Burberry. Christian Lacroix. Lanvin.
Nickel. Paul Smith. Quiksilver. Roxy.
S.T. Dupont. Van Cleef & Arpels.

interparfums

Two thousand & nine first half report

interparfums

Two thousand & nine first half report

CHAPTER ONE

Management report

1.
REVIEW OF OPERATIONS

The economic environment in the 2009 first half was particularly challenging (worldwide downturn in consumption and significant reductions by distributors of inventories) with revenue down 10% to 20% for certain players or divisions of large groups. On this basis, Inter Parfums registered a modest decline of 5% in relation to the same period last year with consolidated sales of €121.3 million. This result reflected:
- a satisfactory commercial performance (with growth in sales in the 2009 second quarter);
- a favorable currency effect (amplified by the positive impact of exchange rate hedges implemented in late 2008).

1.1
Highlights by brand

In € million	**2008**	**2009**
Burberry	87.7	77.8
Lanvin	15.2	19.0
Van Cleef & Arpels	9.0	9.4
Paul Smith	6.2	5.4
S.T. Dupont	3.5	5.2
Quiksilver/Roxy	4.3	2.2
Nickel	1.5	1.1
Other	0.9	1.2
Total	**128.3**	**121.3**

Despite an unfavorable comparison base (19% growth in the 2008 first half from the launch of the women's fragrance line *Burberry The Beat*), Burberry fragrances had sales approaching €78 million, fueled by performances of the *Burberry Brit* and *Burberry The Beat* lines.

Lanvin fragrances delivered excellent results with sales of €19 million (+25%) on growth by the *Éclat d'Arpège* line (+8%), initial order renewals of *Jeanne Lanvin* launched in fall 2008 and the positive response to the *Lanvin L'Homme Sport* line in spring 2009.

The success of the *Féerie* line, offsetting weaker sales of the *First* lines, contributed to gains by Van Cleef & Arpels fragrances (+4%).

A significant decline by Paul Smith fragrances in Asia masked good performances at points of sale for UK retailers.

1.2
Highlights by region

Certain markets remain adversely impacted by local economic conditions (notably the United States, United Kingdom, Spain, Brazil, Argentina) while others maintained satisfactory performances for sales (notably France, China, Saudi Arabia) or improved in relation to the start of the year (Russia).

First half sales benefited from several factors:
- good performances in Asia and Western Europe on continued growth by Lanvin fragrances;
- sustained growth in France (+12%) in a declining market;
- strong gains in the Middle East (+28%) on robust performances by Lanvin and S.T. Dupont fragrances.

2.
CONSOLIDATED FINANCIAL HIGHLIGHTS

In € million	**06/30/08**	**06/30/09**	**09/08**
Sales	128.3	121.3	-5%
Gross margin	76.8	71.6	-7%
% of sales	*59.9%*	*59.0%*	
Operating profit	17.7	15.0	-15%
% of sales	*13.8%*	*12.4%*	
Net income	11.2	11.5	+3%
% of sales	*8.7%*	*9.5%*	

In line with its medium-term development strategy based on marketing and advertising expenditures targeted by brand and country, the Group pursued investments consistent with the level of activity while maintaining tight control over expenses. On this basis, the operating margin was successfully maintained at a high level (12.4%).

Benefiting from a very positive impact of exchange rate hedges implemented in fall 2008, the first half had net income of €11.5 million, expanding 3% over the same period in 2008 accompanied by an improvement in the net margin from 8.7% to 9.5%.

In € million	**12/31/08**	**06/30/09**	**09/08**
Shareholders' equity	155.0 (1)	159.9	+3%
Long term debt	30.0	24.5	-18%
Cash and cash equivalent	26.3	22.0	-16%

(1) Restated to eliminate the impact of application of the amendment IAS 38 "intangible assets". See note 1.3 of the condensed consolidated financial statements.

Whereas reduced payment delays imposed by French legislative reforms (*Loi de Modernisation de l'Économie* or LME), have adversely affected trade payables, voluntary reductions in inventory levels expected to continue in the second half, and trade receivables have limited the decline in working capital requirements customary in this period of the year.

The Group's financial position however remains excellent with limited debt (excluding cash and cash equivalents) of €2.5 million, representing a marginal decline from December 31, 2008 and shareholders' equity of approximately €160 million at June 30, 2009.

3.
HALF YEAR MILESTONES

Despite the drop in worldwide demand and a widespread trend of reducing inventories by retailers, the Company pursued its strategy focusing on ongoing innovation exemplified by the launch of new fragrance lines (notably *Burberry The Beat for men* and *Lanvin L'Homme Sport*) and preparations for the launch scheduled for spring 2010 of a make-up line under the Burberry brand.

To thank shareholders for their confidence and improve the liquidity of the share, the Company proceeded with a bonus share issue on the basis of one new share for every five shares held in June.

4.
RISK FACTORS AND INFORMATION ON RELATED PARTIES

4.1
Risk factors

Information on market risks and their management is presented in note 2.14 of the consolidated interim financial statements included in this report.

Other risk factors are of the same nature as those presented in section 3 "Risk factors" of the 2008 consolidated management report included in the registration document filed on April 1st, 2009 with the French financial market authorities (*Autorité des Marchés Financiers* or AMF). There has been no significant changes in these risk factors in the 2009 first half.

4.2
Related party transactions

In the 2009 first half, relations between Inter Parfums and affiliated companies have remained comparable to those of fiscal year 2008 presented in Note 6.6 "Information on related parties" of the 2008 consolidated financial statements included in the registration document filed on April 1st, 2009 with the AMF.

This is also the case for relation between members of the Management Committee and the Board of Directors.

5.
OUTLOOK

In an uncertain environment and the mixed nature of information received from different markets reduces visibility for sales. Under these conditions, the company anticipates a marginal decline in 2009 full-year sales in relation to the prior year.

Renewed growth in sales is anticipated in 2010 based on a sustained program of launches including notably:
- *Burberry Sport* fragrance lines for men and women;
- a make-up line under the Burberry brand;
- women's and men's fragrance lines under the Van Cleef & Arpels brand;
- a fragrance line for women under the Lanvin brand.

The Group remains confident that the quality of its portfolio of premium brands, positive momentum provided by its resources and its solid financial structure will enable it to successfully navigate ithis period of challenging market conditions.

6.
POST-CLOSING EVENTS

On September 1st, 2009, in light of its commercial development that has failed to meet expectations, Quiksilver and Inter Parfums decided by mutual agreement to terminate their collaboration on June 30, 2010 before the expiration date of this agreement. This measure will have no financial impact on either of the parties.

