2008-2009
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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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.
2008: German subsidiary created and opening of an office in Japan.
2008: New Grand Siècle campaign launched.

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 nearly 10 million bottles of champagne in 2008-2009.
It has an estimated worldwide volume market share of around 4.5% (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 sales after the LVMH, Boizel Chanoine Champagne, and Vranken groups.

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 56.98% of its capital and 67.27% 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, Jeanmaire, Oudinot and Beaumet brands), the A.S. company (Salon and Delamotte brands) and Champagne Lemoine ;
- distribution subsidiaries or subsidiaries or branches in France and several foreign markets: Germany, Belgium, the United States, Switzerland and the United Kingdom;
- vineyards, held either directly by Grands Vignobles de Champagne and Château Malakoff, 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 69.8% of its sales to over 120 countries, including UK, Belgium, Japan, Switzerland, the United States, Italy, Germany, Spain, the Netherlands, Luxembourg and 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, 75.5% of the volumes sold under the Laurent-Perrier brand name go through specialised and direct distribution network channels, with the remaining 24.5% 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

	31.03.2007	31.03.2008	31.03.2009
Sales (million euros)	**236.7**	**249.4**	**181.34**
Export sales as % of total sales (million euros)	64.9%	67.2%	69.8%
Share of premium products in Laurent-Perrier brand sales	36.5%	39.4%	37.5%
Share of specialist channels in Laurent-Perrier brand sales in France	75 %	78%	75.5%
Gross margin	51%	53.1%	57.6%
Operating income (million euros)	56.6	66.0	43.4
Return on Capital Employed (ROCE)	12.5%	13.5%	7.8%
Gearing (net debt/attributable shareholders' equity)	114%	109%	136%
Book value of inventory/net debt	149%	154%	143%
Consolidated net attributable income (millions euros)	**30.2**	**34.6**	**18.9**

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

Since the end of 2008, a crisis has been building up that will have a severe impact on champagne market since it combines a cyclical low point for the champagne industry with an external Bank and financial crisis with a decrease in consumption in most countries worldwide. The CIVC's intelligence unit, the Observatoire Economique du CIVC, is working on proposals to try to ensure that as far as possible the global economic crisis that has certainly not passed Champagne by is not exacerbated by inappropriate inter-professional measures.
The four goals of this study are to:
- understand the real state of the markets: this includes the inventory levels among distributors, and sales to end-consumers broken down by country, type of cuvee, etc.;
- forecast the outlook for change on the markets, the difficulties likely to affect operator balance sheets, their ability to honour their payment deadlines, etc.;
- take action by issuing recommendations for solutions, some with immediate effect, others for the longer term;
- communicate at regional level in Champagne and, where appropriate, beyond its borders, about the observations made and the solutions implemented.

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 32,946 hectares are planted with vines. The margin for any increases in volume is thus extremely limited. However, between 2004 and 2007 champagne sales rocketed.

Even if the threat of a structural shortage of grappes seems to have been averted for a number of years, the project to revise the "Champagne" appellation area is nevertheless strategic for the profession.
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".

The timetable for revising the demarcation of the champagne appellation is as follows:

Since March 2008, the National Committee has endorsed the projected area mapped out by the Committee of Experts appointed to carry out the revision. The project comprising two lists, one list for the area where grapes may be grawn, the other where the wine can be made was subjected to a twofold process of public consultations allowing all interested

parties to register claims or objections to it:
- a national objections procedure lasting from 12 April to 12 June 2008;
- a public enquiry, running from 21 April to 21 June 2008.

Around 1,300 claims and/or objections were registered. More than 200 villages are concerned. Since summer 2008, the experts appointed by the INAO have been examining the claims. Depending on the outcome of their analyses, they will revise their original proposals. The definitive report and list will be submitted to INAO's National Committee some time in 2009.

Subsequently the task of revising the plots in all the villages in the grape growing area will begin. Prior to this, a new committee of experts will be appointed with a remit to define new principles and then the criteria for mapping the plots of the champagne AOC area.

The revision of the "zone parcellaire" will be carried out in all the villages in the grape growing area, including the existing grape growing villages and the new AOC villages. The entire territory covered by the villages will be examined. Given the huge area involved and the detailed (land registry) level of the investigation, it will take the INAO several years to complete the task.

The process is fraught with numerous issues.
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 2005, 32,378 hectares in 2006, 32,700 hectares in 2007 and 32 946 hectares in 2008 (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.

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	Review of the set-asides wines released with authorization
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	Individual set-aside wines released because of poor yield
2004	14,000	2,000	12,000	
2005	13,000	1,500	11,500	1,000
2006	13,000	0	13,000	500
2007	15,500	3,100	12,400	1,600
2008	15,500	3,100	12,400	1,200

The extent of the qualitative set-aside reserve is shown in the table above the 1998 harvest amounts to 4,879 kilos per hectare after wine was released on 1 February 2009.

In 2008, 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 enjoys 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 15,671 growers cultivating about 89% of the planted land, while the champagne houses own only 11% of the vineyards and generate 66% 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 twenty years. 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.

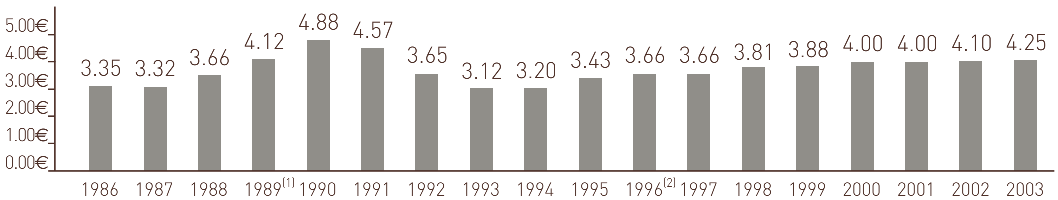
Since the interprofessional agreement signed on 21 June 2004, the grape pricing structure has evolved with a trend towards a certain "regionalisation" of the prices observed. In 2008, the price of grapes, including all premiums paid, ranged from €4.90 to €5.80 per kilo.
In 2008, a new interprofessional agreement was signed. This will govern the sale of grapes for harvests between 2008-2009 and 2013-2014.

The three main objectives of the new interprofessional agreement are:
1) Adjust supply to demand in the interests of consumers, champagne houses and growers. Between 2008 and 2013, the industry will implement the regulation mechanisms at its disposal in order to match supply to demand as closely as possible in order to minimise excessive price variations in either direction, to guarantee the existence a qualitative level of inventory and to limit speculative raiding practices by operators. The management of volumes is based on four mechanisms:
   - determination of the quantities available for sale each year in accordance with the sales outlook for négociants (in the framework of a reasonable trend) taking into account the level of inventories essential to wine quality,
   - creation of an individual set-aside,
   - the requirement, in the framework of the contracts, to deliver the reserved portion corresponding to the volumes promised for sale,
   - the possibility of recommending that "négociants" cap their supplies to ensure that the available volumes are as far as possible and in the interests of consumers directed towards champagne markets and towards purely speculative markets.

2) Guarantee market transparency, without which no collective management is possible, and which ensures that appropriate measures can be taken.
3) Harmonise contract practice for the sake of balance between buyers and sellers. The most important compulsory model clauses are:
- obligation for the seller to supply merchandise in compliance with the aim of the contract (quantities, quality, cépages, crus, etc.), and meeting all AOC criteria;
- obligation for the buyer to acquire the merchandise at the price and conditions agreed in the contract, notably as regards the settlement dates stipulated by the CIVC;
- the price agreed between the contracting parties for the first season must be expressly set out in full in the contract, per cru and per cépage, pursuant to the aims of the contract. No modifications may be made to it after the payment of the first instalment.
- all contracts must contain an indexing clause used to set the price of merchandise each season on the basis of the original price throughout the lifetime of the contract.
- in principle no multi-year contract may exceed six seasons. If, however, a contract is signed for a longer period, it must contain a clause providing for unilateral termination enabling either party to terminate the contract before 31 March 2014. If at that date the parties decide to extend the contract, each party must subsequently be able to terminate the contract at the time of each interprofessional market organisation decision. The clause enabling termination of the contract before 31 March 2014 or at the time of each interprofessional decision must be formulated without any requirement for prior notice of termination.

Each year, wine growers may set aside a part of excess harvest as a qualitative reserve (volume harvested over the annual yield and within the limit of maximum yield (15,500kg/ha). The champagne houses only pay the grape growers for the reserve quantity set aside when the CIVC* and the INAO* or individual decision of the wine grower 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. As of 2004, there is no more global statistics because of "regionalisation" of grape prices.



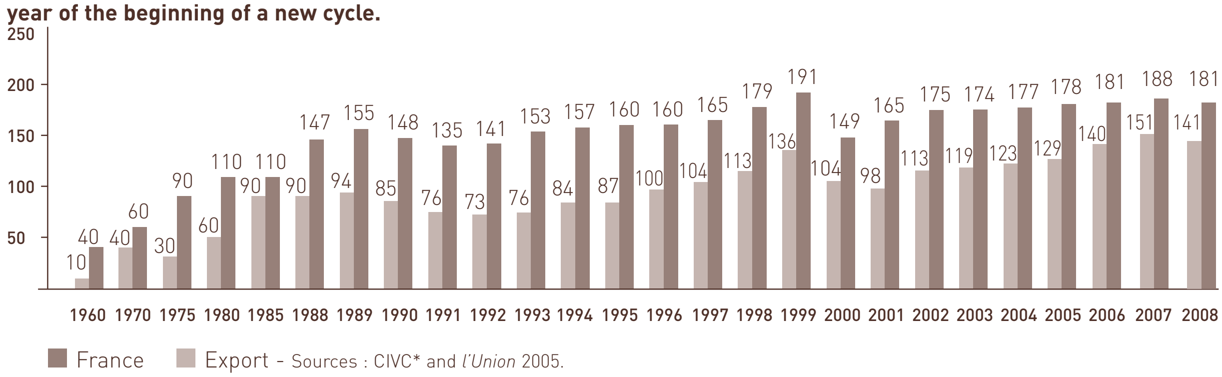
(Prices per kilo in euro - Source CIVC)
(1) 1989 – price controls relaxed (2) 1996 – framework agreement implemented.

1.3.3. Market trends

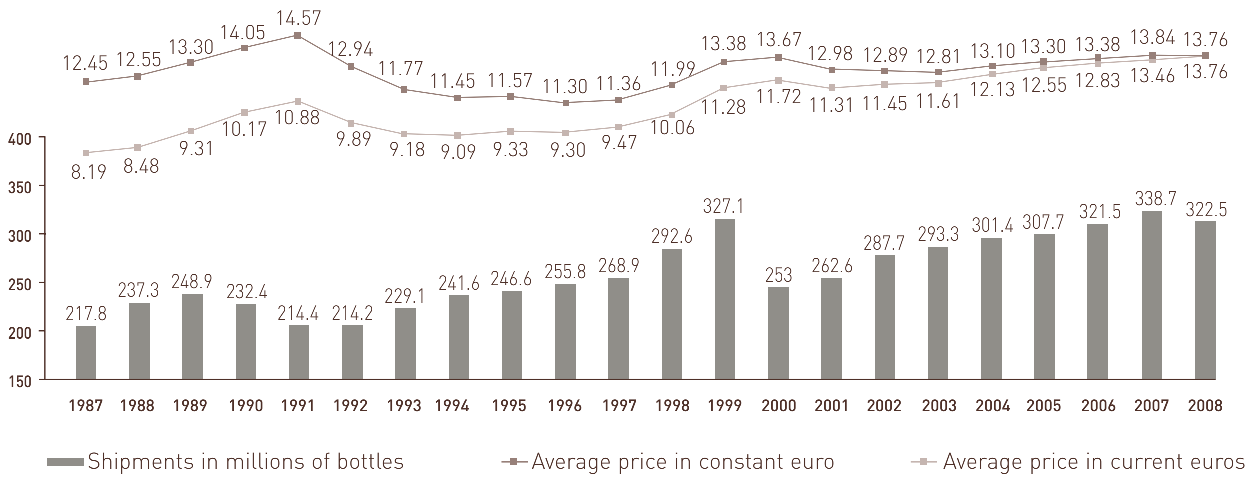
After a lengthy period of average annual growth rates of 2.5%, 1998 and 1999 were atypical years, with massive shipments in anticipation of the Millennium celebrations. This led to significant distribution channel overstocking resulting in a 22.6% drop in shipments in 2000 despite a healthy, upbeat consumer 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, annual turnover exceeded €4 billion. The increase stopped in 2008 where the shipments dropped by 4,8% at 322,5 million bottles. France is still the world's biggest market with 181 million bottles sold, down 3.6%.The French market has proved more resilient than in the rest of the European Union, where sales were down 6.5% to 85.4 million bottles, and in third countries such as the United States and countries in Asia, where total sales were down 6.2% at 55.7 million bottles. In the export markets, emerging countries and European countries helped to offset negative performance in mature markets such as the UK and US. By actor, the sales of wine growers remained almost stable when the sales of houses and cooperatives decreased. The drop observed in 2008 can be mostly attributed to retailers "who have not been buying due to possible inventory-related financial problems".

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, one can wonder whether 2008 is not the year of the beginning of a new cycle.



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



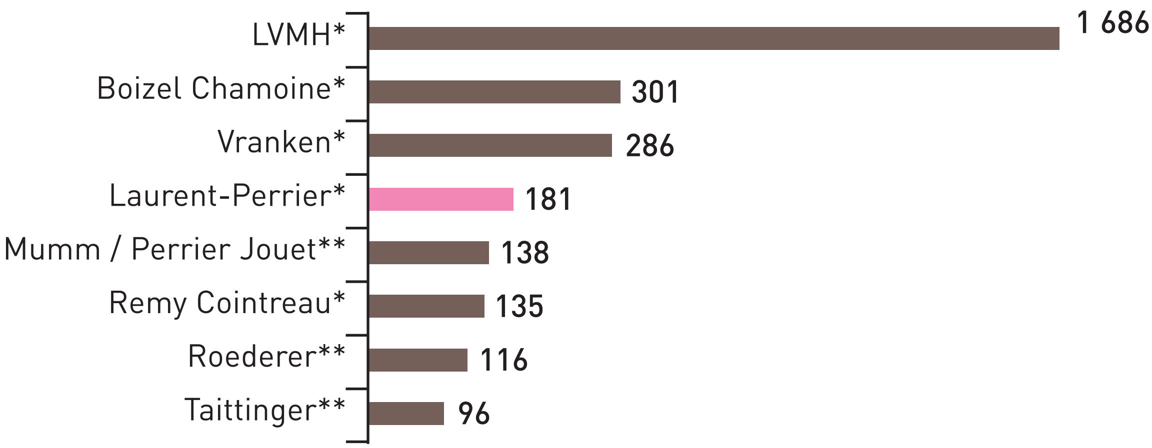
The following chart shows the main export markets (shipments in millions of bottles for the years shown):

(millions of bottles)	1990	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	Average annual growth (1990-2008)
Countries													
UK	21.3	24.3	32.3	20.4	25	31.7	34.5	35	36.8	36.8	39.0	35.9	2.9 %
USA	11.7	16.9	23.7	19.2	13.7	18.3	19	20.3	20.7	23.1	21.7	17.1	2.1 %
Germany	14.2	19.3	17.5	14.2	12.8	11.4	12.1	11.5	11.9	12.3	12.9	11.5	-1.2 %
Belgium	5.9	9.5	10.7	7.3	7.4	9	9.1	9.3	9.4	9.3	9.9	9.9	2.9 %
Italy	6.9	8.2	9.4	8.2	7	7.9	8.5	8.2	8.8	9.3	10.3	9.4	1.7 %
Japan	1.5	3	3.9	3.2	3.5	4	5	5.9	5.9	8.0	9.2	8.3	10.0 %
Switzerland	8.6	8.4	8.7	6.5	6.1	5.8	5.6	5.2	5.1	5.4	6.1	5.4	-2.6 %
Other	12	24	30.4	24.5	22.7	24.6	25.6	27.6	31.1	36.4	41.8	43.6	7.4 %
Total Export	84.8	113.6	136.6	103.5	98.2	112.7	119.3	123	129.8	140.6	151.0	141.2	2.9 %
France	147.6	179	190.5	149.5	164.4	175	174	177.6	178	181.0	187.8	181.2	1.1 %
TOTAL	**232.4**	**292.6**	**327.1**	**253.0**	**262.6**	**287.7**	**293.3**	**300.6**	**307.8**	**321.6**	**338.7**	**322.4**	**1.8 %**

1.3.4. The competitive environment

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.

Champagnes & Wines - 2008 - Turnover in M€



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.

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

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
LVMH	Acquired Champagne Montaudon	2008

1.3.5. Tax and regulatory environment in 2008-2009

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 LME Act ("Loi de Modernisation de l'Economie") passed on August 4, 2008 now apply to all supplier-distributor relations.
The Champagne Houses making up the Laurent-Perrier Group have taken all necessary steps to respect this tax and regulatory environment.

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

1.4.1. Highlights of the 2008-2009 financial year

In early 2008, the Group modified the sales & marketing policy of the Laurent-Perrier brand. The change involved concentrating more on selective, so-called "referrer" distribution channels and led to a new price positioning for the brand's premium champagnes.
The Group was expecting that sales volumes would dip in the short term. But the sharp deterioration in the economic climate in the second half has meant that it has so far not been possible to benefit from the redeployment of the Laurent-Perrier brand to the most image-enhancing channels. Over the year as a whole, turnover was down by 25.2% at constant exchange rates.

The export market share in overall turnover again rose, to 74.6% – a gain of 2.6 percentage points over the year. The contribution from the brand's premium products fell slightly, however, to 37.5% compared with 39.4% in the previous year. The drop is partly due to the downturn in premium champagne markets in the United States and Japan, and to unfavourable exchange rates.

The price effect was especially high as it totalled almost 16% over the full year for the Laurent-Perrier brand. It is worth noting, however, that the fourth quarter was adversely affected by a higher comparison basis, as in 2008 the price increases were applied as early as February in some countries. The strength of the price effect resulted in a sharp increase in gross margin, at 57.6%, a gain of 4.5% points in the space of twelve months.

In accordance with the Group's strategic aims brand development investments were maintained in order to continue anchoring the Laurent-Perrier brand in the prestige champagne universe.
The Grand-Siècle cuvee, in particular, benefited from an advertising campaign in upscale publications at the end of 2008, both in France and in the Group's main export markets.

Commercial and administrative expenses were down for the second consecutive year. The 7% fall over the full year reflects cautious management of Group staffing levels and spending.

The operating margin -3,5 million euros came out at above the forecast target (21-23%), at 23.8%.
Interest charges rose by more than 15% during the accounting period due to higher debt levels, very high interest rates during the first half, and expenses incurred by impairment of certain hedging instruments due to the high volatility of

interest rates during the second half of the accounting period. If we factor out these expenses and impairments, interest charges amount to 30% of current operating income.

The tax rate amounted to 34.4%, slightly down on the previous year's 35.1%.

Due to these various factors, the Group generated net income of 19 million euros or 10.5% of turnover

Financial structure still healthy

After the large-scale work to extend and upgrade production capacity at the Tours-sur-Marne site in 2007-2008, investments totalled 9 million euros in 2008-2009, a reduction of 7.5 million euros compared with the previous accounting period. The investment funds were notably devoted to launching a new tranche of the Tours-sur-Marne winery.
At 439 million euros, stocks increased by 65 million euros due to the following factors:
- the abundant 2008 harvest,
- the release of the set-aside reserve during the year
- the drop in sales volumes.

This increase in the working capital requirement had an adverse impact on cash flow from operations and explains the increase in net debt, which rose by 64 million euros.
Despite this, the Group's main financial ratios remain strong: the value of inventory exceeds that of net debt by 43%. Net debt represents 136% of shareholders' equity. The Return on Capital Employed came out at 7.8% during the accounting period, and at an average 11.1% over the past three years.

Debt

€million	2006/2007	2007/2008	2008/2009
Net debt /Shareholders' Equity	114%	109%	136%
Return on capital employed	12.5%	13.5%	7.8%

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 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

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 2008-2009. 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 and complementary 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 88% 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.

France accounted for 25%of Champagne Laurent-Perrier turnover, while 75% 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.

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, and a new Grand Siècle advertising campaign in 2008, 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
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.

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.

New international Grand Siècle campaign in 2008.
Applying the compositional rules of the classic Still Life schools of the 16th, 17th and 18th centuries, two leading contemporary photographers have created a magnificent series of photos around the theme Grand Siècle: the bottle and the object.
The terms of the commission required them to work in glorious black and white and to produce a minimalist composition: the bottle is shown with an object that will associate it turn-by-turn with rarity, authenticity, precision and craftsmanship.
Each image (eg, a truffle, a few grapes, a snowy tablecloth, a paintbrush) symbolises the philosophy of the prestige Grand Siècle cuvee with understated elegance.
The visuals were unveiled in the presence of their makers, Daniel Jouanneau and the Japanese photographer Kenji Toma, at a private opening in a contemporary art gallery in Paris.

Alexandra Rosé
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 15% of its worldwide sales.

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.

In late 2008, following a partial tendering of assets through which Château Malakoff, a Laurent-Perrier Group company, tendered its independent champagne wines production and marketing activity, Champagne de Castellane also became the owner of three brands, namely Jeanmaire, Oudinot, and Beaumet.

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.

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. Only 37 vintages have been vinified within a century. 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. In 2008, Salon has lunched its vintage 1997, extremely delicate all in discretion and subtlety. Its ageeing potential in estimated to several decades.

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.

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 six key countries: France, the United Kingdom, Belgium, the United States, Germany and Switzerland. In 2008 these countries accounted for 81% of the global champagne market (source CIVC*) and 58% 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

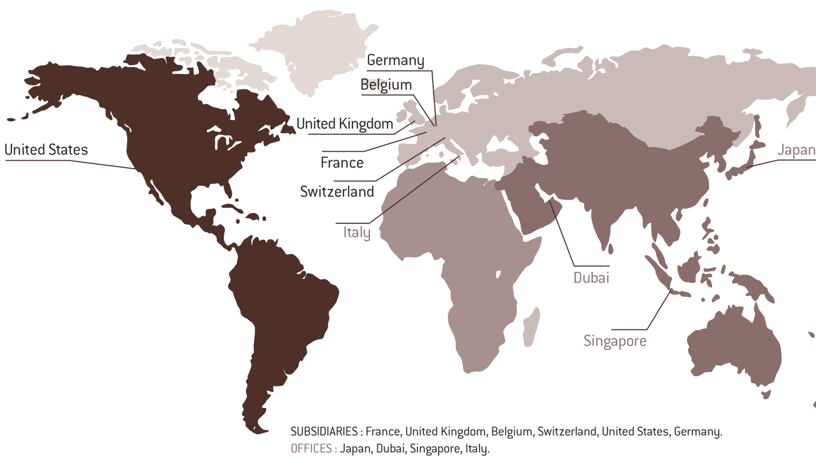
France is the largest market for the Group's brands. Distribution is carried out mainly through Laurent-Perrier Diffusion (LPD), a subsidiary. LPD distributes all the Group's brands through specialist channels and through supermarkets and hypermarkets. Sales are preponderantly through specialist channels, not just in volume terms but also because of the importance of these channels to brand image. Sales through such channels accounted for 64% of turnover in 2008-2009 while sales through to self-service sales circuits suited to distributing our champagnes totalled 36% in 2008-2009.

