REGISTRATION DOCUMENT
2013/2014 FINANCIAL YEAR

including the annual financial report

RÉMY COINTREAU

RÉMY COINTREAU

The Rémy Cointreau Group is one of the major operators in the global Wines and Spirits market, with a portfolio of premium international brands that includes the Rémy Martin and Louis XIII cognacs and the liqueur Cointreau. The brands are mainly distributed via a network of subsidiaries located in the Group's various strategic markets.

Rémy Cointreau is listed on Euronext Paris. The free float comprises approximately 46% of the share capital. The majority of the Rémy Cointreau Group is held by a family holding company, Andromède.

REGISTRATION DOCUMENT 2013/2014 FINANCIAL YEAR

INCLUDING THE ANNUAL FINANCIAL REPORT

AUTORITÉ DES MARCHÉS FINANCIERS AMF

This registration document was filed with the French Financial Markets Authority (AMF) on 27 June 2014, in accordance with Article 212-13 of its General Regulation. It may be used in support of a financial transaction if accompanied by a memorandum approved by the AMF. It was prepared by the issuer under the responsibility of its signatories.

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GROUP PRESENTATION

1.1 Key figures

Data in € millions, for the period 1 April to 31 March	**2014**	2013	2012
Net sales	1,031.6	1,193.3	1,026.1
Current operating profit	150.2	245.4	207.7
Current operating margin	14.6%	20.6%	20.1%
Net profit – Group share	62.4	130.4	110.8
Net profit excluding non-recurring items	80.2	151.5	123.9
Purchase of intangible assets, property, plant and equipment	37.0	32.0	19.4
Equity – attributable to the owners of the parent	1,011.8	1,093.6	974.8
Net financial debt	413.5	265.5	188.6
Dividends paid during the financial year (per share in €):	1.40	2.30	2.30
Earnings per share (basic, in €):			
On net profit excluding non-recurring items – attributable to the owners of the parent	1.63	3.10	2.51
On net profit attributable to the owners of the parent	1.27	2.67	2.25

NET SALES BY CATEGORY

	2014	2013	2012
Rémy Martin	551.2	719.7	592.5
Liqueurs & Spirits	237.3	237.0	213.5
Sub-total Group brands	788.6	956.7	806.0
Partner Brands	243.1	236.6	220.1
TOTAL	**1,031.6**	**1,193.3**	**1,026.1**

CURRENT OPERATING PROFIT

	2014	2013	2012
Rémy Martin	125.4	216.6	172.9
Liqueurs & Spirits	37.1	44.8	52.4
Sub-total Group brands	162.6	261.4	225.3
Partner Brands	8.7	4.2	4.5
Holding	(21.0)	(20.3)	(22.1)
TOTAL	**150.2**	**245.4**	**207.7**

NET SALES BY GEOGRAPHIC AREA

	% of total	**2014**	2013	2012
Europe-Middle East-Africa	31.4%	323.8	323.2	317.4
Americas	40.0%	413.1	394.4	321.3
Asia-Pacific	28.6%	294.7	475.7	387.4
TOTAL	**100%**	**1,031.6**	**1,193.3**	**1,026.1**

NET SALES BY CURRENCY

	% of total	**2014**	2013	2012
Euro	26.5%	273.8	281.1	279.1
US dollar, HK dollar, Chinese yuan, Barbadian dollar	60.8%	627.1	786.6	636.8
Other currencies	12.7%	130.7	125.6	110.2
TOTAL	**100%**	**1,031.6**	**1,193.3**	**1,026.1**

1.2 History

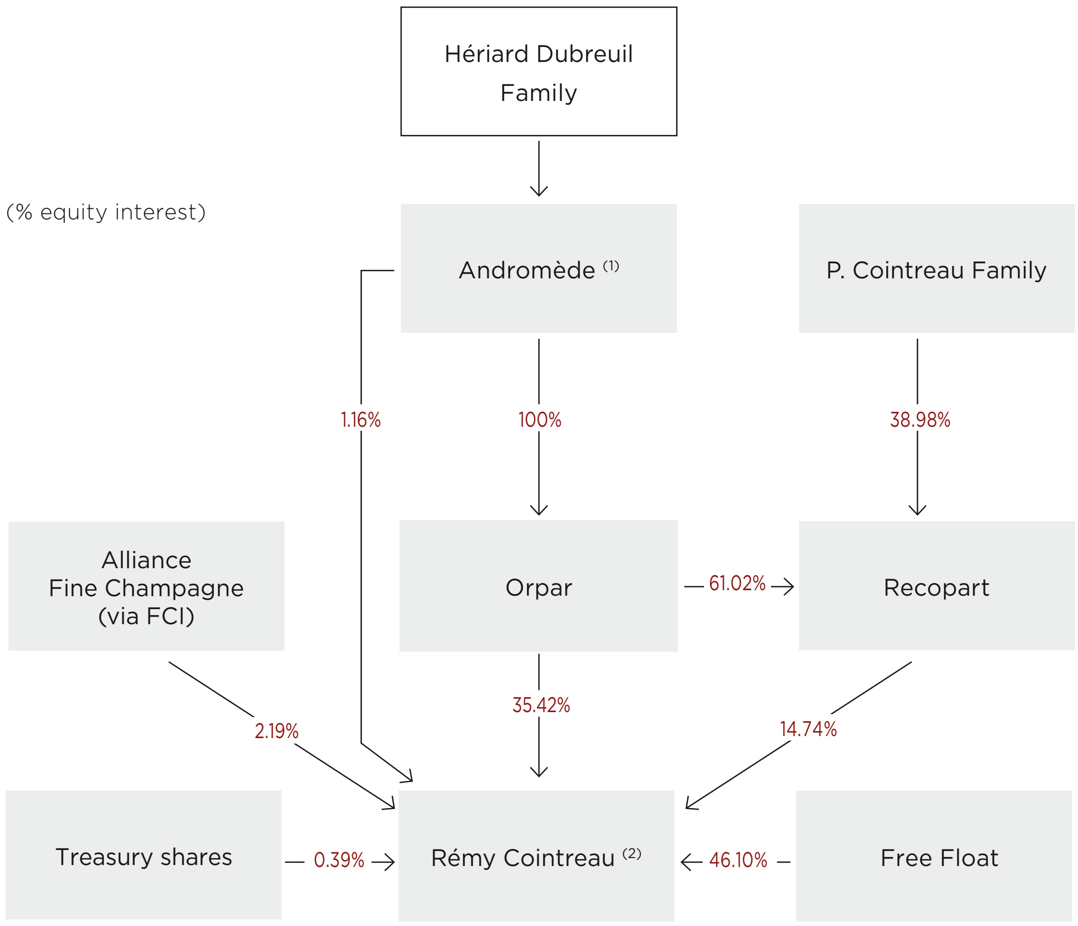
The Rémy Cointreau Group, whose charentaise origins date back to 1724, is the result of the merger in 1990 of the holding companies of the Hériard Dubreuil and Cointreau families, which controlled E. Rémy Martin & Cie SA and Cointreau & Cie SA respectively. It is also the result of successive alliances between companies operating in the same Wines and Spirits business segment.

KEY DATES AND EVENTS

1703	Creation of Mount Gay Rum in Barbados
1724	Establishment of the House of Rémy Martin Cognac
1849	Creation of Cointreau & Cie by the Cointreau brothers
1881	Creation of the Bruichladdich Distillery in Islay
1888	Creation of the Metaxa brand
1924	Acquisition by André Renaud of E. Rémy Martin & Cie SA
1965	André Hériard Dubreuil takes over from his father-in-law, André Renaud
1966	Creation of Rémy Martin's international distribution network
1980	Creation by Rémy Martin of the French-Chinese joint venture Dynasty Winery in partnership with the city of Tianjin (China)
1985	Acquisition by the Rémy Martin Group of Charles Heidsieck champagne
1986	Creation of the Passoa brand
1988	Acquisition by the Rémy Martin Group of Piper-Heidsieck champagne
1989	Acquisition by the Rémy Martin Group of Mount Gay Rum
1990	Transfer by Pavis SA of Rémy Martin shares to Cointreau & Cie SA
1991	Adoption by the Group of the corporate name of Rémy Cointreau
1998	Dominique Hériard Dubreuil becomes Chairman of Rémy Cointreau
1999	Establishment of the Maxxium distribution joint venture with three partners, the Rémy Cointreau Group, the Edrington Group and Jim Beam Brands Worldwide (Fortune Brands)
2000	Acquisition of Bols Royal Distilleries including, in particular, the Bols and Metaxa brands
2001	Vin & Sprit joins the Maxxium network as its fourth partner
2005	Initial public offering of Dynasty Fine Wines Group on the Hong Kong Stock Exchange
	Disposal of Bols' Polish operations to CEDC
	Maxxium reinforced by taking over the distribution of a number of Allied Domecq brands acquired by Fortune Brands
2006	Disposal of the Dutch and Italian liqueurs and spirits operations
	Decision by Rémy Cointreau to resume full control over its distribution by March 2009
2008	Year of transition towards the exit of Maxxium
	Establishment of a new direct distribution organisation
2009	30 March: Rémy Cointreau exits the Maxxium distribution joint venture
	1 April: Rémy Cointreau controls 80% of its distribution
2011	8 July: Rémy Cointreau sells its Champagne division to EPI
	Rémy Cointreau continues as the sole distributor of Piper-Heidsieck and Charles Heidsieck, as well as Piper Sonoma (the US sparkling wine brand)
2012	3 September: acquisition of the Bruichladdich Distillery, which produces single malt Scotch whisky on the isle of Islay in Scotland
	20 November: François Hériard Dubreuil becomes Chairman of the Rémy Cointreau Group
	18 December: acquisition of the cognac company Larsen
2013	30 August: disposal of Larsen to the Finnish Altia Group

1.3 Shareholding structure

AT 31 MARCH 2014



(1) Rémy Cointreau is consolidated within the Andromède Group.
(2) Only Rémy Cointreau shares are traded on the stock market.

1.4 The Group's activities

The Rémy Cointreau Group is one of the major operators in the global Wines and Spirits market.

The Wine and Spirits market features an extensive number of co-existing local and international brands in a particularly competitive environment.

Against this background, Rémy Cointreau has, for many years, implemented a value creation strategy aimed at developing its high-quality brands in the premium segments of the global markets, which offer high growth and earnings potential.

The implementation of this strategy has led the Group, over the past few years, to dispose of brands and other assets deemed less suited to its value creation strategy and to resume full control of its distribution in its key markets (exit from Maxxium in March 2009).

Rémy Cointreau, which has its own distribution network in Asia, the US and in some European countries, controls 88% of its sales. The Group is therefore able to implement a pricing and distribution strategy consistent with its premium positioning.

Thanks to its distribution operations, which are strong, highly responsive and very close to customers, and its robust financial health, the Group seeks to develop its premium and well-known brands. Most of the Group's brands have existed for more than a century, but they are totally contemporary and bear CSR values.

1.4.1 Brands

The Rémy Cointreau Group organisation spans brand divisions and market divisions which manage the distribution network. All of these divisions benefit from the support of the holding company.

The product categories, production processes and geographic sales distribution are taken into account to allocate each brand to one of two divisions: "Rémy Martin" and "Liqueurs & Spirits".

Brands which Rémy Cointreau distributes through its network on behalf of third parties form a separate category, "Partner Brands".

RÉMY MARTIN

Rémy Martin produces a range of cognacs under the Rémy Martin and Louis XIII brands.

The Rémy Martin cognacs are made exclusively from eaux-de-vie sourced in Grande Champagne and Petite Champagne, the two leading crus of the Cognac appellation, which offer the greatest ageing potential.

Rémy Martin is positioned primarily in the premium segment, witness its three flagship products, VSOP Fine Champagne, XO Excellence Fine Champagne and Louis XIII Grande Champagne.

In 2013/2014, Rémy Martin accounted for 53% of the Group's total net sales. 99% of Rémy Martin's sales are generated by exports.

Key figures

(in € millions or %)	**2014**	2013	2012
Net sales	**551.2**	**719.7**	**592.5**
Breakdown by geographic area:			
Europe-Middle East-Africa	17.1%	13.0%	14.6%
Americas	36.2%	26.8%	25.9%
Asia-Pacific	46.6%	60.2%	59.5%
TOTAL	**100%**	**100%**	**100.0%**
Current operating profit	125.4	216.6	172.9
Current operating margin	22.8%	30.1%	29.2%

Description of *appellation d'origine contrôlée* Cognac

Cognac is a brandy (eaux-de-vie distilled from grapes) with the appellation d'origine contrôlée of the Cognac region of France. The appellation covers six crus: Grande Champagne, Petite Champagne, Borderies, Fins Bois, Bons Bois and Bois Ordinaires. Rémy Martin selects its eaux-de-vie from the first two crus, whose quality is best suited to the production of its superior quality cognacs.

"Fine Champagne" designates a cognac made exclusively from the first two crus, Grande Champagne (at least 50%) and Petite Champagne.

There are a number of quality levels classified in accordance with legal standards (BNIC) in respect of the average age of the eaux-de-vie:

- VS ("Very Special"), with a minimum legal age of two years;
- QS *("Qualité Supérieure")*, covering all the VSOP and QSS labels;
- VSOP ("Very Superior Old Pale"), with a minimum legal age of four years;
- QSS *("Qualité Supérieure Supérieure")*, with a minimum legal age of six years;
- XO ("Extra Old"), which is included in the QSS category.

Competitive positioning

Four Cognac brands share over 80% of the world market (source: BNIC March 2014): Rémy Martin (Rémy Cointreau), Hennessy (LVMH), Martell (Pernod Ricard) and Courvoisier (Suntory). Rémy Martin's market share of cognac shipments for all qualities combined is 12.4% (source: BNIC March 2014). Rémy Martin makes approximately 90% of its shipments in the superior qualities (QS), which account for 55% of the total cognac market (source: BNIC March 2014).

Supply of eaux-de-vie

Since 1966, the creation of cognac eaux-de-vie stocks has relied on partnership contracts concluded exclusively with Grande and Petite Champagne producers. This policy has enabled the Group to manage its long-term supplies and to meet the standards of quality required by Maison Rémy Martin.

The partnership mainly consists of a co-operative, Alliance Fine Champagne (AFC), which brings together some 900 members who operate 64% of Grande and Petite Champagne Cognac vineyards, *via* two types of contract:

- collective contracts, involving 749 members, who specify the volume of the new crush to be delivered to the co-operative, which it then stores. These stocks become the property of the co-operative and are financed in part by instalments paid by E. Rémy Martin & Cie and the balance through bank financing or the co-operative's own funds. E. Rémy Martin & Cie is irrevocably committed to the acquisition in time of these stocks when the eaux-de-vie has been accepted as suitable for the brand and added to the AFC stock. The price is contractually agreed at the time it is accepted as part of the stock and is then increased by the actual storage and finance costs incurred by the co-operative;
- individual contracts involving approximately 429 members, who manage supplies by age and whose storage is assured and financed by the distillers. These contracts are between E. Rémy Martin & Cie, AFC and the members concerned. Since April 2005, E. Rémy Martin & Cie has transferred purchase commitments and the management of three-year contracts with the distillers to AFC.

Rémy Cointreau consolidates as a special-purpose entity the inventories of the AFC co-operative as well as the contractual commitments related to the Rémy Martin brand. Based on the analysis of procedures laid down for managing these contracts and the pricing formula applicable upon delivery, it is deemed that the risks and rewards pertaining to eaux-de-vie inventories held by distillers are transferred to AFC (and as such to the Rémy Cointreau Group) when the eaux-de-vie have passed quality tests conducted by E. Rémy Martin & Cie and the distiller has purchased shares of the co-operative in proportion to its commitments taken into stock.

The balance of contractual commitments not yet produced is disclosed in off-balance sheet commitments.

LIQUEURS & SPIRITS BRANDS

In 2013/2014, the Liqueurs & Spirits division accounted for 23% of the Group's total net sales.

The Liqueurs & Spirits division houses brands that operate in a high-volume market featuring a large number of contributors in terms of product categories (liqueurs, vodkas, gins, whiskies, rums, brandy and local specialities) and many brands with international reach coexisting with local brands.

The division's main brands are:

- Cointreau, an orange-peel liqueur;
- Metaxa, a brandy from the region of Samos (Greece);
- Passoa, a passion-fruit liqueur;
- St-Rémy, a French brandy;
- Mount Gay, a rum from Barbados;
- Bruichladdich, Port Charlotte and Octomore, three brands of the Islay single malt Scotch whisky (Scotland);
- The Botanist, a gin from Islay (Scotland).

All of these brands are produced in their country of origin.

Key figures

(in € millions or %)	**2014**	2013	2012
Net sales	**237.3**	**237.0**	**213.5**
Breakdown by geographic area:			
Europe-Middle East-Africa	57.8%	57.1%	57.4%
Americas	32.5%	33.4%	33.2%
Asia-Pacific	9.7%	9.5%	9.4%
TOTAL	**100%**	**100%**	**100%**
Current operating profit	37.1	44.8	52.4
Current operating margin	15.6%	18.9%	24.5%

Competitive positioning

The Liqueurs and Spirits industry is highly fragmented owing to the wide range of products. A large number of new products are launched every year. The leading producers and distributors are Diageo, Pernod Ricard, Campari, Beam and Bacardi Martini. Group brands compete with both local and international brands.

Sourcing and sub-contracting

The Group's Liqueurs & Spirits brands do not have significant sourcing or production constraints.

The Rémy Cointreau Group sub-contracts part of its bottling operations to other companies located abroad, including:

- Brazil for Cointreau, from concentrate prepared at the Angers site, for the Brazilian market;
- Greece for Metaxa for all markets.

Sub-contracting represents 17% of the total volume of Group brands.

PARTNER BRANDS

In 2013/2014, Partner Brands accounted for 24% of the Group's total net sales.

This category comprises brands belonging to other operators in the Wines & Spirits sector, distributed by Rémy Cointreau either *via* worldwide agreements or *via* agreements limited to one country or region.

It also includes some of the Group's minor brands, insofar as they are not significant and their distribution is limited to one or two markets.

The champagne brands Piper-Heidsieck and Charles Heidsieck, sold in 2012, were added to the distribution agreements already in force for other brands and categories in the US, Belgium and the Czech Republic, and in travel retail.

The most significant partnerships concern the champagnes, the Edrington Group's Scotch whiskies, in particular The Famous Grouse and The Macallan brands, as well as Russian Standard vodkas.

The distribution contract for the Edrington Group's brands in the United States expired on 31 March 2014 and was not renewed.

1.4.2 The Group's principal entities

PRODUCTION

The fact that the Group is established in specific regions is a key factor for the brands owned by the Group, which has four production sites specific to its brands.

Cognac (France)

The production of Maison Rémy Martin products is entirely located in Cognac and Merpins (a town on the outskirts of Cognac), on a site that includes ageing and fermentation cellars, laboratories, a packaging complex, offices and a visitor and reception centre and covers a total surface area of 202,400 sq. m.

Angers (France)

The production of the Cointreau and Passoa liqueurs and the St-Rémy brandy range is located in St Barthélémy d'Anjou (on the outskirts of Angers). This site also carries out bottling operations for other Group brands. It comprises distilling facilities, fermentation cellars, laboratories, a packaging complex, offices and a visitor and reception centre over a total surface area of 100,000 sq. m.

Brandons and St Lucy (Barbados)

Mount Gay rum is still produced on Barbados, in the very place where it was created in 1703.

Isle of Islay (Scotland)

The Bruichladdich distillery is located on the isle of Islay in Scotland, one of the world's most iconic locations for the production of single malt Scotch whiskies.

The entire production operation (distilling, ageing, bottling) is carried out on the isle, on a historic site created in 1881 that covers a surface area of 30,000 sq. m.

DISTRIBUTION AND ADMINISTRATION

Generally speaking, all products awaiting sale are stored in third-party logistics centres, irrespective of the market.

The Group has premises and commercial or administrative offices in many countries, including the US (primarily New York), China (Shanghai and Hong Kong), Singapore, Russia, Belgium, Czech Republic, the United Kingdom and Germany. The Group does not own any premises in these countries and therefore uses leasing contracts.

Moreover, the headquarters of Rémy Cointreau, which includes most of the Group's central services, is based in rented premises at 21 boulevard Haussmann, Paris.

1.4.3 Purchase of intangible assets, property, plant and equipment

CAPITAL EXPENDITURE

The Group considers that the level of investment required to develop, maintain and environmentally optimise the production and administrative units is approximately €30 million *per annum.*

We note the marked increase in expenditure in 2013/2014 in Cognac: extension of the bottling area, installation of a new packaging line, extension of the fermentation cellar, and construction of a storage cellar. The aim of this capital expenditure is to ensure the Rémy Martin product range has the backing it needs to maintain its diversity, continue premiumisation and improve quality.

The amounts over the last three financial years are as follows:

(in € millions)	2014	2013	2012
	37.0	32.0	19.4

This corresponds to the total amount of acquisitions for the period of property, plant and equipment and intangible assets, excluding brands and goodwill.

RESEARCH AND DEVELOPMENT

The production facilities have Research and Development departments that work on both content and packaging.

The laboratories are well-equipped and work in regular contact with private external research centres and universities.

Multi-disciplinary teams comprising technicians, wine experts, engineers and scientific doctorate-holders are responsible for in-house activities. Their task is to ensure that the business adopts the advances and innovations that enable sustainable improvements to the various operations in growing methods and the creation of drinks as well as industrial processes.

Rémy Cointreau's ongoing determination to achieve excellence in the preparation and production of its products and to maintain irreproachable quality, which has been recognised for decades, relies on this deep involvement in research and development.

Research and development expenditure are expensed as incurred by each of the companies concerned.

1.5 Related-party transactions and material contracts

See the Statutory Auditors' special report for the year ended 31 March 2014 for regulated agreements concluded during the year or in previous years and which remained in force during the year under review.

No transactions outside the ordinary activities of the Company and outside normal conditions were concluded with shareholders holding voting rights in excess of 10%, other than those covered in the above report.

1.6 Risk factors and insurance policy

1.6.1 Seasonality of the business

Rémy Cointreau generates a significant part of its sales around Christmas and New Year's Eve (November and December) and the Chinese New Year (January and February). As a result, any event arising during these periods may have an impact on the Group's annual results.

1.6.2 Principal contracts and customers

There is no dependence by Rémy Cointreau on customers or exclusive independent distributors, or third party spirits distribution contracts likely to have a substantial impact on the results, net assets or financial position of the Group.

In general, contracts concluded by Group companies form part the ordinary course of business and the commitments therein are in line with international business practices.

No contracts involving obligations or commitments of particular significance for the Group as a whole were concluded with third parties by any Group company.

The Group's top ten customers represent 43% of consolidated net sales.

The Group's top ten suppliers represent roughly 60% of raw material supplies, excluding cognac eaux-de-vie.

1.6.3 Foreign exchange risk

Rémy Cointreau's results are sensitive to movements in exchange rates as the Group realises around 75% of its net sales outside the euro zone, whereas most of the production is within this zone.

The Group's exchange rate exposure is mainly in respect of sales in currencies other than the euro, by production companies to the various components of the distribution network. The principal currencies involved are the US dollar (USD), Hong Kong dollar (HKD), Australian dollar (AUD), Canadian dollar (CAD), yen (JPY) and pound sterling (GBP).

The policy for managing exchange rate exposure is based on prudent rules and a decision-making process approved by the Board of Directors.

In particular, the Group aims to cover its net budgeted commercial position on a moving horizon of 15-18 months. This is carried out using forward or options contracts.

Option sales are restricted to the resale of options to close a prior purchase or to the hedging of transactions which is approved on a case-by-case basis.

This hedging policy only allows cover for short-term exposure. It cannot shelter Rémy Cointreau from the long-term economic effects of monetary trends on Group sales and margins.

The Group does not hedge the risks of translating financial statements of companies based outside the euro zone into euros.

The USD position structurally represents 85% of hedged flows (this position includes HKD flows which are systematically converted into USD).

Hedging of exchange rate exposure is addressed in note 14.5 to the consolidated financial statements.

1.6.4 Interest rate and liquidity risk

As part of its interest rate management which aims to cover the risk of higher interest rates on its debt, the Group has structured its resources by splitting its debt into fixed-rate and variable-rate.

The variable rate debt is covered by hedging contracts, the terms and conditions and sensitivity of which are described in note 14.4 to the consolidated financial statements.

Confirmed resources break down as follows:

	2014	2013	2012
Fixed-rate resources	410.0	345.0	345.0
Variable-rate resources	255.0	255.0	346.0
TOTAL	**665.0**	**600.0**	**691.0**

Net financial debt at the year-end had a nominal value of €413.5 million, or 62% of confirmed resources.

Of the €665 million in confirmed resources at 31 March 2014, €395 million was made available subject to maintaining average net debt to EBITDA (the A ratio) below 3.50 over all half-year periods until maturity. The A ratio was 2.09 at 31 March 2014.

Rating at 31 March 2014: Standard & Poor's: BBB-, stable outlook – Moody's: Baa3, stable outlook – Fitch: BBB-, negative outlook.

1.6.5 Brands

The Rémy Cointreau Group attaches particular importance to the protection in France and worldwide of its industrial property rights, and in particular those of its brands, which constitute a major business asset.

Rémy Cointreau's brands and products can be counterfeited or copied. As a result, the Group has an active policy of following up trademark filings and internet domain names in their category and markets, and takes all necessary steps to combat counterfeiting, particularly in Asia and Eastern Europe, as well as any unfair competition. An integrated legal team permanently monitors the Group's industrial property rights throughout the world. The team works in close partnership with external consultants, recognised for their expertise, as well as professional organisations specialising in combating counterfeiting worldwide.

In January 2010, the Brands Office of the People's Republic of China acknowledged the three ideograms "REN TOU MA", by which the Rémy Martin brand is known by Chinese consumers, as a recognised brand. This recognition is a powerful addition to the process of combating counterfeit goods which the Group has implemented in China.

Since 2006, Rémy Cointreau has significantly developed its internal resources in the fight against counterfeiting, notably with the appointment of a co-coordinator who works closely with the various lawyers responsible for the Group's brands. The co-coordinator in the fight against counterfeiting firstly ensures the follow up of the report on any counterfeiting of the Group's brands, together with professional bodies, distributors, Sales departments, customs authorities, government expert agencies. He/she then reports this information, having verified its reliability, shares the best anti-counterfeiting practices with other major wines and spirits groups and ensures the consistency of the steps to be taken by the lawyers and other internal players concerned.

There is currently no significant litigation or risk identified in the area of ownership of the Rémy Cointreau brands.

1.6.6 Legal risks

The production and sales operations of Group products are subject to regulations in France and abroad which vary depending on each country, particularly in respect of production, packaging and marketing of those products. For all important aspects of its activities, the Group has all the required authorisations and has not encountered any specific constraints in this area likely to have a significant impact on its operations.

In France, Group operations are subject to the Public Health Code which sets precise rules in respect of the advertising of alcoholic drinks. The movement of the latter is subject to specific taxes and duties. Indirect duties, known as excise duties, which comprise taxation on the movement and consumption of alcoholic drinks, have been harmonised within the European community. The movement of tax-free products within the EU must be accompanied by a document prepared by the shipper and approved prior to the despatch of the goods concerned.

Spirits are subject, depending on their definition and presentation, to the provisions of EC general regulation No. 110/2008 and EU regulation No. 716/2013 of 25 July 2013. Their definitions, raw materials, authorised processes, sales denominations, minimum alcohol content, labelling rules and conditions for obtaining protected geographical indications status are also precisely defined.

In the US, The Federal Alcohol Administration Act (FAA Act) regulates all commercial practices among importers, such as the Group's subsidiary Rémy Cointreau USA, wholesalers and retailers, as well as local production of alcoholic drinks. Internationally, this Federal law regulates the composition of products, the content of the documentation from the producing country, labelling constraints and the customs duty position.

The Bioterrorism Act, which was signed on 12 June 2002 and came into force on 13 December 2003, stepped up the conditions of entry for all merchandise to the US Additional entry documents and prior notice of shipping information are required from importers, freight forwarders and customs brokers.

The registration or re-registration of all of the Group's companies was completed in 2013 in accordance with US regulations.

In December 2008, Rémy Cointreau and Rémy Cointreau USA became certified members of the Customs-Trade Partnership Against Terrorism ("C-TPAT"). This programme links suppliers and US Customs & Border Patrol ("CBP") to ensure that each participating US importer's supply chain is secure and the integrity of security between suppliers and US ports. Beyond the security benefits, the CBP offers benefits to certified C-TPAT members including reduced number of container inspections and faster customs clearance. Additionally, in the event of border tightening due to a terrorism-related incident, C-TPAT members may not be exposed to increased border scrutiny allowing for continued container clearance.

At the request of the CBP, a routine audit of the Rémy Cointreau and Rémy Cointreau USA supply chain was carried out, and received approval in February 2012. Rémy Cointreau's and Rémy Cointreau USA's membership of the C-TPAT programme has been updated and continues in good-standing.

In addition, each of the 50 States has local laws regulating the transport, purchase and sale of alcoholic drinks. Such State laws also regulate the advertising and promotion of such drinks. The rules in this respect are very similar to those in force in France with regard to the protection of young people.

This regulatory environment relating to the production and marketing of alcoholic drinks may evolve in France, within the European Union or in the rest of the world and affect Rémy Cointreau's business segment or increase the liability of the companies operating within that segment.

As of the date of the current report, the Group is not aware of any such regulatory changes that may be significant in this respect or that may become applicable at a specific date.

As of the date of the current report, neither Rémy Cointreau SA nor any of its subsidiaries have been involved or is involved in a legal process in respect of liability due to defective products that has given or is likely to give rise to a legal decision against the Company.

In addition, the Group attaches the utmost importance to protecting its worldwide industrial property rights. Consequently, it pays great attention to brand defence, trade mark registration and renewal, either directly, using internal legal specialists to implement modern brand management practices, or through intellectual property advisors whose expertise is recognised globally. The Group never hesitates to initiate opposition proceedings, anywhere in the world, each time it considers that a trade mark registration application may impair its property rights. It is also a member of professional organisations which combat counterfeiting.

The Group is careful never to be legally dependent on third parties in a way which could significantly affect its industrial or commercial operations. The scope of its various contractual commitments complies with international business practices.

No contracts involving obligations or commitments of particular significance for the Group as a whole were concluded with third parties by any Group company.

An integrated Legal department, organised by brand groups but operating in a cross-group partnership, permanently manages the Group's legal affairs. It carries out preventative checks on all legal risks, both internal and external, that may adversely affect the achievement of the Group's objectives. If necessary, the team can request the assistance of international lawyers recognised for their expertise in specific areas of business law.

The Legal department strives to only initiate litigation if all possibilities of reaching out-of-court settlements have proved unsuccessful.

Ongoing litigation as of the date of this report is mentioned in section 4.1.7.

The Group's insurance coverage policy is specified in section 1.6.8 of this report.

1.6.7 Other risks

RISKS RELATED TO INTERNATIONAL OPERATIONS

The majority of Rémy Cointreau's sales are generated by exports, primarily to North America, Asia and Europe. Group performance is therefore strongly linked to the economic situation, consumer purchasing power, as well as duties and customs regulations applicable in each market.

Due to its international reach and a significant share of its net sales being realised within the dollar zone, Rémy Cointreau is also subject to currency risks. This topic is covered in the section on exchange rate exposure.

Historically, Rémy Cointreau has had very little exposure to customer risk. Its constant efforts to optimise distribution at a global level are a factor in limiting this risk.

COMPETITION

The Wines and Spirits industry is highly competitive and very fragmented. In such a market, Rémy Cointreau has to permanently focus on the image of its brands, the quality of its products, their price and the optimisation of their distribution. These combined actions enable Rémy Cointreau's brands to stand out in a highly competitive marketplace.

INDUSTRIAL AND ENVIRONMENTAL RISKS

The management of industrial and environmental risks, as well as product related risks, is principally handled by the Quality/Safety/Environment departments working at each Group site, under the ultimate responsibility of the Group Operations Manager.

Safety/Environment audits are carried out at production sites by personnel and certified external auditors, leading to action plans which are monitored by quarterly Committee meetings.

Due to the Group's activities, its main production sites in France are subject to local authority licensing. The Cognac site is classified as Seveso high threshold on account of the quantities of eaux-de-vie stored there. The site is subject to a comprehensive Safety Management System (SMS).

The Cognac and Angers sites are ISO 14001 certified. This certification is validated by annual follow-up audits. These audits did not reveal any anomalies. Indicators used by ISO 14001 certification have also been rolled out to other Group sites.

The Mount Gay Distillery bottling site is ISO 9000 certified.

In general, regulatory compliance of sites is an ongoing concern and close relationships are maintained with all the administrations involved. In addition, significant training is provided to the employees and to external providers who work on the sites.

In terms of product risks, the Group refers to the HACCP standard (Hazard Analysis of Critical Control Point), an international method for implementing a system that guarantees the hygiene of food designated for consumers, as well as the internationally recognised ISO 22000 standard for certification of production sites' HACCP plans.

INFORMATION TECHNOLOGIES RISKS

The Rémy Cointreau Group's processes are based on the extensive use of IT systems, and are thus exposed to the risk of failure. The processes concerned may be interrupted or sensitive data may be lost or corrupted if these systems were to become totally or partially unavailable. For this reason, a data backup plan has been implemented in each company, as well as a production continuity plan, in order to protect the Group against such risks.

1.6.8 Insurance

The Rémy Cointreau Group has always been committed to a pro-active risk management policy, which implements:

- risk identification procedures;
- a coordinated, centralised, global approach to insurance plans;
- prevention and protection audits for people and industrial assets.

In order to increase its responsiveness to a major incident, in 1997 the Rémy Cointreau Group drew up a crisis management plan to deal from the outset with all damage of any kind suffered by the Group.

In this context, the Group has opted to transfer its risks on the insurance market to companies with acknowledged solid financial bases and works in close cooperation with the world leader in risk management consulting and insurance brokerage.

The contractual limits of the insurance plans have been determined according to the Group's operations, the findings of studies calculating the Maximum Possible Disaster and the capacities available on the insurance market.

The main insurance cover is part of integrated international programmes covering strategic risks such as general civil liability, withdrawal of delivered products, damage to property and consequent operating losses and transport of goods.

Excess levels were optimised depending on the coverage of each risk and the cost of overall coverage. Total insurance premiums, excluding employee-related collective insurance contracts, for the 2013/2014 financial year did not exceed 0.23% of consolidated net sales.

The Rémy Cointreau Group believes that the guarantees offered by all its insurance plans and the premium and excess amounts correspond to the standard sums for its sector.

INSURANCE FOR MATERIAL DAMAGE AND OPERATING LOSS

The Group's industrial operations are covered as part of an international material damage and operating loss policy.

This is a multi-year policy, and operates under Difference in Conditions and Difference in Limits of local policies.

Damage related to contamination or pollution is covered under this policy.

These guarantees are provided in accordance with the declared value and the operating losses cover the gross profit of the Group's companies over a coverage period of 24 months.

A facility of €250 million per claim has been negotiated for combined direct damage and operating losses. This limit was determined following analysis of the Maximum Possible Disaster study.

An additional insurance line of €250 million has been taken out for risks related to Maison E. Rémy Martin & Cie.

GENERAL CIVIL LIABILITY INSURANCE

The Rémy Cointreau Group is covered as part of an international multi-year general civil liability and withdrawal of products plan in the amount of €100 million per claim and per year of insurance. This policy operates under Difference in Conditions and Difference in Limits of local policies.

This policy covers the Group for all physical, material and immaterial damage caused to its employees or to third parties.

In countries such as the United States where public bodies do not cover workplace accidents, insurance policies are taken out. The limits of these policies comply with legal requirements.

INSURANCE FOR TRANSPORTED GOODS

An international policy has been taken out and covers all of the Group's companies.

It covers transport risks up to a limit of €10 million per shipment and was taken out on a multi-year basis.

This policy operates under Difference in Conditions and Difference in Limits of local policies.

It provides cover for all Group merchandise, shipped worldwide and by any means of transport.

Other insurance policies have been taken out to cover civil liability for corporate officers and risks related to the environment, goods and personnel during business travel. Their cover applies worldwide.

2

CORPORATE SOCIAL RESPONSIBILITY (CSR)

2.1 The Group's policy and commitments

Embracing a pragmatic and exemplary CSR policy

Since it joined the Global Compact in 2003, acting responsibly comes as second nature to a company that has strong ties with its local regions and an international presence.

Aligned with the ISO 26000 standard, Rémy Cointreau's corporate social responsibility (CSR) policy aims to comply with best practice in human rights, labour standards, the environment and the fight against corruption.

The international dissemination of the CSR Charter and code of ethics illustrates Rémy Cointreau's commitment to ensuring that CSR is fully integrated into the daily activities of all employees.

Pursuant to the requirements of Article 225 of France's *Grenelle II* environment law of 12 July 2010, and firmly convinced that the regulatory requirements should be viewed as an opportunity, Rémy Cointreau extended the scope of CSR reporting to all production sites and distribution subsidiaries. This reporting is verified by an independent external expert, certifying the inclusion of the employee-related, environmental and societal information required under French regulations.

Rémy Cointreau's corporate social responsibility also lies in its ability to set an example, to share its requirements with its suppliers and to meet the expectations of all stakeholders. Its CSR policy embodies the social and environmental values embedded in the Company over its long history.

Setting the example: 2015 CSR Plan

During the 2013/2014 financial year, the Group structured its CSR strategy in such a way as to anticipate regulatory requirements, deploy the Group's commitments to all of its stakeholders and meet the expectations of society.

2013 saw the implementation of the first year of the 2015 CSR Plan, a three-year programme to continuously improve our CSR strategy.

CSR reporting includes Rémy Cointreau's employee-related, environmental and societal information, pursuant to the requirements of decree No. 2012-557 of Article 225 of the *Grenelle II* law of 12 July 2012. This reporting has been verified by an independent external expert, whose conclusions are given in this report (report of the independent third-party body on the consolidated employee-related, environmental and societal information).

Twenty-two companies within Rémy Cointreau's scope now report all or part of their employee-related and environmental information according to the specifications described in the section entitled "Note on methodology". The indicators associated with the information are calculated in accordance with Rémy Cointreau's reporting protocol, which can be obtained on request from the Group's CSR Director and is summarised in the section entitled "Note on methodology".

Rémy Cointreau continues to base its strategy on international ISO standards which guarantee standards relating to quality, food safety and respect for consumers and their health.

Mount Gay obtained ISO 9001 Quality certification, while Cointreau and Rémy Martin both renewed their Quality, Environment and Food Safety certifications (ISO 9001, ISO 14001 and ISO 22000). Cointreau also renewed its OHSAS 18001 safety certification. The CSR 2015 plan aims to extend ISO 9001 and 22000 certification, respectively, to Bruichladdich and Mount Gay in 2015/16.

Aware of the impact of its activities, Rémy Cointreau continues to shrink its environmental footprint by measuring and reducing carbon emissions and monitoring its environmental indicators. The annual assessment of its carbon footprint has been extended to the wine-making activities of Rémy Cointreau, and CSR reporting now includes measurements of energy and water consumption on Mount Gay's Barbados production site and Bruichladdich's Scottish site.

Rémy Cointreau is dedicated to involving all employees to make CSR policy one of the pillars of its business culture. The Group's CSR Charter (available in French and English) and Code of Business Ethics (available in all languages spoken in the Group) are disseminated internationally and set the benchmark for all issues of professional ethics, including conflicts of interest and corruption.

A consistent human resources policy

The culture of the Rémy Cointreau Group is based on five fundamental values: the craft-oriented aspect, thoroughness, authenticity, creativity and a personal touch. These fundamentals guide its human resources policy and all of its action plans.

In all areas in which it operates, the Group strives to comply at all times with local labour legislation and to promote the provisions of the fundamental conventions of the International Labour Organization, including upholding freedom of association and the right to collective bargaining, eliminating discrimination and forced labour and abolishing child labour.

Rémy Cointreau applies the principle of excellence to its international human resources policy. The search for perfection rests on its ability to draft a policy that covers both the entire Group and each individual employee. Its aim is to foster the personal and professional development of our employees, wherever they are located, and whatever job they do, notably through ongoing training. A company that is growing offers opportunities to identify employees with potential and to adopt more inclusive forms of traineeships. At the same time, we pay particular attention to maintaining a positive and productive working environment.

2.2 Employee-related information

The employee-related reporting scope covers all subsidiaries of the Rémy Cointreau Group. The indicators connected with absenteeism and workplace accidents relate only to the production sites of Angers, Cognac, Barbados and Bruichladdich. The indicator for the number of occupational illnesses recognised only covers the Cognac, Angers and Paris sites. Rémy Cointreau is gradually extending the reporting system to all subsidiaries for other indicators relating notably to staff training and movements (please see the note on methodology for more details of the reporting scope for each indicator).

2.2.1 Human resources policy

During the 2013/2014 financial year, the Group pursued its actions in the area of employees' professional development, diversity and strengthening the sense of belonging within the Group. Lastly, in France, true to the historical choices it has made, Rémy Cointreau has pursued practices favouring collective agreements in all areas of negotiation.

ENCOURAGING EMPLOYEE DEVELOPMENT

Rémy Cointreau has continued to use its international development tools to encourage the development of its employees' skills. Performance evaluation processes, succession planning and training policies have a strong emphasis on the implementation of collective or individual action plans aimed at supporting the career aspirations of the Group's men and women, fostering skills development and contributing to team performance.

In particular, a process to identify key positions, shared by the Executive Committee, ensures that the Group can draw on the skills necessary for its development and/or guide human resources decisions in order to guarantee the Company's ability to operate in the long term.

FOSTERING THE GROUP'S MULTICULTURAL IDENTITY AND PROMOTING DIVERSITY

As a logical consequence of the Group's activity being heavily favoured towards exports, almost 60% of its workforce is located outside France. The Group believes that its multicultural dimension represents a significant asset in its international development. Training is increasingly focused on sharing experiences in all countries where the Group operates. International mobility, both on a professional and geographic level, contributes to spreading the Group's values extensively throughout its organisation. Moreover, the Group's commitment to diversity is also demonstrated by its willingness to favour building teams that include men and women of different ages, and with different training backgrounds and professional experience.

STRENGTHENING A SENSE OF BELONGING

Enriched by this diversity, the Rémy Cointreau Group also seeks to foster a feeling of belonging to a community driven by a shared vision, united around shared values and working towards achieving shared objectives. In addition to this communication, Rémy Cointreau offers ambitious international training programmes aimed at sharing with the marketing, sales and financial teams the principles, policies and practices the Group implements for its brands in every country.

MAINTAINING AN AMBITIOUS SOCIAL DIALOGUE

The 2013/2014 financial year was marked, once again, by the signing of collective agreements that underlined a willingness, shared by trade unions and employee representatives, to favour dialogue and consultation.

In France and Barbados, the salary policy was defined under collective agreements, once again highlighting the maturity of the Group's social partners in a challenging economic environment.

In France, the generation contract was signed, in line with the agreement on the employment of older people, which was amended. Finally, the profit-sharing agreement was amended to reflect the adjustment to the economic situation in France during the financial year.

2.2.2 Changes in the workforce

THE GROUP'S WORKFORCE

At 31 March 2014, the Group's total workforce stood at 1,726 employees on permanent and fixed-term contracts, an increase of 20 employees compared with March 2013.

The Group hired 233 new employees, 136 of whom are on permanent contracts (*i.e.* 58%). 20% were recruited for the sales team, 12% in production roles and 25% in marketing.

At the same time and within the same scope, there were 219 departures, of which 29% were resignations, 15% were mutually agreed and 24% were as a result of fixed-term contracts coming to an end.

As was the case last year, redundancies on personal grounds accounted for only 4% of departures.

WORKFORCE BY GEOGRAPHICAL REGION (GRI INDICATOR LA1)

	March 2014	%	March 2013	%	March 2012	%
France	721	42	700(1)	41	660	43
Europe (outside France) – Africa	251	15	255	15	175	10
Americas	333	19	332	19	320	21
Asia	421	24	419	25	405	26
TOTAL	**1,726**	**100**	**1,706**	**100**	**1,560**	**100**
RC UK Distribution (outside CSR scope 13/14)	*29*		-		-	
Total (including RC UK Distribution)	***1,755***		***1,706***		***1,560***	

(1) Readjustment of two people relative to the 2012/2013 registration document.

The workforce in France increased by 21 people, mainly in production roles.

WORKFORCE BY DIVISION (GRI INDICATOR LA1)

	March 2014	%	March 2013	%	March 2012	%
Group brands	686	40	673(1)	39	573	37
Distribution	976	56	967	57	927	59
Holding	64	4	66	4	60	4
TOTAL	**1,726**	**100**	**1,706**	**100**	**1,560**	**100**
RC UK Distribution (outside CSR scope 13/14)	*29*					
Total (including RC UK Distribution)	***1,755***		***1,706***		***1,560***	

(1) Readjustment of two people relative to the 2012/2013 registration document.

The distribution business still accounts for more than half of the Group's workforce (56%).

WORKFORCE BY FUNCTION AND OCCUPATION

	March 2014	%	March 2013	%	March 2012	%
Sales	484	28	504	30	497	32
Marketing	242	14	237	14	200	13
Production and purchasing	352	20	349	21	293	19
Supply chain	154	9	158	9	151	10
Ageing	126	7	109(1)	6	100	6
Finance & legal	199	12	187	11	169	11
Information systems	49	3	45	3	42	3
Human resources	39	2	39	2	35	2
General services	42	3	42	2	36	2
Senior management	39	2	37	2	37	2
TOTAL	**1,726**	**100**	**1,706**	**100**	**1,560**	**100**
RC UK Distribution (outside CSR scope 13/14)	*29*					
Total (including RC UK Distribution)	***1,755***		***1,706***		***1,560***	

(1) Readjustment of two people relative to the 2012/2013 registration document.