CHAPTER TWO

Condensed consolidated financial statements

1.
CONSOLIDATED INCOME STATEMENT

In € thousands, except per share data which is in units	Notes	June 30, 2008	June 30, 2009
Sales	3.1	**128,292**	**121,267**
Cost of sales	3.2	(51,445)	(49,691)
Gross margin		**76,847**	**71,576**
% of sales		*59.9%*	*59.0%*
Selling expenses	3.3	(54,987)	(52,275)
Administrative expenses	3.4	(4,183)	(4,262)
Income from operations		**17,677**	**15,039**
% of sales		*13.8%*	*12.4%*
Interest income		710	99
Interest and similar expenses		(1,200)	(939)
Net finance profits (costs)		**(490)**	**(840)**
Other financial income and expenses		200	3,144
Net financial income	3.5	**(290)**	**2,304**
Income before income tax		**17,387**	**17,343**
% of sales		*13.6%*	*14.3%*
Income tax	3.6	(6,603)	(6,035)
Effective tax rate		*38.0%*	*34.8%*
Net income before minority interests		**10,784**	**11,308**
% of sales		*8.4%*	*9.3%*
Attributable to minority interests		(423)	(192)
Attributable to Group shareholders		**11,207**	**11,500**
% of sales		*8.7%*	*9.5%*
Basic earnings per share	3.7	0.88	0.85
Fully diluted earnings per share	3.7	0.87	0.85

2.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In € thousands	**June 30, 2008**	**June 30, 2009**
Available-for-sale securities	(189)	80
Currency hedges	-	(2,725)
Gross income/(expense) recognized directly in equity	**(189)**	**(2,645)**
Deferred tax	65	910
Net income/(expense) recognized directly in equity	**(124)**	**(1,735)**
Consolidated net profit for the period	10,784	11,308
Total recognized income and expense for the period	**10,660**	**9,573**
Attributable to minority interests	(423)	(192)
Attributable to Group shareholders	**11,083**	**9,765**

3.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

In € thousands	Notes	12/31/08 [1]	06/30/09
Non-current assets			
Net trademarks and other intangible assets	2.1	59,557	58,049
Goodwill	2.2	3,814	3,814
Net property, plant & equipment	2.3	4,162	5,265
Investments and other non-current assets		408	437
Non current financial assets		70	151
Deferred tax assets	2.11	2,241	2,296
Total non-current assets		**70,252**	**70,012**
Current Assets			
Inventories and work in progress	2.4	69,349	64,731
Trade receivable and related accounts	2.5	80,054	76,506
Current income tax assets		969	260
Other receivables	2.6	10,113	11,166
Cash and cash equivalents	2.7	30,380	25,397
Total current assets		**190,865**	**178,060**
Total assets		**261,117**	**248,072**

SHAREHOLDERS' EQUITY AND LIABILITIES

In € thousands	Notes	12/31/08 [1]	06/30/09
Shareholder's equity			
Common stock		40,176	48,262
Additional paid-in capital		265	96
Retained earnings		93,421	100,029
Net income for the period		21,119	11,500
Total group shareholders' equity		**154,981**	**159,887**
Minority interests		(166)	(366)
Total shareholders' equity	2.8	**154,815**	**159,521**
Non-current liabilities			
Provisions for non-current commitments	2.9	712	1,017
Non-current borrowings	2.10	19,803	15,992
Deferred tax liabilities	2.11	3,636	3,749
Total non-current liabilities		**24,151**	**20,758**
Current liabilities			
Trade payables and related accounts		52,866	40,809
Current borrowings	2.10	10,271	8,560
Commitments and contingencies	2.9	2,280	111
Current income tax liabilities		309	522
Short-term bank loans		4,076	3,361
Other liabilities	2.12	12,349	14,430
Total current liabilities		**82,151**	**67,793**
Total shareholders' equity and liabilities		**261,117**	**248,072**

(1) The consolidated financial position was restated to eliminate the impact of the amendment IAS 38 "Intangible assets", applicable with retroactive effect on January 1st, 2008. See note 1.3 to the condensed financial statements.

4.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

In € thousands	Number of shares	Capital stock	Paid-in capital	Retained earnings & net income	Total equity Group share	Total equity Minority Interests	Total equity Total
As of December 31, 2007 (1)	**12,087,747**	**36,301**	**1,046**	**96,886**	**134,233**	**(342)**	**133,891**
Effect of IAS 38 amendment	-	-	-	(947)	(947)	-	(947)
As of December 31, 2007 restated (1)	**12,087,747**	**36,301**	**1,046**	**95,939**	**133,286**	**(342)**	**132,944**
Bonus issue	1,214,545	3,644	(1,671)	(1,973)	-	-	-
Shares issued on exercise of stock options	77,068	231	890	-	1,121	-	1,121
2008 net income	-	-	-	21,119	21,119	(536)	20,583
2007 dividend paid in 2008	-	-	-	(4,580)	(4,580)	-	(4,580)
Treasury shares	(27,755)	-	-	(485)	(485)	-	(485)
Stock based compensation	-	-	-	298	298	-	298
Remeasurement of financial instruments at fair value	-	-	-	4 135	4 135	-	4 135
Changes in the scope of consolidation	-	-	-	-	-	701	701
Other changes	-	-	-	87	87	11	98
As of December 31, 2008 (1)	**13,351,605**	**40,176**	**265**	**114,540**	**154,981**	**(166)**	**154,815**
Bonus issue	2,678,942	8,037	(286)	(7,751)	-	-	-
Shares issued on exercise of stock options	16,370	49	117	-	166	-	166
2009 half-year net income	-	-	-	11,500	11,500	(192)	11,308
2008 dividend paid in 2009	-	-	-	(5,061)	(5,061)	-	(5,061)
Treasury shares	(7,814)	-	-	(29)	(29)	-	(29)
Stock based compensation	-	-	-	127	127	-	127
Remeasurement of financial instruments at fair value	-	-	-	(1,735)	(1,735)	-	(1,735)
Changes in the scope of consolidation	-	-	-	-	-	-	-
Other changes	-	-	-	(62)	(62)	(8)	(70)
As of June 30, 2009 (1)	**16,039,103**	**48,262**	**96**	**111,529**	**159,887**	**(366)**	**159,521**
As of December 31, 2007 (1)	**12,087,747**	**36,301**	**1,046**	**96,886**	**134,233**	**(342)**	**133,891**
Effect of IAS 38 amendment	-	-	-	(947)	(947)	-	(947)
As of December 31, 2007 restated (1)	**12,087,747**	**36,301**	**1,046**	**95,939**	**133,286**	**(342)**	**132,944**
Bonus issue	1,214,545	3,644	(1,671)	(1,973)	-	-	-
Shares issued on exercise of stock options	64,966	194	809	-	1,003	-	1,003
2008 half-year net income	-	-	-	11,207	11,207	(423)	10,784
2007 dividend paid in 2008	-	-	-	(4,580)	(4,580)	-	(4,580)
Treasury shares	(23,705)	-	-	(503)	(503)	-	(503)
Stock based compensation	-	-	-	160	160	-	160
Remeasurement of financial instruments at fair value	-	-	-	(124)	(124)	-	(124)
Changes in the scope of consolidation	-	-	-	-	-	147	147
Other changes	-	-	-	2	2	7	9
As of June 30, 2008 (1)	**13,343,553**	**40,139**	**184**	**100,128**	**140,451**	**(611)**	**139,840**

(1) Excluding treasury shares.

