2007-2008 REFERENCE DOCUMENT AND ANNUAL FINANCIAL REPORT

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DEPUIS 1812 SINCE

Laurent-Perrier

CHAMPAGNE

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AUTORITÉ
DES MARCHÉS FINANCIERS

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In this document, the term "Group" refers to Laurent-Perrier and its consolidated subsidiaries, and "Laurent-Perrier" refers to the brand name under which Laurent-Perrier products are sold.

Words marked with an asterisk (*) refer readers to the glossary at the end of this document.

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CONTENTS

LAURENT-PERRIER 2007 - 2008

1 BUSINESS ACTIVITIES OF THE LAURENT-PERRIER GROUP

1.1. Laurent-Perrier: the history of a group close to its roots

1812: Alphonse Pierlot establishes the champagne house, subsequently renamed after his successors, Eugène Laurent and Mathilde-Émilie Perrier.
1939: Marie-Louise de Nonancourt acquires Laurent-Perrier.
1949: Her son, Bernard de Nonancourt, becomes Chairman of Laurent-Perrier.
1958: Cuvée Grand Siècle launched.
1968: Cuvée Rosé Brut launched.
1978: Distribution subsidiary set up in the United Kingdom.
1983: Acquisition of a 34% stake in Champagne de Castellane.
1988: Laurent-Perrier acquires a majority interest in the Salon champagne house.
1992: Distribution subsidiary set up in Switzerland.
1998: Buy-back of the minority shareholdings in Champagne Laurent-Perrier (22%) and Laurent-Perrier (3%) held by United Distillers and Vintners (UDV).
1998: Creation of a United States subsidiary and a distribution branch in Belgium.
1999: Buy-back of minority shareholdings in Champagne de Castellane.
1999: Company listed on the Euronext Paris *Second Marché* stock exchange market.
2002: New presentation and packaging for the Laurent-Perrier range.
2004: Acquisition of Château Malakoff.
2005: Global launch of the Laurent-Perrier and Grand Siècle new visual identity.
2007: Japanese distribution contract signed with Suntory.
2008 : Re-launch with a new Russian market distributor.

1.2. Group overview

1.2.1. Introduction

Under Bernard de Nonancourt's energetic leadership, Laurent-Perrier Group has become a leading champagne house, selling 14.2 million bottles of champagne in 2007-2008.
It has an estimated worldwide volume market share of around 4.2%. Its volume market share among champagne houses is 6.2% (source: Laurent-Perrier and CIVC*). The Group's products are sold under four main brands: Laurent-Perrier, Salon, Delamotte, and Champagne de Castellane, which are positioned across a price spectrum ranging from the upper-middle category to the premium and ultra-premium categories.The Laurent-Perrier Group ranks 4th worldwide by

volume after the LVMH, Boizel Chanoine Champagne, and Vranken groups. By value, the Laurent-Perrier brand probably third rank.

Laurent-Perrier also considers that it has gained a leading position in high value-added products such as rosé champagne, prestige cuvées and unsweetened Brut Nature.

The Group is controlled by the de Nonancourt family, which holds 56.16% of its capital and 70.35% of the voting rights. It is organised under three different types of legal entities:
- champagne houses, including in addition to Champagne Laurent-Perrier, Champagne de Castellane (Champagne de Castellane brand), the A.S. company (Salon and Delamotte brands), Champagne Lemoine and Château Malakoff (Jeanmaire, Oudinot and Beaumet brands);
- distribution subsidiaries or branches in France and several foreign markets: Belgium, the United States, Switzerland and the United Kingdom;
- vineyards, held either directly by Grands Vignobles de Champagne or through real-estate compagnies (sociétés civiles immobilières), some of which have wine-growers as partners.

Two Economic Interest Groups (EIGs) whose members are companies belonging to the Group have been set up to maximize the Group's distribution and production capabilities. These EIGs are not consolidated because their earnings are integrated directly into the accounts of the EIG partner companies and they have no material assets.

The Group exports 67.2% of its sales to over 120 countries, including UK, Belgium, Japan, Switzerland, the United States, Italy, Germany, Spain, the Netherlands, Luxembourg or Austria. In most of its export markets, Laurent-Perrier's products are mainly sold through the specialised distribution channels (cafés, hotels and restaurants, wine merchants and direct sales), with the notable exception of Belgium, where the Group has a strong foothold in major retail chains. In France, 78% of the volumes sold under the Laurent-Perrier brand name go through specialised and direct distribution network channels, with the remaining 22% being distributed through self-service retail channels suited to distributing the Group's champagnes.

1.2.2. Key figures for the last three financial years

	31.03.2006	31.03.2007	31.03.2008
Sales (million euros)	**208.1**	**236.7**	**249,4**
Export sales as % of total sales (million euros)	63.9%	64.9%	67.2%
Share of premium products in Laurent-Perrier brand sales	36.2%	36.5%	39.4%
Share of specialist channels in Laurent-Perrier brand sales in France	77.0%	75 %	78%
Gross margin	48.6%	51%	53.1%
Operating income (million euros)	41.3	56.6	66.0
Return on Capital Employed (ROCE)	9.6%	12.5%	13.5%
Gearing (net debt/attributable shareholders' equity)	146.0%	114%	109%
Book value of inventory/net debt	132.0%	149%	154%
Consolidated net attributable income (millions euros)	**22.48**	**30.2**	**34.6**

Net debt:
"Borrowing and long-term liabilities" — "Marketable securities" — "Cash and cash equivalents"

Return on capital employed:
("Operating profit" / Capital employed)

Capital employed:
"Goodwill on acquisitions" + "Trademarks and other intangible and tangible assets" + "Inventories and work in progress" + "Trade receivables" + "Other receivables and adjustments" – "Trade payables" – "Other payables and adjustments".

1.3. The market

Champagne is one of the few French wine regions which has not suffered from the severe crisis that has affected or still affects other regions.

1.3.1. A highly regulated industry

In accordance with the 1927 French law on *Appellations d'Origine Contrôlée* (AOC*), wine permitted to carry the name "champagne" is produced in an area covering a total of 35,000 hectares.

The AOC area has steadily increased from 20-25,000 hectares in the late 1970s to 30,000 hectares by the end of the 1990s, and to about 35,000 hectares today.

Revising the Champagne appellation growing area
At present, of the 35,000-hectare area covered by the appellation, some 32,700 are planted with vines. The margin for any increases in volume is thus extremely limited. Since 2004, however, champagne sales have rocketed. Consumption continues to grow in France, while demand has risen sharply from emerging markets.

In view of this, the planned revision of the area of the "champagne" appellation has become a priority for the profession. The highly strategic project to partially redraw the champagne map was launched in 2003, when the large champagne houses began to worry about a risk of overheating. Currently, a total of 317 villages fall within the champagne production area. A committee of experts set up by the CIVC (Comité Interprofessionnel du Vin de Champagne) trade body, comprising not only geologists tasked with assessing soil types but also with historians able to draw up precedence criteria, has established a specification. By combining the various criteria, these specialists have already been able to list 40 new villages eligible for the champagne appellation, and two villages to be removed from appellation area. It is worth noting that those villages not included can appeal the decision. Ultimately, the final decision rests with the French Council of State (Conseil d'État).

A committee of inquiry has thus been working for four years, assisted by independent experts, to determine the historical, and, above all, quality criteria corresponding to the characteristics of the champagne terroir.

The demarcation of the champagne AOC area is based on three distinct ideas: the "zone d'élaboration", the "zone de production", and the "zone parcellaire".

The first of these, the "zone d'élaboration", concerns a set of villages where the different phases of making the product can take place: grape pressing, bottling, storage, packaging, etc.

The second, the "zone de production", concerns all the villages where vines with appellation status may be grown.

The third, the "zone parcellaire", corresponds to the list of plots of land recognised by the Institut National d'Appellations d'Origine (INAO) as being suitable for planting vines. You can, therefore, only find plots with champagne appellation status in villages situated in the "zone de production".

Launched in 2003, the project to revise the area for champagne has now entered a new stage. An initial project to demarcate the villages has been presented to INAO's National Committee for wines spirits and other alcoholic beverages ("vins, eaux-de-vie et autres boissons alcoolisées").
In March 2006, this National Committee issued an official set of general geographic demarcation guidelines and appointed a committee of experts to redraw the boundaries of the champagne AOC. It took the experts 18 months to draw up the demarcation criteria on the basis of the INAO guidelines, and then, on the basis of these criteria, to submit initial demarcation proposals. The project concerns two lists of villages, one for the area where grapes may be grown, and one for that where the wine can be made.

The timetable for revising the demarcation of the champagne appellation is as follows:
- Early 2008, the INAO National Committee examined the experts' project.
- March 2008, after the National Committee validated the dossier, the public consultation procedure can get underway. The Committee of Experts will examine any disputes and will be able, in light of the examination, to modify the lists.
- A definitive demarcation proposal will be drawn up for presentation to the Syndicat Général des Vignerons and to INAO's Regional Committee to obtain their opinion, no doubt some time in the second half of 2008.
- In late 2008, the INAO National Committee should examine the experts' final proposals.

- If these are approved, a draft decree to make the new definition of the area will be submitted to the Council of State in 2009.
- Only when this stage has been completed will the last stage of the demarcation be able to commence, namely the revision of the "zone parcellaire", only in the villages in the grape production area. Before this, INAO will have to define the general guidelines for zone parcellaire demarcation, and appoint a new Committee of Experts.

The process is fraught with numerous issues. If growth in champagne output continues at its present trend of 2.5% a year, with an average available yield of around 13,000 kilos/hectare and a production surface area of 34,000 hectares, potential production will stand at 358 million bottles.
While the main aim of the demarcation revision project is principally economic, there is no question of achieving the target to the detriment either of champagne's quality or unique characteristics. The aim is, rather, to take advantage of this opportunity to actually further improve quality. Attesting to this is the planned downgrading of several villages, and subsequently, perhaps, of selected plots.

It will be many years – not before 2018, and most probably not before 2020 – before we open the first bottle of champagne made from grapes harvested in the new production areas.

Champagne is the northernmost wine-producing region in France and, with a few exceptions, in the world. It is a small area of land, representing only 6.8% of AOC-registered land and only 3.5% of French land used for wine growing (Source: CIVC*, Bank of France). Output is limited (both in terms of yield per hectare and pressing*) in order to ensure the quality of the champagne appellation. Wines produced under the appellation thus totally derive from this land and are limited to the grape volume quotas fixed by the INAO*.

In addition to defining the champagne growing area, the 1927 law contains strict provisions specific to the region regarding planting, varieties (cépages*), pruning, harvesting, fermentation* and production. Between 8,000 and 10,000 vines per hectare are planted in the vineyards.

Champagne concentrates three centuries of know-how, research and experience of vines and production. Part of its secret lies in the difficult growing conditions, with frequent frosts in winter and spring (and the possibility of very hot temperatures in summer). It is a difficult environment for vines and growers alike, particularly as the land is divided up into many plots – around 276,000 – usually on hillsides. Harvests* are therefore irregular. To make optimal use of the cultivated land and offset the risk of poor harvests, champagne producers blend* wines of different years and different areas as a means of ensuring consistent quality and style.

Grape cultivation, wine making and ageing* involve a long list of complex processes: vigorous pruning, manual harvests* to protect the grapes, small, perforated harvesting baskets, very slow pressing*, division of musts*, blending of wines from different areas, two fermentations*, "remuage*" of the bottles*, disgorgement* and dosing*. In fact, over 25 stages are needed to produce this extraordinary wine, calling for talented professionals, sophisticated machinery and large-scale investment (see appendix on champagne making). The distinctive product is a sparkling wine, which, unlike other wines, is actually a blend of different wines, both "vertical" (using reserve wines from different years) and "horizontal" (combining different varieties of grapes grown in different areas of the Champagne region, harvested in a single year).

The technique and the skills necessary to produce champagne of a consistent quality and style year after year make it unique and highly sought-after. Wine connoisseurs take the view that "the genius of champagne resides in the blending" which is what sets the best brands apart. There are three different grape varieties or cépages* grown in the region, namely black pinot noir grapes (38.4% of total planted area), black pinot meunier grapes, (32.9% of total surface area); and white chardonnay grapes (28.7% of total surface area). Chardonnay is the rarest of the three varieties grown in the Champagne region.

To maintain its premium positioning, the champagne industry has systematically taken steps to improve product quality to differentiate it from its competitors. Under the supervision of the Institut National des Appellations d'Origine (INAO*) and the Comité Interprofessional du Vin de Champagne (CIVC*), industry-wide regulation and best practices have been established. Product quality is controlled through very strict production criteria, the most important of which are:

Origin of grapes: all grapes must be grown inside the AOC* area. Some 31,920 hectares were under cultivation in 2004, 31,920 hectares in 2005 and 32,378 hectares in 2006 and 32,700 hectares in 2007 (source: CIVC*).

Grape quality*: grapes are graded according to a quality rating expressed as a percentage. The minimum grade is 80%, the highest, 100%. Currently, 323 different crus* are listed.
Champagne is a grand cru* if it is produced exclusively from grapes graded 100%, and a premier cru* if produced from grapes graded from 90-99%.

Maximum yield*: for a wine to be entitled to the champagne appellation, maximum grape yield per hectare is set each year and may not under any circumstances exceed 15,500 kg per hectare. A set proportion of any wine produced in excess of the cap set for each harvest may be used to constitute a qualitative set-aside reserve of clear wine* for subsequent possible release in the event of a future harvest shortfall.

The extent of the qualitive set-aside reserve is shown in the table below:

Year	Maximum basic regulated yield (kilos per hectare)	Of which individual set-aside (kilos per ha) formerly blocked	Usable yield (kilos per hectare) basic yield
2000	12,600	1,600	11,000
2001	11,000	0	11,000
2002	12,000	600	11,400
2003	11,400	0	11,400
2004	14,000	2,000	12,000
2005	13,000	1,500	11,500
2006	13,000	0	13,000
2007	15,500	3,100	12,400

Any remaining production surplus is automatically sent to be distilled. For the record, the set-aside accumulated since the 1998 harvest amounts to 4,312 kilos per hectare after wine was released on 1 February 2008.

In 2007, the grape harvest in the champagne appellation was 15,500 kilos per hectare, with the possibility of setting aside 3,100 kilos per hectare.
The new measure implemented since the 2007 grape harvest has three components:
1) Changes to maximum AOC champagne yield. The maximum yield is the annual capped yield of AOC champagne. This has been increased from 13,000 to 15,500 kilos per hectare, a level of yield constituting a maximum reserved for outstanding years.
2) Authorization to constitute an individual AOC wine set-aside. The individual set-aside may be up to 8,000 kilos per hectare, subject to compliance with the annual cap. The individual set-aside will enjoy the same status as the current set-aside wines. This means that current set-aside wines will be included in the calculation of the 8,000 kilos per hectare ceiling. The rules governing release of the set-aside are unchanged: the decision to release set-aside wines may be collective or, in the case of an individual decision, as a result of a harvest shortfall or in the event of cessation of activity.
3) Maximum yield per plot. To optimise the quality of grapes grown, in exchange for the creation of an individual set-aside, the new measure sets out a maximum average yield per plot. The yield will be assessed on the basis of 18 bunches per square metre, with a maximum yield of 21,700 kilos per hectare.
   With what amounts to comprehensive harvest insurance, growers should be more willing to change their growing practices to ensure greater control over yields.

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The new measure is to be implemented on an experimental basis until the end of the 2011-2012 season, and could be modified depending on feedback.

Minimum ageing*: regulations provide that non-vintage champagne* has to be aged for a minimum of 15 months inside the bottle, while vintage* champagnes require a minimum of three years' ageing.

1.3.2. Grape supply

Land ownership in the Champagne area is extremely fragmented, with 15,441 growers cultivating about 89% of the planted land, while the champagne houses own only 11% of the vineyards and generate 68% of total champagne sales.
This situation requires a permanent and balanced relationship between the growers and the champagne houses in order to meet the grape requirements of the houses in response to growing consumer demand, in particular on export markets where the market share of champagne houses is 90%.
Some 1.2 kilos of grapes are required to produce a 750 ml bottle of champagne. Grapes account for approximately 75% of the total cost of a bottle of champagne. Fluctuations in grape prices are therefore crucial for champagne houses.

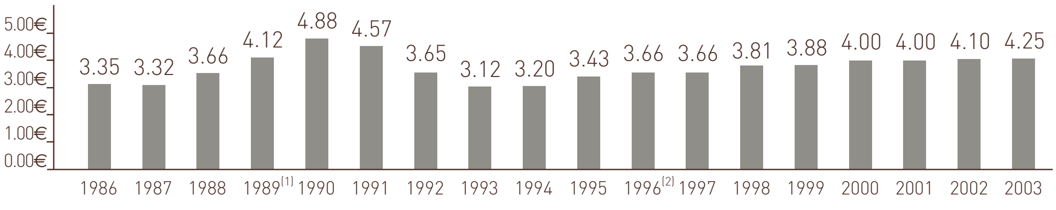
The method used to set grape prices has undergone several changes over the past decade. Until 1989, the CIVC* set the price of grapes on an annual basis according to demand and harvest output. In 1990, the grape price setting mechanism was deregulated, causing greater volatility. The champagne houses attempted to pass on part of the resulting sharp increase in grape prices to customers. Coupled with an economic downturn in Europe, this led to a 14% drop in demand for champagne between 1989 and 1991. Even the subsequent cuts in retail prices implemented by the champagne houses were not sufficient to lift demand to earlier levels.
The industry responded to this situation by restoring a sophisticated system designed to organise transactions. Following a three-year transitional period from 1993 to 1996, a first industry-wide agreement was reached in 1996 between the organisation representing the grape growers (Syndicat Général des Vignerons) and the body representing champagne houses (Union des Maisons de Champagne) covering the four grape harvests* between 1996 and 1999. This was subsequently renewed in 2000 for harvests between 2000 and 2003. The agreement introduced four-year supply contracts between the champagne houses and the growers. In connection with the renewal of industry agreements in 2004, the heads of the joint trade body developed a new type of agreement, with the result that a more rigorous and transparent organisation was adopted, the CIVC* acting as the arbitration authority.
The objectives of this new agreement were to:
- safeguard consumer interests,
- encourage the sale of grape harvests under five-year contracts between sellers and buyers, including a reservation of title clause in favour of suppliers,
- sustain the diversity of market participants,
- ensure a transparent internal champagne market.

As of 1996, grape growers began selling all the annual grape production of their vineyards covered by their supply contracts up to the maximum authorised yield, at a price which each year depends on an indicative reference price. This price was set on the basis of statistics provided by a monitoring system operated by the CIVC's* Observatoire Économique intelligence unit. The indicative reference price for 100%-graded grapes was €4 per kilo in 2001, €4.10 per kilo in 2002 and €4.25 per kilo in 2003. The price was adjusted according to the grade of the grape, sometimes supplemented by premiums paid to growers by the champagne houses.

Since the joint profession agreement of 21 June 2004, the grape price structure has changed. One may note a trend towards a certain regionalisation of observed prices, ranging from €4.45 to €5.25 per kilo depending on the growth "crus", the grape varietal, and the harvest quality. In 2006, the basic per-kilo price of grapes rose by an average 2-3%. In 2007, the grape price (including all premiums) ranged from €4.50 to €5.40 per kilo, which the Group estimates amounts to a 10% increase in the space of two years.

In some years, the CIVC* and the INAO* may decide to set aside a percentage of the excess harvest to be used as a qualitative reserve. The champagne houses only pay the grape growers for the reserve quantity set aside when the CIVC* and the INAO* decide to release the wine into the market. Until then, for a period that may last several years, the champagne houses only incur the cost of storing the wine in vats.
The above measures have done much to ensure regular supplies, enabling champagne houses to better direct their growth strategies.

The following chart shows grape reference prices from 1986 to 2003.



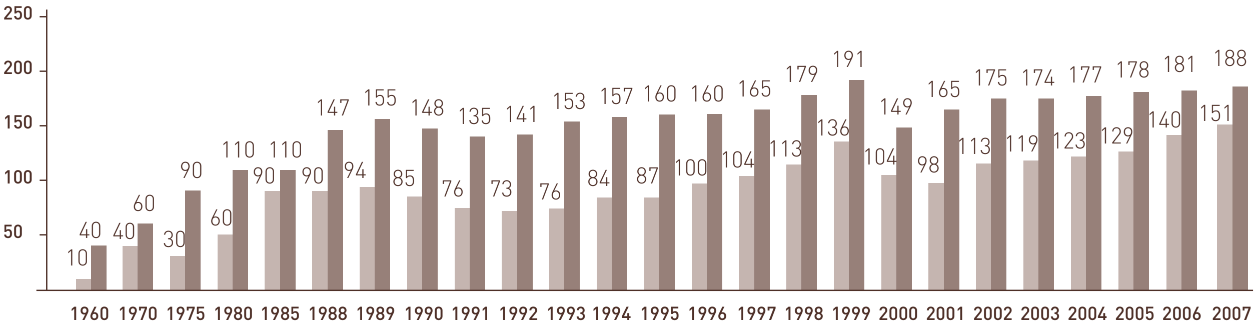
(Prices per kilo in euro - Source CIVC)
(1) 1989 – price controls relaxed (2) 1996 – framework agreement implemented.

1.3.3. Market trends

After a lengthy period of average annual growth rates of 2.5%, 1998 and 1999 were atypical years, with massive shipments in anticipation of the Millennium celebrations. This led to significant distribution channel overstocking resulting in a 22.6% drop in shipments in 2000 despite a healthy, upbeat consumer environment.
Shipment growth resumed from 2001 and passed the 300 million-bottle mark in 2004.
The trend continued into 2007 with shipments up 5.3% to 339 million bottles.

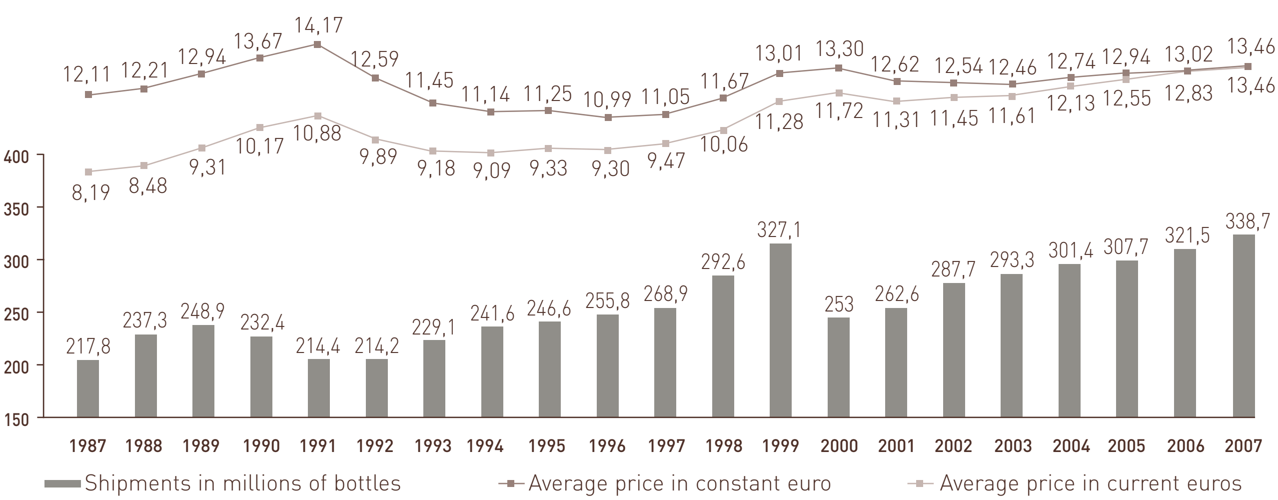
In 2006, for the first time in the history of Champagne, sales exceeded €4 milliards. The champagne houses exported 44.5% of their production, the highest ratio for many years. The rate of increase in exports did, however, mark time in 2007 compared with previous years. It stood at 9% in 2006, and 18% in 2005. This was because the growth rate in the second-largest export market, the United States, slowed. Exports to the US fell by 6.2% to 21.7 million bottles. As in other export sectors, French producers were adversely affected by the euro's appreciation against the dollar.
In the other large customer countries, champagne sales rose in the UK, Switzerland, Germany, Italy, and Japan, with a particularly spectacular increase in Spain of 27.5%. Spain is now the eighth largest consumer of champagne worldwide thanks to a flourishing economy and to the fact that its hotel and restaurant trades have moved up-market. Japan also saw strong growth of 14.5%, ranking it sixth among buyer countries. We are also seeing a come-back for champagne in Russia, where, in the space of three years, imports have grown by 100%. At the start of the 20th century, Russia was one of the top three champagne markets.

The chart below shows sales in millions of bottles for the champagne industry as a whole since 1960, illustrating strong long-term volume growth despite fluctuations in the early 1990s, linked to the fluctuations in the price of grapes, the economic cycle and consumer behaviour.



Sources : CIVC* and *l'Union* 2005.

The chart below shows the quantities of champagne shipped and the average price per bottle since 1990.



The following chart shows the main export markets (shipments in millions of bottles for the years shown):

(millions of bottles)	1990	1998	1999	2000	2001	2002	2003	2004	2005	2006		Average annual growth (1990-2007)
Countries												
UK	21.3	24.3	32.3	20.4	25	31.7	34.5	35	36.8	36.8	39.0	3.6%
USA	11.7	16.9	23.7	19.2	13.7	18.3	19	20.3	20.7	23.1	21.7	3.7%
Germany	14.2	19.3	17.5	14.2	12.8	11.4	12.1	11.5	11.9	12.3	12.9	- 0.6%
Belgium	5.9	9.5	10.7	7.3	7.4	9	9.1	9.3	9.4	9.3	9.9	3.1%
Italy	6.9	8.2	9.4	8.2	7	7.9	8.5	8.2	8.8	9.3	10.3	2.4%
Japan	1.5	3	3.9	3.2	3.5	4	5	5.9	5.9	8.0	9.2	11.2%
Switzerland	8.6	8.4	8.7	6.5	6.1	5.8	5.6	5.2	5.1	5.4	6.1	-2.0%
Other	12	24	30.4	24.5	22.7	24.6	25.6	27.6	31.1	36.4	41.8	7.6%
Total Export	84.8	113.6	136.6	103.5	98.2	112.7	119.3	123	129.8	140.6	151.0	3.5%
France	147.6	179	190.5	149.5	164.4	175	174	177.6	178	181.0	187.8	1.4%
TOTAL	**232.4**	**292.6**	**327.1**	**253.0**	**262.6**	**287.7**	**293.3**	**300.6**	**307.8**	**321.6**	**338.7**	**2.2 %**

1.3.4. The competitive environment

The champagne industry has seen numerous changes since 1990. In addition to significant changes in the industry's regulatory framework, the competitive landscape has been transformed following major consolidation or deconsolidation moves, the emergence of new players, and public share offerings by a growing number of groups.

Numbering around 100, the champagne houses account for over two-thirds of champagne sales and 90% of exports to 160 countries. Sales generated by the champagne houses contribute to France's trade balance.

Houses	Brands	2005-2006 sales
LVMH	Moët & Chandon, Ruinart, Vve Clicquot, Krug,Mercier	874m€
Boizel-Chanoine- Champagne (BCC)	Lanson, Burtin, Besserat de Bellefon, Boizel, Chanoine, Philipponat, De Venoge, A. et F. Bonnet, Abel Lepître	311m€
Vranken Pommery Monopole	Vranken-Pommery, Charles Lafitte, Heidsieck & C° Monopole, Demoiselle	268m€
Laurent-Perrier	Laurent-Perrier, De Castellane, Jeanmaire, Oudinot, Beaumet, Salon-Delamotte, Lemoine	237m€
Rémy Cointreau	Piper-Heidsieck, Charles Heidsieck	148m€
Louis Roederer	Louis Roederer, Théophile, Deutz	128m€
Centre Vinicole de la Champagne (CVC)	Nicolas Feuillatte	123,5m€
Pernod Ricard	G.H. Mumm, Perrier Jouët	120m€
Thiénot	Thiénot, Canard-Duchêne, Marie Stuart, Joseph Perrier, Gobillard, Malard	119m€
Taittinger	Taittinger	97m€
Alliance champagne	Jacquart, Vve Devaux, Pannier, Raoul Collet	85m€
G.H. Martel & Co	Mansard Baillet, De Cazanove, Martel	76m€

These changes reflect ongoing restructuring and modernisation trends in the industry, as well as champagne's recognition as a global luxury product.

Some financial analysts have noted that champagne is benefiting from the widespread dearth of commodities. "Supply capacity is saturated, triggering an increase in the price per bottle." Land values have also increased considerably. There are even those who think that there will be no falling off of interest in champagne stocks in the future, either, unlike most commodities, since supply cannot be increased substantially. Without openly talking about safe-haven securities, champagne specialists point to substantial growth potential in the United States and in emerging countries like China or India. "The only risk would be a production shortfall as a result of two or three bad seasons in succession."

The main transactions since 1995:

Buyer/Seller	Target	Date
La Financière Martin	Acquired Champagne Delbeck	1995
Vranken	Acquired the A. Charbaut et Fils champagne house	1995
Vranken	Acquired Heidsieck-Monopole	1997
Boizel-Chanoine	Acquired Philipponat and Abel Lepître	1997
La Financière Martin	Acquired Champagne Bricout	1998
Rémy Cointreau	Sold De Venoge, Krug	1998
Laurent-Perrier	Sold Joseph-Perrier to the Alain Thiénot Group	1998
LVMH	Acquired Krug and De Venoge from Rémy Cointreau	1998
	Subsequently sold the De Venoge brand	1998
Boizel-Chanoine	Acquired Bonnet and the De Venoge brand name	1998
Seagram	Sold Mumm and Perrier-Jouët to Hicks Muse Tate & Furst	1999
Vranken	Sold Germain to Frey	1999
Allied Domecq	Acquired Mumm and Perrier-Jouët	2000
Vranken	Acquired Pommery from LVMH	2002
Opson (Schneider)	Acquired Champagne Bricout and Champagne Delbeck	2003
Vranken Monopole/Moët & Chandon	Acquired Champagne Bricout and Champagne Delbeck	2003
Vranken Monopole	Acquired Champagne Jacopin	2003
LVMH et Vranken Monopole	Acquired assets of wholesale wine merchant, Bricout-Delbeck	2003
LVMH	Sold Canard-Duchêne to Alain Thiénot Group	2003
Laurent-Perrier	Acquired Château Malakoff	2004
Frey	Acquired 45% stake in Champagne Billecart Salmon	2004
Bruno Paillard	Acquired Domaine René Jardin and its vineyards	2004
Frey	Sold Ayala brand to Bollinger	2005
Pernod Ricard	Acquired Mumm and Perrier-Jouët	2005
Starwood	Acquired Taittinger	2005
Boizel Chanoîne	Acquired Lanson International	2006
Starwood	Crédit Agricole acquired control of Taittinger	2006
Taittinger Family	Acquired 37% stake in Taittinger from Crédit Agricole	2006-2007
Taittinger Family	Acquired additional 4% stake	end-2007

1.3.5. Tax and regulatory environment in 2007-2008

The champagne profession is subject to extensive regulations. These European, national and regional regulations cover areas such as production, ageing*, quality, territory of origin (Appellation d'Origine Contrôlée*), direct and indirect taxes and labelling. In addition, French agricultural laws, structural regulations and Société d'Aménagement Foncier et d'Etablissement Rural (SAFER) agricultural land companies have created a series of obligations notably as regards land sales and the management of wine producing estates.
In France, the Evin Act, passed on January 10, 1991, imposes special advertising restrictions on all beverages containing more than 1.2 degrees of alcohol.
New traceability measures came into effect on January 1, 2005 and new provisions in the Chatel Act passed in January, 2008 now apply to all supplier-distributor relations.
During the 2006-2007 financial year, the labelling of Group products was modified to specify the ingredients present in wines, in compliance with EU regulations.
Laurent-Perrier Group champagne houses have taken steps to comply fully with this legal and fiscal framework.

1.4. The Laurent-Perrier Group: recent changes, goals and strategy, outlook

1.4.1. FY 2007-2008 highlights

Laurent-Perrier recorded a 14.7% increase in net attributable income for the financial year ending March 31, 2008. Its operating margin improved by 2.5 percentage points to 26.4%.

During the financial year ended March 31, 2008, the Laurent-Perrier Group recorded net attributable income of €34.63 million, up 14.7% compared with the year-earlier figure.

Activity

€million	2006/2007	2007/2008	Change
Sales	236.65	249.43	+ 5.4%
Operating income	56.66	66.00	+ 16.1%
Current operating margin %	23.9%	26.5%	+ 2.5 points
Net attributable income	30.20	34.63	+ 14.7%
Earnings per share (euros)	5.11	5.87	+ 14.9%
Cash flow from operating activities	37.78	36.06	- 1.7

The regular growth in income, year after year, illustrates the determination with which the Group is pursuing its value strategy. Encouraged by such good performance, which strengthens the solidity of its financial structure in the face of an increasingly volatile global environment, the Group intends to intensify investment to develop its brands and reinforce its international presence. By resolutely targeting the international world of fine living and art de vivre, it plans to control the development of Laurent-Perrier, keep the House independent and continue to improve its profitability. The Group's current medium-term objective is to exceed a 30% operating margin and a 15% return on capital employed.

Results

Continued growth of operating margin sustained by a strong price/mix effect

The remarkable strength of the price/mix effect (+ 7.3%), combined with a moderate growth in cost prices, boosted gross margin by more than 2 points, or €11.6 million: at 53.1%, it has grown 6.7 points in three years.

Brand development investment was up more than 11%, in line with the Group's strategic plans. Numerous events based around Laurent-Perrier's prestige cuvée, Grand Siècle, and the Cuvée Rosé Brut were organised in the second half of financial year. Commercial and administrative expenses were down by more than 1% over the year, and now represent less than 20% of sales.

Operating income grew by more than 16%, despite a negative currency effect cutting more than 2 points off this growth. At 26.5%, the current operating margin reached an all-time high, gaining 8.6 points over three years.

Financial expenses grew by almost 23%, mainly due to continued interest-rate hikes, but did not exceed 18.5% of current operating income, compared with 17.6% in 2006-2007.

Taking all this into account, the Group posted net attributable income of €34.6 million, 14.7% up on 2006-2007.

Strengthening the solidity of the financial structure

A slight reduction in cash flow from operating activities, despite higher net income than last year, was due to the payment of an additional €9 million in taxes compared with the previous year. This is the result of strong growth in income over recent years.

Inventories, thanks to the good 2007 harvest and the release of the qualitative reserve decided during the year totalled €374 million, an increase of €30.8 million.
In line with previous forecasts, the Group accelerated its capital investment programme in comparison with previous years. At €16 million, investment mainly concerns the expansion and renewal of production capacity at the Tours-sur-Marne facility

The rise in the operating margin improved the return on capital employed by one point, taking it to 13.5%.

Debt

Altogether, net debt grew moderately by €12.8 million. Expressed as a percentage of equity, it fell five points, to 109%. The value of inventories is over 50% higher than net debt, an improvement of 5 points in one year.

1.4.2 Strategy

One of the Group's key success factors since being listed on the stock market has been that both the strategic objectives

€million	2006/2007	2007/2008	Variation
Net debt /Shareholders' Equity	114%	109%	- 5 points
Return on capital employed	12.5%	13.5%	+1 point

it has set itself and the resources it has applied to achieve them have never been called into question. The Group's strategy has four key components:
- a single business: the making and sale of premium champagnes,
- high quality supplies based on a partnership approach,
- a portfolio of complementary brands,
- active control of worldwide distribution.

1.4.2.1. A single business: the making and sale of premium champagnes

For more than a decade, the Laurent-Perrier Group has refocused on a single activity in which it has been engaged for decades: the making and sale of premium champagnes. This is a complex profession which requires not only a relentless commitment to quality, but also very specific commercial and brand communication methods completely unlike those used for wine. The Group's efforts are at all times focused on continuous improvement and on growing sales, particularly of the high value-added products that form part of the luxury goods rather than the consumer products universe. Having a single business means that resource allocation and investment decisions never give rise to conflicts of interest, and results in acquiring a higher level of expertise and professional specialisation.

1.4.2.2. High quality supplies based on a partnership approach

This is an essential element in developing each brand both in terms of volume and quality. The Group, which obtains 89% of its grape supply through contracts, aims to exploit its considerable strengths in this respect, seeking to expand and secure this supply by continuously strengthening its partnerships with growers in the Champagne region, while driving innovation.

The Group's grape supplies are provided in part by co-operatives but above all by over 1,200 independent grape growers in the Champagne region. This strategy has resulted in extremely high-quality supplies. With champagnes based on an average 91% cru*, Champagne Laurent-Perrier is one of the best supplied champagne houses in terms of grape quality, since the average cru* used in the industry is around 88% (source: CIVC*).

The good relationship the Group enjoys with the wine growers and cooperatives, and the strong and sustainable partnerships it builds with them, mean that agreements renew at different dates, another of the Group's strengths.

Supplies

2007-2008 sales totalled about 14.2 million bottles including secondary brands, production of which called for almost 17 million kilos of grapes. To meet its needs, the Group has secured supplies from around 1,400 hectares of vineyards.

The Group's own vineyards produced about 11% of its grape requirement in 2007-2008. This is below the champagne house average of around 20% (Laurent-Perrier estimate based on industry data). The Group has never believed that the purchase and operation of vineyards should be its core business or an end in itself and has always favoured agreements with wine-growers.

1.4.2.3. A portfolio of complementary brands

The Group's four main brands, Laurent-Perrier, Champagne de Castellane, Delamotte, and Salon, cover all segments of the market of mid-range and premium champagne. Since they are always sold either through different distribution channels or in different price ranges, the four brands do not compete with each other. The combined share of these four brands amounts to 87% of Group turnover.

Champagne Laurent-Perrier

Laurent-Perrier is the Group's main brand, with production facilities located in Tours-sur-Marne, in the heartland of the Champagne grape-growing region. Shipments by Champagne Laurent-Perrier continued to rise through 2007-2008.