The breakdown of the workforce by gender remained stable; men accounted for 57% of the workforce and women 43%, with different figures according to occupation and country (GRI indicator LA13).

Analysed by occupation, men tend to make up the majority of personnel in ageing, maintenance and sales. There are more women in marketing, customer services and packaging.

BREAKDOWN BY PROFESSIONAL CATEGORY

41% of the workforce is made up of executives (managers), working mainly in sales, marketing and finance positions.

The Group's production operations comprise the majority of its operator and technician positions, around 77% of which are located in France on the Cognac and Angers sites, with the remainder in Scotland (Bruichladdich) and Barbados (Mount Gay).

AVERAGE AGE AND LENGTH OF SERVICE

The average age of Rémy Cointreau's workforce is 41 years, although in France it is higher, at 44. There is little age difference in terms of gender.

The average length of service of the Group's workforce is 9.8 years, with little difference between men and women or managers and non-managers.

WORK-LINKED TRAINING CONTRACTS IN FRANCE

The Rémy Cointreau Group continued its proactive work-linked training policy, with the renewal of all work-linked training contracts where necessary and additional recruitment in new positions. These contracts accounted for almost 3% of the workforce in France at the end of March 2014.

2.2.3 Organisation of working hours

The Rémy Cointreau Group complies with all laws and regulations pertaining to working hours applicable in the countries in which it operates. To take into account the particular characteristics of different markets, the working week in France is either annualised or adjusted for packaging operations in accordance with high and low activity periods using shift work. Other operations feature cyclical work organisation, *i.e.* ageing, where the organisation is linked to eaux-de-vie delivery periods. The Rémy Cointreau Group may make individual adjustments to working hours for employees who make such requests, if permitted by activity and scheduling requirements and constraints. In strict compliance with laws and collective bargaining agreements, operational requirements may occasionally require overtime.

2.2.4 Remuneration

In order to ensure consistency in the Group's approach to management, evaluation of the levels of responsibility is carried out using a common method in all countries. The competitiveness of remuneration packages is measured on a local basis, close to the markets. They are compared with groups and companies with similar features, to ensure attractive positioning.

This policy has helped mobilise the Group's teams and motivate each employee to achieve its ambitious targets on its new markets.

The 2013/2014 salary policy in all countries was measured with respect to inflation, with an average salary increase above inflation even where the local economic context was sometimes adverse or depressed. This salary policy uses individual pay rises deliberately focused on the best-performing employees.

Conversely, the variable remuneration (bonus) of Group managers was applied on the basis of a common structure for all countries, while at the same time taking into account specific local factors and practices. It was thereby linked to business and financial targets, measured as close as possible to the scope of responsibility and according to consistent weighting for all occupations.

Finally, depending on the country and on the social and tax regulations, savings plans benefiting from tax exemptions or other benefits are monitored and implemented when they are compatible with allocated budget resources.

2.2.5 Social security and welfare

The Group finalised the implementation of new life and disability policies in each of its subsidiaries, in line with Group service provision standards. This enabled the provision of competitive guarantees in light of market practices, including a significant employer contribution.

The current objective is to pool these collective insurance schemes by optimising existing schemes and establishing a preferred partnership to insure against these risks.

2.2.6 A training approach that targets excellence

The human resources policy must anticipate the needs of the Group, particularly where training is concerned.

As a Group priority, the main aim of training is to guarantee the employability of all of its employees and the sustainability of its know-how.

The "Rémy Cointreau Academy" has continued to develop, adding new subject areas. This range of training courses is developed by the highest level of the Group's management, who supervise it personally. This internal University is fully tailored to training the 300 key managers within the Group's own culture.

The scope of these training courses is extended in stages and by the end of the programme the modules will have covered all the key areas of the Group's activity.

- The Brand Academy tackles sales and marketing aspects of the Group's brands and the luxury goods sector from a strategic angle. All of our senior managers have already taken this module. A digital module has been made available to the managers to allow them to refer to it when conducting their activities.
- The Art of Selling Academy provides training in negotiation and sales techniques, with a pragmatic and differentiating market approach, in order to support the brands and create value for our partners and customers, in line with the Group's strategy. These training modules are widely deployed in the United States. Seminars will also have been offered in Europe and Asia during 2013/2014.

- Training at the Finance Academy is given to all managers. 150 non-financial employees have already received training, mainly in France and Europe. Aside from the particular financial aspects of our business, this training will make employees more financially aware and improve their understanding of all the Group's criteria for achieving efficiency.
- The Quality Academy was launched in November 2012. Deployment of this module continued in all regions during the 2013/2014 financial year.

Finally, in the longer term, training in Human Resources management will focus more specifically on leadership and managerial functions.

The availability of these modules on the Company's intranet will enable new entrants to quickly grasp the essential principles of the Group's culture, with the most functional and practical approach possible.

The training programme continued in parallel, to support employees' professional development. In particular, e-learning is promoted to encourage every employee to learn foreign languages.

A development library is also available to everyone so that they can expand their knowledge at their own initiative.

Finally, a digital integration module for new hires was implemented on an international scale. It supplements the integration process that is already greatly appreciated by employees joining our Group.

In addition to individual training, collective courses are sometimes provided for a particular category of employee. The employees on the Cognac site attended technical training on the changes to industrial tools, as well as management training relative to organisational changes. At Angers, innovative economic training courses were designed and delivered to all employees. The modules were led by in-house trainers.

The number of training hours declared in 2013/2014 for the entire Group scope, excluding Europe (outside France), for employees on permanent contracts, was 25,175 hours of which 11,008 were for women and 14,167 for men (GRI indicator LA10), an increase of 17% on 2012/2013.

2.2.7 Seizing opportunities for employee development

As an expanding Group, Rémy Cointreau fosters the development and enhances the skills of its teams. The human resources policy, already in place for a number of years, is aimed at encouraging employees to take collective responsibility and to be proactive in managing their careers. In this context, formalisation of the strategic workforce planning process enables the Company to adapt its resources and anticipate its needs, particularly in terms of technical expertise and skills that are in short supply.

In Cognac, the ambitious investment programme was accompanied this year again by organisational changes aimed at bringing management closer to the teams "in the field"; these changes open up possibilities for internal professional development *via* technical training courses delivered in support of this technological progress, allowing motivated employees to expand the scope of their responsibilities.

Rémy Cointreau also has an exacting recruitment policy designed to attract the most talented employees and develop their potential. The human scale of the Group also enables it to identify talented employees internally, and to encourage them to progress by seizing the opportunities offered by the growth strategy. The careers of these employees are managed on an individual basis.

Traineeships represent another excellent way of recruiting and training talented employees. On our French sites, ten trainees (educated to between Bac Pro and Bac +5 years) are learning their trade in an environment in which rigour and creativity are encouraged. Some trainees are offered contracts under France's international volunteer programme (VIE).

The transfer of skills is another key priority, which is essential in a sector in which know-how is an art rather than an occupation. Junior-senior partnerships have been created in the cellars to ensure continuity and respect for traditional methods.

2.2.8 Smooth social dialogue to foster the integration and well-being of employees

Depending on the size of the organisation, and more specifically when employees are represented by recognised trade union organisations, Rémy Cointreau takes a pro-active approach to social dialogue, favouring the integration and well-being of employees.

In addition to the fastidious application of collective agreements in these countries, Rémy Cointreau engages regularly with trade unions and employee representatives on employee-related issues through specific company agreements.

2.2.9 Making diversity an opportunity

The Group aims to offer all its employees the opportunity for career development. Recruitment methods and workstations are thus continuing to be adapted to accommodate an increasing number of disabled employees. In Angers, the Group has opted to pay its traineeship taxes to organisations, schools or entities that promote the employment of disabled people.

In terms of diversity, after two financial years that allowed the Group to put in place a robust policy, it has also implemented measures related to diversity in recruitment, gender equality, the integration of disabled employees and reintegration at local level. Cognac is also working in partnership with the French unemployment agency (Pôle Emploi) to recruit people on social reintegration programmes, which has led to employment on permanent contracts.

2.2.10 Equal treatment

In terms of equal treatment for men and women and non-discrimination in general, the Rémy Cointreau Group has taken the decision to implement international procedures and processes that guarantee equal treatment for the Group's employees. Non-discrimination in terms of race, religion, colour, age, gender, nationality or any other discriminatory factor not based on criteria of occupational requirement forms an integral part of Rémy Cointreau's policies and practices, particularly with respect to recruitment, promotion, transfers, salary increases and training.

For example, the remuneration policies are governed by occupational evaluations informed by an external method and appraisal and by a performance assessment based on identifying skills and shared goals. The recruitment and internal mobility policies are subject to procedures and/or international charters that guide managers and encourage joint decision-making based on objective criteria.

Moreover, in France, collective agreements on gender equality and the employment of older workers have helped formalise objectives and progress indicators in the areas of recruitment, remuneration, careers and training, working conditions and work-life balance.

As regards remuneration, in France, the Group has undertaken to implement its policy in such a way as to ensure that the distinction between men and women is not taken into account. Three initiatives have thus been formalised with a shared objective and shared measurement indicators:

- no difference between men and women in terms of starting salary where the employees are equally qualified;
- no difference between men and women in terms of individual salary increases where the employees' performance level and market ratio are the same;
- analysis of differences between men and women in terms of basic salary where the employees' employment, experience and performance levels are the same, and action plans aiming to reduce any differences.

Rémy Cointreau also strives to ensure that its practices in terms of working hours and other time spent within the Company aim as far as possible to maintain a healthy work-life balance, particularly in order to help employees fulfil their parental duties.

For example, in France, working time arrangements can be made to allow employees to accompany their children on hospital visits. Moreover, wherever possible, meetings are arranged during working hours and training sessions scheduled early to allow parents to arrange childcare where required. Finally, aware of the difficulties encountered by employees when they are required to manage an event that threatens the life of someone close to them, the parties sought to adapt the application of compassionate leave for this eventuality and allow the employee in question to discuss with his or her manager a way of adjusting his or her work to part-time hours.

2.2.11 Health and safety

The Rémy Cointreau Group strives to provide and maintain a working environment that ensures the health and safety of staff, customers, contractors, visitors and the general public who may reasonably be affected by its activities. The Group's policy in this area is to prevent workplace accidents, illnesses and other injuries from occurring by ensuring that the risks are taken into account in the operational management of production processes.

INVOLVING TRADE UNIONS AND EMPLOYEE REPRESENTATIVES IN DISCUSSIONS

In accordance with local legal requirements, committees bringing together employee and management representatives are held in Cognac, Angers and Barbados to examine issues relating to health and safety in the workplace and make sure that prevention rules are applied. These representatives are thus closely involved in the examination of health and safety issues when key projects are conducted on the Group's production sites. Dialogue between all stakeholders on health and safety issues is constantly sought and fostered.

COMMITMENTS

In France, the Group is committed through the agreement on older workers to carrying out an analysis of the main jobs and professional situations deemed to be at risk, with a view to identifying situations that call for improvements to be made to ergonomics and/or the working environment.

Moreover, as some positions are occupied by a majority of either men or women, a situation that is often linked to specific physical constraints of the position or a very low number of applications from either gender, the Group has tasked the local health and safety committees with studying the possibility of arranging jobs so as to eliminate physical criteria as far as possible and thus encourage applications from women for roles mainly occupied by men for this reason.

LOCAL INITIATIVES

Each production site has implemented a specific system to monitor and continually improve its employees' working conditions.

In terms of safety, systematic training courses are given to all new employees and onsite operators to inform them of the site's particular safety conditions, the rules to be followed and the possible hazards. As part of the site's safety procedures, areas deemed to present hazards are regularly reviewed in order to update posters and information aimed at staff and external contractors.

The Angers and Cognac sites continued their programme on improving working conditions and mitigating psycho-social risks.

HEALTH AND SAFETY INDICATORS

For more information on the scope used, please see the note on methodology.

For the scope comprising France, Barbados and Bruichladdich, the cumulative absenteeism rate, measured in hours of absence against theoretical hours worked, is 3.6% for 2013/2014. Sick leave for periods of less than 90 days accounted for the majority of absences. This rate does not include sick leave periods of more than 90 days.

For 2013/2014, the workplace accident frequency rate at the France, Barbados and Bruichladdich sites is 15, expressed as the number of workplace accidents with workdays lost per million actual hours worked.

The severity rate is low at 0.3, expressed as the number of days lost to workplace accidents per thousand actual hours worked. In order to remedy the causes of each accident, the members of the health and safety committee systematically carry out a root cause analysis and report their findings and recommendations to the committee.

Finally, in France, one occupational illness was declared and acknowledged by the competent health insurance authorities during the 2013/2014 financial year.

2.3 Environmental information

Drawing on its roots and its long history, Rémy Cointreau has made its environmental commitment a long-term driver of its economic success, whether in terms of preserving natural resources or implementing an ambitious certification policy.

The environmental information covers the production sites of Cognac and Angers, i.e. *90% of the cases produced, together with Domaines Rémy Martin (Rémy Martin vineyards).*

This year, the Barbados site is reporting its energy and water consumption. The Islay production site in Scotland is reporting its energy and water consumption, as well as the volume, sorting and recycling rate of its packaging waste.

The scope does not include the administrative site in Paris or the distribution subsidiaries, as their environmental impacts were not deemed significant. The scope of application of each indicator is specified in the "Note on methodology" section.

2.3.1 Winemaking

Rémy Martin cognac eaux-de-vie originates in vine products. Rémy Martin sources its supplies mainly from the Alliance Fine Champagne (AFC), a co-operative organisation that is exclusive to the Company and that has accompanied its growth since 1966. Rémy Martin also has its own vineyards within the Domaines Rémy Martin, which are used as a testing platform to promote the Group's winemaking policy.

A CERTIFICATION POLICY TO RECOGNISE EFFORTS MADE AND GUIDE PRACTICES

Rémy Cointreau's goal with respect to winemaking is clear: all actions undertaken aim to position the Group as a leader in economically competitive winemaking, without compromising on quality and whilst protecting the environment. The integration of the Domaines Rémy Martin vineyards into the CSR reporting scope strengthens the Group's desire to measure, report on its innovative practices and to improve. The number of employees trained rose substantially, with 98 days' training in winemaking practices this year compared with 56 last year (GRI indicator LA10).

The training focused mainly on certificates of competency in the use of pesticides (individual "certiphyto" certificates).

In 2012, the Domaines Rémy Martin vineyards were among the first in France to obtain "high environmental value farming" (AHVE) certification, as well as the *Agriculture Raisonnée* (integrated agriculture) certification acquired some years ago. After fully satisfying all criteria of the standards, which include protecting biodiversity and the proportion of inputs in sales, Domaines Rémy Martin obtained AHVE level three certification issued by the Afnor, in respect of measures undertaken to protect biodiversity and to reduce the use of pesticides. As both recognition of the work carried out by the Group and a guide for its day-to-day operations, these standards are a real management tool. Moreover, the Domaines renewed their PEFC certification, which ensures the sustainable management of the forests on their land (GRI indicator EN14).

PRACTISING ENVIRONMENTALLY-FRIENDLY WINEMAKING

Domaines Rémy Martin is a member of the Ecophyto network, a national initiative led by the French Ministry for Agriculture and originating in the *Grenelle de l'Environnement* that seeks to gradually reduce the use of pesticides and thus cut soil pollution. Heavily involved in this initiative, Domaines Rémy Martin this year hosted the regional "Spraying" forum. Wine-growing professionals discussed the chemical vine treatments used during the growing season, and developments in spraying technology. Meanwhile, Rémy Cointreau confirmed its desire to support a range of tests: soil and leaf analyses, essential for monitoring the vine, are more complete, allowing the application of fertilisers to be dosed as precisely as possible.

With a view to adopting environmentally-friendly growing methods, all pesticides used are harmless to neighbouring wildlife. The application of pesticides was 14% below approved doses, despite adverse weather conditions this year which hindered the growth of the vines. Natural grass cover was stable, covering 32% of surfaces. Domaines Rémy Martin confirmed its commitment to eliminating the use of herbicides on the entire vineyard. Finally, four soil and eleven leaf analyses allowed fertiliser input to be controlled (500 kg/ha) for regular maintenance of the vineyard. These analyses are maintained from year to year so that fertilisation requirements for land parcels yet to be planted may be identified more effectively. Natural control methods (natural predators) are used on all vineyards.

PROMOTING OUR PARTNERS' SOUND WINEMAKING PRACTICES

Having all of the AFC's winemakers and distillers follow its lead by obtaining AHVE certifications is one of Rémy Cointreau's key objectives. This year, the winemakers were made aware of this standard. During a number of information meetings, the Rémy Cointreau CSR Charter was distributed to 370 winemakers, who also received information relating specifically to high environmental value farming (AHVE). The CSR Charter was subsequently posted to 239 additional winemakers. This year, 56% of AFC members were made aware of Rémy Cointreau's environmental policies.

Broad guidelines have already been adopted for the next three years in order to encourage voluntary practices on the part of distillers who want to enhance their production. Rémy Cointreau has launched a joint environmental project with the AFC. The Group is thus taking a supportive approach and encouraging AFC members to obtain this certification in order to make it a quality label that promotes sound practices: reduced use of pesticides and the adaptation of treatments according to parasitic pressure, whilst maintaining a maximum yield.

Finally, the annual *Centaures de la distillation* trophy, which rewards the best distillers, this year recognised the exceptional quality of the eaux-de-vie produced by 56 distillers. 22 distillers were awarded the distinction of *Centaure d'or de la distillation* ("Golden Centaur of Distilling").

2.3.2 Environment

In 2013/2014, the Group invested €2 million to improve quality, safety and the environment (GRI indicator EN30) at all production sites.

Training in these three areas was maintained, with a total of 3,092 training hours and 413 people trained (GRI indicator LA10).

Provisions and guarantees for environmental risks are limited to a guarantee granted to E. Rémy Martin & Co for €2.5 million with respect to the Seveso risk.

ENERGY AND NATURAL RESOURCES

Energy consumption

The Group continued the efforts undertaken to reduce its energy consumption. Requests for energy certificates are issued on all new equipment installed, such as lighting fixtures and heat pumps.

A large-scale, long-term project relating to the lighting and heat insulation of the Group's sites is underway. Regular renovation projects are carried out at the buildings on the Cognac and Angers sites to optimise lighting, heating and air conditioning. High energy-consuming light bulbs are being replaced with LED lighting fixtures. Heat reduction instructions are maintained on the sites and centralised management of air conditioning systems is being installed.

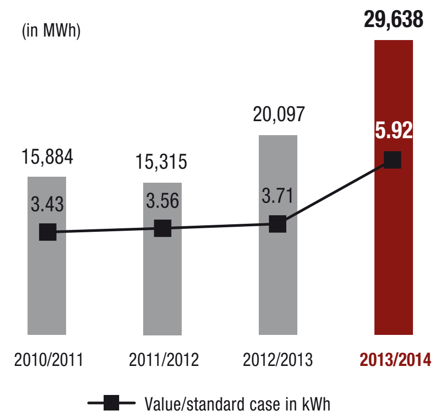
Staff awareness-raising is ongoing in order to encourage greater care with respect to energy use. An internal information campaign is being held to help reduce day-to-day energy expenditure, for example by affixing information and practical tips next to light switches.

This initiative naturally encompasses the reduction of the environmental footprint of the Group's IT equipment (Green IT protocol). New, more energy-efficient equipment was rolled out this year.

The studies carried out on sites to assess the possibility of integrating green energy into the production process culminated in the signature of contracts with EDF to procure renewable energy during the next financial year to meet part of the electricity needs of the French production sites.

Total energy consumption amounted to 29,638 MWh, up 47% on last year's figure (20,097 MWh) following the inclusion of the Islay (Bruichladdich) and Barbados (Mount Gay) sites in the reporting scope. On a like-for-like basis, energy consumption declined 4% compared with the previous year to 19,238 MWh.

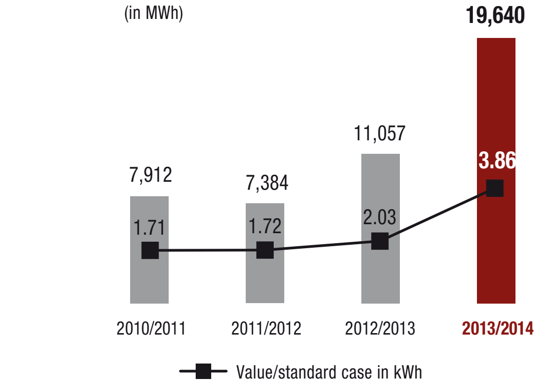
TOTAL ENERGY CONSUMPTION



Total energy consumption came to 5.92 kWh per standard case, excluding Domaines Rémy Martin. Total energy consumption for Domaines Rémy Martin came to 73.39 kWh per hectolitre of wine. On a like-for-like basis, total energy consumption came to 3.74 kWh per standard case, stable compared with 2012/2013.

As regards direct energy (gas and fuel oil), total consumption came to 19,640 MWh, an increase of 78% compared with last year, with the inclusion of Mount Gay and Bruichladdich in the reporting scope (GRI indicator EN3). On a like-for-like basis, consumption declined 14% compared with the previous year to 9,501 MWh.

DIRECT ENERGY CONSUMPTION (GAS, FUEL OIL) (GRI INDICATOR: EN3)



Total direct energy consumption increased from 2.03 to 3.86 kWh per standard case (GRI indicator EN4), excluding Domaines Rémy Martin. Total direct energy consumption for Domaines Rémy Martin came to 59.18 kWh per hectolitre of wine.

Direct energy consumption for the Cognac site fell 28% from 2,712 to 1,964 MWh, primarily due to the lower heating requirements in the milder winter.

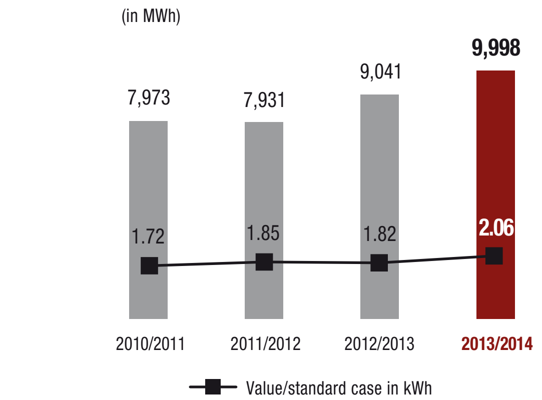
For the same reasons, consumption also fell 6% on the Angers site, from 6,161 to 5,778 MWh.

Direct energy consumption for Domaines Rémy Martin contracted 19% from 2,184 to 1,758 MWh, chiefly because of the less plentiful harvest in 2013/2014 as a result of adverse spring weather conditions.

As regards indirect energy consumption (electricity), the data now includes the Islay site (Bruichladdich). Electricity consumption increased from 9,041 to 9,998 MWh, *i.e.* an increase of 11%. A 6% rise was recorded on a like-for-like basis, with values rising from 9,041 to 9,584 MWh (GRI indicator EN4). This was due to the higher electricity consumption on the Cognac site (up 13%) during the major extension works undertaken this year.

Total indirect energy consumption came to 2.06 kWh per standard case, excluding Domaines Rémy Martin. Total indirect energy consumption for Domaines Rémy Martin amounted to 14.22 kWh per hectolitre of wine. On a like-for-like basis, total indirect energy consumption rose 10% year-on-year to 2.01 kWh per standard case.

INDIRECT ENERGY CONSUMPTION (ELECTRICITY) (GRI INDICATOR: EN4)



On the Angers site, electricity consumption dipped 4% from 2,612 to 2,499 MWh, whilst on the Cognac site it rose 13% from 5,241 to 5,922 MWh. Electricity consumption for Domaines Rémy Martin contracted 12% from 478 to 422 MWh, chiefly because of the less plentiful harvest in 2013/2014 as a result of adverse spring weather conditions. The Barbados site saw its consumption rise 4% from 710 to 741 MWh, reflecting the 29% increase in production on this site.

Water consumption

Total water consumption rose 58% to 103,051 m³, with the inclusion in the reporting scope of the Mount Gay and Bruichladdich production sites (GRI indicator EN8). On a like-for-like basis, water consumption fell a slight 2%, from 65,256 to 63,690 m³ of water consumed.

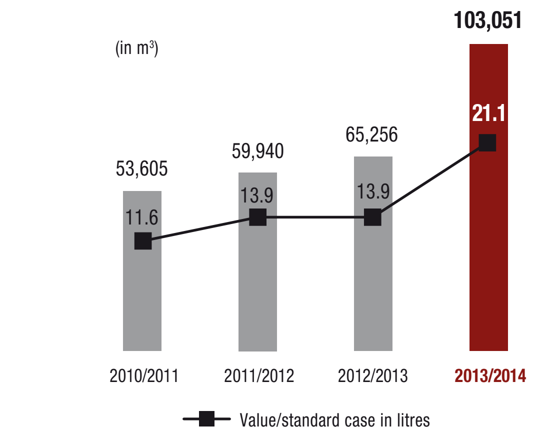
On the Angers site, water consumption edged down slightly (by 1%) from 32,343 to 32,064 m³ of water consumed.

Water consumption on the Cognac site fell 7% from 28,656 to 26,526 m³.

For Domaines Rémy Martin, water consumption rose 20% from 4,257 m³ to 5,100 m³, mainly due to poor weather conditions during the harvest, creating a greater need for washing equipment and premises.

Rémy Cointreau's production sites are not located in major water stress areas.

WATER CONSUMPTION (GRI INDICATOR: EN8)

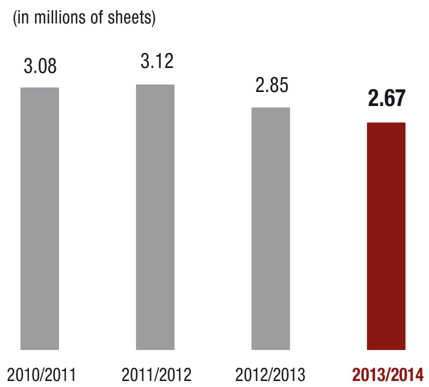


Water consumption amounted to 21.1 litres per standard case, excluding Domaines Rémy Martin. Total water consumption for Domaines Rémy Martin came to 171.6 litres per hectolitre of wine.

Office paper consumption

Paper consumption fell this year by 7% from 2.85 to 2.67 million sheets (GRI indicator EN1), mainly as a result of the ongoing initiatives to encourage staff to save office paper.

Paper consumption amounted to 13.46 tonnes, *i.e.* 18 sheets of paper used per person per day.



NOISE POLLUTION

The studies carried out on the sites relating to noise pollution on the property line (during the day and at night) have ensured that the values measured were below regulatory limits. The sites therefore do not cause any noise pollution to their surrounding areas. Internally, noise measurements are also taken as part of staff protection processes. Again, the values obtained fell below regulatory limits.

SOLID WASTE

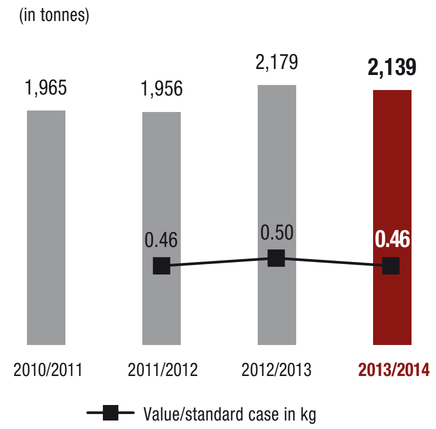
Rémy Cointreau takes measures to reduce the amount of solid waste on its sites with a policy of educating staff about waste sorting and recycling. Generally, solid waste from the Group's production sites supplies energy and materials recycling channels. It is mainly comprised of packaging waste (glass and cardboard).

Since September 2012, the OIW (Ordinary Industrial Waste) from the Angers site has been used and recycled by a combined energy unit (urban heating).

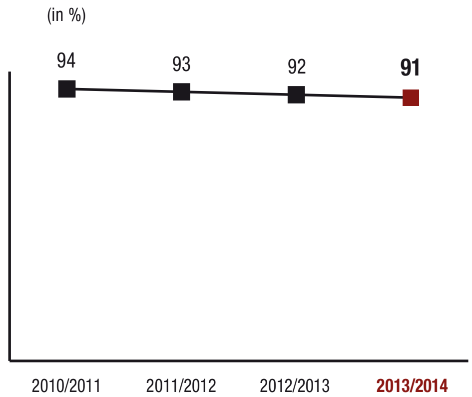
In a similar vein, since 2012 Rémy Cointreau has put in place a partnership with Ateliers du Bocage in the Poitou Charentes region to recycle or reuse all used mobile phones and electronic mobile phone equipment.

Total waste (GRI indicator EN22) was cut by 2% over the year, from 2,179 to 2,139 tonnes, even given the integration of the Islay site. The sorting and recycling rates remained stable overall, at 91% and 93%, respectively. Waste on the Angers site increased 4% from 1,251 to 1,299 tonnes. On the Cognac site, the quantity of waste was down 19% from 915 to 737 tonnes. Waste sorting and recycling volumes respectively were 97% and 100% for Angers. The figures were 85% for Cognac and 81% for Islay. The quantity of waste from Domaines Rémy Martin came to 20 tonnes of OIW. Waste per standard case decreased from 0.50 to 0.46 kg.

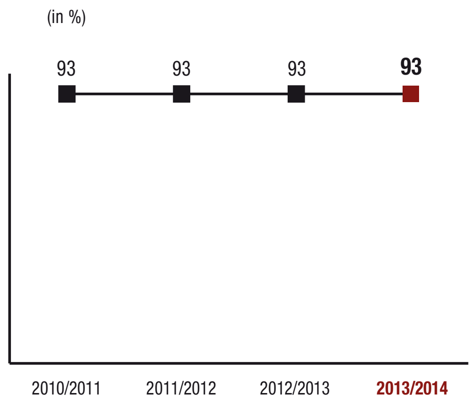
QUANTITY OF WASTE (GRI INDICATOR: EN22)



WASTE SORTING RATE



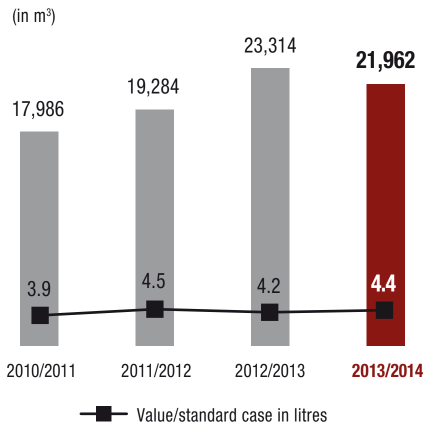
WASTE RECYCLING RATE



LIQUID WASTE

Discharged liquid waste declined 6% from 23,314 to 21,962 m^3 (GRI indicator EN21). Volumes were stable on the Cognac site moving very slightly from 7,444 to 7,412 m^3, and were down 3% on the Angers site from 10,977 to 10,675 m^3. The reduction was substantial for Domaines Rémy Martin, which cut waste 21% from 4,893 to 3,875 m^3, primarily due to the less plentiful harvest in 2013/2014 as a result of adverse spring weather. The quantity of liquid waste per standard case increased slightly from 4.21 to 4.36 litres. As regards Domaines Rémy Martin, the quantity of liquid waste remained stable at 130 litres per hectolitre of wine produced.

VOLUME OF LIQUID WASTE (GRI INDICATOR: EN21)



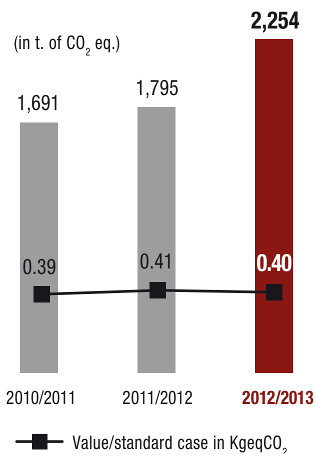
For the Angers and Cognac sites, liquid waste pollution, discharged from the site and before treatment, came to 24.1 tonnes of BOD and 37.1 tonnes of COD. After the waste was treated by external treatment plants and returned to the natural environment, pollution was 0.9 tonnes of BOD and 2.7 tonnes of COD, excluding Domaines Rémy Martin, (average reduction rate of 97% for BOD and 95% for COD), an increase on the 2012/2013 figures, which were 0.6 and 2.4 tonnes respectively. These values give a liquid waste ratio per standard case of 0.23 g of BOD and 0.64 g of COD.

GREENHOUSE GAS EMISSIONS

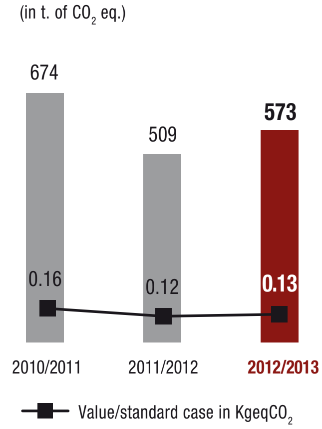
Various measures enable us to limit our greenhouse gas emissions. Over the last few years, the increasingly systematic use of videoconferences, the introduction of electric vehicles on the Angers and Cognac sites and eco-design of products have all helped reduce our CO_2 emissions.

Measurement of GHG was extended this year to Domaines Rémy Martin, which pushes the values up by 23% to 2,827 Teq CO_2. On a like-for-like basis however, they fell 5% from 2,304 to 2,199 Teq CO_2. Per standard case, these emissions were unchanged from 2012/2013, amounting to 0.53 kgeq CO_2.

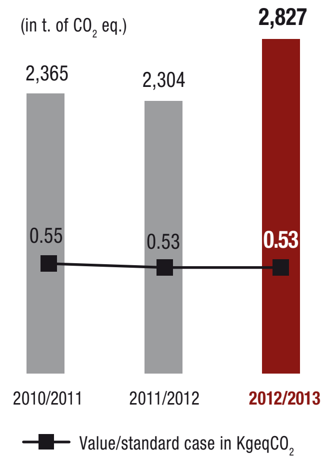
GREENHOUSE GAS EMISSIONS (SCOPE 1)



GREENHOUSE GAS EMISSIONS (SCOPE 2)



GREENHOUSE GAS EMISSIONS (SCOPES 1 & 2)



Greenhouse gas emissions fell 5% on the Angers site to 1,338 Teq CO_2, reducing scope 1 values from 1,233 to 1,176 Teq CO_2 (mainly as a result of reduced gas consumption) and bringing down scope 2 values from 169 to 162 Teq CO_2 (GRI indicator EN16). Emissions also dropped 5% on the Cognac site to 861 Teq CO_2. On this site, scope 1 values fell from 562 to 478 Teq CO_2, while scope 2 increased from 340 to 384, due to higher electricity consumption caused by the major extension works undertaken this year (GRI indicator EN16).

Rémy Cointreau continued its initiatives to lower its carbon emissions, reducing them by 1,097 Teq CO_2 (GRI indicator EN18). The main initiatives this year were:

- eco-design initiatives to modify our packaging. This led to a reduction of GHG emissions of 118 Teq CO_2 (based on 2013/2014 sales);
- use of videoconferencing: 699 Teq CO_2 were saved this year;
- reduction in energy consumption, saving 272 Teq CO_2.

The Group also continued to reduce carbon emissions generated by postal items (Cognac site). 79% of post is now sent by the *lettre verte* option (vs. 71% in 2012/2013).

ECO-DESIGN

With respect to the development of new packaging and new products, Rémy Cointreau strives to assess their environmental impact upstream through an eco-design process. Since 2010, every new package has thus been assessed using a tool that takes into account the weight of the package, the CSU (consumer sales unit), the product volume it contains and the journey taken by the product.

This year, research led to the design of the new Cointreau bottle. The weight of the bottle has been reduced by 2%, giving a saving of 115 tonnes of glass (based on 2013/2014 sales).

With the same concern in mind, the deposit system for bottles of Mount Gay Rum was continued in Barbados this year.

In France, for the sale of its products during the 2013 calendar year, the Group used 1,592 tonnes of packaging, including 1,533 tonnes of glass, 23 tonnes of cardboard and 19 tonnes of plastic materials. The remaining 17 tonnes were made up of miscellaneous materials (wood, aluminium, crystal, cork, etc.). This tonnage equates to an average package weight of approximately 950 g per litre of product, which is stable compared with the prior year (GRI indicator EN1).

Implementing the CSR 2015 Plan, Rémy Cointreau also estimated the quantities of glass used in the manufacture of products on the Angers and Cognac sites and sold throughout the world. The total was 70,430 tonnes of glass, giving an average weight of glass per package of some 910 g per litre of product (2012/2013 sales data).

CLIMATE CHANGE AND BIODIVERSITY

With respect to adapting to climate change, the Group actively participates in initiatives by relevant inter-professional bodies as of this year. In Cognac, Domaines Rémy Martin joined a research programme run by regional and national research centres in France on adapting the vine varieties to climate change.

The erosion of biodiversity is now a scientific reality. Aware of its role faced with this key issue, for a number of years Rémy Cointreau has undertaken various actions to incorporate the protection of biodiversity into all of its activities. The decline in forest cover is one of the most striking examples of the destruction of natural habitats. For this reason, the Group has worked for several years to protect forests.

After the replanting of the Senonches forest in the Eure-et-Loir region, which saw more than 115,000 oak seedlings planted, in partnership with the ONF (*Office national des forêts,* the French National Forestry Office), Rémy Cointreau supported the planting of more than 300 trees and the installation of information boards explaining the importance of maintaining biodiversity in the François I park, which was almost completely destroyed by storm in 1999.

In the same vein, the Group confirmed the commitments undertaken in previous years concerning the experimental plantation of alluvial forests and the protection of bees, whose importance for the preservation of biodiversity is well-known, *via* the provision of fallow land dedicated to bees.

Five more hives were installed in the Charente region, bringing to ten the total number of hives managed in partnership with the bee protection association, *Un toit pour les abeilles*. The Group will also incorporate the protection of wild bees, for example by installing bee “hotels”, into future replanting projects carried out in partnership with the ONF.

Rémy Cointreau also entered into an innovative project with the Charente Chamber of Agriculture. Along the same lines as the initiatives undertaken to dedicate fallow land to bees, the Group, through Domaines Rémy Martin, is now a stakeholder in a three-year agronomic research programme on the most profitable crops for fallow soil. The aim is to reduce the use of fertilisers during future vine planting.

2.4 Societal information

2.4.1 Citizenship: relations with stakeholders

As a global company, Rémy Cointreau is acutely aware of societal problems and its local impact. By assisting with regions' sustainable economic development and supporting initiatives promoting solidarity, it helps ensure collective progress.

A conspicuous presence in local economies, Rémy Cointreau works alongside associations, schools and universities, and bodies dedicated to economic development, providing its expertise in various key areas and promoting the virtues of a CSR policy. Its commitment is also reflected in its support for regional associations that work to promote sustainable development.

Very keen to promote a positive culture of corporate responsibility in training programmes, the Group took part, for example, in initiatives for students of the Grandes Écoles in the Pays de Loire region.

As a member of the network of sustainable development correspondents of the Colbert Committee, which promotes French luxury values, the Group contributes to the pooling of best practices in terms of CSR.

Rémy Cointreau continues to actively support local associations working towards social progress. Working alongside the *Fondation de la Deuxième Chance* (Second Chance Foundation) for the last ten years, the Group has helped disadvantaged people formulate a viable career plan. In addition to financial support, users in the Poitou-Charentes and Champagne Ardennes regions benefit from mentoring to help them put together the relevant documents and build their plan.

2.4.2 Suppliers: sharing our responsibility requirements

Keen to ensure that its suppliers operate responsibly and with a desire to have as many of them as possible follow its lead by applying a process to assess their own practices, Rémy Cointreau has implemented a reporting and audit system for its key suppliers, who belong to two main categories:

- production suppliers: raw materials (eaux-de-vie, ingredients, etc.) and packaging items (bottles, cases, caps, etc.);
- non-production suppliers: service and maintenance providers, communication and marketing agencies.

The use of sub-contractors is kept to a bare minimum and mainly applies to activities carried out in France.

An internal purchasing code of conduct incorporates the principles of sustainable development, based mainly on the ten principles of the Global Compact, the international organisation to which Rémy Cointreau has belonged since 2003. Every contract signed with suppliers refers to this charter, specifying that the supplier must comply with the principles set forth therein, *i.e.* respect and promotion of human rights and the principles of the ILO, protection of the environment and the fight against corruption.

With respect to production suppliers, the Group maintained the CSR assessment and audit actions already undertaken for the past several years. The CSR questionnaire issued to suppliers is based on the commitments in the Global Compact. It allows various criteria to be checked, such as food safety, the implementation of an environmental certification policy and the application of social policies in accordance with respect for human rights, international labour law and the fight against corruption.

A large majority of suppliers were initially selected on two criteria: the sales generated with the Group and/or the supply of key ingredients.

Overall, more than 99% of Rémy Cointreau's suppliers (in terms of net sales) were chosen and assessed on their social responsibility commitments and actions. The audits conducted by the Group's teams supplement the CSR assessment.

In accordance with the CSR 2015 Plan, *non-production* suppliers are now included in the CSR assessment scope and our aim is to improve their CSR assessment every year. The questionnaire issued to them is identical to the questionnaire sent to production suppliers. 75% of suppliers were chosen, in terms of sales (19 more than in 2012/2013) and 69%, in number (an increase of eight) replied.

Drawing on close cooperation between the Purchasing and CSR departments, these processes allow the Group to foster a culture of responsibility that is especially important to it, as overall the selected suppliers represent 90% of all of Rémy Cointreau's suppliers in terms of net sales (48 more suppliers than in 2012/2013, GRI indicator HR2), among whom 81% in number have undergone a CSR assessment (22 more than in 2012/2013, GRI indicator HR2).

2.4.3 Fair trade practices

Rémy Cointreau maintains relationships of trust with its suppliers and consumers. The rigor of the Group's ethical rules, which apply to both employees and partners, also guarantees lasting commercial success. Rémy Cointreau's continual quest for excellence is reflected in its ethical commitment via *its desire for maximum transparency, which it expresses through its adherence with a number of Ethical Charters.*

A TRANSPARENCY POLICY GUIDED BY A SET OF REFERENCE DOCUMENTS

The Group's ethics in its environmental, social and commercial practices are fundamental for ensuring trusting relationships with stakeholders. Rémy Cointreau considers it a duty to make all of its employees aware of its commitments.

In order to guarantee the transparency of its practices, Rémy Cointreau draws on a set of reference documents:

- Global Compact Charter: already a member of the Global Compact for a number of years, Rémy Cointreau intends to maintain this commitment, which guarantees its responsible actions and the compliance of its policy with international ethical standards, in the long-term;
- Corporate Social Responsibility Charter: aligned with ISO 26000, it forms the basis of the Group's CSR policy. The charter has been widely distributed in French and English. Committed to making sure it is followed on a daily basis and in the belief that responsibility concerns everyone, Rémy Cointreau supported the distribution of the charter by arranging awareness-raising initiatives for all staff;
- code of business ethics: the Group's sole reference guide, it has been translated into the 13 languages spoken throughout the Group. Linking the rules of conduct specific to Rémy Cointreau and its CSR commitments with the guiding principles of the Global Compact and the OECD, it guides the commercial, social and environmental practices of all employees. The Code deals with the following subjects, divided into four main sections:
  - responsibility in business: compliance with the law, competition, responsible communication, conflicts of interest, gifts and hospitality, corruption,
  - responsibility to others: political activities, respect for people, responsible consumption, respect for the environment, health and safety, commitments to customers, consumers and suppliers,
  - responsibility to the Company: protecting the reputation of the Company, confidentiality and insider trading, Company assets and resources, information and communication systems, intellectual property, cash transactions, business and financial data, illegal activities,
  - key principles.

  Accessible to all, new employees are made aware of its existence on their arrival.

  The fight against corruption is also embodied by the no gift letter sent systematically to all suppliers;
- Responsible Communication Charters of Rémy Cointreau and the *Union Des Annonceurs:* these charters ensure the self-assessment of communication campaigns and compliance with principles promoting moderate alcohol consumption;
- guide to responsible consumption in the professional environment: updated in 2012/2013 and sent out to all French employees.

2.4.4 Consumers

Rémy Cointreau strives to offer discerning customers products that give them a level of satisfaction that surpasses their expectations. This goal is consistently associated with the promotion of responsible consumption.

PROMOTING RESPONSIBLE CONSUMPTION

The promotion of responsible consumption is a particularly important aspect of Rémy Cointreau's CSR policy. The fact that our products are positioned at the high end of the range brings with it a major commitment to responsible consumption and the protection of our exacting customers, from both an ethical and business point of view.

This responsibility is embodied in two priorities:

- promoting responsible consumption;
- promoting responsible advertising;

KEY ROLE OF OUR REPRESENTATIVE ORGANISATIONS

By actively participating in the Alcohol and Society or Alcohol and Health working groups of professional organisations, Rémy Cointreau works on implementing a responsible strategy developed by the industry.

The main organisations are:

- in France: the FFS (*fédération française des spiritueux,* French federation of spirits producers), the FEVS (fédération des exportateurs de vins et spiritueux, French federation of wine and spirits exporters), Entreprise et Prévention (Enterprise and Prevention), and the IREB (*Institut de Recherche sur les Boissons,* Institute for drinks research);
- in Europe: Spirits Europe (the European industry federation);
- in the US: Discuss;
- in China: FSPA.