5.
CONSOLIDATED STATEMENT OF CASH FLOWS

In € thousands	06/30/08	12/31/08	06/30/09
Cash flows from operating activities			
Net income	10,784	20,583	11,308
Depreciation, amortization and other	1,137	4,697	(449)
Capital (gains) losses on fixed assets disposals	-	164	-
Net finance cost	(490)	(1,645)	(840)
Tax charge of the period	6,603	10,924	6,035
Operating cash flows	**18,034**	**34,723**	**16,054**
Interest expense	(1,236)	(2,343)	(950)
Tax payments	(6,175)	(13,186)	(4,188)
Cash flow after interest expense and tax	**10,623**	**19,194**	**10,916**
Change in inventories and work in progress	(23,563)	(14,979)	4,439
Change in trade receivables and related accounts	1,825	(4,799)	3,779
Change in other receivables	52	2,244	(856)
Change in trade payables and related accounts	1,545	(12,329)	(12,097)
Change in other current liabilities	(10,209)	(1,582)	2,353
Change in working capital needs	**(30,350)**	**(31,445)**	**(2,382)**
Net cash flows provided by (used in) operating activities	**(19,727)**	**(12,251)**	**8,534**
Cash flows from investing activities			
Acquisition of intangible assets	(482)	(782)	(248)
Acquisition of property, plant & equipment	(1,008)	(2,120)	(1,975)
Changes in the scope of consolidation	147	701	-
Changes in non current financial assets	(136)	(231)	(29)
Sales of fixed assets	-	-	-
Net cash flows provided by (used in) investing activities	**(1,479)**	**(2,432)**	**(2,252)**
Cash flow from financing activities			
Issuance of borrowings and new financial debt	-	-	-
Debt repayments	(5,525)	(11,100)	(5,589)
Dividends paid	(4,580)	(4,580)	(5,061)
Capital increases	1,004	1,121	166
Treasury shares	(503)	(564)	(66)
Other	5	(3)	-
Net cash flows provided by (used in) financing activities	**(9,599)**	**(15,126)**	**(10,550)**
Change in net cash	**(30,805)**	**(29,809)**	**(4,268)**
Cash and cash equivalents - beginning of year	56,113	56,113	26,304
Cash and cash equivalent - end of year	**25,308**	**26,304**	**22,036**

The reconciliation of net cash breaks down as follows:

In € thousands	06/30/08	12/31/08	06/30/09
Cash and cash equivalents	31,443	30,380	25,397
Short-term bank loans	(6,135)	(4,076)	(3,361)
Net cash at the end of the period	**25,308**	**26,304**	**22,036**

CHAPTER THREE

Notes of the consolidated financial statements

1.
ACCOUNTING PRINCIPLES

1.1
Statement of compliance

The condensed interim consolidated financial statements of June 30, 2009 were approved by the Board of Directors on September 3, 2009. They have been prepared in compliance with EC regulations 1606/2002 of 19 July 2002 on international accounting standards and notably IAS 34 on interim financial reporting as endorsed by the European Union. In particular, the consolidated financial statements for the period ending 30 June 2008 and 31 December 2008 were restated to eliminate the effects of the amendment to IAS 38 “Intangible assets” concerning the recognition of our advertising and promotional expenses, applied retroactively as of January 1st, 2008. These standards have been consistently applied over the periods presented herein and the interim financial statements were prepared on the basis of these same rules and methods used to produce the annual financial statements.

This condensed interim financial report must be read in conjunction with the consolidated annual financial statements for the fiscal year ended December 31, 2008. In addition, the comparability of interim and annual financial statements may be affected by seasonal trends of the Group business and notably the impact of launch phases of new fragrance lines.

Financial information presented herein has been based on:
- IFRS standards and interpretations whose application was mandatory starting in 2005;
- options retained and exemptions used by the Group for the preparation if IFRS consolidated financial statements.

1.2
Changes in accounting standards

The following standards, amendments and interpretations have been applied by the company in advance as of January 1st, 2008 :
- amendment to IFRS 7 (entered into force on January 1st, 2009) and IAS 39 “Reclassification of financial assets” (entered into force on July 1st, 2008).

The following standards, amendments and interpretations that entered into force on January 1st, 2009 have been applied by the company in preparing its consolidated financial statements:
- IFRS 8 “Operating segments”;
- amendment to IAS 1 “Presentation of financial statements”;
- amendment to IAS 23 “Borrowing costs”,
- amendment to IAS 38 “Intangible assets”,
- amendments to IFRS 1 and IAS 27 “Cost of an investment in a subsidiary, jointly controlled entity or associate”,
- amendment to IFRS 1 “First-time adoption of IFRS - revision of the structure of the standard”,
- amendment to IFRS 2 “Vesting conditions and cancellations”.

The following standards, amendments and interpretations will be applied in the consolidated financial statements starting July 1st, 2009:
- IFRS 3 and IAS 27 revised “Business combinations”,
- amendment to IAS 39 “Financial instruments: recognition and measurement - eligible hedged items”.

The impact of these standards on financial statements that is currently being assessed is not expected to have a material effect on the company’s consolidated financial statements.

Because of the company's business, the following standards, amendments and interpretations will not be applied to the consolidated financial statements:
- amendments IAS 32 and IAS 1 "Puttable instruments",
- IFRIC 9 and IAS 39 "Embedded derivatives",
- IFRIC 12 "Service concessions",
- IFRIC 13 "Customer loyalty programs"
- IFRIC 14 and IAS 19 "The limit on a defined benefit asset, minimum funding requirements and their interaction",
- IFRIC 15 "Agreements for the construction of real estate",
- IFRIC 16 "Hedges of a net investment",
- IFRIC 17 "Distribution of non-cash assets to owners",
- IFRIC 18 "Transfers of assets from customers".