France accounted for 28% of Champagne Laurent-Perrier turnover, while 72% of its production was exported. Sales are mainly through specialised distribution channels, including restaurants, fine food stores and wine merchants. Champagne Laurent-Perrier is not sold in great quantities in supermarket chains, except in Belgium, where supermarket sales are in the majority.

The leading brand in French-speaking countries and territories, Laurent-Perrier is, on our estimates, the world's third-ranking house by value. The USA, Japan and Italy are among its current development priorities.

As a major luxury brand, Laurent-Perrier has patiently cultivated and promoted its distinctive products since Bernard de Nonancourt took the Group's helm in 1949. The creation of cuvées such as Grand Siècle, Laurent-Perrier Ultra Brut and Cuvée Rosé Brut, as well as innovative packaging design, enable Laurent-Perrier to preserve traditions while adapting to the times. The new visual identity introduced in 2004, and 2005 for Laurent-Perrier Grand Siècle, and the new packaging for its Rosé in 2007, are perfect examples of this strategy.

In March 1998, Champagne Laurent-Perrier was appointed official champagne supplier to HRH the Prince of Wales, a distinction never before granted to any other champagne brand. The appointment was renewed in 2007.
One of the principal characteristics of Laurent-Perrier is the wide range of its premium and prestige products:

Brut L-P

While vintage champagne reflects the essence of a single harvest, non-vintage brut champagne expresses the style of a champagne house. Brut L-P exemplifies the freshness, elegance and fine balance of Laurent-Perrier wines and is the ideal introduction to the world of Laurent-Perrier.

Brut L-P is the best-selling champagne of the Laurent-Perrier house, produced using a very high percentage of the chardonnay grape, the source of its elegance and freshness, making it an ideal apéritif.

Demi-Sec

In the 19th century, Laurent-Perrier called this wine "Excellent", as a dessert wine. It is rich and generous, full bodied and smooth, dominated by its round flavour. The general move towards drier wines and the trend towards consumption as an apéritif have favoured the sale of brut champagnes. Many connoisseurs, however, still appreciate Demi-Sec for its subtlety and taste of things past, particularly when served as a dessert wine.

Laurent-Perrier Ultra Brut

This champagne originates in the "Grand Vin Sans Sucre" (without sugar) prestige wine created by Laurent-Perrier in the late 19th century whose modern-day version was re-launched at the time of the high-maturity 1976 harvest, and at the beginning of the trend towards less artificial, more natural cuisine. It requires exceptional skills in blending* and outstanding quality, and mature grapes with low acid content from specific years. The creation of Laurent-Perrier Ultra Brut coincided with the emergence of Nouvelle Cuisine and it is the very essence of a genuine champagne, falling into the category of unsweetened brut nature champagnes. As a showpiece of wine-making expertise, Laurent-Perrier Ultra Brut is increasingly attracting the attention of modern connoisseurs, who are discovering a number of different ways to enjoy it.

Millésimé 1999

Laurent-Perrier has elected to make a vintage champagne only in the very best years to ensure that its Brut* Millésimé remains a rare wine of exceptional quality. True to the purity and freshness of its style, Laurent-Perrier seeks to give full expression to the character of such years. Brut Millésimé 1999 is a mature, perfectly-rounded wine with notes of candied fruit and vanilla and with an exhilarating finish. It was put on the market in Summer 2007, seven years after the original harvest.
Sales of Millésimé 1999 are necessarily restricted by the fact that Champagne Laurent-Perrier produces vintage wines only in outstanding years and even then in limited quantities.

Cuvée Rosé Brut

Its bottle with moulded shield has a shape dating back to the time of Henri IV. This is one of the very few rosé champagnes made using the maceration technique, which gives it an unmistakeable winey flavour. Admired by connoisseurs for its taste and by lovers of fine design for the beauty of its bottle, Cuvée Rosé Brut quickly became the world's leading rosé champagne and one of the jewels in Laurent-Perrier's crown. In 1968, Laurent-Perrier was the first champagne house to seriously develop this type of wine, which combines top quality with a special production process and original packaging in the celebrated round, shield-shaped bottle. The unique colouring of Cuvée Rosé Brut is associated with the fresh red-fruit flavours that are one of its chief characteristics. The champagne, which, depending on the country, retails at about twice as much as Brut L-P, has created a new segment for Laurent-Perrier in a fast-growing segment. Laurent-Perrier is the world reference in rosé champagnes.

Grand Siècle

When developing Laurent-Perrier's grande cuvée, Bernard de Nonancourt had the idea of emphasising two traditional factors of champagne elaboration: the blending of crus and of harvests. Grand Siècle champagne is the result of blending complementary wines from the best crus and from outstanding years that have produced vintage champagnes for Laurent-Perrier. Intended as a gift for those closest to us, or for sharing with them, this champagne is all that is pleasurable and seductive.

Introduced in 1958, for the christening of the ocean liner *France*, this prestige product is an assemblage* or special blend of two grape varietals, chardonnay and pinot noir, from exceptional vintage years and vineyards, a product unique in its category of prestige champagnes. On this high value-added segment, the brand intends to step up the development of the sales of this incomparable wine.

Alexandra Rosé 1998

The wedding of his elder daughter Alexandra in 1987 gave Bernard de Nonancourt the opportunity to create this vintage rosé champagne, which is the epitome of the demanding values of the Laurent-Perrier House. Having already created a flagship non-vintage rosé champagne, Laurent-Perrier undoubtedly needed a prestige rosé grande cuvée, an unusual, much sought-after wine, to hold a special place within its range.
A selection of grapes grown on special plots or sites, sorted and stemmed before the wine making process, ensures that this rare wine reveals all the aromas of pinot noir and chardonnay varietals.

Champagne de Castellane

Champagne de Castellane bears the name of one of the oldest families of France, whose origins date back to the 10th century and the Counts of Arles and Provence.
This champagne house, founded in 1895 by Viscount Florens de Castellane, is located in Epernay. It quickly gained importance, riding the wave of Belle Epoque opulence. Acquired in 1927 by Alexandre Mérand, it saw strong growth under the guidance of this charismatic business leader, rising to become one of the leading champagne houses in the 1960s.
From 1970, Mérand's three daughters continued to expand the family business until Laurent-Perrier acquired a stake in the champagne house in 1983. Ten years later, the Nonancourt family and Laurent-Perrier increased their stake to 50%, finally taking overall control in 1999.

Today Champagne de Castellane is synonymous with Epernay thanks to its celebrated 66-metre tower, the symbol of the capital of Champagne. The tower soars above an imposing cluster of buildings, some of them officially listed as historic.

Its wines have a distinctive label bearing the red cross of St. Andrew. Among champagne labels, Champagne de Castellane is distinguished by its renowned style and quality and a strong presence in France in modern retail channels. The brand also has positions in Europe, which accounts for 10% of its worldwide sales.

Champagne de Castellane is marketed in National Brand category. This champagne represented by the red cross of St. Andrew is aimed at younger drinkers, for whom nightlife is an essential component of the festive spirit.

Champagne Salon

This prestigious champagne house, acquired by the Group in 1988, was founded in 1921 by Eugène-Aimé Salon. Champagne Salon is located at Le Mesnil-sur-Oger, in the heartland of the Côte des Blancs* wine-growing area, famous for the very high quality of its 100% graded chardonnay grapes.

Champagne Salon is unique. It is made exclusively from chardonnay grapes originating from vineyards in Le Mesnil-sur-Oger (Grand Cru). The champagne is only made from wines of one harvest in exceptionally good years and is aged for a very long time. These factors contribute to Salon being perceived as the rarest and most exclusive of champagnes, acknowledged as the ultimate "blanc-de-blancs"* champagne.
France accounts for only a small proportion of Salon's sales. Most production is exported to around 30 countries,

principally the United States, Japan, the United Kingdom, Sweden, Italy, Spain, Belgium, Russia and Singapore. Salon is purchased by exclusive restaurants, specialised wine merchants and wine connoisseurs. This customer base is serviced by independent importers who also often distribute other world-renowned wines.

Champagne Delamotte

This historic house, founded in 1760, is one of the five oldest champagne houses. It was acquired by Marie-Louise de Nonancourt in 1948 and is also located in Le Mesnil-sur-Oger on the renowned Côte des Blancs*.
Champagne Delamotte's sales mix is fairly evenly divided between export markets and France. Today, Champagne Delamotte is distributed in more than 40 countries through the same importers as Salon.
Delamotte is sold exclusively by hotels and restaurants and specialised wine merchants. The brand has excellent growth potential and a very positive image among professionals.

Jeanmaire, Beaumet, Oudinot

These three brands were added to the portfolio of the Laurent-Perrier Group in February 2004 through the acquisition of Château Malakoff, a champagne house with a discreet reputation but one with deep roots in the Champagne growing area, with wine presses located in the heart of the prestigious Côte des Blancs* and Aube regions.

These wines occupy specific market segments:
- Jeanmaire is a mid-range label for the French mass market and the export market, with solid positions in Northern Europe
  – the Netherlands, Scandinavia, Belgium, etc. In France, it serves as an effective underpinning for the Champagne Laurent-Perrier and Champagne de Castellane brands, allowing the Laurent-Perrier Group to market a range from the mid to the upper segment of the market.
- Beaumet has a restaurant clientele, mainly in export markets.
- Oudinot is a mid-range label exported for sale in large retail chains. It consistently ranks among the top-selling champagne brands by volume in the United Kingdom.

Other products distributed

The Group's distribution subsidiaries (LPD) can also sell wines and spirits not made by the Group, namely the wines of Château de Lamarque, the Marqués de Riscal wines from Spain, and Taylor's port.

1.4.2.4. Active control of worldwide distribution

In 1998, the Group opted to strengthen its control over the distribution of its own products. This strategy is executed through local sales teams in five key countries: France, the United Kingdom, Belgium, the United States and Switzerland. In 2007 these five countries accounted for 78% of the global champagne market (source CIVC*) and 62% of the Group's turnover. The Group considers that in nearby countries, where it has a certain critical mass, having its own sales team is a key success factor and one vital both to building its reputation in an orderly and sustainable manner and the profitability of its brands. It also helps to achieve better control over inventory levels upstream.

In other countries, it has entrusted the distribution to exclusive importers who are carefully selected for their knowledge of the wine market and their positioning within traditional channels.

These are genuine partners, particularly where markets are narrow and complex, and include Suntory (Japan), D & C (Italy), Marqués de Riscal (Spain), Brasseries de Bourbon (Reunion), Kwast (Netherlands), Othon Schmitt (Luxembourg), Kattus (Austria), Simple (Russia), Grands Vins de France and La Mauny in the Caribbean, and many others.

Regardless of whether they are employees of our distribution subsidiaries or our importers, the sales staff responsible for our brands must focus first on value and the long term rather than on volume and the short term. They must have specialist knowledge of champagne and of local distribution channels and nurture direct relationships with all customers. They must know how to manage the entire range and in particular its unique premium products such as Cuvée Rosé Brut or Grand Siècle. Special attention is paid to the traditional customer base of wine merchants and upscale restaurants, where the image and reputation of luxury gastronomy are patiently cultivated. Because champagne is a branded wine, it is vital to ensure a coherent link between brand development investments and the sales arguments related to the different products.

France

France is the largest market for the Group's brands. Distribution is carried out mainly through Laurent-Perrier Diffusion (LPD), a subsidiary. LPD distributes all the Group's brands through specialist channels and through supermarkets and hypermarkets. Sales are preponderantly through specialist channels, not just in volume terms but also because of the importance of these channels to brand image. Sales through such channels accounted for 66% of turnover in 2007-2008 while sales through to self-service sales circuits suited to distributing our champagnes totalled 34% in 2007-2008.

Other countries
The Laurent-Perrier Group has distribution subsidiaries in three of the four leading export markets, namely the United Kingdom, Belgium, and Switzerland, plus an import subsidiary in the fourth, the United States.

1.4.3. Outlook

To further leverage the quality of its champagnes and its savoir-faire, the Group implemented a new price policy in 2008 which relies more on selective and specialised distribution channels. These changes will take the Group's development a stage further despite the expected reduction in volumes in the short and medium term. In the future, the price/mix effect will more than ever be the force driving Laurent-Perrier's growth.

The Group also intends to boost synergies between its different houses, embarking on the measures needed to merge the production activities of Château Malakoff with those of Champagne de Castellane to make better use of installed capacity and facilitate management.

Thanks to the results achieved in recent years, the Group has the strengths it needs to stand out in an increasingly competitive global environment and continue to improve its main financial ratios. As a result, it has set new medium-term targets of an operating margin in excess of 30%, and return on capital employed of over 15%.

Since the closure of accounts the Group has announced the arrival of Mr Stéphane Tsassis, who has been appointed Deputy Chief Executive Officer and a member of the Management Board with effect from 1 July 2008.

The appointment is designed to strengthen Laurent-Perrier's organisation and to prepare for the future, as Yves Dumont, Chairman of the Management Board, has decided to retire in the spring of 2010.

1.4.4. Main investments

The main tangible fixed asset investments of the financial year have been:

(€ million)	March 31, 2007	March 31, 2008
Industrial equipment	2.370	5.215
Wine-growing equipment	0.520	0.535
Hardware and software	0.240	1.324
Building fixtures	1.980	7.250
Furniture	0.009	0.100
Planting expenses		
Vineyards	0.114	0.145
Other	0.102	0.009

1.5. Risk factors

1.5.1. Grape supply and price

A major champagne house needs to ensure it has a reliable supply of grapes over the medium term. The quality and quantity of grape supply is determined by a combination of factors, including climatic conditions, disease that can affect the vine, and continued planting efforts.

The supply of grapes for the production of champagne is limited due to the regulated size of the planting surface for vineyards in the region. Some 11% of the Group's grape supply comes from its own vineyards. However, the Group is confident that it will maintain the necessary volume of supply through its contract agreements. The industry has also established set-aside reserves of about 120 million bottles that can be used with the agreement of the CIVC* in the event of a poor harvest. While Laurent-Perrier's management believes that the Group has secured a sufficient supply of grapes, there can be no assurance that grape supply shortages will not occur in the future.

Finally, in Champagne, it is not a common practice to insure vineyards. For the Laurent-Perrier Group, the dispersion of its land holdings throughout the AOC* region considerably reduces risk.

1.5.2. Risks related to international operations and exchange rate fluctuations

The Group uses financial derivatives to manage and hedge currency risk. It does not use derivatives for speculative purposes.
The derivative instruments the Group holds and recognises as hedges under IAS 39 are mainly forward currency transactions.

Currency risk

€' 000s	Receivables	Payables	Hedging of future cash flows
GBP	2,261,9	4,632.8	
CHF	813.4		1000
USD		562.0	

1.5.3. Risks related to interest rate fluctuations

The Group uses financial derivatives to manage and hedge interest-rate risk. It does not use derivatives for speculative purposes.

The derivative instruments the Group holds and recognises as hedges under IAS 39 are mainly future cash-flow swaps (taker: Euribor 3M; payor: fixed-rate).

1.5.4. Insurance

Laurent-Perrier Group companies are insured by Group-wide insurance policies.
The coverage and limited liabilities are in line with practices of similar-size groups involved in the wine industry.

These policies cover the risk of:

Operations and post-delivery liabilities

This policy covers physical, property and consequential damage to third parties and those caused by the operation, distribution or sale of products.
Third party liability due to operations €15,245,000
Third party liability after delivery €15,245,000

All policies are subject to the cover limits set for each contract.

Property damage (buildings, installations, stocks, IT system, machine breakdown etc.)

This policy covers property damage on the basis of predefined events, insured amounts and deductibles as well as supplemental operating costs for an indemnity period of 18 months.
Since April 2005, goods are insured with differing limits and cover for the foreign subsidiaries in Switzerland, USA, UK and Belgium.
Direct damage: €350,879,225
Supplementary expense: €979,810
Operating loss (Château Malakoff alone): €12,600,000

All policies are subject to the cover limits set for each contract.

Company vehicles

This policy covers all material damage caused to company vehicles as well as material damage and physical injury caused to third parties by said vehicles.

Special personal automobile coverage

This policy covers losses incurred in connection with occasional trips by Group employees when using their personal vehicles.

Directors and managers liability insurance

This policy covers officers and managers against professional misconduct defined as follows:
- Management misconduct which is the result of imprudence, negligence, error, omission and misstatement.
- Any infringement of legal and regulatory obligations.

Fully-comprehensive IT policy
This policy covers fixed and portable computer equipment according to a list which is updated annually by the Group.

Personal accident
This coverage guarantees named Group employees in connection with professional travel (assistance, repatriation, death and disability benefits).

Freight
This contract covers:
- Transport of goods in France assured by the Géodis Walbaum Group.
- Transport of grape must during the harvest season.

Premiums paid to insurance companies for all policies amount to €300,000 per annum.

The Group self-insures the following risks:
- The Group's product is not insurable. Consequently, the cost of its replacement is incurred by the Group within the framework of the civil liability policy.
- Wine stocks are not totally insured; the Group considers that the risks of theft, fire or any other damage concerning wine stored in its cellars are limited and that it is impossible that a single event could affect the entire stock. Nevertheless, protection has been taken out for the "collapse of underground wine cellars" to cover the cellars themselves and the wine kept there.
- "Business interruption risks" are not covered. However, coverage for additional expenses has been taken out to guarantee the reimbursement of costs incurred subsequent to an event covered by the property insurance.
- Vineyards are not covered, because the dispersion of plots throughout the Champagne region considerably reduces risks.

The Group manages its customer credits with the greatest caution and does not deem it necessary to insure itself for this risk.

Goods shipped outside France are insured directly by customers and their service providers.

The Company uses an insurance broker who deals with the leading insurers, which means that about ten insurers are involved in our contracts as either lead insurer or co-insurer.

1.5.5. Liquidity risks and covenants

The Group's policy with respect to its banking covenants is to negotiate "re-negotiation" rather than "repayment" clauses should it exceed the agreed debt ratios.

The measures taken by the Group in this respect are described in Chapter 5 of the present reference document.

1.6. Report on social and labour relations

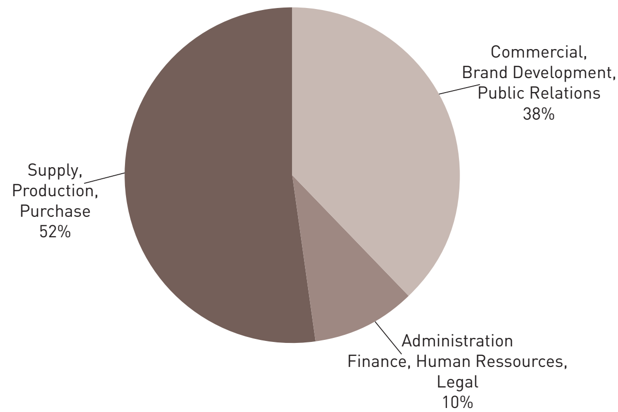
1.6.1. The workforce

As at 31 March 2008, the workforce had registered a fall in the number of short-term employment contracts for seasonal vineyard work. This year's new growth was less precocious than last year's, meaning that the work was shifted to April instead of March.

As at 31 March 2008, the total workforce was 465. The tables below give the breakdown by category of employment over the past three years:

	2006	2007	2008
Workforce at March 31			
Commercial, Brand Development, Public Relations	192	178	175
Administration and Finance, Human Ressources, Legal	56	53	47
Supply, Production, Purchase	278	279	243
TOTAL	**526**	**510**	**465**

Group Workforce Employed at 31/03/2008



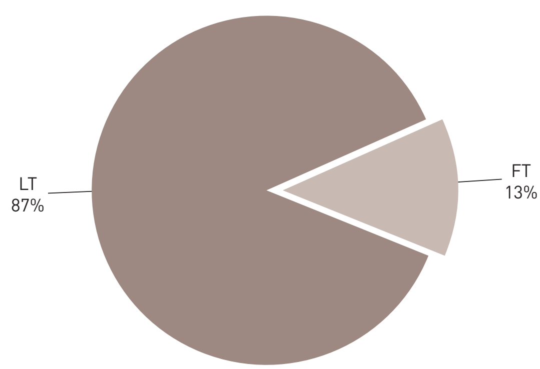
1.6.2. Workforce at French commercial companies:

The Group's principal commercial companies are Laurent-Perrier, Champagne Laurent-Perrier, Champagne de Castellane, AS, Grands Vignobles de Champagne and Château Malakoff.
The workforce of each of these companies and by contract type breaks down as follows:

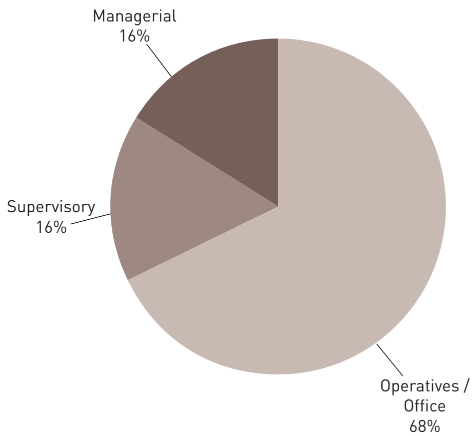
Workforce at 31 March	Laurent-Perrier		Champagne Laurent-Perrier		Champagne de Castellane		Société A.S. (Salon and Delamotte)		Grands Vignobles de Champagne		Château Malakoff	
Year	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
Long term (LT)	14	14	188	184	44	41	11	11	33	34	50	48
Fixed term (FT)	0	0	9	7	11	4	1	0	0	0	43	17
TOTAL	**14**	**14**	**197**	**192**	**55**	**45**	**12**	**11**	**33**	**34**	**93**	**65**

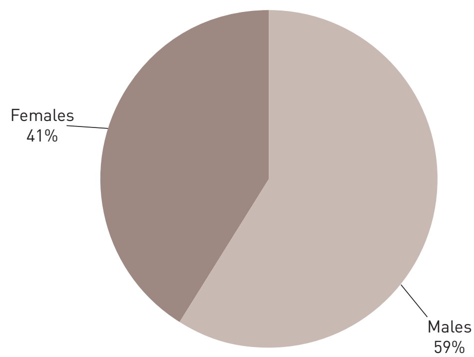
The most significant changes in numbers are among seasonal employees working in the vineyards, as noted above.
As at 31 March 2008, employees on Long term contracts accounted for 92% of the workforce. In full-time job equivalents, they account for 87% of the workforce.

Breakdown by type of contract FTE (F'08)



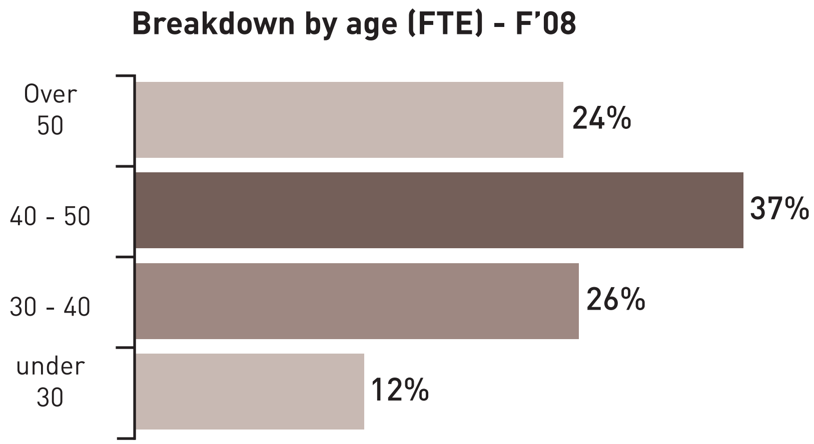
1.6.2.1. Breakdown of the workforce by socio-professional category and gender





1.6.2.2. Average employee age

Retirements and new hires during the year have resulted in a lower average age workforce. In the past two years, the proportion of employees aged over 50 has fallen from 28% to 24% of the total, whereas that of employees under 30 has risen from 10% to 12%.



1.6.2.3. New Hires

A total of new 22 staff were hired by Group companies in France on long-term employment contracts in the financial year just ended. Seven of these were newly created positions, 11 were replacements, and four were transfers within the Group.

A total of 1,272 fixed term contract workers were hired: 1,008 for the grape harvests, and 264 to cover employees temporarily absent from their positions or to cope with increased activity.

Group companies have recourse to temporary employment agencies but only for very short term assignments.

Some 25 staff on long-term contracts work part time.

Two types of difficulties are met with when it comes to hiring staff: prospective managerial staff are reluctant to move to the Champagne region, while skill levels sometimes fall short of requirements at local level for other categories of personnel.

It should also be noted that it is becoming increasingly difficult to find personnel willing to work in the vineyards.

1.6.2.4. Employment and integration of employees with disabilities at March 31, 2008

As at 31 March 2008, Group companies employed nine staff with disabilities.

Group companies also regularly apply to the Protected Employment sector and special enterprises to carry out work not falling within the usual scope of company skills or where the skills required to carry out the work are not available at those companies. Packing activities and seasonal work may be commissioned from such bodies.

1.6.3. Working conditions

1.6.3.1. Working hours and absenteeism

The legislation on the shorter working week is applied by all of the Group's French subsidiaries.

The shorter working week and absenteeism can be analysed as follows:

	Weekly average	Absenteeism excluding paid holidays	Notes
Laurent-Perrier	35 h	4,13 %	Work scheduled according to specific job requirements and implemented on the basis of annual work contingents
Champagne Laurent-Perrier	34 h 20	3,60 %	Departments in contact with customers are required to abide by an annual contingent of hours used to vary weekly working hours from 32 to 40 hours depending on the seasonal nature of activities.
Champagne Castellane	35 h	10,05 %	Work takes place within fixed periods except in the case of departments in contact with customers, which are subject to variable working hours.
Société A.S.	35 h	2,17 %	Administrative work is subject to variable working hours.
Grands Vignobles Champagne	35 h	0,86 %	Adjustable working hours are used to vary hours worked from 0 to 40 per week to take the special nature of tending vines into account.
Château Malakoff	35 h	5,62 %	Production departments may work in shifts.

Group companies do not work overtime except during the grape harvest.

1.6.3.2. Hygiene and safety conditions

Hygiene and safety conditions at Group companies are subject to close scrutiny by their Managements working in conjunction with the company doctor.

In the financial year just ended, the following data were recorded:

	2006/2007	2007/2008
Working days lost	786	411
Number of occupational accidents	48	40
Number of accidents travelling	1	0

The financial year just ended saw a reduction in both the frequency and severity of workplace accidents.
Working conditions are regularly being improved as a result of work carried out, investment, and the upgrading of personal protection equipment, plus regular meetings with employee representatives in the framework of the Hygiene and Safety and Working Conditions Committee. Similarly, accident prevention initiatives are implemented in conjunction with social security bodies.
At each of the Group's companies, the professional risk assessment report is regularly updated.

1.6.4. Remuneration

1.6.4.1. Global remuneration

Total remuneration paid, with the exception of Social Security daily sickness benefit payments, during the financial year, and the total social and fiscal payroll taxes paid by the Company compared with those of the previous year, were as follows:

2007-2008	Remuneration (€)	+/- year earlier	Payroll taxes (€)	+/- year earlier
Laurent-Perrier	893,098	17.41%	378,899	+ 13.42%
Champagne Laurent-Perrier	8,371,575	- 1.27%	3,947,928	- 0.02%
Champagne de Castellane	1,644,847	- 6.6%	765,075	- 11.98 %
Société AS	466,832	- 0.40%	204,249	- 1.08%
Grands Vignobles de Champagne	763,235	+ 7.59%	320,762	+ 2.30%
Château Malakoff	2,986,116.66	- 3.80%	1,197,908.53	- 2.2%

Performance-related remuneration systems are in place for managers and sales staff. Bonus systems for results and performance are all individual and directly linked to achieving quantitative and qualitative targets set at the start of each financial year.
Group companies benefit from reduced payroll taxes on low salaries under existing provisions.
The principle of gender equality in remuneration is complied with as regards identical positions and experience.

1.6.4.2. Incentives and Profit-sharing

As required by law, Champagne Laurent-Perrier, Champagne de Castellane and Château Malakoff have implemented employee profit sharing schemes.
An employee incentive scheme is also applicable in the same three companies. The incentive agreement applicable at Champagne Laurent-Perrier is based on achieving annual productivity, turnover and operating income targets.
The Champagne de Castellane incentive agreement was renewed for a further period of three years and is contingent on meeting annual production and average sales price targets.
The Château Malakoff incentive agreement was also renewed for three years and is contingent on achieving productivity and average sale price targets.
The amounts distributed pursuant to incentive and profit sharing schemes may by invested in Corporate Savings Plans.

1.6.5. Occupational Training

Occupational training is considered especially important at Group companies, which seek to make training a full-fledged tool for corporate and employee skills development.
Spending on training during the financial year just ended rose by almost 28%, to €100,939.
Over half of all employees attended a training session for a total of 2,736 man-hours.
The training sessions attended were mainly refresher and advanced training courses, courses in the use of new software applications and packages, technical courses in viticulture and winemaking, language learning, management and safety.
In 2007, 24 staff attended training courses under the provision for their "Individual Training Entitlement" (DIF - Droit Individuel à la Formation). Training courses attended in this respect mainly involved language skills and wine growing and making techniques.
Champagne Laurent-Perrier also sponsors the chair in Management of Champagne set up at the Reims Management School. The first intake of students began their studies in 2007.

1.6.6. Social dialogue

High-quality social dialogue is especially important for the Group.

1.6.6.1. Professional relations

The Group's French companies all have representative employee bodies in operation, except for Laurent-Perrier SA and A.S. where the workforce is too small for them to be organised.
In view of this, Délégation Unique du Personnel (DUP – "Single Staff Delegation") mandates at Champagne Laurent-Perrier and Château Malakoff have been renewed and extended to four years as required by law. All questions within the remit of representative employee bodies are regularly addressed during the meetings of these bodies.
A Group committee has been set up for companies with the DUP and meets on a regular basis.
Representative trade unions are active at Champagne Laurent-Perrier, Champagne de Castellane and Château Malakoff.
Independently of the mandatory annual round of negotiation, great emphasis is placed on social dialogue in all Group companies. The ongoing dialogue reflects the deep commitment of the general management in each company.
Numerous topics were addressed in these meetings, such as the shorter working week, employment and health insurance costs.

The following corporate agreements were signed at Group companies with trade union representation:

Company	Number of agreements	Subject of agreement
Champagne Laurent-Perrier	3	Annual work schedules Classification of operatives and clerical staff Health insurance regime
Champagne de Castellane	1	Incentive scheme
Château Malakoff	1	Incentive scheme

The agreement on shorter working hours and their organisation at Champagne Laurent-Perrier is adjusted on an annual basis to update work schedules at departmental level and adapt them to company and the requirements of the calendar year.
The Champagne Laurent-Perrier operative and clerical employee classification agreement enables employees to advance in their employment sector and classification.
The Champagne Laurent-Perrier agreement on health insurance costs was negotiated and signed in the run-up to the deployment of socially responsible contracts.
Three-year Incentive agreements were signed at Champagne de Castellane and Château Malakoff.

1.6.6.2. Company benefit schemes

Group contributions to company benefit schemes and holiday allowance paid to the works councils of individual companies are as follows:

Company	Benefit schemes (€)	Holiday allowances (€)
Laurent-Perrier	9,908	423
Champagne Laurent-Perrier	134,579	7,086
Champagne de Castellane	29,562	2,367
A.S.	7,266	387
Château Malakoff	45,315	1,836

Champagne Laurent-Perrier and Champagne de Castellane employees benefit from a health insurance regime whose financial cost is split between the company, the employee and the company works council.
Laurent-Perrier, A.S. and Grands Vignobles de Champagne employees benefit from a common health insurance regime whose financial cost is split between the company and the employee.
Château Malakoff employees benefit from a separate regime whose financial cost is split between the company and the employee.
Employees at Laurent-Perrier SA, Champagne Laurent-Perrier and Château Malakoff receive luncheon vouchers.

1.6.7. Extent of sub-contracting

Group companies adhere to the provisions of the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. The companies have limited and occasional recourse to sub-contracting, mainly for tasks falling outside of the usual range of corporate skills.

1.6.8. Key non-financial performance indicators with respect to personnel

Staff absenteeism indicators for Group companies, and for the number and duration of occupational accidents are regularly monitored (see paragraph 1.6.3.).

1.7. Report on environmental data - Prevention

1.7.1. Report on environmental DATA

The desire to protect the environment and the terroir is reflected in all aspects of Group activity as a whole.

1.7.1.1. Grape growing and the vineyards

Management of the vineyards belonging to the Group has long been carried out on sustainability principles, which involve taking the long-term nature of the activity into account and in particular banning all practices and behaviour likely to irreversibly modify the growing milieus and the environment.

In this respect, environmentally-friendly wine-growing practice is progressing from year to year in the vineyards owned by the Group.

An annual self-assessment is carried out to appraise the Group's wine-growing practice in light of the undertakings in the Technical Hand book drawn up for vineyards in Champagne – a specification approved by champagne professionals which identifies all the practices deemed compatible with the objectives of *viticulture raisonnée* (sustainable wine-growing methods) in the present state of knowledge. The results today show very high compliance levels with the Hand book.

This environmental policy implies:
- balanced use of *terroirs* and soils,
- careful management of resources such as water, energy and inputs,
- reduction of waste at source through recycling or recovery.

Laurent-Perrier's vineyards apply the *viticulture raisonnée* approach rooted in careful husbanding of the environment, natural resources, biological balance and in people.

It is essential to have experienced, motivated teams in the front line, but the Group's action is also aligned on legal and regulatory requirements, mainly as regards production conditions and territorial requirements set by the AOC.
The Group's approach is based on:
- regular audits of Group practice,
- continuing education for staff,
- implementing wine-growing practices and strategies to protect vines and soils; adapting the equipment we use so as to protect air, water and soil quality and natural environments,
- improving and expanding measures to promote sustainable development. These include management of vineyard effluent (vineyard cleaning by plot and a washing facility at the Montagne de Reims site), waste management, risk prevention, and the strict application of procedures.

While monitoring all innovations, special attention is paid to environmental initiatives. In 2007, for example, a carbon audit was carried out on Champagne Laurent-Perrier's wine-growing activity and the findings will enable us to take action on the most effective items in order to further reduce our greenhouse gas emissions.

1.7.1.2. Wine making

All press residues (dregs, residues from pressing and must, plus any grape juice left after pressing and before fermentation), are all sent to a local distillery, where they are transformed into alcohol.

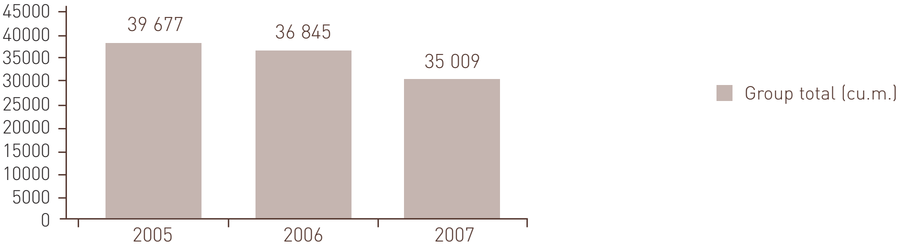
The waste water from the Tours-sur-Marne winery is no longer piped to the village waste-water treatment centre, but to our own wastewater treatment facility on the Champagne Laurent-Perrier site.

The wineries comply with existing safety standards not only to protect staff, but also for environmental reasons, with a wide selection of initiatives, notably the use of a sophisticated carbon monoxide extraction system.

The preference has long gone to gravity rather than the use of pumps in order to make energy savings and protect the quality of our wines.

The tanks are cleaned in a closed circuit. The products used for this are recovered after cleaning for subsequent recycling and processing.

Water consumption



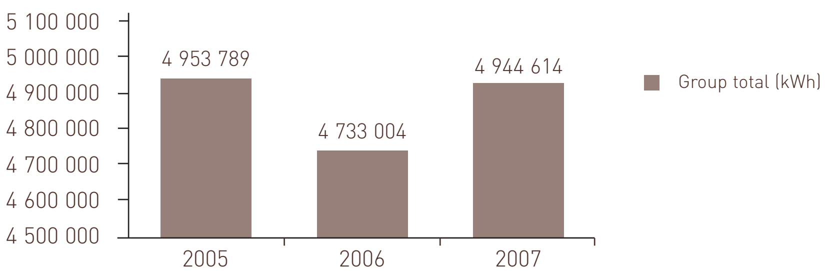
In 2005, activity returned to high levels following an abundant harvest in 2004, resulting in higher water consumption. In 2006, water consumption was cut by 7% despite a good harvest and increased activity, and by 5% in 2007.

Tours-sur-Marne Waste treatment centre

Laurent-Perrier has considered various solutions to reduce the impact of liquid effluents released into the water table, especially during the grape harvest.
By setting up an in-house processing centre combining biological and physical methods (respectively active sludge and membrane filtration), we have achieved a 99% reduction in organic pollution (Chemical Oxygen Demand or COD).
Committed to protecting the aesthetic heritage of wine growing regions, Laurent-Perrier has housed its treatment centre in a traditional, Champagne-style building in the Company's tree-lined park.

Energy consumption

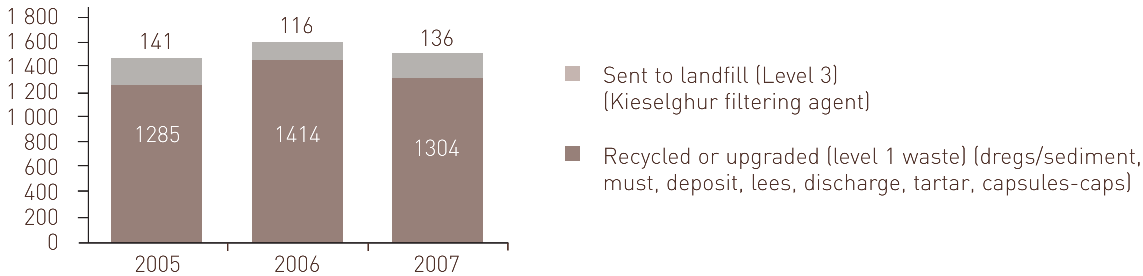
The Company switched to natural gas at the Tours-sur-Marne site in 2000. Energy consumption has stabilised over the past three years.



