH (1)
TOTAL LIABILITIES	**290.0**	**-**	**10.3**	

(1) CFH: Cash Flow Hedge; Trading: held for trading purposes.

For the period ended 30 September 2013, a pre-tax profit of €1.2 million was recognised directly in equity in respect of the valuation of the interest rate instrument portfolio, wholly related to the change in value of the effective part of the portfolio.

14.3 EXCHANGE RATE DERIVATIVES

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

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

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

(in € millions)	Nominal [1]	Initial value	Market value	Of which CFH [2]	Of which Trading [2]
Put options and tunnel options					
Seller USD (vs. EUR)	266.6	6.6	10.2	10.2	-
Other currencies (vs. EUR)	14.6	0.3	0.7	0.7	-
	281.1	**6.9**	**10.9**	**10.9**	**-**
Forward sales					
Seller USD (vs. EUR)	144.4	-	8.0	8.0	-
Other currencies (vs. EUR)	35.6	-	1.3	1.3	-
	180.0	**-**	**9.3**	**9.3**	**-**
Purchase/(sale) of currency swaps (operating activities) [3]					
Seller USD (vs. EUR)	(67.1)	-	0.0	-	0.0
Other currencies (vs. EUR)	(7.3)	-	0.0	-	0.0
	(74.4)	**-**	**0.0**	**0.0**	**0.0**
Purchase/(sale) of currency swaps (financing activities) [3]					
Seller USD (vs. EUR)	(75.5)	-	1.0	-	1.0
Other currencies (vs. EUR)	(25.0)	-	(0.1)	-	(0.1)
	(100.6)	**-**	**(0.9)**	**-**	**0.9**
TOTAL	**286.1**	**6.9**	**21.1**	**20.2**	**0.9**

(1) Nominal amount in foreign currency translated at the closing rate.
(2) CFH: Cash Flow Hedge; Trading: held for trading purposes.
(3) Difference between closing rate and forward rate.

For the period ended 30 September 2013, a pre-tax profit of €13.1 million was recognised directly in equity in respect of the valuation of the exchange rates instrument portfolio, of which €0.4 million related to recycling to profit and loss following the expiry of the instruments and €12.7 million related to the change in value of the effective part of the portfolio.

NOTE 15 SEGMENT REPORTING

As required by IFRS 8 Operating segments, since 1 April 2009 the Rémy Cointreau Group has provided an analysis by operating activity for those activities for which separate financial information is available internally and which are used by the "main operational decision-maker" to make operational decisions. Rémy Cointreau's main operational decision-maker is the Executive Committee, which examines the operating performance and allocates resources based on financial information analysed at the level of the Rémy Martin, Liqueurs & Spirits and Partner Brands businesses. Consequently, the Group has identified these three businesses as the operating segments to be presented. In addition, a holding segment includes the central expenses that are not allocated to the various divisions.

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

15.1 BUSINESSES

The brands are allocated to three business segments covering the following main products or brands:

- Rémy Martin;
- Liqueurs & Spirits: Cointreau, Passoa, Metaxa, St-Rémy, Mount Gay and Bruichladdich;
- Partner Brands: Brands which are not owned by the Group and those whose production is not carried out wholly by the Group. These brands are distributed using the Group's own distribution network. The principle brands are the Scotch whiskies owned by The Edrington Group in the United States and the Piper-Heidsieck and Charles Heidsieck champagnes.

	Net sales			Current operating profit		
(in € millions)	**September 2013**	September 2012	March 2013	**September 2013**	September 2012	March 2013
Rémy Martin	327.2	376.1	719.8	116.1	131.4	216.6
Liqueurs & Spirits	120.4	112.3	237.0	20.9	19.3	44.8
Sub-total Group brands	447.6	488.4	956.7	137.0	150.7	261.4
Partner Brands	110.5	107.4	236.6	4.5	2.3	4.2
Holding	-	-	-	(8.7)	(11.6)	(20.2)
TOTAL	**558.0**	**595.8**	**1,193.3**	**132.7**	**141.5**	**245.4**

There are no intra-segment sales.