The objective shared by all these groups is to develop Alcohol action plans to assist governments to protect consumers, through ethical commitments and advertising self-regulation.

By definition, it is impossible to provide detailed results on these major and long-term measures. Nonetheless, this year, the outcomes of the dialogue undertaken mean that international bodies (WHO, OECD) consider that:

- the chief objective of our actions is to combat excess alcohol consumption;
- the voice of the spirits industry is important in establishing consumer protection programmes and, as a result, representative organisations must be present during discussions addressing the issue of responsible consumption by consumers;
- the principle of ethical self-regulation of the promotion and advertising of spirits provides a guarantee of safety for the consumer;
- Beverage companies continue to improve the information provided to consumers on packaging and by developing Web sites dedicated to disseminating knowledge about the health risks of alcohol.

INITIATIVES TO PROMOTE RESPONSIBLE CONSUMPTION

A raft of initiatives serve to underscore Rémy Cointreau's commitment to promoting responsible consumption of its products:

- the Group is gradually rolling out voluntary decisions in Europe and Asia to include logos designed to protect pregnant women on its packaging;
- voluntary application in Europe of the decision to include the "responsible drinking.eu" address on our packaging. This is the EU portal for consumers of 25 European countries providing comprehensive information on the risks of alcohol misuse;

- voluntary application in China of wording promoting moderation and "Drink and Drive" warnings on all Rémy Cointreau brand advertising;
- development of a responsible consumption page on the Rémy Cointreau Intranet;
- responsible consumption awareness campaign on the French production sites.

ADVERTSING CONTROL FOR THE RÉMY COINTREAU BRANDS

Compliance with the Rémy Cointreau code of ethics involving the following points:

- responsible consumption;
- specific virtues attributed to alcohol;
- minors and other vulnerable groups;
- alcohol content;
- activities involving risk;
- responsible advertising;

is ensured by the Responsible Communication Committee (CCR), which is made up of ten members representing the Public Relations, Legal, CSR, Marketing, Communications and Sales departments.

The CCR participates in quarterly meetings where new advertising initiatives for the brands are presented to the Executive Committee, in particular new products and their corresponding advertising campaigns.

The CCR is tasked with carefully analysing all new communication campaigns involving amounts in excess of €100,000 (including creation and the media plan) to ensure compliance with the Group's ethical undertakings.

The Public Relations teams heading up the CCR this year checked with the Rémy Cointreau brand directors that all new advertising had indeed been sent to the committee.

This year, the CCR approved four new campaigns:

- Dita Cointreau e-reporter video tease;
- Passoa Brasil 2014;
- Passoa Red Shot;
- Cointreau Fizz Cocktail by Dita video.

The other ads used throughout the past year were created during previous years. In all, there were 14 communication campaigns, four of which were approved by the CCR this year, and ten in previous years.

In 2013/2014, the CCR introduced an audit tool to analyse the cost of advertising campaigns (by country, brand and type of expenditure) to guarantee that the CCR's audit process is systematic and applied consistently.

The tool provides proof that all new creations and initiatives are sent to the CCR for approval.

MAINTAINING HIGH-QUALITY RELATIONSHIPS WITH ITS CUSTOMERS

Rémy Cointreau keeps a very close eye on the demands of its customers, responding to them as quickly and completely as possible, through constant monitoring, especially on social networks. The Marketing Services department constantly works to develop a policy that dovetails particularly well with consumer expectations. Similarly, principles governing the respect of private data have been adopted.

Furthermore, to meet consumer expectations in respect of environmental information about its products, Rémy Cointreau invests in reviews carried out on this subject in inter-professional working groups. Internal tools to assess the environmental impact of its products have already been developed to meet the needs of both distribution networks and consumers.

The site visits offered by the Group also reflect its quest for excellence. Tailor-made programmes, a warm welcome: Rémy Martin's oenotourism offer in Cognac puts an emphasis on developing warm relationships with visitors, while offering tours featuring know-how related to spirits, their heritage and their history. After winning the national oenotourism awards in 2012/2013 in the "development of a cellar or viticulture site" category, the quality of *Rendez-vous Rémy Martin* has been recognised by the Michelin Green Guide.

The Angers site's "Quality Tourism" certification was renewed this year.

The Group also obtained the French government's *Entreprise du Patrimoine Vivant* (Living Heritage Company) label, put in place to reward businesses who promote craftsmanship and the French tradition of excellence.

2.5 Table of environmental indicators by site

	2011/2012	Value/ standard case	2012/2013	Value/ standard case	Value/ hectolitre of wine	2013/2014	Value/ standard case	Value/ hectolitre of wine
Total energy consumption, in MWh, and in kWh for values per standard case or hectolitre of wine								
Total	15,315	3.56	20,097	3.71		29,638	5.92	
o/w Cointreau	7,913	3.24	8,773	3.52		8,277	3.45	
o/w E. Rémy Martin & Cie	7,402	3.99	7,953	4.23		7,886	4.50	
o/w Domaines Rémy Martin			2,661		71.0	2,181		73.4
o/w Mount Gay			710	2.22		893	2.17	
o/w Bruichladdich						10,400	139.80	
Direct energy consumption (gas, fuel oil), in MWh, and in kWh for values per standard case or hectolitre of wine (GRI indicator: EN3)								
Total	7,384	1.72	11,057	2.03		19,640	3.86	
o/w Cointreau	5,367	2.20	6,161	2.47		5,778	2.41	
o/w E. Rémy Martin & Cie	2,017	1.09	2,712	1.44		1,964	1.12	
o/w Domaines Rémy Martin			2,184		58.3	1,758		59.2
o/w Mount Gay						153	0.37	
o/w Bruichladdich						9,986	133.5	
Indirect energy consumption (electricity), in MWh, and in kWh for values per standard case or hectolitre of wine (GRI indicator: EN4)								
Total	7,931	1.85	9,041	1.82		9,998	2.06	
o/w Cointreau	2,546	1.04	2,612	1.05		2,499	1.04	
o/w E. Rémy Martin & Cie	5,384	2.90	5,241	2.79		5,922	3.38	
o/w Domaines Rémy Martin			478		12.7	422		14.2
o/w Mount Gay			710	2.22		741	1.80	
o/w Bruichladdich						414	5.53	
Water consumption, in m³, and in litres for values per standard case or hectolitre of wine (GRI indicator: EN8)								
Total	59,940	13.95	65,256	13.94		103,051	21.12	
o/w Cointreau	32,048	13.12	32,343	12.96		32,064	13.37	
o/w E. Rémy Martin & Cie	27,892	15.03	28,656	15.24		26,526	15.13	
o/w Domaines Rémy Martin			4,257		113.6	5,100		171.6
o/w Mount Gay						14,638	35.53	
o/w Bruichladdich						24,723	0.33	
Paper consumption, in millions of sheets (GRI indicator: EN1)								
Total	3.12		2.85			2.67		
o/w Cointreau	0.66		0.46			0.72		
o/w E. Rémy Martin & Cie	1.78		1.59			1.20		
o/w Paris site	0.69		0.80			0.74		

	2011/2012	Value/ standard case	2012/2013	Value/ standard case	Value/ hectolitre of wine	2013/2014	Value/ standard case	Value/ hectolitre of wine
Quantity of waste, in tonnes, and in kg for values per standard case or hectolitre of wine (GRI indicator: EN22)								
Total	1,956	0.46	2,179	0.50		2,139	0.46	
o/w Cointreau	1,062	0.43	1,251	0.50		1,299	0.54	
o/w E. Rémy Martin & Cie	894	0.48	915	0.49		737	0.42	
o/w Domaines Rémy Martin			13		0.35	20		0.67
o/w Bruichladdich						83	1.11	
Volume of solid waste sorted, in %								
Total	93		92			91		
o/w Cointreau	96		96			97		
o/w E. Rémy Martin & Cie	89		87			85		
o/w Bruichladdich						81		
Volume of solid waste recycled, in %								
Total	93		93			93		
o/w Cointreau	96		98			100		
o/w E. Rémy Martin & Cie	89		87			85		
o/w Bruichladdich						81		
Volume of liquid waste, in m^3, and in litres for values per standard case or hectolitre of wine (GRI indicator: EN21)								
Total	19,284	4.49	23,314	4.21		21,962	4.36	
o/w Cointreau	10,749	4.40	10,977	4.40		10,675	4.45	
o/w E. Rémy Martin & Cie	8,535	4.60	7,444	3.96		7,412	4.23	
o/w Domaines Rémy Martin			4,893		130.5	3,875		130.4
Liquid waste: BOD, after treatment, in tonnes, and in grams for values per standard case (GRI indicator: EN21)								
Total			0.61	0.14		0.94	0.23	
o/w Cointreau			0.61	0.24		0.91	0.38	
o/w E. Rémy Martin & Cie			0.01	<0.01		0.03	0.02	
Liquid waste: COD, after treatment, in tonnes, and in grams for values per standard case (GRI indicator: EN21)								
Total			2.40	0.55		2.65	0.64	
o/w Cointreau			2.25	0.90		2.49	1.04	
o/w E. Rémy Martin & Cie			0.16	0.08		0.16	0.09	
GHG emissions (Scope 1), in Teq CO_2, and in kgeq CO_2 for values per standard case								
Total	1,691	0.39	1,795	0.41		2,254	0.40	
o/w Cointreau	1,131	0.46	1,233	0.49		1,176	0.49	
o/w E. Rémy Martin & Cie	560	0.30	562	0.30		478	0.27	
o/w Domaines Rémy Martin						601		20.21
GHG emissions (Scope 2), in Teq CO_2, and in kgeq CO_2 for values per standard case								
Total	674	0.16	509	0.12		573	0.13	
o/w Cointreau	216	0.09	169	0.07		162	0.07	
o/w E. Rémy Martin & Cie	458	0.25	340	0.18		384	0.22	
o/w Domaines Rémy Martin						27		0.92
GHG emissions (Scopes 1 and 2), in Teq CO_2, and in kgeq CO_2 for values per standard case (GRI indicator: EN16)								
Total	2,365	0.55	2,304	0.53		2,827	0.53	
o/w Cointreau	1,347	0.55	1,402	0.56		1,338	0.56	
o/w E. Rémy Martin & Cie	1,018	0.55	902	0.48		861	0.49	
o/w Domaines Rémy Martin						628		21.14

2.6 Table of societal indicators

	2012/2013	2013/2014
Production suppliers		
Number of suppliers selected	101	130
Rate of selected suppliers	99.5%	99.3%
Number of suppliers evaluated	101	115
Rate of assessed suppliers	100%	88.5%
Non-Production suppliers		
Number of suppliers selected	68	87
Rate of selected suppliers	64.8%	74.6%
Number of suppliers evaluated	52	60
Rate of assessed suppliers	76.5%	69%
Total suppliers		
Number of suppliers selected	169	217
Rate of selected suppliers	87.6%	89.9%
Number of suppliers evaluated	153	175
Rate of assessed suppliers	90.5%	80.6%

2.7 Appendix: CSR 2015 plan

Topics	Actions 2013/2014	Results 2013/2014	Objectives 2014/2015	Objectives 2015/2016
CSR governance	▪ CSR reporting (objective: international extension) ▪ Code of ethics (objective: international scope) ▪ CSR 2015 Plan (objective: international extension)	▪ International extension of CSR reporting scope ▪ International dissemination of the code of ethics ▪ Implementation of the CSR 2015 Plan	▪ CSR reporting (objective: international extension)	▪ CSR reporting (objective: international extension)
Working conditions	▪ Reduce the pay gap between men and women in similar positions, with similar skills and levels of experience (objective: reduce the pay gap between men and women	▪ Implementation of procedures aimed at guaranteeing non-discrimination between men and women in similar positions, with similar skills and levels of experience in all Group entities	▪ Reduce the pay gap between men and women in similar positions, with similar skills and levels of experience (objective: reduction in Male/female discrimination)	▪ Reduce the pay gap between men and women in similar positions, with similar skills and levels of experience (objective: reduction in male/female discrimination)
	▪ Monitoring of absenteeism (objective: absenteeism rate < 4%)	▪ The absenteeism rate objective (< 4%) was achieved within the scope monitored	▪ Monitor absenteeism (objective: absenteeism < 4%)	▪ Monitor absenteeism (objective: absenteeism < 4%)
	▪ “safety in the workplace” action plans (objective: reduce workplace accidents and occupational illnesses	▪ The objective of reducing the accident frequency and severity rate was achieved within the scope monitored	▪ “Safety in the Workplace” Action plans (objective: reduce workplace accidents and occupational illnesses)	▪ “Safety in the Workplace” Action plans (objective: reduce workplace accidents and occupational illnesses)
	▪ Give special attention to the inclusion of disabled people in the workforce (objective: comply with regulations)	▪ Give special attention to the inclusion of disabled people in the workforce (measures introduced in France to promote indirect employment of people with disabilities - sheltered employment sector)	▪ Give special attention to the inclusion of disabled people in the workforce (objective: comply with regulations)	▪ Give special attention to the inclusion of disabled people in the workforce (objective: comply with regulations)
	▪ Designing, developing and implementing training programmes (objective: professional career development)	▪ Renewed training effort, up 17% for the scope considered	▪ Designing, developing and implementing training programmes (objective: professional career development)	▪ Designing, developing and implementing training programmes (objective: professional career development)
	▪ Organisational study on targeted positions (objective: reduce differences between men and women)	▪ In consultation with staff representatives (France), identification of workstations where stress requires adjustments	▪ Organisational study on targeted positions	

Topics	Actions 2013/2014	Results 2013/2014	Objectives 2014/2015	Objectives 2015/2016
Winemaking	▪ Reduce the use of pesticides (objective: protect the soil/reduce rate of use > 15%)	▪ Reduce the use of pesticides (objective: 14%)	▪ Reduce the use of pesticides (objective: 16%)	▪ Reduce the use of pesticides (objective: 16%)
	▪ Raise environmental awareness among winemakers (objective: information sessions)	▪ Raise environmental awareness among winemakers (56% of AFC cooperative members)	▪ Raise environmental awareness among winemakers (objective: creation of an Environment reference framework)	▪ Raise environmental awareness among winemakers (objective: AHVE certification)
Environment	▪ Energy, water and paper (objective: optimise consumption)	▪ Energy, water and paper (reduction of 4%, 2% and 7%, respectively, at constant scope)	▪ Energy, water and paper (objective: optimise consumption)	▪ Energy, water and paper (objective: optimise consumption)
	▪ Renewable energy (objective: feasibility study)	▪ Renewable energy (signature of renewable energy supply contracts/21% of consumption for sites in France)	▪ Renewable energy (21%)	▪ Renewable energy (25%)
	▪ CO_2 emissions (objective: Carbon Footprint Scopes 1 & 2)	▪ CO_2 emissions (Carbon Footprint Scopes 1 & 2/5% reduction in GHG at constant scope)	▪ CO_2 emissions (objective: Carbon Footprint Scopes 1, 2 & 3)	▪ CO_2 emissions (objective: Carbon Footprint Scopes 1 & 2)
	▪ Solid waste (objective: sorting and recycling rate > 90%)	▪ Solid waste (sorting rate: 91%/recycling rate: 93%)	▪ Solid waste (objective: sorting and recycling rate > 90%)	▪ Solid waste (objective: sorting and recycling rate > 90%)
	▪ Liquid waste (objective: BOD and COD discharges < 5 tonnes)	▪ Liquid waste (BOD: 0.9 tonnes/COD: 2.7 tonnes)	▪ Liquid waste (objective: BOD and COD discharges < 5 tonnes)	▪ Liquid waste (objective: BOD and COD discharges < 5 tonnes)
	▪ Biodiversity (objective: “Bees/Forests” conservation measures)	▪ Biodiversity (“Bees/Forests” conservation measures)	▪ Biodiversity (objective: “Bees/Forests” conservation measures)	▪ Biodiversity (objective: “Bees/Forests” conservation measures)
Honest practices	▪ CSR Charter, communication and responsible consumption charters, internal code of business ethics (objective: comply with charters and codes/ transparent practices)	▪ CSR Charter, communication and responsible consumption charters, internal code of business ethics (comply with charters and codes/ transparent practices)	▪ CSR Charter, communication and responsible consumption charters, internal code of business ethics (objective: comply with charters and codes/ transparent practices)	▪ CSR Charter, communication and responsible consumption charters, internal code of business ethics (objective: comply with charters and codes/ transparent practices)
Citizenship	▪ Exchange best CSR practices in the fields of education and business (objective: be a player in sustainable regional development)	▪ Be a player in sustainable regional development: share best CSR practices in the fields of education and business	▪ Exchange best CSR practices in the fields of education and business (objective: be a player in sustainable regional development/international extension)	▪ Exchange best CSR practices in the fields of education and business (objective: be a player in sustainable regional development/international extension)

Topics	Actions 2013/2014	Results 2013/2014	Objectives 2014/2015	Objectives 2015/2016
Suppliers	▪ Sustainable, responsible purchasing (objective: CSR assessment of suppliers: rate of selected suppliers: > 90%/rate of assessed suppliers: > 90%)	▪ Sustainable, responsible purchasing: (CSR assessment of suppliers/ rate of selected suppliers: 90% (+48 suppliers/year N-1)/ rate of assessed suppliers: 81% (+22 suppliers/year N-1)	▪ Sustainable, responsible purchasing (objective: CSR assessment of suppliers/rate of selected suppliers: > 92%/rate of assessed suppliers: > 85%)	▪ Sustainable, responsible purchasing (objective: CSR assessment of suppliers/rate of selected suppliers: > 95%/rate of assessed suppliers: > 90%)
Consumers	▪ Monitor and validate campaigns (objective: comply with the internal charter/campaign verification and validation rate > 90%)	▪ Monitor and validate campaigns (comply with the internal charter/ campaign verification and validation rate: 100%)	▪ Monitor and validate campaigns (objective: comply with the internal charter/campaign verification rate > 95%	▪ Monitor and validate campaigns (objective: comply with the internal charter/campaign verification rate > 95%) ▪ ISO 22000 certification of the Barbados site (Mount Gay) ▪ ISO 9001 certification of the Islay site (Bruichladdich)

2.8 Note on methodology for reporting environmental and employee-related indicators

Rémy Cointreau meets the requirement of the *Grenelle II* law obliging listed companies to apply Article 225: "publish the information on the way in which the Company takes into account the environmental and employee-related consequences of its activities and its societal commitments in favour of sustainable development".

Since 2003, Rémy Cointreau has been a signatory to the UN Global Compact, and aims to be an ambassador for the best practices of this worldwide commitment to human rights, labour standards, the environment and the fight against corruption.

The concept of corporate social responsibility (CSR) is promoted within the Company, as well as externally, with customers, suppliers and all other stakeholders.

Rémy Cointreau's Corporate Social Responsibility (CSR) Charter is based on six main commitments modelled on standard ISO 26000 and applied to the particular characteristics of the Group.

The measures implemented in the context of the CSR policy are regularly presented in the annual reports, which describe all the CSR indicators in line with the GRI (Global Reporting Initiative) indicators.

These documents are available on the Rémy Cointreau website and sent to all stakeholders. (http://www.remy-cointreau.com)

2.8.1 Reporting protocol

The 2013/2014 reporting protocol is an internal document that describes Rémy Cointreau's CSR commitments and presents the structure and the resources implemented to ensure that reports are of a high standard and reliable.

It acts as a guide for internal reporting and a standard for the external verification in 2013/2014 of the various CSR indicators set forth in Article 225 of the *Grenelle de l'Environnement.*

The reporting protocol is established by Rémy Cointreau's HR and CSR departments. It can be obtained on request from the Corporate Social Responsibility Director at the following address:

Christian Lafage
Corporate Social Responsibility Director
20 rue de la Société vinicole
BP 37
16102 COGNAC
christian.lafage@remy-cointreau.com
Tel: +33 (0)5 45 35 77 25

The reporting protocol is updated annually in order to take into account any changes in reporting requirements and CSR indicators.

2.8.2 Scope

Rémy Cointreau's CSR commitments apply to all companies within the Group. There are three main areas of focus: employee-related, environmental and societal.

In accordance with Article 225 of the *Grenelle II* law, the CSR reporting scope is based on the Group's consolidated financial scope and includes 22 companies (production sites and distribution companies).

Companies that are exclusively financial and joint ventures not controlled by the Group are not included in the CSR reporting scope. The same applies to companies disposed of and acquired during the year.

ENVIRONMENTAL REPORTING SCOPE

The Paris administrative site and the distribution subsidiaries are excluded from the environmental reporting scope as their environmental impact is not deemed to be significant. The Barbados (Mount Gay) site and Islay site in Scotland (Bruichladdich) are included where data is available.

Generally speaking, the environmental information covers the production sites of Cognac and Angers, *i.e.* 90% of the cases produced, together with Domaines Rémy Martin (Rémy Martin vineyards).

This year, the Barbados site is reporting its energy and water consumption, and the Islay production site is reporting its energy and water consumption, as well as the volume, sorting and recycling rates of its packaging waste.

EMPLOYEE-RELATED REPORTING SCOPE

The methodologies used for certain employee-related indicators may have limitations, owing mainly to:

- the absence of common definitions at national or international level;
- necessary estimates, the representativeness of the measures taken or the limited availability of external data required for the calculations.

The definitions and methodologies used for the following indicators are as follows:

1. Number of employees

   The employee-related reporting scope covers all 22 companies of the Rémy Cointreau Group.

2. Movements

   Companies based in Europe (excluding France and Bruichladdich) only represent 11% of the Group's workforce and therefore are not covered by these movement indicators. Internal transfers, renewals of fixed-term contracts and conversions from fixed-term contracts to permanent contracts count towards the movements.

3. Training

   Companies based in Europe (excluding France), as well as Bruichladdich, are not covered by the training indicator.

4. Other indicators

   Only the production sites at Angers, Cognac, Barbados and Bruichladdich, as well as the head office in Paris, are covered by the indicators relating to employee relations, absenteeism and workplace accidents. The indicator for the number of occupational illnesses recognised only covers the Cognac, Angers and Paris sites.

   Training: the training data of the French subsidiaries takes into account training programmes taken both as part of and outside continued professional development. The number of employees trained takes into account all employees who took at least one training course during the year, including those who were no longer present as of 31 December 2013. For all companies, only training courses lasting for at least one hour are listed.

   Absenteeism: scope limited to French companies, the Barbados and Bruichladdich sites. All absences (illnesses lasting for less than 90 days, workplace accidents, occupational illnesses, family events) of employees are included in the absenteeism rate on the last day of each quarter with the exception of paid leave, special leave (weddings, christenings, house moves, etc.), absences for training, authorised unpaid leave, leave for trade union activities, sabbaticals and business creation, time off in lieu, compensatory leave, bank holidays, parental leave and long-term illnesses (more than 90 days). The absenteeism rate is calculated over the last twelve months and is equal to the number of hours of absence per theoretical hours worked.

   Workforce scope for health and safety indicators:

- fixed-term contracts, permanent contracts and work-linked training contracts for the Cognac and Angers production sites and Paris head office;
- permanent contracts for the Bruichladdich and Barbados production sites.

Workplace accident frequency rate: scope limited to French companies, the Barbados and Bruichladdich sites. All accidents to employees counted in the workforce as of 31 March, in the workplace or on business trips, requiring both a declaration to be made and leave of at least one day, irrespective of applicable national regulations. This rate is expressed as the number of workplace accidents with workdays lost per million actual hours worked. Actual hours worked are the theoretical hours worked less hours taken for trade union delegate and employee representative activities, training hours, compensatory hours and information meeting hours on the initiative of the management.

Workplace accident severity rate: scope limited to French companies, the Barbados and Bruichladdich sites. All accidents to employees counted in the workforce as of 31 March, in the workplace or on business trips, requiring both a declaration to be made and leave of at least one day, irrespective of applicable national regulations. This rate is expressed as the number of days lost to workplace accidents per thousand actual hours worked. Actual hours worked are the theoretical hours worked less hours taken for trade union delegate and employee representative activities, training hours, compensatory hours and information meeting hours on the initiative of the management.

Occupational illnesses: scope limited to French companies. The occupational illnesses listed are those declared and acknowledged by the Health Authorities during the year.

2.8.3 Selected indicators

The 2013/2014 protocol presents the indicators available at the end of the year.

SOCIAL INDICATORS

- Total Group workforce
- Breakdown of employees by gender and position
- Breakdown of employees by geographic area
- Number of recruitments by position and contract type
- Number of departures detailed by reason (dismissal, voluntary redundancy, etc.)
- Average age by gender and by professional category
- Average length of service by gender and by socio-professional category
- Average salary by gender and professional category
- Absenteeism rate
- Workplace accident frequency rate
- Workplace accident severity rate
- Number of occupational illnesses recognised
- Rate of disabled employees in the total workforce
- Number of training hours by gender
- Workforce trained by gender

ENVIRONMENTAL INDICATORS

Energy

- Total energy consumption: Angers, Cognac, Barbados and Islay sites, and Domaines Rémy Martin (DRM)
- Direct energy consumption (fuel, except diesel for vehicles): Angers, Cognac, Barbados and Islay sites, DRM
- Indirect energy consumption: Angers, Cognac, Barbados and Islay sites, DRM

Water and liquid waste

- Water consumption: Angers, Cognac, Barbados and Islay sites, DRM
- Volume of liquid waste: Angers and Cognac sites, DRM
- Liquid waste pollution rate/Biological Oxygen Demand: Angers and Cognac sites
- Liquid waste pollution rate/Chemical Oxygen Demand: Angers and Cognac sites

Winemaking

- Soil and leaf analysis: DRM
- Reduction in the use of chemical fertilisers: DRM
- Reduction in the use of pesticides: DRM

Raw materials for packaging

- Reduction in the weight of glass used in packaging: Group
- Raw materials for packaging: France (Group), World (glass used for production on sites in France)

Office paper

- Paper consumption: Angers, Cognac and Paris sites

Solid waste

- Quantity of solid waste: Angers, Cognac, and Islay sites, DRM
- Solid waste sorting rate: Angers, Cognac and Islay sites
- Solid waste recycling rate: Angers, Cognac and Islay sites

Carbon footprint

- Regulatory Carbon Footprint – GHG emissions (Scopes 1 and 2): Angers and Cognac sites, DRM
- Reduction in greenhouse gases (GHG): Group
- Use of videoconferences: Group
- Use of business travel: Angers, Cognac and Paris sites
- Vehicle fleet GHG emissions: Angers and Cognac sites

Investment and training

- QSE training hours: Angers and Cognac sites
- Amount of annual investment in safety, quality and the environment: Group

SOCIETAL INDICATORS

- Rate of suppliers selected for CSR assessment (based on net sales): Angers and Cognac sites
- Rate of suppliers assessed for CSR (based on the number of suppliers): Angers and Cognac sites

2.8.4 Relevance of indicators

The CSR indicators used by Rémy Cointreau demonstrate the concrete nature and reliability of the measures it implements in relation to its CSR commitments.

They contribute to the decision-making process of the users of these indicators in respect of plans designed to enable Rémy Cointreau to make the necessary progress and achieve its CSR objectives.

2.9 Concordance table

CSR concordance table based on decree no. 2012-557 of 24 April 2012	Pages
Employee-related information	
Employment	
Total workforce (breakdown of employees by gender, age and geographical area)	18
Employees recruited (permanent and fixed-term contracts, any recruitment difficulties)	17
Redundancies (reasons, efforts to reclassify staff, to re-employ staff and accompanying measures)	17
Remuneration (change, social security charges, profit sharing and employee savings plan)	19
Organisation of working hours	
Organisation of working hours (duration of working hours for full-time and part-time employees, overtime, external labour)	19
Absenteeism (reasons)	22
Employment relations	
Organisation of social dialogue (rules and procedures for informing, consulting and negotiating with staff)	20
Review of collective agreements	21
Health and safety	
Health and safety conditions in the workplace	21-22
Agreements signed with trade union organisations and staff representatives pertaining to health and safety in the workplace	21
Workplace accident frequency and severity rate and accounting for occupational illnesses	22
Promotion of and compliance with the provisions of the core conventions of the ilo (upholding freedom of association and the right to collective bargaining, eliminating discrimination and forced labour and abolishing child labour)	16
Training	
Policies implemented with respect to training	19-20
Total number of training hours	20
Equal treatment	
Measures to promote equality between men and women	21
Measures to promote the employment and integration of the disabled	21
Policies to combat discrimination	21
Environmental information	
Overall environmental policy	
Company organisational structure and assessment and certification procedures	16
Training and information for employees on protecting the environment	22-23
Resources devoted to preventing environmental hazards and pollution	23
Amount of provisions and guarantees for environmental risks	23
Pollution and waste management	
Prevention, reduction and repair of discharges into air, water and soil severely affecting the environment	25-26
Prevention of waste production, waste recycling and elimination	25-26
Handling of noise pollution	25
Handling of all other forms of pollution specific to an activity	n/a

2.10 Independent third party's report on the consolidated employee-related, environmental and societal information contained in the management report

To the Shareholders,

As an independent third party accredited by COFRAC[1] under number 3-1050 and a member of the network of one of Rémy Cointreau's statutory auditors, we hereby report to you on the consolidated employee-related, environmental and societal information for the year ending 31 March 2014, presented in the «Corporate social responsibility (CSR)» Chapter of the management report, hereinafter referred to as the «CSR Information», under Article L. 225-102-1 of the French Commercial Code.

COMPANY'S RESPONSIBILITY

It is the responsibility of the Board of Directors to prepare a management report containing the CSR Information required under Article R. 225-105-1 of the French Commercial Code, in accordance with the reference framework adopted by the Company (the «Reference Framework»), summarised at the end of the CSR section of the management report and available from the Corporate Social Responsibility Director at the following address: christian.lafage@remy-cointreau.com.

INDEPENDENCE AND QUALITY CONTROL

Our independence is governed by regulations, our professional code of ethics and the provisions of Article L. 822-11 of the French Commercial Code. Moreover, we have implemented a quality control system that comprises documented policies and procedures aimed at ensuring compliance with the rules of conduct, professional standards and applicable laws and regulations.

RESPONSIBILITY OF THE INDEPENDENT THIRD PARTY

It is our responsibility, based on our work, to:

- certify that the required CSR Information is included in the management report or, if omitted, is the subject of an explanation pursuant to the third paragraph of Article R. 225-105 of the French Commercial Code (Certificate of Inclusion of CSR Information);
- provide limited assurance that the CSR Information, as a whole, is presented fairly in all material respects, in accordance with the Reference Framework used (reasoned opinion on the fairness of the CSR Information).

Our work was conducted by a team of four people between February 2014 and the date of signature of our report for a period of around four weeks.

We conducted the work described below in accordance with the professional standards applicable in France and the decree of 13 May 2013 defining the ways in which the independent third party conducts its work and, as regards the reasoned opinion on fairness, with the international standard ISAE 3000[2].

1. Certificate of Inclusion of CSR Information

We reviewed, based on interviews with the managers of the departments concerned, the policy statement on sustainable development, according to the employee-related and environmental consequences linked to the Company's activities and its societal commitments and, where applicable, the resulting actions or programmes.

We compared the CSR Information included in the management report against the list contained in Article R. 225-105-1 of the French Commercial Code.

In the absence of certain consolidated information, we checked that explanations had been given in accordance with the provisions of Article R. 225-105, paragraph 3 of the French Commercial Code.

(1) Scope available on www.cofrac.fr

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical information

We verified that the CSR Information covered the consolidation scope, namely the Company and its subsidiaries within the meaning of Article L. 233-1 and the companies it controls within the meaning of Article L. 233-3 of the French Commercial Code, subject to the limits described in the Note on methodology contained in the CSR chapter of the management report.

Based on this work, and taking into account the limits mentioned above, we hereby certify that all the required CSR Information is included in the management report.

2. Reasoned opinion on the fairness of the CSR Information

NATURE AND SCOPE OF THE WORK

We conducted three interviews with the individuals responsible for preparing CSR Information in the CSR, Human Resources, Remuneration and External Affairs departments, the individuals in charge of collating information and, where necessary, the individuals responsible for internal control and risk management procedures, in order to:

- assess the appropriateness of the Reference Framework with respect to its relevance, completeness, reliability, neutrality and comprehensibility, taking into account industry best practice where applicable;
- verify the implementation of a collation, compilation, processing and auditing system with a view to obtaining comprehensive and consistent CSR Information and to gain an understanding of the internal control and risk management procedures relating to the preparation of the CSR Information.

We determined the nature and scope of the tests and audits, depending on the nature and importance of the CSR Information with respect to the employee-related and environmental consequences associated with the Group's activity and characteristics, its sustainable development policy and best practice within the industry.

For the CSR Information we deemed the most important:(1)

- at the parent company level, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we applied analytical procedures to the quantitative information and verified, on a test basis, the data calculations and consolidation and verified the consistency and concordance of the data with other information contained in the management report;
- for a representative sample of entities that we selected(2) according to their activity, contribution to consolidated indicators, location and risk analysis, we conducted interviews to verify that procedures were applied correctly and carried out detailed tests on samples, consisting of verifying the calculations made and reconciling the data with supporting documents. The sample thus selected represents on average 42% of the workforce and 38% of the volume of sales expressed as standard cases.

For other consolidated CSR information, we assessed its consistency based on our knowledge of the Company.

Finally, we assessed the appropriateness of the explanations relating, where applicable, to the total or partial absence of information.

We believe that the sampling methods and size of the samples, which we selected based on our professional judgement, enable us to provide limited assurance; a higher level of assurance would have required more extensive auditing work. Due to the use of sampling techniques and other limits inherent in the functioning of any reporting and internal control system, the risk of non-detection of a material misstatement in the CSR Information cannot be entirely ruled out.

CONCLUSION

Based on our work, we found no material misstatements liable to call into question the fact that the CSR Information, as a whole, is presented in a true and fair manner and in accordance with the Reference Framework.

(1) ***Environmental and social information:*** *the general environmental policy (evaluation or certification procedures, the amount of contingency funds or guarantees for environmental risks), pollution and waste management (prevention, reduction or remedial measures for discharges into the atmosphere (Env.11 GHG emissions (scopes 1 and 2) and water (Env.3a Liquid waste pollution rate/Biological Oxygen Demand (BOD), Env.3b Liquid waste pollution rate/Chemical Oxygen Demand (COD), waste prevention, recycling and disposal measures (Env.10 Quantity of solid waste, Env.10b Waste recycling rate), sustainable use of resources and climate change (energy consumption (Env.1 Total energy consumption, Env.1a Direct energy consumption (fuels), Env.1b Indirect energy consumption), water consumption and supply according to local constraints (Env.2 Water consumption), consumption of raw materials and measures taken to improve the efficiency of their use (Env.7 Raw materials for packaging, Env.8 Quantity of glass packaging saved through improved bottle design); the importance of subcontracting and inclusion of social and environmental issues in the purchasing policy and relations with suppliers and subcontractors (Soc.1 Rate of suppliers selected for CSR assessment, Soc.2 Rate of assessed suppliers), fair practices (consumer health and safety measures taken).*

Employee-related information: *employment (total workforce and breakdown, Emp.1 Total Group workforce), redundancies (Emp.5 Number of departures detailed by reason), absenteeism (Emp.9 Absenteeism rate), health and safety conditions in the workplace, workplace accidents, particularly their frequency (Emp.10 Workplace accident frequency rate) and severity (Emp.11 Workplace accident severity rate), as well as occupational illnesses (Emp.12 Number of occupational illnesses recognised), total number of training hours (Emp.14 Number of training hours by gender).*

(2) ***Environmental and safety information:*** *Cognac site (France).*
Employee-related information: *France.*

OBSERVATIONS

Without challenging the above conclusion, we draw your attention to the following points:

- concerning the «Emp.10 Workplace accident frequency rate» and «Emp.11 Workplace accident severity rate», the hours worked are based, depending on the site, on the contractually agreed actual or theoretical hours, without this materially affecting the final data.

Paris-La Défense, 16 June 2014

Independent third party

ERNST & YOUNG et Associés

Eric Mugnier
Partner Sustainable Development

Bruno Perrin
Partner

3

CORPORATE GOVERNANCE AND INTERNAL CONTROL

3.1 Composition of administrative and management bodies

Since 7 September 2004, the Company has been governed by a Board of Directors. The Board of Directors elected on the same day to split the functions of Chairman of the Board and Chief Executive Officer. On 2 January 2014, the Board of Directors re-merged the functions of Chairman of the Board of Directors and Chief Executive Officer. The Company adopted the AFEP-MEDEF Corporate Governance Code for Listed Companies in December 2008, and then its revised version of June 2013, at a meeting held on 24 September 2013.

3.1.1 Board of Directors

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

MR FRANÇOIS HÉRIARD DUBREUIL

CHAIRMAN FROM 20 NOVEMBER 2012 AND CHAIRMAN AND CHIEF EXECUTIVE OFFICER FROM 2 JANUARY 2014

French nationality, 66 years old.
Date first appointed: *7 September 2004.*
Date term of office expires: *Shareholders' Meeting to approve the 2015 financial statements.*
Business address: *Andromède – 123, avenue des Champs-Élysées – 75008 Paris*

François Hériard Dubreuil holds a Masters Degree in Science from the University of Paris and an MBA from INSEAD. He has been a corporate officer of the Company since December 1991. He was notably Chairman of Rémy Martin from 1984 to 1990 and Chief Executive Officer of Rémy Cointreau from 1990 to 2000, then Chairman of the Supervisory Board from 2000 to 2004. François Hériard Dubreuil is a member of the INSEAD French Council and Chairman of the INSEAD Foundation.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

- Chairman of the Management Board of Andromède SA.

OTHER APPOINTMENTS OUTSTANDING

- Chairman and Chief Executive Officer of Orpar SA.
- Representative of Orpar, Chairman of Récopart SAS.
- Vice-Chairman and Deputy Managing Director of Oeneo SA.
- Chairman of Financière de Nonac 2 SAS.
- Chairman of the INSEAD foundation.

Appointments within the Rémy Cointreau Group

- Chairman of Rémy Cointreau Services SAS.
- Representative of Rémy Cointreau Services SAS, Director of Rémy Cointreau Aries SA.
- Representative of Rémy Cointreau Services SAS, Chairman of Joint Marketing Services SAS.
- Representative of Rémy Cointreau Services SAS Chairman of Rémy Cointreau Libra SAS.
- Representative of Rémy Cointreau Services SAS, Chairman of Storeco SAS.
- Director of Financière Rémy Cointreau SA/NV.
- Director of Rémy Cointreau South Africa PTY Limited.
- Director of E. Remy Rentouma Trading Limited.
- Legal representative of Rémy Cointreau Shanghai Limited.
- Director of Bruichladdich Distillery Company Limited.
- Director of Lochindaal Distillery Limited.
- Director of Port Charlotte Limited.
- Director of The Botanist Limited.
- Non-executive Chairman of Rémy Cointreau Amérique Inc.
- Director of Remy Concord Limited.
- Director of Remy Pacific Limited.
- Director of Rémy Cointreau UK Limited.
- Director of Dynasty Fine Wines Group Limited.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Chief Executive Officer of Andromède SAS.
- Chairman of the Management Board of Récopart.
- Director of Shanghai Shenma Winery Co Ltd.
- Permanent representative of Grande Champagne Patrimoine, Chairman of MMI.
- Chairman of Grande Champagne Patrimoine SAS.
- Chairman of Financière de Nonac SAS.

DIRECTORS

MRS DOMINIQUE HÉRIARD DUBREUIL

French nationality, 67 years old.
Date first appointed: *7 September 2004.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Business address: *Rémy Cointreau – 21, boulevard Haussmann – 75009 Paris.*

Dominique Hériard Dubreuil is a Public Relations graduate of IRPCS and has been a corporate officer of the Company since December 1991. She was notably Chairman of the Board of Directors of Rémy Cointreau from 1998 to 2000 and subsequently Chairman of the Management Board from 2000 to 2004. Dominique Hériard Dubreuil was Chairman of the Board of Directors of Rémy Cointreau from 2004 to 2012. Dominique Hériard Dubreuil is an Officer of the Legion of Honour and a Commander of the National Order of Merit.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

- Chief Executive Officer and member of the Management Board of Andromède SA.

OTHER APPOINTMENTS OUTSTANDING

- Director of Orpar SA.
- Vice-Chairman of the Supervisory Board of Wendel SA.
- Member of the Supervisory Board of Vivendi SA.
- Director of AFEP.
- Director of INRA.
- Director of Fondation 2e Chance.
- Director of Fondation de France.
- Director of Comité Colbert.

Appointments within the Rémy Cointreau Group

- Chairman of E. Rémy Martin & C° SASU
- Chairman of Cointreau SASU.
- Chairman of Domaines de Rémy Martin SASU.
- Chairman of Izarra-Distillerie de la Cote Basque SASU.
- Member of the Supervisory Board of Rémy Cointreau Nederland Holding NV.
- Director of Rémy Concord Limited.
- Director of Rémy Pacifique Limited.
- Chairman and COO of Rémy Cointreau Amérique Inc.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Chief Executive Officer of Andromède SAS.
- Chairman of the Board of Directors of Rémy Cointreau SA.
- Director of Baccarat SA.
- Director of Stora Enso Oyj.
- Chairman of the Supervisory Board of Vinexpo Overseas SAS.
- Member of the Supervisory Board of Vinexpo SAS.

MR MARC HÉRIARD DUBREUIL

French nationality, 62 years old.
Date first appointed: *7 September 2004.*
Date term of office expires: *Shareholders' Meeting to approve the 2016 financial statements.*
Business address: *Andromède – 123, avenue des Champs-Élysées – 75008 Paris*

Marc Hériard Dubreuil is a graduate of ESSEC and has been a corporate officer of the Company since December 1991, after starting his professional career with General Foods and Leroy Somer. He has notably been Chairman of Rémy Martin and Rémy & Associés, then Chief Executive Officer of Rémy Cointreau from 1990 to 2000.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

- Chairman and Chief Executive Officer of Oeneo SA.

OTHER APPOINTMENTS OUTSTANDING

- Chief Executive Officer and member of the Management Board of Andromède SA.
- Vice-Chairman, Deputy Managing Director and Director of Orpar SA.
- Director and member of the Audit Committee of Bull SA.
- Member of the Management Committee of Récopart SAS.
- Chairman of LVLF2 SAS.
- Chairman of the Supervisory Board of Crescendo Industries SAS.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Member of the Steering Committee of AUXI-A.
- Chief Executive Officer of Andromède SAS.
- Member of the Management Board of Récopart SA.
- Director of TC International Ltd.
- Chairman of LVLF SAS.

MS CAROLINE BOIS

French nationality, 38 years old.
Date first appointed: *26 July 2011.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Business address: *GSS Asia Pacific – International SOS Pte Ltd – 8 Changi Business Park Ave 1 – #09-51 UE Bizhub East 486018 Singapore*

A graduate of HEC and holder of the MAP masters from INSEAD, Caroline Bois has, since 1998, held various managerial positions in the financial, marketing and IT spheres, at Freelance.com and Dictis in Paris as well as at International SOS in Singapore and in France.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

General Manager in Singapore of the shared service centre for administrative functions for the Asia Pacific region within the International SOS Group.

OTHER APPOINTMENTS OUTSTANDING

None.

OTHER PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

Director of Veridis Asia Pacific Pte Ltd.

MS LAURE HÉRIARD DUBREUIL

French nationality, 36 years old.
Date first appointed: *26 July 2011.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Business address: *1220 Collins Avenue, Miami Beach, FL. 33139, USA.*

A graduate of the Institute of Oriental Languages and Civilisations and of the Fashion Institute of Technology, Ms Laure Hériard Dubreuil has since 2000 held a number of positions within Philipps-Van Heusen in Hong Kong and Gucci in Paris and New York. She set up The Webster store in Miami.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Chairman and Chief Executive Officer of The Webster.

OTHER APPOINTMENTS OUTSTANDING

Chairman of Laure HD Investissements SAS.

OTHER PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

None.

MS FLORENCE ROLLET

French nationality, 48 years old.
Date first appointed: *24 September 2013.*
Date term of office expires: *Shareholders' Meeting to approve the 2016 financial statements.*
Business address: *25 Old Bond Street, W1S 4QB, London*

Florence Rollet is a graduate of the EM Lyon business school (1987).

Following more than 12 years' experience in sales and marketing roles within various groups including the Danone Group (Brasseries Kronenbourg), Pepsi Cola and Reckitt-Benckiser, Florence Rollet joined the Coty Group in 1999 as Chief Executive Officer of Coty Beauty France, where she spent over eight years.

In 2005, she also added the role of Chief Executive Officer of Coty Prestige France to her existing duties.

In October 2007, Ms Rollet joined the LVMH-Parfums Christian Dior Group as Development Director, Europe, strengthening her experience in luxury goods and retail.

She has been Group Vice-President Europe for the jeweller TIFFANY&CO since June 2013.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Group Vice-President Europe for the jeweller TIFFANY&CO.

OTHER APPOINTMENTS OUTSTANDING

None.

OTHER PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

None.

MR YVES GUILLEMOT

French nationality, 53 years old – Chairman and Chief Executive Officer of Ubisoft
Date first appointed: *24 September 2013.*
Date term of office expires: *Shareholders' Meeting to approve the 2016 financial statements.*
Business address: *Ubisoft, 28 rue Armand Carrel, 93108 Montreuil*

Mr Guillemot grew up in a family of entrepreneurs and is a graduate of the Institut de Petites et Moyennes Entreprises. Together with his four brothers, he founded Ubisoft in 1986. At the age of 26, and recently graduated, he was named Chairman of the Company. The Company grew rapidly in France and in its main export markets. Mr Guillemot has led Ubisoft to third place in independent publishers of video games. Ubisoft has teams in 29 countries and distributes games in more than 55 countries worldwide.