Waste Management

Laurent-Perrier Group

Waste resulting from champagne making (tonnes)



Laurent-Perrier Group

Incidental waste from champagne making (tonnes)

The ISO 14001 certification of the Château Malakoff site in Epernay was renewed in December 2004 and again in 2007. The renewal testifies to Management's commitment alongside staff in their efforts to continuously improve the environmental performance of our activities in compliance with the current and future regulatory framework.

1.7.1.3. Labelling and packing

For its labelling and promotional materials, Laurent-Perrier increasingly seeks to use environmentally-friendly materials compliant with the European Union standards now in force in many countries.

As planned in 1997, the use of tinfoil caps has been reduced.

The use of polystyrene for all packaging has been abandoned in favour of recyclable moulded cellulose trays.

All cardboard items used in the manufacture of boxes are made from recycled paper, and, despite the printed characters and other items decorating them, can still be 100% recycled.

To comply with European Union regulations, a "Recyclable" logo is printed on all labels, both those glued directly on the bottles and on the boxes. The cartons used to ship the wine are re-usable.

1.7.1.4. Buildings

The house Laurent-Perrier's main premises are located in the villages of Tours-sur-Marne and Louvois, Epernay, and Châlons-en-Champagne. The buildings are a fine illustration of the Group's conservation policy for historic buildings and the blending of these buildings into their rural environment.

The Château de Louvois and its large park and gardens have been regularly restored according to the style and rules governing their historic and architectural past.

Much of the production at Tours-sur-Marne takes place in the underground cellars. When this is not possible, work is carried out in industrial facilities which are of necessity more modern constructions, but whose façades have been designed to blend in with the style of the village.

It was with a constant concern to protect the aesthetic heritage of these wine-growing regions that Laurent-Perrier installed its own waste-water treatment plant in a building erected in 2004 in the tradition and architectural style of Champagne. In 2006, also in Tours-sur-Marne, Laurent-Perrier built a new winery on the "Clos Valin" site designed to blend in with the local environment.

1.7.1.5. Conclusion
Laurent-Perrier has deployed and environmental policy in all its activities, demonstrating its commitment towards sustained environmental protection.

Yves Dumont, Chairman of the Management Board, on behalf of the company as a whole, and Michel Fauconnet, head of Supplies and Production, along with the other department heads more specifically on behalf of their departments, are all committed to promoting and encouraging environmental management and protection best practice.

1.7.2. Prevention Report

An awareness campaign was launched targeting all employees who, due to their position, are required to travel by car to represent one of the Group companies. As part of this campaign, a guide on the risks of drink-driving entitled Fatigue, Alcohol and Speeding setting out the need to comply with the Highway Code, was published and distributed to everyone concerned when they joined the company.

1.8. Exceptional events and litigation

As far as Laurent-Perrier is aware, there are no exceptional facts or legal proceedings that have or may have had in the recent past, any significant effects on the business, income, financial position or assets of the Company and its subsidiaries.

2 PERSONS RESPONSIBLE FOR THIS REFERENCE DOCUMENT AND FOR AUDITING THE ACCOUNTS

2.1. Person responsible for this reference document

Yves Dumont – Chairman of the Management Board

2.2. Affidavit by the person responsible for the reference document

"I hereby declare, having taken all reasonable steps to this end, that the information contained in the present reference document, is to the best of my knowledge true and contains no omission that might alter its scope.

I declare that to the best of my knowledge the accounts have been drawn up in accordance with the applicable accounting standards and provide a fair image of the assets, financial situation and results of the company and all those companies consolidated with it, and that the management report included herein presents a faithful picture of the business developments, results and financial situation of the company and all those companies consolidated with it, as well as a description of the main risks and uncertainties with which they are faced.

The statutory auditors have provided me with a letter of audit completion in which they declare that, in accordance with professional standards, they have audited the information on the financial position and the accounts contained in this reference document and that they have read the full reference document.

Tours-sur-Marne, july 3, 2008
Yves Dumont – Chairman of the Management Board

2.3. Auditors

Statutory auditors

PricewaterhouseCoopers Audit, a member of the Versailles Company of Statutory Auditors,
represented by Mr Christian Perrier,
63 rue de Villiers
F-92208 Neuilly-sur-Seine

First appointed:	July 11, 1996
Mandate expires:	Ordinary Shareholders' Meeting held to approve the accounts for the financial year ending March 31, 2008. Mandate to be renewed at the Ordinary Shareholders' Meeting of 2008

Philippe Venet & Associés, a member of the Reims Company of Statutory Auditors
Mr Philippe Venet
12 rue des Élus
F-51100 Reims

First appointed:	July 10, 1984
Mandate expires:	Ordinary Shareholders' Meeting held to approve the accounts for the financial year ending March 31, 2011.

Alternate auditors

Société d'Expertise Comptable FIDEX
Mr. Leroy
2 bis allée de Villiers,
F-92300 Levallois-Perret

First appointed:	June 25, 1985
Mandate expires:	Ordinary Shareholders' Meeting held to approve the accounts for the financial year ending March 31, 2011.

Mr. Pierre Coll
63 rue de Villiers
F-92208 Neuilly-sur-Seine

First appointed:	July 11, 1996 replacing Michael Moralee
Mandate expires:	Ordinary Shareholders' Meeting held to approve the accounts for the financial year ending March 31, 2008. The appointment of Mr Etienne Boris will be proposed at the 2008 General Meeting of Shareholders

2.4. Person responsible for investor information

Mr. Etienne Auriau, Finance Director
E-mail: etienne.auriau@laurent-perrier.fr
Tel: + 33(0) 3.26.58.91.22
Fax: + 33 (0) 3.26.58.17.29

3 GENERAL INFORMATION ON LAURENT-PERRIER

3.1. Statutory information and share buy-back programme

3.1.1. Corporate name and registered office

Laurent-Perrier - 32, avenue de Champagne – F-51150 Tours-sur-Marne.
Telephone +33 (0)3.26.58.91.22.
In France, Laurent-Perrier is governed by French law while foreign subsidiaries are subject to the law of the country in which they are located:
- Laurent-Perrier UK: UK law
- Laurent-Perrier Switzerland: Swiss law,
- Laurent-Perrier US: US law,
- Laurent-Perrier Diffusion Belgium: Belgian law.

3.1.2. Consultation of legal documents or information on Laurent-Perrier

Legal documents or information relating to Laurent-Perrier are available for consultation at the Group's headquarters at 51150 Tours-sur-Marne subject to legal requirements.
The following documents may be consulted:
- Laurent-Perrier memorandum of association and articles of association,
- all reports, letters and other documents, historic financial information and declarations prepared by experts at the request of Laurent-Perrier,
- historic financial information on Laurent-Perrier and its subsidiaries for the two financial years prior to publication of the reference document.

The above documents are available for consultation in hard copy or electronic format.

3.1.3. Incorporation date and term (article 5 of the by-laws)

The Group was incorporated on February 20, 1939, for a period of ninety-nine years, expiring on January 30, 2038 unless it is wound up in advance or its term is extended.

3.1.4. Incorporation details

Laurent-Perrier companies are registered with the Reims Companies Registry under number 335 680 096.
APE business activity code: 6420Z.

3.1.5. Legal structure (article 1 of the by-laws)

Laurent-Perrier is a French *société anonyme* (public limited company) with a Management Board and a Supervisory Board.

3.1.6. Corporate purpose (article 3 of the by-laws)

Laurent-Perrier's corporate purpose is to trade mainly in the wine industry and includes:
- the acquisition, management and sale of securities, shares and all rights pertaining to them;
- active participation in defining the goals and policies of companies in which it has exclusive or joint control or a significant influence;
- budgetary and financial control and coordination of such companies;
- the provision of specific administrative, legal, accounting, financial or real-estate services on a purely in-house basis to such companies;
- all operations that are compatible with this purpose, related to it or further its accomplishment.

3.1.7. Financial year (article 19 of the by-laws)

From April 1 to March 31 of the calendar year.

3.1.8. Appropriation and distribution of earnings (article 20 of the by-laws)

3.1.9. Annual General Meetings of Shareholders (article 18 of the by-laws)

3.1.10. Special provisions of the by-laws

Disclosure thresholds (article 9)
Article 9 of the by-laws states that any private individual or corporate body who, within the meaning of article L233-7 of the French Commercial Code, falls below or rises above a threshold equal to 2.5% of the share capital and/or voting rights of the Company or a multiple thereof, must report to Laurent-Perrier the total number of shares they hold.

Double voting rights (article 18 of the by-laws)
Double voting rights are legally granted to all fully-paid up registered shares which have been registered in the name of the same shareholder for at least four years (date to date).

Identification of holders of bearer shares
The survey undertaken by Laurent-Perrier on March 31, 2008 of holders of bearer shares identified about 4,811 shareholders.

3.1.11. Supervisory Board membership requirements (article 15)

Other than those stipulated in the bylaws, the rules governing the Supervisory Board, and notably its membership, operation and purview, are those set out in the applicable legal provisions.
Any members present at the meetings via a videoconferencing link whose nature and operating methods are compliant with regulatory provisions shall be deemed present for the purposes of establishing the quorum and the majority of Supervisory Board members.
Videoconferencing participation is not valid when taking the following decisions, however:

- appointment of the members of the Management Board, the Chairman of the Management Board and the single Chief Executive Officer,
- dismissal of members of the Management Board and the single Chief Executive Officer if the bylaws make provision for such dismissal by the Supervisory Board,
- election and remuneration of the Chairman and Vice Chairman of the Supervisory Board.

3.1.12. Provisions for attendance at the General Meeting of Shareholders (article 18)

Other than those stipulated in the bylaws, the rules governing the holding of General Meetings of Shareholders and in particular the calling and holding of such meetings, as well as the rights pertaining to shareholder communication and information, are those set out in the applicable legal provisions.

Any shareholders taking part in the General Meeting of Shareholders via a videoconferencing link or other telecommunications link enabling their identification, whose nature and operating methods are compliant with regulatory provisions shall be deemed present for the purposes of establishing the quorum and the majority of shareholders.

General Meetings of Shareholders convene at the Group's Registered Office or at any other venue specified in the invitation to attend.

3.1.13. Laurent-Perrier share buy-back programme

The Shareholders' Meeting of July 5, 2007 authorised the Management Board to repurchase Company shares pursuant to articles L.225-209 et seq. of the French Commercial Code, notably in order to:
- maintain an orderly market in Company shares through a liquidity agreement with an investment services provider that conforms to the AFEI charter recognised by AMF;
- allocate shares to employees or Company representatives;
- use the shares to grant share options to employees or Company representatives;
- retain the shares acquired and use them in swaps or in acquisition agreements;
- cancel all or part of the shares acquired.

The Company has not cancelled any shares held under the provisions of the above programme.

The special buy-in report is included in section 7.
The July 9, 2008 Joint Ordinary and Extraordinary Shareholders' Meeting held to vote on the financial statements for the period ended March 31, 2008 will be asked to issue a new authorisation.

If authorised by the shareholders, the Management Board may cancel shares and reduce the company's share capital accordingly.

Conditions

Under the new programme shares will be bought in at no more than €150 per share excluding expenses.

The Shareholders' Meeting on July 9, 2008 will authorise the buy-back of up to 594,000 shares each with a par value of €3.80 (minus the 65,477 treasury shares already owned by the Company at March 31, 2008).

Assumptions used to assess the impact of the share buy-back programme on the financial situation of Laurent-Perrier

Calculations to assess the impact of the buy-back programme on Laurent-Perrier's accounts are based on the consolidated financial statements at March 31, 2008. However, taking into account the 65,477 treasury shares already owned by the Company at March 31, 2008, it is unlikely to acquire all the 594,000 shares that may be repurchased under the buy-back programme.
Shares will be bought and sold on the stock market and/or in block sales.

Financing of share repurchase
The buy-back programme shall be financed with Laurent-Perrier's own funds.

Intention of Laurent-Perrier's executive officers
The executive officers of Laurent-Perrier do not intend to buy or sell shares under the buy-back programme.

Operations carried out by Laurent-Perrier on its own shares pursuant to article L 225-209 of the French Commercial Code

1. During the financial year, ie, from 01.04.2007 to 31.03.2008:

A) Market making:
- Shares purchased during the financial year: 122,902 shares
- Shares sold during the financial year: 118,594 shares
- Average share price: purchase: 110,27 euros
  sale: 110,69 euros

B) Share purchase options
- Shares purchased during the financial year: 82,523 shares
- Average share price: 97,97 euros

C) External growth
- Shares purchased during the financial year:
- Shares sold during the financial year: 175 shares
- Average share price: purchase: euros
  sale: 115 euros

D) Amount of trading fees:
- Market making:
- Expenses incurred on purchases: €0
- Expenses incurred on sales: €0
- Share option purchases:
- Expenses incurred on purchases: €43,982.16

E) Reasons for acquisitions: Market making and employee allocations, and to a lesser degree, external growth.

F) Fraction of capital in treasury shares: 1.10%.

2. Total

A) Total shares registered in the company name at the close of the financial year: 65,477 shares
B) Value at purchase price: €6,437,699
C) Nominal value of treasury shares: €3.80 per share (for a total of €248,813)

NB : To the total number of Laurent-Perrier shares owned by the company should be added 1,000 shares resulting from a financial transaction prior to stock market flotation.

The special report on share buybacks mentioned in article L 225-209 et al. of the French Commercial Code is appended to the present reference document as Annex 7-3.

3.2. General information on Laurent-Perrier's capital and shares

3.2.1. Share capital (article 7 of the by-laws)

At March 31, 2008, the capital stock of the company stood at €22,594,271.80, divided into 5,945,861 shares, each with a par value of €3.80, all of the same class.

3.2.2. Stock option plans

The Joint Ordinary and Extraordinary Shareholders' Meeting of May 26, 1999, June 29, 2001, July, 3, 2003 authorised the Management Board to allocate stock options to employees or executive officers of the Group in accordance with legal provisions and the limits laid down in articles L225-177 et seq. of the French Commercial Code (formerly articles 208-1 et seq. of the Companies Act of July 24, 1966).

The Joint Ordinary and Extraordinary Shareholders' Meeting of July 6, 2006 authorised the Management Board to grant stock options up to a maximum of 8.5% of the capital stock to the same beneficiaries as before. The authorisation was granted for a period of 38 months and may therefore be extended in 2009.

	Date of General Shareholders' Meeting												
	26.05. 99				29.06.01				03.07.03			06.07.06	
	Plan n°1	Plan n°2	Plan n°3	Plan n°4	Plan n°5	Plan n°6	Plan n°7	Plan n°8	Plan n°9	Plan n°10	Plan n°11	Plan n°12	Plan n°13
Management Board meeting	**11.06 1999**	**22.10 1999**	**30.03 2000**	**25.04 2000**	**30.03 2001**	**05.09 2001**	**26.03 2002**	**25.03 2003**	**30.03 2004**	**08.03 2005**	**14.03 2006**	**22.03 2007**	**18.03 2008**
Number of eligible employees and/or executive officers	18	3	22	1	21	3	25	27	30	3	6	5	23
Total number of shares purchasable	31,474	4,500(1)	44,950(1)	2,250(1)	44,000(1)	3,950	66,700(1)	46,900(1)	49,400(1)	18,000	28,000	25,000	34,200
Of which: Group management Committee allocation	20,124	0	26,500	2,250	26,600	3,950	45,150	27,250	28,400	18,000	28,000	25,000	25,000
Management Committee beneficiaries	7	0	7	1	7	3	10	7	7	3	6	5	5
Options exercisable as of	12.06.04	23.10.04	31.03.05	26.04.05	31.03.06	06.09.05	27.03.06	26.03.07	31.03.08	09.03.09	15.03.10	23.03.11	19.03.12
Expiry date	10.06.09	21.10.09	29.03.10	24.04.10	29.03.11	04.09.11	25.03.12	24.03.13	29.03.14	08.03.15	13.03.16	21.03.17	17.03.18
Subscription price	€33	€33.90	€30.63	€29.97	€29.62	€32.22	€27.66	€29.78	€28.70	€34.10	€50.38	€83.72	€98.98

(1) includes options given to individuals before they left the Group.

3.2.3. Capital authorised but not issued (financial authorisations)

The Joint Ordinary and Extraordinary Shareholders' Meeting of July 5, 2007 authorised the Management Board to increase the share capital on one or several occasions over a period of 26 months through:

- issues of Laurent-Perrier shares or any type of securities giving immediate or subsequent access to Laurent-Perrier shares, with the exception of preferred shares, non-voting priority dividend shares and investment certificates. These issues can be made with or without maintaining the preferential subscription rights of existing shareholders. The maximum total increase in nominal capital that may result from such issues is €10,000,000 for shares and €150,000,000 for debt issues;
- issues of Laurent-Perrier shares through capital increases of up to €10,000,000 through capitalisation of reserves, profits and share premiums.

At March 31, 2008, the above authorisations had not been implemented by the Management Board.

3.2.4. Other securities giving direct or indirect access to the Company's capital

There are no other securities giving access to Laurent-Perrier's share capital either directly or indirectly.

3.2.5. Changes in ownership

Date	Nature of transaction	Capital increase or reduction (in FRF unless otherwise stated)	Issue or transfer premiums (in FRF unless otherwise stated)	Change in number of shares	Share capital after the transaction (in FRF unless otherwise stated)
20.02.1939	Creation of Laurent-Perrier by asset transfer			36,000	3,600,000
1939 to 1993	Successive capital increases			366,000	36,600,000
10.12.1993	Capital increase	444,500	10,668,000	4,445	40,644,500
27.06.1994	Capital increase through capitalisation of reserves			2,032,225	243,867,000
15.03.1999	Capital decrease by reducing the par value from FRF 100 to FRF 50	121,933,500			121,933,500
31.03.1999	Capital increase related to the merger of Galilée Investissements[1]	11,030,400	27,403,170	220,608	132,963,900
26.05.1999	Two-for-one share split (reduction in par value of shares from FRF 50 to FRF 25)			2,659,277	132,963,850
26.05.1999	Conversion of share capital into euros (€ 3.80 per share), with rounding off per share amounts and reduction in share capital	€59,703			€20,210,505.20
31.05.1999	Cancellation of treasury shares	(€1,653,820.80)		(435,216)	€18,556,684.40
11.06.1999	Capital increase	€3,510,945.40	€26,978,843.00	923,933	€22,067,629.80
July 1999	Exercise of over-allocation option	€526,642	€4,046,828	138,590	€22,594,271.80
				TOTAL : 5,945,861	

(1) Followed by cancellation of a fractional share at the Management Board meeting on May 10, 1999.

In order to simplify and enhance the overall transparency of the Laurent-Perrier Group's legal structure and rationalise its holding company governance, Galilée Investissements, a family investment holding company exclusively owned by members of the de Nonancourt family, was merged with Laurent-Perrier with effect from March 31, 1999.

The merger was a transparent operation. After the capitalisation of shareholder cash advances made by Galilée Investissements, Laurent-Perrier received 220,608 Laurent-Perrier shares as the sole contribution from Galilée Investissements.

Following the merger of Galilée Investissements with Laurent-Perrier and the two-for-one share split approved by the Joint Ordinary and Extraordinary Shareholders' Meeting of May 26, 1999, Laurent-Perrier held 441,216 treasury shares. At a meeting on May 31, 1999, Laurent-Perrier's Management Board decided to cancel 435,216 of its own treasury shares, thus reducing its holding to 6,000 shares.

3.2.6. Breakdown of shareholdings and voting rights

3.2.6.1. At March 31, 2008

Shareholders	Number of shares	% capital	% voting rights
1 - Registered family shares (Nonancourt family)	3,339,221	56.16%	70.35%
2 - Institutional shareholders (registered shares)[1]	483,946	8.14%	5.56%
3 - Other shareholders, including individuals[2]	2,037,932	34.28%	23.65%
4 - Shares held through the corporate mutual fund set up for employees and managed by HSBC Epargne Entreprise	19,285	0.32%	0.44%
5 - Treasury shares[3]	65,477	1.10%	
GRAND TOTAL at 31.03.2008	**5,945,861**	**100%**	**100%**

(1) Including First Eagle Funds Inc which to the best of the Group's knowledge holds more than 7.5% of the capital and more than 5% of the voting rights.
(2) Including Arnhold and S. Bleichroeder (US Investment Advisor) which has disclosed that it has crossed the threshold of 7.5% of the capital and 5% of the voting rights including the First Eagle Funds Inc cited above in (1).
(3) Treasury shares: this mainly corresponds to shares acquired under the provisions of articles L 225 –209 et seq. of the French Commercial Code (market making and shares held for allocation to employees).

3.2.6.2. At March 31, 2007

Shareholders	Number of shares	% capital	% voting rights
1 - de Nonancourt family (registered shares)	3,339,221	56.16%	69.96%
2 - Institutional shareholders (registered shares)[1]	559,852	9.42%	6.39%
3 - Other shareholders, including individuals[2]	2,005,744	33.73%	23.15%
4 - Shares held through the corporate mutual fund set up for employees and managed by HSBC Epargne Entreprise	21,782	0.37%	0.50%
5 - Treasury shares[3]	19,262	0.32%	
GRAND TOTAL at 31.03.2007	**5,945,861**	**100%**	**100%**

(1) Including First Eagle Funds Inc which to the best of the Group's knowledge holds more than 7.5% of the capital and more than 5% of the voting rights.
(2) Including Arnhold and S. Bleichroeder (US Investment Advisor) which has disclosed that it has crossed the threshold of 10% of the capital and 5% of the voting rights including the First Eagle Funds Inc cited above in (1).
(3) Treasury shares: this mainly corresponds to shares acquired under the provisions of articles L 225 –209 et seq. of the French Commercial Code (market making and shares held for allocation to employees).

3.2.6.3. At March 31, 2006

Shareholders	Number of shares	% capital	% voting rights
1 - de Nonancourt family (registered shares)	3,334,421	56.08%	70.52%
2 - Institutional shareholders (registered shares)(1)	617,288	10.38%	7.11%
3 - Other shareholders, including individuals(2)	1,870,252	31.45%	21.83%
4 - Shares held through the corporate mutual fund set up for employees and managed by HSBC Epargne Entreprise	23,602	0.40%	0.54%
5 - Treasury shares(3)	100,298	1.69%	
GRAND TOTAL at 31.03.2006	**5,945,861**	**100%**	**100%**

(1) Including First Eagle Funds Inc which to the best of the Group's knowledge holds more than 7.5% of the capital and more than 5% of the voting rights.

(2) Including Arnhold and S. Bleichroeder (US Investment Advisor) which has disclosed that it has crossed the threshold of 10% of the capital and 7,5% of the voting rights including the First Eagle Funds Inc cited above in (1).

(3) Treasury shares: this mainly corresponds to shares acquired under the provisions of articles L 225 –209 et seq. of the French Commercial Code (market making and shares held for allocation to employees).

3.2.7. Major changes in capital ownership since the initial listing on the stock market

Since the initial listing on the stock market, there has been no significant change in the capital ownership and voting rights of the Group.

3.2.8. Changes in share capital

Changes in share capital or in the voting rights attached to shares are governed by law; nothing specific is provided in the by-laws.

3.2.9. Shareholder pact

To the Laurent-Perrier Group's knowledge, no shareholder pact exists.

In July 2005, the de Nonancourt family group re-structured its holding in the Laurent-Perrier share capital. Following this transaction, ASN increased its share of the Group's capital and voting rights by more than 2%, resulting in the mandatory filing of a draft public offering.

Since the operation constituted a reclassification between members of the same group it had no impact on the control of the Company, particularly as the de Nonancourt family, both before and after the transaction, directly and indirectly held the majority of the voting rights at Joint Ordinary and Extraordinary Shareholders' Meetings of Laurent-Perrier. The AMF consequently waived compliance with the above obligation for ASN in 2005.

3.2.10. Pledges of company shares

To the company's knowledge, no Laurent-Perrier shares were pledged as security in 2007-2008.
All guarantees given by Group companies are shown in section of the "Notes to the Consolidated Financial Statements" (Off-balance sheet commitments, paragraph 4.2.6. of this 5.2. reference document) and in the notes to the parent company financial statements in section 5.4. (note 13, off-balance sheet commitments of this reference document).

3.2.11. The Laurent-Perrier share market: prices, trends, trading

Laurent-Perrier shares are listed on Eurolist B of Euronext Paris.

	Monthly opening price (€)	Monthly closing price (€)	Monthly high (€)	Monthly low (€)	Trading volume (shares)	Trading volume (€)
October-06	67.00	68.20	69.95	65.10	62,270	4,209,877
November-06	68.20	78.30	81.10	66.85	149,799	10,881,025
December-06	77.00	72.80	77.85	72.35	87,661	6,599,605
January-07	73.50	76.00	78.80	71.00	203,176	15,235,199
February-07	76.00	83.00	86.70	75.50	109,291	8,903,555
March-07	83.50	85.24	85.50	79.80	68,974	5,762,370
April-07	85.00	87.80	93.58	85.00	137,893	12,344,145
May-07	87.80	98.40	100.50	87.80	153,847	14,353,960
June-07	100.10	111.00	119.03	99.10	153,576	15,797,851
July-07	112.80	120.60	127.80	103.60	275,576	32,053,247
August-07	120.60	116.22	121.00	96.70	156,872	17,639,267
September-07	117.00	115.00	117.79	110.60	87,642	10,067,546
October-07	116.00	128.79	139.39	115.24	128,635	16,048,586
November-07	128.00	118.00	129.50	102.00	141,301	16,821,852
December-07	117.00	129.77	131.00	105.91	143,586	17,771,601
January-08	130.00	106.58	130.00	100.00	174,064	20,150,638
February-08	107.35	101.45	114.00	93.10	134,307	13,974,408
March-08	98.50	99.73	105.50	94.98	74,742	7,352,843

3.2.12. Dividend policy

Laurent-Perrier intends to continue its policy of distributing dividends in the order of 20-30% of attributable net income (IFRS) insofar as allowed by Laurent-Perrier's business interest.

On May 27, 2008, the Management Board decided to propose to the Joint Ordinary and Extraordinary Shareholders' Meeting on July 9, 2008 a dividend of €1.40 per share in respect of financial year 2007-2008.

Dividends distributed over the last three financial years were as follows:

Financial year	Dividend per share (€)
2004-2005	0,75€
2005-2006	1€
2006-2007	1,30€

After a period of five years, unclaimed dividends are automatically paid to the French Treasury.

3.3. Property, plant and equipment

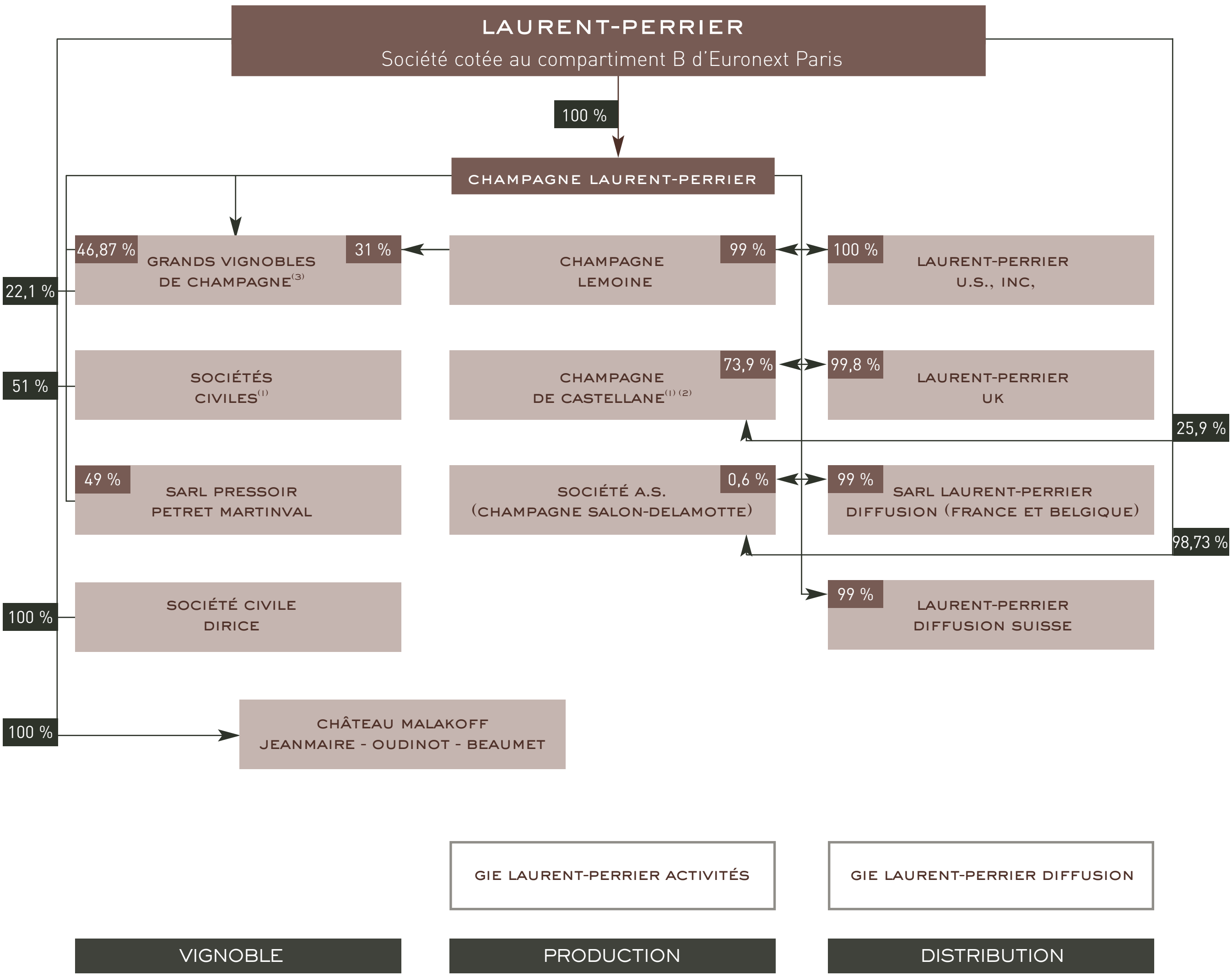
The production sites owned by the Group are located in the Marne *département*:

Champagne Laurent-Perrier	Tours-sur-Marne and Châlons en Champagne
Champagne de Castellane	Epernay
Château Malakoff	Epernay and Oger
Champagne Salon – Champagne Delamotte	Le Mesnil-sur-Oger

Full details of property holdings are set out in Chapter 5 of the present reference document.

3.4. Simplified organisation chart of the Laurent-Perrier Group

The following simplified chart shows the legal structure of the Group at March 31, 2008, which is structured around the Laurent-Perrier parent company, Champagne Laurent-Perrier, Champagne de Castellane and Château Malakoff, its wholly owned (equity and voting rights) main operating subsidiaries.



(1) See annex to the consolidated accounts with respect to minority shareholdings.
(2) See paragraph 1.1. above.
(3) Merger with SARL Alain Mandois by Grands Vignobles de Champagne, January 22, 2008.

4 CORPORATE GOVERNANCE AND CONFLICTS OF INTEREST: ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

4.1. Senior Management

4.1.1. The Laurent-Perrier Management Board

Group and non-Group directorships

Mandates renewed for two financial periods at the end of the General Meeting called to examine the financial statements for the period ending March 31, 2007:

	Company directorships over the last 5 years or date of initial appointment	Appointment expires	Other Group directorships	Other non-Group directorships
Yves Dumont Business address: Laurent-Perrier – 32 avenue de Champagne 51150 Tours-sur-Marne	May 10, 1999	End of 2009 General Meeting	See table of positions and offices	None
Alexandra Pereyre de Nonancourt* Business address: Laurent-Perrier – 32 avenue de Champagne 51150 Tours-sur-Marne	May 10, 1999	End of 2009 General Meeting	See table of positions and offices	None
Stéphanie Meneux de Nonancourt* Business address: Laurent-Perrier – 32 avenue de Champagne 51150 Tours-sur-Marne	May 10, 1999	End of 2009 General Meeting	See table of positions and offices	None

* Alexandra Pereyre de Nonancourt and Stéphanie Meneux de Nonancourt are the daughters of Bernard de Nonancourt and his wife, Claude de Nonancourt.

4.1.2. The Laurent-Perrier Supervisory Board

Supervisory Board members are appointed for a term of six years.
Group and non-Group mandates:

Directors **Date of initial appointment** **Appointment expires**	**Other Group and non-Group mandates at March 31, 2008**
Bernard de Nonancourt *Chairman:* May 26, 1999 to July 7, 2005 *Honorary Chairman:* July 7, 2005 *Member:* May 26, 1999 -2011 *Business address:* Laurent-Perrier 32 avenue de Champagne 51150 Tours-sur-Marne	*The other Laurent-Perrier Group mandates:* see table of positions and offices *Non-Laurent-Perrier Group mandates:* none
Maurice de Kervénoaël[1] *Chairman:* July 7, 2005 – 2011 *Business address:* MDK Consulting 20 rue Vignon - 75008 Paris	*Other Laurent-Perrier Group mandates:* none *Non-Laurent-Perrier Group mandates:* - Managing Director of MDK Consulting - Chairman of Hermès International Audit Committee - Director, Deputy Chairman, Hermès International - Chairman of the Supervisory Board of SIA - Director, ONET - Chairman, Petit Bateau
François Philippoteaux *Deputy Chairman* *Member:* July 11, 1996 – 2008	*Other Laurent-Perrier Group mandates:* see table of positions and offices - Chairman of Laurent-Perrier Switzerland *Non-Laurent-Perrier Group mandates:* none
Michel Chiron[1] *Member:* July 7, 2005- 2011	*Other Laurent-Perrier Group mandates:* none *Non-Laurent-Perrier Group mandates:* - Chairman of the Supervisory Board of Partner-Jouët Management - Chartered accountant and former statutory auditor
Bernard de La Giraudière *Member:* July 11, 1996- 2008	*Other Laurent-Perrier Group mandates:* - Chairman of Laurent-Perrier UK *Non-Laurent-Perrier Group mandates:* - Chairman & CEO, Spirited Co. Limited
Claude de Nonancourt *Member :* July 11, 1996- 2008 *Family tie:* wife of Bernard de Nonancourt	*Other Laurent-Perrier Group mandates:* see table of positions and offices *Non-Laurent-Perrier Group mandates:* none
Yann Duchesne[1] *Member:* July 3, 2003 – 2009 *Business address:* Doughty & Hanson 45, Pall Mall London SW1Y 5JG, UK	*Other Laurent-Perrier Group mandates:* none *Non-Laurent-Perrier Group mandates:* - Senior Associate, Doughty & Hanson investment fund - Chairman of the Supervisory Board of Saft - Chairman, Balta - Chairman, KP1 - Director, TV3 - Director, Impress - Director, IPSOS - Director, Altran Technologies until June 30, 2005 - Chairman,NAMG (to 01.08.2007) - Director,TUMI - Director,Moeller (to 01.10.2007)

Grant Gordon[1] *Member:* October 26, 1999- 2011 *Business address:* 32 Buckingham Palace Road, London SW1 W 0RE, UK	*Other Laurent-Perrier Group mandates:* none *Non-Laurent-Perrier Group mandates:* Managing Director, Institute for Family Business (UK)
Éric Meneux *Member:* October 26, 1999 -2011 *Family tie:* husband of Stéphanie Meneux de Nonancourt, member of the Management Board	*Other Laurent-Perrier Group mandates:* none *Non-Laurent-Perrier Group mandates:* Medical Doctor, surgeon at the Clinique Sainte Isabelle and the American Hospital, Neuilly-sur-Seine
Alain Nkontchou[1] *Member:* October 26, 1999 – 2011 *Business address:* Crédit Suisse First Boston – One Cabot Square London E14 4QJ - UK	*Other Laurent-Perrier Group mandates:* none *Non-Laurent-Perrier Group mandates:* Managing Director responsible for Global Macro Proprietary Trading at Crédit Suisse First Boston, London
Jean-Louis Pereyre *Member:* December 20, 1994 - 2012 *Family tie:* husband of Alexandra Pereyre de Nonancourt, Member of the Management Board	*Other Laurent-Perrier Group mandates:* none *Non-Laurent Perrier Group mandates:* Chairman,Maritime Archéologie et Prospection, Director, Media Contact Services

(1) Independant members of the Supervisory Board.

Supervisory Board Committees:

Some committees met several times over the course of the financial year.

The Strategy Committee is tasked with monitoring Company growth and presenting strategy proposals for the Laurent-Perrier Group to the Supervisory Board as a whole. The Strategy Committee is chaired by Bernard de Nonancourt. Its other members are Yann Duchesne (Vice President), Maurice de Kervénoaël, Éric Meneux, François Philippoteaux, Jean-Louis Pereyre and Management board members Yves Dumont, Alexandra Pereyre de Nonancourt and Stéphanie Meneux de Nonancourt.

The Executive Committee meets monthly to examine the Company's performance indicators and the results and profitability of the different products and countries where the Group operates. The Executive Committee comprises Maurice de Kervénoaël, Bernard de Nonancourt, and Management Board members Yves Dumont, Alexandra Pereyre de Nonancourt and Stéphanie Meneux de Nonancourt.

The Audit and Financial Communication Committee examines the Company's financial results for each reporting period and ensures they are communicated to shareholders. Its role is to ensure the quality of the accounting methods and internal procedures, review the statutory and consolidated financial statements before they are presented to the Supervisory Board and ensure the quality of the financial information provided to shareholders. Members are Bernard de La Giraudière, Éric Meneux, Alain Nkontchou and Claude de Nonancourt, with Michel Chiron as Chairman.

The Remuneration and Corporate Governance Committee recommends the remuneration levels of Supervisory and Management Board members, proposes authorisations governing the stock-option plans and their application to Management Board members. It provides opinions on the Group's executive remuneration policy, ensures that conflicts of interest are avoided or resolved and determines and implements the Company's corporate governance policy. Members are Michel Chiron, Grant Gordon and Jean-Louis Pereyre, with Yann Duchesne as Chairman.

Internal controls

Section 7 contains the Report of the Chairman of the Supervisory Board on the preparation and organisation of its work and on the internal control procedures put in place by the Group.

List of positions and offices held in Group Companies by the executive officers as at March 31, 2008.