1.3
Application of the amendment to IAS 38 "Intangible assets"

As of January 1st, 2009, expenditure on advertising and promotional activities is recognized when received or produced in the case of goods or when rendered in the case of services. The impact of this change in method on shareholders' equity of January 1st, 2008 is €947,000 that breaks down as follows:

In € thousands	Impact on January 1st, 2008
Inventories	(1,445)
Deferred tax	498
Consolidated shareholders' equity	**(947)**

Results on June 30, 2008 and December 31, 2008 were not restated to eliminate the impact of the application of the IAS 38 amendment in relation to results recognized on January 1st, 2008 that was considered as nonmaterial. The notes presented below were restated to eliminate the effects of the retroactive application of the IAS 38 amendment.

1.4
Basis of consolidation

All Group subsidiaries are fully consolidated. These include Inter Parfums Deutschland GmbH, Inter España Parfums and Cosmetiques S.L., Inter Parfums Srl, Inter Parfums Ltd and Inter Parfums Suisse.

Inter Parfums SA		
Inter Parfums Suisse Sarl	Switzerland	100%
Inter Parfums Deutschland GmbH	Germany	51%
Inter España Parfums et Cosmetiques S.L.	Spain	51%
Inter Parfums Srl	Italy	51%
Inter Parfums Ltd	United Kingdom	51%

Subsidiaries' financial statements are prepared on the basis of the same accounting periods as the parent company. The fiscal year is for the 12 month period that end on December 31.

2.
NOTES TO THE BALANCE SHEET

2.1
Trademarks and other intangible assets

In € thousands	12/31/08	+	-	06/30/09
Cost				
Intangible assets with indefinite life				
Nickel trademark	2,133	-	-	2,133
Lanvin trademark	36,323	-	-	36,323
Intangible assets with finite life				
S.T. Dupont upfront license fee	1,219	-	-	1,219
Burberry upfront license fee	5,000	-	-	5,000
Van Cleef & Arpels upfront license fee	18,250	-	-	18,250
Quiksilver acquisition cost	490	-	-	490
Other intangible assets				
Rights on molds for bottles	8,716	245	-	8,961
Registration of trademarks	440	-	-	440
Other	489	3	-	492
Total cost	**73,060**	**248**	**-**	**73,308**
Amortization and depreciation				
Intangible assets with indefinite life				
Nickel trademark	-	(194)	-	(194)
Intangible assets with finite life				
S.T. Dupont upfront license fee	(1,060)	(31)	-	(1,091)
Burberry upfront license fee	(1,576)	(223)	-	(1,799)
Van Cleef & Arpels upfront license fee	(3,042)	(754)	-	(3,796)
Quiksilver acquisition cost	(98)	(22)	-	(120)
Other intangible assets				
Rights on molds for bottles	(6,915)	(495)	-	(7,410)
Registration of trademarks	(440)	-		(440)
Other	(372)	(37)	-	(409)
Total amortization and depreciation	**(13,503)**	**(1,756)**	**-**	**(15,259)**
Total net	**59,557**	**(1,508)**	**-**	**58,049**

Indefinite life intangible assets were revalued on June 30, 2009 resulting in impairment charge of €194,000 for the Nickel brand. No impairment charges were recognized for other intangible assets intangible.

2.2
Goodwill

Goodwill results from the acquisition of Nickel. After being tested for impairment on June 30, 2009, no additional impairment charges were recognized. The total amount recognized in the balance sheet of €1,388,000 has consequently been maintained.

2.3
Property, plant and equipment

In € thousands	12/31/08	+	-	06/30/09
Fixtures, improvements, fittings	3,719	1,576	-	5,295
Office and computer equipment and furniture	1,391	98	(59)	1,430
Molds for caps	5,282	304	-	5,586
Other (1)	763	63	(82)	744
Total cost	**11,155**	**2,041**	**(141)**	**13,055**
Accumulated and depreciations (1)	(6,993)	(846)	49	(7,790)
Total net	**4,162**	**1,195**	**(92)**	**5,265**

(1) Including fixed assets held under finance leases (vehicles) for a gross amount of €310,000 and depreciation expenses of €185,000.

2.4
Inventories and work in progress

In € thousands	12/31/08 (1)	06/30/09
Raw materials and components	23,570	15,477
Finished goods	50,609	53,833
Total cost	**74,179**	**69,310**
Allowance for raw materials	(1,924)	(1,375)
Allowance for finished goods	(2,906)	(3,204)
Total provisions	**(4,830)**	**(4,579)**
Total net	**69,349**	**64,731**

(1) See note 1.3 “Application of the amendment to IAS 38”.

2.5
Trade receivables and related accounts

In € thousands	12/31/08	06/30/09
Total cost	**80,766**	**77,696**
Provisions	(712)	(1,190)
Total net	**80,054**	**76,506**

Maturities for trade receivables break down as follows:

In € thousands	12/31/08	06/30/09
Outstanding	56,870	56,491
0 - 90 days	17,748	12,030
90 - 180 days	3,088	5,506
181 - 360 days	77	2,292
More than 360 days	2,983	1,377
Total cost	**80,766**	**77,696**

2.6
Other receivables

In € thousands	12/31/08	06/30/09
Accruals	2,090	2,294
Holding current accounts	1,306	-
Value-added tax	1,145	1,026
Hedging instruments [1]	4,836	5,806
Accrued income	-	1,434
Other	736	606
Total net	**10,113**	**11,166**

(1) Hedging instruments include the market value of those implemented at the end of 2008 to hedge budgeted sales in US dollars for 2009.

2.7
Cash and cash equivalents

In € thousands	12/31/08	06/30/09
Certificates of deposit	12,000	5,000
Money-market mutual funds	14,239	14,342
Bank accounts	4,141	6,055
Cash and cash equivalents	**30,380**	**25,397**

Items under this heading that were reviewed in respect to the position of association of corporate treasurers (AFTE/EFG), are subject to an insignificant risk of a change in value. Short-term investments are measured at market value on every closing date.

2.8
Shareholders' equity

2.8.1 Common stock

As of June 30, 2009, Inter Parfums' capital was composed of 16,087,292 shares with a par value of €3, 75.2% held by Inter Parfums Holding.

For the period under review, capital increases result from the exercise of stock options and the capital increase in connection with the bonus issue of June 15, 2009 on the basis of one new share for every 5 shares held.