15.2 GEOGRAPHIC AREA

	Net sales		
(in € millions)	**September 2013**	September 2012	March 2013
Europe - Middle East - Africa	151.9	144.9	323.2
Americas	219.7	191.1	394.4
Asia Pacific	186.4	259.8	475.7
TOTAL	**558.0**	**595.8**	**1,193.3**

NOTE 16 ANALYSIS OF OPERATING EXPENSES BY TYPE

(in € millions)	**September 2013**	September 2012	March 2013
Personnel costs	(73.2)	(75.2)	(156.8)
Advertising and promotion expenses	(103.5)	(124.7)	(260.4)
Depreciation, amortisation and impairment of non-current assets	(8.1)	(7.6)	(16.5)
Other costs	(50.8)	(50.2)	(106.5)
Costs allocated to inventories and production costs	23.5	23.8	47.1
TOTAL	**(212.1)**	**(233.9)**	**(493.1)**
Of which:			
distribution costs	(170.5)	(192.0)	(403.3)
administrative expenses	(41.6)	(41.9)	(89.8)
TOTAL	**(212.1)**	**(233.9)**	**(493.1)**

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

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

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

NOTE 17 OTHER OPERATING INCOME/(EXPENSES)

(in € millions)	**September 2013**	September 2012	March 2013
Expenses related to the acquisition of Bruichladdich	(0.1)	(2.9)	(5.3)
Expenses related to the acquisition of Larsen	(3.8)	-	(2.5)
Tax adjustments (other than on income taxes)	-	0.3	0.3
Other	0.4	(0.1)	-
TOTAL	**(3.5)**	**(2.7)**	**(7.5)**

NOTE 18 FINANCIAL RESULT

18.1 FINANCE COSTS

(in € millions)	**September 2013**	September 2012	March 2013
Bonds	(6.2)	(5.9)	(11.7)
Private placement	(2.6)	(2.6)	(5.3)
Syndicated credit and unconfirmed lines	(1.9)	(1.3)	(3.0)
Finance costs of special purpose entities	(1.2)	(1.2)	(2.7)
Interest flows on interest rate hedging instruments	(1.3)	(1.1)	(2.3)
Ineffective portion of interest rate hedging instruments	1.1	0.4	1.4
Other financial expense	(0.2)	-	(0.3)
Sub-total	**(12.3)**	**(11.7)**	**(23.9)**
Effect of non-hedging interest rate instruments	(0.1)	(1.2)	(1.2)
Cost of gross financial debt	**(12.4)**	**(12.9)**	**(25.1)**
Interest income	1.8	1.5	3.0
Cost of net financial debt	**(10.6)**	**(11.4)**	**(22.1)**

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

18.2 OTHER FINANCIAL INCOME/(EXPENSE)

(in € millions)	**September 2013**	September 2012	March 2013
Currency gains	1.3	3.0	4.7
Vendor loan - interest accrued and revaluation	2.2	2.1	4.2
Other financial income	**3.5**	**5.1**	**8.9**
Other financial expenses of special purpose entities	(3.0)	(2.6)	(5.2)
Other	(0.6)	(0.6)	(1.6)
Other financial expenses	**(3.6)**	**(3.2)**	**(6.8)**
Other financial income/(expense)	**(0.1)**	**1.9**	**2.1**

The item "Vendor loan – interest accrued and revaluation" relates to the loan granted at the time of the disposal of the Champagne division. The characteristics of this loan are described in note **6**.

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

NOTE 19 INCOME TAX

19.1 NET INCOME TAX EXPENSE

(in € millions)	September 2013	September 2012	March 2013
Current tax income/(expense)	(46.8)	(54.5)	(80.6)
Deferred tax income/(expense)	8.6	12.7	8.6
Income tax	**(38.2)**	**(41.8)**	**(72.0)**
Effective tax rate	-32.2%	-32.3%	-33.1%

19.2 INCOME TAX BALANCES

(in € millions)	September 2013	September 2012	March 2013
Income tax receivables	1.1	0.9	0.8
Income tax payables	(40.9)	(39.6)	(25.3)
Net assets/(liabilities)	**(39.8)**	**(38.7)**	**(24.5)**

NOTE 20 NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

No net profit from discontinued operations was recognised for the periods presented.

NOTE 21 NET PROFIT EXCLUDING NON-RECURRING ITEMS

Net profit excluding non-recurring items corresponds to net profit restated for other operating income/(expense) (as described in note **17**), the related tax effects and the profit/(loss) from discontinued operations.

21.1 RECONCILIATION WITH NET PROFIT FOR THE YEAR

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

(in € millions)	September 2013	September 2012	March 2013
Net profit/(loss) attributable to the owners of the parent company	**69.3**	**86.6**	**130.4**
Provision for impairment of Dynasty Fine Wines Group shares (note **5**)	10.9	-	15.9
Expenses related to the acquisition of Bruichladdich	0.1	2.9	5.3
Expenses related to the acquisition of Larsen	3.8	-	2.5
Tax adjustments (excluding income taxes)	-	-	(0.2)
Other	(0.3)	(0.2)	-
Tax effect	(0.4)	(0.8)	(2.4)
3% tax on dividends paid in cash	2.1	-	-
Net profit/(loss) excluding non-recurring items attributable to the owners of the parent company	**85.5**	**88.5**	**151.5**