Other countries

The Laurent-Perrier Group has distribution subsidiaries in five of the seven leading export markets, namely the United Kingdom, Belgium, Germany and Switzerland, the United States and offices in Japan and in Italy.

The Group exercises tight control over its distribution over eight main export markets

Group locations



MARKET	2008 (mbt)	% of total
France	**181**	**56 %**
Export	**141**	**44 %**
UK	36	11 %
United States	17	5 %
Germany	12	4 %
Belgium	10	3 %
Italy	9	3 %
Japan	8	3 %
Switzerland	5	2 %
Other	43	13 %

1.4.3. Outlook

Due to the considerable ongoing economic uncertainty, the Group continues to take a prudent approach to managing its expenses and cash. It has notably decided to only commit its main outlays and brand development investments as sales develop in order to safeguard its operating margin.

The Group expects to see a number of factors favourable to its financial structure in 2009-2010:
- the current signed undertaking to sell the Epernay site of Château Malakoff will have a positive impact on cash holdings;
- the transfer of Château Malakoff's production operations to Champagne de Castellane will help to lower production costs;
- a possible drop in yields, forecast for the 2009 harvest, will have a positive impact on changes to the Group's working capital requirement;
- lower interest rates will also reduce debt service charges.

On the strength of the results obtained in recent years the Laurent-Perrier Group intends to continue preserving and leveraging its main assets to rapidly take advantage of economic recovery when it comes. The Group is confident in the market's long-term growth potential, which despite business cycles has topped 2% annually over the past four decades. The Group maintains its middle - term objectives: 30% operating margin and 15% return of capital employed.

1.4.4. Main investments

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

(€ million)	March 31, 2008	March 31, 2009
Industrial equipment	5.215	2.85
Wine-growing equipment	0.535	0.06
Hardware and software	1.324	1.32
Building fixtures	7.250	4.12
Furniture	0.100	-
Planting expenses		0.14
Vineyards	0.145	0.34
Other	0.009	0.09

There is no major future investments for which formal commitments have been made.

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 130 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.

Detailed elements are shown chapter 5 para. 4.16.2

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 and branches in Switzerland, USA, UK and Belgium.

Since April 1, 2009, we have extended insurance coverage to goods lodged with the German subsidiary. The main policy prevails where the terms or limits differ from those of local policies issued by the local insurer.
We have also abolished loss of business coverage at Château Malakoff as all wine in bottles is now insured at the sale price for all Group companies.

Amounts covered:
Direct damage: €395,408,083.
Supplementary expense: €2,000,000.
All policies are subject to the cover limits set for each contract.
From April 1 2009, the policy also includes a contractual payout limit of €150,000,000.

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.

As of April 1, 2009, the following are covered:
- all haulage in France,
- transport between subsidiaries in Belgium and Germany

Premiums paid to insurance companies for all policies amount to €350,000 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. It is also intended that all bottled wine is to be insured for the sale price as of April 1, 2009.
- 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 para. 4.26 of the present reference document.

The group has reviewed its risks and considers that there is no other significant risks except those indicated.

1.6. Report on social and labour relations

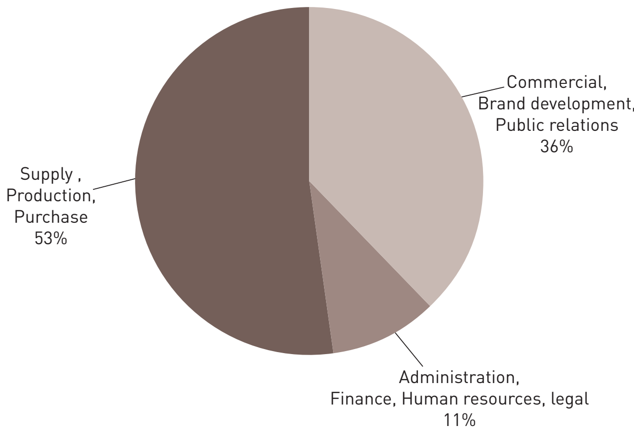
1.6.1. The workforce

As at March 31, 2009, the main change registered in the workforce was the significant reduction in sales administration staff.

The toal workforce was 460, reflecting a 10% fall in two years. The tables below present the breakdown by category of employment over the past three years:

	2007	2008	2009
Group workforce employed at March 31			
Commercial, Brand Development, Public Relations	178	175	166
Administration, Finance, Human Ressources, Legal	53	47	49
Supply, Production, Procurement	279	243	245
TOTAL	**510**	**465**	**460**

Group Workforce Employed at 31/03/2009

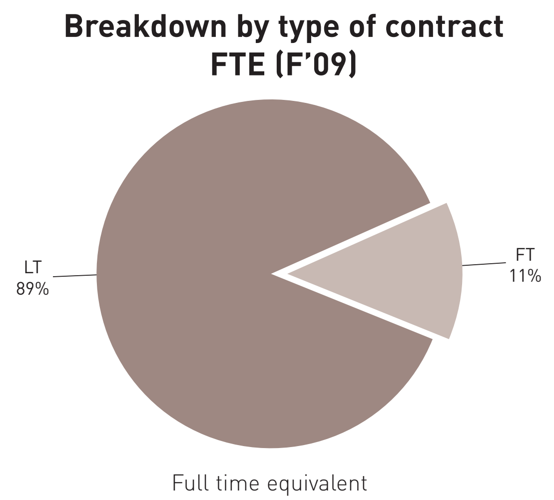


1.6.2. Workforce at French commercial companies:

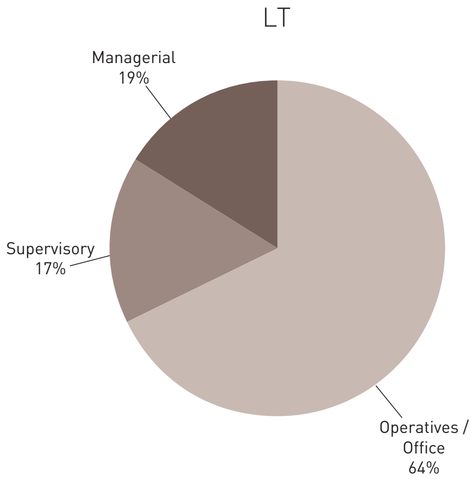
The Group's principal commercial companies are Laurent-Perrier, Champagne Laurent-Perrier, Champagne de Castellane, AS, Grands Vignobles de Champagne and Château Malakoff.
The workforce of each of these companies and by contract type breaks down as follows:

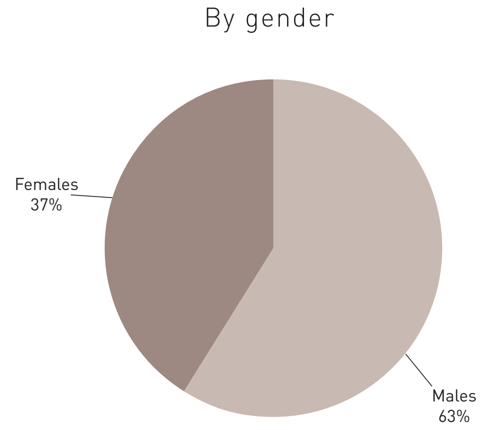
Workforce at 31 March	Laurent-Perrier		Champagne Laurent-Perrier		Champagne de Castellane		Société A.S. (Salon and Delamotte)		Grands Vignobles de Champagne		Château Malakoff	
Year	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**
Long term (LT)	14	16	184	179	41	55	11	11	34	30	48	23
Fixed term (FT)	0	0	7	6	4	1	0	1	0	1	17	38
TOTAL	**14**	**16**	**191**	**185**	**45**	**56**	**11**	**12**	**34**	**31**	**65**	**61**

When production assets were partially tenedered by Château Malakoff to Champagne de Castellane the employees concerned were also transferred at the same time. This explains the large-scale changes in the workforces of the two companies in question.



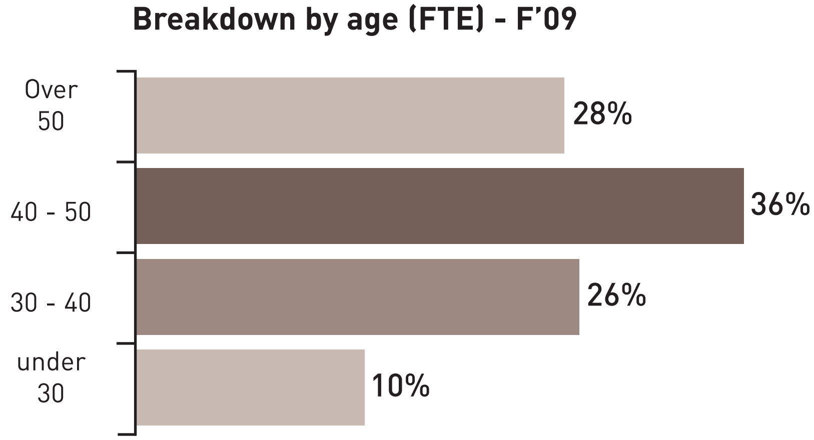
1.6.2.1. Breakdown of the workforce by socio-professional category and gender





1.6.2.2. Average employee age

The percentage of staff aged under 40 has stabilised at around 37%. Staff show considerable loyalty to the company, with 34% of employees having over 20 years' seniority 25% with between 10 and 20 years' seniority.



1.6.2.3. New Hires

Six staff were hired on long-term contracts in the French companies in 2008/2009. Three of these were new positions, and three were replacements. A total of 24 job changes also took place within the Group during the year.
Some 914 staff were hired on fixed-term contracts: 690 during the grape harvest and 224 to replace staff who were temporarily absent from their position or to deal with a passing increase in activity.
Group companies also have recourse to temporary employment agencies but only for very short term assignments.
Some 22 staff on long-term employment contracts work part time.

1.6.2.4. Employment and integration of employees with disabilities at March 31, 2009

As at March 31, 2009, six disabled workers were employed by the companies concerned.

Group companies also regularly apply to the Sheltered sector and disability-friendly companies ("Entreprises Adaptées") 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.

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	0.97 %	Work scheduled according to specific job requirements and implemented on the basis of annual work contingents
Champagne Laurent-Perrier	34 h 20	6.93 %	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	9.52 %	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	3.39 %	Administrative work is subject to variable working hours.
Grands Vignobles Champagne	35 h	0.65 %	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	2.31 %	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.

Group companies may work overtime, notably 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:

	2007/2008	2008/2009
Working days lost	411	463
Number of occupational accidents	40	41
Number of accidents travelling	0	3

The year just ended was marked by an increase in the number of accidents travelling, which resulted in an increase in the number of working days lost.
Working conditions are regularly being improved throughout the group 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 were as follows:

2008-2009	Remuneration (€)	+/- year earlier	Payroll taxes (€)	+/- year earlier
Laurent-Perrier	1,155,413	+ 29.37 %	490,793	+ 29.53 %
Champagne Laurent-Perrier	8,421,525	+ 0.60 %	4,046,404	+ 2.49 %
Champagne de Castellane	2,086,540	+ 26.85 %	969,218	+ 26.68 %
Société A.S.	469,383	+ 5.46 %	207,606	+ 1.64 %
Grands Vignobles de Champagne	812,796	+ 6.49 %	364,986	+ 13.78 %
Château Malakoff	2,156,885	- 27.54 %	766,542	- 36.01 %

The variations from one year to the next can mainly be expalined by the changes in staffing levels mentioned in paragraph 1.6.2. This is particularly true for the Laurent-Perrier, Champagne de Castellane and Château Malakoff companies.

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 was renewed for a further period of three years and is contingent on meeting annual production, turnover and average sales price targets.

The Champagne de Castellane employee incentive scheme has been modified to take the transfer of Château Malakoff production activities into account. It is contingent on achieving productivity and average sale price targets.

The Château Malakoff employee incentive scheme has also been modified. It is contingent on achieving productivity and harvest yield 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 9%, to €109,781.
Over half of all employees attended a training session for a total of 3,258 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, 16 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.
All questions within the remit of representative employee bodies are regularly addressed during the meetings of these bodies.
In addition, a Group committee has been set up for companies with the Délégation Unique du Personnel (DUP –"Single Staff Delegation") and meets on a regular basis. Representative trade unions are active at Champagne Laurent-Perrier and Champagne de Castellane.

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.

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

Company	Number of agreements	Subject of agreement
Champagne Laurent-Perrier	1	Amendment to RTT shorter working week agreement
	1	Incentive scheme agreement
	1	2008 Compulsory Annual Bargaining round (NAO)
	1	Company Savings Plan agreement
Champagne de Castellane	1	Amendment to Incentive scheme
	1	Internal categorisation agreement (operatives/clerical)
	1	Complementary healthcare expenses agreement
Château Malakoff	1	2008 Compulsory Annual Bargaining round (NAO)
	1	Amendment to Incentive scheme
	1	Amendment to Profit-Sharing scheme
	1	Agreement on Solidarity Day
	1	Internal categorisation agreement (operatives)

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 de Calellane operative and clerical employee classification agreement enables employees to advance in their employment sector and classification.

The Champagne de Castellane agreement on health insurance costs was negotiated and signed in the run-up to the deployment of socially responsible contracts.

The amendments to the Champagne de Castellane incentive scheme and to the incentive and profit-sharing schemes at Château Malakoff we signed in order to adjust to the change in scope of the two companies.

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	11,316	500
Champagne Laurent-Perrier	134,195	6,645
Champagne de Castellane	36,322	2,665
A.S.	7,904	393
Château Malakoff	34,618	958

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, Champagne de Castellane, Château Malakoff and A.S. 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

Most personnel-related indicators have been detailed above. These indicators are constantly monitored so that remedial action can be taken in the event of any significant deterioration.

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 Handbook 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 Handbook.

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 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.

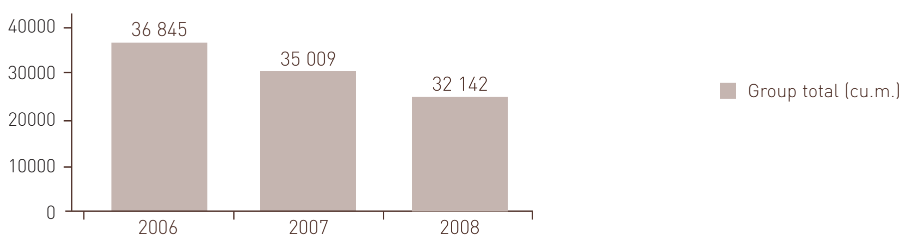
The waste water from the Tours-sur-Marne winery is no longer piped to the village waste-water treatment centre, but to our own waste-water treatment facility on the Champagne Laurent-Perrier site.

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.

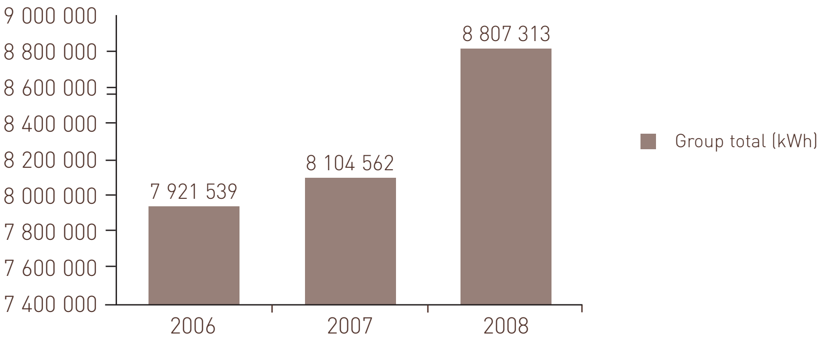
Water consumption



Regular decrease in water consumption can be noted: -7% in 2006, -5% in 2007 and -8% in 2008.

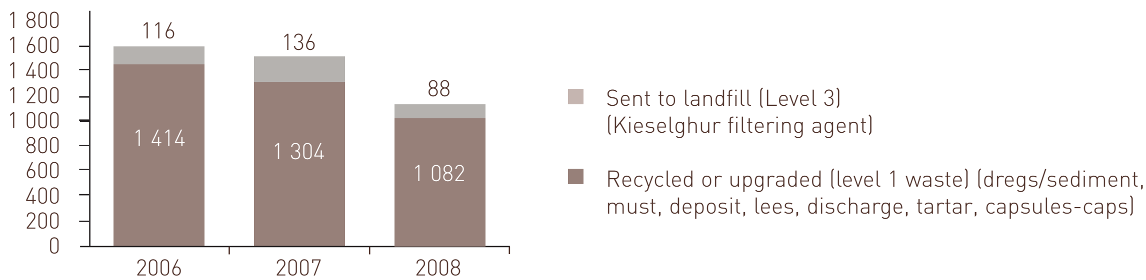
Tours-sur-Marne Waste treatment centre
Laurent-Perrier has considered various solutions to reduce the impact of liquid effluents released into the water table, especially during the grape harvest.
By setting up an in-house processing centre combining biological and physical methods (respectively active sludge and membrane filtration), we have achieved a 99% reduction in organic pollution (Chemical Oxygen Demand or COD). Slurry generated by this treatment plant is recycled via a composting centre.
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
Contrary to previous years, energy consumption data takes account of the different types of energy used by the Group.

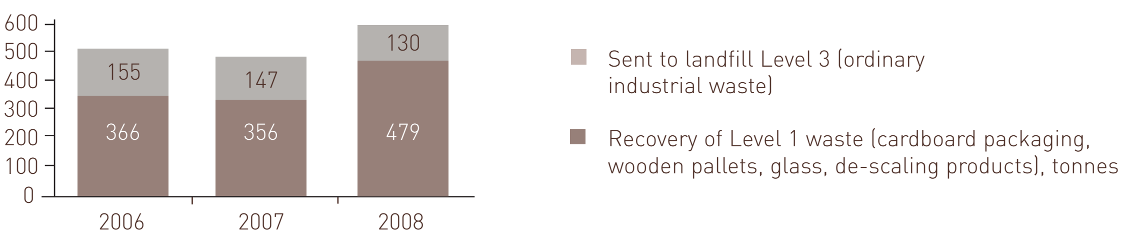


Waste Management

Laurent-Perrier Group
Waste resulting from champagne making (tonnes)



Laurent-Perrier Group
Incidental waste from champagne making (tonnes)



An overall decrease in the amount of waste generated testifies to the Management's commitment and to staff efforts to continuously improve the environmental performance of our activities in compliance with existing and future regulations.

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

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 and 2008, 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.

The Chairman of the Management Board, on behalf of the company as a whole, and the 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, and the risks of tiredness and alcohol consumption 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

Stéphane Tsassis – Chairman of the Management Board since January 1, 2009.

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 informations coming under the management report appearing in sections § 1.4, § 1.5, § 3.2, § 5, § 7.1, § 7.4, § 7.5 present 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, June 18, 2009
Stéphane Tsassis – 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, 2014.

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. Etienne Boris
63 rue de Villiers
F-92208 Neuilly-sur-Seine

First appointed:	July 9, 2008 replacing Pierre Coll
Mandate expires:	Ordinary Shareholders' Meeting held to approve the accounts for the financial year ending March 31, 2014.

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 and branches 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.
- Laurent-Perrier Germany: German 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, 2009 of holders of bearer shares identified about 4,877 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 9, 2008 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 8, 2009 Joint Ordinary and Extraordinary Shareholders' Meeting held to vote on the financial statements for the period ended March 31, 2009 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 €100 per share excluding expenses.

The Shareholders' Meeting on July 8, 2009 will authorise the buy-back of up to 594,000 shares each with a par value of €3.80 (minus the 76,828 treasury shares already owned by the Company at March 31, 2009).

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, 2009. However, taking into account the 76,828 treasury shares already owned by the Company at March 31, 2009, 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 01.04.2008 to 31.03.2009:

A) Market making:
- Shares purchased during the financial year: 80,879 shares
- Shares sold during the financial year: 79,348 shares
- Average share price: purchase: 76,89 euros
  sale: 77,52 euros

B) Share purchase options
- Shares purchased during the financial year: 28,985 shares
- Average share price: 88,48 euros

C) External growth
- Shares purchased during the financial year:
- Shares sold during the financial year: 0 shares
- Average share price: purchase: 0
  sale: 0

D) Amount of trading fees:
- Market making:
- Expenses incurred on purchases: €0
- Expenses incurred on sales: €0
- Share option purchases:
- Expenses incurred on purchases: €12,210.88

E) Reasons for acquisitions: Market making and employee allocations.

F) Fraction of capital in treasury shares: 1.29%.

2. Total

A) Total shares registered in the company name at the close of the financial year: 76,828 shares
B) Value at purchase price: €2,932,947.31
C) Nominal value of treasury shares: €3.80 per share (for a total of €291,946)

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, 2009, 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 June 29, 2001, July, 3, 2003 and July, 6, 2006 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.

The Joint Ordinary and Extraordinary Shareholders' Meeting of July 8, 2009 will ask shareholders to authorise the Management Board to grant:
1) stock options up to a maximum of 210,000 stock options to the same beneficiaries as before. The authorisation was granted for a period of 38 months and may therefore be extended in 2012,
2) bonus shares up to 1.70% of the capital of Laurent-Perrier.

	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	€28.71	€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, 2009 the above authorisations had not been implemented by the Management Board. Further authorisations amounting to €10,000,000 for shares and €150,000,000 for loans will be requested at the 2009 Shareholders' Meeting.

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 at March 31.2009

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.

3.2.6. Breakdown of shareholdings and voting rights

3.2.6.1. At March 31, 2009

Shareholders	Number of shares	% capital	% voting rights
1 - Registered family shares (Nonancourt family)	3,387,882	56.98%	67.27%
2 - Institutional shareholders (registered shares)[1]	483,945	8.14%	10.53%
3 - Other shareholders, including individuals[2]	1,976,892	33.25%	21.77%
4 - Shares held through the corporate mutual fund set up for employees and managed by HSBC Epargne Entreprise (registered and bearer)	20,314	0.34%	0.43%
5 - Treasury shares[3]	76,828	1.29%	
GRAND TOTAL at 31.03.2009	**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 10% of the voting rights.
(2) Of which
- Arnhold and S. Bleichroeder (US Investment Advisor) which has disclosed that it has crossed the threshold of 10% of the capital and 10% of the voting rights, including the First Eagle Funds Inc cited above in(1) and which further declares that it has no intentioni of acquiring control of the company,
- Fidelity International which has disclosed that it has crossed the threshold of 5% of the capital and 2.5% of the voting rights,

(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, 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).

3.2.6.3. 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).

3.2.7. 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 2008-2009.
All guarantees given by Group companies are shown in section of the "Notes to the Consolidated Financial Statements" (Off-balance sheet commitments, paragraph 4.26. of this 5.2. reference document) and in the notes to the parent company financial statements in section 5.4. (note 14, 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-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
April-08	99.50	92.91	101.51	86.00	187 810	17 767 680
May-08	92.20	97.55	100.00	89.30	126 655	11 820 952
June-08	99.00	90.00	101.00	89.00	232 892	22 006 797
July-08	90.33	84.84	94.00	80.00	174 142	14 995 254
August-08	84.84	95.00	95.60	83.00	45 616	4 037 765
September-08	94.00	89.14	96.00	85.00	31 367	2 834 629
October-08	89.15	63.02	90.00	59.00	150 865	10 344 092
November-08	64.00	54.70	65.00	52.95	111 318	6 674 933
December-08	54.40	59.00	60.00	49.50	143 012	7 702 763
January-09	59.01	44.00	59.30	40.00	38 385	1 942 866
February-09	44.00	41.80	45.00	40.00	54 498	2 300 510
March-09	42.00	38.01	42.00	36.03	45 527	1 746 757

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 26, 2009, the Management Board decided to propose to the Joint Ordinary and Extraordinary Shareholders' Meeting on July 8, 2009 a dividend of €0.83 per share in respect of financial year 2008-2009.