2.8.2 Stock option plans

The managers and employees of Inter Parfums and its subsidiaries benefit regularly from stock option plans.

The characteristics of plans currently in force are as follows:

Plans	Number of beneficiaries	Number of options granted at the inception	Grant date	Vesting period	Subscription price [1]
Plan 2002	57	51,200	08/26/02	4 years	€7.70
Plan 2003	48	34,600	08/26/03	4 years	€12.60
Plan 2004	74	47,000	03/25/04	4 years	€18.40
Plan 2005	85	112,700	05/26/05	4 years	€17.20
Plan 2006	84	98,800	06/01/06	4 years	€21.90
Plan 2008 (IP Inc)	96	84,500	02/14/08	4 years	$11.30

(1) Subscription price adjusted for bonus issues.

In the period, changes in plans issued by Inter Parfums SA break down as follows :

Plans	Options outstanding at 12/31/2008	Conversions in the period	Bonus share grants	Cancellations in the period	Options outstanding at 06/30/2009
Plan 2002	43,119	(9,173)	8,249	-	42,195
Plan 2003	83,313	(7,197)	16,515	-	92,631
Plan 2004	128,917	-	25,806	-	154,723
Plan 2005	130,665	-	25,798	(1,759)	154,704
Plan 2006	128,075	-	25,426	(1,065)	152,436
	514,089	**(16,370)**	**101,794**	**(2,824)**	**596,689**

At June 30, 2009, the potential number of Inter Parfums S.A. shares that may be created is 596,689.

In addition, all employees of the Group benefited in February 2008 from a stock option plan created by the parent company Inter Parfums Inc. This plan was recognized in accordance with IFRIC 11 and will be charged to Inter Parfums S.A. by the parent company.

Benefits granted to employees in the form of stock options recognized as additional compensation, in accordance with IFRS 2, were calculated using the Black & Scholes model. The impact of this calculation, including the US plan, represents an expense that is recognized over the duration of the vesting period. This expense amounted to €234,000 for the first semester of 2009 and €274,000 for the first semester of 2008.

The estimation of the fair value of each stock option based on the Black & Scholes, model is calculated on the grant date on the basis of the following assumptions:

Plans	Fair value of the options	Risk-free interest rate	Dividend yield	Volatility Rate	Share price retained for the calculation
Plan 2003	€14.62	3.00%	1.00%	41%	€44.00
Plan 2004	€12.48	4.20%	1.00%	23%	€64.75
Plan 2005	€6.76	4.50%	1.00%	22%	€30.25
Plan 2006	€10.37	4.60%	0.94%	25%	€35.00
Plan 2008 (1)	$3.96	2.72%	1.20%	39%	$11.59

(1) 2008 plan has been issued by the mother company Inter Parfums Inc.

For all these plans, the stock options have terms of six years.

2.8.3 Treasury stocks

Within the framework of the share repurchase program authorized by the shareholders' meeting on April 24, 2009, 48,189 Inter Parfums shares were held by the company as of June 30, 2009.

Changes in the period break down as follows:

In € thousands	Number of shares	Book Value
As of December 31, 2008	**40,375**	**834**
Acquisitions	52,714	843
Bonus issues as of June 15, 2009	6,425	-
Sales	(51,325)	(969)
As of June 30, 2009	**48,189**	**708**

Management of the share repurchase program is assured by an investment services provider within the framework of a liquidity agreement in compliance with the conduct of business rules of the French association of investment firms (AFEI).

Purchases of shares under this program are subject to the following conditions:
- the maximum purchase price is €45 per share, excluding execution costs;
- the total number of shares acquired may not exceed 5% of the capital stock outstanding.

2.8.4 Minority interests

Minority interests that concern the percentage not held (49%) in the European subsidiaries (Inter Parfums Deutschland GmbH, Inter España Parfums et Cosmetiques S.L., Inter Parfums Srl and Inter Parfums Ltd) break down as follows:

In € thousands	12/31/08	06/30/09
Reserves attributable to minority interests	370	(174)
Earnings attributable to minority interests	(536)	(192)
Minority interests	**(166)**	**(366)**

Minority shareholders have an irrevocable obligation and the ability to offset losses by an additional investment.

2.8.5 Information on equity

The company is not subject to specific regulatory or contractual obligations in respect to capital stock.

In compliance with the provisions of article L.225-123 of the French Commercial Code, the shareholders' meeting of September 29, 1995 decided to create shares carrying a double voting right. These shares must be fully paid up and recorded in the company's share register in registered form for at least three years.

Since 1998, the company has adopted a policy of distributing dividends that today represents approximately 25% of consolidated earnings, destined to reward shareholders while at the same time associating them with the Group's expansion. In early May 2009, a dividend of €0.38 per share was paid or a €5.1 million.

In respect to financing, given the Group's significant shareholders equity and low gearing, financing for significant operations required by the Group was obtained from banks in the form of medium-term loans.

In addition to the company's commitment with lending institutions to comply with contractual covenants, the level of consolidated shareholders' equity is regularly monitored to ensure the company continues to have sufficient financial flexibility to take advantage of all potential opportunities for external growth.

2.9 Commitments and contingencies

In € thousands	12/31/08	Increases	Provisions used in the period	Reversal or unused provisions	06/30/09
Reserves for severance benefits	712	305	-	-	1,017
Non-current provisions	**712**	**305**	-	-	**1,017**
Other commitments and contingencies	2,280	60	(1,453)	(776)	111
Total non-current provisions	**2,992**	**365**	**(1,453)**	**(776)**	**1,128**

For the measurement of severance benefits payable on retirement for 2008, Inter Parfums has adopted the procedure for voluntary severance agreements introduced on July 23, 2008 extending the interprofessional agreement of January 11, 2008.

For 2009, the following assumptions were applied:
- voluntary termination at age 65;
- a rate of 45% for employer payroll contributions for all employees;
- a 5% average annual salary increase;
- an annual rate of turnover of 5% for all employees under 55 years of age and nil above;
- the TH 00-02 mortality table for men and the TF 00-02 mortality table for women;
- a discount rate corresponding to the zero-coupon yield curve at June 30, 2009.

Litigation with a distributor relating to relating to the commercial conditions was settled in the 2009 first half. In consequence the full amount of the corresponding provision was written back to income.