	Companies / Executive officers	Laurent-Perrier	Champagne Laurent-Perrier	Champagne de Castellane	Société A.S.	Château Malakoff (1)
Supervisory Board	Bernard de Nonancourt	Member of Supervisory Board 0and Honorary Chairman	Chairman of the Supervisory Board		Chairman of the Supervisory Board	
Supervisory Board	Maurice de Kervénoaël	Chairman of the Supervisory Board				
Supervisory Board	Michel Chiron	Member of the Supervisory Board				
Supervisory Board	Bernard de la Giraudière	Member of the Supervisory Board				
Supervisory Board	Grant E. Gordon	Member of the Supervisory Board				
Supervisory Board	Éric Meneux	Member of the Supervisory Board				
Supervisory Board	Alain Nkontchou	Member of the Supervisory Board				
Supervisory Board	Claude de Nonancourt	Member of the Supervisory Board		Director	Vice-Chairman of the Supervisory Board	
Supervisory Board	Jean-Louis Pereyre	Member of the Supervisory Board				
Supervisory Board	François Philippoteaux	Vice-Chairman of the Supervisory Board	Vice-Chairman of the Supervisory Board			
Supervisory Board	Yann Duchesne	Member of the Supervisory Board				
Management Board	Yves Dumont	Chairman of the Management Board	Chairman of the Management Board	Chairman of the Board of Directors		Chairman
Management Board	Stéphanie Meneux de Nonancourt	Member of the Management Board	Permanent representative of LP member of the Supervisory Board	Permanent representative of CLP, director	Member of the Management Board	
Management Board	Alexandra Pereyre de Nonancourt	Member of the Management Board	Member of the Management Board			

4.1.3. Potential conflicts of interest and corporate governance

Conflicts of interest

There are no potential conflicts of interest for the members of the Supervisory Board or members of the Management Board between their duties towards Laurent-Perrier and their private interests.

At the present date and to the Company's best knowledge over at least the past five years, no director or member of the Supervisory Board occupying a Company position at March 31, 2008:
- has been found guilty of fraud,
- has been associated with any bankruptcy, had his/her assets seized or attached or been put into liquidation,
- has been found guilty of any offence and/or been subject to official censure by statutory or regulatory authorities,
- has been banned by any court from acting as director, manager or member of the supervisory board of any company issuing shares or from being involved in the management or the running of any company issuing shares over at least the last five years.

Corporate governance

The Group considers that its practices comply with French corporate governance requirements.

4.2. Global amount of total remuneration and fringe benefits of all sorts paid out either directly or indirectly by Laurent-Perrier or other Group companies during the financial year

4.2.1. Members of the Management Board

Performance-related remuneration is contingent on achieving Group targets and individual objectives.

- Yves Dumont
    - fixed remuneration paid in 2007-2008: €332.5K
    - performance related remuneration for 2006-2007, paid in 2007-2008: €181.2K
    - benefits in kind: company car €4K
    - share options allocated 2007-2008: 10,000.

- Stéphanie Meneux de Nonancourt:
    - fixed remuneration paid in 2007-2008: €87.0K
    - performance related remuneration for 2006-2007 paid in 2007-2008: €15.3K

- Alexandra Pereyre de Nonancourt:
    - fixed remuneration paid in 2007-2008: €86.9K
    - performance related remuneration for 2006-2007, paid in 2007-2008: €15.3K

Only the Chairman of the Management Board and Alexandra Pereyre de Nonancourt received separate director's attendance fees, which in their case are included in the above fixed remuneration.

Contracts with the senior executives include no other items of remuneration.

The provisions and reserves by the Company and its subsidiaries for general and retirement pensions and other benefits together total €1,341.2K, broken down as follows.

	Yves Dumont	Stéphanie Meneux de Nonancourt	Alexandra Pereyre de Nonancourt
Defined benefit pension	€981.19K	€73.8K	€78.3K
Retirement indemnities	€153.90K	€24.8K	€29.3K

4.2.2. Members of the Supervisory Board

- The gross remuneration paid to Bernard de Nonancourt in 2007-2008 by Group companies amounted to €121.96K.

- The gross remuneration paid to Maurice de Kervénoaël as Chairman of the Laurent-Perrier Supervisory Board for 2007-2008 amounted to €26.1K. Laurent-Perrier also paid MDK Consulting, of which Maurice de Kervénoaël is managing director, fees in the amount of €78.4K for services rendered.

- Attendance fees paid to Supervisory Board members in respect of functions and offices held in Group companies can be broken down as follows:
  - Michel Chiron received €16.2K,
  - Yann Duchesne received €16.2K,
  - Bernard de La Giraudière received €16.2K,
  - Grant Gordon received €16.2K,
  - Éric Meneux received €16.2K,
  - Alain Nkontchou received €16.2K,
  - Bernard de Nonancourt received €16.2K,
  - Claude de Nonancourt received €16.2K,
  - Jean-Louis Pereyre received €16.2K,
  - François Philippoteaux received €23.5K.

-No loans or guarantees were given by Laurent-Perrier to members of the Management or Supervisory Boards.

4.3. Stock options granted to Group officers and the top 10 non-officer employees

4.3.1. This report has been prepared by the Company's Management Board in compliance with article L 225-184, paragraph 2 of the French Commercial Code as amended by Law 2001-420 (May 15, 2001), and with article D 174-20 of the decree of March 23, 1967, to inform shareholders of options granted by the Company and controlled companies in the year ended March 31, 2008 to:
- Officers ("*mandataires sociaux*") of the Company and controlled companies in connection with offices or functions held,
- the ten non-officer employees having received the largest number of stock options during the period.

In compliance with the provisions of the aforementioned article L 225-184, the table below outlines the number, exercise dates and option prices of the stock options granted in the year ended March 31, 2008, to the grantees enumerated below in respect of the authorisation conferred by the Joint Extraordinary and Ordinary Shareholders' Meeting of July 6, 2006.

	Number of options granted	Expiry date	Option price
1) OFFICERS			
Yves Dumont	10,000	March 17, 2018	€98.98
2) EMPLOYEES RECEIVING THE LARGEST NUMBER OF OPTIONS WHO ARE NOT OFFICERS			
	24,200	March 17, 2018	€98.98

4.3.2. Furthermore, in application of the provisions of the aforementioned article L.225-184 of the French Commercial Code, this report must provide the number and the prices at which stock options entitling holders to acquire shares in the Company or the controlled companies were exercised by Group officers and by the ten non-officer employees of the Group exercising the largest number of options.

Beneficiaries	Plan n°1 11.06.99	Plan n°2 22.10.99	Plan n°3 31.03.00	Plan n°4 25.04.00	Plan n°5 29.03.01	Plan n°7 26.03.02	Plan n°8 25.03.03	Plan n°9 30.03.04	TOTAL
Exercise period	from 12.06.04 to 10.06.09	from du 31.03.04 au 29.03.09	from du 31.03.05 au 29.03.10	from du 26.04.05 au 24.04.10	from du 31.03.06 au 29.03.11	from du 27.03.06 au 25.03.12	from du 25.03.07 au 24.03.13	from du 31.03.08 au 29.03.14	
Exercise price	€33.00	€34.00	€30.63	€29.97	€29.62	€27.66	€29.78	€28.71	
1) OFFICERS									
Yves Dumont								10.000	10.000
2) NON-OFFICER EMPLOYEES EXERCISING THE LARGEST NUMBER OF OPTIONS									
	750	1.000	1.000	1.300	2.500	2.250	15.500	6.000	30.300

4.4. Protective measures imposed on senior executives

The Laurent-Supervisory Board has decided that with respect to shares obtained by exercising share options allocated from 2007, the following protective measures shall apply:

- shares to retain: Laurent-Perrier shares;

- beneficiaries concerned, and % of shares to retain:
  - Chairman of the Management Board: the Chairman of the Management Board shall retain 20% of the shares otbtained by exercising share options as of the allocation of 2007. The number of shares to retain shall be calculated and retained at the time of each allocation of share options.
  - Operations Committee members: each member of the Operations Committee shall retain 20% of the shares otbtained by exercising share options as of the allocation of 2007. The number of shares to retain shall be calculated and retained at the time of each allocation of share options.

- End of requirement to retain shares:
  - For the Chairman of the Management Board: the shares to be retained, obtained by exercising share options may be sold on as of the first day after the Chairman relinquishes his duties as Chairman of the Management Board and at the end of any employment contracts he may have.
  - Operations Committee members: the shares to be retained, obtained by exercising share options may be sold on as of the first day after the end of any employment contracts they have.

5 ASSETS, FINANCIAL POSITION AND INCOME STATEMENTS

The reference document for previous years can be consulted on the Laurent-Perrier website at www.finance-groupelp.com.
In accordance with article 28 of Commission Regulation (EC) 809/2004 dated April 29, 2004, the following information has been included in the present reference document for reference purposes: the consolidated financial statements for the financial year ended March 31, 2007 drawn up according to IFRS rules, and the related statutory auditors' report set out on pages 47-94 of the 2005-2006 reference document filed with the Autorité des Marchés financiers (AMF) on June 29, 2006, together with information taken from the 2005-2006 Management Report set out in pages 15-22 of the reference document.
The following information has been included for reference purposes in the present reference document: the consolidated financial statements for the financial year ended March 31, 2005 set out on pages 57-89 of the 2005-2006 reference document filed with the AMF on June 29, 2006, together with information taken from the Management Report on pages 15-22, and the reports of the statutory auditors set out on pages 98-104 of the reference document.

5.1. Consolidated financial statements at March 31, 2007 and 2008

Consolidated income statement

(€ million except income per share)	Notes	March 31, 2008	March 31, 2007
Sales	4.16	249.43	236.65
Cost of sales		(117.09)	(115.95)
Gross margin		132.34	120.70
Other net operating income	4.17	0.64	1.40
Commercial expenses		(46.07)	(45.60)
Administrative expenses		(20.88)	(19.93)
Current operating income		**66.03**	**56.57**
Other operating income	4.19	0.21	0.44
Other operating expenses	4.19	(0.43)	(0.35)
Operating income		**65.81**	**56.66**
Financial income		0.30	0.17
Cost of net debt		(11.86)	(9.90)
Other financial charges		(0.68)	(0.22)
Financial results	**4.20**	**(12.24)**	**(9.95)**
Income tax	4.21	(18.83)	(16.36)
Income from equity-consolidated companies		0.00	0.00
Net income		**34.74**	**30.34**
Net income: minority interests		0.11	0.14
Group net income		34.63	30.20
Group net attributable income per share (€)		**5.88**	**5.11**
Number of shares		5,895,057	5,909,941
Diluted Group net attributable income per share (€)		**5.81**	**5.06**
Number of shares		5,959,496	5,969,664

Consolidated Balance Sheet

(€ million)	Notes	March 31, 2008	March 31, 2007
Assets			
Goodwill	4.1	24.50	24.41
Net intangible fixed assets	4.2	4.43	3.59
Net tangible fixed assets	4.3	134.88	120.20
Equity interests in companies carried at equity	4.4	0.08	0.08
Non-current financial assets	4.5	3.89	2.76
Non-current assets		**167.78**	**151.04**
Inventories and work in progress	4.6	373.59	342.83
Trade receivables	4.7	38.94	40.86
Other receivables	4.8	17.97	13.48
Cash and cash equivalents	4.12	7.62	11.93
Current assets		**438.12**	**409.10**
TOTAL ASSETS		**605.90**	**560.14**

(€ million)	Notes	March 31, 2008	March 31, 2007
Shareholders' equity			
Capital	4.9	22.59	22.59
Capital reserves		22.74	22.74
Revaluation reserves		22.88	20.37
Other reserves		119.12	103.74
Unrealised foreign exchange gains		(1.39)	(0.16)
Attributable net income		34.63	30.20
Total shareholders' equity and reserves		**220.57**	**199.48**
Minority interests		2.00	2.00
Consolidated shareholders' equity		**222.57**	**201.48**
Liabilities			
Contingency and loss provisions - long-term	4.11	8.24	8.36
Long-term debt	4.12	233.48	225.90
Other long-term debt	4.14	3.70	3.26
Deferred tax liabilities	4.15	18.72	16.24
Non-current liabilities		**264.14**	**253.76**
Short-term debt	4.12	12.55	12.11
Trade payables		80.05	65.71
Tax and social liabilities		12.02	15.03
Other debt		14.57	12.05
Current liabilities		**119.19**	**104.90**
TOTAL LIABILITIES		**383.33**	**358.66**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**605.90**	**560.14**

The notes are integral to the consolidated financial statements

Consolidated cash flow statement

(€ million)	March 31, 2008	March 31, 2007
CASH FLOW FROM ACTIVITY (A)		
Net income from companies carried at equity	34.74	30.34
Impairment and provisions	4.10	4.21
Unrealised gains and losses from changes in fair value	0.27	(0.40)
Charges and income with no effect on cash and equivalents	0.16	0.40
Pro-rated share in income from companies carried at equity	0.00	0.00
Proceeds on disposal of assets available for sale, net of tax	(0.03)	(0.20)
After-tax cash flow	**39.24**	**34.35**
Tax (including deferred tax)	18.83	16.36
Pre-tax cash flow	**58.07**	**50.71**
Tax paid	(22.01)	(12.93)
Change in activity working capital requirement		
- Inventories and work in progress	(30.90)	(17.30)
- Trade receivables	1.10	(1.20)
- Trade payables	14.85	5.41
- Other receivables and payables	(1.21)	4.12
Net cash flow from operations	**19.90**	**28.81**
CASH FLOWS FROM INVESTING ACTIVITIES (B)		
Acquisition of tangible and intangible fixed assets	(14.62)	(5.68)
Proceeds from available for sale tangible and intangible fixed assets	0.15	0.41
Net change in other long-term investments	(2.06)	(0.85)
Impact of changes in scope of consolidation		
Other cash flow from investing activities		
Net cash flow from investing activities	**(16.53)**	**(6.12)**
CASH FLOW USED IN FINANCING ACTIVITIES (C)		
Dividends paid during the financial year	(7.75)	(5.99)
Sale (Purchase) of treasury shares	(7.34)	1.86
Bond issuance	35.24	5.59
Loan repayments	(27.03)	(19.81)
Net cash flows used in financing activitie	**(6.88)**	**(18.35)**
NET CHANGE IN CASH FLOW (A+B+C)	(3.51)	4.34
Net cash and cash equivalents at beginning of year	11.62	7.34
Efffect of foreign exchange changes	(0.59)	(0.06)
Effect of changes in consolidation scope and methods	0.00	0.00
Change in cash and cash equivalent	(3.51)	4.34
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	7.52	11.62
Cash and cash equivalents	7.62	11.93
Bank overdrafts	(0.10)	(0.31)
NET CASH AND CASH EQUIVALENT	7.52	11.62

Change in consolidated shareholders' equity

(€ million) *Except number of shares*	Number of shares	Capital	Capital reserves	Revaluation reserve	Treasury shares	Consolidated reserves	Unrealized currency losses/gains	Total Group share	Minority interests	Total
March 31, 2006	**5,945,861**	**22.59**	**22.74**	**15.25**	**(2.78)**	**110.44**	**(0.29)**	**167.97**	**1.87**	**169.84**
Cover of future interest charges - change in value				0.28				0.28		0.28
Change in value of vineyards				4.84				4.84	0.09	4.93
Tax and social liabilities						0.06		0.06		0.06
Unrealised exchange rate gains/losses							0.13	0.13		0.13
Changes in value directly recognized in shareholders' equity				**5.12**		**0.06**	**0.13**	**5.31**	**0.09**	**5.40**
2006-2007 income						30.20		30.20	0.14	30.34
Total recorded charges and Interest				**5.12**		**30.26**	**0.13**	**35.51**	**0.23**	**35.74**
Sale (Purchase) of treasury shares					1.86			1.86		1.86
Charges for options plans						0.15		0.15		0.15
Dividends paid						(5.92)		(5.92)	(0.08)	(6.00)
Change in scope of consolidation and other						(0.09)		(0.09)	(0.02)	(0.11)
March 31, 2007	**5,945,861**	**22.59**	**22.74**	**20.37**	**(0.92)**	**134.85**	**(0.16)**	**199.49**	**2.00**	**201.49**
Cover of future interest charges - change in value				(0.37)				(0.37)		(0.37)
Change in value of vineyards				2.87				2.87	0.16	3.03
Tax and social liabilities						0.04		0.04		0.04
Unrealised exchange rate gains/losses							(1.24)	(1.24)		(1.24)
Changes in value directly recognized in shareholders' equity				**2.51**		**0.04**	**(1.24)**	**1.31**	**0.16**	**1.47**
2007-2008 income						34.63		34.63	0.11	34.74
Total recorded charges and Interest				**2.51**		**34.67**	**(1.24)**	**35.94**	**0.27**	**36.21**
Sale (Purchase) of treasury shares					(7.34)			(7.34)		(7.34)
Charges for options plans						0.19		0.19		0.19
Dividends paid						(7.63)		(7.63)	(0.08)	(7.71)
Change in scope of consolidation and other						(0.07)		(0.07)	(0.19)	(0.26)
March 31, 2008	**5,945,861**	**22.59**	**22.74**	**22.88**	**(8.26)**	**162.01**	**(1.39)**	**220.57**	**2.00**	**222.57**

5.2. Notes to the consolidated financial statements for the period ended March 31, 2008

Unless otherwise stated, all amounts are in million euros.

1. GENERAL INFORMATION

The Group's core business is the production and sale of champagne under four main brands positioned from the middle to the premium end of the market.
Laurent-Perrier S.A. (Registered office 32, avenue de Champagne F-51150 Tours-sur-Marne, SIRET No. 335 680 096 00021) is a public limited company governed by a Management Board and a Supervisory Board and is listed on the Euronext Paris stock market.

The Laurent-Perrier Group's consolidated financial statements for the year ended March 31, 2008 were signed off by the Supervisory Board on May 27, 2008 and will be submitted for its approval to the General Meeting of Shareholders to be held on July 9, 2008.
The accounts are stated in million euros, unless otherwise specified.

2. ACCOUNTING PRINCIPLES

The main accounting rules and methods used when drawing up the consolidated financial statements are set out below.

2.1. Accounting standards

The Laurent-Perrier Group's financial statements are drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The consolidated financial statements for the year ended March 31, 2008 were drawn up using accounting rules and methods identical to those used for the year ended March 31 2007.

The IFRS 7 standard – Financial Instruments, disclosures and the amendment to the IAS 1 standard - IAS 1 Presentation of Financial Statements – Capital Disclosures, require companies to disclose information on the importance of financial instruments with respect to the entity's financial situation and performance, together with qualitative and quantitative information about the nature and scope of risks arising from the financial instruments the entity is exposed to.
In addition, the following interpretations became mandatory from the 2007-2008 financial year:

- The IFRIC 7 interpretation - Applying the Restatement Approach under IAS 29: Financial Reporting in Hyperinflationary Economies, sets out the guidelines for applying IAS 29 when an economy succumbs to hyperinflation, and in particular for revaluating non-monetary items and registering the resulting deferred tax balances.
- The IFRIC 8 interpretation - Scope of IFRS 2, Share-based Payment, requires the IFRS 2 standard to be applied to all transactions where equity instruments are issued, whereas the consideration received is less in value than the fair value of the said share-based payment. Insofar as the equity instruments are solely issued to employees under the employee shareholder plan, the IFRIC 8 interpretation has no impact on the Group's performance or financial situation.
- The IFRIC 9 interpretation - Reassessment of Embedded Derivatives, rules that the analysis of a contract to determine whether it includes an embedded derivative and whether it must be separately recognised under IAS 39 must be carried out when the entity first becomes a party to the contract or if there is a change in the terms of the contract that significantly modifies the contract cash flows.
- The IFRIC 10 interpretation - Interim Financial Reporting and Impairment, prohibits the reversal of goodwill-related impairment losses recognised in a previous interim financial statement, or of an investment in an equity instrument, or in a financial asset carried at cost. IFRIC 10 is grandfathered to the first application of IAS 36 (impairment of goodwill) and that of IAS 39 (concerning impairment of equity instruments or financial assets carried at cost), which in this case is January 1, 2004.
- The IFRIC 11 interpretation - IFRS 2 – Group and Treasury Share Transactions, sets out the rules for valuing and recognising parent company equity instruments granted to employees of a subsidiary company.

The above interpretations had no significant impact on the Group's consolidated financial statements for the year ended March 31, 2008.

The Group also decided against early application of IFRS 8 – Operating Segments, which supersedes IAS 14 – Segment Reporting and has adopted an approach based on disclosure of the information available to the General Management allowing it to identify and value the operating segment results. This standard is applicable from January 1, 2009.

The Group is currently carrying out analyses aimed at measuring the possible impact of its application to the financial statements.

2.2. **Evaluation methods**
The financial statements have been prepared at historic cost, although vineyards, harvests from Laurent-Perrier own vineyards brought in by Laurent-Perrier, and certain types of financial instrument have been measured at fair value.
The book values of assets and liabilities recognised on the balance sheet and hedged have been adjusted to take account of changes in the fair value of the hedged risks.

2.3. **Estimates and assumptions**
When preparing the financial statements the Group must make estimates and use assumptions that impact the assets and liabilities recognised in the consolidated balance sheet, the information on those assets and liabilities, the revenue and charges posted to the income statement, and the commitments for the period concerned. Actual figures may diverge.

The assumptions mainly concern:
• impairment tests (assumptions described in §2.10,
• pension provisions (assumptions described in § 4.12),
• stock option charges (IFRS 2);
• fair value hedges (IAS 39).

2.4. **Consolidation methods**
Subsidiaries are those entities whose financial and operating policies can be controlled by the Group, generally on the basis of an over-50% holding in their voting rights. Potential voting rights are taken into account when assessing the control exercised by the Group over another entity if such voting rights flow from instruments that could be exercised or converted at the time of assessment.
Subsidiaries are consolidated using the merger method as of the date on which control is transferred to the Group. They are de-consolidated as of the date on which the Group ceases to exercise control over them.
Intra-group transactions and unrealised gains and losses on transactions between Group companies have been eliminated.
Unrealised losses have also been eliminated on assets sold within the Group, and have instead been treated as impairments of value.
Associates are entities that the Group does not control but over which it exercises significant influence, generally accompanied by a 20-50% holding in their voting rights. Interests in associates are accounted for using the equity method and are initially measured at cost. The Group's interest in associates includes goodwill (net of impairments) at acquisition.

Unrealised gains on transactions between the Group and its associates are eliminated pro rata of the Group's holding in the associate concerned. Unrealised losses are also eliminated unless impairment arises on the sale of the asset in question.
The accounting methods of subsidiaries and associates have been modified where necessary to align them on those adopted by the Group.

The consolidated financial statements have been prepared on the basis of the accounts on March 31.

2.5. **Conversion of financial statements of foreign subsidiaries**
The accounts of subsidiaries whose functional currency is not the euro are converted into euros:
- at the closing exchange rate for balance-sheet items;
- at the average exchange rate for the period for income statement items.

Exchange rate differences resulting from the application of these exchange rates are recorded as equity under "Foreign exchange unrealised gains and losses".

2.6. **Currency transactions and currency hedges**
Currency transactions by consolidated companies are translated into their functional currencies at the exchange rate applicable at the transaction date.
Foreign currency receivables and payables are converted at the closing exchange rate. Unrealised conversion gains and losses are recorded as:
- current operating income for commercial purchases and sales
- financial income for financial transactions.

Exchange rate gains and losses resulting from the conversion of intra-group foreign currency transactions, receivables and payables, or their elimination, are recorded in the income statement unless they derive from long-term intra-group financing, when they are considered part of the net assets of the subsidiary involved and are therefore recognised in equity under "Foreign exchange unrealised gains and losses".

When derivative instruments are used to hedge foreign currency commercial transactions, they are marked to market on the balance sheet at the closing date. Changes in the market value of derivative instruments are recognised in:

- gross margin for the effective part of balance sheet receivables and liability hedges at the closing date;
- equity, under "revaluation reserve" for the effective component of future cash flow hedges. This is moved to gross margin when accounting for the hedged receivables and liabilities;
- financial results for the ineffective component of hedges.

2.7. Business combinations

Company mergers are recorded at cost, pursuant to IFRS 3 – Business Combinations.

Company assets, liabilities and contingent liabilities are measured at fair value.

The difference between purchase cost and the attributable fair value of assets and liabilities at the acquisition date is recognised in goodwill, which is not amortised but is instead tested for impairment whenever any indication of impairment is identified and at least once a year (§2.10 below).

Where acquisition cost is less than the fair value of the assets and liabilities identified, negative goodwill is recorded as a loss immediately under "Other charges and operating income".

2.8. Intangible fixed assets

Only those identifiable brands that have been acquired and have a recognised reputation are carried as assets, at cost.
The costs of registering trademarks and of developing existing brands is recognised as a charge for the period.
The Group defines its leading brands as intangible fixed assets with an indefinite working life. They are not amortised, therefore, but their valuations are reviewed if anything should happen to cast doubt on those valuations, and at least once a year. If their realisable value, based on the criteria applied when they were acquired, is lower over the long term than their net book value, they are depreciated accordingly.

Other intangible fixed assets primarily comprise software, which is depreciated over its useful life of one to eight years.

2.9. Tangible fixed assets

With the exception of vineyards, all property, plant and equipment is recognised at purchase cost minus depreciation and impairment, pursuant to IAS 16 – Property, Plant and Equipment.
Subsequent costs are included in the book value of the asset or, where appropriate, it is recognised as a separate asset if it is probable that future economic benefits associated with the asset will accrue to the Group and if the cost of the asset can be measured reliably.
All repair and maintenance costs are charged to the income statement in the period in which they were incurred.

Vineyards are valued at market value as allowed under the alternative treatment authorised by IAS 16. Market value is based on the "predominant" values published in the most recent Journal Officiel.

The "predominant" values used at closure are the values used in the previous year as no data for the current year were available at the time of closure.
Any difference between historic cost and revaluation is recognised as equity under the "revaluation reserve". If market price falls below purchase price, depreciation amounting to the difference is recognised.
Planting expenses, considered to be a refurbishment of the land, are recorded at historic cost and depreciated over 25 years. There is no observable fair value for these assets. The market value of vineyards varies little according to whether they are planted or not.

The depreciation of other assets begins when they are available for use. From the date it comes into service, all property, plant and equipment is depreciated straight-line on a component basis over its useful life:

- Buildings and improvements: 10 - 50 years
- Plant and equipment: 4 - 30 years
- Other: 4 - 20 years

If material, the residual value of assets is taken into account when calculating depreciation.

Goods leased under financial leases are capitalised if the financial leases transfer to the Group most of the risks and rewards incident to ownership, based on the current value of the rent payable, or on market value if lower.
Leases that do not transfer risks and rewards to the Group are classified as operating leases. Operating lease payments are recognised as an expense in the income statement over the term of the lease on a straight-line basis.

2.10. Impairment of long-term assets

Pursuant to IAS 36 – Impairment of Assets, the Group determines the recoverable amount of its long-term assets as follows:

- tangible and intangible assets subject to depreciation are tested for impairment if there is an indication that their value has been impaired;
- intangible assets not subject to depreciation and goodwill are tested for impairment if there is an indication that their value has been impaired, and at least once a year.

Impairment tests compare the net book value with the higher of sale price net of disposal costs, and value in use. Value in use is determined by discounting the cash flows that will be generated by the continued use of the tested assets over their useful lives and their possible disposal thereafter. Management uses its most recent five-year cash flow forecasts for this purpose, to project a final value at the end of that period. Assets are discounted at a rate equal to the average weighted cost of capital of the Group, which includes the yield expected by an investor in this business segment and the Group's own risk premium.

Depending on circumstance, impairment tests will be run on individual assets or on the cash-generating units (CGUs) to which such assets belong. CGUs are the smallest homogeneous groups of assets generating cash flows independently of other asset groups. Goodwill is attached to a CGU depending on how Group management monitors business performance and measures acquisition synergies.
Assets are depreciated if their recoverable amount is below their book value.
Depreciation of goodwill is irreversible.

2.11. Equity interests in non-consolidated companies and other financial assets

Equity interests in non-consolidated companies are initially recorded at fair value and are then valued at each closing date:

- at cost (net of any depreciation) in the case of interests whose value is not material;
- at fair value in the case of "available-for-sale" assets. Changes in fair value are recorded in a separate account as equity until the securities concerned are sold. Where circumstances indicate that impairment is permanent, it is recognised as a financial cost.

If equity interests continue to be recognised at cost, particularly if their fair value cannot be reliably measured, they will be tested for impairment. In this case, the recoverable value will be based on attributable net asset value, expected return and the prospects of the entity in which the investment is made.

Loans are recognised at amortised cost using the effective rate method and are amortised if there is any indication of objective impairment. Long-term, non-interest bearing loans are therefore entered on the balance sheet at their discounted value. The effect of revensing the loan discounting constitutes financial income.
When, a new loan is granted, the difference between the discounted value and the historic value is restated in intangible fixed assets and is amortised over the term of the loan. Amortisation is recognised as a financial cost.

2.12. Non-current assets held for sale

Assets are "held for sale" if:

- the sale is highly probable within a reasonable timeframe,
- the asset is available for immediate sale and management is actively marketing the asset for sale.

Non-current assets held for sale are entered on a separate line on the consolidated balance sheet.
Under IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations, such assets are measured at the lower of book value and market value, minus cost of sale.

2.13. Inventories and work in progress

With the exception of the grapes harvested by the Group in its own vineyards, inventory is measured at cost, which may not exceed net realisable value. Measurement is based on the weighted average unit cost excluding financial expense.
Stocks of wine made from grapes harvested by the Group in its own vineyards are valued at the market price of the harvest concerned, as if the grapes had been bought in. The impact of this valuation is shown in the income statement under "Cost of sales".
The Group's own grapes are not measured at market price unless the Group has details of the yield and market value of the next crop. As a result, on the closing date, March 31, the financial statements take no account of the market value of the next crop.

Wine reserves held on behalf of suppliers (which cannot be released unless authorised by the industry bodies) are only valued at pressing and wine production costs.

In the event of a material drop in activity at certain production stages, a rational allocation of overheads is applied when valuing such stocks so as to prevent inclusion of any under-activity charge in the calculation of their cost price.

Although the champagne ageing process requires stocks to be kept for over one year, these remain classified as current assets in line with the length of the operating cycle.

Depreciation is applied if inventory value is lower than book value.

Transaction margins between consolidated companies are neutralised, except for those reflecting the market value of the grapes.

2.14. Trade receivables

Trade receivables are recognised at nominal value.
They are not discounted unless the due date is over one year and the effect of the discount is significant.

Provisions for doubtful receivables are accrued if it is probable that the receivables concerned will not be recovered and it is possible to give a reasonable estimate of the loss that will be incurred. The identification of doubtful receivables and the amount of provision required are based on past experience of written-off receivables and the age of the receivables concerned. The accrual is entered under "Sales charges". Once it becomes certain that a doubtful receivable will not be recovered, it is written off and the provision cancelled in the income statement

2.15. Deferred tax

Deferred tax on time differences between fiscal and accounting bases for consolidated assets and liabilities is calculated using the variable carried-forward liability method at the rates applicable, or likely to be applicable, at the balance-sheet date.
Deferred tax assets are not taken into account unless it is likely that the company will be able to recover them over a reasonable period of time as a result of a taxable gain expected in subsequent financial years.

Deferred tax is not discounted.

An accrual is formed for any attributable deferred tax resulting from the distribution of dividends from subsidiaries if a formal decision to make the distribution has been made when the accounts are closed. Deferred tax assets and liabilities are offset where legally allowed and so long as they relate to income tax payable to the same fiscal authority.

All restatements involve recognition of deferred tax where necessary.
Fiscal liabilities are booked in the income statement unless they relate to items directly recognised in equity, in which case the tax liability will also be recognised in equity.

2.16. Cash and cash equivalents

Cash and cash equivalents are liquidity and short-term financial investments (less than three months), whose value is not significantly dependent on changes in market price or indexes, as well as overdrafts. If not the case, they are entered on a separate line on the balance sheet. Overdrafts are recorded as current liabilities on the balance sheet under "Loans".

Financial assets held for trading are measured at fair value, and changes in fair value are recognised in financial results.

2.17. Treasury shares

If any company in the Group buys shares in the Company (treasury shares), the amount paid, including directly attributable marginal costs (net of income tax), is deducted from that company's shareholders' equity until the shares are cancelled or sold. If the shares are sold on, the gain is credited to the company's shareholders' equity net of marginal costs directly attributable to the transaction and to the related fiscal impact.

2.18. Option plan to purchase and subscribe for shares

Share option plans are granted to senior executives and some Group employees.
Pursuant to IFRS 2 – Share-based Payment, plans put in place after November 7, 2002 are valued at the allocation date and are recognised as personnel costs over the period in which the beneficiaries acquire the rights concerned, generally four years. The offset of the charge, which is the market price of the option at the allocation date, is an increase in reserves.

Based on their individual characteristics, option plans are valued using the Black & Scholes model.

2.19. Pension liabilities and other employee benefits

The Group provides its employees with a number of different supplementary pension schemes, retirement bonuses and other long-term benefits, depending on the regulations and customs in the countries where it operates.
Defined benefit plan liabilities are provisioned on the basis of actuarial valuations, the liabilities themselves being calculated pursuant to IAS 19 using the projected credit unit (PCU) method. The actuarial assumptions applied are described in § 4.12.

Since FY 2006-2007, the Group has applied the amendment to IAS 19 whereby the actuarial differences concerning benefits subsequent to employee service life and due to the effect of experience and changes in actuarial assumptions are recorded directly in equity in the year in which they occur, offset by an increase or decrease in the obligation.

The cost of previous years' service arising from changes in the rights granted under a plan or from an increase in the number of beneficiaries of a plan as from April 1, 2004 is amortised over the remaining years of service of the employee concerned.

2.20. Contingencies and loss provisions

The Group records a provision for third-party commitments at the closing date if such commitments are the result of a past event and if the ensuing loss or payment is probable and can be reasonably measured. If the liability is due in over one year, the amount of the provision is discounted if it has a significant impact. Any discounting impacts are recorded in financial results.
If the liability is neither probable nor reasonably measurable, but is a possibility, the Group will enter a contingent liability among its off-balance sheet commitments.

2.21. Debt

With the exception of derivative instruments, borrowings and other financial liabilities are measured at amortised cost using the effective rate method.
Borrowings are classed as current liabilities unless the Group has an unconditional right to defer the repayment of the debt until at least 12 months after the closing date, in which case those particular borrowings will be classed as non-current liabilities

2.22. Dividends

Dividend distributions to Company shareholders are recognised as debt in the Group's financial statements during the period for which the dividends were approved by Company shareholders.

2.23. Financial instruments and derivatives

The Group uses derivative instruments to manage and hedge exchange rate and interest rate risk. The Group does not use derivatives for speculative purposes.

The derivatives held by the Group and classed as hedges in the accounts pursuant to IAS 39 are mainly:
- interest-rate hedges: cash flow swaps (taker Euribor 3M, payor fixed rate),
- exchange rate hedges: forward currency transactions

Hedge accounting under IAS 39 is applied prospectively. Specific documentation on hedges is provided. Effectiveness testing is performed at each closing date.
The accounting effectiveness of the hedge is measured by the value variance ratio of the derivative and the hedged underlying asset. This ratio must be within a range of 80-125%.
If the instrument is speculative or with respect to the ineffective part of hedges, changes in the value of derivative instruments are recognised in financial results.
Derivative instruments are recorded under "Other receivables" and "Other debt" on the balance sheet.

2.24. Revenue recognition

Turnover includes wholesale sales to distributors and agents, and retail sales, which are recognised upon transfer of ownership, generally at shipment date or at purchase date by the client.

Turnover is recorded net of all allowances and discounts, including sums paid under sales co-operation agreements with distributors and duties on wines and spirits.

Given the low value of semi-finished products and industrial services sales, only the margin realised on these sales is recognised in the income statement, as "Other charges and operating revenue".

2.25. Earnings per share (EPS)
EPS is calculated on the basis of the weighted average number of shares in circulation over the financial year, minus Laurent-Perrier treasury shares recorded as a decrease in equity.

EPS after dilution is calculated by adjusting attributable earnings and the number of shares in circulation to take account of the diluting effect of the exercise of stock options in plans still open at the closing date. The dilution linked to the exercise of stock options is determined plan by plan, using the buy-back method, ie, the theoretical number of shares bought back at market price (price at financial year-end) using funds obtained from the exercise of options, and taking into account only those plans whose exercise price is lower than the fair value of the shares.

2.26. Income statement breakdown
The Group's core business is the production and sale of champagne under four main brands positioned from the middle to the premium end of the market. This generates current operating income resulting from recurring, occasional, core or subsidiary activity.

Other income and operating charges include gains and losses on operations whose nature and/or frequency prevents them from being considered core Group activities.
These include the impairment write-downs of intangible assets that have not been amortised, goodwill, and gains and losses on disposals of fixed assets or consolidated companies, if material.

2.27. Cash flow statement
The consolidated cash flow statement has been prepared using the indirect method, which reconciles net attributable earnings with the cash generated by operations over the financial year. Opening and closing cash balances include liquidity and other investment instruments, minus any bank overdrafts.

2.28. Segment reporting
A business segment is a group of assets and operations that provides products and services and is subject to risks and returns that are different from those of other business segments. A geographical segment is a group of assets and operations that provides products and services within a particular economic environment and that is subject to risks and returns that are different from those obtaining in the other economic environments in which the Group operates.

The segment information presented in § 4.20 relates to the geographical segments that Group management monitors in order to analyse and track operating performance. Turnover is broken down by location of Group clients but other data are based on the geographic location of Group companies.

3. MAIN OPERATIONS OVER THE PERIOD

No material acquisition nor disposal was made during the financial year just ended.
An internal reorganisation was carried out on April 1, 2007 to simplify Group structures.
SARL Alain Mandois was absorbed by SARL Grands Vignobles de Champagne. This transaction between two wholly-owned Group subsidiaries was effected on the basis of book value and has no material impact on the Group's consolidated financial statements.

During the previous period, the Jéroboam and Réhoboam companies operating in Japan were sold, generating a consolidated capital gain of €0.51 million.