Mr Guillemot was voted Entrepreneur of the Year by Ernst & Young in 2009.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Chairman and Chief Executive Officer of Ubisoft Entertainment SA.

OTHER APPOINTMENTS OUTSTANDING

Deputy Chief Executive Officer and Director of Gameloft SE, Guillemot Corporation SA.
Director and Deputy Chief Executive Officer of Guillemot Brothers SE (United Kingdom).
Director of Rémy Cointreau SA.
Director of Gameloft Divertissements Inc. (Canada), Guillemot Inc. (Canada), Gameloft Live Développements Inc. (Canada), Guillemot Inc. (Unites States), Guillemot Ltd (United Kingdom).
Director of Advanced Mobile Applications Ltd (United Kingdom).
Chairman of Ubisoft Annecy SAS, Ubisoft Emea SAS, Ubisoft France SAS, Ubisoft International SAS, Ubisoft Montpellier SAS, Ubisoft Motion Pictures Rabbids SAS, Ubisoft Motion Pictures Assassin's Creed SAS, Ubisoft Motion Pictures Splinter Cell SAS, Ubisoft Motion Pictures Far Cry SAS, Ubisoft Motion Pictures Ghost Recon SAS, Ubisoft Paris SAS, Ubisoft Production Internationale SAS, Nadéo SAS, Owlient SAS.
General Manager of Ubisoft Learning & Development SARL, Ubisoft Motion Pictures SARL, Script Movie SARL, Ubisoft Mobile Games SARL, Ubisoft Paris – Mobile SARL.
General Manager of Blue Byte GmbH (Germany), Ubisoft GmbH (Germany), Spieleentwiclungskombinat GmbH (Germany), Ubisoft EooD (Bulgaria), Ubisoft Studios Srl (Italy), Ubisoft Entertainment SARL (Luxembourg), Ubisoft Sarl (Morocco), Related Designs Software GmbH (Germany).
Chairman and Director of Ubisoft Divertissements Inc. (Canada), Ubisoft Musique Inc. (Canada), Ubisoft Editions Musique Inc. (Canada), Hybride Technologies Inc. (Canada), Ubisoft Toronto Inc. (Canada), Technologies Quazal Inc (Canada), 9275-8309 Québec Inc. (Canada), Studio Ubisoft Saint-Antoine Inc. (Canada), Ubisoft Nordic A/S (Denmark), Ubisoft Entertainment India Private Ltd (India), Ubi Games SA (Switzerland), Red Storm Entertainment Inc. (United States).
Chairman of Ubisoft LLC. (United States).
Vice-Chairman and Director of Ubisoft Inc. (United States).
Chief Executive Officer and Director of Ubisoft Emirates FZ LLC (United Arab Emirates).
Executive Director of Shanghai Ubi Computer Software Co. Ltd (China), Chengdu Ubi Computer Software Co. Ltd (China).
Director of Ubisoft Pty Ltd (Australia), Ubisoft SA (Spain), Ubi Studios SL (Spain), Ubisoft Barcelona Mobile SL (Spain), Ubisoft Ltd (Hong Kong), Ubisoft SpA (Italy), Ubisoft KK (Japan), Ubisoft Osaka KK (Japan), Ubisoft BV (Netherlands), Ubisoft Srl (Romania), Ubisoft Ltd (United Kingdom), Ubisoft Reflections Ltd (United Kingdom), Red Storm Entertainment Ltd (United Kingdom), Ubisoft Singapore Pte Ltd (Singapore), Ubisoft Entertainment Sweden A/B (Sweden), RedLynx Oy (Finland), Future Games of London (United Kingdom).

OTHER PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

Chairman of Ludi Factory SAS, Ubisoft Books & Records SAS, Ubisoft Design SAS, Ubisoft Graphics SAS, Ubisoft Manufacturing & Administration SAS, Ubisoft Organisation SAS, Ubisoft World SAS, Tiwak SAS, Ubisoft Computing SAS, Ubisoft Marketing International SAS, Ubisoft Development SAS, Ubisoft Editorial SAS, Ubisoft Operational Marketing SAS, Ubisoft Support Studios SAS.
General Manager of Ubisoft Art SARL, Ubisoft Castelnau SARL, Ubisoft Counsel & Acquisitions SARL, Ubisoft Emea SARL, Ubisoft Gameplay SARL, Ubisoft Market Research SARL, Ubisoft Marketing France SARL, Ubisoft Paris Studios SARL, Ubisoft Production Internationale SARL, Ubisoft Production Annecy SARL, Ubisoft Production Montpellier SARL, Ubisoft Design Montpellier SARL, Ubisoft Talent Management SARL, Ubisoft IT Project Management SARL, Ubisoft Innovation SARL, Ubisoft Services SARL, Ubisoft Créa SARL, Ubisoft Studios Montpellier SARL.
Chairman and Director of Chengdu Ubi Computer Software Co. Ltd (China), Ubisoft Arts Numériques (Canada), Ubisoft Vancouver (Canada), Ubisoft Canada Inc. (Canada), L'Atelier Ubi Inc. (Canada), Ubisoft Holdings Inc. (United States).
Chairman of Ubisoft Finland OY (Finland).
General Manager of Ubisoft GmbH (Germany), Max Design Entertainment Software Entwicklungs GmbH (Austria).
Director of Ubisoft Norway A/S (Norway), Ubisoft Ltd (Ireland), Ubisoft Sweden A/B (Sweden).
Alternate member of the Liquidation Committee and Chairman of Ubisoft Norway A/S (Norway).
Deputy Chief Executive Officer and Director of Guillemot Brothers SE.
Director of Gameloft Inc. (United States).

MR GABRIEL HAWAWINI

French nationality, 67 years old.
Date first appointed: *27 July 2006.*
Date term of office expires: *Shareholders' Meeting to approve the 2015 financial statements.*
Business address: *INSEAD, boulevard de Constance – 77305 Fontainebleau*

Gabriel Hawawini holds a degree in Chemical Engineering from the University of Toulouse and a doctorate in Economics and Finance from New York University. He has been a professor at INSEAD since 1982, and is the Henry Grunfeld Chaired Professor of Investment Banking.

He was the Dean at INSEAD between 2000 and 2006.

Mr Hawawini has lectured in New York universities, particularly Columbia. He is the author of 13 books and over 75 articles. Mr Hawawini has the rank of Knight in the Legion of Honour.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Professor at INSEAD.

OTHER APPOINTMENTS OUTSTANDING

Director of University of the People

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Director of Vivendi Universal.
- Director of S&B Industrial Minerals.

SIR BRIAN IVORY

British nationality, 65 years old.
Date first appointed: *7 September 2004.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Business address: *12 Ann Street – EH4 1PJ Edinburgh – Scotland*

Sir Brian Ivory is a chartered accountant and holds a Master of Arts degree from the University of Cambridge. He has been a director of a number of listed companies in the United Kingdom since 1978, and is currently Chairman of The Scottish American Investment Company plc and Marathon Asset Management Ltd. He has been a corporate officer of the Company since November 1991.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Chairman of The Scottish American Investment Company plc.

OTHER APPOINTMENTS OUTSTANDING

- Chairman of Arcus European Infrastructure Fund GP LLP.
- Chairman of Media 5 Solutions Ltd.
- Chairman of Marathon Asset Management Ltd.
- Vice-Chairman of Shawbrook Bank Ltd.
- Director of Insight Investment Management Ltd.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Director of HBOS plc.
- Director of Bank of Scotland.
- Director of Halifax plc.
- Director of Synesis Life Ltd.
- Chairman of National Galleries of Scotland.

MR OLIVIER JOLIVET

French nationality, 41 years old.
Date first appointed: *24 September 2013.*
Date term of office expires: *Shareholders' Meeting to approve the 2016 financial statements.*
Business address: *#05-01 Tourism Court, 1 Orchard Spring Lane, 247 729 Singapore*

Olivier Jolivet is a graduate of the University of Westminster, the University of Munich and Ipag. After a period at McKinsey's German subsidiary, Mr Jolivet spent nearly ten years with the Club Méditerranée Group, mainly in Asia-Pacific. A member of the Executive Committee, he was most recently International Business Development Director and Construction Director.

In 2008, Olivier Jolivet joined the Aman Group as Chief Executive Officer of the Aman brand in Singapore.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Chief Executive Officer of Aman.

OTHER APPOINTMENTS OUTSTANDING

- Chairman and Chief Executive Officer of Société Nouvelle de L'Hôtel Bora Bora (French Polynesia).
- Director of Andaman Development Co Ltd (Thailand), Andaman Resorts Co. Ltd. (Thailand), Andaman Thai Holding Co Ltd (Thailand), Bhutan Resorts Private Limited ((Bhutan), LP Hospitality Company Limited (Laos), Phraya Riverside (Bangkok) Co., Ltd (Thailand), Regent Land Limited ((Cambodia), Silverlink (Thailand) Co., Ltd (Thailand), Silver-Two (Bangkok) Co., Ltd (Thailand), Seven Seas Resorts and Leisure Inc (Philippines).

OTHER PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

None.

3

MR PATRICK THOMAS

French nationality, 67 years old.
Date first appointed: *16 September 2008.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Business address: *24, rue du Faubourg-Saint-Honoré – 75008 Paris*

Patrick Thomas is a graduate of the Paris École Supérieure de Commerce. He spent 16 years with the Pernod Ricard Group, which he left in 1989 as Chief Executive Officer of Pernod Ricard UK. He was subsequently Chief Executive Officer of Hermès International from 1989 to 1997, Chairman of the Lancaster Group from 1997 to 2000 and Chairman and CEO of William Grant & Sons from 2000 to 2003. He rejoined the Hermès Group on 15 July 2003 as Chief Executive Officer and was General Manager from 15 September 2004 to 31 January 2014.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Chairman of Hermès Asia Pacific.

OTHER APPOINTMENTS OUTSTANDING

- Within the Hermès Group, Chairman of Full More Group, Shang Xia Trading Director of Faubourg Italia, John Lobb Japan, La Montre Hermès.
- Member of the Supervisory Board of Laurent-Perrier.
- Vice-Chairman and member of the Supervisory Board of Massily Holding.
- Member of the Supervisory Board of Leica Camera AG.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- General Manager of Hermès International (SCA).
- Chairman of Hermès Holding US, Herlee, Hermès Canada, Hermès China, Hermès GB Ltd, Hermès Immobilier Genève, Hermès Retail Malaysia.
- Chairman of the Board of Directors of Hermès Italy, Hermès of Hawaii, Hermès of Paris (USA) and Hermtex.
- Member of the Supervisory Board of Neuflize OBC bank.
- Chief Executive Officer of Hermès International.
- Director of Hermès India Retail & Distributors Private Ltd, Boissy Mexico, Boissy Singapore Pte Ltd, Herlee, Hermès Australia, Hermès Benelux Nordics, Hermès Canada, Hermès (China), Hermès de Paris (Mexico), Hermès do Brasil, Hermès GB Ltd, Hermès Greece, Hermès Iberica, Hermès Immobilier Genève, Hermès Italy, Hermès Japan, Hermès Korea, Hermès Latin America, Hermès of Hawaii, Hermès of Paris (USA), Hermès Retail Malaysia, Hermtex, Saint-Honoré (Bangkok).

MR JACQUES-ÉTIENNE DE T'SERCLAES

French nationality, 67 years old.
Date first appointed: *27 July 2006.*
Date term of office expires: *Shareholders' Meeting to approve the 2015 financial statements.*
Business address: *Résidence Dior Anfa, 14 rue Ahmed Amine, 20000 Casablanca, Morocco*

Jacques-Étienne de T'Serclaes, chartered accountant, graduated from ESSCA and Harvard Business School (OPM). He is a former member of Compagnie des Commissaires aux Comptes. As Senior Partner with PricewaterhouseCoopers (1990-2005), he headed up the Global Retail and Consumer practice worldwide, and was Chairman of the Supervisory Board of PwC Audit France. Previously he spent seven years within the Euromarché Group (acquired by Carrefour) where he was Chief Executive Officer.

He is currently founder and Chairman of the charity Agence du Don en Nature (EuroGiki), and Operating Partner at Advent International Global Private Equity. He is also an independent Director and Chairman of the Audit Committee of Altran Technologies, and Director of Gifts In Kind International (USA) and Banimmo (Belgium).

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Founder and Chairman of the charity Agence du Don en Nature.

OTHER APPOINTMENTS OUTSTANDING

- Director of Altran Technologie SA.
- Director of the Institut Français des Administrateurs (IFA).
- Director of Banimmo (Belgium).

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Chairman of the Supervisory Board of PricewaterhouseCoopers Audit.
- Director of Euro-India Centre.

NON-VOTING MEMBER

MR TIMOTHY JONES

British nationality, 69 years old.
Date first appointed: *31 July 2007.*
Business address: *8 Kirkwick Avenue, Harpenden ASL 2QL, United Kingdom.*

Tim Jones is a Doctor of Philosophy (PhD) and holds an MBA. He was a manager in the oil industry for a number of years and subsequently Chief Executive Officer of Lloyd's Register for seven years.

PRINCIPAL APPOINTMENT OUTSIDE THE GROUP

Director of Double Dragon Underwriting Ltd, Chough Ltd and InnovOx Ltd.

OTHER APPOINTMENTS OUTSTANDING

Member of the Royal Society of Chemistry.

OTHER PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Director of Rémy Cointreau SA.
- Deputy Chairman of Education and Learning in Wales.
- Director of Orpar, the parent company of Rémy Cointreau SA.

NUMBER OF INDEPENDENT BOARD MEMBERS

Six independent members as at 31 March 2014:

Ms Florence Rollet, Mr Yves Guillemot, Mr Gabriel Hawawini, Mr Olivier Jolivet, Mr Patrick Thomas and Mr Jacques Etienne de T'Serclaes.

Florence Rollet, Yves Guillemot and Olivier Jolivet were appointed on 24 September 2013.

The Board of Directors is regularly informed of the independence of each of its members.

Number of members elected by employees: the Company does not have any employee members.

Number of shares that must be held by each member: 100.

3.1.2 Chief Executive Officer and Executive Committee

On 7 September 2004, the Board of Directors elected to split the positions of Chairman of the Board and Chief Executive Officer in accordance with Article L. 225-51-1 of the French Commercial Code. Jean-Marie Laborde was appointed Chief Executive Officer and held this position between 7 September 2004 and 30 September 2013. At the Board of Directors meeting of 24 September 2013, Frédéric Pflanz was appointed Chief Executive Officer of the Company from 1 October 2013, to replace Jean-Marie Laborde. Mr Pflanz held this position until his resignation for personal reasons on 2 January 2014. At the meeting of the Board of Directors held on the same day, François Hériard Dubreuil was appointed Chief Executive Officer for a term of three years. Prior to this appointment, the Board of Directors had decided to modify the terms of operation of the general management by re-merging the functions of Chairman of the Board of Directors and the Chief Executive Officer, in accordance with Article L. 225-51-1, paragraph 2, of the French Commercial Code and Article 19.1 of the Articles of Association. The current and previous functions and appointments of Mr François Hériard Dubreuil are described in section 3.1.1. above on the Board of Directors.

The Chairman and Chief Executive Officer is assisted by an Executive Committee comprising the following members:

- Jean-François Boueil, Human Resources Director;
- Luca Marotta, Chief Financial Officer;
- Damien Lafaurie, Executive Vice President Global Markets;
- Christian Liabastre, Executive Vice President Brands Strategy and Development;
- Patrick Marchand, Operations Senior Vice President.

3.1.3 Other information on the administrative and management bodies

NO DIRECTOR HAS BEEN CONVICTED OF FRAUD, BEEN PARTY TO A BANKRUPTCY, RECEIVERSHIP OR LIQUIDATION, BEEN CHARGED AND/OR OFFICIALLY SANCTIONED, BANNED BY THE COURTS FROM HOLDING AN OFFICE OR BEING INVOLVED IN THE RUNNING OF THE COMPANY

To the best of Rémy Cointreau's knowledge:

- there were no convictions for fraud over the last five years against any members of the Board of Directors or the Chief Executive Officer;
- neither the Chairman and Chief Executive Officer nor any members of the Board of Directors have been party, over the past five years, to a bankruptcy, nor were assets impounded or liquidated while being a member of an administrative, management or supervisory body or as Chief Executive Officer;
- no official incrimination and/or public sanction was incurred against any members of the Board of Directors or the Chairman and Chief Executive Officer by statutory and regulatory authorities, including designated professional bodies. Thus, neither the Chairman and Chief Executive Officer nor any members of the Board of Directors were subject to any statutory bar to act as member of an administrative body or to intervene in the management or the conduct of the business of an issuing company over the past five years.

NATURE OF ANY FAMILY RELATIONSHIPS

François and Marc Hériard Dubreuil are Dominique Hériard Dubreuil's brothers.

Caroline Bois is the daughter of François Hériard Dubreuil.

Laure Hériard Dubreuil is the daughter of Marc Hériard Dubreuil.

NO POTENTIAL CONFLICTS OF INTEREST

To the best of Rémy Cointreau's knowledge, there are no potential conflicts of interest between the duties toward the issuer and the private interests and/or other duties of any members of the Board of Directors or the Chairman and Chief Executive Officer.

SERVICE CONTRACTS BINDING MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

Neither the Chairman and Chief Executive Officer nor any member of the Board of Directors is bound to Rémy Cointreau or to any of its subsidiaries by a service contract providing for the granting of benefits at the end of such a contract.

3.1.4 Functioning of the administrative and management bodies

The Chief Executive Officer reports to the Board of Directors.

The Board of Directors currently has twelve members. Board members are appointed for three years. The Board is renewed on an annual rolling basis, so that renewal occurs as evenly as possible and the whole Board has been renewed at the end of a three year period.

Any member of the Board of Directors who is over 85 years of age at the beginning of a financial year is deemed to have resigned from office effective at the end of the Annual Shareholders' Meeting called to approve the financial statements for that financial year. However, his/her term of office may be renewed annually, as long as the number of Board members aged 85 or over does not exceed one-third of the number of serving members.

Between 1 April 2013 and 31 March 2014, the Board of Directors met eight times. The average attendance rate was 85.33%.

The members of the Board of Directors are informed, at the time they take up their appointment, of the legal and regulatory provisions in force in respect of corporate officers trading in the Company's shares.

3.1.5 Board committees

Details of the three committees established by the Board of Directors can be found in the report of the Chairman of the Board of Directors to the Shareholders' Meeting on corporate governance and internal control.

The committees formed within the Board of Directors are the "Audit", the "Nomination and Remuneration" and the "Strategy, Development and Marketing" Committees.

3.2 Report of the Chairman of the Board of Directors on corporate governance and internal control

Dear Shareholders,

In compliance with Article L. 225-37 of the French Commercial Code, we report to you within this document on:

- the adoption of the Corporate Governance Code;
- the composition and conditions of preparation and organisation of the work of your Board of Directors;
- internal control and risk management procedures established by the Company;
- limitations your Board of Directors has imposed on the powers of the Chief Executive Officer;
- specific procedures relating to shareholders' attendance at Shareholders' Meetings; and
- the principles and rules governing the remuneration and benefits paid to corporate officers.

Note that the disclosures required by Article L. 225-100-3 of the French Commercial Code are presented in section 7.5 of this registration document.

The report of the Chairman of the Board of Directors was approved by the Board of Directors on 3 June 2014, following the consultation of the Audit Committee on 2 June 2014.

3.2.1 Corporate Governance Code

At its meeting of 20 November 2008, the Board of Directors approved the Company's adoption of the AFEP-MEDEF Code issued as a set of recommendations in October 2008 and published officially in December 2008. The Board of Directors confirmed this decision at its meeting held on 4 June 2009. At its meeting held on 24 September 2013, the Board of Directors adopted the revised version of the Corporate Governance Code for Listed Companies dated June 2013.

This latest version of the Code is available for consultation at Rémy Cointreau's head office in Paris and on the website www.medef.fr.

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The Company considers that its practices are compliant with the recommendations of the AFEP-MEDEF Code. However, some of the recommendations of the Code have not been implemented, for the reasons set out below:

Recommendations of the AFEP-MEDEF Code that have not been implemented	Reason(s)
Audit Committee Article 16.1, paragraph 2: "The proportion of independent directors on the Audit Committee (excluding directors representing employee shareholders and directors representing employees, which are not counted), must be at least two-thirds, and the committee should not include any Executive Directors."	Regarding its composition, the Board of Directors favours the presence of members who have a high level of financial or accounting expertise, in compliance with the recommendation of paragraph 1 of Article 16.1 of the AFEP-MEDEF Code. With the entry of new independent directors who will join the Board subject to approval by the next Shareholders' Meeting, the Board of Directors will endeavour to comply with the rule regarding the proportion of independent directors.
Remuneration Committee Article 18.1: "The Remuneration Committee should not include any Executive Directors and the majority of its members should be independent directors. It must be chaired by an independent director."	Regarding its composition, having set up three committees in which independent directors are fully involved, the Board of Directors has maintained the presence of members, including the Chairman, who are not considered to be independent within the meaning of the AFEP-MEDEF Code, but whose experience and natural authority confer on them a freedom of speech and judgement. This authority and freedom have not been affected by the number of years in office and, on the contrary, constitute a guarantee of independence. With the entry of new independent directors who will join the Board subject to approval by the next Shareholders' Meeting, the Board of Directors will endeavour to comply with the rule regarding the proportion of independent directors.

3.2.2 Composition and conditions of preparation and organisation of the work of the Board of Directors

INTERNAL REGULATIONS

At its meeting of 7 September 2004, the Board of Directors elected to organise directors' information in such a way that all Directors, be they representatives of the majority shareholder or independent, have access to the same information. The Board reasserted that it is the sole authority with decision-making powers, notwithstanding the powers attributed to the Chief Executive Officer by the law or by the internal regulations.

In compliance with these principles, at its meeting of 8 December 2004, the Board elected to lay down its rules of procedure and its relationship with the executive management in a set of internal regulations.

The Board of Directors updated its internal regulations on 5 December 2005, 5 June 2007, 20 September 2011, 25 September 2012, 24 September 2013 and 28 January 2014, mainly to reflect changes in legislation and the revised version of the AFEP-MEDEF Code.

This report refers to the main features of these internal regulations.

COMPOSITION OF THE BOARD OF DIRECTORS

It should be noted that Rémy Cointreau's Board of Directors currently comprises 12 members, and that at least 30% of them must, if possible, be independent. There were six independent Directors at the end of the 2013/2014 financial year, representing, 50% of its members. The list of Board members, including reference to the positions held in other companies, is provided in the "Corporate governance" section.

We also remind readers that the Shareholders' Meetings of 26 July 2011 and 24 September 2013 appointed three new women Directors in compliance with the new law on the balanced representation of men and women on Boards of Directors. Your Board accordingly now comprises four women, representing one-third of its members.

The choice of independent Directors is subject to preliminary recommendations from the Nomination and Remuneration Committee. The Board of Directors is regularly informed of the independence of each of its members. The criteria selected to this end are reviewed annually, in accordance with the provisions of the AFEP-MEDEF Code. Generally, a Director is deemed independent when he/she has no relationship of any kind whatsoever with the Company, its Group or its management that could compromise the exercise of his/her freedom of judgement.

All Board members have extensive and multidisciplinary experience of the business world and international markets.

ASSESSMENT OF THE BOARD

In accordance with the recommendations of the AFEP-MEDEF Code, the Company includes this assessment on the agenda of one of the meetings of the Board of Directors each year.

Based on a detailed and transparent questionnaire sent to each Director, which is used to collect comments and suggestions, the assessment concerns the Board's composition, organisation and information, its duties and powers, its practices and those of its committees, as well as any improvements to be made to improve its efficiency.

The internal regulations require this assessment to be made on an annual basis, and for a meeting to be held at which it is discussed by all of the members.

The results of this assessment and the areas for improvement are communicated to each Director, for the purpose of making changes to the Board's practices.

In accordance with these provisions, the Board of Directors devoted part of its meeting of 25 March 2014 to the assessment of its practices and organisation. All of the Directors responded to the detailed questionnaire, which had been sent to them in advance. The responses were compared with those of the previous year in order to assess the improvements achieved. The discussion that took place between Board members indicated a high level of satisfaction regarding the Board's composition, organisation and information, with the same result for its committees.

The main reasons for this were the high attendance rate of more than 85% on average for the year, the increase in the representation of women on the Board to one-third – with the Directors targeting a higher level in the coming years – the presence of several foreign nationals or permanent residents in a number of countries, bringing a rich cultural dimension and range of expertise to the work of the Board, enabling a diversity of business experience and new ideas to be contributed in discussions of the Board and with the Group's general management. During the 2013/2014 financial year, three new Directors were appointed with backgrounds in the jewellery, luxury hotel and video games sectors. Moreover, two new Directors from investment banking and the agri-food industry will join the Board, if their appointments are approved by the next Shareholders' Meeting.

The Board also noted that its duties had been carried out with the necessary competence and independence, thanks to the presence of proven professionals and a significant number of independent Directors, particularly for a Group with a main shareholder. Consequently, the Board believes its composition to be balanced and that it is essential to continue to focus on high-quality candidates for the selection of directors and the cohesion of its members.

The Board also considered that a high quality of information was provided to its members several days before each of its meetings, particularly as regards medium- and long-term strategy and growth (medium-term plan and strategic data) and financial, legal and tax matters. In addition, the Directors deemed the operation of the work of the Board and the quality of its discussions, as well as the work and recommendations of the Audit Committee and the Nomination and Remuneration Committee to be highly satisfactory. The Board therefore considers that the quality of all of its work has undergone continuous improvement for a number of years.

Lastly, on 28 January 2014, the Board modified its internal regulations in order to reflect the revised version of the AFEP-MEDEF Code of Corporate Governance for Listed Companies. The main provisions of these internal regulations are described in this registration document.

TRANSPARENCY RULES

Upon taking office, and then on a regular basis during their term, Directors are given the Guide published by the French Financial Markets Authority (*Autorité des marchés financiers,* AMF), which is aimed at directors of listed companies.

It sets out their personal obligations with respect to holding Company shares. Directors must hold their shares in registered form or deposit shares issued by the Company, its subsidiaries, the Company of which it is a subsidiary or other subsidiaries of that company, and which are owned by the Directors themselves, by spouses from whom they are not physically separated or by minors.

Each Director must hold a minimum of 100 shares.

The Directors, the Chief Executive Officer and the members of the Executive Committee are regularly informed of the provisions of Article L. 621-18-2 of the French Monetary and Financial Code and the articles of the General Regulation of the AMF that have a direct bearing on them. Directors must therefore directly inform the AMF, within five trading days of the transaction, of any acquisition, sale, subscription or exchange of equity securities of the Company, as well as any transactions carried out on related financial instruments. In addition to Board members, the Chief Executive Officer and the members of the Executive Committee, this rule applies to all individuals or corporate entities related to them in accordance with the applicable regulations. This also applies to transactions carried out by their spouses from whom they are not physically separated or civil partner under French legislation, by minors, by any other relative living with them for at least a year as of the date of the transaction in question, or by any legal entity whose governance is under the responsibility of one of the aforementioned individuals, which is directly or indirectly controlled by that person, which was established for his/her own benefit, or of which the majority of the economic benefits flow to that person.

Finally, Directors must make themselves aware of periods during which they must not trade in the Company's shares, and of their general obligations under the applicable regulations.

Furthermore, Directors, the Chief Executive Officer and members of the Executive Committee must abstain from trading in the Company's shares 30 calendar days before the publication of the annual and half-yearly consolidated financial statements and 15 calendar days before the publication of quarterly financial information, in accordance with AMF recommendations. Outside these abstention periods, the Directors, Chief Executive Officer and members of the Executive Committee must not trade in the Company's shares if they are aware of insider information.

Directors must inform the Board of Directors as soon as they become aware of any conflict of interest or potential conflict of interest, and abstain from taking part in deliberations and corresponding votes. In the case of a permanent conflict of interest, the Director must resign.

MEETING FREQUENCY

It should be noted that the Extraordinary Shareholders' Meeting of 7 September 2004 decided to change the Company's management by establishing a Board of Directors.

Article 16-1 of the Articles of Association provides that the Board of Directors meets as often as required in the interests of the Company. The Board of Directors accordingly met eight times during the financial year.

The schedule of Board meetings, the principal items on the agenda and attendance at these meetings during the 2013/2014 financial year were as follows:

4 June 2013

- Renewal of Jean-Marie Laborde's term of office as Chief Executive Officer from 27 July 2013; powers.
- Examination and approval of the consolidated financial statements of the Group for the year ended 31 March 2013; comparison with the budget; report of the Audit Committee.
- Approval of the Company's financial statements for the 2012/2013 financial year.
- Proposal for the appropriation of income and setting of the dividend.
- Agreements covered by Article L. 225-38 of the French Commercial Code.
- Establishment and review of the provisional management documents referred to in Articles L. 232-2 and L. 232-3 of the French Commercial Code.
- Renewal of the prior authorisation to grant sureties, pledges and guarantees.
- Proposal to amend Article 8.2 of the Articles of Association relating to the crossing of statutory thresholds following the entry into force on 1 October 2012 of certain provisions of French law No. 2012-387 of 22 March 2012.
- Notice of the Annual Shareholders' Meeting and an Extraordinary Shareholders' Meeting; setting of the agendas; approval of the Board of Directors' reports and the report of the Chairman to the Annual Shareholders' Meeting; draft resolutions; powers.

Attendance rate: 83.33%.

23 July 2013

- Proposal to appoint three new directors.
- Granting of a guarantee by Rémy Cointreau SA to Financière Rémy Cointreau in the context of the Group's financing.

Attendance rate: 75%.

24 September 2013

- €65 million bond issue on 13 August 2013 by Financière Rémy Cointreau SA/NV with a coupon of 4%, maturing on 13 August 2023.
- Revision of the Foreign Exchange Charter and adoption of the Interest Rate Charter.
- Revision of the AFEP-MEDEF Corporate Governance Code for Listed Companies; Proposal to amend the Board's internal regulations accordingly; Composition of the Audit Committee and Nomination and Remuneration Committee.
- Proposal to appoint Frédéric Pflanz as Chief Executive Officer of the Company from 1 October 2013, to replace Jean-Marie Laborde, whose term of office was about to expire; Powers.

- Proposal to appoint Timothy Jones as a non-voting member.
- Modification by the AMF of the procedures for filing declarations of transactions carried out by directors and persons related to them ("ONDE" secure extranet).

Attendance rate: 100%.

30 September 2013

- Appointment with effect from 1 October 2013 of François Hériard Dubreuil as Chairman of the Board of Directors and setting of his remuneration.

Attendance rate: 66%.

19 November 2013

- Examination and approval of the Group's interim consolidated financial statements for the period ended 30 September 2013; comparison with the budget; report of the Audit Committee.
- Examination and approval of the provisional management documents referred to in Articles L. 232-2 and L. 232-3 of the French Commercial Code.
- Decision to reallocate the shares acquired under the buyback programme; powers.
- Decision to reduce the share capital through the cancellation of 1,150,000 treasury shares under the authorisation granted to the Board of Directors in the 13th resolution of the Combined Shareholders' Meeting of 24 September 2013; powers.
- Report of the Nomination and Remuneration Committee on the performance criteria for the 2011 free share allocation plan; consequently, the decision to allocate 96,500 treasury shares to beneficiaries of the 2011 plan, under the authorisation granted to the Board of Directors in the 11th resolution of the Combined Shareholders' Meeting of 24 September 2013; powers.
- Authorisation to implement a share buyback programme under the authorisation granted to the Board of Directors in the 11th resolution of the Combined Shareholders' Meeting of 24 September 2013; powers.
- Medium- and long-term performance incentive plan aimed at the Group's employees or corporate officers.
- Distribution of Directors' fees in the 2012/2013 financial year.
- Medium-term plan: strategic options and Group priorities.

Attendance rate: 83.33%.

2 January 2014

- Examination and proposal of changes to the practices of the senior management of Rémy Cointreau.

Attendance rate: 91.66%.

28 January 2014

- Review of the share buyback programme.
- Group organisation.
- Amendment to the Board's internal regulations.
- Report of the Nomination and Remuneration Committee; setting of the fixed remuneration of the Chairman and Chief Executive Officer.
- Group human resources map.
- Medium-and long-term performance incentive plan.

Attendance rate: 91.66%.

25 March 2014

- Review and approval of the 2014/2015 budget.
- Reduction of the share capital through the cancellation of 1,283,053 treasury shares under the authorisation granted to the Board of Directors in the 13th resolution of the Combined Shareholders' Meeting of 24 September 2013, following the share buyback programme that came to an end on 29 January 2014; related amendment of the Articles of Association; powers.
- Modification through an amendment to the €255 million syndicated loan on 5 June 2012 to extend the loan's maturity and revise its financial conditions; powers.
- Examination of the draft changes to the approval procedure for the Medium-Term Plan.
- Report of the Nomination and Remuneration Committee; medium-and long-term performance incentive plan.
- Authorisation of a service provision agreement between Rémy Cointreau SA and Rémy Cointreau Europe & MEA; Termination of the service provision agreements between Rémy Cointreau SA and Rémy Cointreau Belgium and between Rémy Cointreau SA and Rémy Cointreau Czech Republic.
- Information on the start-up on 1 April 2014 of the distribution hub activities based in Switzerland, for Europe, Africa and the Middle East.
- Assessment of the Board of Directors.

Attendance rate: 91.66%.

NOTIFICATION OF BOARD MEETINGS

The schedule of Board meetings for the following year is agreed among the Directors at the September meeting of the Board of Directors, at the latest. The members of the Board are subsequently notified of each meeting by letter and email, approximately ten days in advance.

The Statutory Auditors are invited to attend the meetings of the Board of Directors called to examine the interim and full-year financial statements.

REMUNERATION

The total amount of directors' fees put to a vote by the shareholders is subject to a regular study of the practices adopted by French groups of a similar scale and international dimension to Rémy Cointreau.

Directors' fees are allocated by the Board of Directors on the following basis:

- a fixed portion defined on an annual basis;
- a variable portion commensurate with each Director's attendance at Board and Committee meetings; and
- an additional fixed portion that may also be allocated to the Chairman of the Board and committee Chairmen.

In addition, the Board of Directors may grant exceptional remuneration for specific assignments entrusted to members of the Board. This type of remuneration is subject to the legal provisions on regulated agreements. No such remuneration was paid during the financial year under review.

Members of the Board of Directors are also reimbursed all expenses incurred in the course of their duties, subject to supporting documentation being produced.

In the event an individual bound by an employment contract to the Company or any other company controlled by or controlling it being appointed Chairman of the Board, the provisions of the said contract bearing, where applicable, on the compensation or benefits due or liable to be due as a result of the termination or modification of these duties, or subsequent to their termination, are subject to the legal provisions on regulated agreements. The same provisions apply on the appointment of the Chief Executive Officer and the Deputy Chief Executive Officer. A commitment in respect of deferred compensation by the Company for the benefit of Jean-Marie Laborde was brought into line with the new provisions of the relevant law dated 21 August 2007. It was made subject to compliance with conditions related to the performance of the beneficiary assessed in the light of that of the Company. This commitment ended on 30 June 2010, and Jean-Marie Laborde left his position as Chief Executive Officer of the Company on 30 September 2013.

INFORMATION PROVIDED TO BOARD MEMBERS

Board members are provided with all the necessary documentation and information prior to meetings of the Board and its various committees.

Documentation and information for Board meetings are subject to wide-reaching financial and commercial analysis, comprising very detailed corporate data allowing a thorough understanding by Board members of the trading environment, results and outlook for the Rémy Cointreau Group.

The prior and regular provision of information to Directors is fundamental to the performance of their duties. As such, the Chairman of the Board of Directors verifies that the senior management provides, on an ongoing basis and without limits, all strategic and financial information necessary for them to perform their duties under the best possible conditions.

On the basis of the information provided, Directors can request any clarifications or information they deem necessary. The Directors undertake to maintain the strict confidentiality of information received. As this concerns, in particular, unpublished information acquired during the course of their work, Directors are therefore subject to a code of professional secrecy.

Before each meeting of the Board of Directors, the Directors receive reasonable notice, and subject to strict confidentiality, a file containing the items on the agenda, which they are required to consider prior to the meeting.

Outside Board meetings, Directors regularly receive all significant information relating to the Company and the Group, in particular monthly operating reports compared against the *budget,* and are alerted to any event or development that may have a material impact on trading or on information previously submitted to the Board.

They also receive press releases issued by the Company as well as key press articles and equity research reports.

Directors may meet the main Group managers without members of senior management being present, on the condition that they make a prior request to the Chairman of the Board of Directors.

A committee of Chairmen enables the Chairman and Chief Executive Officer to meet with the senior management of Andromède, the parent of Orpar and the Group's ultimate parent company. This committee enables the Company's management to be better informed on the strategies adopted within the Group's sector of activity, and as such to prepare the work of the Board of Directors under the best possible conditions.

Each Director may receive, if he or she deems it necessary, additional training on specific matters relating to the Group, its business lines and sectors of activity.

Directors must devote the necessary time and attention to their duties and if offered a new position, must give ample consideration to whether accepting it would prevent them from fulfilling this responsibility.

MEETING LOCATION

The meetings of the Board of Directors take place in Paris, at the administrative head office, or in Cognac, at the Company's registered office. However, the Board may hold meetings in other locations, in France or another country, at the Chairman's request.

Pursuant to Article L. 225-37 of the French Commercial Code, Article 16-5 of the Articles of Association and Article 2 of the internal regulations, the meetings of the Board of Directors may be held by video- and/or teleconference. The technical resources used must provide for the identification of the Directors and guarantee their actual participation.

Participation by videoconference is not allowed for meetings devoted to the approval of the annual and consolidated financial statements, or for the Company and Group management reports.

In the event that the Chairman of the Board notes that the videoconferencing system is not operating correctly, the Board may deliberate and/or continue the meeting with those members who are physically present, as long as there is still a quorum.

Any technical incident affecting the meeting will be noted in the minutes of the meeting, including the breakdown and restoration of participation by video- or teleconference.

A Director participating in a meeting by video- or teleconference who is deemed absent due to equipment malfunction may give proxy to a Director in attendance at the meeting after informing the Chairman of the Board. This Director may also give proxy before the meeting by stipulating that the said proxy shall only become effective in the event of a conferencing system malfunction that prevents him or her from being deemed present.

During the 2013/2014 financial year, the meetings of the Board of Directors held on 4 June, 23 July and 30 September 2013, and 2 January and 28 January 2014 made use of tele- or video-conferencing.

BOARD COMMITTEES

Three committees have been created within the Board of Directors.

The Board defines their composition and powers. The Board appoints a member of each committee as Chairman.

These committees are established to study and prepare certain considerations and to give recommendations or advice to the Board. Their overall objective is to improve the relevance of the information provided to the Board and the quality of its deliberations. In no way are they a substitute to the Board of Directors.

In the exercise of their powers, these committees may interview Group executives and Statutory Auditors after having informed the Chairman of the Board. The Board may entrust third parties with special assignments bearing on one or more specific topics, at the request of these committees. Their remuneration is then set by the Board. The committees report the opinions obtained in this manner to the Board.

The committees do not interact directly with Executive Committee members, but one of the members of the Executive Committee attends the meetings of the committee that addresses topics relating to his/her function. He/she then prepares and makes available all documentation necessary for the committee to perform its duties. The Audit Committee may request interviews with the Statutory Auditors without the attendance of an Executive Committee member.

The Chairman and Chief Executive Officer may attend any Committee meeting.

Although the Company adheres to the principles and recommendations of the AFEP-MEDEF Corporate Governance Code for Listed Companies, it has not been possible for it to comply with the rule on the proportion of independent directors on the Audit Committee and Nomination and Remuneration Committee. The reasons for this are explained in this report. As two new independent directors are to be proposed for approval by shareholders at the next Shareholders' Meeting, the Company believes that the AFEP-MEDEF rules in this area will be complied with during the 2014/2015 financial year, provided that these candidates are appointed.

Audit Committee

Chairman: Jacques-Etienne de T'Serclaes.

Members: Marc Hériard Dubreuil, Caroline Bois.

Number of independent members: one.

This committee was created to assist the Board in its analysis of the accuracy and fairness of the consolidated financial statements; it assesses material risks and supervises the quality of internal control and the disclosures made to shareholders and the market.

As such, it examines the financial statements, paying particular attention to the appropriateness and consistency of the accounting principles used. It monitors the process of preparing financial information. It examines significant risks, gives an opinion on the organisation of the internal audit service and on its work programme. It sees that the rules concerning the independence of the auditors are adhered to and gives opinions on the choice of auditor, and on the auditors' work and fees.

This committee met on two occasions, on 3 June and 18 November 2013, with the participation of the Statutory Auditors. The attendance rate was 100%.

One day prior to Committee meetings, the members may hold a preparatory meeting to exchange and examine the information that has been provided to them. The committee ensures that information relating to agenda items is provided at least three days in advance of the meeting.

Prior to the meeting, the committee members may hold a discussion with the Statutory Auditors, at which the senior management is not present.

The Audit Committee fulfils the functions of a specialised committee and carries out monitoring of matters relating to the preparation and control of accounting and financial information, in accordance with Articles L. 823-19 and L. 823-20-4 of the French Commercial Code introduced by Decree No. 2008-1278 of 8 December 2012.

The following are the main items addressed during these meetings:

- review of the 2013 annual and half-yearly financial statements, quarterly trading data and, more broadly, the Company's financial communications;
- review of the accounting effects related to acquisitions;
- review of the cash, debt and banking covenant positions;
- review of the currency hedging positions and monitoring of client risk;
- review of the main litigation risks;
- risk assessment of intangible assets (brands);
- review of the Group's tax situation;
- review of risk mapping;
- review of the internal audit action plan and its findings;
- review of the independence of the Statutory Auditors;
- review of the report of the Chairman on internal control;
- self-assessment of the Audit Committee.

Strategy, Development and Marketing Committee

Chairman: Dominique Hériard Dubreuil

Members: Gabriel Hawawini, Sir Brian Ivory, Patrick Thomas.

Number of independent members: 2.

This committee met on 24 September 2013. The attendance rate was 100%. These Committee meetings are systematically opened up to the other members of the Board. Its work was mainly focused on the cognac situation in China and the Group's Liqueurs & Spirits brand portfolio.

Nomination and Remuneration Committee

Chairman: Sir Brian Ivory.

Members: Dominique Hériard Dubreuil and Yves Guillemot, as a replacement for Jean Burelle from 24 September 2013

Number of independent members: one.

This committee met on 3 June, 23 September and 18 November 2013, 23 January and 24 March 2014. The attendance rate was 100%.

It discussed the following items:

- assessment of the quantitative and qualitative objectives of the Executive Committee members and determination of the variable remuneration in respect of 2012/2013;
- analysis of the fixed remuneration of Executive Committee members;
- determination of qualitative and quantitative objectives for Executive Committee members for 2013/2014;
- assessment of potential and succession plans;

- definitive vesting of the 2011 performance share plan;
- remuneration of the Chairman and Chief Executive Officer;
- remuneration of Frédéric Pflanz as Chief Executive Officer;
- proposal of a new medium-and long-term incentive plan;
- self-assessment questionnaire for the Board of Directors;
- discussion on the arrival of new directors.

Each committee reports its findings to the Board of Directors.

APPROVAL OF REGULATED AGREEMENTS BY THE BOARD OF DIRECTORS

During the year under review, the Board of Directors approved two agreements between Group companies and decided to terminate two other agreements between Group companies:

- granting of a guarantee to Financière Rémy Cointreau in the context of a €65 million bond issue maturing in 2023, with a coupon of 4%;
- authorisation of a service provision agreement between Rémy Cointreau SA and Rémy Cointreau Europe & MEA;
- termination of the service provision agreements between Rémy Cointreau SA and Rémy Cointreau Belgium and between Rémy Cointreau SA and Rémy Cointreau Czech Republic.

MINUTES OF MEETINGS

The minutes of the meetings of the Board of Directors are prepared after each meeting and given in draft form to members at the subsequent meeting, during which they are approved.

3.2.3 Risk management and internal control procedures

This section was drafted and prepared on the basis of the new framework for risk management and internal control proposed by the AMF on 22 July 2010. This new edition – which includes a section on risk management – takes into account legislative and regulatory changes in 2008, with the transposition into French law of European directives 2006/46/EC and 2006/43/EC, as well as the leading international benchmarks, namely COSO II and ISO 31000.

THE GENERAL PRINCIPLES OF RISK MANAGEMENT

For Rémy Cointreau, risk management is an integral part of the responsibilities of the various management teams at the Group level, as well as at the division and Company levels. Some risks inherent to the Group's activities are described in the "Risk factors and insurance policy" section, as well as the policies aimed at preventing and dealing with them.

THE DEFINITION AND OBJECTIVES OF RISK MANAGEMENT

Risk represents the possible occurrence of an event with a potential impact on people, assets, the environment, the objectives of the Company or its reputation. The definition used in this registration document goes beyond the financial aspects, and covers the reputation of the Group brands and the sustainability of the Company. It is therefore important that all staff and, in particular, management teams are completely aware of how to manage risk, with the following objectives:

- to create and preserve the value, assets and reputation of the Group;
- to safeguard decision-making and operational processes to ensure that objectives are achieved;
- to promote the consistency of the Group's activities with its values;
- to promote a shared vision among Group employees of the main risks weighing on their activities.

THE COMPONENTS OF RISK MANAGEMENT

Risk management organisation

Ground rules on the definition of key risks, setting standards such as the assessment of their importance and tolerance limits, and procedures for collection of information, have been clearly defined since the formalisation of risk mapping in April 2008. This exercise was done with the support and experience of an audit firm.