2.10
Borrowings and other financial debt

2.10.1 Borrowings by a maturity and rate

In € thousands	Total	< 1 year	1 to 5 years	>5 years
Floating-rate (Euribor 3M)	14,959	4,822	10,137	-
Fixed rate	9,458	3,668	5,790	-
Automobile leases	135	71	64	-
Bank overdrafts	3,361	3,361	-	-
Total at June 30, 2009	**27,913**	**11,922**	**15,991**	-

In € thousands	Total	< 1 year	1 to 5 years	>5 years
Floating-rate (Euribor 3M)	18,683	6,583	12,100	-
Fixed rate	11,238	3,594	7,644	-
Automobile leases	153	94	59	-
Bank overdrafts	4,076	4,076	-	-
Total at December 31, 2008	**34,150**	**14,347**	**19,803**	-

All borrowings are in euros.

2.10.2 Analysis of borrowings

	Lanvin 2004	Lanvin 2007	Van Cleef & Arpels
Inception date	June, 30 2004	September 28, 2007	January 1st, 2007
Initial amount (in € thousands)	16,000	22,000	18,000
Duration	5 years	5 years	5 years
Rate	3M Euribor+0.60 %	3M Euribor +0,.40 %	4.1% fixed-rate
Repayment schedule	quarterly	quarterly	quarterly
Amount payable at June 30, 2009 (in € thousands)	0	14,300	9,458

2.10.3 Additional disclosures

The floating-rate portion of the Lanvin debt contracted in June 2004 was covered by a swap. This swap at 12-month Euribor at year-end included a floor of 2.10% and a cap of 3.85%. At June 30, 2009, this loan was fully reimbursed and the corresponding swap position was closed out.

The floating-rate portion of the Lanvin debt contracted in September 2007 was also covered by a swap against a fixed rate of 4.42%. At June 30, 2009 on the basis of a notional amount of €14.3 million, a loss of €81,000 in connection with this swap was recognized in the income statement and for which the Group did not apply hedge accounting in accordance with IAS 39. The market value of the swap at June 30, 2009 represented a negative amount for the company of €661,000.

2.10.4 Covenants

The loans obtained by the parent company are subject to the following covenant ratios:
- net debt to net equity;
- net debt to operating cash flow.

These ratios are calculated by the company every year.

In 2008, these covenants were fully met. The current level of these ratios is considerably below the contractual limits. As a result, the Group has considerable financial flexibility in respect to these commitments.

2.11
Deferred tax

Deferred taxes arise from timing differences between financial accounting and tax accounting. Deferred taxes from consolidation adjustments and loss carryforwards are recovered as follows:

In € thousands	12/31/08 (1)	Changes through reserves	Changes through income	06/30/09
Deferred tax liabilities				
Timing differences between financial and tax accounting	48	-	(30)	18
Acquisition cost	761	-	(11)	750
Forward exchange hedges	2,020	(938)	1,006	2,088
Market value of securities	-	28	(28)	-
Stocks options	-	67	(67)	-
Gains (losses) on treasury shares	-	(37)	37	-
Remeasurement gains (losses)	734	-	-	734
Other	73	-	86	159
Total deferred tax liabilities	**3,636**	**(880)**	**993**	**3,749**
Deferred tax assets				
Timing differences between financial and tax accounting	748	-	(124)	624
Loan swap	201		28	229
Inventory margin	753	-	148	901
Advertising and promotional costs (1)	498	-	-	498
Other	41	-	3	44
Total deferred tax assets before depreciation	**2,241**	**-**	**55**	**2,296**
Depreciation of deferred tax	-	-	-	-
Total net deferred tax assets	**2,241**	**-**	**55**	**2,296**

(1) See note 1.3 "Application of the amendment to IAS 38".

2.12
Other short-term liabilities

In € thousands	12/31/08	06/30/09
Accrued credit notes	3,006	3,820
Current account liabilities	-	2,574
Tax and employee-related liabilities	6,072	4,296
Other debts	3,271	3,740
Total other short-term liabilities	**12,349**	**14,430**

2.13
Financial instruments

The following table presents financial instruments in the balance sheet according to the categories provided for under IAS 39.

In € thousands At June 30, 2009	**Notes**	**Carrying value**	**Fair value**	**Fair value through profit or loss**	**Available-for-sale assets**	**Loans & receivables or payables**	**Derivatives**
Non-current financial assets		588	588	-	151	437	-
Trade receivables and related accounts	2.5	76,506	76,506	-	-	76,248	258
Other receivables	2.6	11,166	11,166	-	-	5,360	5,806
Cash and cash equivalents	2.7	25,397	25,397	-	-	25,397	-
Assets		**113,657**	**113,657**	-	**151**	**107,442**	**6,064**
Borrowings	2.10	24,552	24,125	661	-	23,891	-
Trade payables and related accounts		40,809	40,809	-	-	40,809	-
Short-term bank loans	2.10	3,361	3,361	-	-	3,361	-
Other liabilities	2.12	14,430	14,430	-	-	14,430	-
Liabilities		**83,152**	**82,361**	**661**	-	**82,491**	-

In € thousands At December 31, 2008	**Notes**	**Carrying value**	**Fair value**	**Fair value through profit or loss**	**Available-for-sale assets**	**Loans & receivables or payables**	**Derivatives**
Non-current financial assets		478	478	-	70	408	-
Trade receivables and related accounts	2.5	80,054	80,054	-	-	79,025	1,029
Other receivables	2.6	10,113	10,113	-	-	5,277	4,836
Cash and cash equivalents	2.7	30,380	30,380	-	-	30,380	-
Assets		**121,025**	**121,025**	-	**70**	**115,090**	**5,865**
Borrowings	2.10	30,074	29,923	583	-	29,491	-
Trade payables and related accounts		52,866	52,866	-	-	52,866	-
Short-term bank loans	2.10	4,076	4,076	-	-	4,076	-
Other liabilities	2.12	12,349	12,349	-	-	12,349	-
Liabilities		**99,365**	**99,214**	**583**	-	**96,170**	-

The fair value of all current assets and liabilities (trade receivables, payables, short-term loans and debt, cash at bank overdrafts), because of their short-term maturities, is considered identical to the carrying value. The fair value of non-current debt is determined by estimating future cash flows, loan by loan, that are updated at year-end on the basis of actual market rates at year-end for similar types of borrowing, as presented in the table above.

2.14
Risk management

The primary risks related to the Group's business and organization concerning interest rate and foreign exchange rate risks remain marginal. The potential impacts of other risks on the company's financials are not material.

2.14.1 Interest rate risks

The Group's exposure to interest rate is primarily from debt. The objective of the Group's policy is to ensure a stable level of financial expense through the use of hedges in the form of interest rate swaps and the use of floor and caps.