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

Financial year	Dividend per share (€)
2005-2006	1€
2006-2007	1,30€
2007-2008	1,40€

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

3.3. Property, plant and equipment

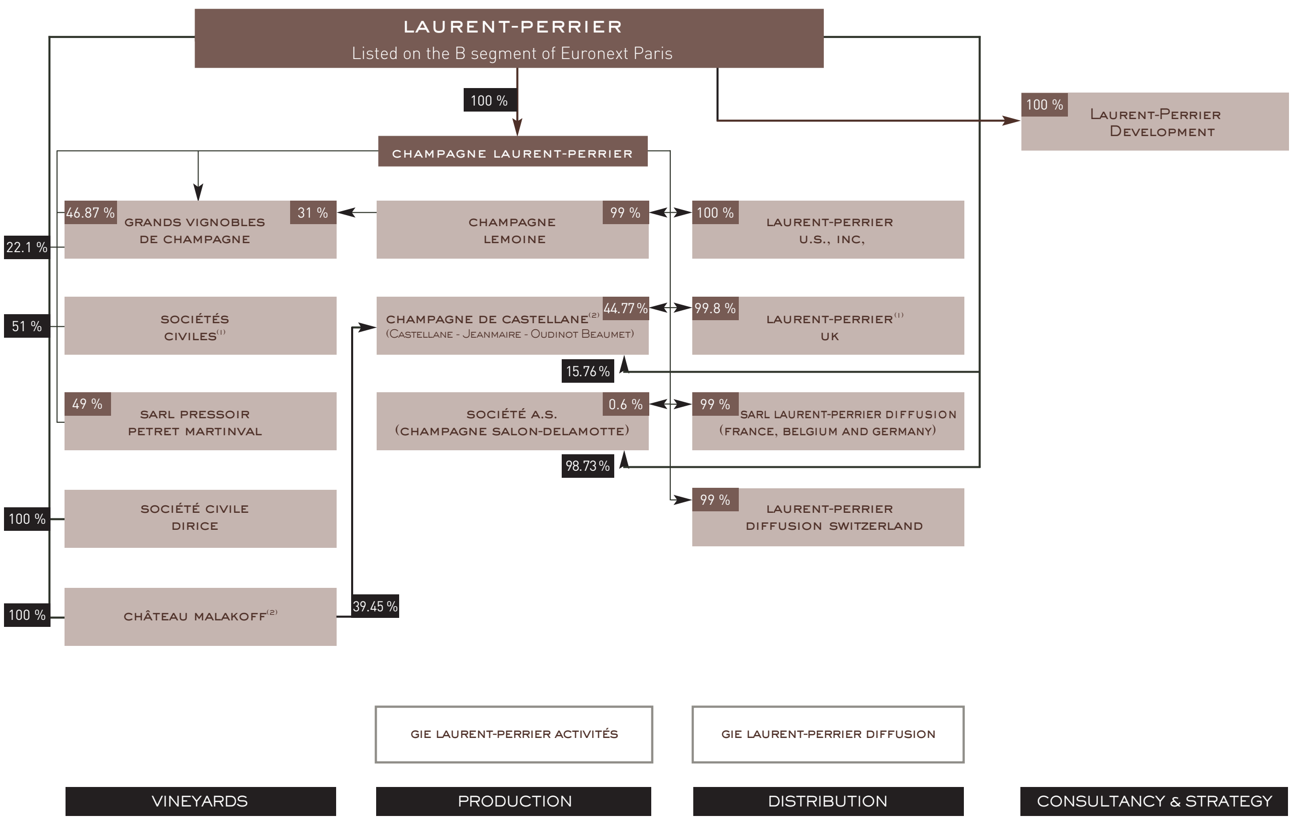
The production sites owned by the Group are located in the Marne *département*:

Champagne Laurent-Perrier	Tours-sur-Marne (headquarters) and Châlons en Champagne (site of production)
Champagne de Castellane	Epernay (site of production)
Château Malakoff	Epernay and Oger (site of production)
Champagne Salon – Champagne Delamotte	Le Mesnil-sur-Oger (headquarters and site of production)

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, 2009, 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 for minority equity interests
2) Partial tender of Château Malakoff assets to Champagne de Castellane.

The chart showing subsidiaries and participations appears in p.94

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 or terminate	Other Group directorships	Other non-Group directorships
Until 31.12.2008 Yves Dumont - Chairman Business address: Laurent-Perrier – 32 avenue de Champagne 51150 Tours-sur-Marne	May 10, 1999	31.12.2008	See table of positions and offices	None
From January 1, 2009: Stéphane Tsassis, Chairman Professional address Laurent-Perrier – 32 avenue de Champagne 51150 Tours-sur-Marne	01.01.2009	End of 2009 General Meeting	See table ofProf positions and offices	None to be validated
Alexandra Pereyre de Nonancourt* - Member 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* - Member 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, 2009
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 - 75009 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 - Director, ONET
François Philippoteaux *Deputy Chairman* *Member:* July 11, 1996 – 2014	*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- 2014	*Other Laurent-Perrier Group mandates:* - Chairman of Laurent-Perrier UK *Non-Laurent-Perrier Group mandates:* - Chairman, Spirited Co. Limited
Claude de Nonancourt *Member :* July 11, 1996- 2014 *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, 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 To resign on 11 February 2009 *Business address:* 2, Eaton Gate, London SWI W9BJ, UK -	Enko Capital Managment Other Laurent-Perrier Group mandates: none
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, Management board members Stéphane Tsassis, Alexandra Pereyre de Nonancourt and Stéphanie Meneux de Nonancourt, and Yves Dumont, President of Laurent-Perrier Développement.

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.

On January 1, 2009, a Liaison Committee replaced the Executive Committee and meets once a month to examine the company's indicators, and the results and profitability of the Group's products and countries where it operates. The Committee is also responsible for oversight of Laurent-Perrier Développement activities as regards:
- grape supply policy,
- relations with the most important customers and networks,
- representation on trade bodies,
- strategic options.

The Committee is chaired by Maurice de Kervénoaël. Its other member is Bernard de Nonancourt. Alexandra Pereyre, Stéphanie Meneux and Stéphane Tsassis are permanently invited to be present at meetings.

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 (until February 11, 2009) 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, 2009.

	Companies / Executive officers	Laurent-Perrier	Champagne Laurent-Perrier	Champagne de Castellane	Société A.S.	Château Malakoff [1]
Supervisory Board	Bernard de 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	Yann Duchesne	Member 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 Until 11 February 2009	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			
Management Board	Yves Dumont Until 31.12.2008	Chairman of the Management Board	Chairman of the Management Board	Chairman of the Board of Directors		Chairman
Management Board	Stéphane Tsassis Since 01.01.2009	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, 2009:
- 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

With the aim of simplification, the Group has taken up the charts of the recommandation AMF dated Dec., 12, 2008 only when there were informations to be given.

4.2.1. Members of the Management Board

Table showing compensation and options and shares allocated to each company executive officer

Name and function of executive officer	2007-2008	2008-2009
Yves Dumont, President of Managment Bord 01.04.2008 au 31.12.2008		
Compensation for the period (breakdown below)	516,044 €	266,372 €
Value of options allocated during the period		None
Stéphane Tsassis, President of the Directory of the 01.01.2009 to the 31.03.2009		
Compensation for the period (breakdown below)		75,000 €
Value of options allocated during the period		None
Alexandra Pereyre, Menber of the directory		
Compensation for the period (breakdown below)	101,532 €	100,000 €
Value of options allocated during the period		None
Stéphanie Meneux, Menber of the directory		
Compensation for the period (breakdown below)	101,579 €	100,008 €
Value of options allocated during the period		None

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

Breakdown of compensation for company executive officers				
	Amount paid in 2007-2008		Amount paid in 2008-2009	
Name and function of executive officer	Due	Paid	Due	Paid
Yves Dumont from 01.04.2008 to 31.12.2008				
Fixed compensation	259,320 €	259,320 €	203,400 €	203,400 €
Performance-related compensation	179,452 €	181,202 €	*	179,452 €
Exceptional compensation	0 €	0 €	0 €	0 €
Director's fees	73,200 €	73,200 €	58,500 €	58,500 €
Benefits in kind: company car	4,072 €	4,072 €	4,472 €	4,472 €
Total	516,044 €	517,794 €	266,372 €	445,824 €
Stéphane Tsassis from 01.01.2009 to 31.03.2009				
Fixed compensation			75,000 €	75,000 €
Performance-related compensation			*	0 €
Exceptional compensation			0 €	0 €
Director's fees			0 €	0 €
Benefits in kind			0 €	0 €
Total			75,000 €	75,000 €
Alexandra Pereyre				
Fixed compensation	52,320 €	52,320 €	57,960 €	57,960 €
Performance-related compensation	14,572 €	15,312 €	*	14,572 €
Exceptional compensation	0 €	0 €	0 €	0 €
Director's fees	34,640 €	34,640 €	42,040 €	42,040 €
Benefits in kind	0 €	0 €	0 €	0 €
Total	101,532 €	102,272 €	100,00 €	114,572 €
Stéphanie Meneux				
Fixed compensation	87,000 €	87,000 €	100,008 €	100,008 €
Performance-related compensation	14,579 €	15,312 €	*	14,579 €
Exceptional compensation	0 €	0 €	0 €	0 €
Director's fees	0 €	0 €	0 €	0 €
Benefits in kind	0 €	0 €	0 €	0 €
Total	101,579 €	102,312 €	100,008 €	114,587 €

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

* The amount will be calculated during the first six-month period in 2009.

Executive officers	Employment contract		Supplementary pension regime		Indemnities or benefits due or likely to be due subsequent to cessation or change of functions		Indemnities linked to non-compete clause	
	yes	no	yes	no	yes	no	yes	no
Stéphane Tsassis	suspended[1]		yes			no		no

(1)See paragraph 3.5. of internal control report (chapter 7 of shelf document)

The provisions and reserves by the Company and its subsidiaries for general and retirement pensions and other benefits together total €2,228.2K, broken down as follows.

Additional complementary retirement pension
- nature of commitment, "defined benefits– article 39 of French tax code"
- commitment calculation method, +15% of salary in 12 months preceding retirement date.

	Yves Dumont From 1.04.2008 to 31.12.2008	Stéphanie Meneux	Alexandra Pereyre	Stéphane Tsassis From 1.01.2009 to 31.03.2009
Defined benefit pension	1,694.4K€	95.5K€	95.9K€	55.8K€
Retirement indemnities	218.1K€	31.1K€	34.9K€	2.5K€

Stock options allocated to each executive officer for the period						
Options allocated to each executive officer by the issuer and all Group companies	No. and date of plan	Type of Options (purchase or subscription)	Value of options using the method chosen in the consolidated financial statements	Number of options allocated during the accounting period	Exercise price	Exercise price
None						

Options to subscribe to or purchase share options exercised during the accounting period by the executive officers				
Options exercised by executive officers	No. and date of Plan	Number of options exercised during the financial year	Exercise price	Exercise price
Yves Dumont	from 30/03/2004	10 000	28,71 €	31/03/2008 to 29/03/2014

4.2.2. Members of the Supervisory Board

Supervisory Board members	Amount paid in 2007-2008	Amount paid in 2008-2009
Maurice de Kervénoaël		
- Attendance fees	None	None
- Other compensation	104.5 K€*	173.4 K€*
Bernard de Nonancourt		
- Attendance fees	16.2 K€	16.7 K€
- Other compensation	121.96 K€	121.96 K€
François Philippoteaux		
- Attendance fees	23.5 K€	24.2 K€
Michel Chiron		
- Attendance fees	16.2K€	16.7 K€
Bernard de La Giraudière		
- Attendance fees	16.2K€	16.7 K€
Yann Duchesne		
- Attendance fees	16.2K€	16.7 K€
Grant Gordon		
- Attendance fees	16.2K€	16.7 K€
Éric Meneux		
- Attendance fees	16.2K€	16.7 K€
Alain Nkontchou (until 11 February 2009)		
- Attendance fees	16.2K€	12.5 K€
Claude de Nonancourt		
- Attendance fees	16.2K€	16.7 K€
Jean-Louis Pereyre		
- Attendance fees	16.2K€	16.7 K€

*o/w payment of fees for services rendered to MDK Consulting, managed by Maurice de Kervénoaël.

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 2008-1258 adopted on December 3, 2008, 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, 2009 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, amended, the table below outlines the number, exercise dates and option prices of the stock options granted in the year ended March 31, 2009, 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			
	None		
2) EMPLOYEES RECEIVING THE LARGEST NUMBER OF OPTIONS WHO ARE NOT OFFICERS			
	None		

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 Exercise period Exercise price	Plan n°7 26.03.02 from 27.03.06 to 25.03.12 €27.66 Stock options allocated	Plan n°8 25.03.03 from 25.03.07 to 24.03.13 €29.78 Stock options allocated	Plan n°9 30.03.04 from 31.03.08 to 29.03.14 €28.71 Stock options allocated	Plan n°10 08.03.05 from 09.03.09 to 08.03.15 €34.10 Stock options allocated	TOTAL
1) OFFICERS					
Yves Dumont			10,000		10,000
2) NON-OFFICER EMPLOYEES EXERCISING THE LARGEST NUMBER OF OPTIONS					
	216	1 537	7 400		9,153

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

Pursuant to article 28 of Regulation (EC) No.809-2004 , the following information is included in the present reference document:

- *the consolidated accounts for the year ended March 31, 2008 and the relevant report of the Statutory Auditors, presented respectively on pages 50-80 of Reference Document D08-0535 filed with the AMF on July 3 2008.*

- *the consolidated accounts for the year ended March 31, 2007 and the relevant report of the Statutory Auditors, presented respectively on pages 47 to 74 of Reference Document D07-0650 filed with the AMF on June 28, 2007.*

5.1. Consolidated financial statements at March 31, 2009

Consolidated income statement

(€ million except income per share)	Notes	March 31, 2009	March 31, 2008
Sales	4.20	181.34	249.43
Cost of sales		(76.96)	(117.09)
Gross margin		104.38	132.34
Other net operating income	4.21	3.28	0.64
Commercial expenses		(45.19)	(46.07)
Administrative expenses		(19.08)	(20.88)
Current operating income		**43.39**	**66.03**
Other operating income	4.23	0.15	0.21
Other operating expenses	4.23	(0.30)	(0.43)
Operating income		**43.24**	**65.81**
Financial income		0.01	0.30
Cost of net debt		(13.14)	(11.86)
Other financial charges		(1.01)	(0.68)
Financial results	**4.24**	**(14.14)**	**(12.24)**
Income tax	4.25	(10.02)	(18.83)
Income from equity-consolidated companies		0.00	0.00
Net income		**19.08**	**34.74**
Net income: minority interests		0.13	0.11
Group net income		18.95	34.63
Group net attributable income per share (€)		**3.22**	**5.88**
Number of shares		5,877,500	5,895,057
Diluted Group net attributable income per share (€)		**3.21**	**5.81**
Number of shares		5,910,967	5,959,496

Consolidated Balance Sheet

(€ million)	Notes	March 31, 2009	March 31, 2008
Assets			
Goodwill	4.1	24.50	24.50
Net intangible fixed assets	4.2	7.00	4.43
Net tangible fixed assets	4.3	137.05	134.88
Equity interests in companies carried at equity	4.4	0.08	0.08
Non-current financial assets	4.5	4.20	3.89
Non-current assets		**172.83**	**167.78**
Inventories and work in progress	4.6	438.91	373.59
Trade receivables	4.7	26.81	38.94
Other receivables	4.8	24.01	17.97
Cash and cash equivalents	4.13	6.86	7.62
Current assets		**496.59**	**438.12**
TOTAL ASSETS		**669.42**	**605.90**

(€ million)	Notes	March 31, 2009	March 31, 2008
Shareholders' equity			
Capital	4.10	22.59	22.59
Capital reserves		22.74	22.74
Revaluation reserves		18.74	22.88
Other reserves		143.35	119.12
Unrealised foreign exchange gains		(2.19)	(1.39)
Attributable net income		18.95	34.63
Total shareholders' equity and reserves		**224.18**	**220.57**
Minority interests		2.06	2.00
Consolidated shareholders' equity		**226.24**	**222.57**
Liabilities			
Contingency and loss provisions - long-term	4.11	8.71	8.24
Long-term debt	4.13	297.08	233.48
Other long-term debt	4.17	4.04	3.70
Deferred tax liabilities	4.19	16.35	18.72
Non-current liabilities		**326.18**	**264.14**
Short-term debt	4.13	12.30	12.55
Trade payables		72.93	80.05
Tax and social liabilities		9.14	12.02
Other debt		22.63	14.57
Current liabilities		**117.00**	**119.19**
TOTAL LIABILITIES		**443.18**	**383.33**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**669.42**	**605.90**

Consolidated cash flow statement

(€ million)	March 31, 2009	March 31, 2008
CASH FLOW FROM ACTIVITY (A)		
Net income from companies carried at equity	19.08	34.74
Impairment and provisions	3.98	4.10
Unrealised gains and losses from changes in fair value	0.67	0.27
Charges and income with no effect on cash and equivalents	0.19	0.16
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	0.05	(0.03)
After-tax cash flow	**23.97**	**39.24**
Tax (including deferred tax)	10.02	18.83
Pre-tax cash flow	**33.99**	**58.07**
Tax paid	(13.68)	(22.01)
Change in activity working capital requirement		
- Inventories and work in progress	(65.34)	(30.90)
- Trade receivables	11.52	1.10
- Trade payables	(6.96)	14.85
- Other receivables and payables	(4.17)	(1.21)
Net cash flow from operations	**(44.64)**	**19.90**
CASH FLOWS FROM INVESTING ACTIVITIES (B)		
Acquisition of tangible and intangible fixed assets	(8.92)	(14.62)
Proceeds from available for sale tangible and intangible fixed assets	0.12	0.15
Net change in other long-term investments	(0.24)	(2.06)
Impact of changes in scope of consolidation		
Other cash flow from investing activities		
Net cash flow from investing activities	**(9.04)**	**(16.53)**
CASH FLOW USED IN FINANCING ACTIVITIES (C)		
Dividends paid during the financial year	(8.31)	(7.75)
Sale (Purchase) of treasury shares	(2.08)	(7.34)
Bond issuance	75.77	35.24
Loan repayments	(12.41)	(27.03)
Net cash flows used in financing activitie	**52.97**	**(6.88)**
NET CHANGE IN CASH FLOW (A+B+C)	(0.71)	(3.51)
Net cash and cash equivalents at beginning of year	7.52	11.62
Efffect of foreign exchange changes	(0.06)	(0.59)
Effect of changes in consolidation scope and methods	0.00	0.00
Change in cash and cash equivalent	(0.71)	(3.51)
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	6.75	7.52
Cash and cash equivalents	6.86	7.62
Bank overdrafts	(0.11)	(0.10)
NET CASH AND CASH EQUIVALENT	6.75	7.52

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
April 1, 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**
Cover of future interest charges - change in value				(4.14)				(4.14)		(4.14)
Change in value of vineyards										
Tax and social liabilities						(0.33)		(0.33)		(0.33)
Unrealised exchange rate gains/losses							(0.80)	(0.80)		(0.80)
Changes in value directly recognized in shareholders' equity				**(4.14)**		**(0.33)**	**(0.80)**	**(5.27)**		**(5.27)**
2008-2009 income						18.95		18.95	0.13	19.08
Total recorded charges and Interest				**(4.14)**		**18.62**	**(0.80)**	**13.68**	**0.13**	**13.81**
Sale (Purchase) of treasury shares					(2.08)			(2.08)		(2.08)
Charges for options plans						0.30		0.30		0.30
Dividends paid						(8.15)		(8.15)	(0.07)	(8.22)
Change in scope of consolidation and other						(0.14)		(0.14)		(0.14)
March 31, 2009	**5,945,861**	**22.59**	**22.74**	**18.74**	**(10.34)**	**172.64**	**(2.19)**	**224.18**	**2.06**	**226.24**

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.
Larent-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, 2009 were signed off by the Supervisory Board on May 26, 2009 and will be submitted for its approval to the General Meeting of Shareholders to be held on July 8, 2009.
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 and applicable at 31 March 2009.

The consolidated financial statements for the year ended March 31, 2009 were drawn up using accounting rules and methods identical to those used for the year ended March 31, 2008.

Pursuant to article 28.1 of Regulation (EC) No.809/2004 of 29 April 2004, the consolidated financial statements for the year ended March 31 2007 will be incorporated for reference purposes into the 2008-2009 reference document filed by Laurent-Perrier with the AMF. As a result, no comparative data for the 2006-2007 financial year will be presented in the financial statements for the year ended March 31 2009.
Application of the following interpretations became compulsory from the 2008-2009 financial year:

- The IFRIC 12 interpretation, *Service Concession Arrangements*, concerns entities operating public sector service concessions to the private sector. No Group entity is a concession holder and the Group is consequently not concerned by this interpretation.
- The IFRIC 14 Interpretation, IAS 19 – *The Limit on a Defined Benefit Asset Minimum Funding Requirements and their Interaction*, sets out the rules for evaluating the maximum amount of the surplus that can be registered as an asset. The interpretation also explains how pension assets and liabilities may be allocated where there exists a legal or contract-based minimum funding requirement. The Group has not observed any effect on its financial position or earnings in this respect.
- The amendment to IAS 39, *Financial Instruments – Recognition and Measurement*, and to IFRS 7, *Financial Instruments – Disclosures*, entitled *Reclassification of Financial Assets* permits the reclassification of financial instruments held for the "purpose of trading" and "available for sale" to financial asset categories. This amendment is applicable from July 1, 2008, but has had no impact on the Group's financial position.

The Laurent-Perrier Group has decided not to choose early application of the new standards, amendments and interpretations approved by the European Union and applicable from January 1, 2009:

- IAS 1, *Presentation of Financial Statements*, has been amended to increase the usefulness of the information presented in the financial statements. The main change concerns the introduction of a new Statement of Comprehensive Income which will include all items of income and expense presented in the income statement and those contained in the profit and loss statement. The revised version of IAS 1 will be applied as of the next financial year.
- IAS 23, *Borrowing Costs*, has been revised in order to eliminate the option of recognising borrowing costs immediately as an expense. Such costs must now be immediately capitalised if they can be allocated to the acquisition, construction or production of a qualifying asset. We are currently assessing the impact of this amendment, which is applicable from the next financial year.
- The amendment to IFRS 2 *Share-based Payment*, entitled *Vesting Conditions and Cancellations*, clarifies rights vesting and confirms the application of a single accounting treatment for Cancellations, regardless of the entity.
- IFRS 8, *Operating Segments*, has replaced IAS 14, *Segment Reporting*, and adopts an approach based on the information available to internal management for evaluating the results of operating segments. We are currently assessing the impact of this standard, which is applicable from the next financial year.

- The IFRIC 13 interpretation, *Customer Loyalty Programmes*, requires that loyalty award credits allocated to customers at the time of an initial sale should be recorded as a separate component of the transaction, separately from other identifiable components at the time of the initial sale. The liability allocated to the loyalty award credits must be measured by reference to their fair value, in the amount for which the award credits could be sold separately. The Group is not concerned by this interpretation.

