DEPUIS 1812 SINCE

Laurent-Perrier

CHAMPAGNE

LAURENT-PERRIER

Tours-sur-Marne, 1 December 2009

Financial Press Release

Laurent-Perrier announces first-half of 2009-2010 results showing improved second-quarter sales

- **10% increase in second quarter sales vs first quarter**
- **Activity highly resilient in France, where the Group advances faster than market average**
- **Half-yearly results show profit, consistent with year-long crisis**
- **Encouraging outlook**

Key financial figures

€million 6 months to 30 September	1st half 2008-2009	1st half 2009-2010	Change
Turnover	85.20	65.91	- 22.6%
Current operating income	23.81	9.11	- 61.7%
Operating margin (%)	27.9%	13.8%	- 14.1 points
Net attributable income	11.13	1.73	- 84.5%
Earning per share (euros)	1.89	0.29	- 84.4%
Net cash flow*	- 49.0	- 45.1	+ €3.9m

* Cash flow from operations minus net investment and dividends

Commenting on the half-yearly results, Stéphane Tsassis, Chairman of the Management Board, said: "Analysis of the second-quarter performance shows that the Group's volume sales, driven by the French market in particular, advanced faster than the market average. This performance reflects the major competitive advantage of owning a portfolio of complementary brands at a time when the economic climate is still extremely difficult. While we are seeing encouraging signs as we move into the third quarter, we are convinced that the efforts deployed to take us through this crisis will help us achieve our mid-term profitability targets, as we will head into the next growth phase with an optimised cost structure and production base. By strengthening our global coverage, we will benefit from the upturn as it gathers pace on each market."

DOMAINE LAURENT-PERRIER – 51150 TOURS-SUR-MARNE – FRANCE
TEL: 33 (0) 3 26 58 91 22 – FAX: 33 (0) 3 26 58 77 29

LAURENT-PERRIER, S.A. A DIRECTOIRE ET CONSEIL DE SURVEILLANCE AU CAPITAL DE 22 594 271,80 EUROS
R.C.S. REIMS B 335680096 6 SIRET 335 680 096 00021 – APE 741J

CHAMPAGNE LAURENT-PERRIER – CHAMPAGNE SALON – CHAMPAGNE DELAMOTTE – CHAMPAGNE DE CASTELLANE

Improved second-quarter sales' performance compared to the first

Consolidated second-quarter turnover rose by almost 10% compared with the first-quarter figure, despite the ongoing deterioration in the market. The Group saw satisfactory performance in France, where sales of the Laurent-Perrier brand grew by over 10% – a figure significantly higher than the market average. In export markets, the brand was affected by the 28% volume fall in market shipments over the half-year.

	Turnover (€m)		% change			
	2008-2009	2009-2010	Turnover	o/w Volume Effect	o/w Price/Mix	o/w Currency Effect
1st quarter (1 April to 30 June)	41.8	31.4	- 24.9%	- 15.8%	- 8.0%	- 1.1%
2nd quarter (1 July to 30 Sept.)	43.4	34.5	- 20.5%	- 12.8%	- 6.8%	- 0.9%
1st half	85.2	65.9	- 22.6%	- 14.3%	- 7.3%	-1.0%

Half-yearly results show profit, consistent with year-long crisis

Gross margin came out at 36.3 million euros, or 55.1% of sales, down by 16.2 million euros due to the following factors:

- deteriorating volumes (- 6.8 million euros),
- the negative price-mix effect (- 6.3 million euros),
- the impact of unfavourable exchange rates (- 0.5 million euros),
- a range of other factors notably including a lower "harvest margin" due to the fall in yields and increased production cost price (- 2.7 million euros).

The price-mix effect was adversely affected by a fall in the premium sales ratio, mainly on export markets in the United Kingdom, United States and Japan. This took the ratio to 34%, down more than 7 points compared with the premium sales ratio recorded in the first half of 2008-2009.

Sales and administrative costs fell by 6.5% to 27.3 million euros, a saving of 1.9 million euros compared with the first half of 2008-2009. These lower costs did not, however, offset the fall in gross margin, resulting in a sharp fall in first-half operating income.

Interest charges were down by 1.1 million euros (- 17%) due to the lower interest rates recorded in the first half. Costs resulting from the loss of value in certain financial instruments did, however, rose by 0.9 million euros.

Despite the highly unfavourable market conditions, the Group generated a profit in the first half of 2009-2010, with net income of 1.7 million euros.

Satisfactory resilience of financial structure

Net cash flow, as defined above, rose by 3.9 million euros compared with the first half of 2008-2009, bolstered by:

- a smaller rise in the working capital requirement,
- strict control over net investment (down 4 million euros), helped by asset disposals, notably that of the Château Malakoff production site in Epernay,
- a reduction in the dividend payout (down 3.3 million euros).

The value of Group inventories, which are strategic for a champagne House, still substantially exceeds net debt at 1.4 times net debt, unchanged on the 31 March 2009 figure.

Net debt grew by 44.7 million euros relative to 31 March 2009, largely due to payment of the balance for the abundant 2008 grape harvest. Net debt amounted to 157% of shareholders' equity, compared with 136% at the end of March 2009.

Encouraging outlook

In line with the Group's strategic options, the Laurent-Perrier brand will continue to make developing sales of premium products its chief priority. That said, the year-end sales climate will be favourable to the Group's mid-range brands, which will adversely affect the full-year price-mix effect.

The forecast improvement in sales in the second half, combined with a reduction of over 20% in the yield of the 2009 grape harvest, will stop the sharp rise in inventories recorded in recent years and limit the rate of increase in the working capital requirement. The Group will pursue its prudential management of its cost base. It will also benefit from staggering its payments for the 2009 harvest through to November 2010, and from a significant reduction in investment, as the large-scale programme to renovate and extend facilities launched in 2006 has now concluded.

These factors will help to begin the gradual process of reducing Group debt.

Laurent-Perrier is one of the few champagne Houses listed on the French stock exchange dedicated exclusively to champagne and focused on the premium segment. Laurent-Perrier offers a broad range of products renowned for their quality, and sold under the brands : Laurent-Perrier, Salon, Delamotte, Champagne de Castellane, Jeanmaire and Oudinot.

ISIN: FR 0006864484	Laurent-Perrier belongs to compartment B of Euronext Paris.
Bloomberg: LAUR FP	It is part of the CAC Mid Small 190, CAC mid 100, SBF SM and SBF 250 indices.
Reuters: LPER.PA	

Etienne AURIAU
Chief Financial Officer
☎ + 33 (0) 3 26 58 91 22

Marie-Clotilde DEBIEUVRE-PATOZ
Head of Corporate Communications and Public Relations
☎ + 33 (0) 3 26 58 91 22

www.finance-groupelp.com

Provisional financial communication timetable

Results of 3rd quarter to 31 December 2009:	Wednesday 10 February 2010
Annual results for FY 2009-2010:	Tuesday 1 June 2010