The key players are the members of the Group and divisional Executive Committees. They are responsible for identifying the principal risks in their fields or in their geographic areas, the extent of the risk, taking into account their frequency of occurrence and the importance of the potential impact, either in terms of reputation, or in terms of the Company's accounts, and action plans to safeguard the business.

The information collected is summarised for distribution to all stakeholders. This system can be supplemented by feedback, allowing it to be strengthened virtually in real time.

Risk management procedures

Risk management procedures comprise four distinct stages:

1. identification of key risks in all areas. These risks are classified by a predefined category and by location to allow for the analysis of either a particular category or a given country;
2. analysis of each risk, leading to an assessment of its importance, allowing risks to be prioritised and ensuring a focus on those risks identified as major;
3. implementation of action plans with the aim of eliminating risks, reducing them to a predetermined acceptable level, transferring them by taking out an insurance policy, or accepting them;
4. monitoring of the process over time by those responsible, who must provide information on their development, particularly during internal audit reviews, to ensure risks are appropriately managed.

The risk management process has helped promote a culture of risk and the sharing of best practice within the Group by the principal players in terms of both action plans and methodology. The result of this process is risk mapping that is regularly updated. It is aimed at identifying the major risks at a particular time, so that these can be reported to the Audit Committee for inclusion in annual internal audit programmes, and at ensuring that insurance policies are relevant, with adequate cover for the risks identified.

Permanent monitoring of risk management

All risks considered significant are subject to *ad hoc* reviews due to their inclusion in the audit programme for the year and to systematic reviews in which stakeholders are required to confirm the implementation of action plans provided, reassess their level of tolerance when these actions have been carried out, and advise on the emergence of new risks.

CONNECTION BETWEEN RISK MANAGEMENT AND INTERNAL CONTROL

Risk management and internal control mechanisms complement each other for better control of the Group's activities.

The risk management system is designed to identify and analyse the main risks facing the Company. The internal control system relies on the risk management system to identify the key risks to be managed. In addition, the risk management system is also controlled to ensure its correct functioning.

THE GENERAL PRINCIPLES OF INTERNAL CONTROL

The Rémy Cointreau internal control system is based on the framework recommended by the AMF on 22 July 2010.

The definition and objectives of internal control

The system consists of a set of resources, behavioural patterns, procedures and actions implemented by senior management to enable the Company and its subsidiaries to better control their activities, to make their operations more efficient and to optimise the use of their resources and ensure the proper functioning of risk management. It therefore goes beyond simple procedures or accounting and financial processes.

It aims in particular to ensure:

- the implementation of instructions and guidelines set by senior management;
- the proper functioning of the internal processes of the Company, including those contributing to the safeguarding of its assets;
- compliance with laws and regulations;
- the reliability of financial information.

Like any control system, it has its limitations and cannot provide an absolute guarantee of achieving the objectives set by the Company. The likelihood of achieving these objectives relies not only on the will of the Company, but on many other factors, including the uncertainty of the outside world, the exercise of powers of judgment or malfunctions that may occur due to technical or human failure.

The components of internal control

The effectiveness of internal control is closely linked to the control environment, the five principal components of which are described below.

An appropriate and structured organisation

In order to foster an exchange of best practice and cross-group control of its operations, the Group has chosen a matrix-based organisation, ensuring effectiveness and responsiveness for a Group combining a human scale with an international presence. Functional management provide their expertise to operating management, taking into account their specific local features. For the sake of clarity, regularly updated organisational charts are available on the Group's intranet.

A system of delegation of power that aims to reflect the Group's genuine decision-making centres, consistent with the size and complexity of Group structures and the various levels of responsibility, has been put in place to increase the effectiveness of the Group's men and women, and to make them aware of their responsibilities.

This organisation is enhanced by a human resources policy based on ability, knowledge and the aspirations of the men and women comprising the Group. The Group is committed to a recruitment policy that improves the professionalism of its staff and attracts talent, as well as a policy that develops skills that will maintain a high degree of expertise in its workforce.

It is based on an information system that is moving towards modern, high-performance enterprise resource planning (ERP) solutions to meet the Group's growth ambitions for the future. Their continuity in the event of a disaster is ensured by emergency procedures whose effectiveness is tested periodically. The protection of ERP software and related data is ensured by security, backup and access procedures.

Rémy Cointreau's reputation is built on strong ethical values, namely integrity, respect for the law and the individual, honesty in dealings with customers, suppliers and employees, as well as social and environmental responsibility. These principles have resulted in the development of a code of business ethics aimed at ensuring that all of the Group's employees, whatever their nationality or location in the world, understand the full range of its values. This unified code – which has been translated into the 13 languages used within the Group – is the cornerstone of the Group's internal control and risk management systems.

The organisation has established a culture of excellence and accountability. It takes the form of internal control self-assessments for financial processes and quality assurance audits or certifications for the various business processes.

An internal distribution system for relevant information

The timely publication and communication of relevant information to all people within the Group – enabling them to be as well-informed and confident as possible in carrying out their responsibilities – is based on the following three main factors:

- departmental meetings organised on a periodic basis by the Group's various players, in order to publish and share operational information, exchange points of view, set priorities and co-ordinate action plans;

- technical databases housed within the Group's intranet, which are accessible 24/7 worldwide and which enable the various participants to consult the information necessary for the proper performance of their duties; and
- structured data warehouses, updated on a daily basis, providing the people concerned with relevant and reliable information to enable them to make timely decisions.

Risk management

The Group has set up a risk management system to identify, analyse and address the major risks identified in relation to its objectives. It is described above in the section entitled "General principles of risk management".

Control procedures

Every business and Group activity has its own reference material, comprising charters, codes, standards, procedures and rules of best practice. These documents set out the manner in which a procedure, action or check must be performed, and are an integral part of the internal control process. They are based on the following key areas of expertise:

- purchases: relations with suppliers are regulated by an ethical contract that makes reference to the UN Global Compact. It provides assurance to the Group that its suppliers adhere to the same values of respect for human rights, the environment and fundamental social principles. In addition, the code of conduct for purchasing ensures that best practices are adopted by all Rémy Cointreau purchasers, avoiding, wherever possible, any infraction that may be detrimental to the Group's interests;
- safety and quality: all production standards and rules issued by operations management are kept in a single database. Their application is regularly reviewed as part of the ISO 9001, 14001 and 22000 certifications, as well as HACCP accreditations, thereby guaranteeing consumers a high level of quality and safety as well as respect for the production site environment. This is rounded out by a Quality/Safety/Environment Charter defining the Group's three priorities, namely product excellence, employee and consumer safety and protection of the environment;
- IT systems: in respect of the safety of IT systems, the Group uses external consultants to assist it in reviewing the various procedures of its major units, including those located abroad. In addition, production continuity plans including back up sites have been successfully established for most of the Group's sites and in compliance with the specifications setting out the relevant performance objectives. These are tested on a periodic basis to guarantee their efficiency, as well as to improve the extent of their coverage and performance;
- central management of funding and treasury: the Foreign Exchange Charter sets out the principles that must be followed to ensure greater security in this area. This document is supplemented by a summary of the risks of the principal processes managed by the Group's Treasury department. The Treasury department is responsible for laying down a policy and reporting procedures for managing credit;
- consolidation of financial statements and reporting: Rémy Cointreau has a set of principles and standards to enable the production of reliable financial information. The comparability of data is guaranteed by the existence of a single set of definitions and principles for valuation purposes and the processing of accounting and financial data for the three processes of budgeting, updating the budget and monthly closings. The calendar for the financial and accounting processes detailing the reporting dates for information and its distribution enables senior management to manage their priorities. The availability of these rules on the Group intranet is aimed at guaranteeing that it is consistently updated and ensuring that all financial personnel are in possession of the same information. In addition, the Chief Executive Officers and Chief Financial Officers of the subsidiaries must send a letter of representation to the Group Chief Executive Officer and Chief Financial Officer, in which they assume responsibility for the fairness of the financial statements and the implementation of an internal control process to detect and prevent fraud and errors.

Moreover, the Group's financial controllers can access an intranet portal at any time enabling them to view a rich and diverse range of information: self-assessment questionnaires for internal control, best practice in a number of areas of competence, grids of separation of duties, instructions and formats for internal control reports, contacts, links to reference sites and even the latest news in the fields of risk management, internal control and auditing.

Permanent monitoring of internal control

Internal control is implemented by operational and functional departments under the guidance of senior management.

Work is carried out on a regular basis to monitor the proper functioning of their procedures, either by dedicated internal teams or by specialised external organisations, ensuring the effectiveness of the internal control system in place. The findings of this work form the basis of a report, a summary of which is sent to site managers.

The Internal Audit department takes an active part in monitoring internal control procedures, using operating and compliance audits. It ensures the implementation of best practices and compliance with both local laws and regulations, as well as the Group's principles and standards.

The results of all this work are disclosed to the Statutory Auditors. Conversely, comments issued by the external auditors as part of their annual assignment are taken into consideration by the Internal Audit department.

SCOPE OF RISK MANAGEMENT AND INTERNAL CONTROL

The internal control system mirrors the Group's matrix organisation. The Group has put in place its own system and ensures that internal control is implemented in its consolidated subsidiaries. These internal controls are adapted to the specific features of the subsidiaries and their relationship with Rémy Cointreau.

PERSONS INVOLVED IN RISK MANAGEMENT AND INTERNAL CONTROL

The respective roles of the principal internal and external players involved in internal control are as follows:

Executive Committee

The Executive Committee – comprising senior operating and functional managers – lays down guidelines for the internal control and risk management process, defines the roles and responsibilities of the main stakeholders, co-ordinates their implementation and ensures their effective application.

Board of Directors

The Board of Directors familiarises itself with the essential features of the internal control and risk management process established by the senior management, and ensures that the major risks identified and incurred by the Company are taken into account in its management. As such, the Board is kept informed by the senior management of the main risks facing the Group and the action plans implemented to counter them. In respect of the process of preparing accounting and financial information, the Board ensures that the management and control process that has been established guarantees the reliability of accounting and financial information.

Audit Committee

The Audit Committee ensures that internal control procedures are in place and are applied, both in the accounting and financial field and other areas of the Company.

It is kept informed of the results of audit assignments and reviews the annual audit schedule together with the organisation of the Internal Audit department.

It keeps abreast of the major risks identified, their analysis and development over time.

Internal audit

The internal audit function – which reports to the Group's Chief Executive Officer – works with all Group entities and, where necessary, with third-party companies in the case of distribution or production subcontracting.

Its work is planned in agreement with the senior management. Its assignments are identified based on risks listed in the risk mapping, the prevailing economic environment and specific requests from the management of the Group's various entities. They are subsequently classified according to priority, based on several criteria and included in the annual schedule.

The findings of the audit assignments – following an open debate – are sent to the management of the entity concerned. A summary of the findings, as well as an action plan to which the local entity management is committed, is subsequently presented to the senior management.

Once a year, the internal audit officer presents guidelines for the annual schedule and a summary of achievements of the previous year to the Audit Committee.

In addition to these audit assignments, the internal audit function is in charge of updating the risk mapping and promoting internal control within the Group. In that respect, it is the recipient of different summary reports on internal control prepared by the various entities, which provide an overview of Group risks.

Group Finance department

Its main task is to assist and monitor the operational departments in their financing activities. It establishes the rules for consolidation and management and ensures the definition and promotion of tools, procedures and best practice in areas such as management, accounting and consolidation, funding and treasury, taxation, financial communication and IT systems.

Group Operations department

It has wide-ranging tasks, combining functions such as the supply chain, purchasing, quality, sustainable development, production organisation and industrial management. It establishes a set of standards and methods for achieving a high level of production quality, as well as safety and respect for the environment. It also supports the subsidiaries in implementing their supply-chain and industrial policies.

Group Market Management department

It has established a set of rules known as "Commercial Process", which aims to provide a clear definition of the various stages of commercial reporting and the role of everyone in this process, as well as the nature, form and reporting dates of required data.

Legal and Insurance department

The Legal department, in addition to its function as corporate secretary, assists companies in significant legal matters and sets up insurance cover guaranteeing, notably, risks regarded as strategic such as general civil liability for "products" and "operations", damage to assets and subsequent loss of profit and the transportation of goods. The Group works closely with an insurance broker with worldwide coverage, and all policies have been taken out with the most respected insurance companies.

Company Management Committees

These committees are fully involved in the risk management and internal control processes. They are stakeholders in the development and updating of the Group's risk mapping. They analyse the results of self-assessment questionnaires and issue a report on their own internal control, which is then submitted to the Group. They develop action plans in response to the recommendations of the internal audit function. They are also involved in crisis management and the existence of business continuity plans whose effectiveness is periodically tested by means of dry runs.

THE INTERNAL CONTROL SYSTEM AS IT RELATES TO THE PREPARATION OF ACCOUNTING AND FINANCIAL INFORMATION

Our approach is part of a process of continuous improvement of the established internal control system.

The internal control procedures in relation to preparing and processing financial and accounting information apply to the parent company and all of the subsidiaries included in the consolidated financial statements.

For their financial and accounting processes, internal control is designed to ensure:

- compliance with laws and regulations and the correct application of instructions and directions set by Group management in the preparation of accounting and financial information;
- the reliability of information used in the preparation of financial and accounting information, as well as published information; and
- the preservation of assets.

Accounting and financial organisation guidance procedure

Organisation

The process of preparing financial and accounting information is carried out by the Group Finance department. It supervises the management of the Accounting, Finance and Taxation department, the management control function, the Funding and Treasury department, IT Information Management department and Financial Communications. Each of these departments co-ordinates internal control of a financial nature in its own area. The system is further enhanced by the presence of financial controllers within each division.

Financial and accounting procedures

The Finance department has created an intranet portal dedicated to the management principles and accounting standards adopted by the Group and the application of which is mandatory for all subsidiaries. The portal also provides subsidiaries with the Group's chart of accounts, instructions on how to use the consolidation package, a list of companies included in the consolidation scope and information on exchange rates. It also ensures the consistency of data processing and its compliance with IFRS.

At every closing date, the instructions cover key dates in the calendar as well as matters that require specific attention to enable the various Group companies to be well prepared, so that the required information is disclosed within the appropriate timeframe and that the proper checks are carried out in advance of the preparation of financial and accounting information.

Other than the documentation presented above, the Group has monthly closings. Those before the interim or full-year closing serve as pre-closing reports used to identify and anticipate the different possibilities of treating specific and non-recurring transactions. They are disclosed to the Statutory Auditors for validation at preliminary meetings held when the accounts are closed.

IT systems organisation and safety

The Information Systems department has established procedures aimed at ensuring the continuity of accounting data processing. Some hardware has accordingly been duplicated so that the backup can automatically take over in the event of sudden failure. This system is supplemented by periodic dry runs testing the resumption of IT activity in the event of a major disaster.

In respect of data retention and protection, access to accounting and financial data is secured by individually granted rights that are non-transferable and password protected. All data are backed up on a daily basis, and a copy of the backup file is stored in a secure location off the IT operation site. Batch data processing work is also programmed in a specific sequence, with systems that alert the principal users in case of an incident. This procedure also applies to IT programmes developed by the Group.

In addition, other automatic control systems have been established, such as double entry locking, data entry thresholds, automatic reconciliation and limited access to critical transactions.

The Statutory Auditors

As part of the interim and annual closing of accounts, the auditors carry out various forms of review:

- preliminary reviews, which may focus on the internal control of processes for the preparation of accounting and financial information;
- a limited half-year review of all accounting and financial data prepared by Group companies;
- a limited half-year review of the consolidated financial statements prepared by the Finance department;
- a review of all year-end accounting and financial data prepared by Group companies; and
- a review of the year-end consolidated financial statements prepared by the Finance department.

This allows the Statutory Auditors to certify the legality, truthfulness and fair presentation of consolidated and parent company financial statements. The summary of their work is presented to the Group's Finance department, and to the Audit Committee.

Processes contributing to the preparation of accounting and financial information

Operating processes for preparing accounts

All the initial accounting production processes are subject to specific procedures as well as validation, authorisation and recognition rules. As such, procurement is carried out within a fully secured framework, with a list of pre-selected suppliers and previously negotiated terms and conditions. Order forms are required for all purchases exceeding a given threshold, and investment projects approved by the Executive Committee must be duly documented, justified and endorsed before they are implemented.

Closing process and preparation of the consolidated financial statements

The process of closing accounts is subject to specific instructions, which provide detailed schedules, exchange rates to be used, consolidation scopes and specific matters to be monitored. These instructions are sent to all companies, thereby ensuring compliance with deadlines, certainty that the same closing specifications are used, harmonisation of data reporting and better co-ordination between the various Group entities.

Procedures for validating the various stages of the consolidation process have also been established. Their main objective is to validate the following:

- correct application of accounting standards and principles;
- accuracy of the restatement of certain corporate data;
- identification, reconciliation and elimination of intersegment transactions;
- correct calculation of deferred taxation;
- correct analysis and explanation of movements in shareholders' equity, both at parent company and consolidated levels; and
- consistency between management and accounting information.

Financial communication procedure

The people responsible for financial communication draw up a schedule summing up all of the Group's obligations in terms of accounting and financial disclosures. It specifies the nature of the information and the name of the person in charge of its drafting or preparation. Once the information is available, a proofreading procedure assesses its reliability and accuracy, whether the information is of an accounting nature or otherwise (workforce or volume). The Legal department ensures compliance with the prevailing laws and regulations in respect of both the nature of the information and the mandatory deadlines, and with the principle of providing the same disclosures to all shareholders.

3.2.4 Limitations on the powers of the Chief Executive Officer

The Chairman of the Board of Directors oversees the general management of the Company, and reports to the Board of Directors. The Board of Directors appointed the Chairman of the Board of Directors as Chief Executive Office for a three-year term from 2 January 2014.

The Chief Executive Officer represents the Company in its relationships with third parties. He is vested with the broadest powers to act in any circumstances in the name of the Company, provided that his actions comply with the purpose of the Company and that they are not specifically assigned to the Shareholders' Meeting or the Board of Directors.

In a purely internal measure, not binding on third parties, the Chief Executive Officer must seek the approval of the Board before committing the Company to transactions that are outside the scope of normal management decisions, particularly in respect of:

- granting sureties, pledges and guarantees, except under the conditions provided below;
- making acquisitions, transferring property titles or exchanging goods or property and making investments of more than €10 million per transaction;
- concluding any investment or business agreement in common with other companies, be they French or foreign;
- granting to any company already registered a contribution in cash, in kind, in property or in benefit in excess of €10 million per transaction;
- making the Company party to any economic interest grouping or other businesses, associations or partnerships, in France or abroad, by forming such groupings or assisting in their formation, by subscribing or contributing cash or benefits in kind, by purchasing shares, rights of ownership or other securities, and generally, under any form and for an amount in excess of €10 million per transaction;
- transferring ownership of investments for amounts in excess of €10 million per transaction;
- granting loans, credit and advance payments to corporate bodies outside the Rémy Cointreau Group for an amount in excess of €10 million per borrower; and
- signing any loan or obtaining credit facilities, with or without pledges or other securities on Group assets, for an amount in excess of €50 million during one financial year.

On 4 June 2013, the Board of Directors also authorised, for a period of one year, the Chief Executive Officer to grant sureties, pledges and guarantees in the name of the Company up to an overall ceiling of €50 million in a given year. Any commitment exceeding this ceiling requires the specific approval of the Board.

The Board of Directors also authorised the Chief Executive Officer to grant sureties, pledges and guarantees in the name of the Company to the tax and customs authorities with no limitations.

This authorisation, granted to the Chairman and Chief Executive Officer, was renewed for a period of one year by the Board of Directors at its meeting of 3 June 2014.

The Chairman and Chief Executive Officer has also established an Executive Committee, whose composition was submitted for approval by the Board. The task of the Executive Committee is to assist the Chairman and Chief Executive Officer on an ongoing basis with operational matters, both in terms of decision-making and implementation. The members of the Executive Committee are listed in section 3.1.2 of this registration document.

3.2.5 Procedures in respect of participation by shareholders in Shareholders' Meetings

The provisions relating to shareholders' attendance at Shareholders' Meetings are described in Article 23 of the Company's Articles of Association.

A reminder of the main provisions is included in section 7.2 of this registration document.

3.2.6 Principles and rules for the determination of remuneration and benefits granted to corporate officers

Please refer to section 3.4.1 below, as the principles are the same for executives who are not corporate officers.

3.3 Statutory Auditors' report, prepared in accordance with Article L. 225-235 of the French Commercial Code *(Code de commerce)*, on the report prepared by the Chairman of the Board of Directors of Rémy Cointreau SA

This is a free translation into English of a report issued in the French language and it is provided solely for the convenience of English-speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of Rémy Cointreau SA, 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. 225-37 of the French Commercial Code *(Code de commerce)* for the year ended 31 March 2014.

It is the Chairman's responsibility to prepare and to submit for the board of director's approval a report on the internal control and risk management procedures implemented by the Company and to provide the other information required by Article L. 225-37 of the French Commercial Code *(Code de commerce)* relating to matters such as corporate governance.

Our role is to:

- report on any matters as to the information contained in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information; and
- confirm that the report also includes the other information required by Article L. 225-37 of the French Commercial Code *(Code de commerce).* It should be noted that our role is not to verify the fairness of this other information.

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

Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the Chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the Chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weakness in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work is properly disclosed in the Chairman's report.

On the basis of our work, we have no matters to report on the information relating to the Company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the board of directors in accordance with Article L. 225-37 of the French Commercial Code *(Code de commerce).*

Other information

We confirm that the report prepared by the Chairman of the board of directors also contains the other information required by Article L. 225-37 of the French Commercial Code *(Code de commerce).*

Paris and Paris-La Défense, 5 June 2014
The Statutory Auditors
French original signed by

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

3.4 Remuneration and benefits

3.4.1 Principles and rules for the determination of remuneration and benefits granted to corporate officers and executives

The overall remuneration policy for the members of the Executive Committee is laid down by the Board of Directors, which makes decisions based on recommendations formulated by the Nomination and Remuneration Committee.

The committee issues its recommendations on all the items comprising the overall remuneration, including:

- cash remuneration – fixed and annual variable remuneration (bonus);
- deferred remuneration – medium-and long-term performance incentive plan and supplementary pension plan.

Regardless of category or income, the objective of the Nomination and Remuneration Committee is to recommend an overall remuneration package that is both competitive and attractive. To that end, it draws on objective studies of the remuneration offered by companies comparable to Rémy Cointreau in the appropriate market, carried out by external experts.

The committee ensures that each element of remuneration responds to a clear objective that is fully in line with the strategy and interests of the business.

These principles, which prevail for the Chief Executive Officer and members of the Executive Committee, apply in the same terms and conditions to other Group managers.

Fixed remuneration is determined based on the responsibilities and the performance of the incumbent, in line with market trends.

Variable annual remuneration – the bonus – is linked to objectives specified at the beginning of the period and approved by the Board of Directors. These objectives are partly quantitative and partly qualitative, and are based on the specific challenges identified for the financial year in question.

For the 2013/2014 financial year, the quantitative targets, as in previous years, were: operating profit, cash generation, net profit and ROCE (return on capital employed).

The variable remuneration policy is consistent throughout the Rémy Cointreau Group. The basic principles apply to all Group managers. The terms and conditions of application vary depending on the different levels of seniority and the nature of the assignments.

The medium- and long-term performance incentive plan is intended to associate the Company's senior executives with the Group's medium- and long-term objectives. The plan is wholly subject to performance conditions.

The objectives of the supplementary defined-benefit pension plan are to retain the loyalty of the executives concerned and to encourage long-term performance. This system is founded on the payment of an annuity, the value of which, expressed as a percentage of remuneration, is based on the executives' seniority. Payment of the annuity is subject to the condition of employment at the time of retirement; its amount varies from 8% to 15% of gross annual remuneration, depending on the age of the beneficiary at the time of retirement. These provisions, which no longer concern François Hériard Dubreuil, the Chairman and Chief Executive Officer, apply to the Group's main executives.

In addition, Rémy Cointreau offers a supplementary defined-contribution pension scheme to virtually all its French employees.

On 2 January 2014, the Board of Directors appointed François Hériard Dubreuil as Chairman and Chief Executive Officer. In accordance with the AFEP-MEDEF Code, which has been adopted by Rémy Cointreau, François Hériard Dubreuil does not hold an employment contract and will not receive any compensation in the event of the termination of his term of office. Moreover, François Hériard Dubreuil does not receive any variable remuneration in respect of the short, medium or long term.

3.4.2 Remuneration of Executive Directors

Executive Directors' remuneration is presented hereinafter in accordance with the principles of the AFEP-MEDEF Code.

It consists of gross remuneration and benefits in kind paid or contributed by the Company and companies controlled by it, or paid by controlling companies.

TABLE 1 – SUMMARY TABLE OF REMUNERATION PAID AND OPTIONS AND SHARES GRANTED TO EACH EXECUTIVE DIRECTOR

(in €)	2014	2013
François Hériard Dubreuil, Chairman (from November 2012 to December 2013) and Chairman and Chief Executive Officer since 2 January 2014		
Remuneration due in respect of the period (specified in Table 2)	292,383	242,378
Value of options granted during the financial year	–	–
Value of performance shares granted during the financial year	–	–
TOTAL	**292,383**	**242,378**
Frédéric Pflanz, Chief Executive Officer (from October 2013 to 1 January 2014)		
Remuneration due in respect of the period (specified in Table 2)	119,397	–
Value of options granted during the financial year	–	–
Value of performance shares granted during the financial year	–	–
TOTAL	**119,397**	**–**
Jean-Marie Laborde, Chief Executive Officer		
Remuneration due in respect of the period (specified in Table 2)	1,692,460	1,617,046
Value of options granted during the financial year	–	–
Value of performance shares granted during the financial year (specified in Table 6)	–	1,582,510
TOTAL	**1,692,460**	**3,199,556**

TABLE 2 – SUMMARY TABLE OF REMUNERATION PAID TO EACH EXECUTIVE DIRECTOR

	2014		2013	
(in €)	**Payable**	**Paid**	Payable	Paid
François Hériard Dubreuil				
Fixed remuneration – Rémy Cointreau (in his capacity as Chairman)	135,716	135,716	60,157	60,157
Fixed remuneration – Rémy Cointreau (in his capacity as Chairman and CEO)	90,665	90,665		
Fixed remuneration – controlling companies	24,712	24,712	145,321	145,321
Variable remuneration	-	-	-	-
Deferred variable remuneration	-	-	-	-
Multi-year variable remuneration	-	-	-	-
Exceptional remuneration	-	-	-	-
Performance shares or other (allocation)	-	-	-	-
Directors’ fees – Rémy Cointreau	30,000	30,000	30,000	29,400
Directors’ fees – controlling companies	7,500	7,500	7,500	7,500
Benefits in kind (car)	3,790	3,790		
TOTAL	**292,383**	**292,383**	**242,978**	**242,378**
Frédéric Pflanz				
Fixed remuneration	115,956	115,956	-	-
Variable remuneration	-	-	-	-
Deferred variable remuneration	-	-	-	-
Multi-year variable remuneration	-	-	-	-
Exceptional remuneration	-	-	-	-
Performance shares or other (allocation)	-	-	-	-
Directors’ fees	-	-	-	-
Benefits in kind	3,441	3,441	-	-
TOTAL	**119,397**	**119,397**	**-**	**-**
Jean-Marie Laborde				
Fixed remuneration	333,413	333,413	661,929	661,929
Variable remuneration	1,193,400	1,356,000	772,344	949,000
Deferred variable remuneration	-	-	-	-
Multi-year variable remuneration	-	-	-	-
Exceptional remuneration	-	-	-	-
Performance shares or other (allocation)	-	-	-	-
Directors’ fees	-	-	-	-
Benefits in kind	3,047	3,047	6,117	6,117
TOTAL	**1,529,860**	**1,692,460**	**1,440,390**	**1,617,046**

The variable remuneration for Jean-Marie Laborde relates to the 2012/2013 financial year (paid in July 2013) and on a prorata temporis basis to the 2013/2014 financial year (paid in September 2013).

TABLE 3 – DIRECTORS' FEES

Board members	2014	2013
Dominique Hériard Dubreuil	€30,000	€29,400
Mr Marc Hériard Dubreuil	€30,000	€29,400
Sir Brian Ivory	€36,500	€40,000
Jean Burelle	€30,000	€29,400
Jacques Etienne de T'Serclaes	€41,500	€41,200
Gabriel Hawawini	€30,000	€29,400
Timothy Jones	€30,000	€29,400
Patrick Thomas	€30,000	€29,400
Didier Alix	€30,000	€29,400
Caroline Bois	€30,000	€19,600
Laure Hériard Dubreuil	€30,000	€19,600
TOTAL	**€348,000**	**€326,200**

TABLE 4 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS GRANTED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE DIRECTOR

None.

TABLE 5 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE FINANCIAL YEAR BY EACH EXECUTIVE DIRECTOR

None.

TABLE 6 – PERFORMANCE SHARES GRANTED DURING THE YEAR TO EACH EXECUTIVE DIRECTOR

None.

TABLE 7 – PERFORMANCE SHARES VESTED DURING THE YEAR FOR EACH EXECUTIVE DIRECTOR

Performance shares vested for each Executive Director	Plan date	Number of shares vested during the year	Vesting conditions	Vesting date
Jean-Marie Laborde	22/11/2011	19,000	The main vesting terms and conditions are specified in the note 10.3.2 to the consolidated financial statements	22/11/2013
Frédéric Pflanz	22/11/2011	8,000		22/11/2013

TABLE 8 – INFORMATION ON OPTIONS TO SUBSCRIBE OR PURCHASE SHARES

To date, none of the Executive Officers in post in the 2013/2014 financial year have been granted share subscription or purchase options.

STOCK OPTION PLANS AS OF 31 MARCH 2014

	Plan No. 12	Plan No. 13
Date of Extraordinary Shareholders' Meeting	21/09/2001	07/09/2004
Date of Board of Directors' or Management Board meeting	16/09/2003	08/12/2004
Total number of options allocated	287,000	262,000
Total number of beneficiaries	25	30
Earliest date for exercising options	16/09/2007	24/12/2008
Date options lapse	15/09/2013	23/12/2014
Subscription or share price	27.67	28.07
Number of options lapsed	27,000	35,000
Number of options subscribed as of 31 March 2014	260,000	219,000
Remaining balance	**0**	**8,000**

TABLE 9 – SHARE SUBSCRIPTION OR PURCHASE OPTIONS OR PERFORMANCE SHARES GRANTED TO THE TOP TEN BENEFICIARIES WHO ARE NOT EXECUTIVE OFFICERS

Options exercised during the year by the ten non-corporate officer employees who exercised the highest number of options.

Company granting options	Plan date	Total number of options	Exercise price	Average exercise price
Rémy Cointreau	16/09/2003	3,760	27.670	81.15
Rémy Cointreau	24/12/2004	650	28.070	58.17

Performance shares granted during the year to the ten non-corporate-officer employees who received the highest number of shares.

None.

Bonus shares granted during the year to the ten non-corporate officer employees who received the highest number of shares.

Company granting shares	Grant date	Total number of shares	Final vesting date	Date of earliest availability
Rémy Cointreau	22/11/2011	56,000	22/11/2013	22/11/2015

TABLE 10 – CONTRACTS RELATING TO CORPORATE OFFICERS

	Employment contract	Supplementary pension plan	Compensation or benefits due or likely to be due as a result of termination or change of duties	Non-competition compensation
François Hériard Dubreuil	NO	NO	NO	NO
Chairman and Chief Executive Officer				
Date first appointed: 02/01/2014				
Date appointment expires: Shareholders' Meeting to approve the 2015 financial statements				
Frédéric Pflanz	NO	NO	NO	NO
Chief Executive Officer				
Date first appointed: 01/10/2013				
Date appointment expires: 02/01/2014				
Jean-Marie Laborde	NO	NO	NO	YES
Chief Executive Officer				
Date first appointed: 27/10/2010				
Date appointment expires: 30/09/2013				

3.4.3 Transactions by corporate officers and directors on the Company's shares

DECLARATIONS BY DIRECTORS

Person concerned	Type of transaction	Date of transaction	AMF decision no.
Damien Lafaurie Executive Vice President Global Markets	Sale of shares	7, 8, 9 August 2012	212D3324 212D3325 212D3326
ORPAR Legal entity linked to François Hériard Dubreuil	Other types of transaction (simple loan)	10 December 2012	212D5167

3.4.4 Shares and voting rights of members of the Board of Directors on 31 March 2014

Directors (natural persons)	Shares	%	Shares with double voting rights	Voting rights	%
Mrs Dominique Hériard Dubreuil	2,667	0.00	2,578	5,245	0.01
Mr François Hériard Dubreuil	109	0.00	104	213	0.00
Mr Marc Hériard Dubreuil	100	0.00	100	200	0.00
Sir Brian Ivory	100	0.00	100	200	0.00
Ms Florence Rollet	100	0.00	0	100	0.00
Mr Jacques-Étienne de T'Serclaes	552	0.00	500	1,052	0.00
Mr Gabriel Hawawini	107	0.00	100	207	0.00
Mr Olivier Jolivet	100	0.00	0	100	0.00
Mr Patrick Thomas	100	0.00	100	200	0.00
Mr Yves Guillemot	100	0.00	0	100	0.00
Ms Caroline Bois	102	0.00	0	102	0.00
Ms Laure Hériard Dubreuil	102	0.00	0	102	0.00
TOTAL	**4,239**	**0.00**	**3,582**	**7,821**	**0.01**

4

COMMENTS ON THE RESULTS FOR THE YEAR

4.1 Analysis of the business and consolidated results

The Group posted a current operating profit of €150.2 million for the year ended 31 March 2014, down 38.8% (-40.8% in organic terms) on the previous year. The current operating margin was 14.6%. The period was marked by difficulties on the Chinese market. This decline followed four years of strong growth. The Group is performing well in the United States and is recording growth in Europe.

4.1.1 Key figures

All data for the year ended 31 March are given in millions of euros (€ millions). Organic change is measured on a constant exchange rate basis compared with the prior year.

(in € millions)	2014	2013	Change reported	Change organic
Net sales	1,031.6	1,193.3	-13.5%	-10.7%
Current operating profit	**150.2**	**245.4**	**-38.8%**	**-40.8%**
Current operating margin	14.6%	20.6%		13.6%
Other operating income/(expense)	(4.9)	(7.5)		
Operating profit	145.3	237.9		
Net financial income/(expense)	(26.2)	(20.0)		
Income tax	(45.8)	(72.0)		
Share in profit of associates	(10.9)	(15.5)		
Net profit attributable to the owners of the parent	62.4	130.4	-52.2%	
Net profit/(loss) excluding non-recurring items attributable to the owners of the parent	**80,2**	**151.5**	**-46.9%**	
Basic earnings per share:				
On net profit excluding non-recurring items attributable to the owners of the parent	€1.63	€3.10	-47.4%	
On net profit attributable to the owners of the parent	€1.27	€2.67	-52.4%	

(in € millions)	Europe Middle East Africa	Americas	Asia Pacific	Total
Net sales				
March 2014	323.8	413.1	294.7	1,031.6
% of total	31%	40%	29%	100%
March 2013	323.2	394.4	475.7	1,193.3
% of total	27%	33%	40%	100%
Reported change	+0.2%	+4.7%	-38.0%	-13.5%
Organic change	+0.9%	+9.3%	-35.1%	-10.7%

(in € millions)	Rémy Martin	Liqueurs & Spirits	Total Group brands	Partner Brands	Expenses Holding	Total
Net sales						
March 2014	551.2	237.3	788.6	243.1	-	1,031.6
March 2013	719.7	237.0	956.7	236.6	-	1,193.3
Reported change	-23.4%	+0.2%	-17.6%	+2.7%	-	-13.5%
Organic change	-20.8%	+3.3%	-14.8%	+6.1%	-	-10.7%
Current operating profit						
March 2014	125.4	37.1	162.6	8.7	(21.0)	150.2
March 2013	216.6	44.8	261.4	4.2	(20.3)	245.4
Reported change	-42.1%	-17.1%	-37.8%	+105.1%	+3.8%	-38.8%
Organic change	-43.9%	-21.2%	-40.0%	+123.7%	+3.9%	-40.8%
Operating margin						
March 2014	22.8%	15.6%	20.6%	3.6%	-	14.6%
March 2014 (organic)	21.3%	14.4%	19.2%	3.8%	-	13.6%
March 2013	30.1%	18.9%	27.3%	1.8%	-	20.6%

4.1.2 General comments on current operating profit

With respect to March 2013, the change in **current operating profit** is as follows:

Current operating profit – year ended 31 March 2013	**245.4**
Change due to exchange rates (net of hedges)	5.0
Change in volumes	(126.0)
Effect of price and mix changes on net sales	20.3
Change in marketing investments (Group brands)	24.7
Change in other expenses	(19.2)
Current operating profit – March 2014	**150.2**

Changes in foreign exchange rates had a €5 million positive effect on the operating profit, mainly due to a favourable effect on the US dollar as a result of obtaining a better hedge rate on cash flows in US dollars (1.31 vs. 1.35) than the previous year.

The gross margin was impacted by the drop in volumes on the Chinese market. As shown by the €20.3 million positive price/mix effect, the Group sought to maintain a price policy consistent with its long-term strategy. The same applied to advertising expenditure which fell by €24.7 million in absolute terms but remained steady as a percentage of net sales.

The change in other expenses, which include production costs, logistics costs, overheads of distribution subsidiaries, brands and the holding company, was attributable chiefly to an increase in production costs (cost of liquids mainly) and further development of the distribution network.

As a result of the drop in Rémy Martin volumes in Asia, the operating margin was 14.6% (13.6% in organic terms), down from 20.6% in 2012/2013. Excluding China, the operating margin remained stable.

4.1.3 Business overview

In the year ended 31 March 2014, the Rémy Cointreau Group generated net sales of €1,031.6 million, down 13.5% on the previous financial year (organic change: -10.7%). This decline followed four years of strong growth (nearly 50% in cumulative organic growth between 2009/2010 and 2012/2013). The €150.2 million current operating profit fell sharply by 38.8% (organic change: -40.8%) in line with previous announcements.

In the comments that follow, all changes are expressed on an **organic** basis.

By geographic area. Asia-Pacific was down 35.1%, falling sharply to 29% of net sales, losing out to the Americas which was up 9.3% (40% of net sales) as a result of the Group's excellent performance in the United States. Lastly, Europe-Middle East-Africa (31% of net sales) was up slightly by 0.9%, a performance which should be viewed from the perspective of the sluggishness of this market's economy over the last few years.

RÉMY MARTIN

Net sales totalled €551.2 million, down 20.8% after four consecutive years of double-digit growth. Throughout the year, Rémy Martin was hit by the decline in the Chinese market which impacted premium spirits consumption. The drop in net sales was exacerbated by the Group's desire to reduce distribution channel inventory levels. The Americas reported growth of 8.0%, driven by the United States. In Europe, net sales were up slightly due, in particular, to performances in Russia and Africa. Rémy Martin also performed well in Japan.

Rémy Martin recorded a current operating profit of €125.4 million, down 43.9% as a result of the drop in net sales in China which impacted premium categories and the maintenance of a sustained level of marketing expenditure. The current operating margin was 22.8%.

LIQUEURS & SPIRITS

At €237.3 million, net sales were up 3.3%. Sales of Cointreau, the division's flagship brand, were down 4.3% due to a highly competitive market in Europe and a technical impact in shipments to the United States in the 4th quarter. Consumer trends in the United States remained solid. Mount Gay benefited from the launch of its new range in the United States, Australia and New Zealand. Metaxa returned to growth in Greece and performed very strongly in its future markets (Eastern Europe). These two brands have experienced double-digit growth. St-Rémy continued to pursue its sustained innovation policy. Bruichladdich, a brand acquired last year, continued its network incorporation and growth was in line with acquisition plans.

Liqueurs & Spirits recorded a current operating profit of €37.1 million, down 21.2%, due to a high level of expenditure on sales and marketing. The current operating margin was 15.6%.

PARTNER BRANDS

The Group recorded net sales of €243.1 million, an increase of 6.1% attributable not only to the sound performance of Scotch Whisky and Champagne brands distributed in the United States, but also to the expansion of the portfolio of spirits distributed in the Czech Republic.

The distribution contract for the Group's Edrington brands in the United States expired on 31 March 2014 and was not renewed.

Operating profit generated by this business totalled €8.7 million.

HOLDING COMPANY EXPENSES

These expenses were up slightly by 3.4%, or 2.0% of consolidated net sales.

4.1.4 Operating profit

Operating profit was €145.3 million, after deduction of a net charge of €4.9 million, mainly relating to the Larsen acquisition.

4.1.5 Net financial income/(expense)

(in € millions)	**2014**	2013	Change
Cost of gross financial debt	(26.4)	(23.9)	(2.5)
Investment income	3.7	3.0	0.7
Sub-total	**(22.7)**	**(20.9)**	**(1.8)**
Change in the value of the interest-rate hedging instrument portfolio	(0.1)	(1.2)	1.1
Currency gains/(losses)	-	4.7	(4.7)
Other financial expenses (net)	(3.4)	(2.6)	(0.8)
NET FINANCIAL INCOME/(EXPENSE)	**(26.2)**	**(20.0)**	**(6.2)**

Financial expense totalled €26.2 million, up €6.2 million:

- excluding the impact of non-hedging interest-rate instruments, the cost of net financial debt increased by €1.8 million, in line with the increase in average debt over the period;
- the Group has a portfolio of interest-rate swaps worth a notional amount of €150 million to hedge against increases in short-term interest rates in the period 2012-2015. For the year ended 31 March 2014, the impact of the portfolio, for the non-hedging portion, which now totals €75 million, was negative €0.1 million. During the previous year, a decrease of €1.2 million in its value was recorded. These products are now close to maturity;
- currency gains/(losses) mainly include the impact of the valuation of the currency risk hedging portfolio in accordance with IFRS. This had a €1.1 million positive impact at 31 March 2014, compared with income of €4.9 million for the previous period. The balance, mainly relating to residual currency gains/losses on internal financing operations, was negative €0.9 million;
- other financial expenses include items relating to change in value of the vendor loan (EPI Group loan) and the cost of financing certain eaux-de-vie inventories held by the AFC cooperative. Compared with the previous period, these items recorded a negative change of €0.8 million.

4.1.6 Net profit/(loss) attributable to the owners of the parent

Income tax expense amounted to €45.8 million, *i.e.* an effective tax rate of 38.5% (2013: 33.1%), due to the geographical breakdown of earnings for the year, and notably the higher percentage of earnings recorded in France, where the effective tax rate increased, as well as to the technical reversal of deferred tax assets in China.

The share of profits of associates related chiefly to the 27% stake in Chinese company Dynasty Fine Wines Ltd, a producer and distributor of Chinese wines. This legacy Rémy Cointreau stake was originally a joint venture set up in 1980 with the municipality of Tianjin, which still holds a 45% interest. Since 2005, the Company has been listed on the Hong Kong stock exchange, with a free float of approximately 28%.

Trading in its shares was suspended on 22 March 2013, just after the Group issued a profit warning for its 2012 financial year. The suspension was due to the fact that the Group was unable to publish its 2012 financial statements on time. The delay was caused by investigations launched by the Audit Committee following allegations of fraud.

On 31 March 2013, Rémy Cointreau impaired its investment by €15.9 million in consideration of the fact that the downward trend in earnings and the prospect of a loss represented a clear sign of impairment, irrespective of the reality of the allegations of fraud and their potential impact.

At 30 September 2013, the investigations were still not complete and the Dynasty Group had still not published its 2012 financial statements, nor its 2013 half-yearly financial statements, and had still failed to give the slightest indication to the market of when its shares would recommence trading or of how the investigations were proceeding.

Rémy Cointreau conducted a new valuation with the help of an independent expert. This valuation, using all the public data available on Dynasty, its competitors and trends in the wine market in China, led Rémy Cointreau to impair its investment by an additional €10.9 million.

At 31 March 2014, the situation was more or less unchanged. Investigations were still not complete. Neither the 2012, nor the 2013 financial statements had been published. The valuation was revised and the provision recognised in the half-yearly financial statements retained. In light of changes in the EUR/HKD exchange rate, the value of the equity investment was €29.4 million at 31 March 2014.

The net profit attributable to the owners of the parent was €62.4 million (2013: €130.4 million), *i.e.* basic earnings per share of €1.27, compared with €2.67 in the prior year.

Excluding non-recurring items (other operating income and expense after tax and the net profits of discontinued operations and assets held for sale and the provision in respect of Dynasty), the net profit attributable to the owners of the parent was €80.2 million, *i.e.* basic earnings per share of €1.63, compared with €3.10 in the prior year, a drop of 47.4%.

4.1.7 Exceptional events and disputes

At 31 March 2014, Group companies were plaintiffs or defendants in action taken by their usual contractual business partners (service providers or former distributors). Fixed and final compensation that could be due to a former supplier in the Netherlands by a Group company was settled out of court for €820,000. This amount has been placed in escrow whilst awaiting a final ruling from local courts in legal proceedings involving said former supplier and a third party. Since June 2013, the Company has been the defendant in legal proceedings in France instituted by an investment consultancy which is claiming nearly €118,000, plus interest, for a dividend paid in October 2005. This company's claims are disputed, in full, by Rémy Cointreau. In the US, Rémy Cointreau USA, Inc., alongside 12 other international groups who together form a Joint Defense Group, has been contesting a dispute since February 2013 involving a company which owns two patents for the manufacture of cardboard presentation boxes in respect of two of the products it imports onto the American market. This case was concluded on 1 November 2013 when a settlement was signed with said company. Rémy Cointreau USA, Inc. then made a fixed and final payment in settlement of US$75,000.