2.2. Evaluation methods

The financial statements have been prepared at historic cost, although vineyards, harvests 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 § 2.19),
- stock option charges (§ 2.19);
- fair value hedges (§ 2.23).

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 closed 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 cost 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 either on the "predominant" values published in the most recent Journal Officiel, or else using other tangible items of information which seem more relevant if it were deemed that the "predominant" values were not the best indicator for valuing vineyards at closure of accounts.

This is because 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 in the P&L statement.
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. As the Group has only a single business (the making and sale of champagne), the chosen CGU scope is the Group as a whole. The cash-flow figures used are those of the Group in its entirety.

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 not discounting them 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.

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 concern 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 or disposal was made during the financial year just ended.
An internal reorganisation was carried out on December 31, 2008, with backdated effect to April 1, 2008, designed to simplify Group structures.
SA Château Malakoff transferred its entire "Production and Sale of Champagne" business segment to SA Champagne de Castellane. The 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.

4. NOTES TO THE FINANCIAL STATEMENTS

4.1. Goodwill

4.1.1. Main goodwill

(€ million)	Year of purchase	March 31, 2009 Net	March 31, 2008 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	0.44
SARL GVC (ex SARL Alain Mandois)	2003	0.72	0.72
Château Malakoff SA	2004	19.23	19.23
SC Dirice	2005	0.10	0.10
TOTAL		**24.50**	**24.50**

4.1.2. Movements over the period

None.

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: 3% (1.5% at March 31, 2008),
- discount rate: the average weighted cost of capital and debt. The rate used at March 31, 2009 was 5.9% (6.5% at March 31, 2008).

Calculations at March 31, 2008 and March 31, 2009 do not indicate any need to amortise goodwill.

Over the past 40 years, the champagne market has grown by an average 3.1% per year by volume. Obviously, this has not been linear growth and approximately five cycles may be identified during the period. Each cycle we observed to evolve in a similar fashion: market growth begins by exceeding average growth in long-term demand, after which a correction occurs during which the market shrinks, often due to retail trade destocking phenomena, whether or not combined with a drop in final consumption.
Recently, 2006 and 2007 seem to correspond to the first part of a cycle (above long-term trend growth), whereas 2008 and 2009 correspond to a correction phase and therefore to a shrinking market.

To carry out its impairment tests, the Group accordingly used market assumptions to match this analysis. After experiencing a fall-off in activity in 2008-2009, the Group thus hopes to gradually return to earlier activity levels over the next five years as it emerges from the market downswing. Beyond that horizon, it has this year opted for a 3% growth rate in line with the long-term market trend. The rate used to make this measurement last year was 1.5%.

The assumptions led us to the conclusion that no impairment needed recording.

The most sensitive assumption being the turnover growth rate and as a result the cash flow rate, a sensitivity test was carried out using this assumption: choosing a 2% cash flow growth rate instead of 3% out to infinity, no impairment was observed either.

4.2. Intangible fixed assets

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

Gross values (€ million)	Gross values at April 1, 2008	Acquisitions	Disposals	Other movements	Gross values at March 31, 2009
Brands	3.29				3.29
Software	1.71	1.32		1.20	4.23
Other	0.87			0.14	1.01
TOTAL	**5.87**	**1.32**	**0.00**	**1.34**	**8.53**

Depreciation	Amount at April 1, 2008	Allowance for the year	Depreciation of disposals	Other movements	Amount at March 31, 2009
Brands	0.00				0.00
Software	1.44	0.09			1.53
Other	0.00				0.00
TOTAL	**1.44**	**0.09**	**0.00**	**0.00**	**1.53**
Net value	**4.43**	**1.23**	**-**	**1.34**	**7.00**

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	0.00			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				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**

"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.

The increase in the "Software" item mainly concerns spending on the change of ERP suite, due to go live in 2009/2010. A restatement of €1.20 million has been made, this amount has been recorded in tangible fixed assets in progress at 31/03/2008.

4.3. Tangible fixed assets

4.3.1. Change in tangible fixed assets

Gross values *(€ million)*	Gross values at April 1, 2008	Acquisitions	Disposals	Other movements	Gross values at March 31, 2009
Land	91.20	0.34		0.03	91.57
Vineyards	5.93			0.18	6.11
Buildings	37.06	3.68	(0.04)	6.49	47.19
Machinery and equipment	45.98	1.86	(2.89)	2.22	47.17
Other tangible fixed assets	4.45	0.18	(0.02)	(0.43)	4.18
Assets in progress	9.92	1.53	(0.01)	(9.78)	1.67
TOTAL	**194.54**	**7.59**	**(2.96)**	**(1.28)**	**197.89**

Depreciation	Amount at April 1, 2008	Allowance for the year	Depreciation of disposals	Other movements	Amount at March 31, 2009
Land	0.56	0.01			0.57
Vineyards	3.18	0.21			3.39
Buildings	18.00	1.41	(0.04)	0.22	19.60
Machinery and equipment	34.27	2.09	(2.72)	(0.06)	33.58
Other tangible fixed assets	3.50	0.13	(0.02)	(0.24)	3.37
Assets in progress	0.14	0.20			0.34
TOTAL	**59.65**	**4.05**	**(2.78)**	**(0.08)**	**60.85**
Net value	**134.89**	**3.54**	**0.18**	**1.20**	**137.05**

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 of 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**

Vineyards were revalued in previous years and this was recorded in equity in the "Revaluation reserve" at their net of tax amount.

(€ million)	march 31, 2008	Acquisitions/ revaluations	Disposals/ transfers	march 31, 2009
Value of vineyards before revaluation				
Land other than vineyards	4.22			4.22
Vineyards:				0.00
- Non-revalued vineyards	12.17	0.37		12.54
- Revalued vineyards	43.96			43.96
Reveluation of vineyards over historical cost	**30.85**			**30.85**
Total	**91.20**	**0.37**	**0.00**	**91.57**

For 2008-2009, the revaluation would have been re-calculated according to the average financial value of farmland in 2007 and would have amounted to approximately 7% (6 million euros before tax).
However, given the uncertainty due to the ongoing economic crisis, the Group's General Management decided not to carry out the revaluation as March 31, 2009.

4.3.2. Operating leases

Rental charges for the 2008-2009 and 2007-2008 period break down as follows:

(€ million)	March 31, 2009	March 31, 2008
Rentals	2.36	1.79
Contingent rentals	0.00	0.00
Sub-letting	0.00	0.00
TOTAL RENTAL CHARGES	**2.36**	**1.79**

4.4. Equity in affiliates

Equity in affiliates comprised a 49% shareholding in SARL Pétret-Martinval at March 31, 2009.

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

(€ million)	2008-2009	2007-2008
At April 1	0.08	0.08
Disposal	0.00	0.00
Translation differential	0.00	0.00
Other changes in equity	0.00	0.00
At March 31	**0.08**	**0.08**

(€ million)	% stake	Assets	Liabilities	Income
2008-2009				
Pétret-Martinval SARL	49.0%	0.04	0.02	0.03
2007-2008				
Pétret-Martinval SARL	49.0%	0.05	0.03	0.03

4.5. Other financial investments

Other financial investments are set out below:

(€ million)	March 31, 2009	March 31, 2008
	Net	**Net**
Non-consolidated securities		
Loans	3.86	3.70
Other	0.34	0.19
TOTAL	**4.20**	**3.89**

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 4.2% (compared with 4.1% in the previous period), if non-interest bearing.

4.6. Inventory and work in progress

(€ million)			March 31, 2009	March 31, 2008
	Gross	Provisions	Net	Net
Goods and finished products	321.11		321.11	271.77
Raw materials and work in progress	117.91	(0.11)	117.80	101.82
TOTAL	**439.02**	**(0.11)**	**438.91**	**373.59**

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

(€ million)	March 31, 2009	March 31, 2008
Dépreciation of inventories at April 1	**0.01**	**0.02**
Net depreciation recorded in income	0.10	(0.01)
Other changes		
Depreciation of inventories at March 31	**0.11**	**0.01**

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 2008-2009 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)	2008-2009	2007-2008
Valuation of own vineyard harvest at market price	4.71	4.59
Effect of inventory movement (decrease)	(2.60)	(2.32)
Impact on cost of sales for the period	**2.11**	**2.27**
Impact on value of inventory at closure	**12.15**	**10.04**

4.7. Trade receivables and related accounts

(€ million)			March 31, 2009	March 31, 2008
	Gross	Provisions	Net	Net
Trade receivables	27.88	(1.07)	26.81	38.94
TOTAL	**27.88**	**(1.07)**	**26.81**	**38.94**

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, 2009	March 31, 2008
Impairment of trade receivables at April 1	**1.14**	**1.23**
Net impairment recorded in income	(0.07)	(0.09)
Other changes		
Impairment of trade receivables at March 31	**1.07**	**1.14**

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, 2009	March 31, 2008
90-120 days	0.32	0.15
Over 120 days	0.75	0.99
Average receivables payment (days)	75	69

4.8. Other receivables

Other receivables break down as follows:

(€ million)	March 31, 2009	March 31, 2008
State - VAT credits	7.46	8.11
State - Income tax advances	2.68	0.08
Prepaid expenses	3.52	1.82
Active interest rate and currency derivatives	0.17	0.97
Sundry	10.18	6.99
TOTAL	**24.01**	**17.97**

The above receivables are all due in under one year.
"Sundry" mainly includes advances to grape and wine suppliers.

4.9. Table of financial assets

(€ million)		March 31, 2009		March 31, 2008	
	IAS 39 category	Book value	Fair value	Book value	Fair value
Loans	L&R	3.86	3.86	3.70	3.70
Deposits	L&R	0.19	0.19	0.07	0.07
Other	AfS	0.15	0.15	0.12	0.12
Total non-current financial assets		**4.20**	**4.20**	**3.89**	**3.89**
Trade receivables	**L&R**	**26.81**	**26.81**	**38.94**	**38.94**
Deductible VAT and other sales taxes[2]	N/A	7.46	N/A	8.11	N/A
Other receivables	L&R	12.86	12.86	7.07	7.07
Derivatives used as hedging instruments[1]	N/A	0.17	N/A	0.97	N/A
Prepaid expenses[2]	N/A	3.52	N/A	1.82	N/A
Total other current assets		**24.01**		**17.97**	
Investment securities	HfT	0.00		0.00	
Cash in hand	L&R	6.86	6.86	7.62	7.62
Cash and cash equivalents		**6.86**	**6.86**	**7.62**	**7.62**

(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, 2009	March 31, 2008
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	76,828	65,477

The total number of voting rights attached to the 5,945,861 shares comprising equity was 9,189,860 at March 31, 2009 (8,714,228 at March 31, 2008).

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

4.10.2. Earnings per share (EPS)

	March 31, 2009	March 31, 2008
Ordinary shares*	5,877,500	5,895,057
Dilutive effect of buy-backs	33,487	64,439
Other		
Average weighted number of shares	**5,910,987**	**5,959,496**

*net of treasury shares

Net earnings per share

	March 31, 2009		March 31, 2008	
(euros)	Before dilution	After dilution	Before dilution	After dilution
Pre-tax profit	4.95	4.92	9.09	8.99
Group net attributable income	**3.22**	**3.21**	**5.88**	**5.81**

4.10.3. Dividends

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

Dividends paid out in 2007-2008 and 2008-2009 amounted to €1.30 and €1.40 per share respectively.
At the forthcoming General Meeting of Shareholders in July 2009, payment of a dividend of €0.83 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	6,234	€27.66
Plan N°8	25.03.03	26.03.07	7,613	€29.78
Plan N°9	30.03.04	31.03.08	14,250	€28.71
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, 2009 was €299,000. It was €185,000 at March 31, 2008)
No option plan allocation was made in 2008-2009.

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, optimise management of Company equity, or cover share option plans.

During the 2008/2009 financial year, the number of treasury shares held by the Group rose by a net 11,351 to 76,828 shares at March 31, 2009. The change had a negative impact on shareholders' equity in the amount of €2,081,000, which breaks down as follows:

	(€ 000s)
- Change in gross value	(412)
- (Loss) profit from disposals	(1,669)
Net change in treasury shares	(2,081)

At March 31 2008, the Group held 65,477 treasury shares. During the 2007/2008 financial year, the number of treasury shares held by the group fell by 46,215. The change had a negative impact on shareholders' equity amounting to €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)

4.11. Contingencies and loss provisions

Nature of provision	Amount on April 1, 2008	Allowances	Utilisations	Reversals	Other movements	Amount on March 31, 2009
Liabilities to employees	7.49	1.15	(0.63)		0.49	8.50
Labour medal provisions	0.07		(0.01)			0.06
Other provisions	0.68	0.04	(0.13)	(0.45)		0.15
	8.24	**1.19**	**(0.77)**	**(0.45)**	**0.49**	**8.71**

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 €8.50 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 €1.15 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, 2009 were:
✓ employee must leave voluntarily
✓ discount rate: 5.015% (Bloomberg AA Composite Euro rate at 31/03/09)
✓ 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 assumptions used at March 31, 2008 were the same, except for the discount rate, which was 5%.

- The Group has also 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 changes in healthcare costs for supplementary health insurance commitments (€m):

	+1%	-1%
Private health insurance	0.69	-0.56
	18.27%	-14.76%

- Sensitivity to variations in the discount rate on liabilities:

	+0.25%	-0.25%
Retirement indemnities	-0.10	0.11
	-2.46%	2.56%
Private health insurance	-0.15	0.16
	-3.92%	4.15%

Changes in retirement pension and similar benefit reserves were:

	2008-2009	2007-2008
Charge for the period	(1.15)	(1.05)
Benefits paid	0.35	0.36
Contributions paid	0.29	0.29
Actuarial variances recognised in equity	(0.50)	0.06
Unrealised currency gains/losses		
TOTAL	**(1.00)**	**(0.34)**

Annual changes in liabilities, in the market value of investments and in the corresponding assets and provisions 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, 2009	March 31, 2008
1. RECONCILIATION OF BALANCE SHEET ITEMS		
Discounted value of unfunded liabilities	8.01	7.28
Discounted value of funded liabilities	2.62	1.80
Discounted value of total liabilities	**10.63**	**9.08**
Fair value of pension hedging assets*	0.90	0.59
Net value of liabilities	**9.73**	**8.49**
Cost of unrecognised past service	1.23	1.00
Net value of assets (liabilities) recorded on balance sheet	**8.50**	**7.49**
2. DETAILS OF NET COSTS RECORDED IN THE INCOME STATEMENT		
Cost of services rendered	0.57	0.57
Financial cost (discount effect)	0.47	0.40
Projected return on plan assets	(0.02)	(0.01)
Cost of years of past service	0.13	0.09
Effect of plan pay-outs/reductions	0.00	0.00
Net costs recognised in income statement	**1.15**	**1.05**

* Breakdown of pension hedging assets at March 31, 2009:
Fixed-income: 81% - Equities: 11% - Other: 8%

	2008-2009	2007-2008
3. CHANGE IN THE DISCOUNTED VALUE OF LIABILITIES		
Discounted value of liabilities at start of period	**9.08**	**8.52**
Actuarial (losses) gains recognised in equity	0.50	(0.06)
Cost of services rendered	0.57	0.57
Financial cost (discount effect)	0.47	0.41
Employee contributions	0.00	0.00
Cost of past service	0.36	
Benefits paid	(0.35)	(0.36)
Changes in plan rules		
Unrealised currency gains/losses		
Other (incl. reductions / pay-outs)		
Discounted value of liabilities at end of period	**10.63**	**9.08**

	2008-2009	2007-2008
4. CHANGE IN FAIR VALUE OF PLAN ASSETS		
Fair value of plan assets at start of period	**0.59**	**0.27**
Projected return on plan assets	0.02	0.03
Employee contributions		
Employer contributions	0.29	0.29
Benefits paid		
Fair value of plan assets at end of period	**0.90**	**0.59**

5. FINANCIAL PROVISION AT MARCH 31	2008-2009	2007-2008
Discounted value of liabilities	**(10.63)**	**(9.08)**
Fair value of plan assets	0.90	0.59
Effect of asset capping		
Deferred items:		
Unrecognised changes of plan rules	1.23	1.00
Net (liabilities) / assets recognised on the balance sheet	**(8.50)**	**(7.49)**

	Actuarial gains (losses) recognized in equity			Analysis of differences in FY	
6. ANALYSIS OF ACTUARIAL DIFFERENCES	March 31, 2008	FY 2008/2009	March 31, 2009	Difference with assumptions	Difference with real
Supplementary pension	0.11	(0.49)	**(0.38)**	(0.58)	0.09
Retirement indemnities	0.54	(0.01)	**0.53**	0.01	(0.02)
Private health plan	(0.50)	0.00	**(0.50)**	0.01	(0.01)
	0.15	**(0.50)**	**(0.35)**	**(0.56)**	**0.07**

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 Swiss subsidiary, Laurent-Perrier Suisse, has set up a defined benefit pension scheme for its employees.

At March 31 2009, assets under management amounted to	1.95
Liabilities amounted to	2.02
To honour its present and future commitments, Laurent-Perrier Suisse has a moral obligation to fund a funding shortfall of	0.07

(€ million)	March 31, 2009	March 31, 2008
Long-term debt	297.08	233.48
Short-term debt	12.30	12.55
Gross debt	**309.38**	**246.03**
Gross debt after derivatives	**309.38**	**246.03**
Cash and cash equivalents	(6.86)	(7.62)
Net debt	**302.52**	**238.41**

4.13. Debt and cash

(€ million)	March 31, 2009	March 31, 2008
Bank loans (investment credits)	42.16	53.38
Bank loans (operating credits)	254.92	180.10
Financial leases		
Long-term debt	**297.08**	**233.48**
Bank loans (investment credits)	11.22	11.88
Bank loans (operating credits)	0.10	0.01
Financial leases		
Bank overdrafts	0.11	0.11
Accrued interest	0.87	0.54
Short-term debt	**12.30**	**12.54**
Gross debt	**309.38**	**246.02**

Net debt was:
Gross debt breaks down as follows:

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, 2009	March 31, 2008
Less than one year	12.30	12.54
1-5 years	229.45	212.55
Over five years	67.63	20.93
Total to repay (including interest payable at closure)	**309.38**	**246.02**

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 €26.8 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 €7.0 million at March 31, 2009 and corresponds to the net book value of all these items.
Maximum counterparty risk on the Group's other financial assets totals €24.0 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

(€ million)	March 31, 2009	March 31, 2008
Non-hedged variable rate (Euribor 3 mois + bank margin)	56.89	86.36
Capped variable rate	20.00	20.00
Swapped variable rate (average rate 3.72% + bank margin)	220.59	132.61
Fixed rate (average rate 4.33%)	10.10	7.05
TOTAL	**309.38**	**246.02**

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

Working capital credits

	Variable-rate operating credits			
	Authorised	Used	Interest-rate contracts	Net position after hedging
01.04.09 - 31.03.10	€300.0m	€251.1m	€218.0m	€33.1m
01.04.10 - 31.03.11	€300.0m		€150.0m	
01.04.11 - 31.03.12	€300.0m		€120.0m	

Investment credits
€48.3 million of amortisable loans have variable rates. Interest rate swaps have been written in the amount of €22.6 million. The hedges will be reduced as the loans are amortised.

Sensitivity to interest rate variations
The Group's mean effective interest rate was 3.80% at March 31, 2009 for the hedged portion of its debt, compared with 3.71% at March 31, 2008.
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 €0.59 million.
- Working capital credits €0.33 million
- Investment credits €0.26 million

This should be compared with the cost of debt over the 12-month period, which was €13.14 million.

4.16.2. Foreign currency hedging

Sensitivity to exchange rate variations
In 2008-2009, 19.9% of Group turnover was denominated in currencies other than the euro, including almost 1.6% in US dollars, 12.9% in Sterling and 5.4% 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 €0.14 million, €1.12 million and 0.47 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 €0.15 million, €1.23 million and €0.51 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, 2009			At March 31, 2008	Face value by maturity at March 31, 2009			
	Derivatives assets	Derivatives liabilities	Total	Total	Less than one year	1-5 years	Over 5 years	Total
HEDGING OF FUTURE CASH FLOW								
Forward forex	0.17		0.17	(0.01)	3.37			3.37
Interest rate swaps		5.93	(5.93)	0.56	68.60	134.47	2.64	205.71
NON-QUALIFIED DERIVATIVES								
Forward forex								
Interest rate swaps		0.50	(0.50)	0.19	20.00	4.00	10.88	34.88
	0.17	**6.43**	**(6.26)**	**0.74**	**91.97**	**138.47**	**13.52**	**243.96**

Fair value is measured in reference to the prices published on the financial market.

In FY 2008-2009, the amounts recorded directly in the income statement were a loss of €0.50 million for interest rate derivatives and a loss of €0.01 million for foreign exchange derivatives.
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 gain of €0.05 million for foreign exchange derivatives.

4.17. Other long-term debt

Other financial debt includes mandatory employee profit-sharing:

(€ million)	March 31, 2009	March 31, 2008
Less than one year		
One-five years	4.04	3.70
Over five years		
TOTAL	**4.04**	**3.70**

Debt due in under one year is recognised in current liabilities under "Other debt".