4. NOTES TO THE FINANCIAL STATEMENTS

4.1. Goodwill

4.1.1. Main goodwill

(€ million)	Year of purchase	March 31, 2008 Net	March 31, 2007 Net
Shares in Champagne Laurent-Perrier SA	1998	2.19	2.19
Shares in Champagne de Castellane SA	1999	1.64	1.64
Shares in Laurent-Perrier Switzerland SA	2000	0.18	0.18
Shares in A.S. SA	2001	0.44	0.35
Alain Mandois SARL GVC (ex-SARL Mandois)	2003	0.72	0.72
Château Malakoff SA	2004	19.23	19.23
SC Dirice	2005	0.10	0.10
TOTAL		**24.50**	**24.41**

4.1.2. Movements over the period

The increase in goodwill is the outcome of the purchase of shares in the AS company from minority shareholders.

4.1.3. Regular impairment testing

Impairment testing of CGUs including goodwill has revealed no recognisable loss of value. The key assumptions used to measure cash flows were:
- market prices for grapes and vineyards,
- sales on the French, UK and US markets.

The main growth rate assumptions applied were:
- long-term sales growth rate beyond the five-year forecast horizon: 1.5%,
- discount rate: the average weighted cost of capital and debt. The rate used at March 31, 2008 was 6.5% (6.4% at March 31, 2007).

Calculations at March 31, 2007 and March 31, 2008 do not indicate any need to amortise goodwill.

4.2. **Intangible fixed assets**

Changes in intangible fixed assets by category, were as follows:

Gross values *(€ million)*	**Gross values at April 1, 2007**	**Acquisitions**	**Disposals**	**Other movements**	**Gross values at March 31, 2008**
Brands	3.29				3.29
Software	1.80	0.04	(0.18)	0.05	1.71
Other				0.87	0.87
TOTAL	**5.09**	**0.04**	**(0.18)**	**0.92**	**5.87**

Depreciation	**Amount at April 1, 2007**	**Allowance for the year**	**Depreciation of disposals**	**Other movements**	**Amount at March 31, 2008**
Brands	0.00				0.00
Software	1.50	0.12	(0.18)		1.44
Other					0.00
TOTAL	**1.50**	**0.12**	**(0.18)**	**0.00**	**1.44**
Net value	**3.59**	**0.08**	**0.00**	**0.92**	**4.43**

Gross values *(€ million)*	**Gross values at April 1, 2006**	**Acquisitions**	**Disposals**	**Other movements**	**Gross values at March 31, 2007**
Brands	3.29				3.29
Software	1.78	0.15	(0.13)		1.80
Other					0.00
TOTAL	**5.07**	**0.15**	**(0.13)**	**0.00**	**5.09**

Depreciation	**Amount at April 1, 2006**	**Allowance for the year**	**Depreciation of disposals**	**Other movements**	**Amount at March 31, 2007**
Brands	0.00				0.00
Software	1.50	0.13	(0.13)		1.50
Other					0.00
TOTAL	**1.50**	**0.13**	**(0.13)**	**0.00**	**1.50**
Net value	**3.57**	**0.02**		**0.00**	**3.59**

"Brands" refers only to the Laurent-Perrier and Salon brands for their historic values. The useful lives of these brands are considered to be indefinite and value tests have proved positive.

4.3. Tangible fixed assets

4.3.1. Change in tangible fixed assets

Gross values *(€ million)*	**Gross values at April 1, 2007**	**Acquisitions**	**Disposals**	**Other movements**	**Gross values at March 31, 2008**
Land	86.66	0.06	(0.06)	4.54	91.20
Vineyards	5.85		(0.02)	0.10	5.93
Buildings	35.34	1.55	(0.03)	0.19	37.06
Machinery and equipment	42.93	1.97	(0.18)	1.27	45.98
Other tangible fixed assets	4.48	0.19	(0.17)	(0.04)	4.45
Assets in progress	01.16	10.51	(0.09)	(1.66)	9.92
TOTAL	**176.42**	**14.28**	**(0.55)**	**4.39**	**194.54**

Depreciation	**Amount at April 1, 2007**	**Allowance for the year**	**Depreciation on disposals**	**Other movements**	**Amount at March 31, 2008**
Land	0.56				0.56
Vineyards	2.98	0.21	(0.01)		3.18
Buildings	16.72	1.31	(0.00)	(0.02)	18.00
Machinery and equipment	32.27	2.18	(0.12)	(0.06)	34.27
Other tangible fixed assets	3,55	0.12	(0.16)	(0.01)	3.50
Assets in progress	0.14	0.14	(0.14)		0.14
TOTAL	**56.22**	**3.95**	**(0.43)**	**(0.09)**	**59.66**
Net value	**120.20**	**10.33**	**0.12**	**4.48**	**134.88**

Gross values *(€ million)*	**Gross values at April 1, 2006**	**Acquisitions**	**Disposals**	**Other movements**	**Gross values at March 31, 2007**
Land	79.21			7.45	86.66
Vineyards	5.78			0.07	5.85
Buildings	33.21	2.04		0.09	35.34
Machinery and equipment	40.24	2.37	(0.05)	0.37	42.93
Other tangible fixed assets	4.80	0.19	(0.52)	0.01	4.48
Assets in progress	0.78	0.92		(0.54)	1.16
TOTAL	**164.02**	**5.52**	**(0.57)**	**7.45**	**176,42**

Depreciation	**Amount at April 1, 2006**	**Allowance for the year**	**Depreciation on disposals**	**Other movements**	**Amount at March 31, 2007**
Land	0.05	0.46		0.05	0.56
Vineyards	2.78	0.20			2.98
Buildings	15.46	1.26			16.72
Machinery and equipment	29.97	2.31	(0.02)	0.01	32.27
Other tangible fixed assets	3,95	0.12	(0.52)		3.55
Assets in progress	0.14				0.14
TOTAL	**52.35**	**4.35**	**(0.54)**	**0.06**	**56.22**
Net value	**111.67**	**1.17**	**0.03**	**7.39**	**120.20**

Vineyards were revalued.

(€ million)	march 31, 2007	Acquisitions/ revaluations	Disposals/ transfers	march 31, 2008
Value of vineyards before revaluation				
Land other than vineyards	4.22	0.06	(-0.06)	4.22
Vineyards:				
- Non-revalued vineyards	13.73		(-1.56)	12.17
- Revalued vineyards	42.40		1.56	43.96
Reveluation of vineyards over historical cost	**26.31**	**4.54**		**30.85**
Total	**86.66**	**4.60**	**(0.06)**	**91.20**

Revaluations were recorded under equity in the "Revaluation reserve", net of tax.

4.3.2. Operating leases

Rental charges for the 2007-2008 and 2006-2007 period break down as follows:

(€ million)	March 31, 2008	March 31, 2007
Rentals	2.00	1.79
Contingent rentals	0.00	0.00
Sub-letting	0.00	0.00
TOTAL RENTAL CHARGES	**2.00**	**1.79**

4.4. Equity in affiliates

Equity in affiliates comprised a 49% shareholding in SARL Pétret-Martinval at March 31, 2008.

The Group's share in the results and assets of its affiliates, all of which are unlisted, is set out below:

(€ million)	2007-2008	2006-2007
At April 1	0.08	0.25
Disposal		(0.17)
Translation differential		
Other changes in equity		
At March 31	**0.08**	**0.08**

(€ million)	% stake	Assets	Liabilities	Income	Result
2007-2008					
Pétret-Martinval SARL	49.0%	0.05	0.03	0.03	0.01
2006-2007					
Pétret-Martinval SARL	49.0%	0.06	0.04	0.03	0.01

4.5. Other financial investments

Other financial investments are set out below:

(€ million)	March 31, 2008	March 31, 2007
	Net	Net
Non-consolidated securities		
Loans	3.70	2.56
Other	0.19	0.20
TOTAL	**3.89**	**2.76**

Loans were mainly to our wine-growing partners, those due in over one year being secured.
They have been discounted at the equivalent market rate of 4.1% (compared with 4% in the previous period), if non-interest bearing.

4.6. Inventory and work in progress

(€ million)			March 31, 2008	March 31, 2007
	Gross	Provisions	Net	Net
Goods and finished products	271.77		271.77	243.75
Raw materials and work in progress	101.83	(0.01)	101.82	99.08
TOTAL	**373.60**	**(0.01)**	**373.59**	**342.83**

The provision for depreciation relates mainly to promotional items.
Changes are set out in the following table:

(€ million)	March 31, 2008	March 31, 2008
Dépreciation of inventories at April 1	**0.02**	**0.14**
Net depreciation recorded in income	(0.01)	(0.12)
Other changes		
Depreciation of inventories at March 31	**0.01**	**0.02**

In order to take account of the work involved in certain stages of the production process, the Group makes rational imputation of overheads when measuring inventory. Activity in 2007-2008 was considered as normal and therefore no under-activity charge was recognised in the income statement.

The cost-price of inventory includes the impact of valuing grapes from the Group's own vineyards at market price:

(€ million)	2007-2008	2006-2007
Valuation of own vineyard harvest at market price	4.59	2.85
Effect of inventory movement (decrease)	(2.32)	(0.28)
Impact on cost of sales for the period	**2.27**	**2.57**
Impact on value of inventory at closure	**10.04**	**7.77**

4.7. Trade receivables and related accounts

(€ million)			March 31, 2008	March 31, 2007
	Gross	Provisions	Net	Net
Trade receivables	40.08	(1.14)	38.94	40.86
TOTAL	**40.08**	**(1.14)**	**38.94**	**40.86**

There is no concentration of credit risk attached to trade receivables because of their large number and their international origins.
The Group manages its customer credit dealings with great caution and has not deemed it necessary to take out credit insurance.

Changes in provisions for writedowns break down as follows:

(€ million)	March 31, 2008	March 31, 2007
Impairment of trade receivables at April 1	**1.23**	**1.21**
Net impairment recorded in income	(0.09)	0.02
Other changes		
Impairment of trade receivables at March 31	**1.14**	**1.23**

Writedowns are calculated individually when a strong risk of default on the part of the client in question is identified and on the basis of late payment.
The schedule of receivables incurring writedowns is as follows:

(€ million)	March 31, 2008	March 31, 2007
90-120 days	0.15	0.06
Over 120 days	0.99	1.17
Average receivables payment (days)	69	70

4.8. Other receivables

Other receivables break down as follows:
The above receivables are all due in under one year.

(€ million)	March 31, 2008	March 31, 2007
State - VAT credits	8.11	4.57
State - Income tax advances	0.08	
Prepaid expenses	1.82	1.68
Active interest rate and currency derivatives	0.97	1.63
Sundry	6.99	5.60
TOTAL	**17.97**	**13.48**

"Sundry" mainly includes advances to grape and wine suppliers.

4.9. Table of financial assets

(€ million)		March 31, 2008		March 31, 2007	
	IAS 39 category	Book value	Fair value	Book value	Fair value
Loans	L&R	3.70	3.70	2.56	2.56
Deposits	L&R	0.07	0.07	0.07	0.07
Other	AfS	0.12	0.12	0.13	0.13
Total non-current financial assets		**3.89**	**3.89**	**2.76**	**2.76**
Trade receivables	**L&R**	**38.94**	**38.94**	**40.86**	**40.86**
Deductible VAT and other sales taxes[2]	N/A	8.11	N/A	4.57	N/A
Other receivables	L&R	7.07	7.07	5.60	5.60
Derivatives used as hedging instruments[1]	N/A	0.97	N/A	1.63	N/A
Prepaid expenses[2]	N/A	1.82	N/A	1.68	N/A
Total other current assets		**17.97**		**13.48**	
Investment securities	HfT	0.00		3.99	3.99
Cash in hand	L&R	7.62	7.62	7.94	7.94
Cash and cash equivalents		**7.62**	**7.62**	**11.93**	**11.93**

(1) Accounting method specific to hedging transactions
(2) Not a financial asset within the meaning of IAS 39

Loans and receivables	*L&R*	*Held for trading*	*HfT*
Financial assets available for sale	*AfS*	*Fair value of results from options*	*JVR*
Not applicable	*N/A*		

4.10. Shareholders' equity

4.10.1. Capital contributions

	March 31, 2008	March 31, 2007
Total number of shares	5,945,861	5,945,861
Shares issued and paid up in full	5,945,861	5,945,861
Shares issued but not paid up in full		
Nominal value (euros) per share	3.80	3.80
Legal capital (euros)	22,594,272	22,594,272
Treasury shares owned by the Group	65,477	19,262

The total number of voting rights attached to the 5,945,861 shares comprising equity was 8,714,228 at March 31, 2008 (8,762,233 at March 31, 2007).

To the best of the Laurent-Perrier's knowledge, no shareholder pact exists. Neither Laurent-Perrier nor its subsidiaries are subject to specific capital requirements by virtue of external rules.

4.10.2. Earnings per share (EPS)

	March 31, 2008	March 31, 2007
Ordinary shares*	5,895,057	5,909,941
Dilutive effect of buy-backs	64,439	59,723
Other		
Average weighted number of shares	**5,959,496**	**5,969,664**

*net of treasury shares

Net earnings per share

	March 31, 2008		March 31, 2007	
(euros)	Before dilution	After dilution	Before dilution	After dilution
Pre-tax profit	9.09	8.99	7.90	7.82
Group net attributable income	**5.88**	**5.81**	**5.11**	**5.06**

4.10.3. Dividends

The Group seeks to pursue a stable policy of distributing dividends in range to 20-30% of consolidated net income (valued according to international standards), conditions at Laurent-Perrier permitting.

Dividends paid out in 2006 for the fiscal year 2005-2006 and paid out 2007, for the fiscal year 2006-2007 amounted to €1.00 and €1.30 per share respectively.
At the forthcoming General Meeting of Shareholders in July 2008, payment of a dividend of €1.40 per share will be proposed.

4.10.4. Share option plans

The situation as regards exercisable options and their cost in the financial year was as follows:

	Attribution date	Earliest exercise date	Number of options attributed but not yet exercised	Option exercise price
Plan N°1	11.06.99	12.06.04	-	€33.00
Plan N°2	22.10.99	23.10.04	-	€33.90
Plan N°3	31.03.00	31.03.05	-	€30.63
Plan N°4	25.04.00	26.04.05	-	€29.97
Plan N°5	01.04.01	31.03.06	-	€29.62
Plan N°6	04.09.01	06.09.05	750	€32.22
Plan N°7	26.03.02	27.03.06	6,450	€27.66
Plan N°8	25.03.03	26.03.07	9,150	€29.78
Plan N°9	30.03.04	31.03.08	31,650	€28.70
Plan N°10	08.03.05	09.03.09	18,000	€34.10
Plan N°11	14.03.06	15.03.10	25,000	€50.38
Plan N°12	22.03.07	22.03.11	25,000	€83.72
Plan N°13	18.03.08	19.03.12	34,200	€98.98

The option exercise price corresponds to the average share price in the 20 trading sessions preceding the attribution date.
Under IFRS 2, only plans dated after November 7, 2002 have been valued. Taking into account the timeframe of rights acquisition, the charge at March 31, 2008 was €185,000. It was €153,000 at March 31, 2007)
The charge is measured using the Black & Scholes method and the following assumptions:

	March 31, 2008	March 31, 2007
Volatility	30%	19%
Standard dividend rate	2.00%	2.20%
Repo rate	4.00%	1.75%
Illiquidity discount	0%	20%

4.10.5. Treasury shares

The July 3, 2003 Shareholders' Meeting approved the buy-back of 386,480 shares.
Buy-back programmes have a number of goals: to reduce dilution, improve management of Company equity, or cover share option plans.
During the 2007/2008 financial year, the number of treasury shares held by the Group rose by a net 46,215 to 65,477 shares at March 31, 2008. The change had a negative impact on shareholders' equity in the amount of €7,342,000, which breaks down as follows:

	(€ 000s)
- Change in gross value	(5,286)
- (Loss) profit from disposals	(2,056)
Net change in treasury shares	(7,342)

At March 31 2007, the Group held 19,262 treasury shares. During the 2006/2007 financial year, the number of treasury shares held by the group fell by 81,036. The change had a positive impact on shareholders' equity amounting to €1,859,000, which breaks down as follows:

	(€ 000s)
- Change in gross value	1,825
- (Loss) profit from disposals	34
Net change in treasury shares	1,859

4.11. Contingencies and loss provisions

Nature of provision	Amount on April 1, 2007	Allowances	Utilisations	Reversals	Other movements	Amount on March 31, 2008
Liabilities to employees	7.15	1.05	(0.65)		(0.06)	7.49
Labour medal provisions	0.06	0.02	(0.04)		0.03	0.07
Other provisions	1.15	0.07	(0.09)	(0.41)	(0.05)	0.68
	8.36	**1.14**	**(0.77)**	**(0.41)**	**(0.08)**	**8.24**

Other provisions are mainly for commercial risks and disputes with suppliers.

4.12. Retirement pension liabilities and similar benefits

Total Laurent-Perrier Group pension liabilities and similar benefits stood at €7.49 million, an amount that is fully provisioned on the balance sheet pursuant to the IAS 19 - Employee Benefits amendment, which introduced the option of carrying actuarial gains and losses on defined benefit plans as equity. The net charge recognised in the income statement is €1.05 million.

These reserves cover three types of liabilities:

- At retirement, the employees of the French companies receive an indemnity calculated in accordance with the Champagne Collective Agreement and based largely on their final salary and years of service. These are "defined benefit plans" within the meaning of IAS 19. This liability is not covered by third-party finance.

Liabilities to employees (French companies only) are calculated using a retrospective method to project end-of-career salaries. The main actuarial assumptions applied at March 31, 2008 were:

✓ employee must leave voluntarily
✓ discount rate: 5%
✓ annual salary revaluation: 3%
✓ retirement age:
  - Managers: 62, if born before 1950, and 64 if born after 1949
  - Non-managerial: 60 if born before 1950 and 62 if born after 1949
✓ annual staff turnover rate:

	Managers and Sales Personnel of GIE Laurent-Perrier Diffusion	Supervisory and technician	Clerical and operative
Before age 40	10%	3%	1%
41 - 50	5%	3%	1%
After age 50	0%	0%	0%

✓ mortality table: TH and TF00.02

- The Group has taken out a defined benefit policy to provide supplementary retirement benefits for senior management. This policy provides gross annual retirement benefits of 10-15% of their salary in the 12 months preceding retirement. Benefits are vested only after calculating the basic State pension. This is a "defined benefit plan" within the meaning of IAS 19 and is covered by third-party, non-recourse finance.

- A number of the French companies in the Group assist their retired employees by paying part of their private health insurance contributions.

- Sensitivity to variations in the discount rate on liabilities:

	+0.25%	-0.25%
Retirement indemnities	-0.09	0.09
	-2.37%	2.46%
Private health insurance	-0.05	0.05
	-1.27%	1.32%

Changes in retirement pension and similar benefit reserves were:

	2007-2008	2006-2007
Charge for the period	(1.05)	(0.90)
Benefits paid	0.36	0.57
Contributions paid	0.29	0.29
Actuarial variances recognised in equity	0.06	0.04
Unrealised currency gains/losses		
TOTAL	**(0.34)**	**(0.00)**

Annual changes in liabilities, in the market value of investments and in the corresponding assets and provisions recognised in the consolidated balance sheet were:

	March 31, 2008	March 31, 2007
1. RECONCILIATION OF BALANCE SHEET ITEMS		
Discounted value of unfunded liabilities	7.28	7.10
Discounted value of funded liabilities	1.80	1.42
Discounted value of total liabilities	**9.08**	**8.52**
Fair value of pension hedging assets*	0.59	0.27
Net value of liabilities	**8.49**	**8.25**
Cost of unrecognised past service	1.00	1.10
Net value of assets (liabilities) recorded on balance sheet	**7.49**	**7.15**
2. DETAILS OF NET COSTS RECORDED IN THE INCOME STATEMENT		
Cost of services rendered	0.57	0.43
Financial cost (discount effect)	0.40	0.39
Projected return on plan assets	(0.01)	(0.01)
Cost of years of past service	0.09	0.09
Effect of plan pay-outs/reductions	0.00	0.00
Net costs recognised in income statement	**1.05**	**0.90**

* Breakdown of pension hedging assets at March 31, 2008:
Fixed-income: 76% - Equities: 16% - Other: 8%

	2007-2008	2006-2007
3. CHANGE IN THE DISCOUNTED VALUE OF LIABILITIES		
Discounted value of liabilities at start of period	**8.52**	**8.66**
Actuarial (losses) gains recognised in equity	(0.06)	(0.04)
Cost of services rendered	0.57	0.43
Financial cost (discount effect)	0.41	0.39
Employee contributions	0.00	0.00
Benefits paid	(0.36)	(0.92)
Changes in plan rules		
Unrealised currency gains/losses		
Other (incl. reductions / pay-outs)		
Discounted value of liabilities at end of period	**9.08**	**8.52**

	2007-2008	2006-2007
4. CHANGE IN FAIR VALUE OF PLAN ASSETS		
Fair value of plan assets at start of period	**0.27**	**0.32**
Projected return on plan assets	0.03	0.01
Employee contributions		
Employer contributions	0.29	0.29
Benefits paid		(0.35)
Actuarial (losses) gains recognised in equity		
Change in plan rules		
Changes in scope		
Unrealised currency gains/losses		
Other (inc reductions / pay-outs)		
Fair value of plan assets at end of period	**0.59**	**0.27**

	2007-2008	2006-2007
5. FINANCIAL PROVISION AT MARCH 31		
Discounted value of liabilities	**(9.08)**	**(8.52)**
Fair value of plan assets	0.59	0.27
Effect of asset capping		
Deferred items:		
Unrecognised changes of plan rules	1.00	1.10
Net (liabilities) / assets recognised on the balance sheet	**(7.49)**	**(7.15)**

	Actuarial gains (losses) recognized in equity			Analysis of differences in FY	
	March 31, 2007	FY 2007/2008	March 31, 2008	Difference with assumptions	Difference with real
6. ANALYSIS OF ACTUARIAL DIFFERENCES					
Supplementary pension	0.10	0.01	**0.11**	0.05	(0.04)
Retirement indemnities	0.82	(0.28)	**0.54**	0.02	(0.30)
Private health plan	(0.83)	0.33	**(0.50)**		0.33
	0.09	**0.06**	**0.15**	**0.07**	**(0.01)**

Estimated cost of pensions for 2008/2009 financial year and forecast returns:

- Cost of services rendered 0.57
- Cost of past service 0.04
- Forecast return on assets (0.01)

The Group's Laurent-Perrier Suisse subsidiary has also set up a defined benefit pension plan for its employees.
Assets in this fund totalled €1.64 million at March 31, 2088
Liabilities total €1.69 million
In order to honour present and future pension liabilities, Laurent-Perrier Suisse has a moral duty to cover the asset shortfall of €0.05 million.

4.13. Debt and cash

Net debt was:

(€ million)	March 31, 2008	March 31, 2007
Long-term debt	233.48	225.90
Short-term debt	12.55	12.11
Gross debt	**246.03**	**238.01**
Gross debt after derivatives	**246.03**	**238.01**
Cash and cash equivalents	(7.62)	(11.93)
Net debt	**238.41**	**226.08**

Gross debt breaks down as follows:

(€ million)	March 31, 2008	March 31, 2007
Bank loans (investment credits)	53.38	63.50
Bank loans (operating credits)	180.10	162.40
Financial leases		
Long-term debt	**233.48**	**225.90**
Bank loans (investment credits)	11.88	11.24
Bank loans (operating credits)	0.01	0.09
Financial leases		
Bank overdrafts	0.11	0.23
Accrued interest	0.54	0.55
Short-term debt	**12.54**	**12.11**
Gross debt	**246.02**	**238.01**

4.14. Liquidity risk

The Group is faced with no significant debt repayments in the short or medium term. Working capital loans comprise renewable lines of credit.

The debt repayment schedule is as follows:

(€ million)	March 31, 2008	March 31, 2007
Less than one year	12.54	12.11
1-5 years	212.55	203.34
Over five years	20.93	22.56
Total to repay (including interest payable at closure)	**246.02**	**238.01**
Interest payable		
Total to repay (principal and interest)	**246.02**	**238.01**

4.15. Counterparty risk

The main financial instruments that can expose the Group to counterparty risk are trade receivables, cash and cash equivalent, and derivatives. Counterparty risk for trade receivables is limited by the large number of Group customers and their geographic dispersion in France and elsewhere. The maximum risk, corresponding to total outstanding trade receivables after taking guarantees and loss of registered securities into account, amounted to €38.9 million at closure and is analysed in Note 4.7, Trade receivables.
Counterparty risk on cash and cash equivalent and derivative-based hedging instruments is also limited by the creditworthiness of the counterparties in question, which exclusively comprise internationally-reputed financial institutions. Total outstandings amounted to €8.6 million at March 31, 2008 and corresponds to the net book value of all these items.
Maximum counterparty risk on the Group's other financial assets totals €17 million and mainly corresponds to payables by the State (VAT), down-payments to suppliers, and prepaid expenses.

4.16. Financial instruments

4.16.1. Interest rate hedging

Debt after the effect of interest-rate derivatives, was as follows:

(€ million)	March 31, 2008	March 31, 2007
Non-hedged variable rate (Euribor 3 mois + bank margin)	86.36	97.92
Capped variable rate	20.00	0.00
Swapped variable rate (average rate 3.81% + bank margin)	132.61	133.24
Fixed rate (average rate 5.41%)	7.05	6.85
TOTAL	**246.02**	**238.01**

Specific interest rate swaps have been put in place for working capital and investment credits:

	Variable-rate operating credits			
	Authorised	Used	Interest-rate contracts	Net position after hedging
01.04.08 - 31.03.09	€240.0m	€177.4m	€140.6m	€36.8m
01.04.09 - 31.03.10	€240.0m		€98.3m	
01.04.10 - 31.03.11	€240.0m		€21.0m	

Investment credits

€58.2 million of amortisable loans have variable rates. Interest rate swaps have been written in the amount of €28.1 million. The hedges will be reduced as the loans are amortised.

Sensitivity to interest rate variations
The Group's mean effective interest rate was 3.71% at March 31, 2008 for the hedged portion of its debt, compared with 3.47% at March 31, 2007. The Group is exposed to the risk of higher interest rates, which would push up the cost of servicing its debt. Based on the net position after hedges for the forthcoming period, and assuming a 1bp rise in interest rates, the additional financial cost would be €0.67 million.
- Working capital credits €0.37 million
- Investment credits €0.30 million

This should be compared with the cost of debt over the 12-month period, which was €11.86 million.

4.16.2. Foreign currency hedging

Sensitivity to exchange rate variations
In 2007-2008, 22.2% of Group turnover was denominated in currencies other than the euro, including almost 2.7% in US dollars, 15.8% in Sterling and 3.7% in Swiss francs. Debt, on the other hand, is exclusively euro-denominated. As the reporting currency for the financial statements is the euro, the Group must convert assets, liabilities, income and charges incurred in other currencies into euros when drawing up the financial statements.
The results from these business activities are consolidated in the Group's income statement after conversion at the average exchange rate for the period.
If the euro were to appreciate by 5% against the US dollar, Sterling and the Swiss franc it would diminish turnover respectively by €0.3 million, €1.9 million and 0.4 million euros; the fall in operating income before amortisation, other income and charges would not be material.
If the euro were to depreciate by 5% against these same currencies, it would result in an increase in turnover of respectively €0.4 million, €2.1 million and €0.5 million and the increase in operating income before amortisation, other income and charges would not be material.

4.16.3. Analysis of interest rate and currency derivative transactions

(€ million)	Fair value at March 31, 2008			At March 31, 2007	Face value by maturity at March 31, 2008			
	Derivatives assets	Derivatives liabilities	Total	Total	Less than one year	1-5 years	Over 5 years	Total
HEDGING OF FUTURE CASH FLOW								
Forward forex		0.01	(0.01)	0.02	0.64			0.64
Interest rate swaps	0.67	0.11	0.56	1.12	0.35	115.97	2.82	119.14
NON-QUALIFIED DERIVATIVES								
Forward forex				0.05				
Interest rate swaps	0.30	0.10	0.20	0.39	46.92			46.92
	0.97	**0.22**	**0.75**	**1.58**	**47.91**	**115.97**	**2.82**	**166.70**

In FY 2007-2008, the amounts recorded directly in the income statement were a loss of €0.21 million for interest rate derivatives and a loss of €0.06 million for foreign exchange derivatives.
In FY 2006-2007, gains of €0.35 million for interest rate derivatives and of €0.05 million for exchange rate derivatives were recorded directly in the income statement.

4.17. Other long-term debt

Other financial debt includes mandatory employee profit-sharing:

(€ million)	March 31, 2008	March 31, 2007
Less than one year	0.60	0.58
One-five years	3.10	2.68
Over five years		
TOTAL	**3.70**	**3.26**

4.18. Financial liabilities

(€ million)		March 31, 2008		March 31, 2007	
	IAS 39 category	Book value	Fair value	Book value	Fair value
Debt including accrued interest	**AC**	**246.03**	**246.03**	**238.01**	**238.01**
Trade payables	AC	80.05	80.05	65.71	65.71
Liabilities for personnel and social charges[2]	N/A	8.82	N/A	8.19	N/A
VAT payable and other sales taxes	N/A	2.14	N/A	1.60	N/A
Interest rate derivatives liabilities		0.22	N/A	0.06	N/A
Creditor affiliates		11.36	N/A	7.68	N/A
Other debt	AC	4.05	N/A	9.55	N/A
Total other debt		**26.59**		**27.08**	

(1) Special accounting method for hedging relations
(2) Not a financial asset within the meaning of IAS 39

Debt liabilities at amortised cost	*AC*
Held for trading	*HfT*
Not applicable	*N/A*

4.19. Deferred tax

	March 31, 2008	March 31, 2007
Deferred tax recognised on the balance sheet		
Tax on revaluation of vineyards	12.50	10.94
Tax on revaluation of tangible assets	3.08	3.17
Tax on revaluation of intangible assets	0.78	0.83
Tax on harvest valuation at market rates	2.03	1.56
Tax on elimination of inventory margins	(1.73)	(1.13)
Tax on elimination of provisions for treasury shares	2.98	2.22
Tax on financial instruments	0.26	0.54
Tax on price increase accrual	0.53	0.06
Tax on accelerated depreciation	1.30	1.03
Tax on employee benefits	(2.58)	(2.46)
Other[1]	(0.43)	(0.52)
TOTAL	**18.72**	**16.24**
Balance-sheet reconciliation:		
- Deferred tax assets	0.00	0.00
- Deferred tax liabilities	18.72	16.24
TOTAL NET	**18.72**	**16.24**

(1) Most "Other tax" comes from temporary differences between fiscal and accounting results.

4.20. Segment reporting by geographical zone

(€ million)	March 31, 2008	March 31, 2007
Turnover (by client location)		
France	81.76	83.14
Europe	119.78	116.12
Rest of the world	47.89	37.39
CONSOLIDATED TOTAL	**249.43**	**236.65**
Current operating income*		
France	61.99	54.17
Europe	4.05	2.39
Other and eliminations	(0.01)	0.01
CONSOLIDATED TOTAL	**66.03**	**56.57**
Balance sheet assets*		
France	592.82	549.00
Europe	12.11	11.14
Other and eliminations	0.97	0.00
CONSOLIDATED TOTAL	**605.90**	**560.14**
Investments (intangible and tangible fixed assets)*		
France	14.51	5.64
Europe	0.11	0.04
Other and eliminations		
CONSOLIDATED TOTAL	**14.62**	**5.68**
Liabilities (excluding shareholders' equity)*		
France	378.03	355.23
Europe	4.34	3.43
Other and eliminations	0.96	0.00
CONSOLIDATED TOTAL	**383.33**	**358.66**

* By geographical zone where Group companies are located.

The Group is active only in the production and distribution of champagnes: information is thus not broken down by industry segment.

4.21. Other net operating income

This breaks down as follows:

(€ million)	March 31, 2008	March 31, 2007
Margin on semi-finished goods and services	(0.02)	1.48
Operating currency gains	0.98	0.57
Operating currency losses	(0.32)	(0.65)
Other net operating income	**0.64**	**1.40**

The margin on semi-finished goods and services breaks down as follows:

(€ million)	March 31, 2008	March 31, 2007
Semi-finished goods		
Turnover	12.75	5.79
Cost of sales	(13.82)	(5.51)
Margin	**(1.07)**	**0.28**
Services rendered		
Sales	4.10	4.42
Cost of sales	(3.05)	(3.22)
Margin	**1.05**	**1.20**
Consolidated margin	**(0.02)**	**1.48**

4.22. Payroll expenses

Payroll expenses (including social security charges, incentives, mandatory profit-sharing and pension liabilities) are distributed among the various functions as follows:

	March 31, 2008	March 31, 2007
Cost of sales	11.96	12.62
Commercial charges	14.80	12.65
Administrative charges	9.64	8.40
TOTAL	**36.40**	**33.67**

These break down as follows:

(€ million)	March 31, 2008	March 31, 2007
Wages and social charges	35.56	33.00
Cost of stock options	0.18	0.15
Pension charges – defined benefit plans	0.66	0.52
Other employee benefits		
TOTAL	**36.40**	**33.67**

4.23. Other operating income and charges

(€ million)	March 31, 2008	March 31, 2007
Other operating income		
Disposals of fixed assets	0.16	0.41
Other income	0.05	0.03
Total	**0.21**	**0.44**
Other operating costs		
Residual value of fixed asset disposals	0.19	0.21
Other costs	0.25	0.14
Total	**0.44**	**0.35**

4.24. Financial income

(€ million)	March 31, 2008	March 31, 2007
Cost of gross debt	11.86	9.91
Cash management income	(0.30)	(0.19)
Cost of net debt	**11.56**	**9.72**
Ineffective portion of currency hedges	0.27	(0.40)
Other, net	0.40	0.63
Other financial income and charges	**0.67**	**0.23**
Financial income	**12.23**	**9.95**
Items directly recorded in equity		
Unrealised currency gains/(losses)	(1.24)	0.13

The net financial expenses above include the following items deriving from assets and liabilities that are not offset at fair value in the income statement:

Interest income on financial assets	(0.30)	(0.19)
Debt interest payments	11.86	9.91

4.25. Income tax

Tax and effective tax rates are:

(€ million)	March 31, 2008	March 31, 2007
Current tax	17.74	15.85
Deferred tax	1.09	0.51
Total tax	**18.83**	**16.36**
Pre-tax profit	53.57	46.70
Effective tax rate	**-35.1%**	**-35.00%**

The difference between the theoretical tax rate (the corporation tax rate applicable to French companies) and the effective tax rate stated in the consolidated financial statements breaks down as follows:

(€ million)	March 31, 2008	%	March 31, 2007	%
Total consolidated income before income tax and deferred tax	53.57		46.70	
Theoretical tax liability at 34.43%	18.44	34.40%	16.07	34.40%
Permanent accounting and fiscal differences	0.46	0.90%	0.44	0.90%
Fiscal losses not activated for the period	0.00	0.00%	0.00	0.00%
Tax rate differentials (France/France and France/abroad)	(0.22)	-0.40%	(0.10)	-0.20%
Savings linked to fiscal integration	(0.06)	-0.10%	(0.02)	0.00%
Sundry (including change in differed tax rates)	0.21	0.30%	(0.03)	-0.10%
Effective tax liability	**18.83**	**35.10%**	**16.36**	**35.00%**

Laurent-Perrier, Champagne Laurent-Perrier, Champagne de Castellane, Laurent-Perrier Diffusion, Lemoine, Grands Vignoble de Champagne and A.S. are members of a fiscally-integrated group. Château Malakoff became a member of that group on April 1, 2004.
The agreements signed between the parent company and the integrated subsidiaries apply the neutral tax method, whereby subsidiaries account for tax liabilities as if they had been taxed separately, the parent company recording its own liability and the savings flowing from the tax integration.

4.26. Contingent commitments and liabilities

Financial liabilities

At March 31, 2008, a portion of the bank liabilities described in § 4.13, which have a €215.3 million authorised credit line, were provided with various guarantees carrying security in the form of "warrants douaniers" a special type of bank guarantee used in Champagne. The guarantees totalled €215.3 million at March 31 2008 (€215.6 million at March 31, 2007). Under the terms of the agreements with its pool of banks, the Group undertook to maintain a financial expense to operating income ratio of 3.25 or more and a net debt to shareholders' equity ratio of 2 or less. Failure to maintain these ratios will lead to implementation of an adjustment clause that carries no early repayment clause.

Other liabilities

- Mortgages have been given as security for loans to purchase property totalling €31.8 million.

- Pledges have been given over shares in the amount of €39 million and over goodwill in the amount of €7.8 million to guarantee loans to acquire companies or subscribe to capital increases.

- Several subsidiaries have entered into agreements with suppliers to purchase a material proportion of their grape requirement. The agreements relate to specific areas of land and owing to the variations in yield and price from one year to another, no reasonable approximation of the liabilities involved can be made. Such commitments are vital to the operation of a champagne house.

- The Laurent-Perrier Group holds 34,339 hectolitres of wine from the 1998, 1999, 2000, 2002, 2004, 2005 and 2007 harvests in its cellars, constituting a quality set-aside reserve belonging to wine growers and co-operatives.

- The number of hours accrued in respect of the personal training entitlement (DIF - Droit Individuel à la Formation) stood at 27,165 hours at March 31, 2008.

4.27. Transactions with related parties

Senior executive compensation

The charges in respect of compensation for members of the Group Management Board, its Supervisory Board and main non-mandated Directors are as follows:

(€ million)	March 31, 2008	March 31, 2007
Cost of services rendered	0.32	0.31
Financial cost (discount effect)	2.13	1.97
Expected return on plan assets	1.47	1.20
Cost of past service	0.39	0.32
Effect of plan payouts / reductions	0.15	0.09
Net charge recognised as income	**4.46**	**3.89**

Salaries and other short-term benefits include the social charges paid by the Group and the contributions calculated on the basis of salaries.

Other transactions

(€ million)	March 31, 2008	March 31, 2007
Fees paid to companies sharing senior executives with Laurent-Perrier	0.08	0.08
Interest paid to members of the Supervisory Board to remunerate monies deposited in current accounts	0.17	0.13
Cost for financial year	**0.25**	**0.20**

4.28. Events since the closure of accounts

At the time of finalising the present financial statements there have been no events subsequent to the closure likely to have a material impact on the Group's financial situation.