Ongoing litigation at the date of this report is not liable to have, or has not had during the past 12 months, a significant impact on the financial position or profitability of the Company and/or the Group. In this respect, the Group estimates that the provisions recognised in its balance sheet are sufficient to absorb the cost of legal rulings in the event of an unfavourable court decision.

At the date of this report, there was no outstanding governmental, legal or arbitration procedure, including any procedure the Company was aware of, or threatened by, that is likely to have, or which has had during the past 12 months, a significant impact on the financial position or profitability of the Company and/or the Group.

4.2 Financial and cash positions

4.2.1 Comments on the financial position

(in € millions)	**March 2014**	March 2013	Change
Brands and other intangible assets	480.5	480.2	0.3
Property, plant and equipment	190.9	173.1	17.8
Investments in associates	38.8	52.8	(14.0)
Other financial assets	93.2	89.9	3.3
Non-current assets (other than deferred tax)	**803.4**	**796.0**	**7.4**
Inventories	1,024.6	945.9	78.7
Trade and other receivables	202.7	255.5	(52.8)
Trade and other payables	(509.0)	(542.9)	33.9
Working capital requirements	**718.3**	**658.5**	**59.8**
Net financial derivatives	5.5	(12.1)	17.6
Net assets held for sale	-	28.8	(28.8)
Net current and deferred tax	(56.1)	(76.3)	20.2
Provisions for liabilities and charges	(45.7)	(34.6)	(11.1)
Other net current and non-current assets and liabilities	**(96.3)**	**(94.2)**	**(2.1)**
TOTAL	**1,425.4**	**1,360.3**	**65.1**
Financed by:			
Shareholders' equity	**1,011.9**	**1,094.8**	**(82.9)**
Long-term financial debt	553.0	389.2	163.8
Short-term financial debt and accrued interest charge	46.8	63.1	(16.3)
Cash and cash equivalents	(186.3)	(186.8)	0.5
Net financial debt	**413.5**	**265.5**	**148.0**
TOTAL	**1,425.4**	**1,360.3**	**65.1**
For information:			
TOTAL ASSETS	**2,278.4**	**2,267.3**	**11.1**

Non-current assets increased by €7.4 million compared with March 2013, breaking down as:

- a €17.8 million increase in property, plant and equipment (additions, €33.8 million, depreciation and amortisation for the period, negative €14.3 million, translation differences and other, negative €1.7 million;
- the €10.9 million negative impact of the impairment of Dynasty shares and a negative translation difference of €2.6 million as shares are held in Hong-Kong Dollars;
- the capitalisation of interest on the €4.4 million vendor loan granted at the time of the disposal of the Champagne division.

Working capital requirements increased by €59.8 million, breaking down as:

- €88.2 million in eaux-de-vie inventories to ensure the growth of Rémy Martin;
- reduction in other inventories, primarily as a result of the end of the Edrington distribution contract in the United States;
- trade and other receivables were down €52.8 million as a result of the drop in net sales in the 4th quarter;
- trade and other payables fell €33.9 million, in line with the drop, in absolute terms, in advertising/promotional expenditure and the tight rein being kept on operating expenses.

Assets held for sale were down €28.8 million due to the finalisation, on 30 August 2013, of the sale by Rémy Cointreau of its Larsen cognac business (brand, industrial and commercial assets and the inventories required to enable the business to continue to operate) to the Nordic group Altia. These assets were shown as "Assets held for sale" at 31 March 2013 at their fair value less selling costs and tax.

Taxes showed a net debt of €56.1 million breaking down as a credit of €6.9 million for current tax and a net debt of €63.0 million for deferred tax. At 31 March 2013, current tax showed a liability of €24.5 million, which accounts for the main change in this item.

The change in reported shareholders' equity breaks down as follows:

Net profit for the year	**62.4**
Profit recorded in equity	6.8
Impact of stock-option and similar plans	3.7
Change in translation reserves	(11.5)
Transactions on treasury shares	(74.9)
Dividends paid in shares and cash	(69.3)
Change in non-controlling interests	(0.1)
TOTAL CHANGE	**(82.9)**

Rémy Cointreau SA paid a cash dividend of €1.40 per share for the year ended 31 March 2013 (€69.3 million disbursed in October 2013).

Transactions on treasury shares include the €75.9 million impact of the Share Buy Back programme (PRA) implemented between 5 December 2013 and 29 January 2014. As part of this programme, the Company acquired 1,283,053 shares, accounting for 2.578% of the share capital, for an average price of €59.16 per share. These shares were cancelled by capital reduction on 25 March 2014.

Net financial debt was €413.5 million, up €148.0 million, largely due to the drop in operating cash flows.

At 31 March 2014, confirmed financial resources totalled €665 million, breaking down as:

- a €140 million private placement maturing on 10 June 2015, bearing interest at a rate of 3.67%;
- a €205 million bond maturing on 15 December 2016, with a coupon of 5.18% and an issue premium of 2.26%;
- a revolving syndicated loan of €255 million, maturing on 5 June 2017;
- a €65 million bond issued on 13 August 2013 and maturing on 13 August 2023, with a coupon of 4% and an issue premium of 2.00%.

The A ratio[1] (Net debt/EBITDA) on which the availability of the private placement and the syndicated loan is based, was 2.09 at 31 March 2014. The terms of the syndicated loan stipulate that this ratio, calculated every six months, must remain below 3.5 until the loan matures.

4.2.2 Return On Capital Employed (ROCE)

At 31 March 2014, capital employed[2] totalled €879.1 million, an increase of 8.5% compared with 31 March 2013, up €68.5 million in absolute terms, including €88.2 million for eaux-de-vie. In light of the operating profit of €150.2 million, the return on capital employed (ROCE) was 17.1%, down sharply on the previous year (2013: 30.3%) an inevitable consequence of the drop in the operating profit and the increase in inventories, the Group's main asset.

ROCE was 17.4% for Rémy Martin (2013: 34.2%) and 36.8% for Liqueurs & Spirits (2013: 46.1%).

(1) The A ratio is calculated every six months. It is the ratio of (a) the arithmetic average of net debt at the end of the half-year and the end of the prior half-year – in this case end-March 2014 and end-September 2013 – and (b) EBITDA for the previous 12 months – in this case the year ended 31 March 2014.

(2) Capital employed includes intangible assets excluding brands and distribution rights, property, plant and equipment, inventories, trade and other receivables, trade and other payables, and provisions for risks and liabilities, excluding those related to tax litigation or discontinued operations.

4.2.3 Comments on cash flows

(in € millions)	**2014**	2013	Change
EBITDA	171.5	268.1	(96.6)
Change in working capital requirement	(61.7)	(46.2)	(15.5)
Net cash flow from operations	109.8	221.9	(112.1)
Other operating income/(expenses)	(3.1)	0.9	(4.0)
Financial result	(31.3)	(24.0)	(7.3)
Income tax	(77.0)	(66.8)	(10.2)
Other operating cash flows	(111.4)	(89.9)	(21.5)
Net cash flow from operating activities	**(1.6)**	**132.0**	**(133.6)**
Net cash flow from investment activities – continuing operations	(5.1)	(177.0)	171.9
Net cash flow before investment activities	**(6.7)**	**(45.0)**	**38.3**
Treasury shares	(74.9)	2.4	(77.3)
Dividends paid	(69.3)	(18.4)	(50.9)
Net cash flow relating to capital	**(144.2)**	**(16.0)**	**(128.2)**
Repayment of financial debt	151.4	56.0	95.4
Net cash flow after investment activities	**0.5**	**(5.0)**	**5.5**
Translation differences on cash and cash equivalents	(1.0)	1.7	(2.7)
Change in cash and cash equivalents	**(0.5)**	**(3.3)**	**2.8**

Earnings before interest, tax, depreciation and amortisation (EBITDA)(1) were down €96.6 million, mainly as a result of the drop in current operating profit.

The working capital requirement for the year was up €15.5 million, including an €88.2 million change in eaux-de-vie inventories, one of the Group's strategic assets.

Net cash outflows relating to financing activities were €31.3 million, €7.3 million higher than in the prior year, due to the increase in gross interest expense and payments relating to the hedging of interest-rate risk.

Net income tax totalled €77.0 million, up on the previous year as a result of the timing of payments on account.

Investment flows on continuing operations over the period included €37.4 million in proceeds from the sale of assets, primarily relating to the Larsen acquisition and €42.2 million in capital expenditure. Capital expenditure was up €16.1 million, mainly as a result of implementation of the final stage of a major investment project on the Cognac site. The Group had paid out €151.8 million for the Larsen and Bruichladdich acquisitions the previous year.

Treasury shares included the €75.9 million effect of the Share Buy Back programme described above. The balance corresponds to liquidity account movements.

After taking into account changes in financial debt and currency effects, Cash and cash equivalents were down €0.5 million on 31 March 2013 at €186.3 million.

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

4.3 Parent company results

4.3.1 Comments on the results

The Company recorded a current operating profit before tax of €106.3 million for the financial year ended 31 March 2014.

Services invoiced to subsidiaries totalled €23.4 million, compared with €24.9 million in the previous year. Services provided by Rémy Cointreau to its subsidiaries are invoiced on the basis of the cost of services provided, plus a 5% profit margin.

Net operating expenses totalled €36.4 million, down €1.1 million. This sum covers all of the services provided by the Company, which are re-invoiced in part to subsidiaries.

Dividends from subsidiaries totalled €143.3 million, compared with €57.8 million in the previous year.

Interest expenses rose by €1.6 million, from €25.8 million in the year ended 31 March 2012 to €27.4 million.

The Company did not record any exceptional items during this year.

Tax income amounting to €11.2 million relates mainly to the net savings from the consolidated tax scope during the period, after deduction of the additional €2 million contribution on dividends paid.

Taking into account these factors, the net profit for the year was €117.5 million.

4.3.2 Comments on the balance sheet

Non-current assets, which primarily comprise equity investments, remained stable over the financial year.

Under the terms of the sale of the champagne division in July 2011, the Company provided a €75 million loan to the purchaser for a period of nine years. The terms of the remuneration of the loan provide for the capitalisation of annual interest payments during the first three years.

Shareholders' equity stood at €988.4 million, down €103.3 million. The Company proceeded with two capital reductions over the financial year, by the cancellation, on 19 November 2013, of 1,150,000 treasury shares acquired as part of the 2011/2012 buy back programme, and by the cancellation, on 25 March 2014, of 1,283,053 shares acquired following the buy back programme implemented in the financial year. The share capital dropped by €3.9 million and the premium by €147.6 million. Dividends paid for the year ended 31 March 2013 amounted to €69.3 million. The net profit for the year is included in the amount of €117.5 million.

Gross financial debt totalled €627.1 million, an increase of €29.3 million.

In June 2012, Rémy Cointreau negotiated a new €255 million syndicated loan with a five year term. As of 31 March 2014, the syndicated loan had been drawn in the amount of €150 million. The A ratio, on which its availability is based, was 2.09, significantly below the 3.50 limit set under the terms of the contract.

4.3.3 Information in respect of payment terms pursuant to Article D. 441-4 of the French Commercial Code.

As of 31 March 2014, supplier invoices totalling less than €0.1 million were due for payment by the end of April at the latest.

4.4 Recent events and Outlook

4.4.1 Recent events

On 11 April 2014, Rémy Cointreau signed an amendment to extend its €255 million syndicated loan with a pool of ten banks. This loan was extended by five years, to 11 April 2019, with more favourable margins.

At the end of May 2014, the Group finalised the acquisition of a distillery in Barbados for around US$9.5 million. This acquisition will enable the production capacity of Mount Gay rum to be increased.

The Dynasty Group has not published its 2012 or 2013 annual financial statements or made any statement in respect of the allegations of fraud made against it. Trading in its shares is still suspended. A Hong Kong stock exchange investigation has been ongoing since May 2014.

4.4.2 Outlook

Despite a still uncertain environment (changes in the Chinese spirits market and weak macro-economy in western Europe), the Group is confident as it enters the 2014/2015 financial year: its careful inventory management and resolute pricing policy mean that it can look forward to organic growth in turnover and current operating profit in 2014/2015. This target is based on pro-forma figures for the Partner Brands division (*i.e.* excluding the impact of the end of the Edrington brand distribution agreement in the United States).

Rémy Cointreau remains convinced that its value strategy and premium brand positioning remain relevant amid strong global demand for fine and authentic spirits.

With this in mind, the Group will forge ahead with its marketing investments, its creative ideas and the expansion of its distribution network, while continuing to maintain strict cost control. Together these aspects give the Group renewed confidence in its ability ultimately to return to profitable and steady growth.

5

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

5.1 Consolidated income statement

As of 31 March, in € millions	*Notes*	**2014**	2013	2012
Net sales	*15*	**1,031.6**	**1,193.3**	**1,026.1**
Cost of sales		(413.4)	(456.4)	(396.1)
Gross margin		**618.2**	**736.9**	**630.0**
Distribution costs	*16*	(379.8)	(403.3)	(344.8)
Administrative expenses	*16*	(89.6)	(89.8)	(79.0)
Other income from operations	*16*	1.4	1.6	1.5
Current operating profit	*15*	**150.2**	**245.4**	**207.7**
Other operating income/(expense)	*18*	(4.9)	(7.5)	(3.0)
Operating profit		**145.3**	**237.9**	**204.7**
Cost of net financial debt		(22.8)	(22.1)	(26.9)
Other financial income/(expense)		(3.4)	2.1	(8.4)
Net financial income/(expense)	*19*	**(26.2)**	**(20.0)**	**(35.3)**
Profit before tax		**119.1**	**217.9**	**169.4**
Income tax	*20*	(45.8)	(72.0)	(47.3)
Share in profit of associates	*5*	(10.9)	(15.5)	(0.4)
Profit from continuing operations		**62.4**	**130.4**	**121.7**
Net profit/(loss) from discontinued operations	*21*	–	–	(10.6)
Net profit for the year		**62.4**	**130.4**	**111.1**
Attributable to:				
non-controlling interests		-	-	0.3
owners of the parent company		62.4	130.4	110.8
Net earnings per share – from continuing operations (€)				
basic		1.27	2.67	2.47
diluted		1.27	2.66	2.46
Net earnings per share – attributable to the owners of the parent company (€)				
basic		1.27	2.67	2.25
diluted		1.27	2.66	2.24
Number of shares used for the calculation				
basic	*10.2*	49,180,683	48,880,252	49,324,332
diluted	*10.2*	49,311,783	49,010,681	49,473,230

5.2 Consolidated statement of comprehensive income

As of 31 March, in € millions	2014	2013	2012
Net profit for the year	**62.4**	**130.4**	**111.1**
Movement in the value of hedging instruments(1)	11.0	5.0	(16.2)
Actuarial difference on pension commitments	(0.4)	(3.1)	(1.7)
Movement in the value of AFS shares(2)	(0.1)	0.3	(0.3)
Related tax effect	(3.7)	(0.7)	6.3
Release of actuarial difference on pension commitments of the Champagne division, net of tax	-	-	(1.5)
Movement in translation differences	(11.6)	1.6	16.3
Total income/(expenses) recorded in equity	**(4.8)**	**3.1**	**2.9**
Total comprehensive income for the year	**57.6**	**133.5**	**114.0**
Attributable to:			
owners of the parent company	57.7	133.5	113.7
non-controlling interests	(0.1)	-	0.3

(1) of which unrealised gains and losses transferred to income	*(1.9)*	*1.7*	*(12.0)*
(2) of which unrealised gains and losses transferred to income	–	-	-

5.3 Consolidated statement of financial position

As of 31 March, in € millions	*Notes*	**2014**	2013	2012
Brands and other intangible assets	*3*	480.5	480.2	443.2
Property, plant and equipment	*4*	190.9	173.1	146.4
Investments in associates	*5*	38.8	52.8	68.4
Other financial assets	*6*	93.2	89.9	86.9
Deferred tax assets	*20*	31.7	47.2	44.0
Non-current assets		**835.1**	**843.2**	**788.9**
Inventories	*7*	1,024.6	945.9	792.6
Trade and other receivables	*8*	202.7	255.5	207.9
Income tax receivables		16.9	0.8	3.9
Derivative financial instruments	*14*	12.8	6.3	5.6
Cash and cash equivalents	*9*	186.3	186.8	190.1
Assets held for sale	*2*	-	28.8	0.2
Current assets		**1,443.3**	**1,424.1**	**1,200.3**
Total assets		**2,278.4**	**2,267.3**	**1,989.2**
Share capital		77.6	81.4	79.4
Share premium		680.9	828.6	738.2
Treasury shares		(13.7)	(97.4)	(95.8)
Consolidated reserves and profit of the year		267.2	270.7	244.4
Translation differences		(1.2)	10.3	8.6
Shareholders' equity – owners of the parent company		**1,010.8**	**1,093.6**	**974.8**
Non-controlling interests		1.1	1.2	1.2
Shareholders' equity	*10*	**1,011.9**	**1,094.8**	**976.0**
Long-term financial debt	*11*	553.0	389.2	340.0
Provision for employee benefits	*23*	26.7	25.2	21.8
Long-term provisions for liabilities and charges	*12*	4.6	5.8	6.9
Deferred tax liabilities	*20*	94.7	99.0	98.4
Non-current liabilities		**679.0**	**519.2**	**467.1**
Short-term financial debt and accrued interest charge	*11*	46.8	63.1	38.7
Trade and other payables	*13*	509.0	542.9	467.5
Income tax payables		10.0	25.3	13.0
Short-term provisions for liabilities and charges	*12*	14.4	3.6	1.5
Derivative financial instruments	*14*	7.3	18.4	25.4
Current liabilities		**587.5**	**653.3**	**546.1**
Total equity and liabilities		**2,278.4**	**2,267.3**	**1,989.2**

5.4 Change in consolidated shareholders' equity

As of 31 March, in € millions	Share capital and premium	Treasury shares	Reserves and net profit	Translation reserve	Profit recorded in equity	Attributable to owners of the parent company	Attributable to non-controlling interests	Total equity
As at 31 March 2011	**814.8**	**(0.6)**	**261.1**	**(7.7)**	**(4.7)**	**1,062.9**	**0.9**	**1,063.8**
Net profit/(loss)	-	-	110.8	-	-	110.8	0.3	111.1
Gains (losses) recorded in equity	-	-	-	16.3	(13.4)	2.9	-	2.9
Share-based payments	-	-	4.3	-	-	4.3	-	4.3
Capital increase	2.8	–	(0.1)	-	-	2.7	-	2.7
Transactions on treasury shares	-	(95.2)	–	-	-	(95.2)	-	(95.2)
Dividends	-	–	(113.6)	-	-	(113.6)	-	(113.6)
At 31 March 2012	**817.6**	**(95.8)**	**262.5**	**8.6**	**(18.1)**	**974.8**	**1.2**	**976.0**
Net profit/(loss)	-	–	130.4	–	–	130.4	–	130.4
Gains (losses) recorded in equity	-	-	-	1.7	1.4	3.1	-	3.1
Share-based payments	-	-	5.3	-	-	5.3	-	5.3
Capital increase	92.4	-	-	-	-	92.4	-	92.4
Transactions on treasury shares	-	(1.6)	-	-	-	(1.6)	-	(1.6)
Dividends	-	-	(110.8)	-	-	(110.8)	-	(110.8)
At 31 March 2013	**910.0**	**(97.4)**	**287.4**	**10.3**	**(16.7)**	**1,093.6**	**1.2**	**1,094.8**
Net profit/(loss)	-	-	62.4	-	-	62.4	-	62.4
Gains (losses) recorded in equity	-	-	-	(11.5)	6.8	(4.7)	(0.1)	(4.8)
Share-based payments	-	-	3.7	-	-	3.7	-	3.7
Capital reduction	(151.5)	151.5	-	-	-	-	-	-
Transactions on treasury shares	-	(74.9)	-	-	-	(74.9)	-	(74.9)
Dividends	-	-	(69.3)	-	-	(69.3)	-	(69.3)
Reclassification	-	7.1	(7.1)	-	-	-	-	-
At 31 March 2014	**758.5**	**(13.7)**	**277.1**	**(1.2)**	**(9.9)**	**1,010.8**	**1.1**	**1,011.9**

5.5 Consolidated statement of cash flows

As of 31 March, in € millions	*Notes*	**2014**	2013	2012
Current operating profit		150.2	245.4	207.7
Depreciation, amortisation and impairment		17.1	16.5	14.7
Share-based payments		3.7	5.3	4.3
Dividends received from associates	*5*	0.5	0.9	2.0
EBITDA		**171.5**	**268.1**	**228.7**
Change in inventories		(94.1)	(50.5)	(40.0)
Change in trade receivables		33.1	(28.7)	4.4
Change in trade payables		16.6	16.8	5.5
Change in other receivables and payables		(17.3)	16.2	23.4
Change in working capital requirement		(61.7)	(46.2)	(6.7)
Net cash flow from operations		**109.8**	**221.9**	**222.0**
Other operating income/(expenses)		(3.1)	0.9	(0.3)
Financial result		(31.3)	(24.0)	(16.9)
Income tax		(77.0)	(66.8)	(104.2)
Other operating cash flows		**(111.4)**	**(89.9)**	**(121.4)**
Net cash flow from operating activities – continuing operations		**(1.6)**	**132.0**	**100.6**
Impact of discontinued operations		-	-	12.0
Net cash flow from operating activities		**(1.6)**	**132.0**	**112.6**
Purchase of intangible assets and property, plant and equipment	*3/4*	(42.2)	(26.1)	(17.2)
Purchase of shares in associates and non-consolidated investments	*5/6*	-	(151.8)	(0.7)
Cash flow from disposals		37.4	0.3	1.4
Disposal of shares in associates and non-consolidated investments	*6*	-	-	1.3
Net cash flow from other investments	*6*	(0.3)	0.6	(0.3)
Net cash flow from investment activities – continuing operations		**(5.1)**	**(177.0)**	**(15.5)**
Impact of discontinued operations		-	-	71.3
Net cash flow from investment activities		**(5.1)**	**(177.0)**	**55.8**
Capital increase	*10*	-	-	2.7
Treasury shares	*10*	(74.9)	2.4	(95.2)
Increase in financial debt		176.1	96.6	25.0
Repayment of financial debt		(24.7)	(40.6)	(58.1)
Dividends paid		(69.3)	(18.4)	(113.6)
Net cash flow from financing activities – continuing operations		**7.2**	**40.0**	**(239.2)**
Impact of discontinued operations		-	-	172.7
Net cash flow from financing activities		**7.2**	**40.0**	**(66.5)**
Translation differences on cash and cash equivalents		(1.0)	1.7	7.6
Change in cash and cash equivalents		**(0.5)**	**(3.3)**	**109.5**
Cash and cash equivalents at start of year	*9*	**186.8**	**190.1**	**80.6**
Cash and cash equivalents at end of year	*9*	**186.3**	**186.8**	**190.1**

5.6 Notes to the consolidated financial statements

CONTENTS

INTRODUCTION

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

The consolidated financial statements presented below were approved by the Board of Directors on 3 June 2014. They will be submitted for shareholder approval at the Shareholders' Meeting on 24 July 2014.

NOTE 1 ACCOUNTING POLICIES

Rémy Cointreau's financial year runs from 1 April to 31 March. The consolidated financial statements are presented in millions of euros.

In accordance with European general regulation (EC) No. 1606/2002 of 19 July 2002, the consolidated financial statements of Rémy Cointreau are prepared in accordance with the international accounting policies applicable within the European Union as of 31 March 2014.

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

First-time adoption of IFRS

International accounting standards were applied with retroactive effect to the transition balance sheet as of the transition date (1 April 2004), with the exception of certain optional and mandatory exemptions provided for in IFRS 1 "First-time adoption of International Financial Reporting Standards". The transition balance sheet gave rise to a Note in the registration document for the year ended 31 March 2005, a separate disclosure prior to publication of the financial statements for the six months ended 30 September 2005 and a Note in the registration document for the year ended 31 March 2006.

IFRS 1 offered options with regard to the accounting treatment of various items. In this respect, the Rémy Cointreau Group made the following elections:

- business combinations: exemption from retroactive application of IFRS 3 was applied;
- measurement of property, plant and equipment and intangible assets: the option to value these assets at their fair value on the transition date was not taken;
- employee benefits: deferred actuarial differences under French GAAP on the transition date were recognised;
- translation of the financial statements of foreign subsidiaries: translation reserves relating to the consolidation of subsidiaries in foreign currencies were cancelled on 1 April 2004, with a corresponding entry in retained earnings brought forward;
- share-based payments: the Rémy Cointreau Group did not apply IFRS 2 to share-based payments in respect of stock option plans opened before 7 November 2002, as its application was optional prior to this date.

IAS 32 and IAS 39 were first implemented with effect from 1 April 2005, without adjustment to the figures for the year ended 31 March 2005, pursuant to the option available under IFRS 1. The effect of this change in accounting policy was recorded in equity as of 1 April 2005.

Changes to accounting principles compared with the previous year

The standards and amendments whose application by the Group was compulsory for the first time from 1 January 2013, are as follows:

- IFRS 13 "Fair value measurement";
- amendments to IAS 19, primarily aimed at removing the option to postpone the recognition of all or part of actuarial differences (corridor method);
- amendments to IFRS 1 "Severe hyperinflation and removal of fixed dates for first-time adopters" and "Government loans";
- amendments to IAS 12 "Income taxes": recovery of underlying assets;
- amendments to IFRS 7 "Financial instruments: disclosures": transfers of financial assets, offsetting of financial assets and financial liabilities;
- amendments resulting from 2013 IFRS annual improvements.

The first time adoption of these standards and amendments did not have any material impact on the consolidated financial statements.

The standards, interpretations and amendments whose application is compulsory after 31 March 2014 and for which the Group did not choose early application for the consolidated financial statements for the year ended 31 March 2014, are as follows:

- IFRS 10 "Consolidated financial statements";
- IFRS 11 "Joint arrangements";
- IFRS 12 "Disclosure of interests in other entities";
- amendment to IAS 27 "Consolidated and separate financial statements";
- amendment to IAS 28 "Investments in associates and joint ventures";
- amendment to IAS 36 "Impairment of assets, recoverable amount disclosures for non-financial assets";
- amendments to IAS 32, offsetting financial assets and financial liabilities;
- amendments to IAS 39 "Financial instruments: recognition and measurement", entitled "Novation of derivatives and continuation of hedge accounting".

The first-time application of these standards and amendments is not expected to have a material impact on the consolidated financial statements.

NOTE 1.1 USE OF ESTIMATES

The preparation of the financial statements in accordance with International Financial Reporting Standards requires the use of estimates and assumptions that have a bearing on the amounts reported in the financial statements and whose subsequent revision could affect future results. This is particularly the case in respect of the valuations described below.

Brands

At least once a year, the Group tests the carrying amount of brands and related assets. The main valuation method is based on the discounting of future cash flows. Future cash flows are estimated by reference to medium-term business plans approved by the Board of Directors. A number of external factors may impact the actual achievement of these plans.

Investments in associates

The Group has a number of investments in associates, the most significant being in Chinese company Dynasty Fine Wines Group Limited. To test the value of this investment in the absence of usually available data (financial statements, share prices, medium-term plans), Rémy Cointreau uses external data such as financial analyses performed by stockbrokers and other expertise available on the market. These data are based to a large extent on estimates.

Provisions for risks

The recognition of provisions for risks, generally intended to cover compensation payable in the event of disputes with third parties, requires the Group's management to estimate the level of probability associated with this risk and also the outcome of negotiations, transactions and legal proceedings that are or may be conducted with the third parties concerned.

Pension commitments and other post-employment benefits

The valuation of these obligations is determined by the use of actuarial methods involving assumptions in respect of the discount rate, expected return on plan assets, salary increases, life expectancy, etc. Given the long-term nature of these obligations, any changes to these assumptions may have a material impact on the valuation.

Stock-option plans

Calculation of the corresponding charge (IFRS 2) calls for assumptions to be made in respect of the volatility of the share price, dividend payment, staff turnover rate and achievement of performance criteria.

Derivative financial instruments

Derivative financial instruments held by the Group in connection with its ordinary activities, mainly in the form of options, are valued using the methods prevailing in the financial markets. Note that these valuations are based on market data as at the balance sheet date. These values may fluctuate rapidly due to constant changes in the financial markets.

NOTE 1.2 BASIS OF CONSOLIDATION

The consolidated financial statements include, on a fully consolidated basis, all significant subsidiaries of which Rémy Cointreau directly or indirectly controls more than 50% of the voting rights or over which it exercises effective control, even when it has no actual shareholding (special-purpose entities, see also note **1.22**).

Entities over which Rémy Cointreau exercises significant influence are accounted for by the equity method. This is presumed to be the case when Rémy Cointreau holds between 20% and 50% of voting rights.

Consolidated and equity-accounted companies prepare their financial statements in accordance with generally accepted accounting principles in their country. Where necessary, adjustments are made to these financial statements to bring their accounting policies into line with those used by the Group.

All significant transactions between consolidated companies as well as intra-Group gains and losses are eliminated on consolidation.

NOTE 1.3 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES

The consolidated financial statements of the Rémy Cointreau Group are stated in euros, the functional currency of Rémy Cointreau SA. The balance sheets of foreign subsidiaries, whose functional currency is not the euro, are translated at the closing exchange rate, while the income statements are translated at the average exchange rate for the period concerned. Differences arising from the use of different exchange rates are recognised directly in equity under "Translation differences" until the sale or liquidation of the subsidiary concerned.

NOTE 1.4 FOREIGN-CURRENCY TRANSACTIONS

In accordance with IAS 21, "Changes in foreign exchange rates", transactions denominated in foreign currencies are recorded by each consolidated entity at the rate of exchange of the functional currency, as prevailing on the transaction date. At the balance sheet date, foreign currency assets and liabilities are netted and translated at the closing rate of exchange of the functional currency. The resulting differences are recognised in the income statement as an operating item or as a financial item depending on the nature of the underlying transactions.

This treatment is also applied to intra-Group transactions with the exception of those classified as net investment hedges, for which the effects of changes in foreign exchange rates are recognised directly in equity under "Translation reserve".

The Rémy Cointreau Group generates around 70% of its net sales outside the euro zone, whereas production and other costs are incurred mainly within this zone. The consolidated operating profit thus has significant exposure to changes in foreign exchange rates. The Group frequently uses financial derivatives, particularly options and forward currency contracts, to hedge this currency risk.

These financial derivatives are recognised on the balance sheet at their closing market value. When they qualify as hedging instruments as defined by IAS 39, changes in the value of such instruments are recognised in:

- gross profit for the effective portion of hedges relating to trade receivables and payables at the balance sheet date;

- so-called recyclable equity for the effective portion of hedges relating to future cash flows, the gain or loss being recycled in gross profit (for trading cash flows) or within net financial income/(expense) (for other cash flows) as the cash flows covered by the hedging transactions occur;
- net financial income/(expense) for the ineffective part of hedges relating to future cash flows, including changes in the time value of options.

Currency gains and losses realised during the year are recorded at the same level as their underlying transactions (*i.e.* within gross profit for trading transactions).

More details on derivatives are provided in note **1.10.c.**

NOTE 1.5 BUSINESS COMBINATIONS AND GOODWILL

Goodwill represents the difference between the cost of acquisition of the shares and the fair value of identifiable assets and liabilities at the date of acquisition.

In accordance with IFRS 3 "Business combinations", goodwill is not amortised but is subject to impairment testing at least annually and as soon as there is any indication of a decrease in value. For the purpose of this testing, goodwill is allocated to Cash Generating Units (CGUs).

Costs related to an acquisition are recognised in profit and loss for the periods in which the costs are incurred and the services received. They are classified as "Other operating expenses" in the consolidated income statement and as net cash flow from investment activities in the consolidated cash flow statement.

NOTE 1.6 INTANGIBLE FIXED ASSETS

Intangible assets mainly comprise the value of the brands identified when acquisitions are made by the Group.

Expenditure incurred to create new brands or to develop existing brands and all expenses relating to the registration and legal protection of brands are systematically recognised in the income statement for the period in which they are incurred.

The brands recorded on the Rémy Cointreau Group's balance sheet are not amortised as they have the benefit of legal protection, generate higher earnings than those of similar unbranded products and have an indefinite useful life.

Brands are tested for impairment at least annually at the period end and as soon as there is any indication of a decrease in value. These tests are described in note **1.8.**

In addition, distribution rights associated with brands are recognised when an acquisition is made by the Group. When these rights have an indefinite life, they are not amortised but are tested for impairment together with the brands to which they relate.

Pursuant to IAS 38 – Intangible assets, advertising and promotional expenses are recorded as expenses in the period in which they are incurred.

The Group does not capitalise any research and development costs.

Other intangible assets are amortised over the following periods:

- leasehold rights: over the term of the lease;
- application licenses and direct costs of installations and/or upgrades: three to seven years.

NOTE 1.7 PROPERTY, PLANT AND EQUIPMENT

A) Gross cost

In accordance with IAS 16 "Property, plant and equipment", the gross value of items of property, plant and equipment corresponds to their acquisition or production cost. These assets are not revalued subsequently.

Their value does not include any finance costs.

Capital grants are deducted from the cost of the property, plant or equipment to which they relate.

Maintenance and repair costs are recognised in the income statement when incurred, except when intended to increase productivity and/or to extend the useful life of an asset.

Items of property, plant and equipment acquired through finance leases, as defined by IAS 17 "Leases", are recorded as assets on the balance sheet at the lower of the market value of the asset or the present value of future payments. The corresponding debt is recorded as a liability on the balance sheet.

The assets concerned are depreciated using the methods and useful lives described below.

B) Depreciation

Depreciation is calculated using the straight-line method applied to the acquisition cost less any estimated residual value.

The Rémy Cointreau Group's non-current assets are predominantly used in production. Given that they are used until the end of their estimated useful lives, it is deemed that they have no material residual value.

Depreciation is based on the estimated useful lives of the different categories of property, plant and equipment, being the periods during which it is estimated that the Group will derive economic benefits from these assets.

▪ Buildings, depending on the components	10 to 75 years
▪ Stills, casks, vats	35 to 50 years
▪ Technical plant, machinery and equipment	3 to 15 years
▪ Computer hardware	3 to 5 years
▪ Other non-current assets	5 to 10 years

NOTE 1.8 IMPAIRMENT OF NON-CURRENT ASSETS

In accordance with IAS 36 "Impairment of assets", the value in use of property, plant and equipment and intangible assets is tested as soon as there is any indication of a decrease in value, and automatically at each period end in the case of assets with an indefinite useful life (*i.e.* brands and certain distribution rights, see note **1.6**).

When impairment tests indicate that the present value is less than the carrying amount and that this loss is deemed to be permanent, impairment is recognised in the income statement under "Provisions for impairment".

For these tests, assets are allocated to Cash Generating Units (CGUs). In the Group's case, the structure of these units is based on the brand portfolio. Each brand or group of brands constitutes a unit when the brand or brands generate cash inflows that are largely independent of those generated by other brands or groups of brands.

These tests consist of comparing the carrying amount of the brands and related assets with their present value, the latter being the higher of their value in use and their market value less any costs involved in selling the assets.

With respect to operational entities that the Group's management has decided to sell, the assets concerned are stated at the lower of their carrying amount and estimated market value after transaction costs. If negotiations are in progress, the value is based on the best estimate of their outcome as of the balance sheet date.

The principal method used to estimate value in use is based on the present value of future cash flows (excluding finance costs) generated by the use of each brand. These cash flows are estimated by reference to medium-term business plans (five years) approved by the Board of Directors. The terminal value is determined by applying a constant growth rate to infinity. The discount rates used are set for each brand in turn and include a specific risk premium for each activity.

When recent transactions involving similar assets have taken place, the multiples for these transactions are used to determine market value.

NOTE 1.9 INVENTORIES

Inventories are recognised when the risks and rewards of their ownership have passed to the Group. The application of this principle, which is part of the IFRS conceptual framework, results in the recognition of inventories that are held physically and legally by third parties. The counterparty to these inventories is generally recorded in trade payables.

Inventories are stated at the lower of cost and net realisable value.

A substantial part of the inventories held by the Rémy Cointreau Group consists of *eaux-de-vie* (cognac, brandy, rum, malt Scotch whisky) that are undergoing ageing. These inventories may be held for periods ranging from three to more than 70 years. They remain classified within current assets based on common industry practice.

Inventories originating from vineyards owned or operated directly by the Group are not material.

Inventories that are undergoing ageing are valued at cost price, excluding finance costs. The latter are recognised in the income statement in the period in which they are incurred. Cost price includes the purchase price and incidental costs and is adjusted each year to include costs directly attributable to the ageing process as well as to reflect evaporation.

The approach used to determine realisable value takes into account the sale price of finished goods made from these inventories.

Finished goods inventories are stated at the lower of the cost price calculated using the weighted average cost method and net realisable value.

NOTE 1.10 FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are valued in accordance with IAS 39 "Financial instruments: recognition and measurement", as approved by the European Union on 19 November 2004 and its subsequent amendments.

A) Trade receivables and payables

Trade receivables and payables, which are generally collected or settled within three months, are stated at nominal value.

An impairment provision is recognised when the asset value of trade receivables, based on the probability of collection, is less than their carrying amount.

B) Non-consolidated equity investments

These shares consist of available-for-sale investments (AFS) as defined by IAS 39 and are therefore stated at realisable value as at the balance sheet date, with changes in value being recognised:

- in general, directly in equity until such gains or losses are actually realised;
- when the loss is considered to be permanent, an impairment provision is recognised in financial income/(expense).

In the case of the Rémy Cointreau Group, these shares represent non-core investments that have been retained for historical reasons and which are not listed on a regulated market.

C) Derivative financial instruments

The Group makes extensive use of derivative financial instruments as part of its policy of hedging exposure to currency and interest rate risks. The Group has implemented the procedures and maintains the documentation needed to justify the application of hedge accounting as defined by IAS 39.

Derivative instruments are stated at market value as at the balance sheet date. Market values are calculated using an external valuation model, and compared with those obtained from counterparty banks. Changes in the value of currency derivatives are recognised in the manner described in note **1.4**. When used to hedge interest rate risk, changes in the value of derivative instruments (mainly caps and interest swaps) are recorded in recyclable equity in respect of the change in the intrinsic value of the hedging instruments when these options are active and in net financial income/(expense) for any residual change in fair value of the hedging instruments and the change in fair value of the non-hedging instruments.

D) Loans and financial debt

Financial resources are generally stated at nominal value net of costs incurred when arranging this financing. These costs are recognised in the income statement as finance costs using an actuarial calculation (the effective interest rate method), except for costs relating to the syndicated loan, which are amortised using the straight-line method over the term of the contract.

NOTE 1.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and short-term investments that are considered highly liquid, can be converted into a known amount of cash and involve immaterial risk of loss in value in relation to the criteria specified in IAS 7.

In the statement of cash flows, bank overdrafts are excluded from cash and cash equivalents and are included in short-term financial debt.

NOTE 1.12 DEFERRED TAXES

In accordance with IAS 12, deferred tax is recognised on all temporary differences between the carrying amounts of the assets and liabilities in the consolidated financial statements and the corresponding values used for taxation purposes in the accounts of the consolidated entities.

Deferred tax is calculated at the statutory tax rates that are expected to be in effect when timing differences reverse, which is generally the tax rate for the current reporting period or that of the subsequent reporting period, if known. The effects of changes in tax rates are included in the income tax expense for the period in which they become known.

The main source of deferred tax for the Rémy Cointreau Group arises from the difference in the value of the brands in the consolidated financial statements, most often resulting from goodwill on acquisition, and their value for taxation purposes, which is generally nil.

As required by IAS 12, a deferred tax liability is recognised on the difference between the carrying amount and the tax value of shares in associates. In the case of fully consolidated entities, the deferred tax liability is recognised only in respect of dividends that are certain at the balance sheet date.

Tax savings from tax losses carried forward are recognised as deferred tax assets and written down according to the probability of these losses later being utilised.

NOTE 1.13 PROVISIONS FOR RISKS AND LIABILITIES

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", a provision is recognised when the Group has an obligation towards a third party and it is certain or highly probable that it will result in an outflow of resources for the benefit of the third party, without receipt of an at least equivalent consideration from the said third party. Provisions for restructuring are recognised only when restructuring has been announced and detailed measures drawn up.

When the time value of money is material, the amount of the provision corresponds to the present value of expected expenditure that the Company believes to be necessary to meet the liability. In practice, when the liability is expected to be settled in more than 12 months, the amount of the provision is discounted to its present value, with the effects being recognised in net financial income/(expense).

NOTE 1.14 PENSION COMMITMENTS AND OTHER EMPLOYEE BENEFITS

In accordance with the laws and practices in each country, Rémy Cointreau offers employee benefit plans providing pensions and other post-employment benefits through defined-contribution or defined-benefit plans. The assets of pre-financed pension plans are managed as separate funds by independent asset managers or insurance companies.

Commitments are determined and recognised in accordance with the requirements of IAS 19.

Accordingly:

- charges relating to defined-contribution plans are recognised as expenses when paid;
- commitments in respect of defined-benefit plans are determined by actuaries using the projected unit credit method. These calculations are based on assumptions regarding life expectancy, staff turnover and future salary increases. They also take into account the economic situation in each country. For Group companies located in the euro zone, the discount rate used is based on the iBoxx index for bonds with a maturity close to that of the corresponding liabilities.

Commitments under defined-benefit plans concern:

- retirement indemnities and long-service awards under collective bargaining agreements in France;
- commitments in respect of various post-employment healthcare benefits;
- other commitments in respect of supplementary defined-benefit pension plans sponsored by the Group in France, Germany and Belgium.

Certain Group companies have early retirement plans that are accounted for in the same way as employee redundancy.

Actuarial gains and losses for post-employment defined-benefit plans arising since 1 April 2004 are also recognised directly in equity. These actuarial gains and losses correspond to adjustments to reflect differences between the previous actuarial assumptions and actual experience, and the effects of changes in actuarial assumptions.

NOTE 1.15 NET SALES

Net sales include wholesale trading of finished goods in branded wines and spirits marketed by the Group to:

- distributors;
- agents;
- wholesalers, mainly in North America and China.

These sales are recognised when the significant risks and rewards of ownership have been transferred to the buyer, which generally occurs on shipment.

These amounts are stated net of duties and taxes and are determined by reference to customer prices. Sales to wholesalers are recognised net of any provisions for discounts, rebates and other forms of trade agreements when they result in the customer ultimately paying a lower price for the goods.

Certain revenues that are ancillary to the sale of wine and spirit brands (notably from subcontracting and the distribution of alcohol-free products) are recorded at their net amount under "Other income/ (expense)" when they are peripheral to the Group's core activity.

NOTE 1.16 DEFINITION OF CERTAIN INDICATORS

A) Current operating profit, operating profit, profit/(loss) from discontinued operations

Current operating profit comprises all elements relating to the Group's activities with the exception of:

- the operating profit from operations that were discontinued during the period or for which plans to this effect have been approved by the Board of Directors. The corresponding operating profit is reclassified in the item "Profit/(loss) from discontinued operations" together with other items of income and expense relating to these activities;
- items that, given their nature, frequency and materiality, cannot be considered as part of the Group's ordinary activities and which affect inter-period comparisons. They include notably impairment provisions in respect of brands and other non-current assets recognised as a result of impairment tests (see note 1.8), provisions for restructuring and litigation, and significant gains and losses on the sale of assets other than those relating to operations that already have been, or are to be, discontinued.

B) Earnings before interest, tax, depreciation and amortisation (EBITDA)

EBITDA is used notably in the calculation of certain ratios. It corresponds to the current operating profit adjusted by adding back depreciation and amortisation charges for the period in respect of property, plant and equipment and intangible assets, and charges in respect of stock option plans and related items, to which are added dividends received from associates during the period.

C) Net debt

Net debt is used notably in the calculation of certain ratios. It corresponds to long-term financial debt plus short-term financial debt and accrued interest less cash and cash equivalents.

NOTE 1.17 SEGMENT REPORTING

As required by IFRS 8, the Rémy Cointreau Group provides an analysis by business and geographical area of certain items of its consolidated financial statements.

A) Business segments

The operating segments to be presented are those for which separate financial information is available internally and which are used by the "main operational decision-maker" to make operational decisions. Rémy Cointreau's main operational decision-maker is the Executive Committee. This committee reviews operational performances and allocates resources based on the financial data analysed for Rémy Martin, Liqueurs & Spirits and Partner Brands business. Consequently, the Group has identified these businesses as the operating segments to be presented. In addition, a holding segment includes the central expenses that are not allocated to the various divisions.

The main brands in the "Liqueurs & Spirits" segment are Cointreau, Passoa, Metaxa, St-Rémy, Mount Gay and Bruichladdich.

The Partner Brands division includes brands which are not owned by the Group and those whose production is not carried out wholly by the Group. These brands are distributed using the Group's distribution network. The principle brands are the Scotch whiskies owned by the Egrington Group and the Piper-Heidsieck and Charles Heidsieck champagnes.

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

B) Geographic area

The breakdown of net sales by geographic area is based on the destination of goods sold, while the breakdown of balance sheet items is based on the country in which the consolidated entities are located.

The geographic areas used are: Europe-Middle East-Africa, Americas and Asia-Pacific. The Asia-Pacific area includes Asia, Australia and New Zealand.

NOTE 1.18 TREASURY SHARES

Group investments in Rémy Cointreau shares are deducted from equity at their acquisition cost.