4.18. Financial liabilities

(€ million)		March 31, 2009		March 31, 2008	
	IAS 39 category	Book value	Fair value	Book value	Fair value
Debt including accrued interest	**AC**	**309,38**	**309,38**	**246.03**	**246.03**
Trade payables	AC	72.93	72.93	80.05	80.05
Liabilities for personnel and social charges[1]	N/A	7.64	7.64	8.82	8.82
VAT payable and other sales taxes	N/A	1.49	1.49	2.14	2.14
Interest rate derivatives liabilities		6.43	6.43	0.22	0.22
Creditor affiliates		13.47	13.47	11.36	11.36
Other debt	AC	2.74	2.74	4.05	4.05
Total other debt		**31.77**	**31.77**	**26.59**	**26.59**

(1) 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

Net deferred tax (by type) is as follows:

	March 31, 2009	March 31, 2008
Deferred tax recognised on the balance sheet		
Tax on revaluation of vineyards	12.50	12.50
Tax on revaluation of tangible assets	3.00	3.08
Tax on revaluation of intangible assets	0.73	0.78
Tax on harvest valuation at market rates	1.91	2.03
Tax on elimination of inventory margins	(1.42)	(1.73)
Tax on elimination of provisions for treasury shares	2.86	2.98
Tax on financial instruments	(2.37)	0.26
Tax on price increase accrual	0.47	0.53
Tax on accelerated depreciation	1.65	1.30
Tax on employee benefits	(2.94)	(2.58)
Other[1]	(0.04)	(0.43)
TOTAL	**16.35**	**18.72**
Balance-sheet reconciliation:		
- Deferred tax assets	0.00	0.00
- Deferred tax liabilities	16.35	18.72
TOTAL NET	**16.35**	**18.72**
Including deferred tax recorded in equity	9.88	12.23

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

4.20. Segment reporting by geographical zone

(€ million)	March 31, 2009	March 31, 2008
Turnover (by client location)		
France	54.70	81.76
Europe	88.60	119.78
Rest of the world	38.04	47.89
CONSOLIDATED TOTAL	**181.34**	**249.43**
Current operating income*		
France	44.24	61.99
Europe	(0.17)	4.05
Other and eliminations	(0.68)	(0.01)
CONSOLIDATED TOTAL	**43.39**	**66.03**
Balance sheet assets*		
France	661.49	592.82
Europe	7.54	12.11
Other and eliminations	0.39	0.97
CONSOLIDATED TOTAL	**669.42**	**605.90**
Investments (intangible and tangible fixed assets)*		
France	8.89	14.51
Europe	0.04	0.11
Other and eliminations		
CONSOLIDATED TOTAL	**8.92**	**14.62**
Liabilities (excluding shareholders' equity)*		
France	440.27	378.03
Europe	2.53	4.34
Other and eliminations	0.38	0.96
CONSOLIDATED TOTAL	**443.18**	**383.33**

* 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, 2009	March 31, 2008
Margin on semi-finished goods and services	2.68	(0.02)
Operating currency gains	0.94	0.98
Operating currency losses	(0.34)	(0.32)
Other net operating income	**3.28**	**0.64**

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

(€ million)	March 31, 2009	March 31, 2008
Semi-finished goods		
Turnover	17.44	12.75
Cost of sales	(15.55)	(13.82)
Margin	**1.89**	**(1.07)**
Services rendered		
Sales	1.56	4.10
Cost of sales	(0.77)	(3.05)
Margin	**0.79**	**1.05**
Consolidated margin	**2.68**	**(0.02)**

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, 2009	March 31, 2008
Cost of sales	11.66	11.96
Commercial charges	13.81	14.80
Administrative charges	8.99	9.64
TOTAL	**34.46**	**36.40**

These break down as follows:

(€ million)	March 31, 2009	March 31, 2008
Wages and social charges	33.47	35.56
Cost of stock options	0.30	0.18
Pension charges – defined benefit plans	0.69	0.66
Other employee benefits		
TOTAL	**34.46**	**36.40**

4.23. Other operating income and charges

(€ million)	March 31, 2009	March 31, 2008
Other operating income		
Disposals of fixed assets	0.12	0.16
Other income	0.03	0.05
Total	**0.15**	**0.21**
Other operating costs		
Residual value of fixed asset disposals	0.18	0.19
Other costs	0.12	0.24
Total	**0.30**	**0.43**

4.24. Financial income

(€ million)	March 31, 2009	March 31, 2008
Cost of gross debt	13.14	11.86
Cash management income	(0.02)	(0.30)
Cost of net debt	**13.12**	**11.56**
Ineffective portion of currency hedges	0.67	0.27
Other, net	0.35	0.40
Other financial income and charges	**1.02**	**0.67**
Financial income	**14.14**	**12.23**
Items directly recorded in equity		
Unrealised currency gains/(losses)	(0.80)	(1.24)

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	(0.02)	(0.30)
Debt interest payments	13.14	11.86

4.25. Income tax

Tax and effective tax rates are:

(€ million)	March 31, 2009	March 31, 2008
Current tax	10.04	17.74
Deferred tax	(0.02)	1.09
Total tax	**10.02**	**18.83**
Pre-tax profit	29.10	53.57
Effective tax rate	**-34.4%**	**-35.1%**

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, 2009	%	March 31, 2008	%
Total consolidated income before income tax and deferred tax	29.10		53.57	
Theoretical tax liability at 34.43%	10.02	34.40%	18.44	34.40%
Permanent accounting and fiscal differences	0.13	0.40%	0.46	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)	(0.01)	0.00%	(0.22)	-0.40%
Savings linked to fiscal integration	(0.04)	-0.10%	(0.06)	-0.10%
Sundry (including change in differed tax rates)	(0.08)	-0.30%	0.21	0.30%
Effective tax liability	**10.02**	**34.40%**	**18.83**	**35.10%**

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, 2009, a portion of the bank liabilities described in §4.13, which have a €217.3 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.
Under the terms of the agreements with its pool of banks, the Group undertook to maintain the following ratios:
- a net debt to shareholders' equity ratio of less than 2
- a financial expense to operating income ratio greater than 3.25
Failure to maintain these ratios will lead to implementation of an adjustment clause that carries no early repayment clause.

At March 31, 2009, the first ratio was honoured. The second ratio was also honoured if we exclude from interest charges the charges measured under IFRS. Some loan agreements do not clearly define the notion of financial expenses. For those agreements, an amendment is awaiting signature with the banking pool to exclude charges calculated on the basis of IFRS (IAS 19 & 39) from the definition of calculated charges.

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 40,041 hectolitres of wine from the 1999, 2000, 2002, 2004, 2005, 2007 and 2008 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 30,548 hours at March 31, 2009.

4.27. Transactions with related parties

Members of the Management Board

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, 2009	March 31, 2008
Compensation paid to members of the Supervisory	0.32	0.32
Salairies and other short-term benefits	2.14	2.13
Benefits subsequent to employment - cost of services rendered	2.24	1.47
Severance indemnities	0.47	0.39
Effect of plan payouts / reductions	0.25	0.15
Cost in the period	**5.43**	**4.46**

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, 2009	March 31, 2008
Fees paid to companies sharing senior executives with Laurent-Perrier	0.15	0.08
Interest paid to members of the Supervisory Board monies deposited in current accounts	0.21	0.17
Cost in the period	**0.36**	**0.25**

4.28. Statutory Auditors' fees

Total fees paid to the Statutory Auditors in return for the legal verification of the consolidated financial statements amount to €235,000 for FY 2008/2009.

4.29. 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
SAS Laurent-Perrier Développement	32, avenue de Champagne 51150 Tours-sur-Marne	509 980 926	16.00	16.00
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	99.98	99.98
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 Switzerland	Chemin de la Vuarpillière 35 1260 Nyon 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**	**2007**	**2008**	**2009**
Sales		1.56	1.65	1.52
Release of amortisation and transfer of charges			0.02	
Other income		5.68	6.16	4.50
Total operating income		7.24	7.83	6.02
Purchase of goods				
Change in inventory (goods)				
Other purchases and external charges		(0.99)	(0.94)	(1.52)
Tax and similar payments		(0.13)	(0.13)	(0.14)
Wages and salaries	10	(0.80)	(1.09)	(1.21)
Social charges	10	(0.28)	(0.43)	(0.72)
Amortisation and depreciation		(0.02)	(0.02)	(0.02)
Provisions		0.00	0.00	(0.00)
Other expenses		(0.31)	(0.34)	(0.25)
Operating profit		**4.72**	**4.87**	**2.16**
Financial income		5.19	6.11	12.19
Financial charges		(5.45)	(4.32)	(7.59)
Net financial income	**11**	**(0.27)**	**1.79**	**4.60**
Current pre-tax profit		**4.45**	**6.66**	**6.75**
Extraordinary income		0.00	0.00	0.00
Extraordinary expenses		(0.00)	(0.00)	(0.01)
Extraordinary profit	**12**	**(0.00)**	**(0.00)**	**(0.01)**
Income tax	13	(1.93)	(1.14)	(0.15)
Employee profit-sharing				
Net income		**2.52**	**5.52**	**6.60**

Balance Sheet

	Periods ending March 31			
	Notes	2007	2008	2009
Assets		(€ million)		
Intangible assets		1.91	1.91	1.91
Tangible fixed		0.16	0.28	0.31
Long-term investments and loans		109.59	109.90	109.95
Other long-term investments				
Total fixed assets	**1 & 2**	**111.66**	**112.08**	**112.16**
Inventory and work in progress				
Trade receivables		0.29	0.01	0.05
Other receivables and related accounts	8	16.91	3.98	59.38
Marketable securities	3	1.29	6.44	5.71
Cash and cash equivalents		1.32	0.38	0.17
Prepaid expenses		0.02	0.02	0.05
Current assets		**19.83**	**10.83**	**65.35**
TOTAL ASSETS		**131.49**	**122.91**	**177.51**

	Periods ending March 31			
	Notes	2007	2008	2009
Liabilities		(€ million)		
Capital	4	22.59	22.59	22.59
Additional paid-in capital		21.80	21.80	20.63
Legal reserve		3.72	3.72	3.72
Statutory reserves		2.71	2.71	2.71
Special regulated reserves		5.46	5.46	6.63
Retained earnings		19.15	14.01	11.28
Net income		2.52	5.52	6.60
Regulated provisions		0.01	0.01	0.02
Total shareholders' equity	**4**	**77.96**	**75.82**	**74.18**
Other equity				
Contingency and loss provisions	**6**	**6.26**	**6.26**	**3.12**
Borrowing and financial debt	7	32.82	26.43	80.20
Trade payables and related accounts		0.47	0.40	0.32
Fiscal and social liabilities	8	5.68	1.60	0.30
Other liabilities and related accounts	8	8.30	12.40	19.38
TOTAL DEBT		**47.27**	**40.83**	**100.21**
TOTAL LIABILITIES		**131.49**	**122.91**	**177.51**

5.4. Notes to the consolidated financial statements for the period ended March 31, 2009

1. ACCOUNTING RULES AND METHODS

The consolidated financial statements are 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. The amount recorded does not therefore represent their intrinsic value. The costs of registering and renewing trademarks and research on trademarks have not been recorded as fixed assets since 1 April 2005. They are now 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 cost, or at their production cost.

Interest on specific loans for the production of fixed assets is not included in the production cost 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

Foreign currency transactions are translated into euros at the exchange rate prevailing on the date of the transaction. Foreign currency asset and liability balances are converted at the rate prevailing at the year-end closure date, and any resulting unrealised foreign exchange gains or losses are recorded in the balance sheet. Unrealised foreign currency losses are provisioned for risk.

2.5. Receivables

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

2.6. Contingencies and loss provisions

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

2.7. Pensions and other commitments to personnel

Pensions, 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 (PCU) method. The main actuarial assumptions used are as follows:

- a discount rate of 5.015%;
- 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
The company uses financial derivatives to operationally manage and hedge exchange rate and interest rate risk. The company does not use derivatives for speculative purposes.

2.9. 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.

2.10. 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 figures in € million.

NOTE 1 – Gross value of fixed assets
Breakdown of "Equity interests" item:

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	0.14		0.01		0.14
Other	1.90	0.05			1.95
Sub-total	**2.04**	**0.05**	**0.01**		**2.09**
Long-term investments and loans					
Equity interests	109.90	0.01			109.91
Other long-term financial assets	0.00	0.04			0.04
Sub-total	**109.90**	**0.05**			**109.95**
TOTAL	**113.91**	**0.11**	**0.01**		**114.00**

Champagne Laurent-Perrier	2,900,289 shares	54.98
A.S. (Salon+Delamotte)	181,519 shares	9.86
Champagne de Castellane	94,763 shares	3.44
Grands Vignobles de Champagne	16,634 shares	1.39
Château Malakoff	2,660 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	59 units	0.31
		109.91

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		(0.01)		0.11
Other	1.65	0.02			1.67
Sub-total	**1.77**	**0.02**	**(0.01)**		**1.78**
Long-term investments and loans					
Equity interests					
Other LT financial assets					
Subtotal					
TOTAL	**1.83**	**0.02**	**(0.01)**		**1.84**

NOTE 3 – Marketable securities

At March 31, 2009, marketable securities totalled €5.71 million and included 67,997 treasury shares held under a stock options plan in the amount of €5.36 million (including 21,150 shares with a small probability that they will be exercised by March 31, 2009) and 8,831 shares held under a market-making contract for a total amount of €0.35 million. During the financial year, 28,895 treasury shares were acquired for a consideration of €2.55 million, and 19,165 were sold for a total of €0.55 million.

The book value of those shares that had a low probability of exercise at the time of closure was compared with the average share price during the last 20 trading sessions immediately preceding the end of the financial year. Because this average price of €38.18 was lower than the cost price, an impairment provision of €1.27 million was recorded.

	At March 31	
Gross values	**2008**	**2009**
Treasury shares owned under stock options plan	5.84	6.63
Market making contract	0.73	0.35
TOTAL	**6.57**	**6.98**

	Opening balance	Provisions	Reversals	Closing balance
Provisions for impairment				
Treasury shares with low exercise probability and market making	0.13	1.14		1.27
TOTAL	**0.13**	**1.14**	**0.00**	**1.27**

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

The share capital comprises 5,945,861 shares with a nominal value of 3.80 euros.

Changes to shareholders' equity were as follows:

Amount at March 31, 2008	**75.82**
Net increase in capital	
Income for the financial year	6.60
Dividends	(8.24)
Amount at March 31, 2009	**74.18**

NOTE 5 - Stock 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	6,234	€27.66
Plan N°8	25.03.03	26.03.07	7,613	€29.78
Plan N°9	30.03.04	31.03.08	14,250	€28.71
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

NOTE 6 - Contingencies and loss provisions

	Opening balance	Provisions	Writebacks	Closing balance
Type of provisions				
Stock option risk	6.26	0.00	(3.14)	3.12
Other	0.00			0.00
TOTAL	**6.26**	**0.00**	**(3.14)**	**3.12**

The provision for stock option risk corresponds to the difference between 1) the price of stock options granted to employees, and 2) the net accounting 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 the last day of the financial year, ie, March 31, 2009.

NOTE 7 – Borrowings and financial debts

financial debt	Total	Less than one year	1-5 years	More than five years
	80.20	6.90	24.50	48.8

The company has taken out mid-term variable rate loans for a total of €60 million. Interest rates on the loans have been hedged for a total of €10 million for a fixed rate of 3.94% maturing on 21 October 2012. Hedges previously taken out are due for €8 million, maturing on 13 February 2012.

NOTE 8 – Other receivables and other debts

Other receivables can be broken down as follows:

	At March 31	
Other receivables	**2008**	**2009**
Subsidiaries -Tax consolidation	2.06	1.88
State - corporate income tax prepayment		2.63
Current accounts (Group companies)	1.70	54.82
Other	0.22	0.05
TOTAL	**3.98**	**59.37**

Most of the mid-term loan (see Note 7) has been registered in the current account of the Champagne Laurent-Perrier subsidiary. This explains the €54.82 million increase in the "Current Accounts – Group Companies" item.

Other payables include the following:
Fiscal and social payables, other debt and adjustment accounts

	At March 31	
Other payables	**2008**	**2009**
Owed to personnel	0.16	0.23
Social bodies	0.15	0.20
State - VAT and other taxes	0.15	(0.20)
State - Corporate income tax	1.06	0.00
Subsidiaries - Tax consolidation	0.43	3.75
Current accounts - Group companies	0.59	0.63
Current accounts - Shareholders	11.26	13.35
Other	0.20	1.73
TOTAL	**14.01**	**19.68**

All these other receivables and payables are due at less than one year.

NOTE 9 – Other information relating to the balance sheet

Balance sheet items	**Amounts concerning affiliates**	**Accrued expenses**
Equity interests and related payables	109.90	
Trade receivables and related accounts	0.02	
Other receivables	56.70	
Loans from credit institutions		
Other borrowing and debt		
Trade payables and related accounts		0.21
Tax and social security liabilities		0.33
Other liabilities	4.38	0.01

NOTE 10 – Personnel expenses

Company personnel costs (including social security contributions) amounted to €1.93 million compared with €1.52 in the previous financial year.

At March 31, 2009 the workforce stood as follows:

Workforce	At 31 March 2008	At 31 March 2009
Managerial	6	8
Supervisory	1	1
Clerical	5	5
Operatives	2	2
TOTAL	**14**	**16**

NOTE 11 – Financial income and expenses
Financial income was positive and can be broken down as follows:

	Periods 2007-2008	Periods 2008-2009
INCOME		
Dividends received	5.60	6.74
Sundry financial income	0.51	2.31
Provision writebacks		3.14
EXPENSES		
Provisions	-0.14	-1.14
Interest and similar charges	-1.89	-4.76
Net expenses on disposal of investment securities	-2.29	-1.69
TOTAL	**1.79**	**4.60**

The reversal of provisions corresponds to stock option risk (Note 6).
The provision covers impairment of marketable securities (Note 3).

NOTE 12 – Extraordinary income and expenses
The €5,000 expense corresponds to an allowance for accelerated depreciation.

NOTE 13 - 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.

Breakdown of tax between current pre-tax profit and extraordinary profit	€ million	Company tax € million	%
Current pre-tax profit	6.75	0.19	3%
Extraordinary income	(0.01)	0.00	0%
Corporate income tax	(0.19)		
Tax consolidation: saving (payable) on corporate income tax	0.04	(0.04)	
Net income	**6.60**	**0.15**	**2%**

NOTE 14 – 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 €0.13 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 €1.36 million.

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

SUBSIDIARIES AND AFFILIATES

	Financial information			
Detailed information on each subsidiary and affiliate subject to disclosure obligations in which the Group owns more than 1%	**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	€ 122,181,734	99.00	€ 12,515,778
Société A.S.	€ 698,638	€ 18,492,862	98.73	€ 2,777,895
SA Château Malakoff	€ 5,865,200	€ 17,459,632	99.70	€ 790,357
SCEA des Côteaux du Barrois	€ 253,840	€ 54,924	50.96	€ 45,311
SCEA des Côteaux de Charmeronde	€ 466,640	€ 88,013	51.14	€ 69,662
SCA des Coteaux de Courteron	€ 116,128	€ 43,051	51.05	€ 42,708
SCEV des Grands Monts	€ 132,000	€ 27,857	51.15	€ 25,589
Sté civile de Chamoé	€ 246,240	€ 7,147	100.00	€ 6,419
Sté civile Cuvilliers	€ 3,450	€ 9,351	99.57	€ 9,295
SC des Côteaux de La Louvière	€ 34,500	€ 10,287	50.44	€ 9,724
SC Dirice	€ 9,600	€ 64,321	100.00	€ 7,821
2. AFFILIATES (BETWEEN 10% AND 50% OWNED)				
Champagne de Castellane	€ 9,162,821	€ 16,620,270	15.76	€ 4,361,314
Grands Vignobles de Champagne	€ 1,145,713	€ 4,611,072	22.13	€ 485,346

General information on all subsidiaries and affiliates	**Subsidiaries**		**Affiliates**	
	French	**Foreign**	**French**	**Foreign**
Book value of shares held				
- Gross	105,072,933		4,830,116	
- Net	105,072,933		4,830,116	
Loans and advances granted	54,671,810	0	0	
Guarantees given				
Dividends received	6,742,387			

5.5. Results of the past five financial years

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

€ 000s	01.04.2008 to 31.03.2009	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
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)	1,522	1,646	1,555	1,388	1,321
• Pre-tax income, before employee profit sharing, amortisation and provisions	5,013	6,815	8,157	6,048	6,971
• Corporate income tax	152	1,138	1,928	(376)	937
• Employee profit-sharing for the financial year					
• After-tax income, including employee profit sharing, amortisation and provisions	6,595	5,516	2,523	5,697	5,667
• Income distributed to shareholders	8,239	7,669	5,915	4,346	3,854
Earnings per share (€)					
• Earnings after taxes and employee profit sharings but before depreciation, amortisation and provisions	0.82	0.95	1.05	1.08	1.01
• Earnings after employee profit sharing, taxes, depreciation, amortisation and provisions	1.11	0.93	0.42	0.96	0.95
• Dividend per share[1]	€ 1.400	€ 1.300	€ 1.000	€ 0.999	€ 0.999
Workforce					
• Average number of employees	14	13	14	13	13
• Total payroll[2]	1,211	1,092	795	873	751
• Amounts paid out in benefits (social security, benefits, etc.)[2]	718	432	278	646	634

(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 of the statutory auditors on the parent company financial statements

5.6.1. Statutory Auditors' Report on the financial statements

(Year ended March 31, 2009)

"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. The statutory auditors' report includes information specifically required by French law in all audit reports, whether qualified or not, and this is presented below the opinion on the financial statements. This information 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 financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the 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
BP 3
51150 Tours-sur-Marne

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended March 31, 2009, on:
• the audit of the accompanying financial statements of Laurent-Perrier SA;
• the justification of our assessments;
• the specific verifications and information required by law.
These financial statements have been approved by your Management Board. Our role is to express an opinion on these financial statements based on our audit.

I - Opinion on the financial statements
We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
In our opinion, the financial statements give a true and fair view of the financial position and assets and liabilities of Company, as of March 31, 2009, and of the results of its operations for the year then ended in accordance with the accounting rules and principles applicable in France

II – Justification of our assessments
In accordance with the requirements of article L.823-9 of the Commercial Code relating to the justification of our assessments, we bring to your attention the following matter:
• 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 assessments were made in the context of our audit of the financial statements, taken as a whole, and therefore contributed to the formation of the opinion expressed in the first part of this report.

III - Specific verifications and information
We have also performed the specific verifications required by law.
We have no matters to report regarding:
• the fair presentation and the conformity with the financial statements of the information given in the management report of the Management Board, and in the documents addressed to the shareholders with respect to the financial position and the financial statements;

• the fair presentation of the information provided in the management report of the Management Board in respect of remuneration granted to certain company officers and any other commitments made in their favor in connection with, or subsequent to, their appointment, termination or change in function.

In accordance with the law, we have verified that the management report contains the appropriate disclosures regarding the identity of shareholders.

Neuilly-sur-Seine and Reims, June 3, 2009

The Statutory Auditors

PricewaterhouseCoopers Audit
Christian Perrier

Philippe Venet et Associés
Philippe Venet

5.6.2. Statutory Auditors' Report on the consolidated financial statements

(Year ended March 31, 2009)

"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
BP 3
51150 Tours-sur-Marne

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended March 31, 2009, on:
• the audit of the accompanying consolidated financial statements of Laurent-Perrier SA;
• the justification of our assessments;
• the specific verification required by law.
These consolidated financial statements have been approved by your Management Board. Our role is to express an opinion on these consolidated financial statements based on our audit.

I - Opinion on the consolidated financial statements
We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at March 31, 2009 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II – Justification of our assessments
In accordance with the requirements of article L.823-9 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters::
• 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.

These assessments were made in the context of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III - Specific verification
As required by law we have also verified the information given in the Group's management report.

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

Neuilly-sur-Seine and Reims, June 3, 2009

PricewaterhouseCoopers Audit
Christian Perrier

Philippe Venet et Associés
Philippe Venet

5.7. Special report of the statutory auditors on related party agreements

Year ending March 31, 2009

"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 users. 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
BP 3
51150 Tours-sur-Marne

Dear Shareholders,

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

I - Authorised agreements during the financial year
Pursuant to article L.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 R.225-58 of the French Commercial Code, to appreciate the usefulness of these agreements before approving them.
We have applied our audit in compliance with the professional standards applying in France which requires 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 27 May 2008, your Supervisory Board authorised the following agreements:

Amendment to the Mangement Assistance contract

On April 24, 1997 Laurent-Perrier and its subsidiaries signed a Management Assistance contract. Following changes to the Laurent-Perrier Group it has proved necessary to update the details of this assistance contract.

It was as a result of this that Laurent-Perrier and its subsidiaries decided to meet to draw up together the content of an amendment to the Management Assistance contract.

Aim: update the services rendered by the holding company to its subsidiaries.
Remuneration: update the levy paid by each subsidiary to the holding company, viz.:

- With Champagne de Castellane: €60,000
- With A.S.: €60,000
- With Château Malakoff: €50,000

At its meeting on 17 March 2009, your Supervisory Board authorised the following agreements:

Amendments to Management Assistance contracts with Champagne de Castellane and Château Malakoff

Following the partial tendering of assets through which Château Malakoff transferred its independent unit for the production and sale of champagne to Champagne de Castellane, it became necessary to update the information in the Management Assistance contracts binding Laurent-Perrier on the one hand and Château Malakoff and Champagne de Castellane on the other.
As a result of these amendments, Champagne de Castellane shall pay this levy to Laurent-Perrier on March 31 of each year and for the first time on March 31 2009 for the period running from 01 January 2009 to 31 March 2009. The Management Assistance contract with Château Malakoff was terminated from 01 January 2009. These amendments led to the following changes in full-year invoicing:

Services invoiced	Before partial asset transfer	After partial asset transfer
Château Malakoff	50	0
Champagne de Castellane	60	110
Total	110	110

Mesdames Claude de Nonancourt and Stéphanie Meneux, Messrs Bernard de Nonancourt, Yves Dumont and Stéphane Tsassis are concerned by these agreements.