5. SCOPE OF CONSOLIDATION

5.1. Fully consolidated companies

Company	Registered office	Siren N°	% Control	% Stake
France				
Laurent-Perrier	32, avenue de Champagne 51150 Tours-sur-Marne	335 680 096	100.00	100.00
Champagne Laurent-Perrier	32, avenue de Champagne 51150 Tours-sur-Marne	351 306 022	100.00	100.00
Laurent-Perrier Diffusion	32, avenue de Champagne 51150 Tours-sur-Marne	337 180 152	100.00	100.00
Champagne Lemoine	Rue de Chigny 51500 Rilly-la-Montagne	335 780 011	99.80	99.80
Société A.S.	5-7, rue de la Brèche d'Oger 51190 Le Mesnil-sur-Oger	095 751 038	99.40	99.40
Grands Vignobles de Champagne	32, avenue de Champagne 51150 Tours-sur-Marne	379 525 389	100.00	100.00
SCA Coteaux de Courteron	32, avenue de Champagne 51150 Tours-sur-Marne	352 427 603	51.05	40.00
SCA Coteaux de Charmeronde	32, avenue de Champagne 51150 Tours-sur-Marne	389 698 622	51.14	51.14
SCA Coteaux du Barrois	32, avenue de Champagne 51150 Tours-sur-Marne	350 251 351	50.96	50.96
Champagne de Castellane	57, rue de Verdun 51200 Épernay	095 650 529	99.94	99.94
Château Malakoff S.A.	3, rue Malakoff 51200 Épernay	095 750 089	100.00	100.00
SC De Chamoé	32, avenue de Champagne 51150 Tours-sur-Marne	390 025 716	100.00	100.00
SC Coteaux de la Louvière	32, avenue de Champagne 51150 Tours-sur-Marne	384 974 835	50.44	30.00
SCEA des Grands Monts	32, avenue de Champagne 51150 Tours-sur-Marne	388 367 534	51.15	30.00
SC Cuvillier	Domaine Laurent-Perrier 51150 Tours-sur-Marne	388 693 657	100.00	100.00
SC Dirice	32, avenue de Champagne 51150 Tours-sur-Marne	414 522 367	100.00	100.00

Abroad				
Laurent-Perrier UK LTD	66-68 Chapel Street Marlow Bucks SL7 1DE, UK	-	99.80	99.80
Laurent-Perrier U.S., Inc.	2320 Marinship Suite 140 Sausalito California 94965 USA	-	100.00	100.00
Laurent-Perrier Suisse	Chemin de la Vuarpillière 35 1260 Nyons Switzerland	-	100.00	100.00

5.2. Companies consolidated under the equity method

Company	Registered office	Siren N°	% Control	% Stake
France				
Pétret-Martinval SARL	9, rue des Écoles 51530 Chouilly	407 910 629	49.00	49.00

5.3. Parent company financial statements at March 31, 2006, 2007 and 2008

Income Statement

		Periods ending March 31		
(€ million)	Notes	2006	2007	2008
Sales		1.39	1.56	1.65
Release of amortisation and transfer of charges				0.02
Other income		5.28	5.68	6.16
Total operating income		6.67	7.24	7.83
Purchase of goods				
Change in inventory (goods)				
Other purchases and external charges		(1.49)	(0.99)	(0.94)
Tax and similar payments		(0.10)	(0.13)	(0.13)
Wages and salaries	9	(0.87)	(0.80)	(1.09)
Social charges	9	(0.65)	(0.28)	(0.43)
Amortisation and depreciation		(0.02)	(0.02)	(0.02)
Provisions		(0.01)	0.00	0.00
Other expenses		(0.38)	(0.31)	(0.34)
Operating profit		**3.15**	**4.72**	**4.87**
Financial income		4.84	5.19	6.11
Financial charges		(3.40)	(5.45)	(4.32)
Net financial income	**10**	**1.44**	**(0.27)**	**1.79**
Current pre-tax profit		**4.59**	**4.45**	**6.66**
Extraordinary income		0.73	0.00	0.00
Extraordinary expenses		(0.00)	(0.00)	(0.00)
Extraordinary profit	**11**	**0.73**	**(0.00)**	**(0.00)**
Income tax	12	0.38	(1.93)	(1.14)
Employee profit-sharing				
Net income		**5.70**	**2.52**	**5.52**

Balance Sheet

		Periods ending March 31		
	Notes	2006	2007	2008
Assets		(€ million)		
Intangible assets		1.91	1.91	1.91
Tangible fixed		0.08	0.16	0.28
Long-term investments and loans		109.55	109.59	109.90
Other long-term investments				
Total fixed assets	**1 & 2**	**111.53**	**111.66**	**112.08**
Inventory and work in progress				
Trade receivables		0.29	0.29	0.01
Other receivables and related accounts	7	14.68	16.91	3.98
Marketable securities	3	3.11	1.29	6.44
Cash and cash equivalents		1.69	1.32	0.38
Prepaid expenses		0.03	0.02	0.02
Current assets		**19.80**	**19.83**	**10.83**
TOTAL ASSETS		**131.33**	**131.49**	**122.91**

		Periods ending March 31		
	Notes	2006	2007	2008
Liabilities		(€ million)		
Capital	4	22.59	22.59	22.59
Additional paid-in capital		22.74	21.80	21.80
Legal reserve		3.72	3.72	3.72
Statutory reserves		2.71	2.71	2.71
Special regulated reserves		4.52	5.46	5.46
Retained earnings		19.37	19.15	14.01
Net income		5.70	2.52	5.52
Regulated provisions		0.00	0.01	0.01
Total shareholders' equity	**4**	**81.35**	**77.96**	**75.82**
Other equity				
Contingency and loss provisions	**5**	**2.55**	**6.26**	**6.26**
Borrowing and financial debt	6	39.15	32.82	26.43
Trade payables and related accounts		0.37	0.47	0.40
Fiscal and social liabilities	7	2.01	5.68	1.60
Other liabilities and related accounts	7	5.89	8.30	12.40
TOTAL DEBT		**47.43**	**47.27**	**40.83**
TOTAL LIABILITIES		**131.33**	**131.49**	**122.91**

5.4. Notes to the parent company financial statements at March 31, 2008

1. ACCOUNTING RULES AND METHODS

The financial statements have been drawn up in accordance with standard accounting procedures and the recommendations of the French Commercial Code. General accounting practices were applied on a prudential basis in accordance with the following basic assumptions:
• continuity of operations,
• consistency of accounting methods from one financial year to another,
• standalone accounts for each financial year.

2. VALUATION METHODS AND PRINCIPLES

2.1. Intangible fixed assets

Trademarks are recorded at their historic value. Their amount therefore does not represent their intrinsic value.
The cost of registering and renewing trademarks and research on trademarks have not been capitalised since April 1, 2005 but are instead expensed pursuant to opinion 04-15 of the Conseil National de la Comptabilité.

2.2. Tangible fixed assets

Tangible fixed assets are valued at their acquisition cost including the purchase price and ancillary costs or at the cost of production.

Interest on specific loans for the production of fixed assets is not included in the cost of production of these fixed assets.
Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The principal depreciation periods are as follows:

• Building fixtures and fittings	8 - 10 years
• Furniture and equipment	5 - 10 years

2.3. Long-term financial investments

These are recorded at their historic value (acquisition or contribution value).

At the close of the financial year, the inventory value of securities is determined on the basis of the share of capital stock held and taking into account possible unrealised capital gains and profitability forecasts.
Accordingly, a provision is booked if this inventory value is lower than gross value.

2.4. Receivables and payables in foreign currencies

Transactions conducted in foreign currencies are converted at the rate prevailing on the date of the transaction. Asset and liability balances denominated in foreign currencies are converted at the rate prevailing at the year-end closure date and the resulting unrealised foreign exchange gains and losses are recorded in the balance sheet. A provision for risk is recorded for unrealised foreign exchange rate losses.

2.5. Receivables

Receivables are valued at their nominal value. A provision for impairment is booked when the realisable value is lower than the book value.

2.6. Contingencies and loss provisions

These provisions cover clearly-defined risks and liabilities whose occurrence is considered probable based on past or current events.

2.7. Pensions and other commitments to personnel

Pension, supplementary pensions and retirement indemnity liabilities are recorded as off-balance sheet commitments and measured on the basis of actuarial calculations. These amounts were calculated using the projected credit unit method. The main actuarial assumptioins used are as follows:

- a discount rate of 5%;
- an annual wage increase of 3%;
- retirement age:

	Managers	Supervisory, clerical, operatives
Born before 1950	62	60
Born after 1949	64	62

- Annual resignation rate

	Managers	Supervisory	Clerical and operatives
Before age 40	10%	3%	1%
41-50	5%	3%	1%
After age 50	0%	0%	0%

2.8. Criteria used to determine non-recurrent items

Non-recurrent items are revenues and expenditures outside the company's normal operations. They concern either profit and loss related operations or capital transactions.

2.9. Other information

As parent company, the Company also prepares consolidated financial statements that take account of the company's annual financial statements under the full consolidation method.

Breakdown of the Balance Sheet and Income Statement

All amounts € million.

NOTE 1 – Gross value of fixed assets

Gross values	Gross value at opening	Acquisitions	Disposals	Other movements	Gross value at closing
Intangible fixed assets					
Trademarks	1.91				1.91
Trademark registration/renewal					
Other	0.06				0.06
Sub-total	**1.97**				**1.97**
Tangible fixed assets					
Land					
Buildings					
Machinery and equipment	0.13	0.01			0.14
Other	1.78	0.13			1.91
Sub-total	**1.91**	**0.14**			**2.05**
Long-term investments and loans					
Equity interests	109.59	0.31			109.90
Other long-term financial assets					
Sub-total	**109.59**	**0.31**			**109.90**
TOTAL	**113.47**	**0.44**			**113.91**

Breakdown of "Equity interests" item:

Champagne Laurent-Perrier	2,900,289 shares	54.98
A.S. (Salon+Delamotte)	181,519 shares	9.86
Champagne de Castellane	94,666 shares	3.43
Grands Vignobles de Champagne	16,634 shares	1.39
Château Malakoff	2,658 shares	38.99
Cot. du Barrois SC	851 units	0.13
Cot. de Courteron SC	390 units	0.06
Cot. de Charmeronde SC	1,570 units	0.24
Gds Monts SCEV	4,500 units	0.07
Chamoé SC	1,620 units	0.34
Cot. Louvière SC	1,160 units	0.02
Cuvilliers SCI	229 units	0.08
Dirice SC	60 units	0.31
		109.90

NOTE 2 – Depreciation, amortisation and provisions

Amortisation and depreciation	A&D at opening	Increases	Decreases	Other movements	A&D at closing
Intangible fixed assets					
Trademarks					
Other	0.06				0.06
Sub-total	**0.06**				**0.06**
Tangible fixed assets					
Land					
Buildings					
Machinery and equipment	0.12				0.12
Other	1.63	0.02			1.65
Sub-total	**1.75**	**0.02**			**1.77**
Long-term investments and loans					
Equity interests					
Other LT financial assets					
Subtotal					
TOTAL	**1.81**	**0.02**			**1.83**

NOTE 3 – Marketable securities

At March 31, 2008, marketable securities totalled €6.44 million and included treasury shares totalling €5.84 million held in the framework of a stock option plan and €0.73 million relating to a market-making contract. The book value of these shares has been compared with the average market price of the shares in the 20 trading sessions immediately preceding the end of the financial year. Because this average price of €98.32 was lower than the cost price, a provision for €0.13 million impairment was written.

NOTE 4 – Composition of share capital and changes in shareholder's equity

The share capital is made up of 5,945,861 shares with a nominal value of €3.80.

Amount at March 31, 2007	**77.96**
Net increase in capital	
Income for the financial year	5.52
Dividends	(7.66)
Amount at March 31, 2008	**75.82**

NOTE 5 - Contingencies and loss provisions

	Opening balance	Provisions	Writebacks	Closing balance
Type of provisions				
Stock option risk	6.26	0.00		6.26
Other	0.00		0.00	0.00
TOTAL	**6.26**	**0.00**	**0.00**	**6.26**

The provision for losses from stock options correspond to the difference between:
1) the price of stock options granted to employees, and:
2) the net book value of treasury shares and the estimated acquisition price by the company for shares not yet purchased. The estimated acquisition price adopted corresponds to the closing price on March 31, 2008.

NOTE 6 - Borrowings and financial debts

Maturity of financial debt	Total	Less than one year	1-5 years	More than five years
	26.43	6.59	19.84	0.00

NOTE 7 – Other receivables and other debts

Other receivables can be broken down as follows:

	At March 31	
Other receivables	**2008**	**2007**
Subsidiaries -Tax consolidation	2.06	3.45
State - corporate income tax prepayment		
Current accounts (Group companies)	1.70	13.29
Other	0.22	0.17
TOTAL	**3.98**	**16.91**

Other payables include the following:

	At March 31	
Other payables	**2008**	**2007**
Owed to personnel	0.16	0.16
Social bodies	0.15	0.14
State - VAT and other taxes	0.15	0.18
State - Corporate income tax	1.06	5.13
Subsidiaries - Tax integration	0.43	0.10
Current accounts - Group companies	0.59	0.56
Current accounts - Shareholders	11.26	7.63
Other	0.20	0.09
TOTAL	**14.01**	**13.98**

NOTE 8 – Other information relating to the balance sheet

Balance sheet items	Amounts concerning affiliates	Accrued expenses
Equity interests and related payables	109.89	
Trade receivables and related accounts	0.03	
Other receivables	3.89	
Loans from credit institutions		
Other borrowing and debt		
Trade payables and related accounts		0.22
Tax and social security liabilities		0.25
Other liabilities	1.03	0.01

NOTE 9 – Personnel Expenses

Personnel costs (including social security contributions) amounted to €1.52 million compared with €1.07 million in the previous financial year.
At March 31, 2008 the workforce stood as follows:

	At 31 March	
Workforce	**2008**	**2007**
Managerial	6	6
Supervisory	1	1
Clerical	5	5
Operatives	2	2
TOTAL	**14**	**14**

NOTE 10 – Financial income and expenses

Financial income was positive and can be broken down as follows:

	Periods	
	2007-2008	**2006-2007**
INCOME		
Dividends received	5.60	4.49
Sundry financial income	0.51	0.69
EXPENSES		
Provisions	-0.14	-3.72
Interest and similar charges	-1.89	-1.63
Net expenses on disposal of investment securities	-2.29	-0.10
TOTAL	**1.79**	**-0.27**

Provisions were in respect of stock option risk in 2006/2007 (Note 5).

NOTE 11 – Extraordinary income and expenses

The expense of €5K corresponds to a charge for additional depreciation to benefit from fiscal incentives.

NOTE 12 – Corporate income tax

Laurent-Perrier, Champagne Laurent-Perrier, Champagne de Castellane, Laurent-Perrier Diffusion, Lemoine, Grands Vignoble de Champagne, A.S. and Château Malakoff are members of a tax-consolidated Group.
Tax-sharing agreements concluded between the parent company and subsidiaries included in the tax group apply the principle of tax neutrality. Taxes owed are recorded by subsidiaries as if they were taxed as separate companies. The parent company records its own tax charge and the tax savings or expenses generated from the tax group.
The group has continued its previous policy of not recognising deferred tax liabilities linked to tax payable to the State if and when loss-making subsidiaries return to profit.

	€ million	Company tax € million	%
Breakdown of tax between current pre-tax profit and extraordinary profit			
Current pre-tax profit	6.66	0.52	8%
Extraordinary income	(0.00)	0.00	0%
Corporate income tax	(0.52)		
Tax consolidation: saving (payable) on corporate income tax	(0.62)	0.62	
Net income	**5.52**	**1.14**	**21%**

NOTE 13 - Off-balance sheet commitments

Commitments given:

Shares have been pledged as security to guarantee the financing of acquisitions or capital increases of companies in the total amount of €39.0 million.

Commitments for retirement indemnities amount to €0.09 million.

The Group has taken out a defined benefit policy to provide additional supplementary retirement benefits for senior management. This policy provides gross annual retirement benefits of 10-15% of their salary in the 12 months preceding retirement. Benefits are vested only after calculating the basic State pension. The contributions paid to the organisation managing the pension fund are recorded under Group personnel expenses. Pension liabilities for past benefits are estimated at €1.16 million.

Interest rate risk: the Group's debt is entirely contracted at variable rates. Interest-rate swaps have been implemented for €11 million maturing on February 13, 2012.

Laurent-Perrier
Head Office: 32, avenue de Champagne
51150 Tours-sur-Marne (France)

SUBSIDIARIES AND AFFILIATES

Detailed information on each subsidiary and affiliate subject to disclosure obligations in which the Group owns more than 1%	Financial information: Share capital	Shareholders' equity other than capital	Ownership interest (%)	Income (profit or loss of the last financial year)
1. SUBSIDIARIES (+ 50% OWNED)				
Champagne Laurent-Perrier	€ 44,200,816	€ 115,379,514	99.00	€ 21,885,542
Société A.S.	€ 698,638	€ 15,713,914	98.70	€ 3,242,969
SA Château Malakoff	€ 5,865,200	€ 16,838,773	99.70	€ 2,338,046
SCEA des Côteaux du Barrois	€ 253,840	€ 37,983	50.96	€ 28,370
SCEA des Côteaux de Charmeronde	€ 466,640	€ 60,494	51.14	€ 42,142
SCA des Coteaux de Courteron	€ 116,128	€ 31,100	51.05	€ 30,757
SCEV des Grands Monts	€ 132,000	€ 25,285	51.15	€ 23,017
Sté civile de Chamoé	€ 246,240	€ 6,593	100.00	€ 5,865
Sté civile Cuvilliers	€ 3,450	€ 8,183	99.57	€ 7,968
SC des Côteaux de La Louvière	€ 34,500	€ 8,941	50.44	€ 8,378
SC Dirice	€ 9,600	€ 56,500	100.00	€ 20,661
2. AFFILIATES (BETWEEN 10% AND 50% OWNED)				
Champagne de Castellane	€ 5,547,970	€ 8,776,301	26.00	€ 2,747,899
Grands Vignobles de Champagne	€ 1,145,713	€ 4,079,079	22.13	€ 158,784

General information on all subsidiaries and affiliates	Subsidiaries		Affiliates	
	French	Foreign	French	Foreign
Book value of shares held				
- Gross	105,072,933		4,821,929	
- Net	105,072,933		4,821,929	
Loans and advances granted	1,697,543	0	0	
Guarantees given				
Dividends received	5,596,413			

5.5. Results of the past five financial years

Company: Laurent-Perrier - FY 01/04/07 to 31/03/08

€ ØØØs	01.04.2007 to 31.03.2008	01.04.2006 to 31.03.2007	01.04.2005 to 31.03.2006	01.04.2004 to 31.03.2005	01.04.2003 to 31.03.2004
Share capital at period end					
• Share capital	22,594	22,594	22,594	22,594	22,594
• Number of ordinary shares	5,945,861	5,945,861	5,945,861	5,945,861	5,945,861
• Preferred non-voting stock					
• Maximum number of shares to be issued					
- through bond conversion					
- through subscription rights					
Transactions and results for the financial year					
• Sales (ex-VAT)	1,646	1,555	1,388	1,321	1,216
• Pre-tax income, before employee profit sharing, amortisation and provisions	6,815	8,157	6,048	6,971	6,183
• Corporate income tax	1,138	1,928	(376)	937	340
• Employee profit-sharing for the financial year					
• After-tax income, including employee profit sharing, amortisation and provisions	5,516	2,523	5,697	5,667	5,597
• Income distributed to shareholders	5,915	4,346	3,854	3,859	3.884
Earnings per share (€)					
• Earnings after taxes and employee profit sharings but before depreciation, amortisation and provisions	0.95	1.05	1.08	1.01	0.98
• Earnings after employee profit sharing, taxes, depreciation, amortisation and provisions	0.93	0.42	0.96	0.95	0.94
• Dividend per share(1)	€ 1.300	€ 1.000	€ 0.999	€ 0.999	€ 0.999
Workforce					
• Average number of employees	13	14	13	13	13
• Total payroll(2)	1,092	795	873	751	890
• Amounts paid out in benefits (social security, benefits, etc.)(2)	432	278	646	634	507

(1) Specify if dividend is gross or net, where appropriate by share class.

(2) Average rate of Social Security charges for external staff (temporary or seconded employees or staff on loan) for 2006 and previous fiscal years.

5.6 Reports by the statutory auditors of the parent company and consolidated financial statements at March 31, 2008

5.6.1. Report of the statutory auditors on the parent company financial statements for the financial year ended at March 31, 2008

"This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France."

To the Shareholders
Laurent-Perrier SA
32, avenue de Champagne
51150 Tours-sur-Marne

Dear Shareholders,

Pursuant to the mandate we have received from your General Meeting, we hereby present our report for the financial year ended March 31, 2008 on:
• the audit of the Laurent-Perrier SA parent company's financial statements as presented herein,
• the justification for our assessments,
• the specific procedures and disclosures prescribed by law.
The annual financial statements were prepared by your Management Board. Our responsibility is to express an opinion on these statements based on our audit.

I - Opinion concerning the parent company financial statements
We conducted our audit in accordance with the professional standards applying in France, which require all due diligence to be exercised so that we can be reasonably satisfied that the accounts contain no material mistakes. An audit involves the examination by sampling of the proofs of the data contained in these accounts. It also involves assessing the accounting principles applied and the material estimates used to prepare the accounts, and looking at their general presentation. We believe that our controls provide a reasonable basis for the following opinion.
We hereby certify that the annual financial statements prepared under French generally accepted accounting principles and rules are truthful and provide a true and fair view of the results of transactions in the financial year just ended and of the financial and asset position of the Company at the end of that financial year.

II – Justification of our assessments
Pursuant to the provisions of Article L. 823-9 of the French Commercial Code on the basis for our opinion, we must bring the following to your attention:
• Note 2.3 in the Notes to the Financial Statements sets out the accounting principles and methods used to assess the value in use to the Company of its equity investments. While assessing the accounting rules and principles adopted by the Company, we examined whether the above accounting methods were appropriate and correctly applied and are satisfied that the resulting estimates are reasonable.

The above comments form part of our audit of the annual financial statements as a whole and thus contributed to the formation of our opinion, as expressed in the first section of this report

III - Specific procedures and disclosures
Pursuant to the professional standards applying in France, we also carried out the controls that are legally required.

We have no comment to make on:
- the fairness and the consistency with the annual financial statements of the information contained in the report of the Management Board or in the documents addressed to shareholders concerning the financial position and annual financial statements,
- The fairness of the information disclosed in the management report concerning the compensation and benefits paid to the company officers concerned and the commitments made in their favour when taking up, relinquishing or changing their duties or subsequently to these.

Pursuant to legal requirements, we satisfied ourselves that the requisite information on the identity of shareholders has been given to you in the management report.

Neuilly-sur-Seine and Reims, May 29, 2008

The Statutory Auditors

PricewaterhouseCoopers Audit
Christian Perrier

Philippe Venet et Associés
Philippe Venet

5.6.2. Report of the statutory auditors on the consolidated financial statements for the financial year ended March 31, 2008

"This is a free translation into English of the statutory auditors' report issued in French and is provided solely for the convenience of English speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France."

To the Shareholders
Laurent-Perrier SA
32, avenue de Champagne
51150 Tours-sur-Marne

Dear Shareholders,

Pursuant to the mandate we have received from your General Meeting, we have audited the consolidated financial statements of Laurent-Perrier SA as attached for the financial year ended March 31, 2008.

The consolidated financial statements were prepared by your Management Board. It is our duty, on the basis of our audit, to express an opinion on those financial statements.

I - Opinion concerning the consolidated financial statements
We conducted our audit in accordance with the professional standards applying in France, which require all due diligence to be exercised so that we can be reasonably satisfied that the accounts contain no material mistakes. An audit involves the examination by sampling of the proofs of the data contained in these accounts. It also involves assessing the accounting principles applied and the material estimates used to prepare the accounts, and looking at their general presentation. We believe that our controls provide a reasonable basis for the following opinion.

We hereby certify that the consolidated financial statements prepared under IFRS as adopted by the European Union are truthful and provide a true and fair view of the financial and asset position of the Group comprising the individual and legal entities in the consolidation.

II – Justification of our assessments
Pursuant to the provisions of Article L. 823-9 of the French Commercial Code, on the basis of our opinion, we must bring the following to your attention:
- Notes 2.9 and 4.3.1 in the Notes to the Consolidated Financial Statements set out the approaches used to value vineyards at market price. While assessing the accounting rules and principles adopted by the Company, we examined whether the above accounting methods were appropriate and correctly applied and are satisfied that the resulting estimates are reasonable.

The above comments form part of our audit of the annual financial statements as a whole and thus contributed to the formation of our opinion as expressed in the first section of this report.

III - Specific procedures
We also verified the information concerning the management of the Group contained in the consolidated management report. We have no comment to make on the truthfulness of that information or its agreement with the consolidated financial statements.

Neuilly-sur-Seine and Reims, May 29, 2008

PricewaterhouseCoopers Audit
Christian Perrier

Philippe Venet et Associés
Philippe Venet

5.7. Special auditors' report for the financial year ended March 31, 2008

"This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France."

To the Shareholders
Laurent-Perrier SA
32, avenue de Champagne
51150 Tours-sur-Marne

Dear Shareholders,

In our capacity as statutory auditors to your company, we present our report on related-party agreements.

I - Authorised agreements during the financial year
Pursuant to Article 225-88 of the French Commercial Code, we have been advised of agreements requiring prior authorisation from the Supervisory Board.

We are not required to look for other agreements that may exist but we must advise you, on the basis of the information given to us, of the clauses and basic characteristics of those reported to us. We are not required to comment on their usefulness or whether they are justified. It is your duty pursuant to Article R225-58 of the French Commercial Code to consider the usefulness of these agreements before approving them.

We have performed our audit in compliance with the professional standards applying in France, which require all due diligence to be exercised to verify that the information given to us matches the documents on which it is based.

At its meeting on 18 March2008, your Supervisory Board authorised the following agreements:

Amendment to the Mangement Assistance contract

In view of the development of the Laurent-Perrier Group, it has proved necessary to update the details mof the management assistance contract signed on April 24, 1997 between Laurent-Perrier an dits Champagne Laurent-Perrier subsidiary.

Aim of the amendment to the management assistance contract:
Laurent-Perrier shall provide Champagne Laurent-Perrier with the services describe hereafter for the duration of the present contract:

1. Laurent-Perrier shall provide assistance and advisory services with a view to:
- defining corporate strategy involving other Group subsidiaries,
- study of legal issues,
- information concerning regulations, legislation and jurisprudence,
- tenor of contracts,
- settlement of disputes,
- the field of intellectual property and trademarks.

2. On behalf of Champagne Laurent-Perrier, Laurent-Perrier will provide public relations services and will generally promote the Laurent-Perrier Group and defend the interests of the Laurent-Perrier brand image.

Laurent-Perrier will in particular be able to exercise its public relations activities by promoting the members of the family of Bernard de Nonancourt, the Founder.
This personal involvement of family members is an integral part of the image that Laurent-Perrier can help to develop.

3. Laurent-Perrier will provide assistance and advice notably for drawing up provisional budgets and budgetary controls, and if necessary in the Champagne Laurent-Perrier's relations with its banks, and only at the demand of the said Champagne Laurent-Perrier.
It has been agreed that in return for the services provided by Laurent-Perrier to Champagne Laurent-Perrier, an annual fee of €1,160,000 exclusive of VAT will be invoiced.

The terms of the present agreement will be applied as of the financial year beginning on April 1, 2008.

Administrative services agreement

Following the implementation of synergies, it has been agreed that Champagne Laurent-Perrier shall provide administrative, payroll, accounting and data processing services for Laurent-Perrier.

Under the said agreement, the said services shall be invoiced at €80,000 exclusive of VAT.

The terms of the present agreement will be applied as of the financial year beginning on April 1, 2008.

II - Agreements approved in previous periods and implemented through the period

Pursuant to the French Commercial Code we have further been informed of the implementation of the following agreements approved in previous periods and still in force in the financial year just ended:

1 – With members of the Management Board

On February 10, 2003 your Supervisory Board approved the creation of a defined benefit supplementary pension plan providing insured beneficiaries with a life pension and full pension reversion to the surviving spouse.
The pension amounts to 15% of the beneficiary's annual salary over the last 12 months preceding retirement. A payment of €60,450 was made in respect of this plan in the financial year just ended. The pension is be payable only to Management Board members taking retirement.

2 – With MDK Consulting, of which Mr Maurice de Kervénoaël, Chairman of the Supervisory Board, is the Manager

MDK Consulting charges for "assistance in the preparation of action plans in the following areas: strategic management, world-wide expansion of distribution networks and resource optimisation". Billing totalled €78,375 exclusive of VAT for the financial year just ended.

The increase in the amount invoicies from July 2007 was authorised by the meeting of the Supervisory Board held on 29 May 2007.

3 - With Champagne Laurent-Perrier

• Continuation of the agreement giving Champagne Laurent-Perrier the use of the Château de Louvois.

Under the terms of the agreement, authorised by the Supervisory Board on April 24, 1997, the Company makes the Château de Louvois available to its subsidiary, Champagne Laurent-Perrier, for events to promote the image of Champagne Laurent-Perrier and Grand Siècle.
In exchange, the Company receives an annual fee of €38,000 and €114,000 in rent.
In respect of the financial year ending March 31, 2008, your Company billed €152,000.

- Continuation of the Agreement for the use of Champagne Laurent-Perrier premises and services.
For the 2007-2008 financial year, Champagne Laurent-Perrier billed €45,732 (exclusive of -VAT) to your company in respect of rent and services.

- Continuation of the Management assistance contract.
Sundry financial, accounting, management, legal assistance and new work services were invoiced at 0.7% of Laurent-Perrier and Grand Siècle sales (exclusive of VAT). For the 2007-2008 financial year billing amounted to was €1,229,733 (exclusive of VAT).

- Continuation of payment of Brand royalties
Brand royalties under the December 14, 1990 licensing agreement amended on December 2, 1992, and effective on January 1, 1993 has been continued. The total amount paid for the financial year ended March 31, 2008 came to €6,148,666 exclusive of VAT.

4 - With A.S.

- Continuation of the Management assistance contract.
Your Company invoiced fees in the amount of 0.5% of AS sales under the Delamotte and Salon brands, or €77,114 exclusive of VAT for the 2007-2008 financial year.

5 - With Champagne de Castellane

- Continuation of the Management assistance contract.
Your Company invoiced fees in the amount of 0.5% of de Castellane sales under the de Castellane brand of €149,717 exclusive of VAT for the 2007-2008 financial year.

6 - With the seven private vineyard property companies (sociétés civiles de vignoble)

€800 invoiced to each for annual assistance and management services.

7 - With Château Malakoff SA

€30,000 invoiced for annual assistance and management services, in 2007-2008.

8 - With Alain Mandois SARL

€1,200 billed for assistance and management services.

9- Treasury management agreement

For several years past, Group companies have operated a central treasury management agreement concerning the cash flows between and among them but excluding all amounts due in respect of commercial activities. Advances are co-ordinated by Champagne Laurent-Perrier and bear interest at the Group's external refinancing rate (currently 1-month EURIBOR + 0.60%) except on current accounts between your Company and the private vineyard property companies (sociétés civiles d'exploitation), which bear interest at the annual average at a rate equal to the maximum fiscally deductible rate at March 31, 2008, ie, 5.53%.
Under the terms of the agreement, current accounts carried the following interest over the period:

	Interest paid €	Interest rec. €	Rate %
Champagne Laurent-Perrier		494,078	EURIBOR + 0.60 %
Grands Monts SCEA	3,561		5.53 %
Côteaux de Charmeronde SC	9,829		5.53 %
Côteaux du Barrois SC	5,955		5.53 %
Côteaux de la Louvière SC	1,613		5.53 %
Chamoé SC	6,842		5.53 %
Côteaux de Courteron SC		6,699	5.53 %
ASN SC	380,560		5.53 %
Dirice SA		39,173	+ 0.60 %

10 - Current account agreements with Mr. and Mrs. Bernard de Nonancourt

The current accounts of Mr and Mrs Bernard de Nonancourt have credit balances of €2,091,331 and €1,156,082 respectively, as at March 31, 2008 and generate interest at 5.53%. Interest for the 2007-2008 financial year totalled €110,132 and €60,402 respectively.

Reims and Neuilly-sur-Seine, May 30, 2008

The Statutory Auditors

Philippe Venet et Associés
Philippe Venet

PricewaterhouseCoopers Audit
Christian Perrier

5.8. Fees paid by the Group to the auditors and members of their network in the year ended March 31, 2008

	PricewaterhouseCoopers Audit				PVA			
	Amount (ex-VAT)		%		Amount (ex-VAT)		%	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
Audit								
Statutory auditing, certification auditing of individual and consolidated accounts								
Issuer	41,600	40,000	32 %	32 %	30,700	29,500	28 %	28 %
Fully-consolidated subsidiaries	87,059	83,700	68 %	68 %	78,600	75,850	72 %	72 %
Other activities and services directly related to the statutory auditor's remit								
Issuer								
Fully-consolidated subsidiaries								
Subtotal	**128,659**	**123,700**	**100%**	**100 %**	**109,300**	**105,350**	**100%**	**100%**
Other services rendered by the networks to fully-consolidated subsidiaries								
Legal, fiscal, social				0,0 %				0,0 %
Others (specify if →10% of audit fees)				0,0 %				0,0 %
Subtotal	**0**	**0**	**0 %**	**0 %**	**0**	**0**	**0 %**	**0 %**
TOTAL	**128,659**	**123,700**	**100%**	**100 %**	**109,300**	**105,350**	**100%**	**100 %**

6 JOINT SHAREHOLDERS' MEETING, JULY 9, 2008

6.1. Agenda

RESOLUTIONS PRESENTED AT THE ORDINARY SHAREHOLDERS' MEETING

1. Presentation of the combined report of the Management Board on the parent company and consolidated financial statements for the financial year ended March 31, 2008 and on the activity of the Company during the said financial year; of a number of other reports, in particular that by the Chairman of the Supervisory Board on the internal organisation of the Supervisory Board and on internal controls;
2. Presentation of the Statutory Auditors' reports on the parent company and consolidated financial statements for the financial year ended March 31, 2008 and on the activity during the said financial year;
3. Presentation of the special report by the Statutory Auditors on agreements governed by articles L 225-86 et seq. of the French Commercial Code;
4. Presentation of the report of the Supervisory Board on the report of the Management Board and the parent company financial statements for the financial year ended March 31, 2008;
5. Examination and approval of the Company's financial statements and consolidated financial statements for the financial year ended March 31, 2008;
6. Granting of discharge to the members of the Management Board, the Supervisory Board and the Statutory Auditors;
7. Appropriation of income for the financial year;
8. Approval of the related party agreements governed by articles L 225-86 et seq. of the French Commercial Code;
9. Attendance fees;
10. Examination of Supervisory Board members', Statutory Auditors' and alternate auditors' mandates;
11. Renewal of the mandates of three members of the Supervisory Board and of a Statutory auditor and alternate auditor;
12. Authority and powers granted to the Management Board for the new share buy-back programme.

RESOLUTIONS PRESENTED AT THE EXTRAORDINARY SHAREHOLDERS' MEETING

13. Authority and powers to be granted to the Management Board to cancel Company shares;
14. Authorisation and powers granted to the Management Board, to use the authorities to increase the Company's capital stock granted by the General Shareholders' Meeting on July 5, 2007 and concerning Company securities during a period of public offerings of purchase and/or exchange;
15. Powers.

NB: The numbering of resolutions differs from the numbering of items on the agenda

6.2. Shareholders' resolutions

RESOLUTIONS PRESENTED AT THE ORDINARY SHAREHOLDERS' MEETING

First resolution

The General Shareholders' Meeting, having reviewed the reports of the Management Board on the parent company and consolidated financial statements; of the Supervisory Board; of the Chairman of the Supervisory Board on the internal organisation of the Supervisory Board and on internal controls; and of the Statutory Auditors, approves these reports and financial statements for the financial year ended March 31, 2008 and the consolidated financial statements prepared by the Management Board for the financial year ended March 31,2008 as submitted to them. They also approve the transactions described in the accounts and summarised in these reports.

The General Shareholders' Meeting accordingly grants the Management Board full discharge for its management during the year.

Second resolution

The General Shareholders' Meeting resolves to appropriate the net income for the year ended March 31, 2008 of €5,516,334.36 as follows.

Appropriation of net income:

Net income for the financial year:	€5,516,334,36
Retained earnings brought forward from previous years:	€14,006,207.52
Total available for appropriation:	€19,522,541.88
From the total available, the payment of: as dividends to shareholders (*).	€8,232,537.60
The new amount to be transferred to "retained earnings" is:	€11,290,004,28

The dividend payable for the financial year is 1,40 € per share. For individual investors who are natural persons resident in France for tax purposes, the amount of the dividend paid shall take account of social security contributions which are compulsory under the Finance Act of 2008. The dividend will be paid out on July 22, 2008.

It is hereby stated that dividends payable on Laurent-Perrier treasury shares will not be distributed but will instead be transferred to retained earnings.

(*)Excluding the 65,477 Laurent-Perrier shares held by the Company as at 31.03.2008, unless there is an increase or decrease in the number of treasury shares held.

For natural persons who are resident in France for tax purposes this dividend is eligible for the discount stipulated in § 20 of article 158-3 of the French Tax Code (Code Général des Impôts).

It is hereby stated that in order to comply with the provisions of article 117 quater nouveau of the French Tax Code, derived from the 2008 Finance Act (Act No.2007-1822, 24 December 2007 published in the Journal Officiel on 27/12/2007), and in respect of attributable income eligible for the 40% discount taken from January 1, 2008 :
- the witholding taxes due in respect of this income shall be deducted at source and delared directly by the Company,
- natural persons resident for tax purposes in France (other than industrial, commercial, artisanal, or farming companies, or those in non-commercial occupations) may opt for the 18% flat-rate, at source witholding tax.