21.2 NET PROFIT EXCLUDING NON-RECURRING ITEMS PER SHARE – ATTRIBUTABLE TO THE OWNERS OF THE PARENT

(in € millions)		**September 2013**	September 2012	March 2013
Net profit excluding non-recurring items				
▪ attributable to the owners of the parent company		85.5	88.5	151.5
Number of shares				
▪ basic	*10.2*	49,474,968	48,221,807	48,880,252
▪ diluted	*10.2*	49,667,468	48,408,307	49,010,681
Per share (€)				
▪ basic		1.73	1.84	3.10
▪ diluted		1.72	1.83	3.09

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

22.1 OFF-BALANCE SHEET COMMITMENTS

At 30 September 2013, eaux-de-vie purchase commitments amounted to €36.1 million, compared with €15.0 million at 31 March 2013 and €45.7 million at 30 September 2012.

At 30 September 2013, wine purchase commitments were €8.3 million, compared with €11.9 million at 31 March 2013 and €22.6 million at 30 September 2012.

At 30 September 2013, capital expenditure commitments totalled €7.7 million, compared with €1.2 million at 31 March 2013 and €1.8 million at 30 September 2012.

At 30 September 2013, office rental commitments were €25.5 million, compared with €9.9 million at 31 March 2013 and €9.1 million at 30 September 2012.

The other purchase and rental commitments and various guarantees have not changed significantly since 31 March 2013.

Rémy Cointreau SA has guaranteed the €65 million bond issue of Financière Rémy Cointreau SA/NV dated 13 August 2013 (note **11.3.2**).

At 30 September 2013, guarantees on finance lines amounted to €5.6 million, compared with €9.5 million at 31 March 2013 and €8.7 million at 30 September 2012.

Other guarantees granted and still outstanding at 30 September 2013 have not changed significantly since 31 March 2013.

22.2 CONTINGENT LIABILITIES

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

Guarantees granted and still outstanding at 30 September 2013 were as follows:

Disposal transaction	Transaction date	Description of outstanding guarantees	Term	Maximum amount
Piper-Heidsieck Compagnie Champenoise	8 July 2011	Tax and similar items	Legal period +90 days	No limit
Larsen	30 August 2013	Tax and similar items Other elements	Legal period 30 August 2015	€3.0 million

NOTE 23 RELATED PARTIES

During the period ended 30 September 2013, relationships with related parties remained similar to those for the year ended 31 March 2013.

NOTE 24 POST-BALANCE SHEET EVENTS

The Dynasty Group has not yet posted its 2012 financial statements or its 2013 half-year financial statements, nor expressed a view on the veracity of the fraud allegations made against it. Its listing remains suspended.

On 24 October 2010, the ratings agency Moody's upgraded Rémy Cointreau's rating to Baa3, "Investment Grade". Standard & Poor's had also previously upgraded Rémy Cointreau to "Investment Grade".

NOTE 25 UPDATE ON THE CONSOLIDATION SCOPE

		% interest	
Companies	**Activity**	**September 2013**	**March 2013**
Change in scope			
Larsen – Le Cognac des Vikings SA (1)	Production	-	100.00

(1) Disposal.

STATUTORY AUDITORS' REVIEW REPORT ON THE FIRST HALF-YEARLY FINANCIAL INFORMATION

To the Shareholders,

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

- our review of the accompanying condensed half-yearly consolidated financial statements of Rémy Cointreau, for the period from April 1 to September 30, 2013; and
- the verification of the information contained in the interim management report.

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

1. Conclusion on the financial statements

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

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

2. Specific verification

We have also verified the information provided in the interim management report in respect of the condensed half-yearly consolidated financial statements that were the object of our review.

We have no matters to report on the fairness and consistency of this information with the condensed half-yearly consolidated financial statements.

Paris and Paris-La défense, November 19, 2013
The statutory auditors
French original signed by

Auditeurs & Conseils Associés	ERNST & YOUNG et Autres
Nexia International	
Olivier Juramie	**Pierre Bidart**

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

CERTIFICATE OF THE PERSON RESPONSIBLE FOR THE HALF-YEAR REPORT

I certify that, to the best of my knowledge, the interim financial statements for the first half-year 2013/2014 were prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, the financial position and the financial performance of the Company and all the companies included in the consolidation, and the half-year operating report presents a true and fair view of significant events which occurred in the first six months of the year, their impact on the half-year financial statements, significant transactions between related parties, as well as the principal risks and uncertainties for the remaining six months of the financial year.

Paris, 19 November 2013

Frédéric Pflanz
Chief Executive Officer of Rémy Cointreau

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