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 a 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. The pension is payable only to Management Board members taking retirement.
A payment of €164,533 was made in respect of this plan in the financial year just ended.

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 €121,865 exclusive of VAT for the financial year just ended, of which €40,000 for non-recurring travel and assignments.

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 euros and €114,000 euros in rent.

Continuation of the agreement for the use of Champagne Laurent Perrier premises and services.
For the 2008-2009 financial year, Champagne Laurent Perrier billed €45,732 (exclusive of VAT) to your company in respect of rent and services.

• *Management Assistance contract*
After implementing synergies, Champagne Laurent-Perrier provides administrative, accountancy, IT and information services for Laurent-Perrier, as well as human resources management services.
A total of €80,000 euros (exclusive of VAT) was billed for these.

• *Continuation of Management Assistance contract*
In exchange for sundry services provided by Laurent-Perrier to Champagne Laurent-Perrier with respect to strategy, legal affairs, claims & disputes, public relations, general Group promotion, defence of the Laurent-Perrier image, budget and forecasting, etc., an annual fee of €1,160,000 (exclusive of VAT) was billed.

• *Continuation of payment of brand royalties*
Payment of brand royalties under the December 14, 1990 licensing agreement amended on December 2, 1992, and effective on January 1, 1993, continued. The total amount paid for the financial year ended March 31, 2009 came to €4,488,084 exclusive of VAT.

4 - With the seven private vineyard property companies (sociétés civiles de vignobles)

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

5 - 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 coordinated 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 a rate equal to the maximum fiscally deductible rate at March 31, 2009 of 6.30%.
Under the terms of the agreement, current accounts carried the following interest over the period:

	Interest paid €	Interest rec. €	Rate %
Champagne Laurent-Perrier		2,232,768	EURIBOR + 0.60 %
Grands Monts SCEA	4,002		6.30 %
Côteaux de Charmeronde SC	12,695		6.30 %
Côteaux du Barrois SC	7,731		6.30 %
Côteaux de la Louvière SC	1,844		6.30 %
Chamoé SC	7,401		6.30 %
Côteaux de Courteron SC		4,907	6.30 %
ASN SC	611,217		6.30 %
Dirice SA		43,171	EURIBOR + 0.60 %

6 - Current account agreements with Mr and Madame Bernard de Nonancourt

Their current accounts have credit balances of respectively €2,172,290 and €1,317,754 as at March 31, 2009, and generate interest of 6.30%. Interest for the 2008/2009 financial year totalled €134,611 and €77,967 respectively.

Reims and Neuilly-sur-Seine, 3 June 2009

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, 2009

	PricewaterhouseCoopers Audit				PVA			
	Amount (ex-VAT)		%		Amount (ex-VAT)		%	
	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
Audit								
Statutory auditing, certification auditing of individual and consolidated accounts								
Issuer	43,300	41,600	35 %	32 %	32,000	30,700	28 %	28 %
Fully-consolidated subsidiaries	80,000	87,059	65 %	68 %	81,000	78,600	72 %	72 %
Other activities and services directly related to the statutory auditor's remit								
Issuer								
Fully-consolidated subsidiaries								
Subtotal	**123,300**	**128,659**	**100%**	**100 %**	**113,000**	**109,300**	**100 %**	**100%**
Other services rendered by the networks to fully-consolidated subsidiaries								
Legal, fiscal, social	8,405	0	100 %					0,0 %
Others (specify if →10% of audit fees)								0,0 %
Subtotal	**8,405**	**0**	**100 %**	**0 %**	**0**	**0**	**0 %**	**0 %**
TOTAL	**131,705**	**128,659**	**100 %**	**100 %**	**113,00**	**109,300**	**100 %**	**100 %**

Amounts in foreign currencies have been converted at the average exchange rate for the accounting period.

6 JOINT SHAREHOLDERS' MEETING, JULY 8, 2009

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, 2009 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, 2009 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, 2009;
5. Examination and approval of the Company's financial statements and consolidated financial statements for the financial year ended March 31, 2009;
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 one member of the Supervisory Board;
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 , for a period of twenty-six (26) months, to issue with the maintenance of pre-emptive shareholders' rights, various types of securities or warrants giving immediate or future access to the Company's capital stock, for a nominal maximum amount of ten million (10,000,000) euros (stocks) and one hundred and fifty million (150,000,000) euros (debt securities);
15. Authorisation and powers granted to the Management Board, for a period of twenty-six (26) months, to issue with the suppression of pre-emptive shareholders' rights, various types of securities or warrants giving immediate or future access to the Company's capital stock, for a nominal maximum amount of ten million (10,000,000) euros (stocks) and one hundred and fifty million (150,000,000) euros (debt securities);
16. Authorisation and powers granted to the Management Board, for a period of twenty-six (26) months, to increase the Company's capital stock by incorporation of reserves, income or premiums, for a nominal maximum amount of ten million (10,000,000) euros ;

17. Authorisation and powers granted to the Management Board, to use the authorisations to increase the Company's capital stock mentioned above and concerning Company securities during a period of public offers of purchase and/or exchange;
18. Authorisation and powers granted to the Management Board, for a period of twenty-six (26) months, for an increase in the Company's capital stock reserved for the persons concerned by article L 443-5 of the French Labour Law;
19. Authority granted to the Management Board to issue share options as part of plans concerned by articles L 125-177 and seq. of the French Commercial Code;
20. Authorisation and powers granted to the Management Board to issue bonus shares in the framework of the provisions of articles L 225-197-1 et seq. of French Commercial Code
21. 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, 2009 and the consolidated financial statements prepared by the Management Board for the financial year ended March 31,2009 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, 2009 of €6,594,715.57 as follows.

Appropriation of net income:

Net income for the financial year:	€6,594,715.57
Retained earnings brought forward from previous years:	€11,283,610.48
Total available for appropriation:	€17,878,326.05
From the total available, the payment of: as dividends to shareholders (*).	€4,871,297.39
The new amount to be transferred to "retained earnings" is:	€13,007,028.66

The dividend payable for the financial year is 0.83 € 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 23, 2009.

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 76,828 Laurent-Perrier shares held by the Company as at 31.03.2009, 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 €6,981,937.88 corresponding to the carrying value of the 76,828 treasury shares owned by the Company as at 31 March 2009 must be stated in the "Treasury share reserve" account. To match this amount, an additional sum of €411,105.23 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 €20,572,864.42 to €20,161,759.19.

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

Financial Year	Dividend per share (€)
2005-2006	1.00
2006-2007	1.30
2007-2008	1.40

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 €158,340, 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 of Mr Yann Duchesne is about to expire, renews his mandate for a further period of six years, until the General Shareholders' Meeting convened in 2015 to approve the accounts of the financial year ending March 31, 2015.

Eighth 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 €100.

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 €51,717,200.
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 9, 2008.

RESOLUTIONS PRESENTED AT THE EXTRAORDINARY SHAREHOLDERS' MEETING

Ninth 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.

Tenth resolution

The General Shareholders' Meeting, having reviewed the report of the Management Board and the special report of the Statutory Auditors, subject to the powers conferred by the Company's by-laws to the Supervisory Board, and in compliance with the conditions set forth in the French Commercial Code (and in particular paragraph 3 of article L 225-129 et seq.):

1. authorises the Management Board and delegates the necessary powers in that regard to increase Company's share capital, on one or more occasions, in proportions and at times it deems appropriate, on the French and/or international markets, through the issue of shares and all other marketable securities, conferring present future rights to a percentage of the Company's share capital, with the exception of preferred shares, by subscription, conversion, exchange, reimbursement, presentation of a warrant or any other procedure, at any time or on a fixed date;

2. decides that the amount of the increase in capital stock that may be realised immediately and/or in the future by virtue of the delegation specified in point 1 above, cannot, subject to point 3 below, exceed the

overall nominal amount of ten million (10,000,000) euros;

3. decides that the amount stipulated in point 2 above, if applicable, may be increased as much as might be necessary for the increase in capital stock linked to the adjustment of the rights of certain bearers of securities in the case of new financial operations, in order to protect the rights of the said bearers in compliance with applicable legal conditions;

4. decides also that the global nominal amount of issues of debt securities giving access to the Company's capital may not exceed one hundred and fifty million (150,000,000) euros or the equivalent thereof in foreign currency;

5. decides that the Shareholders:
- may exercise their pre-emptive right to subscribe to a fixed number of shares according to the conditions stipulated by law;
- may, furthermore, subscribe to a number of excess shares and securities greater than the number they may subscribe to on the basis of exact rights, under the conditions set forth in the law, which they may take in proportion to their subscription rights and, in any case, within the limit of their requests. The Management Board will nevertheless maintain the right to waive said shareholders' rights to additional shares.

- The Management Board may, if a fixed number of shares, and if applicable, an additional number of shares, has not taken up the entire issue of shares or securities as defined above, use one or several of the following measures at its discretion and in the order it deems fit:
- to limit the amount of the subscriptions with the proviso that they must attain at least three quarters of the issue decided upon;
- or freely distribute all or part of the securities not taken up;
- or offer these publicly, in whole or in part;

6. notes that, where appropriate, the delegation concerned by this present resolution legally implies that shareholders waive their preferential right of subscription to the shares which these securities entitle them to for the benefit of all holders of securities likely to be issued and giving future access to Company stock;

decides expressly that warrants for Company shares, by virtue of article L 228-95 of the French Commercial Code, may be issued either by subscription as described above, or by granting free shares to the bearers of existing shares;

hereby expressly abolishes the pre-emptive rights of shareholders to shares to be issued in exchange for convertible bonds or those taken up under warrants;

7. decides that the amount due or becoming due to the Company for each of the shares issued in the framework of the present delegation will be at least equal to the par value of the shares;

8. confers full powers on the Management Board, with the possibility of sub-delegation to its Chairman under the applicable legal conditions, to implement the said delegation, and in particular:
- to determine the dates, conditions and arrangements for issuing these securities, and to set the terms and the characteristics of the securities to be issued;
- to determine the issue price and in particular the amount of the premium, each time it exercises the present delegation;
- to set the amounts to be issued and the date of possession, even backdated, of the securities to be issued;
- to determine the method of payment for shares or other securities;
- if applicable, to set the conditions for their buy-back on the stock market;
- to consider the possibility of suspending exercise of the rights attached to securities for a maximum period of three (3) months;
- to determine the arrangements whereby the rights of the bearers of securities granting access to the legal capital are safeguarded, in accordance with the applicable legal conditions;
- further resolves that the Management Board or by sub-delegation, its Chairman, shall be entitled to proceed, where appropriate, to charge all costs to the issue premiums, in particular the costs incurred in carrying out these issues, and to take all necessary steps, sign all instruments or enter into any and all agreements necessary to complete the issues successfully, record the resulting increases in the capital, and to make the corresponding amendments to the by-laws;
- resolves that, in the case of issues of debt securities giving access to the legal capital, the Management Board shall have full powers, with the possibility of sub-delegation to its Chairman, to decide in particular whether these issues are subordinated or not, set their interest rate and maturity, the fixed or variable price for their reimbursement with or without premiums, the methods for redeeming them at market conditions, the conditions under which these securities confer rights to Company shares and the other terms and conditions of the securities;

9. decides that the present delegation cancels all previous delegations concerning immediate and/or future issues of Company shares; pre-emptive rights to subscriptions shall be maintained;

10. decides that the delegation conferred on the Management Board may be exercised for a period of twenty-six (26) months from the date of the present General Meeting of Shareholders.

Eleventh resolution

The General Shareholders' Meeting, having attained the quorum and majority applicable at Extraordinary Shareholders' Meetings, and after reviewing the report of the Board of Directors and the special report of the Statutory Auditors, subject to the powers conferred by the Company's by-laws on the Supervisory Board, and in accordance with the conditions set forth in the French Commercial Code (and in particular, articles L 225-129 et seq. and articles L 225-150 and L 228-93):

1. authorises the Management Board and delegates the necessary powers in that regard to proceed once or several times on the French and/or international markets, in the proportions and at the time it deems appropriate, to increase the Company's capital by issuing:
   a) shares and all other types of securities, including warrants, conferring present or future rights to a percentage of the legal capital, by subscription, conversion, exchange, reimbursement, presentation of a warrant or any other procedure, at any time or on a fixed date, with the notable exception of preferred shares, with the proviso that the said securities can be issued to remunerate securities tendered to the Company within the framework of public offers of exchange, according to the conditions set forth in article L 225-148 of the French Commercial Code;
   b) and/or the securities specified below, following the issue by a company in which the Company directly or indirectly holds more than one half of the capital:
      - bonds with attached warrants for Company shares;
      - Company shares or all other types of Company securities (shares and investment securities), including straight warrants, conferring present or future rights by subscription, conversion, exchange, reimbursement, presentation of a warrant or any other procedure at any time or on a fixed date, to a percentage of the Company's share capital, with the notable exception of preferred shares;

2. resolves that the amount of any capital increases that may be realised immediately and/or in the future by virtue of the delegation specified in point 1 above may not, subject to points 3 and 5 below, increase shareholders' equity by an overall nominal amount of more than ten million (10,000,000) euros;

3. resolves that the amount defined in point 2 above, if applicable, should be increased by as much as is necessary for the capital increase decided to adjust the rights of certain bearers of securities in the event of new financial transactions in order to protect the said bearers in accordance with applicable legal conditions;

4. resolves also that the global nominal amount of issues of debt securities giving access to the Company's share capital may not exceed one hundred and fifty million (150,000,000) euros or the cash equivalent in foreign currency;

5. resolves to limit the amounts set in points 2 and 4 above to the unused fraction of the respective ceilings set by the preceding resolution;

6. resolves to waive the pre-emptive rights of shareholders to subscribe to any Company securities issued under this resolution, it being understood that the Management Board may confers on shareholders the right to subscribe preferentially to all or part of the issue, for a period and according to the arrangements it sets in accordance with the provisions of article L 225-135 paragraph 2 of the French Commercial Code;

7. resolves that this priority for subscription shall not lead to the creation of negotiable rights but may, if the Management Board so decides, be exercised for a fixed or additional amount, with the stipulation that, at the end of the priority period, the securities not subscribed will be sold as part of a public offering;

8. resolves that if shareholders and public subscriptions have not taken up the entire issue of shares or securities as defined above, the Management Board may at its own discretion and in the order it deems fit apply one or more of the following measures:
   - limit the issue to subscriptions with the proviso that they must attain at least three-quarters of the issue decided upon;
   - freely distribute the securities not taken up;

9. notes that, where appropriate, the delegation concerned by this present resolution legally implies that shareholders waive their preferential right of subscription to the shares which these securities entitle them to for the benefit of all holders of securities likely to be issued and giving future access to Company stock;

10. hereby expressly abolishes the pre-emptive rights of shareholders to shares to be issued in exchange for convertible bonds or those taken up under warrants; resolves that the amount due or becoming due to the Company for each of the shares issued in the framework of the present delegation will, in the event of an issue of warrants, after allowing for the issue price of the said warrants, be at least equal to the minimum provided for by the applicable legal provisions;

11. confers full powers on the Management Board, with the possibility of sub-delegation to its Chairman under the applicable legal conditions, to implement the said delegation, and in particular:
- to determine the dates, conditions and arrangements for issuing these securities, and to set the terms and the characteristics of the securities to be issued, in agreement, where appropriate, with the competent bodies of the other companies concerned;
- to determine the issue price and in particular the amount of the premium, each time it exercises the present delegation;
- to set the amounts to be issued and the date of possession, even backdated, of the securities to be issued;
- to determine the method of payment for shares or other securities;
- where appropriate, to set the conditions for their buy-back on the stock market;
- to consider the possibility of suspending exercise of the rights attached to securities for a maximum period of three (3) months;
- to determine the arrangements whereby the rights of the bearers of securities granting access to Company capital are safeguarded, in accordance with the applicable legal conditions;
- further resolves that the Management Board or by sub-delegation, its Chairman, shall be entitled, where appropriate, to charge all costs to the issue premiums, in particular the costs incurred in carrying out these issues, and to take all necessary steps, sign all instruments or enter into any and all agreements necessary to complete the issues successfully, record the resulting increases in the capital, and to make the corresponding amendments to the by-laws;
- resolves that, in the case of issues of debt securities giving access to Company capital, the Management Board shall have full powers, with the possibility of sub-delegation to its Chairman, to decide in particular whether these issues are subordinated or not, set their interest rate and maturity, the fixed or variable price for their reimbursement, with or without premiums, the methods for redeeming them at market conditions, the conditions under which these securities confer rights to Company shares and the other terms and conditions of the securities;

12. decides that the present delegation cancels all previous delegations concerning immediate and/or future issues of Company shares where pre-emptive rights to subscription are abolished and the power to define a priority period is conferred;

13. decides that the delegation conferred on the Management Board may be exercised for a period of twenty-six (26) months from the date of the present General Shareholders' Meeting.

Twelfth resolution

1. The General Shareholders' Meeting, having reviewed the report of the Management Board, and meeting the quorum and majority requirements for Extraordinary General Meetings of Shareholders, and subject to the powers conferred by the Company by-laws on the Supervisory Board, grants the Management Board, for a period of twenty-six (26) months from the date of the present meeting, full powers to increase Company capital, on one or more occasions, when it deems appropriate, by incorporation of reserves, income or premiums to be achieved by the creation and allocation of free shares or to increase the nominal value of existing shares, or a combination of the two.

2. The Shareholders' General Meeting authorises the Management Board to decide that fractional shares shall not be negotiable and that the corresponding shares will be sold. The amounts generated by the sale will be allocated to share owners no later than thirty (30) days after the date on which the entire number of securities attributed to them is registered in their account.

3. The capital increase to be realised within the framework of the present resolution shall not exceed the nominal amount of ten million (10,000,000) euros. This amount shall not be allocated but shall be added to the amounts set in points 2 and 4 of the tenth and eleventh resolutions above.

4. The General Shareholders' Meeting hereby grants full powers to the Management Board with the possibility of sub-delegation to its Chairman under the applicable legal conditions, in particular to determine the dates and the arrangements for these issues, their amount and the nature of the sums to be incorporated into the capital, the price and the conditions of the issues and, more generally, to take all necessary steps to complete such issues, to carry out all necessary operations and formalities to this effect, to report on the corresponding capital increase or increases, and to proceed to the correlative modification of Company by-laws.

Thirteenth resolution

The General Shareholders' Meeting, 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 by the present General Shareholders' Meeting in the tenth, eleventh and twelfth resolutions above during periods of public offerings to buy and/or exchange Company shares, in order to increase the legal capital by all available legal means according to the conditions set out in the said resolutions.

Fourteenth resolution

The General Shareholders' Meeting, having heard the report of the Management Board and the special report of the Statutory Auditors, and subject to the powers conferred on the Supervisory Board by the Company by-laws, and in accordance with the conditions laid down in paragraphs 1 and 2 of article L 225-129 VII the French Commercial Code, amended by the Law passed on February 19, 2001 relative to employee savings schemes, hereby:

1. authorises the Management Board and delegates to it the necessary powers in that regard, to proceed on one or more occasions , in the proportions and at the time it deems appropriate, and in application of the authorisations granted under the tenth, eleventh, twelfth and thirteenth resolutions above, to increase the Company capital by issuing shares in the Company reserved for those persons enumerated in article L 443.5 of French Labour Law effectively stipulating a capital increase reserved for employees, in cases where Company employee share ownership accounts for less than 3% of the capital;

2. resolves that the increase in the Company's share capital by virtue of the delegation described in point 1 above, subject to point 3 below, may not increase Company capital by more than a nominal ten million (10,000,000) euros;

3. resolves to set a limit on the amounts specified in point 2 above to the unused fraction of the ceilings respectively set in the tenth, eleventh and twelfth resolutions above;

4. recognises that the delegation referred to in the present resolution legally requires shareholders to waive their right of pre-emptive subscription in favour of Company employees;

5. resolves that the Management Board shall have full powers with the possibility of sub-delegation to its Chairman under the applicable legal conditions to implement the said delegation, and in particular:
   - to determine the dates, conditions and arrangements for issuing these securities;
   - to determine, each time it exercises the said delegation, the issue price, and the amount of the premium in particular, it being specified in accordance with the provision of article L 443-5 of French Labour Law (amended by the above-mentioned Law passed on February 19, 2001) that this price shall not be higher than the average price quoted on the Stock Market for the last twenty (20) trading days preceding the date on which the Management Board decides to open subscriptions; nor may the price be less than 20% of the above-mentioned average (or 30% in the cases set out in the above-mentioned article L 443.5 of French Labour Law;
   - to set the amounts to be issued and the date of possession, even backdated, of the securities to be issued;
   - to determine the method of payment of shares or other securities;

   Further resolves that the Management Board or by sub-delegation, its Chairman, shall be entitled, where appropriate, to charge all costs to the issue premiums, in particular the costs incurred in carrying out these issues, and to take all necessary steps, sign all instruments or enter into any and all agreements necessary to complete the issues successfully, record the resulting increases in the capital, and to make the corresponding amendments to the by-laws.

6. resolves that the delegation conferred on the Management Board may be exercised for a period of twenty-six (26) months from the date of the present General Shareholders' Meeting.

Fifteenth resolution

The General Shareholders' Meeting, having heard the report of the Management Board and the report of the Statutory Auditors, authorises the Management Board, pursuant to articles L 225-177 to L 225-186 of the French Commercial Code, to grant Company stock options to:

- Officers holding management positions within the Company and/or any entity in which the Company holds more than a ten per cent (10%) direct or indirect stake and more than ten per cent (10%) of the voting rights;
- One or more salaried employees of the Company and/or of any entity in which the Company holds more than a ten per cent (10%) direct or indirect stake and more than ten per cent (10%) of the voting rights.

Said authorisation shall expire thirty-eight (38) months from the date of this General Shareholders' Meeting. Until that time, the Management Board may exercise the authorisation freely one or more times.

The total number of Company shares eligible for distribution as Stock Options under the present authorisation shall not exceed 210,000 Stock Options. It follows therefore that the number of Stock Options that the Management Board may allocate to beneficiaries during the 38 months of the present authorisation may not exceed 210,000 Stock Options.

Stock Options may not be exercised by their holders until four (4) years after their date of granting. However, the Shareholders' Meeting gives the Management Board specific authority to change the four (4) year period if it believes this is necessary in the light of change in the fiscal regime governing the Stock Options.

Stock Options expire ten (10) years after they are granted and then may no longer be exercised.

The exercise price of Stock Options (the "Exercise Price" of the "Available Shares") shall be set by the Management Board but may not be less than the average quoted share price over the twenty (20) trading days prior to the date on which the Stock Options were granted.

The Exercise Price shall however be amended as and if required by applicable law, and respecting the present provisions.