Persons who opt for or who have already opted for the 18% flat rate witholding tax may not under any circumstances benefit from the 40% discount on all attributed income, received or to be received during 2008. The option chosen must be notified to the Company no later than on receiving each payment.

Transfer to reserve for treasury shares

A sum of €6,570,832,65 corresponding to the carrying value of the 65,477 treasury shares owned by the Company as at 31 March 2008 must be stated in the "Treasury share reserve" account. To match this amount, an additional sum of €1,167,979.55 shall accordingly be transferred from the issuance premium account to the "Treasury share reserve" account. After this transaction, the balance in the "Issuance premium" account will accordingly fall from €21,740,843.97 to €20,572,864.42.

The Shareholders duly note that the sums distributed as dividends over the last three financial years were:

Financial Year	Dividend per share (€)
2004-2005	0.75
2005-2006	1.00
2006-2007	1.30

Third resolution

The Shareholders approve the transactions conducted between the members of the Supervisory Board (or the companies or enterprises they represent, are executive officers of, or in which they hold a direct or indirect interest, or in which they are active via a third party) and the Company over the financial year just ended, as these are described in the Statutory Auditors' special report on regulated agreements covered by articles *L 225-86 et seq.* of the French Commercial Code.

Fourth resolution

The Shareholders approve the transactions conducted between the members of the Management Board (or the companies or enterprises they represent, are executive officers of, or in which they hold a direct or indirect interest or in which they are active via a third party) and the Company over the financial year just ended as these are described in the Statutory Auditors' special report on regulated agreements covered by articles *L 225-86 et seq.* of the French Commercial Code.

Fifth resolution

The Shareholders approve all transactions between, one the one hand, a shareholder owning more than 10% of the voting rights in the Company or any company controlling another company that is a shareholder and owning more than 10% of the voting rights in the Company and, on the other hand, the Company itself, over the financial year under review, as these are described in the Statutory Auditors' special report on regulated agreements covered by articles *L 225-86 et seq.* of the French Commercial Code.

Sixth resolution

The General Shareholders' Meeting resolves to set total attendance fees payable to the members of the Supervisory Board at €175,100, unless shareholders decide otherwise.
A Supervisory Board meeting will be held to allocate the attendance fees.

Seventh resolution

The General Shareholders' Meeting, noting that the Supervisory Board mandate of Madame Claude de Nonancourt is about to expire, renews her mandate for a further period of six years, until the General Shareholders' Meeting convened in 2014 to approve the accounts of the financial year ending March 31, 2014.

Eighth resolution

The General Shareholders' Meeting, noting that the Supervisory Board mandate of Mr François Philippoteaux is about to expire, renews his mandate for a further period of six years, until the General Shareholders' Meeting convened in 2014 to approve the accounts of the financial year ending March 31, 2014.

Ninth resolution

The General Shareholders' Meeting, noting that the Supervisory Board mandate of Mr Bernard de La Giraudière is about to expire, renews his mandate for a further period of six years, until the General Shareholders' Meeting convened in 2014 to approve the accounts of the financial year ending March 31, 2014.

Tenth resolution

The mandates of PricewaterhouseCoopers Audit, Statutory Auditors, and of Pierre Cool, alternate Statutory Auditor, having expired, the General Shareholders' Meeting renews the mandate of the Statutory Auditors and appoints Mr Etienne Boris as alternate statutory auditor for a period of six years until the General Shareholders' Meeting convened in 2014 to approve the accounts of the financial year ending March 31, 2014. Shareholders are hereby informed that the AMF (Autorité des Marchés Financiers) regulatory body has been notified of this information prior to this General Shareholders' Meeting and has made no observation in this respect.

Eleventh resolution

The General Shareholders' Meeting, having reviewed the report of the Management Board and read the information in the memorandum filed with the AMF in accordance with the provisions of articles 241-1 to 241-8 of the latter's General Regulations, authorises the Management Board, for eighteen (18) months from the date of this meeting, to buy back shares in the Company in accordance with the provisions of articles L 225-209 et seq. of the French Commercial Code and other applicable legal provisions.

The General Shareholders' Meeting resolves that the shares may be repurchased either on the stock market or through acquisitions of blocks of shares, at one or more times, subject to the maximum limit set forth hereinafter. The maximum purchase price of a share (excluding transaction costs) is set at €150.

The maximum number of shares that may be acquired may at no time exceed 10% of Company capital, or a maximum of 594,000 shares as of the day of the present General Shareholders' Meeting, taking into consideration the shares that have already been purchased in the preceding programmes authorised by the Company's Shareholders' Meetings.

The maximum amount allocated to the buy-back programme is €79,278,450.
The General Shareholders' Meeting resolves that the said shares may be bought back to:

- ensure the orderly trading of company shares by an investment services provider within the framework of a liquidity agreement in compliance with the rules of conduct of the French association of investment firms (AFEI) recognised by the AMF;
- grant shares to employees or officers;
- grant stock options to employees or officers;
- hold the shares purchased for subsequent use for exchange or payment in case of mergers or acquisitions;
- cancel all or part of the shares acquired.

The General Shareholders' Meeting resolves that shares may be repurchased and sold on the stock market and/or by means of block trading. Shares may be repurchased through block trading, it being understood that the goal of ensuring orderly trading in Company shares might in such cases not be fully achieved. Shares may be purchased, sold or transferred at any time, and by any appropriate method, including the use of derivative instruments and options strategies, subject to the limits set by stock market regulations.

This authorisation cancels and replaces the provisions of an earlier authorisation to the same effect granted at the General Shareholders' Meeting on July 5, 2007.

RESOLUTIONS PRESENTED AT THE EXTRAORDINARY SHAREHOLDERS' MEETING

Twelfth resolution

Voting in accordance with the quorum and majority voting rules applicable to Extraordinary Shareholder's Meetings and after reviewing the report of the Management Board and the special report by the Statutory Auditors, the General Shareholders' Meeting authorises the Management Board, to the extent allowed by law and statutory provisions, for a period of eighteen (18) months to:
- cancel the shares acquired under the Company's buy-back programme approved by the Management Board, provided that the aggregate number of shares cancelled in any 24-month period does not exceed 10% of Company capital;
- reduce the capital accordingly by charging the difference between the purchase price of cancelled shares and their par value to additional paid-in capital or any distributable reserves.

The General Shareholders' Meeting confers full powers on the Management Board to:
- carry out such reduction or reductions of capital;
- set the definitive amount of the reduction, determine the terms and conditions, and take note of completion;
- offset the difference between the purchase value and the par value of cancelled shares against additional paid-in capital or reserves;
- amend the by-laws to reflect the new capital and more generally to carry out all necessary formalities, in accordance with legal provisions in force at the time this authorisation is used.

Thirteenth resolution

The General Meeting of Shareholders, having heard the report of the Management Board, expressly authorises the said Management Board from the date of the present General Shareholders' Meeting and until the date of the next General Shareholders' Meeting called to approve the annual accounts of the Company to use the delegations granted in the tenth, eleventh and twelfth resolutions adopted by the General Shareholders' Meeting held on July 5, 2007 during periods of public offerings to buy and/or exchange Company capital in order to increase Company capital by all available legal means according to the conditions set out in the said resolutions.

Fourteenth resolution

The General Shareholders' Meeting authorises the bearer of an original, a copy or an extract of the minutes of this Meeting to execute all filing, publication and other formalities required under French law.

7 REPORTS

7.1. Report by the Chairman of the Supervisory Board on the conditions for the preparation and organisation of the work of the Supervisory Board and on the internal control procedures implemented by Laurent-Perrier (article L225-235 of the French Commercial Code)

The present report has been drawn up in accordance with Article L 225-37 of the last paragraph of the French Commercial Code in order to present the conditions for the preparation and organisation of the work of the Supervisory Board, together with the internal control procedures, to the General Meeting of Shareholders. The report has been drawn up with the assistance of the Group Finance Department.

1. PREPARATION AND ORGANISATION OF THE WORK OF THE SUPERVISORY BOARD

1.1. Composition and role of the Supervisory Board

The Laurent-Perrier Supervisory Board consists of eleven members, five of them independent. The make-up of the Supervisory Board is set out in Annex 1.

The Supervisory Board appoints the Management Board and the General Shareholders' Meeting may terminate its mandate. In accordance with the law, it is responsible for the permanent oversight of the Company's management by the Management Board and under the terms of the Company by-laws authorises the following operations:

- draw up or modify the Laurent-Perrier Group multi-year corporate plan;
- execute or authorise all operations likely to substantially affect Group strategy, its financial structure or scope of activity and notably likely to substantially modify the image of Group brands;
- issue, even on the authorisation of the General Shareholders' Meeting, securities of any nature whatsoever resulting in or likely to result in an increase in the legal capital (or to enter into any undertakings whatsoever in this respect);
- grant remuneration or rights to securities issued by the Company to all members of the Management Board;
- execute the following transactions (or enter into any undertaking in this respect) when they individually and severally exceed an amount or, where applicable, a period of time set by the Supervisory Board, (it being understood that the present statutory provision shall only apply in cases where the Supervisory Board has set such amounts):
  - any and all subscriptions, purchases or provisions with respect to securities, any and all immediate or deferred purchase in any and all legal or de facto groups or companies,

- any and all asset transfers or exchanges, with or without a balancing cash adjustment, for goods or securities,
- any and all acquisitions or disposals of property assets or rights,
- any and all acquisitions or disposals of receivables, businesses or other intangible assets,
- any and all initiatives with a view to granting or obtaining all loans, credits or overdraft facilities,
- any and all distribution contracts or, more generally, marketing contracts and any and all supply contracts,
- any and all transactions and compromises in the event of a dispute.

1.2. Exercise of role and responsibilities

The Supervisory Board meets at least four times a year to discuss an agenda drawn up by its chairman. During the 2007-2008 financial year, the Supervisory Board met on five occasions. The attendance rate of its members was as follows:

Date	Important points on the agenda	Attendance rate
29.05.2007	Approval of the corporate accounts and the consolidated financial statements to March 31, 2007 and of the 2007-2008 business plan.	80%
04.07.2007	Laurent-Perrier Group 5-year corporate plan.	64%
05.07.2007	Distribution of Directors' fees.	64%
22.11.2007	Corporate situation during the first six months of the 2007-2008 financial year. Presentation of forecast results to March 31, 2008.	90%
18.03.2008	Corporate situation during the first nine months of the 2007-2008 financial year. Discussion of provisional accounts to March 31, 2008. Budget for the 2008-2009 financial year.	100%

The Supervisory Board is provided with detailed information about all significant transactions.

1.3. Committees

The Supervisory Board has created four committees:

The Strategy Committee is responsible for studying the development of the Company and presenting strategy proposals for the Laurent-Perrier Group to the full Supervisory Board. The Strategy Committee is chaired by Bernard de Nonancourt. Its other members are Yann Duchesne (Deputy Chairman), Maurice de Kervénoaël, Eric Meneux, François Philippoteaux, Jean-Louis Pereyre, Yves Dumont, Alexandra Pereyre and Stéphanie Meneux.

The Executive Committee meets each month to discuss the Company's performance indicators and the results and profitability of the Group's products and the countries where it operates. The Executive Committee comprises Maurice de Kervénoaël, Bernard de Nonancourt, Yves Dumont, Alexandra Pereyre and Stéphanie Meneux.

The Audit and Financial Communication Committee deals with and analyses corporate results, and disclosing these to shareholders. Its role is to ascertain the quality of accounting methods and internal procedures, examine the consolidated corporate accounts and financial statements before their submission to the Supervisory Board, and oversee the quality of financial communication to shareholders. The Committee is chaired by Michel Chiron. The other members are: Bernard de La Giraudière, Éric Meneux, Alain Nkontchou and Claude de Nonancourt.

The Remuneration and Corporate Governance Committee recommends the remuneration levels of Supervisory and Management Board members, and proposes authorisations governing the stock-option plans and their application to Management Board members. It provides opinions on the Group's executive remuneration policy.
It also ensures that conflicts of interest are avoided and determines and implements the Company's corporate governance policy. The Committee is chaired by Yann Duchesne. The other members are Michel Chiron, Grant Gordon and Jean-Louis Pereyre. During FY 2007-2008, the Remuneration and Corporate Governance Committee was required to examine and issue recommendations mainly on the performance related remuneration of the members of the Management Board on the basis of the results of FY 2006-2007.
The remuneration of Supervisory Board members is based on the following criteria:
- Group operating income,
- adjusted current income
- the qualitative criteria set by the Chairman of the Supervisory Board

2. INTERNAL CONTROLS AND PROCEDURES

2.1. Inventory of risks and risk prevention and management procedures

To ensure the permanence of its operations, the Laurent-Perrier Group must constantly strive to prevent and properly manage the risks to which it is exposed.

The Laurent-Perrier Group has, therefore, identified the different types of risks it incurs in the course of its operations. The proper procedures and controls required to manage such risks have been duly implemented, and the resources needed to limit their financial impact deployed. Appropriate insurance policies have also been taken out.

Environmental protection
The Group practices sustainable viticulture on its plots in line with the trade's technical recommendations.
The Group controls its production of waste – both that linked to wine production and that to product packaging. It also seeks to minimise its consumption of water, electricity, and gas.
The Group complies with wastewater treatment legislation with its treatment plant at Tours-sur-Marne, and one of its sites (Château Malakoff) is ISO 14000 certified, with one staff member dedicated to the full-time monitoring of compliance with this environmental standard.
Awareness of the need for environmental protection is fostered among all Group employees concerned.

Supplies – production
In the business sectors of the Laurent-Perrier Group, managing production risk mainly involves securing supplies and constantly seeking to improve the reliability of Group facilities. Supply contracts have deadlines spread over time and the large-scale fragmentation of the grower-suppliers means the Group can diversify the risk of contract loss (see section 1.5 of the Reference Document). The existence of the qualitative set-aside reserve also means the Group is able to cope with the risk of a bad harvest.

With respect to wine stocks per se, fire-related risks are limited by the very nature of the stocks (ie, wine in bottles), and cave-ins in the storage cellars are extremely rare.
The Group uses a range of storage sites that are geographically distant from each other. The cellars are safe, there is no history of cave-ins, nor any fire risk. A clause covering the risk of cave-ins is included in the property & causality insurance policy. Wines still in tank and packaged bottles are also insured.

As regards supplies, the measures described in paragraph 1.5. of the Reference Document help to minimise the risks.

As regards production, the Supply and Production Manager is able to detect any anomalies and instigate corrective action by monitoring the production management indicators provided by each site.

Product Quality
Quality checks are carried out systematically at each stage of production. Laboratory checks and tastings guarantee strict oversight of wine quality. The very stringent rules required to maintain AOC. Champagne also guarantee the strictest quality requirements.

Brand image – Brand protection
In the luxury goods sectors, protecting a company's brand image is primordial.
Strict internal rules have been drawn up for the emergency management of any crisis affecting the Group's products anywhere in the world.
The Group's trade marks are registered and special procedures are in place to guarantee registration within legal deadlines. Specialist consultancies are retained to oversee any risk of illegal copying and advise the Group on the steps to take. A crisis management procedure is also in place which is backed up by an external consultancy to enable the Group to respond effectively and rapidly in the event of a proven risk. The Group complies with labelling regulations to ensure that consumers are properly informed.

Site visits – receptions
Activities involving external visitors are subject to strict oversight by the safety committees which define permissible activities according to amenities and sites.

Commercial
Commercial dependence on a single client or market generates insecurity.
The Group works with a wide range of reliable, solvent importers and customers in a large number of markets.
No dependence on a single sector or market is notified.
The large number of customers guarantees adequate risk diversification of customer credit risk. Customer credit management procedures with order stoppage when credit exceeds a given level help minimise the risk of unpaid bills.
Contracts setting out the responsibilities of importers in great detail are signed in each country. And for the other products distributed by the Group, suppliers are under contract to guarantee the characteristics of the products supplied.

Subsidiaries
All subsidiaries operate in countries deemed low risk, namely the United Kingdom, Belgium, the USA and Switzerland.
A detailed monthly report forwarded to Head Office is used to monitor activity. Half-yearly audits ensure the validity of the information received and the compliance of operations with local regulations currently in force.

Financial
Management control monitors activity in relation to the budget and oversees the deployment of corrective measures. Foreign-currency and interest-rate risks are minimised via a policy of hedging around 50% of the outstandings concerned. Appropriate procedures have been put in place to authorise the main expenses before they are paid. In-house rules have also been instituted to ensure compliance with the Directives concerning listed companies issued by the AMF. These include the need for transparent information, lead-times for the publication of results, corporate governance, and the risk of insider trading, etc. The Group organises half-yearly meetings with analysts and frequently meets investors face-to-face in order to explain Group performance and strategy.
The control of financial risks demands strict oversight of investment as well as strict financial and accounting controls. The measures described in paragraph 1.5. of the Laurent-Perrier Reference Document, and in paragraphs 2.2 and 2.4. of the present report help to minimize risks.

Legal compliance
The Group works with its legal department, aided by specialist lawyers, to ensure that its operations consistently comply with legal requirements. At each of their interventions, the Statutory Auditors deliver opinions on the Group's internal procedures in order to continualy step up the effectiveness of such procedures. In addition, the Group's Supervisory Board has a Remuneration and Corporate Governance Committee which guarantees compliance with an ethical approach that is in line with business community best practice.

Labour relations
At its larger entities, the Group pursues a social dialogue compliant with legal requirements through Works Councils, Hygiene and Safety committees, annual negotiations with trade union representatives, and meetings with employee representatives. The benefits granted to employees are subject to the approval of the chairman of the Management Board.

Occupational accidents
The company complies with the French labour code, which also covers seasonal workers in the vineyards. It complies with hygiene and safety regulations, which are verified by the Hygiene and Safety Committee, factory inspectors and the occupational health authorities. Its risk prevention plan and safety advice are designed to minimise and verify hazardous areas. Industrial facilities are also subject to official authorisations to operate delivered by the appropriate authorities. Insurance cover and ten-year guarantees for buildings protect the company against the risk of defects or damage that may affect company activity. Employees enjoy adequate insurance cover when travelling abroad. An "Alcohol and Speed Charter" has been distributed to all sales staff to raise employee awareness about the need to drive carefully.

Transport
Transport is subcontracted to reputable companies with suitable insurance cover. The Group also takes out insurance to avoid any losses in connection with the carriage of its products.

Inventory
Wine inventories are monitored very closely and are disclosed in monthly reports to the French Customs authorities. A full inventory is carried out at each annual closure. Quality checks are carried out on stocks of dry goods and suppliers are liable in the event of non-conformity.

Information technology
The loss of commercial, financial and operational data can disrupt activity in a broad range of departments.
The Group has a central Information Technology department responsible for the accounting and operational information systems. The department reports to the Finance Division.
The department is responsible for the operation and business continuity of our systems, and in particular for deploying data back-up and recovery procedures. The Group's IT department also makes the hardware and software investment choices for all Laurent-Perrier Group entities.

2.2. Control system
The Group's internal control system is centralised. Internal control structures and procedures are defined on behalf of the Group by the central departments at Group Head Office.

Procedures database
The Management Board intends to pursue the initiatives already undertaken to draft and centralise existing procedures within the Laurent-Perrier Group.
To this end, a text database solely devoted to these procedures, with its own verification, approval, and dissemination circuits, has been operational since November 2005.
Deployment of the database went hand-in-hand with briefings designed to raise staff awareness and mobilisation around the overall programme to manage risk and protect corporate assets so as to guarantee the long-term future of the Company.

Empowering line management
Each departmental head is the guarantor and manager of the role and responsibilities of their department. The organisation chart given in Annex 2 sets out the main Departments.

Legal oversight
As part of the Group Finance department, the Legal Affairs department centralises and coordinates all legal aspects. The Legal Affairs department oversees the legal secretariat of all Group subsidiaries. Intellectual and industrial property is a major issue for the Group and it is closely monitored and updated internally, with the support of external legal practices.

Budget approach and financial management reporting
The Group's budgetary approach is broken down on a departmental basis and is a key component in the control of financial activities. The budget is drawn up on the basis of the strategy approved by the General Management for the year ahead. Development is the task of each Operating department in conjunction with the Financial Control department and is overseen by the Group Finance department.

Periodic verification of budgets by fiscal entity and department help to identify any variances in relation to forecast activity levels and spending.

2.3. Control and management bodies

2.3.1 Supervisory Board
The Supervisory Board exercises control over the management of the Laurent-Perrier Group based on the reports of the Management Board forwarded to it via the Executive Committee, and on the work of the Audit and Financial Communication Committee.

Each year, during the last quarter of the financial year, an annual plan is drawn up to set targets and quantify the major strategic options. Once this plan has been drawn up at the level of each entity, it is used as a yardstick for the following year for measuring the Company's performance and defining any necessary remedial actions.
The Supervisory Board has been informed of the main thrust of risk management policy.

2.3.2 The Management Board
The Management Board exercises control over risk management based on existing reporting, and in particular on the work of the Finance, Accounts and Financial Control departments, as well as by examining investment and spending decisions.
The Management Board approves the budget and all investments and significant contractual undertakings. Investment proposals are submitted to the Management Board by departments for approval, in the shape of applications to invest. The procedure, communicated to all departments, includes approvals circuit up to the Management Board. The preparation of the investment proposal includes an opportunity analysis of each investment submission. The procedure is approved by the Group Finance department.
The Management Board and the Operations Committee (see below) are regularly informed of the main risks identified and the means employed to mitigate them.

2.3.3 The Operations Committee
The Committee comprises the chairman of the Management Board and the heads of the Supplies and Production, Sales Operations, and Finance departments, as well as the General Manager of the Salon Delamotte brand.
At its almost weekly meetings, the Operations Committee monitors developments in Company activity.

2.3.4 Financial Control
The General Management's strategic options are set out in an annual business plan and are then cascaded by management. The Group's budgetary approach is the main tool for applying the strategic options at operational level.

The Group Financial Control department is responsible for organising the budgetary process and helping operational staff to draw up their budgets, follow them up, and deploy the planned improvement initiatives. It also coordinates, centralises and monitors the consistency of budget and management control reporting.

2.4. Accounting and financial information

Treasury management and financing transactions
Regulations and financing for the activities of French companies and foreign subsidiaries is centralised and monitored by the corporate Treasury department, which also oversees Group internal and external debt.

Credit lines (borrowing and cash placement options) are negotiated by the Laurent-Perrier Group Finance department.

The Group Treasury department also manages interest rate and currency risk based on thresholds set by the Finance department.

Statutory consolidation
A balance sheet, profit and loss statement, and consolidated cash-flow statement are generated and published twice yearly.

The Laurent-Perrier Group's Accounts department draws up a calendar of tasks and specifies the methods for preparing the consolidation documents to be forwarded to the accounts departments or to the different entities.

The procedures required to generate reliable accounting information are implemented at local level. These notably comprise physical inventory procedures (both for fixed assets and stocks) and ensure the separation of tasks.

Management and consolidation reports are presented to the Management and Supervisory Boards by the Finance department every quarter.

Statutory Auditors
The activities of our Statutory Auditors, notably with respect to their half-yearly audits, offer a supplementary check on the reliability of financial information and on the adequacy of internal control procedures. Because their task is permanent, they also contribute to the Laurent-Perrier Group control process.

2.5. Communication concerning implementation of internal controls

All employees concerned have at their disposal the information needed to draw up, operate and monitor internal control mechanisms in respect of the targets set them.

Tours-sur-Marne, May 27, 2008.

Maurice de Kervénoaël
Chairman of the Supervisory Board

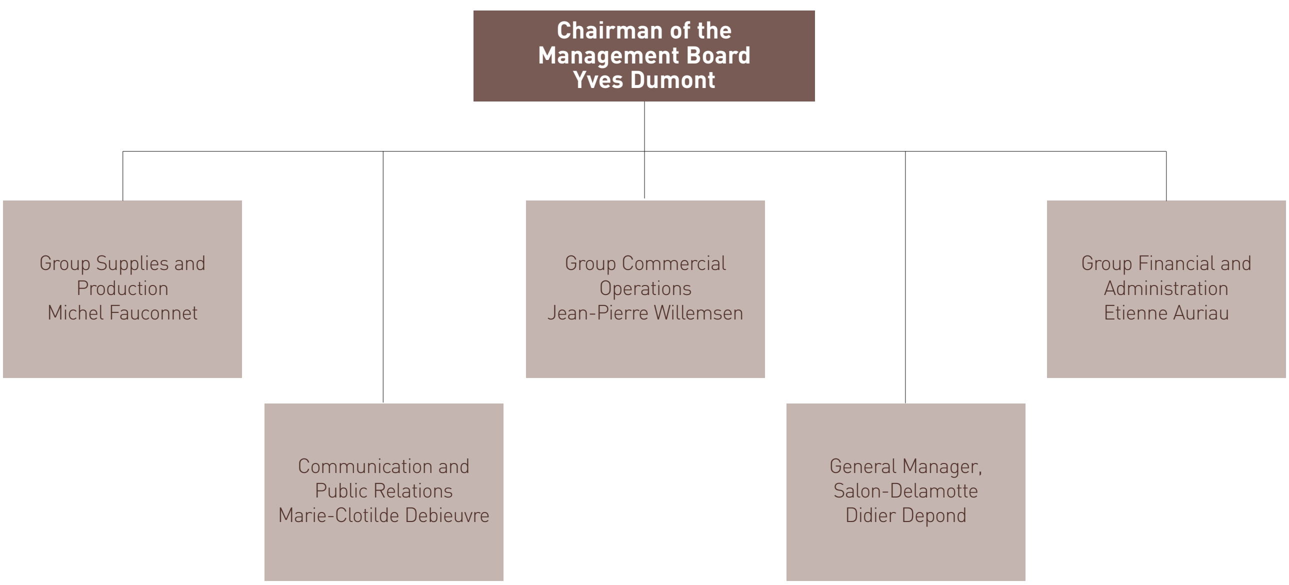
APPENDIX 1
List of members of the Supervisory Board and functions exercised in other companies.

Directors **Date of Initial appointment** **Appointment expires**	**Mandates in Laurent-Parrier Group at 31.03.2008**
Bernard de Nonancourt Member: May 26, 1999 to July 7, 2005 Honorary Chairman, July 7, 2005 Member: Member: May 26, 1999-2011 Business address: Laurent-Perrier 32 avenue de Champagne 51150 Tours-sur-Marne – France	The other Laurent-Perrier Group mandates: See table of positions and offices Non-Laurent-Perrier Group mandates: none
Maurice de Kervénoaël(1) Chairman: July 7, 2005 – 2011 Business address: MDK Consulting - 20 rue Vignon - 75009 Paris	Other Laurent-Perrier Group mandates: none Non-Laurent-Perrier Group mandates: - Managing Director, MDK Consulting - Chairman, Hermès International Audit Committee - Director, Deputy Chairman, Hermès International - Chairman of the Supervisory Board, SIA - Director, ONET - Chairman, Petit Bateau
François Philippoteaux Deputy Chairman Member: July 11, 1996 - 2008	Other Laurent-Perrier Group mandates: See table of positions and offices - Chairman, Laurent-Perrier Suisse Non-Laurent-Perrier Group mandates: none
Michel Chiron(1) Member: July 7, 2005 - 2011	Other Laurent-Perrier Group mandates: none Non-Laurent-Perrier Group mandates: Chairman of Supervisory Board, Partner-Jouët Management Chartered accountant and former Statutory Auditor
Bernard de La Giraudière Member: July 11, 1996 - 2008	Other Laurent-Perrier Group mandates: - Chairman, Laurent-Perrier UK Non-Laurent-Perrier Group mandates: none
Claude de Nonancourt Member: July 11, 1996 - 2008 Family tie: wife of Bernard de Nonancourt	Other Laurent-Perrier Group mandates: See table of positions and offices Non-Laurent-Perrier Group mandates: none
Yann Duchesne (1) Member: July 3, 2003 – 2009 Business address: Doughty & Hanson 45 Pall Mall London SWIY 5JG, UK	Other Laurent-Perrier Group mandates: none Non-Laurent-Perrier Group mandates: - Senior Associate, Doughty & Hanson investment fund - Chairman of Supervisory Board, Saft - Chairman, Balta - Director, IPSOS - Director, Altran Technologies, to 30.06.2005 - Chairman, NAMG, to 01.08.2007 - Director, TUMI - Director, Moeller, to 01.10.2007

Grant Gordon(1) Member: October 26, 1999- 2011 Business address: 36 Park Road, London NW1 4SA, UK	Other Laurent-Perrier Group mandates: none Non-Laurent-Perrier Group mandates: Director General, Institute for Family Business (UK)
Éric Meneux Member: October 26, 1999 -2011 Family tie: husband of Stéphanie Meneux de Nonancourt, member of the Management Board	Other Laurent-Perrier Group mandates: none Non-Laurent-Perrier Group mandates: Medical Doctor, Surgeon, Self-employed surgeon at Clinique Sainte Isabelle and American Hospital, Neuilly-sur-Seine
Alain Nkontchou(1) Member: October 26, 1999 – 2011 Business address: Crédit Suisse First Boston – One Cabot Square London E14 4QJ – UK	Other Laurent-Perrier Group mandates: none Non-Laurent-Perrier Group mandates: Managing Director, Global Macro Proprietary Trading, Crédit Suisse First Boston, London
Jean-Louis Pereyre Member: December 20, 1994 - 2012 Family tie: husband of Alexandra Pereyre de Nonancourt Member of the Management Board	Other Laurent-Perrier Group mandates: none Non-Laurent-Perrier Group mandates: Chairman, Maritime Archéologie et Prospection; Director, Media Contact Services

(1)Independent members of the Supervisory Board

APPENDIX 2
Functional organisation chart



Statutory auditors' report, prepared in accordance with the final paragraph of article L 225-235 of the French Commercial Code, relating to the report of the Chairman of the Supervisory Board describing the internal control procedures used for the preparation and treatment of financial and accounting information for the year ending March 31, 2008

General Shareholders' Meeting, 9 July 2008

"This is a free translation into English of the statutory auditors' report issued in the French language and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France."

To the Shareholders
Laurent-Perrier SA
32, avenue de Champagne
51150 Tours-sur-Marne

Dear Shareholders,

In our capacity as Statutory Auditors of Laurent-Perrier and in accordance with article L 225-235 of the French Commercial Code, we present our opinion on the report prepared by the Chairman of the Management Board of your Company in accordance with article L 225-68 of the French Commercial Code for the year ended March 31, 2008.

The Chairman of the Supervisory Board is required to give an account of the preparation and organisation of the work carried out by the Supervisory Board and the internal control procedures implemented within the Company. Our responsibility is to provide you with our comments on the information and disclosures contained in the Chairman's report concerning the internal control procedures relating to the preparation and treatment of financial and accounting information.

We conducted our review in accordance with the professional standards applicable in France. Those standards require that we conduct our verifications in order to assess the fair presentation of the information provided in the Chairman's report concerning the internal control procedures for the preparation and treatment of the financial and accounting information. These efforts consisted in:
- reviewing the objectives and the general organisation of the Company's internal controls and the internal control procedures for the preparation and treatment of financial and accounting information presented in the Chairman's report, as well as of existing documentation;
- reviewing the work procedures required to draft this information and the existing documentation.
- verirying whether any major deficiencies in internal controld procedures for the preparation and treatment of financial and accounting information which we may have identified under the terms of our mandate are appropriately reported in the report of the Chairman of the Supervisory Board.

Based on the procedures we carried out, we have no comments to make on the presentation of the Company's internal control procedures relating to the preparation and treatment of financial and accounting information, as contained in the report of the Chairman of the Supervisory Board, prepared in accordance with article L 225-68 of the French Commercial Code.

Neuilly-sur-Seine and Reims, May 29, 2008
The Statutory Auditors

PricewaterhouseCoopers Audit
Christian Perrier

Philippe Venet & Associés
Philippe Venet

7.2. Information published over the year

1. The following documents are published either regularly or as and when required on the website of the French financial markets authority (Autorité des Marchés Financiers) at www.amf-france.org and/or at www.finance-groupelp.fr.

11.05.2007	Turnover, FY 2006-2007
01.06.2007	2006-2007 Reference Document
01.06.2007	Results for FY 2006-2007
01.06.2007	Analysts' Briefing on the results for FY 2006-2007
10.07.2007	Address to shareholders at the Annual General Meeting of Shareholders, July 5, 2007
26.07.2007	First-quarter turnover FY 2007-2008
09.11.2007	First-half turnover FY 2007-2008
24.11.2007	First-half results FY 2007-2008
24.11.2007	Analysts' briefing on first-half results, FY 2007-2008
07.02.2008	Third-quarter turnover, FY 2007-2008

2. Information published in the industry and specialist press 2007-2008:

April 2007 — **Royal Warrant for Laurent-Perrier**

HRH The Prince of Wales has just renewed his Royal Warrant appointing Laurent-Perrier as its official purveyor of Champagnes, originally granted in 1998.
This rare privilege was personally granted to Champagne Laurent-Perrier through Alexandra Pereyre de Nonancourt. Alongside their father, Bernard de Nonancourt, she and her sister, Stéphanie Meneux de Nonancourt, are perpetuating the independent spirit of the family-owned champagne house and the brand's foundation values.

HRH The Prince of Wales, who only grants the Royal Warrant to a single supplier in each category, made the award on the basis of the most stringent environmental criteria. Headquartered in the village of Tours-sur-Marne, at the heart of the region's three main wine-growing areas, Champagne Laurent-Perrier is extremely attentive to environmental concerns as regards not only the upkeep of the vines, to which sustainable viticulture methods are applied, but also to every stage of production, conducted by a workforce convinced of the need for environmentally-friendly operations. From the systematic recycling of raw materials and residues to reductions in energy use and polluting resources, the House seeks to set the example in corporate stewardship.

The constant, strict focus on quality, authenticity, know-how and respect for the natural world was taken into account by HRH, who shares the same environmental commitments.
The long-standing relationship between the Prince and Laurent-Perrier dates back to 1979, when, as Prince Charles, he visited the cellars at Tours-sur-Marne with his uncle, Lord Mountbatten.

The Royal Warrant was granted to the entire range of Laurent-Perrier wines. At present, the Prince of Wales's coat of arms (three ostrich feathers and the motto *Ich Dien*, 'I Serve') graces the bottle and box of Brut L-P and Demi-Sec, as well as the Cuvée Rosé brut gift box.

May 2007 — **Gold medal for Laurent-Perrier Garden at 2007 Chelsea Flower Show**

The Laurent-Perrier Garden was again a major attraction at the 2007 Chelsea Flower Show, being awarded a prestigious 'Gold' medal by the judges of the Royal Horticultural Society, which was founded to encourage the science, art and practice of gardening, and originated the Chelsea Flower Show.

A constant exhibitor at this must-see London event for the past nine years, Champagne Laurent-Perrier won its seventh gold medal, and its garden, designed by award-winning gardener Jinny Blom, proved to be a major attraction throughout the show, which draws over 150,000 visitors each year.
The 2007 Laurent-Perrier Garden is a garden for reflection, tranquillity and calm. The design is inspired by the journey of life we all take. A number of paths take different routes through the garden at varying levels – highs and lows – to represent a journey through shifting and unpredictable moments in life.

These pathways are created from Travertine marble on concrete plinths, cleverly combining elements of antiquity with contemporary methods, using a design style in homage to 1950's Italian architect Carlo Scarpa.

A sculptural progression of circular shapes structures the garden and also acts as 'moon gates' to and from the garden. A simple and transparent bronze solar gate at the garden's entrance symbolises life beginning, and invites visitors in. This is echoed by a complex, floating lunar gate suspended above a dark, still pond with stepping-stones, symbolising more challenging transitions in life. A final red sandstone circular disk forms a dramatic backdrop to a seat at the end of the garden that borders somewhere for contemplation and relaxation, and frames the sitter like the moon.

This garden is a warm, peaceful setting with naturalistic planting and finely handcrafted details. The planting is lush and floral, yet delicate, making lavish use of romantic umbellifers, including *Astrantias*. The fragility is balanced by a strong, sheer hornbeam hedge, enclosing the garden, and candle-shaped fastigiated oaks that punctuate the axis of the sculptural structures.
The dominant colours are burgundy, claret and soft pinks, shot through with lime green and flashes of orange towards the solar end.

The Laurent-Perrier Garden is supported by Laurent-Perrier Grand Siècle Champagne, which represents the pinnacle of champagne blending – calling on wines from the finest growths and the very best vintages.

Designer Jinny Blom commented: "I was inspired by life in all its wonderful diversity – how we live through both the difficult and the good times. I thought, let's celebrate it and all things wonderful in a garden. And obviously Laurent-Perrier champagne is the perfect partner for this celebration!"

In 2002, Jinny also co-designed the award-winning Laurent-Perrier Harpers & Queen Garden, "The Healing Garden", with HRH The Prince of Wales, as well as last year's award-winning *Retour aux Sources* garden, inspired by the chalky Champagne *terroir*.

June 2007 — **Grand Siècle Garden for Laurent-Perrier**

For the third consecutive year, Champagne Laurent-Perrier sponsored the *Jardins, jardin* event in the Tuileries gardens in Paris. To express the character of its uniquely pleasurable wines and in particular that of its prestige cuvée, Laurent-Perrier this year asked Daniël Ost to take a fresh look at Grand Siècle.

In the 1980s, Daniël Ost became one of Europe's most highly-respected floral artists. His gardens, perceived as rare events in his oeuvre, have already left their mark on the imagination. Designed as a dialogue between architecture and the organic, his gardens are the outward form of his artistic intentions, which are to integrate buildings in their natural milieu through his approach to the proportions of the planting in the building's immediate vicinity – a form of vegetation-inspired mannerism.

For his 2007 Laurent-Perrier Grand Siècle Garden, Daniel Öst integrated the sacred site of the Tuileries gardens into the new Laurent-Perrier visual identity, symbolising the bubbles foaming from a bottle by the elegance of arum lilies dancing as they emerge from the water.
He sought to create a sense of timelessness by associating, in his signature "East and West" mantra, century-old topiarised bay trees with a bed of box plants clipped in the Japanese style. This ephemeral installation – his first ever installation on this scale in France – allowed the celebrated floral artist to use cut flowers while remaining faithful to his personal vision of garden architecture, notably by using running water – the source of life itself.