On 15 November 2005, and for a period of one year renewable by tacit agreement, Rémy Cointreau signed a liquidity agreement with Rothschild &CieBanque that complies with the Ethics Charter of the Association Française des Entreprises d'Investissement and was approved by the *Autorité des Marchés Financiers* (AMF) by a decision dated 22 March 2005 and published in the *Bulletin des Annonces Légales Obligatoires* (BALO) on 1 April 2005.

At each period end, Rémy Cointreau shares held *via* the liquidity account and the net gains or losses during the year on share transactions conducted by the contract manager are reclassified as equity. The value of cash held in the liquidity account is recorded as "Other financial assets".

NOTE 1.19 STOCK OPTIONS AND BONUS SHARE PLANS

In accordance with IFRS 2 "Share-based payments", plans established since 7 November 2002 give rise to the recognition of a charge representing the estimated value of the benefit granted to the plans' beneficiaries. Amounts are expensed as "Administrative expenses" and simultaneously credited to reserves.

- For stock option plans: the benefit is measured on the date that each plan is granted using a binomial model and is expensed on a straight-line basis over the vesting period (four years).
- For bonus share plans: the valuation is based on the share price on the allocation date and on the estimated dividends paid during the vesting period, weighted by the anticipated achievement of the final allocation criteria. The benefit is expensed on a straight-line basis over the vesting period (two years).

NOTE 1.20 EARNINGS PER SHARE

Basic earnings per share are calculated based on the weighted average number of shares in issue during the reporting period, less treasury shares.

Diluted earnings per share are calculated based on the weighted average number of shares in issue during the reporting period, less treasury shares and plus the weighted average number of shares that would be issued during the reporting period if all existing subscription options granted in respect of the various plans, and which have not lapsed at the balance sheet date, were to be exercised. As required by IAS 33, it is assumed that proceeds from the theoretical exercise of the options are used to acquire ordinary shares at the average market price during the period.

In the event that diluted earnings per share are higher than basic earnings per share, diluted earnings per share are adjusted to the level of basic earnings per share.

NOTE 1.21 DISCONTINUED OPERATIONS

When a company or activity is classified as being discontinued as at the balance sheet date in accordance with IFRS 5, the assets and liabilities directly related to the operation and which will be transferred on completion of the disposal are reclassified as “Assets held for sale” or “Liabilities directly related to assets held for sale” for the current reporting period only.

When a company or activity that represents a major and distinct line of business or geographic area has been sold during the reporting period or classified as assets held for sale:

- each line of the contribution to the result of said company or business for the current period and for comparison periods is reclassified as “Net profit/(loss) from discontinued operations”. A similar reclassification is made in the cash flow statement by using: “Impact of discontinued operations” for operating and investment cash flows;
- when the disposal is still in progress at the balance sheet date, any difference between the carrying value of the assets in question and the estimated market value, net of disposal expenses and tax, if negative, is recognised as “Net profit/(loss) from discontinued operations”;
- the profit generated by the disposal, net of transaction costs and tax, is also recognised under “Net profit/(loss) from discontinued operations”. In the statement of cash flows, a distinction is made between the cash received as consideration for the sale net of transaction costs, classified as cash flow from investments, and any impact of the de-consolidation of the cash held by the entity sold, classified as cash flow from financing activities.

Direct costs associated with the disposal in progress and which are irrevocably incurred at the balance sheet date are recognised under “Net profit/(loss) from discontinued operations”. A similar reclassification is made in the statement of cash flows using the: “Impact of discontinued operations” for investment cash flows.

NOTE 1.22 CONSOLIDATION OF CO-OPERATIVES

Since 1April 2003, the Rémy Cointreau Group has fully consolidated as a special purpose entity, the Alliance Fine Champagne (AFC) co-operative, in respect of the scope of operations relating to Rémy Cointreau.

This consolidation is reflected by the recognition in the consolidated balance sheet of the inventories that AFC holds and intends to deliver to Rémy Cointreau. These inventories include inventories held by the distillers in connection with three-year supply agreements. Corresponding entries are included in financial debt and trade payables. The resulting finance costs are also included in the Rémy Cointreau Group’s cost of financial debt.

NOTE 2 CHANGES IN CONSOLIDATION SCOPE

On 30 August 2013, Rémy Cointreau sold its Larsen cognac business (brand, industrial and commercial assets and the inventories required to enable the business to continue to operate) to the Nordic group Altia. These assets were shown as “Assets held for sale” at 31 March 2013 at their fair value less selling costs and tax. The sale was worth €36.8 million before tax.

Rémy Cointreau acquired Larsen SA on 28 December 2012. Significant inventories of high-quality *eaux-de-vie* constituting a major and strategic part of the assets acquired were retained.

NOTE 3 BRANDS AND OTHER INTANGIBLE ASSETS

(in € millions)	Goodwill	Brands	Distribution rights	Other	Total
Gross value at 31 March 2012	**-**	**486.3**	**7.0**	**23.4**	**516.7**
Acquisitions	23.7	-	-	1.8	25.5
Disposals, items scrapped	-	-	-	(0.1)	(0.1)
Perimeter variances	-	15.6	-	-	15.6
Other movements	-	-	-	0.1	0.1
Translation differences	(1.2)	(0.4)	0.1	0.2	(1.3)
Gross value at 31 March 2013	**22.5**	**501.5**	**7.1**	**25.4**	**556.5**
Acquisitions	-	-	-	3.2	3.2
Disposals, items scrapped	-	-	-	(0.3)	(0.3)
Perimeter variances	-	-	-	-	-
Other movements	-	-	-	-	-
Translation differences	0.4	(0.4)	(0.2)	(0.4)	(0.6)
Gross value at 31 March 2014	**22.9**	**501.1**	**6.9**	**27.9**	**558.8**
Accumulated amortisation and depreciation at 31 March 2012	**-**	**52.2**	**5.1**	**16.2**	**73.5**
Increase	-	-	-	2.8	2.8
Disposals, items scrapped	-	-	-	(0.1)	(0.1)
Translation differences	-	-	0.1	-	0.1
Accumulated amortisation and depreciation at 31 March 2013	**-**	**52.2**	**5.2**	**18.9**	**76.3**
Increase	-	0.1	-	2.7	2.8
Disposals, items scrapped	-	-	-	(0.4)	(0.4)
Translation differences	-	(0.1)	(0.1)	(0.2)	(0.4)
Accumulated amortisation and depreciation at 31 March 2014	**-**	**52.2**	**5.1**	**21.0**	**78.3**
Net carrying amount at 31 March 2012	**-**	**434.1**	**1.9**	**7.2**	**443.2**
Net carrying amount at 31 March 2013	**22.5**	**449.3**	**1.9**	**6.5**	**480.2**
Net carrying amount at 31 March 2014	**22.9**	**448.9**	**1.8**	**6.9**	**480.5**

Intangible fixed assets include the goodwill arising from the acquisition of Bruichladdich Distillery Ltd.

The "Distribution rights" carrying amount includes a brand-equivalent amount.

"Other" mainly comprises software licenses.

At 31 March 2014, the total provision for the impairment of intangible assets was €52.2 million (2013: €52.2 million; 2012: €52.2 million) including €45.0 million for the Greek brandy Metaxa acquired in 2000 and €7.2 million for secondary brands.

All the brands owned by Rémy Cointreau are considered to have an indefinite useful life and so their balance sheet amounts are not amortised (note **1.6**). The present value of these brands is subject to testing on an annual basis or as soon as there is an indication of a decrease in value. The methods used to determine the present value of the brands is described in note **1.8.**

Tests conducted by Rémy Cointreau and reviewed by an independent expert on the entire portfolio of brands did not lead the Group to recognise any impairment.

For tests conducted during the period, the present value used was the recoverable value, based on discounted future cash flows generated by medium-term plans (five years) approved by the Board of Directors. The pre-tax discount rate used was 11.17% (2013: 10.91%) and the perpetual growth rate was between 1% and 2% (2013: between 1% and 2%).

Considering the projections and financial parameters on which such tests are based, an increase of 0.5 points in the discount rate, a reduction of 0.5 points in the perpetual growth rate or a 10% decrease in the cash flow projections contained in the medium-term plans would not lead to impairment of any of the brands or other intangible assets held by the Group.

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

(in € millions)	Land	Buildings	Other	In progress	Total
Gross value at 31 March 2012	**8.2**	**84.9**	**179.8**	**4.5**	**277.4**
Acquisitions	0.2	3.2	11.7	15.2	30.3
Disposals, items scrapped	-	(0.3)	(5.2)	-	(5.5)
Perimeter variances	0.9	6.0	7.8	-	14.7
Other movements	0.1	0.9	2.3	(3.6)	(0.3)
Translation differences	-	-	0.4	-	0.4
Gross value at 31 March 2013	**9.4**	**94.7**	**196.8**	**16.1**	**317.0**
Acquisitions	2.2	2.8	21.8	7.0	33.8
Disposals, items scrapped	(0.3)	(0.3)	(2.1)	-	(2.7)
Other movements	0.7	8.2	7.2	(15.8)	0.3
Translation differences	(0.1)	(0.6)	(1.5)	-	(2.2)
Gross value at 31 March 2014	**11.9**	**104.8**	**222.2**	**7.3**	**346.2**
Accumulated amortisation and depreciation at 31 March 2012	**1.4**	**35.5**	**94.1**	**-**	**131.0**
Increase	0.5	2.6	10.7	-	13.8
Disposals, items scrapped	-	(0.3)	(4.7)	-	(5.0)
Perimeter variances	-	0.5	3.3	-	3.8
Other movements	-	-	(0.1)	-	(0.1)
Translation differences	-	-	0.4	-	0.4
Accumulated amortisation and depreciation at 31 March 2013	**1.9**	**38.3**	**103.7**	**-**	**143.9**
Increase	0.5	2.9	10.9	-	14.3
Disposals, items scrapped	(0.1)	-	(1.8)	-	(1.9)
Other movements	-	0.3	-	-	0.3
Translation differences	(0.1)	(0.2)	(1.0)	-	(1.3)
Accumulated amortisation and depreciation at 31 March 2014	**2.2**	**41.3**	**111.8**	**-**	**155.3**
Net carrying amount at 31 March 2012	**6.8**	**49.4**	**85.7**	**4.5**	**146.4**
Net carrying amount at 31 March 2013	**7.5**	**56.4**	**93.1**	**16.1**	**173.1**
Net carrying amount at 31 March 2014	**9.7**	**63.5**	**110.4**	**7.3**	**190.9**

As of 31 March 2014, no property, plant or equipment owned by the Group was subject to impairment provisions.

In the year ended 31 March 2014, acquisitions, in the amount of €33.8 million, related mainly to industrial capital expenditure on the Group's various production facilities (Cognac, Angers, Barbados, Islay).

These non-current assets are unencumbered.

NOTE 5 INVESTMENT IN ASSOCIATES

Investments in associates represent equity interests in companies meeting the principle described in note **1.2.**

(in € millions)	Dynasty	Lixir	Diversa	Other	Total
At 31 March 2012	**58.8**	**1.3**	**7.6**	**0.7**	**68.4**
Dividend paid	-	(0.6)	(0.3)	-	(0.9)
Capital increase	-	-	-	0.8	0.8
Profit of the year	-	0.4	0.2	(0.2)	0.4
Provision for impairment	(15.9)	-	-	-	(15.9)
At 31 March 2013	**42.9**	**1.1**	**7.5**	**1.3**	**52.8**
Dividend paid	-	(0.4)	(0.3)	-	(0.7)
Capital increase	-	-	-	0.3	0.3
Profit of the year	-	0.5	(0.2)	(0.2)	0.1
Provision for impairment	(10.9)	-	-	-	(10.9)
Translation differences	(2.6)	-	-	(0.2)	(2.8)
At 31 March 2014	**29.4**	**1.2**	**7.0**	**1.2**	**38.8**

NOTE 5.1 DYNASTY

Rémy Cointreau has a 27% equity investment in the Chinese group, Dynasty Fine Wines Ltd, a producer and distributor of Chinese wines. This legacy Rémy Cointreau stake was originally a joint venture set up in 1980 with the municipality of Tianjin, which still holds a 45% interest. Since 2005, the Company has been listed on the Hong Kong stock exchange, with a free float of approximately 28%.

Trading in its shares was suspended on 22 March 2013, just after the Group issued a profit warning for its 2012 financial year. The suspension was due to the fact that the Group was unable to publish its 2012 financial statements on time. The delay was caused by investigations launched by the Audit Committee following allegations of fraud. On 31 March 2013, Rémy Cointreau impaired its investment by €15.9 million in consideration of the fact that the downward trend in earnings and the prospect of a loss represented a clear sign of impairment, irrespective of the reality of the allegations of fraud and their potential impact.

At 30 September 2013, the investigations were still not complete and the Dynasty Group had still not published its 2012 or 2013 financial statements, nor had it given the slightest indication to the market of when its shares would recommence trading or of how the investigations were proceeding. Rémy Cointreau conducted a new valuation with the help of an independent expert. This valuation, using all the public data available on Dynasty, its competitors and trends in the wine market in China, led Rémy Cointreau to impair its investment by an additional €10.9 million.

At 31 March 2014, the situation was more or less unchanged. Investigations were still not complete. Neither the 2012, nor the 2013 financial statements had been published. The valuation was revised and the provision recognised in the half-yearly financial statements retained. In light of changes in the EUR/HKD exchange rate, the value of the equity investment was €29.4 million at 31 March 2014

Fair value was measured on the basis of the discounting of future cash flows based on a long-term plan (12 years). This valuation assumes a 3% perpetual growth rate and a 17.5% discount rate.

NOTE 5.2 LIXIR

On 7 October 2008, the Rémy Cointreau Group acquired a 50% interest in the French distribution company Lixir from William Grant & Sons Investments Ltd for €0.5 million.

Lixir's financial year-end is 31 December. Its net sales amounted to €171.4 million over the Rémy Cointreau financial year, compared with €162.2 million the previous financial year.

NOTE 5.3 DIVERSA

On 31 March 2009, the Group acquired a 50% interest in Diversa GmbH to form a distribution joint venture in Germany with the Underberg Group.

At 31 March 2014, Diversa GmbH's net sales were €105.7 million (2013: €120.7 million).

NOTE 5.4 OTHER

During the year ended 31 March 2012, the Rémy Cointreau Group set up a joint venture with an Indian partner with a view to developing a local brandy.

NOTE 6 OTHER FINANCIAL ASSETS

(in € millions)	2014	2013	2012
Non-consolidated equity investments	2.6	4.2	4.6
Vendor loan (note **6.2**)	86.5	82.1	78.0
Loan to non-consolidated investments	0.2	0.1	0.1
Liquidity account excluding Rémy Cointreau shares	2.3	2.2	3.0
Other	1.6	1.3	1.2
TOTAL	**93.2**	**89.9**	**86.9**

NOTE 6.1 NON-CONSOLIDATED EQUITY INVESTMENTS

(in € millions)	% held	2014	% held	2013	% held	2012
Dettling& Marmot (Switzerland)	25.0%	1.0	25.0%	1.0	25.0%	1.0
Ducs de Gascogne SA (France)	30.1%	0.5	30.1%	0.5	30.1%	1.1
Tianjin Dvpt Holding Ltd (RPC)	0.2%	0.5	0.2%	0.6	0.2%	0.4
Balachoa-Vinhos de Portugal (Portugal)	0.8%	0.5	0.8%	0.5	0.8%	0.5
Destilerias de Vilafranca S.A	-	-	100.0%	1.5	100.0%	1.5
Other investments	-	0.1	-	0.1	-	0.1
TOTAL		**2.6**		**4.2**		**4.6**

NOTE 6.2 VENDOR LOAN

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

As of 31 March 2014, this loan was recognised at the present value of cash flows to be collected by Rémy Cointreau in the event that the loan is repaid on maturity in accordance with the terms and conditions of the contract.

NOTE 6.3 LIQUIDITY ACCOUNT

During the year ended 31 March 2006, Rémy Cointreau signed a liquidity agreement with a financial intermediary (note 1.18). This type of agreement does not qualify as “Cash and cash equivalents”. Furthermore, the balance on the account corresponding to the value of the Rémy Cointreau shares held in conjunction with the agreement is reclassified as treasury shares as a deduction from consolidated equity (note 10.1).

NOTE 7 INVENTORIES

NOTE 7.1 BREAKDOWN BY CATEGORY

(in € millions)	2014	2013	2012
Raw materials	40.7	30.5	23.4
Ageingwines and eaux-de-vie	865.9	779.1	634.9
Goods for resale and finished goods	125.1	142.5	141.5
Gross cost	**1,031.7**	**952.1**	**799.8**
Provision for impairment	(7.1)	(6.2)	(7.2)
Carrying amount	**1,024.6**	**945.9**	**792.6**

Accounting principles applying to inventories are described in note **1.9.**

As of 31 March 2014, some inventories were subject to agricultural warrants in an amount of €44.0 million (2013: €28.0 million; 2012: €27.9 million).

NOTE 7.2 ANALYSIS OF THE CHANGE

(in € millions)	Gross cost	Impairment	Carrying amount
As at 31 March 2012	**799.8**	**(7.2)**	**792.6**
Movement	56.6	1.1	57.7
Perimeter variance	90.8	-	90.8
Translation differences	4.9	(0.1)	4.8
As at 31 March 2013	**952.1**	**(6.2)**	**945.9**
Movement	91.6	(1.1)	90.5
Translation differences	(12.0)	0.2	(11.8)
As at 31 March 2014	**1,031.7**	**(7.1)**	**1,024.6**

NOTE 8 TRADE AND OTHER RECEIVABLES

A provision for doubtful debt is recognised on a case-by-case basis when the fair value of the receivable is less than its carrying amount.

(in € millions)	2014	2013	2012
Trade receivables	152.8	197.2	160.5
Receivables related to taxes and social charges (excl. income tax)	9.2	8.6	16.5
Sundry prepaid expenses	7.2	6.0	7.2
Advances paid	22.4	24.5	6.8
Receivables related to asset disposals	0.1	-	-
Other receivables	11.0	19.2	16.9
TOTAL	**202.7**	**255.5**	**207.9**
Of which provision for doubtful debts	(6.0)	(6.6)	(5.3)

At 31 March 2014, the breakdown of trade receivables by maturity was as follows:

			Due	
(in € millions)	Total	Current	Less than 3 months	More than 3 months
Trade receivables gross	**158.8**	**102.9**	**11.1**	**44.8**

NOTE 9 CASH AND CASH EQUIVALENTS

(in € millions)	2014	2013	2012
Short-term deposits	103.9	100.9	126.4
Cash at bank	82.4	85.9	63.7
TOTAL	**186.3**	**186.8**	**190.1**

NOTE 10 SHAREHOLDERS' EQUITY

NOTE 10.1 SHARE CAPITAL, ISSUE PREMIUM AND TREASURY SHARES

	Number of shares	Treasury shares	Total number of shares	Share capital	Share premium	Treasury shares
At 31 March 2012	**49,629,562**	**(1,428,653)**	**48,200,909**	**79.4**	**738.2**	**(95.8)**
Part payment of dividend in shares	1,190,350	-	1,190,350	1.9	90.4	-
2010 bonus share plan	90,000	-	90,000	0.1	-	-
Share Buy Back program	-	(7,791)	(7,791)	-	-	(0.5)
Liquidity account	-	(10,000)	(10,000)	-	-	(0.9)
Other treasury shares	-	(2,850)	(2,850)	-	-	(0.2)
At 31 March 2013	**50,909,912**	**(1,449,294)**	**49,460,618**	**81.4**	**828.6**	**(97.4)**
Share Buy Back program	-	(1,283,053)	(1,283,053)	-	-	(75.9)
Cancellation of shares on 19/11/2013	(1,150,000)	1,150,000	-	(1.8)	(73.8)	75.6
2011 bonus share plan	-	96,500	96,500	-	-	7.1
Cancellation of shares on 25/03/2014	(1,283,053)	1,283,053	-	(2.0)	(73.9)	75.9
Liquidity account	-	10,000	10,000	-	-	0.9
Other treasury shares	-	2,500	2,500	-	-	0.1
At 31 March 2014	**48,476,859**	**(190,294)**	**48,286,565**	**77.6**	**680.9**	**(13.7)**

Share capital and premium

At 31 March 2014, the share capital consisted of 48,476,859 shares with a par value of €1.60.

On 25 September 2012, 1,190,350 shares were issued following the option offered to shareholders to receive payment of the dividend in shares.

On 23 November 2012, 90,000 shares were issued (from available reserves) on expiry of the vesting period of the 2010 bonus share plan.

On 19 November 2013, 1,150,000 treasury shares were cancelled.

As part of a Share Buy Back Plan implemented between 5 December 2013 and 29 January 2014, Rémy Cointreau acquired 1,283,053 shares for a total of €75.9 million. These shares were cancelled on 25 March 2014.

Treasury shares

At 31 March 2014, Rémy Cointreau held 190,294 treasury shares intended to cover the balance of a stock option plan (plan 13 involving 8,000 shares) and current or future bonus share plans (182,294 shares).

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

The principles for calculating earnings per share are set out in note 1.20.

	2014	2013	2012
Average number of shares (basic):			
Average number of shares	50,482,382	50,329,413	49,587,843
Average number of treasury shares	(1,301,699)	(1,449,161)	(263,511)
TOTAL USED FOR CALCULATING BASIC EARNINGS PER SHARE	**49,180,683**	**48,880,252**	**49,324,332**
Average number of shares (diluted):			
Average number of shares (basic)	49,180,683	48,880,252	49,324,332
Dilution effect of stock options and bonus share plans(1)	131,100	130,429	148,898
TOTAL USED FOR CALCULATING DILUTED EARNINGS PER SHARE	**49,311,783**	**49,010,681**	**49,473,230**

(1) The Rémy Cointreau share price used as a reference for the dilution effect was €61.23 for 2012. All dilutive stock option plans are expired as at 31 March 2013.

NOTE 10.3 STOCK OPTION AND SIMILAR PLANS

Stock-option plans

These plans were granted under the authorisations given by the Extraordinary Shareholders' Meetings held on 21 September 2001 (Plan 12) and 7 September 2004 (Plan 13).

Exercise start date	Plan No.	Term in years	Type[(1)]	Number of options granted	Exercise price in €	Lapsed options	Options exercised on 31 March 2013	Options exercised during the year	Average exercise price	Options outstanding as at 31 March 2014
16 September 2007	12	6	P	287,000	27.67	27,000	246,440	13,560	79.49	-
24 December 2008	13	6	P	262,000	28.07	35,000	217,350	1,650	74.17	8,000
TOTAL				**549,000**		**62,000**	**463,790**	**15,210**	**78.92**	**8,000**

(1) P = Purchase.

For all plans, one option equals one share granted.

Pursuant to a mechanism approved by the AMF on 8 March 2005, Rémy Cointreau hedged plan 13 in March 2005 by means of a call option concluded with a financial institution enabling Rémy Cointreau to deliver shares to the beneficiaries at exercise date at a cost equal to the exercise price.

Bonus share plans

Grant date(1)	Plan No.	Vesting period	Minimum retention period	Initial number of shares granted	Share value on date granted	Lapsed shares	Shares granted at the end of the vesting period	Number of shares outstanding at 31 March 2014
22 November 2011	2011	2 years	2 years	96,500	58.50	-	96,500	-
20 November 2012	2012	2 years	2 years	96,500	83.29	6,000	n/a	90,500
TOTAL				**193,000**		**6,000**	**96,500**	**90,500**

(1) The grant date is the date of the Board meeting which decided allocations under each plan.

For these two plans, the Board of Directors determined that the following acquisition terms would apply:

- 60% of the shares are granted on condition that the beneficiary is still employed by the Group at the end of the vesting period;
- 40% of the shares are granted on the condition that the beneficiary is still employed by the Group at the end of the vesting period and that the Group has satisfied performance criteria measured at the end of the financial year preceding the end of the vesting period. Performance indicators are the current operating profit margin and return on capital employed measured at constant exchange rates and scope.

The 2011 plan was granted in full by allotment of shares held by Rémy Cointreau.

Calculation of the charge for the year

In accordance with IFRS 2, a charge representing the estimated value of the benefit granted to the beneficiaries of share-based payments is recognised as operating profit (note **1.19**). As of 31 March 2014, this only concerned bonus share plans.

For the bonus share plans, the unit value is based on the share price at the grant date for executive management or Management Committee beneficiaries or the notice date for other beneficiaries, less the estimated value of the dividends per share which would be due during the vesting period.

The charge is calculated by multiplying these unit values by the estimated number of options or bonus shares that will be granted. The amount is amortised on a straight-line basis over the rights vesting period from the date of the Board meeting approving each plan.

The assumptions used for the estimation of the benefit value and the resulting values for the plans included in the calculation of the expense for the year ended 31 March 2014 were as follows:

	2011 Plan	2012 Plan
Expectation performance criteria will be met	100%	0%
Staff turnover ratio	0%	0%
Fair value per option(1)	€55.62	€78.69
Fair value per option(2)	€58.65	€82.21

(1) Executive management and Management Committee members.
(2) Other beneficiaries.

For the year ended 31 March 2014, the related expense was €3.7 million (2013: €5.3 million; 2012: €4.3 million).

NOTE 10.4 DIVIDENDS

The Shareholders' Meeting on 24 September 2013 approved the payment of an ordinary dividend of €1.40 per share for the year ended 31 March 2013. The payment was made in October 2013.

NOTE 10.5 NON-CONTROLLING INTERESTS

(in € millions)	**2014**	2013	2012
Minority interests in Mount Gay Distilleries	1.1	1.2	1.2
TOTAL	**1.1**	**1.2**	**1.2**

NOTE 10.6 CAPITAL MANAGEMENT AND FINANCIAL STRUCTURE

Capital management forms an integral part of the optimisation of the Group's financial structure. In this respect, the Rémy Cointreau management takes into account the intrinsic features of its business and the strategic objectives it has set for the Group. These features require a high level of capital employed, mainly in *eaux-de-vie* inventories undergoing ageing, and provide a unique guarantee for its brands' future and their potential to create shareholder value.

For several years the Group has resolutely pursued a debt-reduction policy in order to maximise the funds available for brand development. As a result, it has sold non-strategic assets and adopted new performance indicators including return on capital employed (ROCE) and free cash flow for the various businesses.

Another key indicator is the "A ratio" (average net financial debt/ EBITDA) (notes **11.7, 11.8** and **14.6**), with which the Group must comply in order to access a significant part of its financial resources. The A ratio was 2.09, below the ceiling of 3.50 laid down in the covenant.

During the year ended 31 March 2014, continuing activities generated operating cash flow (before tax and financial expense) of €109.8 million. Net financial debt increased by €148.0 million and the net debt to equity ratio was 0.41 (2013: 0.24; 2012: 0.19).

NOTE 11 FINANCIAL DEBT

NOTE 11.1 NET FINANCIAL DEBT

	2014			2013			2012		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Gross financial debt	553.0	46.8	599.8	389.2	63.1	452.3	340.0	38.7	378.7
Cash and cash equivalents (note **9**)	-	(186.3)	(186.3)	-	(186.8)	(186.8)	-	(190.1)	(190.1)
Net financial debt	**553.0**	**(139.5)**	**413.5**	**389.2**	**(123.7)**	**265.5**	**340.0**	**(151.4)**	**188.6**

NOTE 11.2 GROSS FINANCIAL DEBT BY TYPE

	2014			2013			2012		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Bonds	201.5	-	201.5	200.3	-	200.3	199.1	-	199.1
Private placement	139.8	-	139.8	139.5	-	139.5	139.3	-	139.3
Drawdown on syndicated loan	148.3	-	148.3	47.8	-	47.8	-	-	-
Drawdown on other confirmed credit lines	-	-	-	-	-	-	-	25.0	25.0
Other financial debt and overdrafts	-	-	-	-	0.1	0.1	-	0.1	0.1
Accrued interest	-	7.6	7.6	-	7.5	7.5	-	7.3	7.3
Total Rémy Cointreau SA	**489.6**	**7.6**	**497.2**	**387.6**	**7.6**	**395.2**	**338.4**	**32.4**	**370.8**
Bonds	63.3	-	63.3	-	-	-	-	-	-
Other financial debt and overdrafts	0.1	26.1	26.2	1.6	49.3	50.9	1.6	1.2	2.8
Accrued interest	-	1.7	1.7	-	-	-	-	-	-
Borrowings by special purpose entities	-	11.4	11.4	-	6.2	6.2	-	5.1	5.1
Total subsidiaries	**63.4**	**39.2**	**102.6**	**1.6**	**55.5**	**57.1**	**1.6**	**6.3**	**7.9**
Gross financial debt	**553.0**	**46.8**	**599.8**	**389.2**	**63.1**	**452.3**	**340.0**	**38.7**	**378.7**

NOTE 11.3 GROSS FINANCIAL DEBT BY MATURITY

(in € millions)	Long term	Short term
Before 31 March 2015	-	46.8
10 June 2015	139.8	-
31 March 2016	0.1	
15 December 2016	201.5	-
5 June 2017	148.3	-
13 August 2023	63.3	
TOTAL	**553.0**	**46.8**

As of 31 March 2014, undrawn amounts under the confirmed credit lines of Rémy Cointreau totalled €105 million (2013: €205 million; 2012: €346 million).

As of 31 March 2014, Rémy Cointreau had total confirmed resources of €665 million (2013: €600 million; 2012: €691 million).

Liquidity risk is set out in note **14.**

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NOTE 11.4 GROSS FINANCIAL DEBT BY TYPE OF RATES

	2014			2013			2012		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Fixed interest rate	404.6	-	404.6	339.8	-	339.8	338.4	-	338.4
Variable interest rate	148.4	37.5	185.9	49.4	55.6	105.0	1.6	31.4	33.0
Accrued interest	-	9.3	9.3	-	7.5	7.5	-	7.3	7.3
Gross financial debt	**553.0**	**46.8**	**599.8**	**389.2**	**63.1**	**452.3**	**340.0**	**38.7**	**378.7**

	2014			2013			2012		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Drawdown on syndicated loan	148.3	-	148.3	47.8	-	47.8	-	-	-
Drawdown on other confirmed credit lines	-	-	-	-	-	-	-	25.0	25.0
Other	0.1	37.5	37.6	1.6	55.6	57.2	1.6	6.4	8.0
Variable interest rate	**148.4**	**37.5**	**185.9**	**49.4**	**55.6**	**105.0**	**1.6**	**31.4**	**33.0**

Drawdown on syndicated credit and unconfirmed lines were hedged. Details of the interest rate hedging instruments held in the portfolio at the balance sheet date are provided in note 14.

NOTE 11.5 GROSS FINANCIAL DEBT BY CURRENCY

	2014			2013			2012		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Euro	553.0	46.1	599.1	389.2	62.8	452.0	340.0	37.8	377.8
US dollar	-	0.7	0.7	-	0.3	0.3	-	0.9	0.9
Gross financial debt	**553.0**	**46.8**	**599.8**	**389.2**	**63.1**	**452.3**	**340.0**	**38.7**	**378.7**

NOTE 11.6 BONDS

Bonds with a par value of €205 million

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

This bond is not secured.

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

In the event of the sale of assets, and if the sale proceeds are not used for authorised transactions, Rémy Cointreau must, within 365 days of the date of receipt of the sale proceeds, offer early redemption of the bond up to the amount of the proceeds of the sale. The agreement additionally contains certain conventions that may limit the maximum dividend payout in the event of a loss.

After taking the issue premium and expenses into account, the net proceeds from the bond were approximately €197.0 million, putting the effective interest rate at around 5.89%.

Bonds with a par value of €65 million

On 13 August 2013, Financière Rémy Cointreau SA/NV issued a ten year bond for the amount of €65 million, guaranteed by Rémy Cointreau SA.

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

This bond is not secured.

After taking the issue premium and expenses into account, the net proceeds from the bond were €63.2 million, putting the effective interest rate at 4.35%.

NOTE 11.7 PRIVATE PLACEMENT

On 10 June 2010, Rémy Cointreau secured a so-called "private placement" syndicated finance package with financial institutions. This €140.0 million contract was concluded for five years (maturing on 10 June 2015). The structured financing includes a loan comprising two tranches, of €65 million (tranche A) and €75 million (tranche B) respectively, as well as various swap contracts that exactly match the two tranches, thereby guaranteeing a fixed rate of 3.6675% for the duration of the contract.

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

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

NOTE 11.8 SYNDICATED LOAN

On 5 June 2012, Rémy Cointreau concluded a new syndicated loan to replace the revolving credit line of €346 million that matured on 7 June 2012. The new revolving credit is for a total of €255 million for a period of five years. Amounts drawn down bear interest at EURIBOR plus a fixed margin which is subject to change in line with the Average net financial debt/EBITDA ratio (A ratio).

This facility is unsecured.

Under the terms of this contract, Rémy Cointreau commits to the A ratio being less than or equal to 3.5 at 30 September and 31 March of each year until maturity. As of 31 March 2014, the A ratio was 2.09.

NOTE 12 PROVISIONS FOR RISKS AND LIABILITIES

NOTE 12.1 ANALYSIS OF CHANGE

(in € millions)	Restructuring	Litigation	Total
At 31 March 2012	**0.5**	**7.9**	**8.4**
Increase	-	3.7	3.7
Reversals – Used	(0.2)	(0.4)	(0.6)
Reversals – Unused	-	(2.2)	(2.2)
Perimeter variance	-	0.2	0.2
Translation differences	-	(0.1)	(0.1)
At 31 March 2013	**0.3**	**9.1**	**9.4**
Increase	0.5	13.5	14.0
Reversals – Used	(0.1)	(2.8)	(2.9)
Reversals – Unused	(0.1)	(1.1)	(1.2)
Translation differences	-	(0.3)	(0.3)
At 31 March 2014	**0.6**	**18.4**	**19.0**

"Restructuring" covers costs for the restructuring, closure and transfer of sites in the Netherlands and in Germany. "Litigation" comprises provisions set aside to cover trade, tax and employee-related disputes.

NOTE 12.2 MATURITY

The provisions are intended to cover probable items of expenditure payable as follows:

(in € millions)	**2014**	2013	2012
Long-term provisions (or unknown maturity)	4.6	5.8	6.9
Short-term provisions	14.4	3.6	1.5
TOTAL	**19.0**	**9.4**	**8.4**

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NOTE 13 TRADE AND OTHER PAYABLES

(in € millions)	2014	2013	2012
Trade payables – “eaux-de-vie”	231.0	211.5	193.8
Other trade payables	95.4	98.9	83.6
Advances from customers	4.8	19.5	8.2
Payables related to tax and social charges (excl. income tax)	47.5	51.0	49.1
Excise duties	2.6	0.9	1.0
Advertising expenses payable	75.7	88.5	66.0
Miscellaneous deferred income	7.0	10.4	13.7
Other liabilities	45.0	62.2	52.1
TOTAL	**509.0**	**542.9**	**467.5**

NOTE 14 FINANCIAL INSTRUMENTS AND MARKET RISKS

NOTE 14.1 BREAKDOWN OF FINANCIAL INSTRUMENTS BY CATEGORY

The following tables show the financial instruments recorded on the balance sheet analysed by the measurement categories defined in IAS 39.

AT 31 MARCH 2014

(in € millions)	*Notes*	Carrying amount	Fair value	Loans and receivables at amortised cost	Fair value through income statement(1)	Held for sale	Hedging instruments
Other financial assets	*6*	93.2	93.2	88.3	2.3	2.6	-
Trade and other receivables	*8*	202.7	202.7	202.7	-	-	-
Derivative financial instruments	*14*	12.8	12.8	-	-	-	12.8
Cash and cash equivalents	*9*	186.3	186.3	-	186.3	-	-
ASSETS		**495.0**	**495.0**	**291.0**	**188.6**	**2.6**	**12.8**
Long-term financial debt	*11*	553.0	553.0	553.0	-	-	-
Short-term financial debt and accrued interest charge	*11*	46.8	46.8	46.8	-	-	-
Trade and other payables	*13*	509.0	509.0	509.0	-	-	-
Derivative financial instruments	*14*	7.3	7.3	-	1.8	-	5.5
LIABILITIES		**1,116.1**	**1,116.1**	**1,108.8**	**1.8**	**-**	**5.5**

(1) These financial instruments pertain to the “held for trading” category.

AT 31 MARCH 2013

(in € millions)	*Notes*	Carrying amount	Fair value	Loans and receivables at amortised cost	Fair value through income statement(1)	Held for sale	Hedging instruments
Other financial assets	*6*	89.9	89.9	83.5	2.2	4.2	–
Trade and other receivables	*8*	255.5	255.5	255.5	–	–	–
Derivative financial instruments	*14*	6.3	6.3	–	–	–	6.3
Cash and cash equivalents	*9*	186.8	186.8	–	186.8	–	–
ASSETS		**538.5**	**538.5**	**339.0**	**189.0**	**4.2**	**6.3**
Long-term financial debt	*11*	389.2	389.2	389.2	–	–	–
Short-term financial debt and accrued interest charge	*11*	63.1	63.1	63.1	–	–	–
Trade and other payables	*13*	542.9	542.9	542.9	–	–	–
Derivative financial instruments	*14*	18.4	18.4	–	6.3	–	12.1
LIABILITIES		**1,013.6**	**1,013.6**	**995.2**	**6.3**	**–**	**12.1**

(1) These financial instruments pertain to the "held for trading" category.

AT 31 MARCH 2012

(in € millions)	*Notes*	Carrying amount	Fair value	Loans and receivables at amortised cost	Fair value through income statement(1)	Held for sale	Hedging instruments
Other financial assets	*6*	86.9	86.9	79.3	3.0	4.6	–
Trade and other receivables	*8*	207.9	207.9	207.9	–	–	–
Derivative financial instruments	*14*	5.6	5.6	–	–	–	5.6
Cash and cash equivalents	*9*	190.1	190.1	–	190.1	–	–
ASSETS		**490.5**	**490.5**	**287.2**	**193.1**	**4.6**	**5.6**
Long-term financial debt	*11*	340.0	340.0	340.0	–	–	–
Short-term financial debt and accrued interest charge	*11*	38.7	38.7	38.7	–	–	–
Trade and other payables	*13*	467.5	467.5	467.5	–	–	–
Derivative financial instruments	*14*	25.4	25.4	–	9.3	–	16.1
LIABILITIES		**871.6**	**871.6**	**846.2**	**9.3**	**–**	**16.1**

(1) These financial instruments pertain to the "held for trading" category.

NOTE 14.2 MARKET RISK MANAGEMENT POLICY

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

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

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

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

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

NOTE 14.3 BREAKDOWN OF FINANCIAL INSTRUMENTS (INTEREST AND FOREIGN EXCHANGE RATES)

(in € millions)	2014	2013	2012
Assets			
Interest rate derivatives	-	-	-
Exchange rate derivatives	12.8	6.3	5.6
TOTAL	**12.8**	**6.3**	**5.6**
Liabilities			
Interest rate derivatives	6.9	13.9	15.5
Exchange rate derivatives	0.4	4.5	9.9
TOTAL	**7.3**	**18.4**	**25.4**

NOTE 14.4 INTEREST RATE DERIVATIVES

As of 31 March 2014, interest rate derivatives in the portfolio were as follows:

Breakdown by type

(in € millions)	2014	2013	2012
Liabilities			
Interest rate swaps	4.1	9.0	11.2
Instruments related to Private Placement	2.8	4.9	4.3
TOTAL	**6.9**	**13.9**	**15.5**

Breakdown by maturity

(in € millions)	Nominal	Initial value	Market value	Qualification
Interest rate swaps:				
Maturing in January 2015	75.0	–	2.0	Trading(1)
Maturing in January 2015	50.0	–	1.3	FVH(1)
Maturing in March 2015	25.0	–	0.8	FVH(1)
Related to Private Placement – maturing June 2015	140.0	–	2.8	FVH(1)
TOTAL LIABILITIES	**290.0**	**-**	**6.9**	

(1) FVH: fair value hedge; Trading: held for trading purposes.

Change

Portfolio valuation as at 31 March 2013	**(13.9)**
Variation booked in:	
▪ Shareholders' equity	7.0
▪ Cost of gross financial debt	-
Portfolio valuation as at 31 March 2014	**(6.9)**

Sensitivity to interest rate risk

Given the financing in place and existing hedges, a 50 basis point increase or decrease in interest rates would have the following impact:

	2014		2013		2012	
	Euribor 3 months		Euribor 3 months		Euribor 3 months	
Benchmark value	0.296%		0.211%		0.777%	
	+50 bp	–50 bp	+50 bp	–50 bp	+50 bp	–50 bp
Net profit/(loss)	0.2	(0.1)	0.4	(0.3)	1.2	(1.2)
Equity excluding net profit/(loss)	0.2	(0.1)	0.5	(0.3)	0.2	(0.3)
Change in value of financial instruments	0.6	(0.4)	1.4	(0.9)	1.9	(1.9)
Floating rate financial debt	185.9	185.9	103.3	103.3	31.4	31.4
▪ o/w hedged	75.0	75.0	75.0	75.0	25.0	25.0
▪ o/w not hedged	110.9	110.9	28.3	28.3	6.4	6.4

NOTE 14.5 EXCHANGE RATE DERIVATIVES

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

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

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

(in € millions)	Nominal(1)	Initial value	Market value	Of which CFH(2)	Of which trading(2)
Put options and tunnel options					
Seller USD (vs. EUR)	166.8	3.5	7.4	7.4	-
Other currencies (vs. EUR)	8.7	0.2	0.7	0.7	-
	175.5	**3.7**	**8.1**	**8.1**	**-**
Forward sales					
Seller USD (vs. EUR)	65.3	-	3.2	3.2	-
Other currencies (vs. EUR)	28.5	-	0.9	0.9	-
	93.8	**-**	**4.1**	**4.1**	**-**
Purchase/(sale) of currency swaps (operating activities)(3)					
Seller USD (vs. EUR)	(85.6)	-	0.2	-	0.2
Other currencies (vs. EUR)	(4.5)	-	-	-	-
	(90.1)	**-**	**0.2**	**-**	**0.2**
Purchase/(sale) of currency swaps (financing activities)(3)					
Seller USD (vs. EUR)	(51.4)	-	-	-	-
Other currencies (vs. EUR)	(18.3)	-	-	-	-
	(69.7)	**-**	**-**	**-**	**-**
TOTAL	**109.5**	**3.7**	**12.4**	**12.2**	**0.2**

(1) Nominal amount in foreign currency translated at the closing rate.
(2) Cash flow hedge: hedging cash flow; Trading: held for trading purposes.
(3) Difference between closing price and future price.

During the year ended 31 March 2014, pre-tax income of €10.8 million was recognised directly in equity in respect of change in the intrinsic value of the portfolio of instruments hedging cash flows in the subsequent year.

Sensitivity to foreign exchange risk

Taking into account the hedges in place, a 10% increase or decrease in the EUR/USD exchange rate would have the following impact, with the impact on net profit/(loss) arising mainly from the ineffective portion hedging future flows:

	2014		2013		2012	
	US dollar sensitivity		US dollar sensitivity		US dollar sensitivity	
Benchmark value	1.3788		1.2805		1.3356	
	+10%	-10%	+10%	-10%	+10%	-10%
EUR/USD rate	1.52	1.24	1.41	1.15	1.47	1.20
Net profit/(loss)	(0.7)	(0.1)	0.1	(3.8)	2.8	(8.5)
Equity excluding net profit/(loss)	13.0	(8.2)	13.5	(9.2)	14.0	(14.1)
Change in value of financial instruments	28.0	(23.4)	21.3	(20.4)	27.3	(36.4)
Nominal amount at balance sheet date:						
▪ USD/EUR instruments	288.8	353.0	341.7	417.6	361.4	441.7
▪ USD/EUR receivables potentially exposed	80.9	98.9	69.8	85.4	74.3	90.9

NOTE 14.6 LIQUIDITY RISK

The following table shows the contractual maturity profile of disbursements relating to financial liabilities recognised as of 31 March 2014.

(in € millions)	Before 31 March 2015	Before 31 March 2016	Before 31 March 2017	Before 31 March 2018	Beyond	Total
Financial debt and accrued interest	46.9	140.0	205.0	150.0	65.0	606.9
Trade and other payables	509.0	-	-	-	-	509.0
Derivative financial instruments	4.0	-	-	-	-	4.0
Liabilities recognised at 31 March 2014	**559.9**	**140.0**	**205.0**	**150.0**	**65.0**	**1,119.9**
Future interest on financial debt	19.9	15.6	11.5	3.4	14.0	64.4
TOTAL DISBURSEMENTS	**579.8**	**155.6**	**216.5**	**153.4**	**79.0**	**1,184.3**

In accordance with IFRS 7, liabilities are stated at their carrying amount at the balance sheet date excluding discounting effects. The amounts drawn down on credit lines in the year ended 31 March 2014 are assumed to be carried forward until the maturity of each of the corresponding facilities. The corresponding interest expense is calculated using the parameters known at the balance sheet date. For derivative financial instruments, amounts stated in this analysis are the net cash outflow, excluding discounting effects, which should be paid out by the Company based on market conditions prevailing at the balance sheet date.

Liquidity risk stems mainly from the availability and maturity of financial resources. As of the balance sheet date, total gross financial debt was €606.9 million in nominal value facing confirmed resources with a maturity of more than one year amounting to €665 million as of 31 March 2014 (note **11.3**). The availability of €395 million is subject to compliance with the A ratio covenant (notes **11.7** and **11.8**), which must be below 3.50 at the end of every six-month period until maturity of the financing.

Rémy Cointreau has a syndicated loan of €255 million maturing in June 2017, on which drawings in the amount of €150 million had been made as of 31 March 2014.

NOTE 15 SEGMENT REPORTING

The principles applying to the segmentation by business and geographic area are set out in note 1.17.