These financial instruments are not eligible for hedge accounting under IAS 39. The Group nevertheless considers that these transactions are not speculative in nature and are necessary to effectively manage its interest rate exposure.

2.14.2 Liquidity risks

The net position of financial assets and liabilities by maturity is as follows:

In € thousands	< 1 year	1 to 5 years	>5 years
Financial assets	19,342	151	-
Financial liabilities	(8,561)	(15,991)	-
Net position before hedging	**10,781**	**(15,840)**	-
Hedging of assets and liabilities (Swaps)	422	239	-
Net position after hedging	**11,203**	**(15,601)**	-

Financial liabilities by year break down as follows:

In € thousands At June 30, 2009	2009	2010	2011	2012	Total
Floating-rate debt - nominal	2,200	4,400	4,400	3,300	14,300
Floating-rate debt - interest	358	543	314	86	1,301
Fixed rate debt - nominal	1,815	3,744	3,900	-	9,459
Fixed rate debt - interest	185	256	100	-	541
Interest rate swaps	211	307	114	29	661

In € thousands At December 31, 2008	2009	2010	2011	2012	Total
Floating-rate debt - nominal	6,000	4,400	4,400	3,300	18,100
Floating-rate debt - interest	787	543	314	86	1,730
Fixed rate debt - nominal	3,594	3,744	3,900	-	11,238
Fixed rate debt - interest	406	256	100	-	762
Interest rate swaps	300	169	86	28	583

2.14.3 Foreign exchange risks

Net positions of the Group in the main foreign currencies are as follows:

In € thousands	USD	GBP	YEN	CAD
Assets	31,342	2,841	2,037	276
Liabilities	(1,810)	(418)	(314)	-
Net position before hedging	**29,532**	**2,423**	**1,723**	**276**
Currency hedges	258	-	(3)	-
Net position after hedging	**29,790**	**2,423**	**1,720**	**276**

In addition, because a significant portion of the Group's sales are in foreign currencies it incurs a risk from exchange rate fluctuations, primarily from the US dollar (34.5% of sales) and to a lesser extent the pound sterling (6.5% of sales) and the Japanese yen (3.8% of sales).

The Group's exchange rate risk management policy seeks to cover budget exposures considered highly probable related to monetary flows resulting from US dollar sales, as well as trade receivables in the period in US dollars, pound sterling and Japanese yens.

To this purpose, the Group has recourse to forward exchange sales, according to procedures that prohibit speculative trading:
- all forward currency hedging must be backed in terms of amount at maturity by an identified economic underlying asset,
- every identified budget exposure hedged for 80%.

At December 31, 2008, the Group had fully hedged its positions in US dollars, pound sterling and Japanese yen for trade receivables recorded.

The 2009 sales budget was hedged for 80%, with additional forward currency sales planned for midyear.

The nominal amounts of hedges open, based on trade receivables measured at year-end are as follows:

In € thousands	2008	2009
Forward sales of US dollars	26,026	31,204
Forward sales of pound sterling	5,010	3,271
Forward sales of Japanese yen	745	566
Difference in market and carrying value	-	-

The amount of hedges to cover 2009 sales and maintain the level of the gross margin amounts to USD 74 million. The impact of the revaluation of this portfolio at June 30, 2009 was €6,000,000 on shareholders' equity, €2,000,000 on sales and €1,000,000 on the financial expense. These hedges were obtained at an average rate for the US dollar of 1.264.

As a result of these hedges, sensitivity to foreign exchange risk has been reduced to a non-material level.

3.
NOTES TO THE INCOME STATEMENT

3.1
Breakdown of consolidated sales by brand

In € thousands	06/30/2008	06/30/2009
Burberry	87,696	77,757
Lanvin	15,211	18,972
Van Cleef & Arpels	9,021	9,403
Paul Smith	6,167	5,368
S.T. Dupont	3,472	5,230
Quiksilver/Roxy	4,294	2,161
Nickel	1,517	1,122
Other	914	1,254
Total	**128,292**	**121,267**

3.2
Cost of sales

In € thousands	06/30/2008	06/30/2009
Raw materials, trade goods and packaging	(70,268)	(41,490)
Changes in inventory and allowances	25,360	(3,607)
POS advertising	(4,336)	(2,554)
Transportation costs	(568)	(247)
Staff costs	(866)	(889)
Subcontracting	(669)	(754)
Other expenses related to the cost of sales	(98)	(150)
Total cost of sales	**(51,445)**	**(49,691)**

3.3
Selling expenses

In € thousands	06/30/2008	06/30/2009
Advertising	(22,968)	(20,896)
Royalties	(12,833)	(12,207)
Subcontracting	(6,716)	(6,425)
Commissions and transportation costs	(2,855)	(2,390)
Staff costs	(5,464)	(5,442)
Other selling expenses	(4,151)	(4,915)
Total selling expenses	**(54,987)**	**(52,275)**

3.4
Administrative expenses

In € thousands	06/30/2008	06/30/2009
Fees	(931)	(908)
Tax and related expenses	(690)	(259)
Staff costs	(1,285)	(1,426)
Other administrative expenses	(1,277)	(1,669)
Total administrative expenses	**(4,183)**	**(4,262)**

3.5
Net financial expense

In € thousands	06/30/2008	06/30/2009
Interest income	710	99
Currency gains (losses)	(122)	2,961
Interest and similar expenses	(1,200)	(939)
Other financial income and expenses	322	183
Net financial result	**(290)**	**2,304**

3.6
Income taxes

In € thousands	06/30/2008	06/30/2009
Current income tax	(6,279)	(5,096)
Deferred tax arising from timing differences	(15)	(94)
Deferred tax arising from consolidation adjustments	(309)	(845)
Total income taxes	**(6,603)**	**(6,035)**

3.7
Earnings per share

In € thousands, except number of shares and earnings per share in euros	06/30/2008 (1)	06/30/2009 (1)
Consolidated net income	11,207	11,500
Average number of shares	12,715,650	13,579,128
Basic earnings per share (1)	**0.88**	**0.85**
Dilution effect of stock options:		
Potential fully diluted consolidated net income	235,690	27,407
Potential fully diluted average number of shares outstanding	12,951,340	13,606,535
Diluted earnings per share (1)	**0.87**	**0.85**

(1) Pursuant to the bonus issue of one new share for every 10 shares held on June 18, 2008 and of one new share for every 5 shares held on June 15, 2009.

At June 30, 2008, the 2006 plan is not dilutive and so has not dilutive effect on diluted earnings per share for this period.

At June 30, 2009, 2004, 2005 and 2006 plans are not dilutive and so have not dilutive effect on diluted earnings per share for this period.