The Management Board is therefore granted full authority, subject only to applicable legal requirements, the by-laws and the resolutions of this Shareholders' Meeting, to grant the Stock Options authorised under this Resolution, and to decide the conditions for such granting and in particular to:

- decide whether or not to grant Stock Options in one or more times;

- decide on the beneficiaries and the number of shares in the Company each beneficiary may acquire, and in particular and as necessary to decide on the terms and conditions applying: jobs, titles, duties and achievement of personal and collective targets by beneficiaries;

- decide on the Exercise Price for each beneficiary and if necessary to adjust that price and/or the number of Available Shares;

- decide any conditions the beneficiaries may have to fulfil before they can exercise their Stock Options, e.g. jobs, titles, duties, exercise date, achievement of personal or collective targets, full or partial exercise, conditions precedent etc.;

- set the participating date of shares acquired;

- if necessary prohibit the immediate resale of shares acquired by the exercise of Stock Options. Such prohibitions may not exceed three (3) years as of the date the option is exercised;

- implement Stock Options plans in compliance with applicable legal requirements and more generally to decide on and carry out all transactions and formalities needed for the purpose.

Sixteenth resolution

Voting in accordance with the quorum and majority voting rules applicable to Extraordinary Shareholders' 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 pursuant to the conditions set out in articles L 225–197–1 to L 225–197–5 of the French Commercial Code to allocate existing or to-be-issued bonus shares in the Company in one or more transactions for the benefit of waged company employees or for selected categories of such and/or for the benefit of the company executives identified in article L 225–197–1 II of the said Commercial Code, and also for the benefit of waged employees and executives of companies or economic interest groupings linked to the said Company pursuant to the conditions set out in article L 225–197–2 of the said Commercial Code

Decides that the total number of shares that may be allocated shall not exceed one point seven per cent (1.7%) of the share capital, this percentage being calculated to include the said bonus shares allocated and/or issued;

The General Shareholders' Meeting authorises the Management Board, either alternatively or cumulatively, within the same limits as set out in the above paragraph, to:

- Allocate shares from the Company share buyback scheme pursuant to the conditions set out in articles L 225-208 and L 225-209 of the said Commercial Code, and/or to

- Allocate new shares to be issued through a capital increase. In this present case, the General Shareholders' Meeting authorises the Management Board to increase the company capital by the maximum nominal amount corresponding to the number of shares allocated, duly notes and decides, as far as is necessary, that the allocation of the shares to the beneficiaries designated by the Management Board entails, on the part of the said beneficiaries, express renunciation of their preferential subscription rights to the shares to be issued;

The General Shareholders' Meeting decides that the allocation of the said shares to their beneficiaries shall become definitive:
- Either, for all or part of the shares allocated, at the end of a minimum acquisition period of four years and in this case with no minimum lock-up period;
- or, at the end of a minimum period of acquisition of two years, it being hereby specified that the beneficiaries shall be required to hold the said shares for a minimum period of two years from the date of their definitive allocation.

The General Shareholders' Meeting hereby assigns full powers to the Management Board within the above-mentioned limits, to:

- Determine on the basis of the criteria set out hereafter the identify of the beneficiaries and the category or categories of beneficiaries for the allocation of the said shares, it being expressly undersood that no shares shall be allocated to any waged employee or executive officer who each holds more than 10% of the share capital and that any such allocation of shares shall not involve the above-mentioned employees or executives exceeding the ownership threshold of more than 10% of the share capital,

- Allocate bonus shares to the following beneficiaries:
  1- one or more executive officers performing executive duties within the Company and /or any entity in which the Company shall own either directly or indirectly more than ten per cent (10%) of the share capital or voting rights; and /or
  2- one or more natural persons employed by the Company and/or by any entity in which the Company shall own, either directly or indirectly, more than ten per cent (10%) of the share capital or voting rights.

- To apportion the share allocation rights in one or more instalments at such times as the said Management Board shall see fit,

- To set allocation conditions and criteria such as but not restricted to seniority conditions, or conditions relative to maintaining the employment contract or the executive position during or at the end of the term or period of acquisition, and any other financial or individual or collective performance conditions,

- To determine the definitive duration of the acquisition period and lock-up period within the limits set above by the General Shareholders' Meeting,

- To register the bonus shares allocated in a bearer account in the name of their owner, noting the locked up status and its duration,

- To lift the lock up conditions during the lock up period in the event of dismissal, forced or voluntary retirement, invalidity corresponding to registration in the second or third categories set out in the provisions of article L 341–4 of the French Social Security Code, or death of the bearer,

- To provision a reserve unavailable for distribution earmarked for the rights of beneficiaries with an amount equal to the total face value of the shares likely to be issued through a capital increase by debiting the sums necessary from any reserves freely available to the Company,

- To make any necessary withdrawals from this unavailable reserve in order to free the face value of the shares to be issued for the benefit of their beneficiaries,

- In the event of a capital increase, to modify the Company bylaws accordingly and to carry out all necessary formalities,

- In the event that any of the financial transactions set out in article L 228–99, §1 of the said Commercial Code during the acquisition period, to implement any and all measures necessary to safeguarding and adjusting the rights of beneficiaries of the said bonus shares, pursuant to the provisions and conditions set out in the 3rd paragraph of the said article,

- To implement the allocation of bonus shares pursuant to the legal provisions currently in force and more generally to decide and carry out all necessary transactions and formalities to this end.

Pursuant to the provisions of articles L 225–197–4 and L 225–197–5 of the said Commercial Code, the Ordinary General Shareholders' Meeting shall be informed each year in a special report presented to it of any and all transactions carried out in accordance with the present authorisation.

The General Shareholders' Meeting hereby sets a term of 38 (thirty-eight) months from the date of the present General Shareholders' Meeting during which the Management Board shall be able to avail itself, on one or more occasions, of the present authorisation.

Seventeenth 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

The present report has been drawn up in accordance with Article L 225-68 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. COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICE

The Laurent-Perrier Group has opted to voluntarily refer to the AFEP-MEDEF code of corporate governance (available, in French, at www.medef.fr) in order to integrate its best corporate governance practice and recommendations for listed companies into the Group's operating methods and oversight and management structures.

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

2.1. Composition and role of the Supervisory Board

Following the resignation of one of its members in February 2009, the Laurent-Perrier Supervisory Board comprised 10 members on March 31, 2009, four of which are independent non-executive directos within the meaning of the AFEP-MEDEF Code of Corporate Governance.
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.

2.2. 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 2008-2009 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
27.05.2008	Approval of the corporate accounts and the consolidated financial statements to March 31, 2008 and of the 2008-2009 business plan.	100%
08.07.2008	Laurent-Perrier Group 5-year corporate plan.	73%
09.07.2008	Distribution of Directors' fees.	73%
20.11.2008	Presentation of the new organisation of the General Management from January 1, 2009 Creation of Laurent-Perrier Développement Appointment of new member and chairman of the Management Board Situation of the company in the first quarter of the 2008-2009 financial year Examination of estimated net income on March 31, 2009	80%
17.03.2009	Situation of the Company Provisional accounts at March 31, 2009 Budget for 2009-2010 financial year	100%

The Supervisory Board is provided with detailed information about all significant transactions.
Evaluation of the Supervisory Board: nither to, the Supervisory Board has not carried out any appraisal of its own operation. This issue will be included on the agenda of meetings in the coming months.

2.3. 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, Stéphane Tsassis, Alexandra Pereyre and Stéphanie Meneux.

The Executive Committee has been renamed into the Liaison Committee. This Committee meets each month to discuss the Group's key performance indicators together with the results and profitability of Group countries and products. It also oversees Group business development activities. The Liaison Committee comprises Maurice de Kervénoaël, Chairman, and Bernard de Nonancourt.

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 until February 11, 2009 and Claude de Nonancourt. In accordance with the recommendations of the MEDEF employers' body, at least one member of the Audit Committee is a qualified person with respect to financial affairs and accountancy.

The Remuneration and Corporate Governance Committee Committee is in charge of selecting members of the Supervisory Board and Management Board and recommending conditions for their compensation 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 2008-2009, the Remuneration and Corporate Governance Committee was required to examine and issue recommendations concerning:
- the performance-related compensation of the members of the Management Board on the basis of the results of FY 2007-2008,
- the compensation of the new chairman of the Management Board.

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
- qualitative criteria based on targets to meet set by the Chairman of the Supervisory Board.

On 26 November 2008 the company issued a press release stating that, at a meeting held on 20 November 2008, the Supervisory Board took note of the AFEP-MEDEF guidelines issued on 6 October 2008 concerning the compensation of senior executive officers employed by listed companies. The meeting considered that these guidelines were in line with the corporate governance approach already pursued by the Group since its 1999 stock market listing.

Laurent-Perrier, whose roots are in the Champagne region, has always sought to reconcile an ethical appraoch and the need to attract and recruit the most suitable executives to develop the Group while simultaneously safeguarding its financial independence and family-owned character. To meet these fundamental criteria, Laurent-Perrier has implemented what seems to it to be the most suitable compensation policy:
- no excessive severance indemnity packages have been provided,
- a reasonable stock option allocation policy considered as a key motivation factor guaranteeing the future success of the Group, and pursued with no windfall effect in relation to stock market prices,
- a Chairman of the Management Board who is an Executive Officer only, but whose previous employment contract has been suspended. The absence of excessive exemption clauses in the contract signed by Mr Stéphane Tsassis prior to his appointment on 1 January 2009, together with the need to procure for the long-term and on a balanced basis for both contracting parties the services of a top manager with the most suitable profile, prompted the Group to maintain the suspension of the employment contract of the present Chairman of the Management Board. For this same reason, an insurance policy covering the loss of his job has also been maintained.
- a so-called "defined benefits" plan, as an incentive for senior executives to consider making a long-term career in the Group.

Laurent-Perrier also hopes to improve Group Corporate Governance practice via its Supervisory Board and its several Committees.

3. INTERNAL CONTROLS AND PROCEDURES

3.1. 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.

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 branches and offices operate in countries deemed low risk, namely Germany, the United Kingdom, Belgium, the USA, Switzerland and Japan.
A detailed monthly report forwarded to Head Office is used to monitor activity. Half-yearly audits or revues 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 at least 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.

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.

3.2. 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.

The Group has begun changing its main IT applications to migrate them towards an integrated system.
In the framework of this project, the Group:
- is redefining the roles and responsibilities of selected processes such as management of the information system's central databases (products, customers, suppliers and prices databases),
- is redefining the rules for employee access to system functions in order to ensure proper separation of roles and responsibilities.
- is re-thinking the organisation of customer services in order to further improve service ratios,
- is renewing the documentation for the company's main procedures,
- is training the personnel concerned in the use of the new system's functions.

Once the new system has been implemented at all subsidiaries, it is intended to set up an organisation dedicated to ensuring continuous improvement of processes and their efficiency.

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 General Management's strategic choices are set out in an annual Business Plan and are then cascaded by management to all staff. The Group's budgetary approach is the main means of giving clear operational expression to the strategic directions.
The Group's Management Control department is tasked with organising the budget process and ensuring that operational staff are helped when drawing up their annual budgets, monitoring them and implementing the planned improvement initiatives. It also acts as a coordinating and centralisation agency and one that ensures consistency in budget and management reporting.

3.3. Control and management bodies

3.3.1 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 liaison 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, and of the measures to implement in order to strengthen the role of the Audit Committee whose remit has been extended by current regulations to cover:
- the effectiveness of internal control mechanisms,
- control over financial information and control over amortisation calculation procedures.

3.3.2 The Management Board

The Management Board exercises control over and approves risk management activities 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.

The Management Board is regularly informed of the main risks identified and the means employed to mitigate them.

3.4. Internal control procedures for drawing up and processing accounting and financial information

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.

The following checks are carried out:
- twice yearly: an audit or a revue by the Statutory Auditors
- once a year: physical stock-taking
- continuously: monitoring of consumption of provisions, reconciliation of accounts, , consistency controls by the Management Control department.

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

4. PRINCIPLES AND RULES USED TO DETERMINE EXECUTIVE COMPENSATION

4.1. Corporate governance practice

Laurent-Perrier is attentive to the rules of corporate ethics and governance.
The Laurent-Perrier reference document sets out the provisions on Corporate Governance in accordance with the Code of Corporate Governance drafted by representative bodies and business, and on the basis of AMF recommendations, adapting them to companies governed by a Management Board and Supervisory Board.

4.2. Executive remuneration

The remuneration rules applied to Laurent-Perrier executives have been more or less consistant with these for many years:
- Creation of a Remuneration and Corporate Governance Committee.
- Executive remuneration voted by the Supervisory Board following recommendations from the Remuneration and Corporate Governance Committee.
- The breakdown of remuneration components reflects the risks and responsibilities attached to the function.
- Adoption of standardised presentation of Executive remuneration in the reference document.

5. ARRANGEMENTS CONCERNING SHAREHOLDER PARTICIPATION AT THE GENERAL SHARHOLDERS' MEETING

The company Bylaws stipulate the following:

Article 8: Form of actions and other securities
The securities issued by the company are in the form of bearer shares or registered shares in accordance with the conditions set out in the currently applicable legislation.

Article 12: Rights and obligations attached to shares
All shares are in the same category and confer the same rights and obligations, subject to their being fully paid up and without prejudice to the imperative applicable legal conditions at the time and to the provisions of the present Bylaws.
Ownership of a share legally requires acceptance of the present Company Bylaws and of the decisions taken at General Shareholders' Meetings.
The heirs, creditors, assigns or other representatives of a shareholder shall not, on any pretext whatsoever, request that the goods and securities of the Company be put under seal, nor request the Company's break-up or auctioning, nor interfere with the actions of its administration. To exercise their rights, they shall refer to the "inventory" accounting ledgers and to the decisions of the General Shareholders' Meetings.
The General Shareholders' Meeting may require a splitting or consolidation of shares in accordance with the applicable legal conditions at the time.
Each time it is necessary to own several securities and shares in particular, to exercise a given right, in the event of a swap, consolidation, split or allocation of shares, or as a result of a capital increase or reduction, merger or other corporate transaction, the owners of single shares or shares in insufficient number to that required shall be personally responsible for consolidation and, where appropriate, purchase or sale of the required shares.

Article 18: General Shareholders' Meetings

1. Except for those provisions set out in the present Bylaws, the rules relative to General Shareholders' Meetings, and notably with respect to convening and holding them, and to communication and information rights of shareholders, are those provided for in the currently applicable legislation.
   With respect to calculating the quorum or a majority, those shareholders deemed present include shareholders attending the Meeting over a video link or over a telecommunications link allowing them to be identified, whose type and application conditions comply with regulatory provisions.
   General Shareholders' Meetings are held at the registered office or at any other venue notified on the invitation to attend.
2. Should they deem it opportune, and provided such is notified in the invitation to attend (and also, where appropriate, in the notice of meeting), the Management Board or the Supervisory Board may subject the right to attend General Shareholders' Meetings:
   - with respect to shareholders bearing registered shares, to registration of shares in the bearer's name at least five (5) calendar days before the date of the General Shareholders' Meeting;
   - with respect to shareholders holding bearer shares, to deposit of the bearer share deposit certificate, pursuant to Article 136 of Decree 67-236 issued on March 23, 1967, at least five (5) days before the date of the General Shareholders' Meeting.
3. Subject to the foregoing, the voting rights attached to shares are proportional to the portion of capital they represent. These rights are exercised in accordance with the currently applicable legal provisions.

However, voting rights that are double those conferred on other shares in respect of the portion of capital that they represent are automatically conferred on all fully paid-up shares for which registration can be proved for four full years in the name of the same shareholder according to the applicable legal conditions and provisions.
Furthermore, and without limitation, in the event of a share split or consolidation, and in also in the case of a capital increase by incorporation of reserves, earnings or issuance premiums, double voting rights are conferred, from the date of issuance, on registered bonus shares allocated to shareholders in connection with the old shares entitling them to double voting rights.

Shareholders with double voting rights may waive such voting rights either temporarily or definitively, either conditionally or unconditionally, revocably or irrevocably, by notifying such by recorded delivery mail sent to the Company head office no later than 30 (thirty) calendar days before the convening of the first General Shareholders' Meeting at which the waiver shall apply.

6. FACTORS LIKELY TO HAVE AN INFLUENCE IN THE EVENT OF A PUBLIC OFFERING

The factors below are highlighted in order to ensure transparency as regards factors which may influence share prices.

5.1. Direct or indirect holdings in company equity at 31 March 2009

Shareholders	Number of shares	% capital	% voting rights
1 - Registered family shares (Nonancourt family)	3,387,882	56.98%	67.27%
2 - Institutional shareholders (registered shares)[1]	483,945	8.14%	10.53%
3 - Other shareholders, including individuals[2]	1,976,892	33.25%	21.77%
4 - Shares held through the corporate mutual fund set up for employees and managed by HSBC Epargne Entreprise (registered and bearer)	20,314	0.34%	0.43%
5 - Treasury shares[3]	76,828	1.29%	
GRAND TOTAL at 31.03.2009	**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 10% of the voting rights.
(2) Of which
- Arnhold and S. Bleichroeder (US Investment Advisor) which has disclosed that it has crossed the threshold of 10% of the capital and 10% of the voting rights, including the First Eagle Funds Inc cited above in(1) and which further declares that it has no intentioni of acquiring control of the company,
- Fidelity International which has disclosed that it has crossed the threshold of 5% of the capital and 2.5% of the voting rights,
(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).

6.2. Rules applicable to the appointment and replacement of the Management Board

Amendments to the company Bylaws.

"Article 13 of the Company Bylaws
1. Except for that which is provided for in the present Bylaws, the rules concerning the Management Board, and notably its make-up, modus operandi and remit, are those provided for in currently applicable legislation.
2. The number of members in the Management Board is set by the Supervisory Board in compliance with currently applicable legislation.
   The maximum age for a member of the Management Board is set at 75 (seventy-five) years and all members of the Management Board shall resign from their positions following the General Shareholders' Meeting called to approve the accounts of the financial year in which the member(s) reach(es) the age of 75 (seventy-five) years.
3. The Management Board is appointed for a term of two (2) years and its functions terminate following the General Shareholders' Meeting called to approve the accounts of the financial year just ended held in the financial year in which the Management Board's mandate expires.
   All members of the Management Board are eligible for re-election.
   In the event of a vacancy, the Supervisory Board shall designate a replacement or agree to abolish the vacant position within two months of its becoming vacant subject to compliance with the currently applicable legal limit.
4.
   a) The Management Board meets as often as the interests of the Company so require and, in all cases provided for under the currently applicable legal provisions; it shall meet, notably, to discuss all transactions that require the prior authorisation of the Supervisory Board.
      The Management Board may be convened by any available means, even by word of mouth, by its chairman or by at least two of its members, or, if the Management Board has not convened for 15 (fifteen) calendar days on the day it is convened, by a single member. Meetings take place at the registered office or at any other location indicated in the invitation to attend.
      The agenda may be decided at the start of the meeting.
   b) For the discussions of the Management Board to be valid, two-thirds at least of its acting members must be present or represented.
      For the decisions of the Management Board to be valid, they must be agreed by a majority of the members present or represented.
      Any member of the Management Board may mandate another member to represent him or her. The mandate may

be given by any means whatsoever. Each member present may only represent one other member.
Any member of the Management Board unable to attend a meeting in person may also attend and take part in the discussions using any and all means of telecommunication, including telephone, video-link or fax.

c) At the request of a member of the Management Board, all its discussions may be minuted and set out in a special register. The minutes are signed by the members present at the discussion, although failure to carry out this formality shall not, as such, nullify the proceedings.
d) Where appropriate, the Management Board may designate a secretary at each of its meetings, who may be one of its members or a non-member.
e) The Management Board may draw up a set of policies and procedures setting out and supplementing the modus operandi set out in the present Bylaws, although these rules shall not take effect until they have been approved by the Supervisory Board.

5. The quarterly report that the Management Board is required to submit to the Supervisory Board pursuant to Article 225-68, ult. of the French Code of Commerce must include not only a report on the situation and operation of company business, but also on the situation and the business affairs of the whole formed by the Company and the entities controlled by the Company within the meaning of Article L 233-3 of the French Code of Commerce. The Management Board may also submit a report to the Supervisory Board at any time concerning any special operation."

6.3. Powers of the Management Board, notably concerning share issuance or buy-back.

The Management Board has been authorised to:
- launch a share buy-back programme,
- grant Stock Options,
- increase shareholders' equity.

Aim of authorisation	Type of security involved	Type of security excluded	Maximum authorised by the GSM, 5 July 2007	Use of authorisation on
Laurent-Perrier capital increase by the issue of new shares with continuation of preferential right to subscribe	Shares and securities (unattached warrants) giving access to the Laurent-Perrier share capital	• Preference shares	• 10,000,000 € if shares • 150,000,000 € if securities representing a payable giving access to capital	No
Laurent-Perrier capital increase by the issue of new shares with removal of preferential right to subscribe	Shares and securities (unattached warrants) giving access to the Laurent-Perrier share capital	• Preference shares	• 10,000,000 € if shares • 150,000,000 € if securities representing a payable giving access to capital	No
Capital increase by the issue of new shares following the issue of securities by a company in which Laurent-Perrier owns directly or indirectly more than 50% of the share capital	• Bonds convertible into Laurent-Perrier shares • or other securities		• 10,000,000 € if shares • 150,000,000 € if securities representing a payable giving access to capital	No
Laurent-Perrier capital increase through the incorporation of reserves, profits or premiums	Shares		10,000,000 €	No

Laurent-Perrier capital increase during a period of public offer for sale or exchange	Shares and securities as above	See exclusions set out above	• 10,000,000 € if shares • 150,000,000 € if securities representing a payable giving access to capital	No
Laurent-Perrier capital increase limited to employees	Resolutions rejected in 2007			No

6.4. There exist no agreements entered into by the company and falling within the legal requirement of disclosure which will be modified or terminated in the event of a change in control of the said company.

6.5. Agreements stipulating indemnities. There are no agreements stipulating the payment of indemnities for members of the Management Board or employees in the event of their resignation or are dismissed without good cause or if their employment should be terminated in the event of a public offering, and notably no excessive severance packages or golden parachutes.

This report was approved at the meeting of the Supervisory Board held on May 26, 2009.

Maurice de Kervénoaël
Chairman of the Supervisory Board

Appendix 1: List of members of the Supervisory Board and functions exercised in other companies
Appendix 2: Functional organisation chart

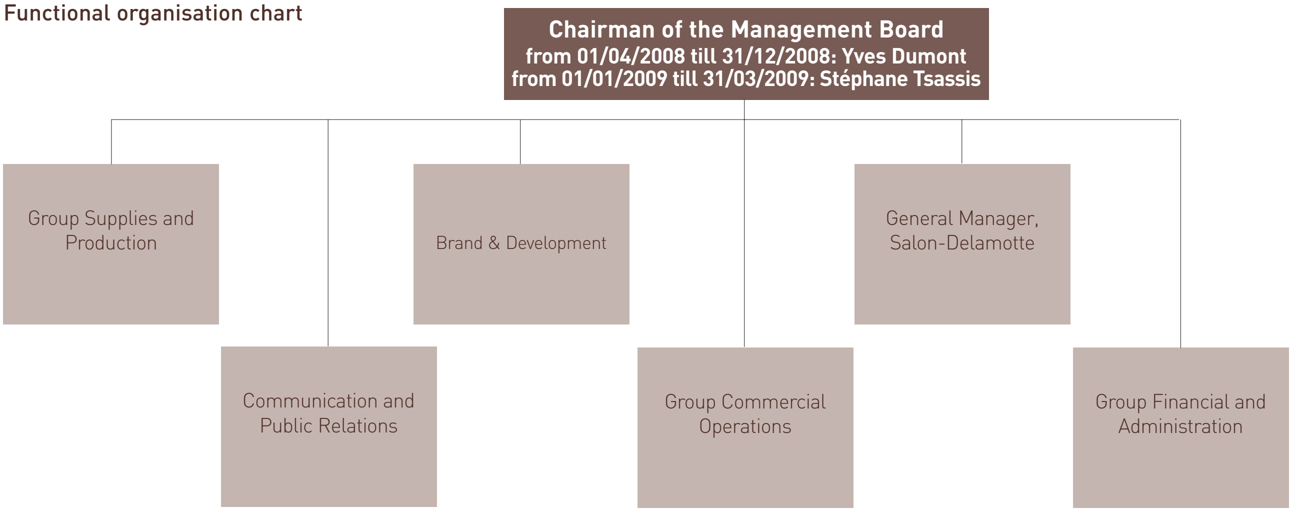
APPENDIX 1
List of members of the Supervisory Board and functions exercised in other companies.