The 2007 Laurent-Perrier Grand Siècle garden was thus the epitome of cool, man-made elegance, perfectly symbolising the peerless nature of Laurent-Perrier's premium cuvée.

June 2007 — **Champagne Laurent-Perrier Brut Millésimé 1999**

If a great champagne is the complex expression of the vine combined with a unique *terroir* and the know-how of the grower, a rare vintage wine is the gift of extra-special climatic conditions, a surprise (not to say a miracle), that blows a singularly refreshing and unexpected wind of change over centuries of tradition – an improvisation on a theme of passing time and changing weather. The vintage in a sense injects additional soul into a champagne... For all Laurent-Perrier's wines – including its vintage wines – exacting selection and wine-making are the watchwords.

The wine and its history
Laurent-Perrier is highly selective in only producing a vintage in the very best years, ensuring that its Brut Millésimé is a unique, outstanding wine. It strives to express the quintessential character of the vintage whilst remaining true to the pure, elegant House style and producing wines with excellent ageing potential.

The 1999 harvest
Following severe November frosts (-14°C), winter and spring were very changeable, with a succession of rain, snow, and dull weather mixed with some mild temperatures and sunny periods. Spring was contrasted and unpredictable (snow followed by hot weather!) ending with a fine flowering. By late August, an excellent harvest was being forecast, although it was disrupted by rain. Despite the difficult weather, the harvest produced plenty of heavy, healthy bunches.

The Blend
- Grapes varietal: chardonnay 52%, pinot noir 48%.
- The Crus: the most prestigious crus from the Montagne de Reims, namely Verzy, Verzenay, Ambonnay, Tours-sur-Marne; and from the Côte des Blancs: Mesnil, Cramant, Chouilly.

Vinification and ageing
Only the cuvée is used of the unique chardonnay and pinot noir crus. The wine is bottle-aged in the cellars for at least seven years.

Tasting notes
- Aspect: bright golden colour, delicate persistent bubbles.
- Nose: complex, aromatic nose of fresh pineapple and ripe fruit (white peaches), and a finish of dried apricots and almonds.
- Taste: pinot noir present on the palate in the initial attack, balanced by the chardonnays. The result is a mature, well-rounded wine with a silky finish of candied fruit and vanilla.

Serving
Serve at 9-11°C. It will pleasurably complement fish in sauce. Its well-rounded, delicate nature means it also goes well with poultry and other white meats.

June 2007 — Yachts de Paris – *Le Club*

Lasting the summer season and in an exclusive partnership with Champagne Laurent-Perrier, an ephemeral champagne bar dubbed "Le Club" was opened from June 11 to October 7, 2007.
An ocean of Laurent-Perrier bubbles facing the most beautiful sunset backdrop in Paris.
Visitors could bask in the view of Notre-Dame, Île Saint-Louis and the River Seine as they savoured a glass of Laurent-Perrier Grand Siècle. It was as if the joy of living had hove to at the Henri IV dock for the summer.

From Monday June 11 to Sunday October 7, 2007, Yachts de Paris launched a new venue for Parisians eagerly seeking refreshing, friendly pleasure in the shape of an ephemeral champagne bar dubbed *Le Club*, offering splendid views of Paris in the cool of the evening.
The bar was intended as a must-visit summer watering hole, to be visited before a romantic stroll on the Île Saint-Louis, or after a performance at the nearby Bastille Opera House, and before moving on to the headier delights of Paris by night ... or, why not, simply for pre-dinner drink after a day at the office.

The bar menu was exclusively French: Laurent-Perrier champagne, apple juice from a Normandy farm, served with "Club Platters" of foie gras, smoked salmon, etc.
For visitors it represented a foretaste of the summer vacation and a haven of cool away from the capital's hustle and bustle.

Use of the exclusive bar seating just 70 patrons was strictly members only, on the strength of a personal individual membership card.
The "Laurent-Perrier moment" was an opportunity to discover and taste the finest champagnes of the Tours-sur-Marne House, and the most exciting and elegant manner of punctuating a get-together or an intimate conversation.

The champagne flight comprised glasses of three magnificent Laurent-Perrier cuvées: Grand Siècle, Cuvée Rosé Brut and Laurent-Perrier Ultra Brut, each accompanied by an *amuse bouche*, for a genuine wine and food tasting experience guaranteed to sharpen all the senses.

September 2007	Les Etoiles de Mougins

From September 14-17, 2007, and following last year's successful event, the second edition of the *Etoiles de Mougins* International festival of Gastronomy and Lifestyle Arts celebrated the excellence of the gourmet experience. A host of culinary stars from all over France and beyond enchanted gourmets and gastronomes, to the purr of Laurent-Perrier bubbles. It was a unique get-together for over a hundred Michelin-starred chefs and a host of leading figures from the worlds of art, business, and entertainment, honouring the village that boasts the biggest concentration of Michelin stars in France.

In partnering this prestigious event, Laurent-Perrier underscored its unfailing support for international gastronomy.

Champagne Laurent-Perrier (Brut LP, Laurent-Perrier Ultra Brut and Brut Millésimé 1999) was the exclusive champagne during the second edition of the *Etoiles de Mougins*, sponsoring the finals of the Young Chefs Competition, the Up and Coming Sommeliers award, the Chefs' *boules* tournament, and culinary demonstrations... It was served throughout, at all the evening events, at the luncheons and receptions, at the Chef's Space (*Mise en Bulles Laurent-Perrier*) and, of course, at the Gala Dinner.

Champagne Laurent-Perrier, an unstinting supporter of the arts of fine food, put the fizz into the *Etoiles de Mougins* for a host of stars and for the extreme pleasure of devotees of the culinary arts at what was without doubt the gastronomy event of the year!

October 2007	Esprit de Famille, Esprit de Jardins – The first "Laurent-Perrier Award" at the Courson Gardening Festival

Laurent-Perrier partnered the *Journées des Plantes de Courson* gardening festival from October 19-21, 2007 and presented the first "Laurent-Perrier Award". The House has decided to encourage a nurseryman or collector who is pursuing and developing a family tradition in their business.

The Courson gardening festival originated in the coming together of a small number of specialist nurserymen and plant collectors and an audience of gardening lovers. Plants are shown and sold throughout the three-day event running from Friday afternoon and though Saturday and Sunday, held twice a year in spring and autumn in the park of the manor at Courson (Courson-Monteloup, Essonne).

It hosts a selection of exhibitors from all branches of decorative horticulture as well as from industries, crafts and arts involved in showcasing and maintaining gardens.

Founded in 1812 at Tours-sur-Marne, the house Laurent-Perrier is today acknowledged worldwide as one of the greatest champagne houses, and an independent family-run company. This success is partly due to the energy deployed by a family headed by Bernard de Nonancourt, who sought to avoid the pitfalls of an exacting profession and has succeeded in preserving the independence of the family concern and the values enshrined in it.

The launch of the "Laurent-Perrier Award" is a logical extension of the natural association of Laurent-Perrier with gardens in France and elsewhere. Among others, it has always sponsored the creation of an ephemeral garden at the annual *Jardins, Jardin* event in Paris, and has won many medals for its gardens at the Chelsea Flower Show over the past decade. It also works with floral artist Daniël Ost in Belgium and Japan, and in 2006 sponsored the presentations of Aspeco, the association of nurserymen-collectors, at Courson.

November 2007	LAURENT-PERRIER GRAND SIECLE AWARD "A LIFETIME'S ACHIEVEMENT"

On Monday, 19th November, 2007, the Laurent-Perrier Grand Siècle Award ceremony celebrated its 43rd winner: Bronislaw Geremek, a European Deputy from Poland.
A night dedicated to an exceptional life's achievement

The Grand Siècle Award, under the patronage of Champagne Laurent-Perrier, rewards the achievement of a man or a woman by supporting both his/her commitment and risk-taking while revealing its human qualities.

From French politician Simone Veil to French priest Abbé Pierre and international film director Claude Chabrol, the aim of this award night is more than an accolade to the award winner. It is also an invitation for all guests to spend time to get to know each other.
The €30,000 prize were presented by veteran French actress Jeanne Moreau, who is President of the Jury.

Bronislaw Geremek: from Warsaw's Ghetto to the European Parliament
Thinker, historian and politician Bronislaw Geremek has followed a unique path since his childhood. Originally from a Polish Jewish family, he grew up in Warsaw's Ghetto. He became involved in politics at the age of 16 while studying history both in Poland and France, a country he would regularly visit to study and to write. In 2002, he received the Great French-Speaking Communities Award for his career in French language embracing his research on poverty, the history of criminality, exclusion and the fringe minority.
His political engagement is a testimony to his ideology. In 1968, he quit the workers party during the Polish anti-Jewish purges before joining again in 1980 alongside Lech Walesa and contributing to the foundation of the trade union Solidarnosc.
Refusing any political compromises once again, he took the risk of being forced to forfeit his seat as a European Deputy in 2007, at the age of 75, by refusing to submit to a new law on decommunisation, largely criticised within the European Community.
For the dedication and involvement he has showed throughout his life, Bronislaw Geremek will be honoured during the evening and presented with the Laurent-Perrier Grand Siècle Award 2007.

"Quality of the wines, quality of the people."
Since its foundation in 1812, Laurent-Perrier has kept its "*indépendance d'esprit*" or free spirit together with the values of a family-owned company, recognised today as one of the finest champagne houses in the world.
This success lies in one philosophy: "Quality of the wines, quality of the people". This drives Laurent-Perrier in its will to provide prestige champagnes.
1957: birth of Grand Siècle

Bernard de Nonancourt, always guided by his taste for innovation and respect for traditions, has created the perfect alchemy with his prestige *cuvée*, Grand Siècle. This champagne, the epitome of Champagne *cuvées*, results from the blend of complementary wines coming from both the very best growths or "*crus*" and especially successful years in which a vintage was made by Laurent-Perrier.

February 2008 — **CUVEE ROSE BRUT LAURENT - PERRIER A vase or a champagne ice bucket?**
A bouquet of flowers to give, a bunch of red fruits to chill

With the renewal of nature, and the awakening of light and softness... spring is back! To celebrate the season, Baccarat has created a "dual-purpose" vase for Champagne Laurent-Perrier: a vase to hold a bouquet of spring flowers, or a champagne ice bucket to chill a bottle of *Laurent-Perrier Cuvée Rosé Brut*.

This limited numbered edition – 250 vases only were made – will be available from March 21st, the first day of Spring.

The *Perfection* vase, created in 1933 by Baccarat's design studio, has been customised for Laurent-Perrier. A pink enamel border, like a branch of cherry blossom, runs around this superb crystal vase and also illustrates the gift box and the bag holding the *Cuvée Rosé Brut Laurent-Perrier*. Created by French designer Gabrielle de Vareilles, this border captures a simple, harmonious, lively and poetic world, inspired by the boldness, impertinence and "independence of mind" of *Laurent-Perrier Cuvée Rosé Brut*.

Revered by wine-lovers for its flavours and by aesthetes for the beauty of its 17th century-style bottle, *Laurent-Perrier Cuvée Rosé Brut* has become the benchmark for rosé champagnes around the world. Its elegant, salmon-pink colour, its precise and very crisp aromas, has hints of fresh red fruits, such as strawberries, redcurrants, raspberries and black cherries.

February 2008	Press release Laurent-Perrier Garden, Chelsea Flower Show 2008 Designed by Tom Stuart-Smith

The 2008 Laurent-Perrier Garden at the RHS Chelsea Flower Show is a contemplative space with a dreamy, slightly surreal character, designed by award-winning designer Tom Stuart-Smith.

Tom hopes to celebrate Laurent-Perrier's 10th year of involvement with the prestigious flower show with a gold medal-winning garden. This year the Garden is supported by the delicious Laurent-Perrier Cuvée Rosé Champagne, the ultimate champagne to enjoy on an al-fresco summer's evening.

Like a glass of Laurent-Perrier champagne, the garden has an air of elegant understatement. It could easily be a private individual's garden, but was originally conceived as an installation to show how a space could be both complex and subtle using simple and repeated elements.

Tom's garden is composed of juxtaposing opposites, with built elements comprised entirely of brick-shaped objects, orientated in one direction, and a planted element arranged in a seemingly random pattern.

A grove of 30 year-old hornbeams extends over the garden, pruned so that the foliage forms a number of rounded clouds that appear to float in mid-air. The grove is interspersed with a pattern of paths laid over the garden like a net, crafted from traditional Flemish bricks. The paths present numerous possible routes for experiencing the unpredictable nature of the garden and eventually lead to a terrace at the back of the garden featuring an informal seating area.

Another feature of the design is a number of zinc tanks, designed by Andrew Ewing, positioned throughout the garden, brimming with water and appearing to overflow. Zinc, which Tom has sourced from Belgium, also features in large panels forming the rear wall of the garden. The zinc enhances the contemplative mood with its cool, blue-grey colouring.

The final element of the 2008 Laurent-Perrier Garden is the predominantly green herbaceous planting that forms an undulating tapestry. Key plants include Rodgersias, Molinias, Epimediums, Asarum, Hosta Devon Green and Astrantias, all typical of moisture retentive soils in sun and semi-shade. The planting is both calm and poised, with an emphasis on form and texture rather than colour. The side of the garden is completed with a yew hedge.

Designer Tom Stuart-Smith comments, "I am delighted to have the opportunity to work with Laurent-Perrier for a fifth time at Chelsea. My garden provides the perfect contemplative setting to reflect on ten successful years at the RHS Chelsea Flower Show".

The Laurent-Perrier Garden is supported by Laurent-Perrier Cuvée Rosé champagne. Perfectly refined, yet with an intense red fruit character and exquisite salmon pink hue, the distinctive Laurent-Perrier Cuvée Rosé is revered by wine-lovers and style-setters worldwide as the benchmark rosé.

Laurent-Perrier's partnership with Tom Stuart-Smith this year follows the success of four previous Chelsea collaborations including the 2003 'Best in Show' garden with Harpers & Queen. Tom has struck gold at Chelsea six times and will be looking to add another top medal in 2008.

March 2008	Laurent-Perrier/Groupama *Les Honneurs de la Chasse* award

The judges of the *Honneurs* award unanimously decided that the 2007 award would go to Guy-Noël Olivier for his efforts in favour of the jack snipe on his territory near Le Touquet in northern France.

His life's work and the determination and courage of this huntsman were especially emphasised by the Laurent-Perrier/Groupama Honneurs de la Chasse judges.

Guy-Noël Olivier has devoted himself (since 1959) to the preservation and defence of the jack snipe. He has led an exemplary campaign to develop and preserve the bird by arranging his territory as a sanctuary for the jack snipe.

The main aims of his initiatives were fourfold:
- Restore an important area of extensive wetland that was silting up
- Build a shooting reserve specific to two types of snipe, the common snipe (*Gallinago gallinago*) and the jack snipe (*Lymnocryptes minimus*) by re-establishing the original biodiversity of a section of tidal valley

- Create an in situ experimental laboratory to collate and analyse the data gathered on the two species and their specific habitat
- Demonstrate the positive contribution of hunting to nature conservation

Guy-Noël Olivier is also contributing to transferring know-how and expertise on land and species management, having authored many articles for French and international journals and recently publishing a book on this topic.

The judges noted that case studies were selected for the relevance of the work involved.

The St Hubert local hunting association in Montbéliard is particularly interested in the safety aspects of hunting larger game animals.
This local association has set up a series of notices to inform the general public and raise awareness about the activities of hunters, and to alert them to the presence of hunters in the forest and legitimise their presence there, giving tips on safety and signage and on how to behave during the hunting season.

The La Nousillière hunting association at Louailles in the Sarthe (French Department) presented a dossier on the re-introduction of the pheasant.
In 1998, only six cock pheasants were identified on the hunting reserve (180 hectares, of which 80 hectares of woods). After a complete redevelopment of the farming and forestry environment, the re-introduction of pheasant chicks, hens and cocks, combined with a 10-year moratorium on hunting and trapping, the *La Nousillière* reserve today covers 285 hectares and has a population of 284 cock pheasants.

The Christophe Durand hunting reserve at Augères in the Creuse (French Department) is contributing to the lasting return of wild rabbits in a grassland/bocage environmment and suggested developing a wild rabbit breeding farm on the site associated with modern, high-productivity agriculture in the Limousin region. Christophe Durand has implemented measures to increase the game population on his farm without compromising his farming activities.

The Sologne Central Committee presented a dossier on venison and the creation of a production sector in Sologne's three *départements*.
Organising the recovery and processing of wild game into meat for human consumption is a topical theme that interests large numbers of hunters. A further update will be made on this dossier next year.

The La Renaudière Hunting Society submitted a dossier on safety, with an original intiative involving the organisation of a day of simulated accidents designed to raise awareness of safety issues among young hunters and teach them how to deal with them.

The Judges congratulate candidates on their enthusiasm and motivation and thank them for their hard work.

March 2008 — **Press release of a Grand Siècle garden for Laurent-Perrier**

For the fourth consecutive year, Champagne Laurent-Perrier partnered the the "Jardins, Jardin" event in Paris. To express the pleasurably drinkable character of its wines and more particularly that of its premium cuvée, Laurent-Perrier this year commissioned Yves Gosse de Gorre to "revisit" Grand Siècle.

Yves Gosse de Gorre is a landscape architect and graduate of the Brussels School of Landscape Architecture. He also has a nursery where he grows the wide range of trees, shrubs and perennials that he uses in his projects. In the past thirty years, he has created a series of peerless gardens at Séricourt in Norther France. In them, he brings to life the images nurtured by his imagination through which he is gradually creating a new landscape garden art.

Yves Gosse de Gorre is a lover of contrasts and oppositions. After the "garden of symbols" designed by Pierre-Alexandre Risser, the "aesthete's garden" of Daniël Ost, we move on to a new "Grand Siècle" garden full of contrasts, a subtle assemblage of elegance and panache.

The starting point is a classical concept in which the components are subverted to make it a contemporary place of "unreason". The space comprises two large symmetrical containers the colour of "Champagne earth" separted by a central mirror. On one side, the garden is a topiary conceit in the purest classical style, while on the other, some of the topiarised trees have been hollowed out. The central feature of the space is a mirror coiled in a bed of pure, white, wildflowers. The mirrors, which reflect the sky and its changing moods, lead visitors towards two turf pilasters, which support an interplay of mirrors artificially and poetically reflecting the image of the champagne house expressed in the garden.

3. Financial publicity 2007-2008:

Date	Name of publication – purpose of publications
11.05.2007	La Tribune – Turnover 2006-2007
01.06.2007	La Tribune – Annual results 2006-2006
26.07.2007	La Tribune – First-quarter turnover 2007-2008
09.11.2007	La Tribune – First-half turnover 2007-2008
21.11.2007	La Tribune – First-half results 2007-200
07.02.2008	La Tribune – Third-quarter turnover 2007-2008

4. Information published in Bulletin des Annonces Légales (BALO) and accessible at http://balo.journal-officiel.gouv.fr

16.05.2007	Turnover 2006-2007
30.05.2007	Convening of the July 5, 2007 General Shareholders' Meeting
11.06.2007	
22.06.2007	Financial statements 2005-2006
16.07.2007	Approval by the July 5, 2007 General Shareholders' Meeting and audit certificate on the annual financial statements 2006- 2007
01.08.2007	First-quarter turnover 2007-2008
14.11.2007	Second-quarter turnover and first-half turnover 2007-2008
28.11.2007	First-half financial statements 2007-2008
13.02.2008	Third-quarter turnover 2007-2008

5. Information filed with the Commercial Court of Reims

12.07.2007	Annual financial statements, extract from the minutes of the July 5, 2007 Ordinary and Extraordinary General Shareholders' Meeting , company management report, reference document (including the consolidated management report), audit report on the ordinary and consolidated financial statements, Chairman's report on internal controls.

6. Information made available to shareholders prior to the July 5, 2007 General Shareholders' Meeting

Laurent-Perrier by-laws
Notice of meeting, BALO
Notice of meeting, La Tribune
Notice of meeting, Matot Braine
Invitations to the statutory auditors
Invitations to registered shareholders
Attendance sheet
Voting form
Publication of financial statements, BALO
Information note on share buy-back programme
Documents to be sent to shareholders:
- Agenda
- List of shares
- Corporate financial statements at March 31, 2007
- Consolidated financial statements at March 31, 2007
- Results for the last five years
- Summary
- Audit reports on the statutory and consolidated financial statements and special audit report
- List of unregulated agreements
- Report by the Chairman of the Supervisory Board on the operations of the Supervisory Board

and internal controls
- Management Board report
- Draft resolutions
- List of members of the Management and Supervisory Boards and other offices held
- Postal/proxy vote form
- Request for documents

For further information please contact

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7.3. Special report on transactions undertaken for the share buy-back programme

Pursuant to paragraph 2, article L 225-209 of the French Commercial Code, the following are the transactions undertaken on the basis of the authority you granted the Management Board under Resolution 8 by the July 5, 2007 General Shareholders' Meeting and pursuant to the requirements set out in the information note approved by the Autorité des Marché Financiers (AMF) on June 10th, 2008.

- Proportion of own capital held directly or indirectly at 31.03.2008 : 1,10 %
- Number of shares cancelled over the past 24 months : 0

Treasury shares portfolio

- Securities held for trading: 0
- Investments: 0
- Book value of the portfolio: € 6,570,832.65
- Market value of the portfolio, at €98.32 per share: € 6,437,895.07

Transactions under the last authorisation given (July 5, 2007 to March 31, 2008)

	Market making liquidity contract	Scrip issues	Acquisitions	Use of stock options for plans	Cancellation of shares	Total
Purchase						
Number of shares	101,028	-	-	28,373	-	
Share price	€114.24	-	-	€108.01	-	
Amount	€11,541,067.49	-	-	€3,064,449.34	-	
Number of shares used		-	-		-	
Reallocation for other purposes						
Sales/transfers						
Number of shares	97,652	-	-	20,425	-	
Share price	€114.70	-	-	€30.13	-	
Amount	€11,201,113.68	-	-	€615,477.00	-	

The Company has not used derivatives to buy back shares.

Treasury shares have been allocated for no other purposes since the last authorisation from the General Shareholders' Meeting. The 65,477 treasury shares at the date of this report have all been allocated to the share buy-back programme organised by Oddo Pinatton Corporate and have been used for two purposes:
- market making;
- stock options awarded to employees and Company officers.

The Management Board

7.4. Special report on directors' shareholdings

Name	Type of transaction	Aim	Number	Value	Unit price
Yves Dumont	Purchase	Share options	7,000	€208,460.00	29.78
			3,000	€89,340.00	29.78
		Total	**10,000**	**€297,800.00**	
	Sale	Shares	3,000	€255,500.00	85.00
		Total	**3,000**	**€255,500.00**	

A list of directors, pursuant to article L 621-18-2 of the Monetary and Financial Code has been sent to AMF.

7.5. Excerpt from the management report

All the components of the management report are included in the reference document.
Some of these components are detailed below.

1. General information about the Laurent-Perrier company – situation and activity at March 31, 2008

Turnover at March 31, 2008

During FY 2007-2008, Laurent-Perrier generated turnover of €1.65 million euros (€m) compared with €1.56 million in FY 2006-2007.

The figure mainly comprises the Group management fee. Revenue also includes brand royalties paid for the financial year.

Analysis of financial income at March 31, 2008

In FY 2007-2008, financial income amounted to a profit of €1.79 million compared with a loss of €0.27 million in FY 2006-2007.

Analysis of extraordinary income at March 31, 2008

In FY 2007-2008, extraordinary income was not material, whereas no extraordinary income was recorded in FY 2006-2007.

As a result, and after deduction of all expenses, tax, provisions and amortisation, FY 2007-2008 showed a profit of €5.52 million, compared with a profit of €2.52 million in the previous financial year.

Amount of investment and details

Investments amounted to €0.14 million.

Liabilities

A provision has been recorded in Liabilities to cover commitments in respect of share warrants distributed by the Company in the amount of €6.3 million, of which €6.2 million in provisions written in respect of previous financial years

2. Non tax-deductible expenses

Pursuant to the provision of Article 223 *quater* of the General Tax Code, please note that the accounts for the financial year just ended do not deduct non-deductible expenses from taxable income in accordance with Article 39-4 of the same General Tax Code. For the record, the accounts include a €14K writeback of excess vehicle leasing payments.

ANNEXES

Annex 1 - The making of champagne

The champagne production process comprises ten major stages:

Stage 1 – harvest* (September - October)
All grapes are handpicked and transported in small baskets to ensure the highest-quality champagne.

Stage 2 - pressing* (September - October)
Grapes are pressed to extract 25.5 hectolitres of must* per 4,000 kilos of crushed grapes, which is exceptionally high compared to other wine products.

Stage 3 - fermentation* (October - November - December)
The wine undergoes an initial phase of fermentation* in tanks or barrels during which the sugar content is transformed into alcohol.

Stage 4 - blending* (January - March)
This is a crucial step in the process, as it will determine the taste of the champagne after ageing*. A cellar master or chef de cave* with an intimate knowledge of his champagne house's traditional style, blends different crus* both vertically and horizontally to achieve a consistent product quality every year. A proportion of exceptional harvests that do not require blending with a previous year's harvest may be used to produce vintages.

Stage 5 - bottling
Cane liqueur and yeast are added to the wine, which is poured into the bottles. The bottles are then stored in wine cellars or temperature and humidity-controlled warehouses for ageing*.

Stage 6 - creating the sparkling effect
The added sugar ferments at low temperature, forming alcohol and carbonic gas, the latter ensuring its transformation into a sparkling wine.

Stage 7 - ageing*
The minimum ageing* requirement for champagne is 15 months and three years for a vintage champagne.

Stage 8 - riddling/remuage*
At the end of the ageing* process, the bottles are rotated slightly at regular intervals over several weeks to allow fermentation deposits to gather in the neck of the bottle.

Stage 9 - disgorgement*
Fermentation deposits that develop during the ageing* process and which gather in the neck of the bottle during the remuage process are removed from the bottle through a freezing process. A cane sugar liqueur (a mixture of cane sugar and wine) is added before the champagne is corked. Depending on the amount of sugar added, the champagne will be brut* nature, brut*, extra dry, sec, demi-sec or doux (sweet).

Stage 10 - packaging*
Finally, the bottle is packaged with a cap, collar and label and is put in a box or case ready for shipment.

Annex 2 - Glossary

Ageing *(vieillissement)*
As wines age in the bottle, a series of phenomena take place, which refine the wines and allow their bouquet and sparkling effect to develop. The Champagne AOC* regulations require a minimum of 15 months from bottling for non-vintage champagne and three years minimum from bottling for vintage champagne.

Appellation d'Origine Contrôlée *(AOC)*
AOC refers to clearly delimited regions and occasionally to the locality of the vineyard. AOC wines must comply with precise criteria established by the INAO with regard to the maximum yield per hectare, alcoholic content, grape varietal used and minimum sugar content required in the must*. The wines are approved each year by a tasting panel.

Blanc de blancs
Champagne produced with white grapes only. This champagne (vintage or non-vintage) is made with chardonnay grapes to give it a characteristically fresh taste.

Blending *(assemblage)*
This operation is carried out after fermentation and consists in blending several wines to obtain a single harmonious mix. In Champagne, wines of different vintages, varietals and vineyards are mixed together. The blending process produces a wine of better and more consistent quality than each of its component wines from one year to the next.

Bottling *(tirage)*
This involves the bottling and addition of natural ferments and sugar, after the first fermentation and blending and before the champagnisation*.

Brut
Traditionally the driest of the champagnes until the relatively recent development of champagnes with little or no added sugar that are now called "extra brut", "brut nature" or "brut zéro".

Brut nature
Champagne with little or no added sugar (0-3 grams of sugar per litre).

Cépage
Grape varietal. Only three are authorised for the production of champagne: the pinot noir, the pinot meunier and the chardonnay.

Champagnisation *(Bottle fermentation)*
This is the second fermentation* process, once the wine is in the bottle, which lasts for several months. It is produced by the addition, at the time of bottling, of a cane sugar liqueur and of selected ferments. This second fermentation increases the alcohol concentration from 10.5° to 12° and produces carbonic gas which, because it cannot escape, dissolves in the wine and gives it its sparkle.

Chef de cave
The "cellar master" is responsible for blending* the wines and supervising the production process.

CIVC
The *Comité Interprofessionnel des Vins de Champagne* is an independent authority founded in 1941 that acts in the interests of grape growers and producers, setting and implementing professional standards for grape growing and the production of champagne and ensuring that the level of production is in line with demand.

Clear wines *(vins clairs, vins en cercle)*
Clear wines refer to the wines stored in vats before bottling.

Côte des Blancs
Prestigious grape growing region in the hills south of Epernay.

Cru *(Quality of grapes)*
The CIVC attributes to each wine-growing district a grade depending on the quality of its production for its grapes by reference to production. This quality grading is reflected in a quality scale. Champagne may be called *grand cru* (17 villages) if it is produced from grapes graded 100%, and *premier cru* (43 villages) if it is produced from grapes graded 90% to 99%. The minimum percentage grading for champagne is 80%.

Cuvée spéciale
Brut champagne, including vintage champagne, made from a special blend, aged longer and sold in a special bottle with more luxurious packaging.

Disgorgement
Disgorgement consists in removing the sediment *(lees)* from the neck of the bottle after second fermentation, ageing and rotation. In order to avoid a loss of wine, the neck of the bottle is plunged into a vat at – 23°C. A block of ice, enclosing the deposit, is formed and expelled by the pressure of the gas on opening. Dosing* then takes place.

Dosing
A small amount of liqueur, made up from old wine and cane sugar, is added in the bottle after disgorgement. According to the dosing of sugar, the champagne will be brut nature (less than 3 grams per litre), extra brut (less than 6 grams per litre), brut (less than 15 grams per litre), sec (between 17 and 35 grams per litre) demi-sec (between 33 and 50 grams per litre) or doux (more than 50 grams per litre).

Dregs (or sediment)
These are the residues which settle in wine recipients after fermentation and/or storage. In the bottle, dregs are the sediment that appears after the second fermentation. During the ageing process, the "lyse" phenomenon of these dregs gives the champagne its characteristic aromas, which is why ageing on the dregs is so important. The sediment is then sent toward the bottleneck through remuage and finally expelled through disgorgement.

Extra Brut
This champagne has very little sugar added (0-6 grams per litre). If no sugar at all is added, the champagne becomes brut nature, or unsweetened.

Fermentation
Fermentation process of the must* in stainless steel or, more rarely, in oak vats.

Fruit set
Initial formation of the grape bunches.

Grand cru
Champagne made from grapes graded 100%.

Grape-grower-operator *(récoltant manipulant)*
A grape grower who makes wine from his own harvest and bottles it.

Grape quality
The quality of grapes is measured in percentage terms from 80% to 100%. The quality of champagne is largely dependent on the quality of the grapes used.

Harvest *(vendange)*
The grape harvest in the Champagne region is exclusively picked by hand to avoid damaging the grapes. The dates of the harvest are set by the CIVC* and fall between September and October.

INAO
The Institut National des Appellations d'Origine is an independent authority that controls and safeguards the AOC against fraudulent use. INAO monitors in compliance with AOC standards.

Lees (or sediment)
These are the residues which settle in wine recipients after fermentation and/or storage. In the bottle, lees are the sediment that appears after the second fermentation. During the ageing process, the "lysis" phenomenon of these lees gives the champagne its characteristic aromas, which is why ageing on the lees is so important. The sediment is then sent toward the bottle neck during remuage* and finally expelled through disgorgement*.

Maximum authorised grape yield
The maximum authorised grape yield is set each year by the INAO* and since 2007 may not now exceed 15,500 kg of grapes per hectare. The maximum authorised grape yield in the event of an outstanding harvest is the upper limit for production (Plafond Limite de Classement - PLC) which authorises a yield normally limited to 25% over the basic yield. The basic yield was set at 12,400 kg per hectare for the 2007 harvest.

Merchant operator *(négociant manipulant)*
A wine merchant who purchases grapes from grape growers, manages the fermentation process and who only buys wines for blending.

Millésimé
A millésimé (vintage) champagne is made from an assemblage of wines from a single year and aged for at least three years after bottling. These champagnes are characteristic of the climate of a given year. Millésimé wines are usually made only in exceptional years.

Montre
See "Fruit set".

Must
The juice obtained from pressing the grapes. The first must produces the best champagne. The total quantity of must is regulated and limited to no more than 25.5 hectolitres per 4,000 kilos of grapes. Surplus can be distilled or used to make ratafia*.

Non-vintage champagne
Champagne blended from wines from several years.

Packaging
Packaging includes putting on the label, the wire collar, tinfoil capsule and in some cases a medallion and a back label.

Premier cru
Champagne made using grapes graded 90-99%.

Pressing
This process is regulated and each pressing centre must have authorisation to carry it out. This process consists in pressing the grapes to obtain the juice or must. The INAO* has currently set the pressing yield at 1.6 kilos of grapes to produce one litre of champagne.

Quality reserves
This practice was developed by the profession to counter the adverse effect of bad weather on harvests in the Champagne region. Above and beyond the maximum yield set for each harvest (13,000 kilos per hectare in 2006 and 15,500 kilos per hectare in 2007), a fixed amount can be set aside as a qualitative reserve (3,100 kilos in 2007). This reserve is converted into wine and stored by wine merchants, but it may not be bottled. Stored in vats, it may only be released by decision of the the CIVC* and the INAO* to compensate for a poor grape yield in a subsequent year or for the economic requirements of the Champagne region. The storing of these regulating set-aside is funded both by the grape growers (who cannot invoice the grape production until it is released) and by the wine producers (who bear the cost of wine making and storage in vats).

Ratafia
A sweet aromatic liqueur made in Champagne from grape juice and alcohol.

Reserve wines
Reserve wines are stocks of wine from previous years used in the blending of non-vintage champagnes.

Remuage
The process takes place during the final months of ageing*, when bottles are placed upside down in racks and small rotations are carried out at regular intervals in alternating directions and at an incline. The aim of this process is to drive the deposits left in the bottle during the second fermentation* towards the neck of the bottle. While progressive rotation is still carried out manually in some instances, automation is increasingly used.

Stacked wines *(vins sur lattes)*
Stacked wines refer to bottled champagne which has not yet been disgorged.

Taille
The juice from the grapes at the second pressing.

Wine-making (vinification)
This is the process of transforming must* into wine. For champagne, this process is the first fermentation*.

Annex 3 - Cross-references between the reference document and the report of the Management Board

§ 1.4.1.	Situation of the Company during the financial year just ended
	Foreseeable development of the Company and prospects
	Important events since the closure of accounts and the date on which the report was drawn up
§ 1.6.	Integration of social and environmental impacts of Company activity
§ 3.1.11.	Transactions carried out on the Company's own shares pursuant to Article L 225-209: average prices of share purchases and sales, and amount of trading fees
§ 3.2.2.	Warrants reserved for Company personnel
§ 3.2.5.	Status of employee share in legal capital and proportion of the share capital owned by employees whose shares are collectively managed or are subject to lock-up conditions
	Information on risks
§ 3.2.6.	Information on capital structure:
	Identity of persons directly or indirectly owning more than 5%, 10%, 20% 33 1/3% 50%, et 66 2/3% of the share capital or voting rights at General Shareholders' Meetings
	Changes in share ownership during the financial year just ended
§ 4.2.	Compensation and fringe benefits of any nature paid individually to each Company officer
§ 5 et 7.5.	Changes in the presentation of the annual consolidated financial statements or in the evaluation methods chosen in the conditions set out in Article L 123-17 of the French Commercial Code
	Activities and results for the Company as a whole
	Significant equity interests purchased during the financial year in companies incorporated in France
	Moves to take control of companies incorporated in France
	Amount of dividends distributed in the previous three financial years and corresponding tax credits
	Transactions carried out by the company on its own shares pursuant to Article L 225-208
	Information on non tax-deductible expenses (sumptuary expenses and general and administrative expenses subject to tax adjustment)
	List of all mandates and functions exercised by Company officers
	Results of previous five financial years

Annex 4 - Cross-references between the reference document and the principal headings of the European Commission Regulation (EC) 809-2004 of April 29, 2004.

In order to facilitate the reading of the reference document, the following table refers to the main headings in the AMF draft regulation and to the pages of the present document.

	Section	Page(s)
1. Responsible persons		
1.1. Persons responsible for the information in the reference document	2.1.	30-31
1.2. Statement by the person responsible for this reference document	2.2. and 2.4.	30-31
2. Statutory auditors		
2.1. Names and addresses of the issuer's auditors	2.3.	31
2.2. Statutory auditors who have resigned, been removed or have not been reappointed	n/a	
3. Selected financial information	1.2.2.and 1.4	5 and 13
4. Risk	1.5.	18 ff
5. Information on the issuer		
5.1. Company background and development Company name and trading name. Issuer's registration place and number, date of incorporation and term of issuer Registered office and legal form of issuer, legislation governing its activities, country of origin, address and telephone number Major events in the growth of the issuer's business	3.	32 ff
5.2. Investments	1.4.4. and 5	18-49
6. Overview of activities		
6.1. Main activities	1.4.	13
6.2. Main markets	1.3.	6
7. Company organisation		
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8. Property, plant and equipment	3.3. and 5.	40-49
9. Financial position and results	5.	49 ff
10. Cash and capital	5 and 1.5.2. to 1.5.3.	49-19
11. R&D, patents and licences	n/a	
12. Trends - outlook	1.4.3.	18
13. Profit outlook/estimates	None	
14. Administration, Management, Supervisory and General Management Boards	4.	
14.1. Management and Supervisory Boards	4.1.1. and 4.1.2.	42-43
14.2. Conflicts of interest	4.1.3.	46 ff
15. Remuneration and benefits	4.2. and 4.3.	47 ff
16. Operation of administration and management bodies	4.	42 ff
17. Payroll		
17.1. Employees	1.6	20 ff
17.2. Stock options	4.3.	47
17.3. Employee share ownership in issuer equity	3.2.	35 ff
18. Leading shareholders	3.2.	35
19. Transactions with affiliates	5.	
20. Financial information on the issuer's assets, financial position and results	5.	49 ff
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20.4. Check on historic annual financial information	5.6.	89 ff

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