4.
SEGMENT REPORTING

4.1
Primary segment information: business lines

In € thousands		06/30/08			06/30/09	
	Perfumes	Cosmetics	Total	Perfumes	Cosmetics	Total
Revenue	126,775	1,517	128,292	120,145	1,122	121,267
Operating profit (loss)	17,766	(89)	17,677	15,580	(541)	15,039
Impairment	-	-	-	-	(194)	(194)

In € thousands		12/31/08			06/30/09	
	Perfumes	Cosmetics	Total	Perfumes	Cosmetics	Total
Trademarks, licenses and goodwill	57,311	6,060	63,371	55,993	5,870	61,863
Inventories (1)	67,949	1,400	69,349	63,399	1,332	64,731
Other segment assets	126,517	1,382	127,899	120,398	582	120,980
Total segment assets	**251,777**	**8,842**	**260,619**	**239,790**	**7,784**	**247,574**
Segment liabilities	80,989	1,162	82,151	66,688	1,105	67,793

(1) See note 1.3 "Application of the amendment to IAS 38".

Segment assets and liabilities consist of operating assets (liabilities) used primarily in France.

4.2
Secondary segment information: geographical segments

Sales by geographical sector break down as follows:

In € thousands	06/30/2008	06/30/2009
North America	25,917	22,381
South America	10,185	7,191
Asia	20,531	19,602
Eastern Europe	7,881	6,410
Western Europe	39,459	36,560
France	11,842	13,271
Middle East	11,441	14,699
Other	1,036	1,153
Total	**128,292**	**121,267**

5.
OFF BALANCE SHEET COMMITMENTS

5.1
Commitments given

Off balance sheet commitments concerned exclusively ordinary operating activities of the company.

In € thousands	12/31/08	06/30/09
Guaranteed minima on trademark royalties	220,299	207,993
Headquarter rental payments	7,652	7,005
Guaranteed minima for warehousing and logistics	7,950	6,550
Firm component orders (inventories)	4,124	2,492
Pension liabilities	607	585
Total commitments given	**240,632**	**224,625**

Other commitments given by the company are the same as in fiscal 2008.

At June 30, 2009, the maturities of off balance sheet commitments broke down as follows:

In € thousands	Total	Up to 1 year	1 to 5 years	5 years or more
Guaranteed minima on trademark royalties	207,993	12,306	103,417	92,270
Headquarter rental payments	7,005	646	4,718	1,641
Guaranteed minima for warehousing and logistics	6,550	1,400	5,150	-
Total contractual obligations	**221,548**	**14,352**	**113,285**	**93,911**
Firm component orders (inventories)	2,492	2,492	-	-
Pension liabilities	585	22	87	476
Total other commitments	**3,077**	**2,514**	**87**	**476**
Total commitments given	**224,625**	**16,866**	**113,372**	**94,387**

Maturities are defined on the basis of the contract terms (license agreements, leases, logistic agreements, etc.)

5.2
Commitments received

Commitments received in connection with forward currency sales at June 30, 2009 amounted to €89,744,000 for hedges for US dollars, €3,271,000 for pound sterling and €566,000 for Japanese yen representing total commitments of €93,581,000.

6.
INFORMATION ON RELATED PARTIES

In the 2009 first half, there were no changes in respect to relations between Inter Parfums and affiliated undertakings and those in 2008.

This is also the case for relation between members of the Management Committee and the Board of Directors.

7.
OTHER INFORMATION

7.1
License agreements

	Nature of license	License inception date	Duration	Expiration date
Burberry	Original	July 1993	13 years and 6 months	-
	Renewal	July 2004	12 years and 6 months	December 2016
S.T.Dupont	Original	July 1997	11 years	-
	Renewal	January 2006	5 years and 6 months	June 2011
Paul Smith	Original	January 1999	12 years	-
	Renewal	July 2008	7 years	December 2017
Christian Lacroix	Original	Mars 1999	10 years and 10 months	December 2010
Quiksilver	Original	April 2006	11 years and 9 months	December 2017
Van Cleef & Arpels	Original	January 2007	12 years	December 2018

7.2
Proprietary brands

Lanvin

In June 2004, Inter Parfums signed an exclusive worldwide license agreement with Lanvin effective July 1st, 2004 to create, develop and distribute fragrance lines under the Lanvin brand name for 15 years.

At the end of July 2007, Inter Parfums acquired the Lanvin brand names and international trademarks for class 3 fragrance products and make-up from the Jeanne Lanvin company.

Inter Parfums and Lanvin also mutually agreed with immediate effect to terminate the license agreement signed in July 2004 and at the same time concluded a technical and creative assistance agreement in view of developing new perfumes based on net sales until June 30, 2019. The Jeanne Lanvin company holds a buy back option for the brands which will be exercisable on July 1st, 2025.

Nickel

In April 2004, Inter Parfums acquired a majority stake in Nickel, a company specialized in skincare products for men.

In June 2007, Nickel became a wholly-owned subsidiary after Inter Parfums acquired the company's remaining shares.

7.3
Insurance

Inter Parfums is named as beneficiary under a €15 million life insurance policy for Philippe Benacin.

7.4
Employee-related data

7.4.1 Employees by category

Number of employees at	**12/31/08**	**06/30/09**
Executive officers and management	82	83
Supervisory staff	9	9
Employees	61	61
Total	**152**	**153**

7.4.2 Employees by department

Number of employees at	**12/31/08**	**06/30/09**
General Management	2	2
Production & Operations	22	22
Burberry Fragrances	27	31
Luxe & Fashion	25	25
France	49	44
Finance & Corporate Affairs	27	29
Total	**152**	**153**

7.5
Post-closing events

On September 1st, 2009, in light of its commercial development that has failed to meet expectations, Quiksilver and Inter Parfums decided by mutual agreement to terminate their collaboration on June 30, 2010 before the expiration date of this agreement. This measure will have no financial impact on either of the parties.

Certificate of the company officer responsible for the interim financial report

I, hereby, declare that to the best of my knowledge the condensed financial statements presented for the first six months were prepared in accordance with applicable accounting standards and give a true and fair view of Inter Parfums and its subsidiaries and that the interim management report included herein presents a true and fair view of the important events occurring during the first six months of the fiscal year, their impact on the interim financial statements, the main transactions with related parties and the principle risks and uncertainties for the remaining six months of the fiscal year.

Paris, September 3, 2009

Philippe Benacin
Chairman and Chief Executive Officer

Responsibility for financial information

Philippe Santi
Executive Vice President & Chief Financial Officer

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