Directors Date of Initial appointment Appointment expires	Mandates in Laurent-Parrier Group at 31.03.
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 - Director, ONET

François Philippoteaux Deputy Chairman Member: July 11, 1996 - 2014	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 - 2014	Other Laurent-Perrier Group mandates: - Chairman, Laurent-Perrier UK Non-Laurent-Perrier Group mandates: none - Chairman, Spirited Co. Limited
Claude de Nonancourt Member: July 11, 1996 - 2014 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 - Chairman, KP1 - 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: 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 To resign on 11 February 2011 *Business address:* 2, Eaton Gate, London SWI W9BJ, UK	Enko Capital Managment Other Laurent-Perrier Group mandates: none
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



Report of the statutory auditors prepared in accordance with article L 225-235 of the French Commercial Code relating to the report of the Chairman of the Supervisory Board of Laurent-Perrier

"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."

Year ended March 31, 2009

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

In our capacity as Statutory Auditors of Laurent-Perrier, and in accordance with article L.225 235 of the French Commercial Code (Code de commerce), we hereby report to you on the report prepared by the Chairman of your company in accordance with article L.225-68 of the French Commercial Code for the year ended March 31, 2009.

It is the Chairman's responsibility to prepare, and submit to the Supervisory Board for approval, a report describing the internal control and risk management procedures implemented by the company and providing the other information required by articles L.225-68 of the French Commercial Code in particular relating to corporate governance.

It is our responsibility

- to report to you on the information set out in the Chairman's report on internal control procedures relating to the preparation and processing of financial and accounting information, and
- to attest that the report sets out the other information required by article L.225-68 of the French Commercial Code, it being specified that it is not our responsibility to assess the fairness of this information.

We conducted our work in accordance with professional standards applicable in France.

Information concerning the internal control procedures relating to the preparation and processing of financial and accounting information

The professional standards require that we perform procedures to assess the fairness of the information on internal control procedures relating to the preparation and processing of financial and accounting information set out in the Chairman's report. These procedures mainly consisted of:

- obtaining an understanding of the internal control procedures relating to the preparation and processing of financial and accounting information on which the information presented in the Chairman's report is based, and of the existing documentation;
- obtaining an understanding of the work performed to support the information given in the report and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of financial and accounting information that we may have identified in the course of our work are properly described in the Chairman's report.

On the basis of our work, we have no matters to report on the information given on internal control procedures relating to the preparation and processing of financial and accounting information, set out in the Chairman of the Supervisory Board's report, prepared in accordance with article L.225-68 of the French Commercial Code.

Other information
We attest that the Chairman's report sets out the other information required by article L.225-68 of the French Commercial Code.

Neuilly-sur-Seine and Reims, June 3, 2009
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.

14.05.2008	Turnover, FY 2007-2008
01.06.2008	2007-2008 Reference Document
03.06.2008	Results for FY 2007-2008
03.06.2008	Analysts' Briefing on the results for FY 2007-2008
10.07.2008	Address to shareholders at the Annual General Meeting of Shareholders, July 9, 2008
24.07.2008	First-quarter turnover FY 2008-2009
13.11.2008	First-half turnover FY 2008-2009
26.11.2008	First-half results FY 2008-2009
26.11.2008	Analysts' briefing on first-half results, FY 2008-2009
07.02.2009	Third-quarter turnover, FY 2008-2009

2. Information published in the industry and specialist press 2008-2009:

May 2008	Laurent-Perrier garden voted "Best in Show" at the Chelsea Flower Show 2008
	Laurent-Perrier garden voted "Best in Show" at the Chelsea Flower Show 2008 Champagne Laurent-Perrier celebrated its tenth year at the prestigious RHS Chelsea Flower Show with a double award.The ephemeral garden designed this year by top UK landscape architect Tom Stuart-Smith won the gold medal, and the Royal Horticultural Society's judges awarded it the coveted "Best in Show" accolade as the finest garden at the UK's most prestigious gardening event. The 2008 Laurent-Perrier 2008 garden is a contrasting two-tone composition in green and white. A grove of 30 year-old hornbeams is pruned so that the foliage forms a number of rounded "clouds" which seem to float in mid-air. The grove is dissected by a pattern of paths made from traditional Flemish bricks leading to a terrace and seating area at the back of the garden.

Several water-filled zinc tanks are also placed amid the vegetation, seeming to continually overflow. Herbaceous plants nevertheless predominate and form an undulating tapestry throughout the garden. Key plants include *Rodgersia, Molinia, Epidemium, Asarum, Hosta* "Devon Green" and *Astrantias*, typical of damp, semi-shade environments. The emphasis is on form and texture for a calm, poised environment.

Iin creating the Laurent-Perrier Garden, Tom Stuart-Smith sought to express the character of the house's champagnes to enjoy on all occasions, their elegance and complexity swathed in an apparent simplicity.

Founded in 1812 at Tours-sur-Marne, Laurent-Perrier is located at the epicentre of the three great champagne growing areas– the Montagne de Reims, the Côte des Blancs and the Marne River valley – and is strongly attached to the land and the natural values it enshrines: rigour, quality and authenticity combined with respect for nature and humankind.

June 2008 **The Laurent-Perrier Group announces the appointment of Mr. Stéphane Tsassis as Deputy General Manager**

Bernard de Nonancourt, Maurice de Kervénoaël and all the members of the Laurent-Perrier Supervisory Board are pleased to announce the appointment of Mr. Stéphane Tsassis as Deputy General Manager and member of the Management Board from July 1st, 2008.

This nomination is aimed at strengthening our structures and preparing for the future. Mr. Yves Dumont declared towards the end of 2007 his wish to retire in spring 2010 after more than 11 years in our family-owned Group.

In due time, Mr. Stéphane Tsassis will succeed Mr. Yves Dumont and Mr.Dumont will then have the mission to enhance the relations between Laurent-Perrier and the various professional and trade organizations within the champagne industry and help manage strategic development in the medium-to-long term.

Mr. Tsassis, 42, is a graduate of the Institut Supérieur de Gestion (ISG), a business school based in Paris, of the Manhattan Institute of Management in New York and the International Management University of Asia in Tokyo. The major part of his career was spent in perfumery where he acquired significant experience of luxury products and the luxury goods environment.
From 1992 to 1996, he was Area Manager in the UK & Ireland for Sanofi Beauté (Yves Saint Laurent beauty, Van Cleef & Arpels perfumes, Oscar de la Renta, Roger & Gallet).
From 1996 to 2000, he managed Jean-Paul Gaultier Parfums and Issey Miyake brands, first as Asia Regional Director, then as International Travel Retail Director.
Since the year 2000, he dedicated his work to Guerlain, first as France & Europe Director and then, from 2002 to 2005, as International Director and a member of the Executive Committee for Guerlain. He was, from July 2005 until today, President of the Japanese subsidiary and a member of the Executive Committee of Guerlain.

June 2008 **Mademoiselle Jeanne Moreau, winner of the 44th Prix Grand Siècle Laurent-Perrier**

Widely fêted this year as she celebrated a career in cinema spanning six decades, Mademoiselle Jeanne Moreau was also named as the winner of the 44th Prix Grand Siècle Laurent-Perrier. This year, the Prix Grand Siècle Laurent-Perrier committee has decided to honour the woman whom Orson Welles said was "the greatest actress in the world" for her dedication and outstanding career in French cinema.
Mademoiselle Jeanne Moreau has thus joined the prestigious list of winners of the award, first created in 1965. Previous winners include Sister Emmanuelle, Madame Simone Veil, Messrs. Maurice Béjart, Claude Chabrol, Robert Hossein, and Professor Bronislaw Geremek, who all won the award while Mademoiselle Moreau herself presided over the jury.
The award was presented on December 1, 2008 at the Prix Grand Siècle Laurent-Perrier gala dinner held at the Pavillon d'Armenonville in Paris.

July 2008 **Champagne Laurent-Perrier, exclusive Champagne at the third International Festival of Gastronomy and Art de Vivre: "Les Étoiles de Mougins": Laurent-Perrier sparkles amid a galaxy of Stars ...**

From 20-22 September 2008, following on from the two previous years' successes, *Les Etoiles de Mougins*, the third edition of the International Festival of Gastronomy and *Art de vivre*, with its guest chef Marc Veyrat, celebrated excellence in fine food. A galaxy of stars from all over France and the four corners of the planet enchanted gourmets and gastronomes in an ocean of Laurent-Perrier bubbles. This was a unique meeting of starred chefs and leading figures from the world of food, who honoured the most starred municipality on France with their presence.

By sponsoring this prestigious event, Laurent-Perrier once again demonstrated its support for international gourmet food.
Champagne Laurent-Perrier (Brut L-P, Laurent-Perrier Ultra Brut and Brut millésimé 1999) was the only champagne served at this third edition of the *Étoiles de Mougins*.

Laurent-Perrier teamed with the final of the International Young Chef Competition, the International Wine Tasting Competition, as well as with presentations and cooking demonstrations, etc.
It was served throughout: at all evening receptions, lunches, cocktail parties, at the Chefs' Enclosure and during the Gala dinner, not to mention at the legendary Moulin de Mougins itself on Monday 22 September, to wind up this third festival.

Champagne Laurent-Perrier, a staunch supporter of excellence and creativity in gourmet food, sparkled at Mougins among a galaxy of Stars, to the delight of all lovers of fine food and wine, at what was undoubtedly the top gastronomic event of the year.

September 2008 — **Laurent-Perrier representative office in Germany**

Jean-Pierre Willemsen, Laurent-Perrier, Director of Commercial Operations, was pleased to announce that Champagne Laurent-Perrier had opened a sales office in Germany, to be headed by Thomas Schreiner.

Laurent-Perrier is grateful to Henkell & Söhnlein who represented the house in Germany for a decade and who did an excellent job with great professionalism and rigour.

Laurent-Perrier has now opted to handle distribution of its wines on the German market. This decision, which is part of the new Laurent-Perrier corporate strategy, will help it strengthen its presence on a market that boasts a highly-significant premium segment.

The German office will be headed by Thomas Schreiner, who was for eleven years Head of On-Trade at Nestlé Waters in Germany and Austria. During that time, he contributed significantly to establishing the San Pellegrino brand as a market leader in the German gourmet universe. Thomas Schreiner knows Laurent-Perrier and its wines well, having been brand manager from 1994 to 1997 for the then import company.

November 2008 — **Laurent-Perrier's Écrin Grand Siècle**

In two sentences
Laurent-Perrier's *Écrin Grand Siècle* is black as night, shrouded in mystery, yet elegant. It embodies the quintessence of French refinement: a magnum of the Grand Siècle *grande cuvée* – a combination of intensity and delicacy – paired in a unique boxed limited edition with six Baccarat crystal champagne glasses.

In a few lines
A taste of Versailles...
Laurent-Perrier presents its exclusive *Écrin Grand Siècle* gift set.
A unique presentation holding a magnum of Grand Siècle and a matching set of six Baccarat crystal glasses dedicated to this prestige cuvée.
A long, slender neck favoured in the 17th century, echoed in the lines of the glasses.
A case of black and silver combining the purest of lines and the solar emblem of the Sun King, Louis XIV.
A paean to careful ageing and elite craftsmanship.
A quintessential expression of Laurent-Perrier champagne and Baccarat crystal.
An embodiment of the alliance between these two legendary Houses.
An elegant, generous gift: sensuous, pure, and contemporary.
A symbol of timeless *art de vivre*.
On with the festivities!

In a few paragraphs
Laurent-Perrier's *Écrin Grand Siècle* radiates with simple, self-evident beauty.
To begin with the essential: the *frisson* of delight conjured up by this peerless cuvée.
The wine is instantly recognisable, as are the name, the subtle music, the bottle, and its soul.

A wine. Grand Siècle is a unique blend of the very best grands crus and outstanding vintages, an elegant combination of intensity and delicacy.

A name. It epitomises the reign of Louis XIV, the pinnacle of French arts and literature – a time which also saw champagne served at the Court of the Sun King for the first time. A time when art and *art de vivre* were inseparably fused. General de Gaulle saw this clearly and, when Bernard de Nonancourt originally proposed naming his great cuvee, replied "Grand Siècle, of course!" without a moment's hesitation.

Its music. Such a *grande cuvée* can only be Grand Opera. The moment the wine is liberated, the elongated neck sounds a lyrical melody. Just as Laurent-Perrier can be said to be a musical score, Grand Siècle sings notes of its own.

A bottle. Singular in shape – worthy of 17th century master glassmakers. No other bottle matches its wide shoulders and slender swan's neck.

Its soul. Eternal.
The ultimate in effortless refinement, in the quest for the matchless detail.

The *Écrin Grand Siècle* epitomises that unrelenting search, owing nothing to chance.
A feast for the palate, sweet on the ear, ravishing to behold, it is a feast for all the senses.
The magnum improves the quality of the wine, aged for years in our cellars to ensure that it gives of its powerful, generous best in the bottle. In the magnum the wine can age longer, allowing it to develop the full complexity of its subtle honey, hazelnut and roast almond aromas.

The Baccarat crystal glasses are the ultimate in the glassmaker's art. Mirroring the upturned shape of the Grand Siècle bottle they nestle with, this model was specially commissioned by Laurent-Perrier in 1965. Entirely hand-crafted and blown, they complement the bottle to perfection with their pure, slender lines – the ideal marriage of classic and contemporary.

The box they lie in highlights their discreet elegance and an undimmed love of stellar craftsmanship. The essence of Laurent-Perrier is clearly visible in this fine limited edition – a concentrated essence of *art de vivre* and shared celebration, of mystery and rarity, of purity of line and exacting standards, of panache and of pride.

Octobre 2008 — **Grand Siècle Laurent-Perrier and its new boxing:premium cuvée asserts character**

Grand Siècle is a unique blend of prestigious grands crus and outstanding vintages elegantly combining power and delicacy.

The glorious premium House cuvée, Grand Siècle, has a new suit of clothes to discreetly highlight the delicate curves of the bottle. The contemporary-classic lines of its new packaging reflect its understated elegance. Its mat black pewter seal foil sets off the uniquely slender neck of the bottle, a tribute to the 18th century's master glassmakers.
Its uncluttered label has goffered edges and hot-stamped embossed silver lettering. Its symbol is the sun, in a reference to the emblematic figure of Louis XIV, the Sun King, and has featured on the Grand Siècle bottle from the outset as a reminder that this great champagne derives its name from a period when French style was the envy of the world.
The box subtly showcases the bottle with an original lateral opening mechanism reminiscent of a luxurious art book.
It shines a light on the wine itself – a unique blend of the most prestigious grands crus grapes and outstanding Laurent-Perrier vintage years – and is guaranteed to enchant the person who presents or receives it as a gift.

25 November 2008 — **Stéphane Tsassis appointed Chairman of the Laurent-Perrier Management Board**
Yves Dumont appointed Chairman of Laurent-Perrier Développement

The Supervisory Board of Laurent-Perrier, which met on 20 November 2008, appointed Stéphane

Tsassis as Chairman of the Laurent-Perrier Management Board, taking over from Yves Dumont, as announced at the Annual General Meeting in July.

Stéphane Tsassis, aged 42, has been the Deputy General Manager of Laurent Perrier since July. He is a graduate of the Institut Supérieur de Gestion, a business school based in Paris, the Manhattan Institute of Management in New York and the International Management University of Asia in Tokyo. He has spent most of his career in the perfumery sector, where he acquired a wealth of experience in the luxury products segment. Before joining Laurent-Perrier, he was Chairman of the Japanese subsidiary and a member of the Executive Committee of Guerlain.

The appointment will take effect as of 1 January 2009.

From this date and until his retirement in March 2010, Yves Dumont will be Chairman of Laurent-Perrier Développement. He will provide advice and assistance relating to the development of the Group, and issue strategic guidelines. He will oversee the House's relationships within the profession and with various bodies.

The Supervisory Board would like to thank Yves Dumont for his work over the last ten years, during which time the image and financial solidity of the House have been considerably strengthened.

January 2009 **Laurent-Perrier celebrates spring**

Laurent-Perrier Cuvée Rosé Limited Edition Gifts

As Springtime unfolds, evenings lengthen, and the revival of nature begins, experience a feast of the senses with the freshness of Laurent-Perrier Cuvée Rosé - two limited edition vases.

See in the new season with an elegant Gilded Vase - the perfect gift for a celebration this Spring. This small, delicate vase is gilded in pink and gold and is presented with a 75cl bottle of Laurent-Perrier Cuvée Rosé in a chic black and pink gift box.

Or, the versatile Baccarat Vase is made exclusively for Laurent-Perrier as a dual-purpose gift – a limited numbered edition inspired by the unique qualities of the Laurent-Perrier Rosé. The independent and lively character of the wine is captured within the distinctive pink-enamel border running across the crystal vase, which mirrors flowering cherry blossom. This delicate gift is the perfect way to showcase a beautiful seasonal bouquet, or used as an elegant champagne bucket for the refreshing Laurent-Perrier Cuvée Rosé.

These two gifts created by Laurent-Perrier with the outstanding, rare Cuvée Rosé in mind, are the ultimate way to toast the coming of Spring, or a special occasion – an engagement, a christening, a wedding or a birthday.

The Laurent-Perrier Cuvée Rosé Gilded Vase (priced at £150) and Baccarat Vase (priced at £1,000) are available at Selfridges nationwide from May 2009.

3. Financial publicity 2007-2008:

Date	Name of publication – purpose of publications
14.05.2008	La Tribune – Turnover 2007-2008
04.06.2008	La Tribune – Annual results 2007-2008
18.05.2008	La Tribune – First-quarter turnover 2008-2009
28.07.2008	La Tribune – First-half turnover 2008-2009
30.07.2008	La Tribune – First-half results 2008-2009
05.02.2009	La Tribune – Third-quarter turnover 2007-2008
03.06.2009	La Tribune – Turnover 2008-2009 and Annual results 2008-2009

4. Information published in Bulletin des Annonces Légales (BALO) and accessible at http://balo.journal-officiel.gouv.fr

14.05.2008	Turnover 2007-2008
04.06.2008	Convening of the July 9, 2008 General Shareholders' Meeting

18.05.2008	Financial statements 2007-2008
28.07.2008	Approval by the July 9, 2008 General Shareholders' Meeting and audit certificate on the annual financial statements 2007- 2008
30.07.2008	First-quarter turnover 2008-2009
13.11.2008	Second-quarter turnover and first-half turnover 2008-2009
26.11.2008	First-half financial statements 2008-2009
13.02.2009	Third-quarter turnover 2008-2009

5. Information filed with the Commercial Court of Reims

17.07.2008	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 9, 2008 General Shareholders' Meeting

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, 2008
- Consolidated financial statements at March 31, 2008
- 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 9, 2009.

- Proportion of own capital held directly or indirectly at 31.03.2009 : 1.29%
- Number of shares cancelled over the past 24 months : 0

Treasury shares portfolio

- Securities held for trading: 76,828
- Investments: 0
- Book value of the portfolio: € 6,981,938.18
- Market value of the portfolio, at €38.18 per share: € 2,932,947.31

Transactions under the last authorisation given (April 1, 2008 to March 31, 2009)

	Market making liquidity contract	Scrip issues	Acquisitions	Use of stock options for plans	Cancellation of shares	Total
Purchase						
Number of shares	80,879	-	-	28,985	-	
Share price	€76.89	-	-	€88.48	-	
Amount	€6,218,616.45	-	-	€2,564,661.41	-	
Number of shares used		-	-		-	
Reallocation for other purposes						
Sales/transfers						
Number of shares	79,348	-	-	19,165	-	
Share price	€77.52	-	-	€28.82	-	
Amount	€6,151,178.36	-	-	€552,296.42	-	

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 76,828 treasury shares at March 31, 2009 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	OAA	10,000	287,100	28.71 €
	Sall	OAA	7,400	633,588	85.62 €
ASN					
11/02/09	Purchase	Share	2,743	115,341.50	42.0494 €
12/02/09	Purchase	Share	8,000	337,600.00	42.2000 €
12/02/09	Purchase	Share	1,000	42,150.00	42.1500 €
13/02/09	Purchase	Share	411	17,323.65	42.1500 €
16/02/09	Purchase	Share	1,000	41,965.60	41.9656 €
17/02/09	Purchase	Share	7,975	334,870.25	41.9900 €
17/02/09	Purchase	Share	1,000	41,592.50	41.5925 €
18/02/09	Purchase	Share	500	20,952.60	41.9052 €
19/02/09	Purchase	Share	1,000	41,981.10	41.9811 €
20/02/09	Purchase	Share	1,313	54,487.80	41.4987 €
23/02/09	Purchase	Share	5,000	207,500.00	41.5000 €
23/02/09	Purchase	Share	1,100	45,364.33	41.2403 €
24/02/09	Purchase	Share	3,586	146,129.50	40.7500 €
02/03/09	Purchase	Share	5,580	227,709.20	40.8081 €
03/03/09	Purchase	Share	3,453	139,111.70	40.2872 €
04/03/09	Purchase	Share	5,000	200,000.00	40.0000 €
Total			*48,661*		

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, 2009

Turnover at March 31, 2009

During FY 2008-2009, Laurent-Perrier generated turnover of €1.52 million euros (€m) compared with €1.65 million in FY 2007-2008.

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, 2009

In FY 2008-2009, financial income amounted to a profit of €4.60 million compared with a loss of €1.79 million in FY 2008-2009.

Analysis of extraordinary income at March 31, 2009

In FY 2008-2009, extraordinary income was not material, whereas no extraordinary income was recorded in FY 2007-2008.

As a result, and after deduction of all expenses, tax, provisions and amortisation, FY 2008-2009 showed a profit of €6.59 million, compared with a profit of €5.52 million in the previous financial year.

Amount of investment and details

Investments amounted to €0.05 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 €3.1 million, of which €6.3 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 €26.5K 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 2008 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 maximum yield from pressing is 160 kilos of grapes for 1 hl of must (100 l.).

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 and 2008). 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

Section	Page(s)	
§ 1.4.1.	13	Situation of the Company during the financial year just ended
§ 1.4.3.	18	Foreseeable development of the Company and prospects
§ 1.4.	13	Important events since the closure of accounts and the date on which the report was drawn up
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§ 3.1.13.	36	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
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ADDENDA

Annex 4 - Cross-references between the reference document and the principal headings of the European Commission Regulation (EC) 809-2004 of April 29, 2004.

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