NOTE 15.1 BUSINESSES

Breakdown of net sales and current operating profit

There are no intra-segment sales.

	Net sales			Current operating profit		
(in € millions)	**2014**	2013	2012	**2014**	2013	2012
Rémy Martin	551.2	719.7	592.5	125.4	216.6	172.9
Liqueurs & Spirits	237.3	237.0	213.5	37.1	44.8	52.4
Group brands	788.6	956.7	806.0	162.6	261.4	225.3
Partner Brands	243.1	236.6	220.1	8.7	4.2	4.5
Holding	-	-	-	(21.0)	(20.3)	(22.1)
TOTAL	**1,031.6**	**1,193.3**	**1,026.1**	**150.2**	**245.4**	**207.7**

Breakdown of the balance sheet

AT 31 MARCH 2014

(in € millions)	Rémy Martin	Liqueurs & Spirits	Partner Brands	Unallocated	Total
Non-current assets	376.4	293.6	1.4	163.7	835.1
Current assets	1,011.7	109.9	97.3	25.3	1,244.2
Derivative financial instruments	-	-	-	12.8	12.8
Cash and cash equivalents	-	-	-	186.3	186.3
TOTAL ASSETS	**1,388.1**	**403.5**	**98.7**	**388.1**	**2,278.4**
Shareholders' equity	-	-	-	1,011.9	1,011.9
Financial debt and accrued interest	-	-	-	599.8	599.8
Provisions for liabilities and charges	27.0	7.6	2.7	8.4	45.7
Deferred and current tax assets	-	-	-	104.7	104.7
Trade and other payables	403.0	57.8	39.5	8.7	509.0
Derivative financial instruments	-	-	-	7.3	7.3
TOTAL EQUITY AND LIABILITIES	**430.0**	**65.4**	**42.2**	**1,740.8**	**2,278.4**

AT 31 MARCH 2013

(in € millions)	Rémy Martin	Liqueurs & Spirits	Partner Brands	Unallocated	Total
Non-current assets	361.3	290.5	1.5	189.9	843.2
Current assets	960.0	106.9	126.8	8.5	1,202.2
Derivative financial instruments	-	-	-	6.3	6.3
Assets held for sale	-	-	-	28.8	28.8
Cash and cash equivalents	-	-	-	186.8	186.8
TOTAL ASSETS	**1,321.3**	**397.4**	**128.3**	**420.3**	**2,267.3**
Shareholders' equity	-	-	-	1,094.8	1,094.8
Financial debt and accrued interest	-	-	-	452.3	452.3
Provisions for liabilities and charges	17.5	8.9	2.1	6.1	34.6
Deferred and current tax assets	-	-	-	124.3	124.3
Trade and other payables	434.3	54.0	45.9	8.7	542.9
Derivative financial instruments	-	-	-	18.4	18.4
TOTAL EQUITY AND LIABILITIES	**451.8**	**62.9**	**48.0**	**1,704.6**	**2,267.3**

AT 31 MARCH 2012

(in € millions)	Rémy Martin	Liqueurs & Spirits	Partner Brands	Unallocated	Total
Non-current assets	349.0	238.9	1.7	199.3	788.9
Current assets	783.9	72.6	128.1	19.8	1,004.4
Derivative financial instruments	-	-	-	5.6	5.6
Assets held for sale	-	-	-	0.2	0.2
Cash and cash equivalents	-	-	-	190.1	190.1
TOTAL ASSETS	**1,132.9**	**311.5**	**129.8**	**415.0**	**1,989.2**
Shareholders' equity	-	-	-	976.0	976.0
Financial debt and accrued interest	-	-	-	378.7	378.7
Provisions for liabilities and charges	15.7	5.1	1.8	7.6	30.2
Deferred and current tax assets	-	-	-	111.4	111.4
Trade and other payables	365.6	48.8	41.5	11.6	467.5
Derivative financial instruments	-	-	-	25.4	25.4
TOTAL EQUITY AND LIABILITIES	**381.3**	**53.9**	**43.3**	**1,510.7**	**1,989.2**

Capital expenditure and amortisation expense

	Capital expenditure and acquisition of intangible assets			Depreciation and amortisation charges		
(in € millions)	**2014**	2013	2012	**2014**	2013	2012
Rémy Martin	26.7	23.2	13.9	10.8	10.8	9.9
Liqueurs & Spirits	9.7	8.4	5.2	5.7	5.1	4.3
Partner Brands	0.6	0.4	0.3	0.6	0.6	0.5
TOTAL	**37.0**	**32.0**	**19.4**	**17.1**	**16.5**	**14.7**

NOTE 15.2 GEOGRAPHIC AREA

Net sales

(in € millions)	Net sales 2014	2013	2012
Europe-Middle East-Africa	323.8	323.2	317.4
Americas	413.1	394.4	321.3
Asia Pacific	294.7	475.7	387.4
TOTAL	**1,031.6**	**1,193.3**	**1,026.1**

Balance sheet

AT 31 MARCH 2014

(in € millions)	Europe Middle East Africa	Americas	Asia Pacific	Unallocated	Total
Non-current assets	758.3	36.1	40.7	-	835.1
Current assets	1,024.4	105.7	114.1	-	1,244.2
Derivative financial instruments	-	-	-	12.8	12.8
Cash and cash equivalents	-	-	-	186.3	186.3
TOTAL ASSETS	**1,782.7**	**141.8**	**154.8**	**199.1**	**2,278.4**
Shareholders' equity	-	-	-	1,011.9	1,011.9
Financial debt and accrued interest	-	-	-	599.8	599.8
Provisions for liabilities and charges	37.0	0.1	8.6	-	45.7
Deferred and current tax assets	101.8	0.3	2.6	-	104.7
Trade and other payables	388.8	40.9	79.3	-	509.0
Derivative financial instruments	-	-	-	7.3	7.3
TOTAL EQUITY AND LIABILITIES	**527.6**	**41.3**	**90.5**	**1,619.0**	**2,278.4**

AT 31 MARCH 2013

(in € millions)	Europe Middle East Africa	Americas	Asia Pacific	Unallocated	Total
Non-current assets	739.3	35.3	68.6	–	843.2
Current assets	912.1	134.2	155.9	–	1,202.2
Derivative financial instruments	–	–	–	6.3	6.3
Assets held for sale	28.8	–	–	–	28.8
Cash and cash equivalents	–	–	–	186.8	186.8
TOTAL ASSETS	**1,680.2**	**169.5**	**224.5**	**193.1**	**2,267.3**
Shareholders' equity	–	–	–	1,094.8	1,094.8
Financial debt and accrued interest	–	–	–	452.3	452.3
Provisions for liabilities and charges	34.2	–	0.4	–	34.6
Deferred and current tax assets	110.5	0.3	13.5	–	124.3
Trade and other payables	371.2	51.2	120.5	–	542.9
Derivative financial instruments	–	–	–	18.4	18.4
TOTAL EQUITY AND LIABILITIES	**515.9**	**51.5**	**134.4**	**1,565.5**	**2,267.3**

AT 31 MARCH 2012

(in € millions)	Europe Middle East Africa	Americas	Asia Pacific	Unallocated	Total
Non-current assets	680.9	31.9	76.1	–	788.9
Current assets	768.5	126.8	109.1	–	1,004.4
Derivative financial instruments	–	–	–	5.6	5.6
Assets held for sale	0.2	–	–	–	0.2
Cash and cash equivalents	–	–	–	190.1	190.1
TOTAL ASSETS	**1,449.6**	**158.7**	**185.2**	**195.7**	**1,989.2**
Shareholders’ equity	–	–	–	976.0	976.0
Financial debt and accrued interest	–	–	–	378.7	378.7
Provisions for liabilities and charges	29.9	–	0.3	–	30.2
Deferred and current tax assets	101.5	0.6	9.3	–	111.4
Trade and other payables	336.7	43.7	87.1	–	467.5
Derivative financial instruments	–	–	–	25.4	25.4
TOTAL EQUITY AND LIABILITIES	**468.1**	**44.3**	**96.7**	**1,380.1**	**1,989.2**

Investments

	Capital expenditure and acquisition of intangible assets		
(in € millions)	**2014**	2013	2012
Europe-Middle East-Africa	32.5	28.3	16.2
Americas	2.6	2.5	2.1
Asia Pacific	1.9	1.2	1.1
TOTAL	**37.0**	**32.0**	**19.4**

NOTE 16 ANALYSIS OF OPERATING EXPENSES BY TYPE

(in € millions)	**2014**	2013	2012
Personnel costs	(151.8)	(156.8)	(135.7)
Advertising and promotion expenses	(230.3)	(260.4)	(220.5)
Depreciation, amortisation and impairment of non-current assets	(17.1)	(16.5)	(14.7)
Other expenses	(118.5)	(106.5)	(98.2)
Expenses allocated to inventories and production costs	48.3	47.1	45.3
TOTAL	**(469.4)**	**(493.1)**	**(423.8)**
Of which:			
Distribution costs	(379.8)	(403.3)	(344.8)
Administrative expenses	(89.6)	(89.8)	(79.0)
TOTAL	**(469.4)**	**(493.1)**	**(423.8)**

Distribution costs comprise advertising and promotion expenses, commission income or expenses, ordinary writedowns of inventories and trade receivables and the overheads of the Group distribution companies.

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

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

Personnel costs consist of the following:

(in € millions)	**2014**	**2013**	**2012**
Salaries and social charges	(142.8)	(145.4)	(123.6)
Pension and other similar benefits	(3.9)	(2.6)	(2.5)
Employee profit-sharing	(1.4)	(3.5)	(5.3)
Share-based payments	(3.7)	(5.3)	(4.3)
TOTAL	**(151.8)**	**(156.8)**	**(135.7)**

NOTE 17 NUMBER OF EMPLOYEES

The number of employees is stated in full-time equivalents at the balance sheet date and covers all fully consolidated companies.

(full-time equivalents)	**2014**	**2013**	**2012**
France	721	712	674
Europe (outside France) – Africa	280	239	161
Americas	333	332	320
Asia Pacific	421	421	405
TOTAL	**1,755**	**1,704**	**1,560**

NOTE 18 OTHER OPERATING INCOME/(EXPENSE)

(in € millions)	**2014**	**2013**	**2012**
Expenses related to the acquisition of Bruichladdich	(0.1)	(5.3)	-
Expenses related to the acquisition of Larsen	(3.9)	(2.5)	-
Impairment of brands	(0.1)	-	(3.8)
Tax adjustment excluding income taxes	(1.0)	0.2	0.7
Other	0.2	0.1	0.1
TOTAL	**(4.9)**	**(7.5)**	**(3.0)**

NOTE 19 FINANCIAL INCOME/(EXPENSE)

NOTE 19.1 COST OF NET FINANCIAL DEBT BY TYPE

(in € millions)	**2014**	2013	2012
Bonds	(13.6)	(11.7)	(11.7)
Private placement	(5.3)	(5.3)	(5.2)
Syndicated loan and unconfirmed lines	(4.2)	(3.0)	(0.9)
Finance costs of special *purpose entities*	(2.5)	(2.7)	(2.9)
Interest flows on hedging interest rate derivatives	(2.5)	(2.3)	-
Ineffective portion of hedging interest rate derivatives	2.1	1.4	-
Other financial expenses	(0.4)	(0.3)	-
Sub–total	**(26.4)**	**(23.9)**	**(20.7)**
Effect of non-hedging interest rate derivatives	(0.1)	(1.2)	(9.2)
Cost of gross financial debt	**(26.5)**	**(25.1)**	**(29.9)**
Interest income	3.7	3.0	2.0
Cost of net financial debt before IFRS 5	**(22.8)**	**(22.1)**	**(27.9)**
Reclassification to discontinued operations	-	-	1.0
Cost of net financial debt	**(22.8)**	**(22.1)**	**(26.9)**

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

NOTE 19.2 OTHER FINANCIAL INCOME/(EXPENSE)

(in € millions)	**2014**	2013	2012
Currency gains	-	4.7	-
Vendor loan – interest accrued and revaluation	4.4	4.2	3.0
Other financial income	**4.4**	**8.9**	**3.0**
Currency losses	-	-	(5.1)
Other financial expenses of special *purpose entities*	(6.3)	(5.2)	(4.7)
Other	(1.5)	(1.6)	(1.6)
Other financial expenses	**(7.8)**	**(6.8)**	**(11.4)**
Total	**(3.4)**	**2.1**	**(8.4)**

The item “Vendor loan – interest accrued and revaluation” relates to the loan granted at the time of the disposal of the Champagne division. The loan is described in note **6.2.**

Currency losses and gains recorded in “Other financial expenses” include mainly the impact of hedge accounting under IAS 39 relating to the cash flow hedge and the currency gains/(losses) from financing transactions. Currency gains/(losses) from operations are recognised in gross profit (note **1.4**).

(in € millions)	**2014**	2013	2012
Ineffective portion of currency hedges	1.1	4.9	(6.6)
Other	(1.1)	(0.2)	1.5
Currency gains/(losses)	**-**	**4.7**	**(5.1)**

NOTE 20 INCOME TAX

NOTE 20.1 NET INCOME TAX EXPENSE

(in € millions)	**2014**	2013	2012
Current tax/(expense) income	(47.8)	(80.6)	(73.7)
Deferred tax/(expense) income	2.0	8.6	26.4
Total	**(45.8)**	**(72.0)**	**(47.3)**
Effective tax rate	-38.5%	-33.1%	-27.9%

NOTE 20.2 TAX REGIME

Rémy Cointreau has opted for the Group tax regime for certain subsidiaries in which it holds a direct or indirect equity interest of at least 95%. This regime entitles the Group to offset, within certain limits, the tax expenses of companies with taxable income against losses incurred by other subsidiaries. The resulting tax saving is recognised in the year of offset.

NOTE 20.3 ANALYSIS OF ORIGIN AND ALLOCATION OF DEFERRED TAXES

(in € millions)	**2014**	2013	2012
Breakdown by type			
Pension provisions	9.0	8.0	6.8
Regulated provisions	(14.7)	(10.8)	(8.6)
Other provisions	7.1	8.3	6.8
Brands	(98.4)	(98.4)	(93.4)
Non-current assets	(10.8)	(12.5)	(13.3)
Margins on inter-company inventories	28.6	20.2	16.3
Losses carried forward	3.2	6.1	8.7
Other timing differences	13.0	27.3	22.3
Net liability	**(63.0)**	**(51.8)**	**(54.4)**
Breakdown by tax group			
France	(71.4)	(60.6)	(78.3)
US	6.9	4.9	2.9
Netherlands	(9.9)	(12.7)	(15.4)
Other	11.4	16.6	36.4
Net liability	**(63.0)**	**(51.8)**	**(54.4)**
Deferred tax asset	31.7	93.7	44.0
Deferred tax liability	(94.7)	(145.5)	(98.4)
Net liability	**(63.0)**	**(51.8)**	**(54.4)**

NOTE 20.4 TAX LOSSES AND CAPITAL LOSSES CARRIED FORWARD

As of 31 March 2014, tax losses carried forward totalled €19.3 million (2013: €25.9 million). The potential tax saving arising from the use of these losses is €4.9 million (2013: €7.3 million). Of these deficits, the Group recognised a net asset of €3.1 million, of which it plans to recover €1.8 million by March 2017.

NOTE 20.5 TAX PROOF

In 2014, income tax expense amounted to €45.8 million. The difference with the theoretical tax expense based on the French statutory rate (38.0% in 2014, 36.1% in 2013 and 2012) is as follows:

(in € millions)	**2014**	2013	2012
Theoretical tax charge	(45.2)	(78.7)	(61.1)
Actual tax charge	(45.8)	(72.0)	(47.3)
Difference	**(0.6)**	**6.7**	**13.8**
Permanent differences between consolidated profit and taxable profit	(0.7)	(15.1)	(8.7)
Use of tax losses or timing differences not previously recognised	-	0.2	1.2
Unused losses from subsidiaries that are loss-making from a tax point of view	-	(0.8)	(0.2)
Difference in tax rates applicable to foreign subsidiaries	9.8	25.4	25.4
Adjustment to the tax charge for prior years	(9.7)	(3.0)	(3.9)
TOTAL	**(0.6)**	**6.7**	**13.8**

NOTE 21 NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

(in € millions)	**2014**	2013	2012
Champagne			
Champagne division disposal expenses	-	-	(1.1)
Restatement on the EPI distribution contract	-	-	(9.5)
TOTAL	**-**	**-**	**(10.6)**

During the year ended 31 March 2012, pursuant to IFRS, part of the disposal price of the Champagne division was allocated to the distribution contract, whose terms are favourable to the buyer in the initial years. This amount was recognised as a liability and will be released over the periods concerned. The initial corresponding charge was €9.5 million after tax.

NOTE 22 NET PROFIT/(LOSS) EXCLUDING NON-RECURRING ITEMS

Net profit/(loss) excluding non-recurring items corresponds to net profit/(loss) restated for other operating income/expense) (as described in note 18), the related tax effects and the profit/(loss) from discontinued operations.

NOTE 22.1 RECONCILIATION WITH NET PROFIT/(LOSS)

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

(in € millions)	2014	2013	2012
Net profit/(loss) – attributable to the owners of the parent	**62.4**	**130.4**	**110.8**
Provision for impairment on Dynasty shares (note **5.1**)	10.9	15.9	-
Expenses related to the acquisition of Bruichladdich	0.1	5.3	-
Expenses related to the acquisition of Larsen	3.9	2.5	-
Brand impairment	0.1	-	3.8
Tax adjustment excluding income taxes	1.0	(0.2)	(0.7)
Other	0.2	(0.1)	(0.1)
Tax effect	(0.5)	(2.3)	(0.5)
3% contribution on distribution of dividend in cash	2.1	-	-
Net profit/(loss) from discontinued operations	-	-	10.6
Net profit/(loss) excluding non-recurring items – attributable to the owners of the parent	**80.2**	**151.5**	**123.9**

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NOTE 22.2 NET PROFIT/(LOSS) EXCLUDING NON-RECURRING ITEMS PER SHARE – ATTRIBUTABLE TO THE OWNERS OF THE PARENT

(in € millions)	*Notes*	2014	2013	2012
Net profit excluding non-recurring items				
▪ attributable to owners of the parent company		80.2	151.5	123.9
Number of shares				
▪ basic	*10.2*	49,180,683	48,880,252	49,324,332
▪ diluted	*10.2*	49,311,783	49,010,681	49,473,230
Per share (in €)				
▪ basic		1.63	3.10	2.51
▪ diluted		1.63	3.09	2.50

NOTE 23 PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

NOTE 23.1 DEFINED-BENEFIT PENSION PLANS

(in € millions)	**2014**	2013	2012
Present value of obligation at start of year	**(27.3)**	**(23.7)**	**(29.7)**
Service cost	(2.0)	(1.3)	(1.0)
Interest cost	(0.7)	(0.8)	(1.2)
Curtailment or settlement	–	–	3.6
Benefits paid	1.7	1.2	0.8
Actuarial gain (losses)	(1.3)	(2.6)	(1.6)
Past service costs	–	(0.1)	–
Closure of pension scheme	–	–	1.3
Change in consolidation scope[(1)]	–	–	4.1
Present value of obligation at end of year	**(29.6)**	**(27.3)**	**(23.7)**
Not funded	(20.1)	(18.9)	(17.2)
Partly funded	(9.5)	(8.4)	(6.5)
Carrying amount of plan asset at start of year	**3.4**	**3.4**	**5.4**
Expected return	0.1	0.2	0.1
Contributions received	0.6	0.6	0.9
Curtailment or settlement	–	–	(2.9)
Benefits paid	(0.8)	(0.5)	(0.1)
Actuarial gain (losses)	(0.1)	(0.3)	–
Carrying amount of plan asset at end of year	**3.2**	**3.4**	**3.4**
Funded status	**(26.4)**	**(23.9)**	**(20.3)**
Unrecognised past service costs	–	(0.9)	(1.1)
Unrecognised actuarial (gains) losses	–	–	–
Net commitment	**(26.4)**	**(24.8)**	**(21.4)**
LIABILITIES	**(26.4)**	**(24.8)**	**(21.4)**
ASSETS	**–**	**–**	**–**

(1) Disposal of the Champagne division.

NOTE 23.2 CHARGES FOR THE YEAR

(in € millions)	2014	2013	2012
Service cost	(2.0)	(1.3)	(1.0)
Interest cost	(0.7)	(0.8)	(1.2)
Expected return	0.1	0.2	0.1
Amortisation of other items not recognised	–	–	(0.1)
Curtailment or settlement	–	–	0.6
Total income (expense)	**(2.6)**	**(1.9)**	**(1.6)**
Benefits paid	0.9	0.8	0.7
Employer's contribution	0.6	0.6	0.8
Total net income (expense)	**(1.1)**	**(0.5)**	**(0.1)**
Assumptions			
Average discount rate	2.55%	2.67%	3.94%
Average salary increase	3.00%	3.00%	2.85%
Expected working life	15.7 years	3 to 19 years	6 to 19 years
Expected rate of return of plan assets	2.21%	3.00%	4.00%
Increase in medical costs	5.00%	5.00%	5.00%

NOTE 23.3 ACTUARIAL GAINS AND LOSSES

(in € millions)	2014	2013	2012
Opening balance	**(24.3)**	**(21.4)**	**(17.8)**
Movement for the year	(0.4)	(2.9)	(3.6)
Of which experience adjustments	(0.4)	0.2	0.5
Closing balance	**(24.7)**	**(24.3)**	**(21.4)**

NOTE 23.4 BREAKDOWN OF PRESENT VALUE OBLIGATION BY NATURE

(in € millions)	2014	2013	2012
Retirement indemnities	(10.7)	(9.8)	(8.2)
Supplementary pension plans	(14.5)	(13.7)	(14.3)
Long-service awards	(0.7)	(0.7)	(0.6)
Post-employment healthcare benefits	(0.5)	(0.6)	(0.6)
TOTAL	**(26.4)**	**(24.8)**	**(23.7)**

NOTE 23.5 DEDICATED FINANCIAL ASSETS

At 31 March 2014, the assets underlying the liabilities were held by insurance companies who invest these assets together with their general assets.

NOTE 23.6 SENSITIVITY

The sensitivity of the present value of the rights to an increase/ decrease of 250 basis points in the discount rate is less than €1 million.

Given the present non-material scope of post-employment healthcare benefit schemes, the sensitivity to an increase in medical costs exceeding 5% is not material for the Group.

IAS 19R was implemented starting 1 April 2013. Impact was a decrease in provisions for pensions by approximately €1 million in exchange for equity in respect of the full consideration of the past service cost not recognised in the year ended 31 March 2013.

NOTE 24 OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES NOTE

NOTE 24.1 OPERATING ACTIVITY COMMITMENTS

(in € millions)	**2014**	**2013**	**2012**
Purchase commitments – non-current assets	14.8	1.2	3.0
Leasing commitments – offices	26.0	9.9	12.4
Leasing commitments – equipment	1.8	2.1	1.9
Purchase commitments – “eaux-de-vie”	50.9	15	39.9
Purchase commitments – wine	3.4	11.9	37.7

Purchase commitments – non-current assets mainly concern the acquisition of ageing casks at the Cognac site as well as the acquisition of a distillery in Barbados.

The office leasing commitments mainly relate to the lease of the Group’s Paris head office and that of the head office of the subsidiary Rémy Cointreau USA in New York.

The *eaux-de-vie* purchase commitments essentially relate to three-year contracts entered into with the distillers. These commitments are valued based on the prices known at the balance sheet date.

The wine purchase commitments comprise purchase commitments for wine in the US.

Breakdown of commitments by maturity as of 31 March 2014:

(in € millions)	Total	2015	Beyond
Purchase commitments – non-current assets	14.8	10.9	3.9
Leasing commitments – offices	26.0	4.8	21.2
Leasing commitments – equipment	1.8	0.8	1.0
Purchase commitments – “eaux-de-vie”	50.9	12.2	38.7
Purchase commitments – wine	3.4	1.4	2.0

NOTE 24.2 FINANCING COMMITMENTS, DEPOSITS AND SIMILAR GUARANTEES

(in € millions)	**2014**	**2013**	**2012**
Tax deposits	0.2	0.2	0.2
Customs deposits	14.2	13.4	12.9
Export deposits	0.5	0.5	0.5
Environmental deposits	2.5	2.5	2.5
Guarantees granted to suppliers	6.3	6.3	6.3
Factoring guarantees	10.0	10.0	10.0
Agricultural warrants on AFC inventories	44.0	28.0	27.9
Guarantee on 65 M€ bond issue	65.0	-	-
Miscellaneous guarantees on credit lines	4.4	9.5	8.7
Other guarantees	0.1	0.8	-

Breakdown of commitments by maturity as of 31 March 2014:

(in € millions)	Total	2015	Beyond
Tax deposits	0.2	-	0.2
Customs deposits	14.2	1.4	12.8
Export deposits	0.5	-	0.5
Environmental deposits	2.5	-	2.5
Guarantees granted to suppliers	6.3	6.3	-
Factoring guarantees	10.0	-	10.0
Agricultural warrants on AFC inventories	44.0	44.0	-
Guarantee on €65 million bond issue	65.0	-	65.0
Miscellaneous guarantees on credit lines	4.4	4.0	-
Other guarantees	0.1	-	0.1

NOTE 24.3 CONTINGENT LIABILITIES RELATED TO DISPOSAL TRANSACTIONS

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

The guarantees granted and still outstanding at 31 March 2014 were as follows:

Disposal transaction	Transaction date	Nature of ongoing guarantees	Maturity	Maximum amount
Piper-Heidsieck Compagnie Champenoise	8 July 2011	Tax and similar items	Legal period +90 days	No ceiling
Larsen	30 August 2013	Tax and similar items, other items	Legal period 30 August 2015	€3.0 million

NOTE 24.4 OTHER CONTINGENT LIABILITIES

At 31 March 2014, Rémy Cointreau was involved in various litigations. After reviewing each case in relation to each subsidiary concerned, and after seeking legal advice, the provisions deemed to be necessary have been established to cover the estimated risks, where applicable.

Rémy Cointreau declares that it has not omitted any material off-balance sheet items in the presentation of its consolidated financial statements.

NOTE 25 RELATED PARTIES

NOTE 25.1 TRANSACTIONS WITH ASSOCIATES

At 31 March 2014, the Rémy Cointreau Group's main associates were Dynasty Fine Wines Group Ltd, Lixir and Diversa.

The transactions with these companies are described in note **5.**

NOTE 25.2 TRANSACTIONS WITH ORPAR AND ANDROMÈDE

Andromède is Rémy Cointreau's main shareholder, through Orpar. Transactions between Rémy Cointreau and these companies are as follows:

(in € millions)	**2014**	2013	2012
Service fees paid	3.2	3.4	3.3
Current account	-	0.1	0.1
Trade payables and other liabilities	-	0.1	0.1

NOTE 25.3 TRANSACTIONS WITH COMPANIES WITH A COMMON SHAREHOLDER OR DIRECTOR

Andromède, shareholder of Orpar, is also a shareholder of Oeneo Group, which is listed on Euronext Paris and is a market leader in the cooperage and corking business. As such, various Oeneo Group subsidiaries are suppliers to the Rémy Cointreau Group.

(in € millions)	**2014**	2013	2012
Purchases of non-current assets	3.4	3.0	2.4
Other purchases	0.7	0.8	0.7
Trade payables	0.6	0.8	-

NOTE 25.4 MANAGEMENT BODIES

The Group's management bodies comprise the members of the Board of Directors and the Executive Committee (six members).

Short-term benefits comprise fixed and variable remuneration and directors' fees.

(in € millions)	**2014**	2013	2012
Short-term benefits	6.8	6.2	6.6
Post-employment benefits	0.4	0.4	0.2
Share-based payments	2.2	2.9	2.3
TOTAL	**9.4**	**9.5**	**9.1**

NOTE 26 POST-BALANCE SHEET EVENTS

On 11 April 2014, Rémy Cointreau signed an amendment to extend its €255 million syndicated loan with a pool of ten banks. This loan was extended by about two years, to 11 April 2019, with more favourable margins.

On 31 March 2014, the Group signed a promise to purchase for the acquisition of a distillery in Barbados, which was acquired at the end of May 2014. The amount was around US$9.5 million. This acquisition will enable the production capacity of Mount Gay rum to be increased.

The Dynasty Group has not published its 2012 or 2013 annual financial statements or made any statement in respect of the allegations of fraud made against it. Trading in its shares is still suspended. A Hong Kong stock exchange enquiry has been ongoing since May 2014.

NOTE 27 LIST OF CONSOLIDATED COMPANIES

At 31 March 2014, the consolidation included 51 companies (47 at 31 March 2013). Forty-seven companies were fully consolidated, and four were accounted for using the equity method. All companies have a 31 March year-end, with the exception of Dynasty Fine Wines Group Ltd and Lixir, which have a 31 December year-end.

		% interest	
Company	**Activity**	**March 2014**	**March 2013**
EUROPE			
France			
Rémy Cointreau SA[1]	Holding/Finance	100.0	100.0
Rémy Cointreau Services[1]	Holding/Finance	100.0	100.0
CLS Rémy Cointreau[1]	Production/Distribution	100.0	100.0
Domaines Rémy Martin[1]	Agricultural production	100.0	100.0
E. Rémy Martin &Cie[1]	Production	100.0	100.0
Cointreau[1]	Production	100.0	100.0
Izarra – Distillerie de la Côte Basque[1]	Production	100.0	100.0
Alliance Fine Champagne[2]	Special *purpose entity*	100.0	100.0
Lixir[3]	Distribution	50.0	50.0
Rémy Cointreau International Marketing Service[1]	Other	100.0	100.0
Joint Marketing Services[1]	Holding/Finance	100.0	100.0
Rémy Cointreau Ariès[5]	Production	100.0	100.0
Netherlands			
Rémy Cointreau Nederland Holding NV	Holding/Finance	100.0	100.0
DELB BV	Holding/Finance	100.0	100.0
Rémy Cointreau Nederland BV	Holding/Finance	100.0	100.0
De Bron 1575 BV	Holding/Finance	100.0	100.0
Other countries			
Hermann Joerss GmbH & Co (Germany)	Distribution	100.0	100.0
Cointreau Holding GmbH (Germany)	Holding/Finance	100.0	100.0
DiversaSpezialitaten GmbH[3] (Germany)	Distribution	50.0	50.0
S. & E. & A. Metaxa ABE (Greece)	Production	100.0	100.0
Financière Rémy Cointreau SA (Belgium)	Holding/Finance	100.0	100.0
Rémy Cointreau Belgium (Belgium)	Distribution	100.0	100.0
Rémy Cointreau Luxembourg SA (Luxembourg)	Distribution	100.0	100.0
Rémy Cointreau Slovakia sro (Slovakia)	Distribution	100.0	100.0
Rémy Cointreau Czech Republic sro (Czech Republic)	Distribution	100.0	100.0
Bruichladdich Distillery Company Ltd (UK)	Production	100.0	100.0
Rémy Cointreau UK Ltd (UK)	Holding/Finance	100.0	100.0

(1) Company included in the French tax group.
(2) Special-purpose entity.
(3) Equity-accounted company.
(4) Creation during the year.
(5) Ex Larsen – Le Cognac des Vikings SA, renamed Rémy Cointreau Ariès

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		% interest	
Company	**Activity**	**March 2014**	**March 2013**
AMERICAS			
Unites States			
Rémy Cointreau USA Inc	Distribution	100.0	100.0
Rémy Cointreau AmériqueInc	Holding/Finance	100.0	100.0
Rémy Cointreau Travel Retail Americas Inc	Distribution	100.0	100.0
Barbados			
Mount Gay Distilleries Ltd	Production	95.2	95.2
Mount Gay Holding Ltd	Holding/Finance	100.0	100.0
Other countries			
Cointreau Do Brazil (licores) Ltda (Brazil)	Other	100.0	100.0
ASIA/PACIFIC/AFRICA			
China/Hong Kong			
Dynasty Fine Wines Group Ltd(3)	Production	27.0	27.0
Rémy Cointreau Shanghaï Ltd	Distribution	100.0	100.0
E. Rémy Rentouma Trading Ltd	Distribution	100.0	100.0
Shanghaï RC Trading Ltd	Distribution	100.0	100.0
Rémy Concord Ltd	Distribution	100.0	100.0
Rémy Pacifique Ltd	Holding/Finance	100.0	100.0
Caves de France	Holding/Finance	100.0	100.0
Other countries			
Rémy Cointreau Taïwan Pte Ltd (Taïwan)	Distribution	100.0	100.0
Rémy Cointreau Japan KK (Japan)	Distribution	100.0	100.0
Rémy Cointreau International Pte Ltd (Singapore)	Distribution	100.0	100.0
Rémy Cointreau India Private Ltd (India)	Distribution	100.0	100.0
Rémy Sula India Pvt Ltd (India)(3)	Production	50.0	50.0
Rémy Cointreau South Africa Pty Ltd (South Africa)	Distribution	100.0	100.0
Rangit Ltd (Mauritius)	Holding/Finance	100.0	100.0
CHANGES IN CONSOLIDATION SCOPE			
Rémy Cointreau UK Distribution Ltd(4) (UK)	Holding/Finance	100.0	-
Rémy Cointreau Europe & MEA SA (Switzerland)(4)	Distribution	100.0	-
RM Cointreau Vietnam Company Ltd(4) (Vietnam)	Distribution	100.0	-
Storeco(1)(5) (France)	Production	100.0	-

(1) Company included in the French tax group.
(2) Special-purpose entity.
(3) Equity-accounted company.
(4) Creation during the year.
(5) Ex Larsen – Le Cognac des Vikings SA, renamed Rémy Cointreau Ariès

5.7 Statutory Auditors’ report on the consolidated financial statements

This is a free translation into English of the Statutory Auditors’ report on the consolidated financial statements issued in French and it 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 audit 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 balances, transactions or disclosures.

This report also includes information relating to the specific verification of information given in the Group’s management report.

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,

In compliance with the assignment entrusted to us by your annual shareholders’ meetings, we hereby report to you, for the year ended 31 March 2014, on:

- the audit of the accompanying consolidated financial statements of Rémy Cointreau SA;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by your board of directors. 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, using sampling techniques or other methods of 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, 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 31 March 2014 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:

BRAND IMPAIRMENT TEST

Brands are valued according to the method described in note 1.8 to the consolidated financial statements. We have assessed the validity of the valuation method applied which is based on estimates and examined the data and assumptions used in making these valuations by your Company. On that basis, we carried out the assessment of the reasonableness of these estimates.

USE OF ESTIMATES

Provisions for risks and reserves are recorded according to the method described in note 1.1 of the notes to the consolidated financial statements. We examined the data and assumptions used by your Company on which these estimates are based, reviewed the calculations made by your Company, compared the estimates made during previous periods with actual realizations and assessed the approval process of these estimates by the management of your Company. On that basis, we carried out the assessment of the reasonableness of these estimates.

These assessments were made as part 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, in accordance with professional standards applicable in France, the information presented 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.

Paris and Paris-La Défense, 5 June 2014
The Statutory Auditors
French original signed by

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

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COMPANY FINANCIAL STATEMENTS AS OF 31 MARCH 2013

6.1 Balance sheet

For the years ended 31 March, in € millions	*Notes*	**2014**	2013	2012
ASSETS				
Intangible fixed assets		32.4	32.4	32.4
Property, plant and equipment		–	–	–
Equity investments		1,519.1	1,519.1	1,439.6
Receivables relating to equity investments		–	–	–
Other long-term investments		–	–	–
Loans		85.7	81.6	77.8
Other financial assets		2.5	99.5	98.8
Total fixed assets	*2.1/2.2*	**1,639.7**	**1,732.6**	**1,648.6**
Other receivables	*2.3*	55.0	59.8	75.8
Marketable securities	*2.3*	13,4	–	–
Cash and cash equivalents		0.8	0.2	–
Total current assets		**69.2**	**60.0**	**75.8**
Prepaid expenses		–	0.1	0.1
Deferred expenses	*2.4*	1.7	2.2	–
Bond redemption premiums	*2.5*	1.9	2.7	3.4
Unrealised foreign exchange losses		–	–	–
TOTAL ASSETS		**1,712.5**	**1,797.6**	**1,727.9**
LIABILITIES				
Share capital		77.6	81.5	79.4
Additional paid-in capital		680.9	828.5	738.2
Legal reserve		8.1	7.9	7.8
Regulated reserves		–	–	–
Other reserves		–	–	–
Retained earnings		104.3	139.0	9.6
Net profit/(loss) for the year		117.5	34.8	240.5
Regulated provisions		–	–	–
Shareholders' equity	*2.6*	**988.4**	**1,091.7**	**1,075.5**
Convertible bonds				
Provisions for liabilities and charges	*2.10*	0.2	0.1	0.4
Other bonds	*2.7*	208.1	208.1	208.1
Other borrowings		128.5	199.2	211.6
Borrowings and amounts due to financial institutions	*2.8*	290,5	190.5	165.3
Borrowings		**627.1**	**597.8**	**585.0**
Trade payables		0.1	0.1	0.1
Tax and social security liabilities		0.1	9.3	0.5
Amounts payable on fixed assets and related accounts		–	–	–
Other payables	*2.9*	96.6	98.6	66.4
Payables		**96.8**	**108.0**	**67.0**
Deferred income		–	–	–
Unrealised translation gains		–	–	–
TOTAL LIABILITIES		**1,712.5**	**1,797.6**	**1,727.9**

6.2 Income statement

As of 31 March, in € millions	*Notes*	**2014**	**2013**	**2012**
Services provided	*3.1*	23.4	24.9	17.7
Reversals of depreciation, amortisation and provisions, transferred charges		–	2.6	–
Other income		–	–	–
Total operating revenue		**23.4**	**27.5**	**17.7**
Purchases and external charges		35.2	39.1	32.4
Taxes, duties and other levies		0.1	0.1	0.1
Wages and salaries		–	–	–
Social security charges		–	0.1	–
Depreciation and amortisation of fixed assets		0.5	0.4	–
Provisions for liabilities and charges		0.2	–	–
Other expenses		0.4	0.4	0.4
Total operating expenses		**36.4**	**40.1**	**32.9**
Operating results		**(13.0)**	**(12.6)**	**(15.2)**
Financial income from equity investments	*3.2*	143.3	57,8	101.0
Income from investment securities and equity investments		4.1	3.9	2.7
Other interest and related income		–	4.0	0.1
Reversals of provisions and transferred charges		–	0.2	1.3
Foreign exchange gains		–	–	–
Net gains on disposals of marketable securities		0.1	0.1	0.1
Total financial income		**147.5**	**66.0**	**105.2**
Charges for amortisation and provisions		0.7	1.3	0.7
Interest and similar expenses		27.4	25.8	20.6
Foreign exchange losses		–	–	–
Net losses on disposals of marketable securities		0.1	–	–
Total financial expenses		**28.2**	**27.1**	**21,3**
Net financial income/(expense)		**119.3**	**38.9**	**83.9**
Profit/(loss) on ordinary activities before tax		**106.3**	**26.3**	**68.7**
Exceptional gains on management transactions			–	–
Exceptional gains on capital transactions		7.1	–	147.6
Reversals of provisions and transferred charges			–	243.8
Total exceptional income		**7.1**	**0.0**	**391.4**
Exceptional gains on management transactions			–	–
Exceptional gains on capital transactions		7.1	–	391.4
Exceptional depreciation, amortisation and provisions			–	–
Total exceptional expenses		**7.1**	**0.0**	**391.4**
Net exceptional income/(expense)	*3.3*	**0.0**	**0.0**	**0.0**
Income tax	*3.4*	11.2	8.5	171.8
NET PROFIT/(LOSS)		**117.5**	**34.8**	**240.5**

6.3 Cash flow statement

As of 31 March, in € millions	2014	2013	2012
Net profit/(loss)	117.5	34.8	240.5
Depreciation, amortisation and provisions	**1.4**	**1.7**	**0.7**
Operating	0.2	–	–
Financial	0.7	1.3	0.7
Exceptional	–	–	–
Deferred charges	0.5	0.4	–
Reversals of depreciation, amortisation and provisions	**0.0**	**(0.2)**	**(250.2)**
Operating	–	–	–
Financial	–	(0.2)	(1.3)
Exceptional	–	–	(248.9)
(Gains)/losses on disposals	**0.0**	**0.0**	**243.8**
Proceeds from disposals	(7.1)	–	(147.6)
Carrying amount of assets sold	7.1	–	391.4
= OPERATING CASH FLOW	**118.9**	**36.3**	**234.8**
A – Resources			
Operating cash flow	118.9	36.3	234.8
Disposals of intangible fixed assets	–	–	–
Disposals of property, plant and equipment	–	–	–
Disposals or reductions of financial assets	–	–	147.6
Reduction of receivables relating to equity investments	97.1	0.9	0.4
Capital increase and share premium	–	–	2.6
Long- and medium-term borrowings	100.0	50.0	25.0
TOTAL	**316.0**	**87.2**	**410.4**
B – Uses			
Dividends	69.3	18.5	113.6
Acquisitions of fixed assets:	–	80.0	–
▪ Intangible fixed assets	–	–	–
▪ Property, plant and equipment	–	–	–
▪ Financial assets	–	80.0	–
Increase in receivables relating to equity investments	4.2	5.5	173.3
Repayment of borrowings	–	25.0	40.0
Deferred charges	–	2.6	–
Bond redemption premiums	–	–	–
Reduction of shareholders' equity	151.5	–	–
Total	**225.0**	**131.6**	**326.9**
A - B = Change in working capital	**91.0**	**(44.4)**	**83.5**
Analysis of change in working capital			
Increase/(decrease) in trade payables	–	–	1.6
Increase/(decrease) in advance payments on orders	–	–	–
Increase/(decrease) in other current assets/liabilities, including	–	–	–
Bank overdrafts	91.0	(44.4)	81.9
TOTAL	**91.0**	**(44.4)**	**83.5**

6.4 Net income/(expense) for the last five years

As of 31 March, in € millions	2010	2011	2012	2013	2014[1]
1. Share capital at year-end					
Share capital	77.6	79.1	79.4	81.5	77.6
Number of shares in circulation	48,509,769	49,428,402	49,629,562	50,909,912	48,476,859
Maximum number of shares to be created through the conversion of bonds	–	–	–	–	–
2. Operations and results for the year					
Sales excluding taxes	14.4	18.1	17.7	24.9	23.4
Profit before tax, depreciation, amortisation and provisions	11.4	198.8	(175.7)	27.8	107.7
Income tax	(1.4)	8.5	171.8	8.5	11.2
Profit/(loss) after tax, depreciation, amortisation and provisions	9.5	(35.2)	240.5	34.8	117.5
Dividends	63.1	113.6	114,1	71.3	61.6
3. Earnings per share (€)					
Profit/(loss) after tax, but before depreciation, amortisation and provisions	0.2	4.2	(0.1)	(0.7)	2.45
Profit/(loss) after tax, depreciation, amortisation and provisions	0.2	(0.7)	4.8	0.7	2.42
Net dividend distributed per share	1.3	2.3	2.3	1.4	1.27
4. Employees					
Number of employees	–	–	–	–	–
Total payroll	–	–	–	–	–
Staff benefits (social security and other benefits)	–	–	–	–	–
Profit sharing (included in total payroll)	–	–	–	–	–

(1) Subject to approval of the Ordinary Shareholders' Meeting.

6.5 Notes to the financial statements

CONTENTS

NOTE 1 ACCOUNTING PRINCIPLES, RULES AND METHODS

The financial statements have been prepared in accordance with the provisions of the French Commercial Code and French Accounting Regulatory Commission (CRC) standard 99-03 of 29 April 1999 relating to the revised French chart of accounts.

The main accounting principles and valuation methods used are as follows:

a. investments are recorded at acquisition cost or transfer value, less, where applicable, any provisions required to bring them to their value in use. Value in use is determined using a number of criteria, including in particular net assets, unrealised capital gains and future earnings potential;

b. receivables and liabilities are recorded at their nominal value. Any such items that are denominated in foreign currency are translated at the closing exchange rate for the year. Where applicable, a provision for doubtful debts is recorded on receivables to cover any risk of non-collection;

c. the difference arising from the valuation of receivables and liabilities denominated in foreign currencies, using the closing exchange rate, is recorded on the balance sheet as an unrealised foreign currency translation gain or loss;

d. interest-rate hedging instruments are recorded in off-balance sheet commitments.

NOTE 2 NOTES TO THE BALANCE SHEET

NOTE 2.1 FIXED ASSETS

(in € millions)	Gross value at the start of the year	Increase	Decrease	Gross value at year-end
Intangible fixed assets	32.4	–	–	32.4
Equity investments	1,519.6	–	–	1,519.6
Other financial assets	99.5	0.1	97.1	2.5
Loans	81.6	4.1	–	85.7
TOTAL	**1,733.1**	**4.2**	**97.1**	**1,640.2**

The amount recorded in “Intangible assets” relates to business goodwill from the merger with RC PAVIS. It has no legal protection.

“Equity investments” include investments in companies that are fully consolidated in the Rémy Cointreau Group’s consolidated financial statements in the amount of €1,517.5 million.

“Other financial assets” include:

- a balance of €2.3 million held as part of a liquidity contract with a liquidity provider. The liquidity provider’s sole purpose is to promote the liquidity of the Company’s securities and the regularity of their quotation on the market. At year-end, no company shares were held under this contract. The cash balance on this account at the year-end was invested in a money-market instrument valued at €2.3 million;
- in connection with its obligation to cover the stock options granted to certain employees, the Company held 8,000 shares valued at €0.2 million;
- the fall of €97.1 million largely corresponds to the 1,428,794 treasury shares, worth €96.2 million, held as a result of the buy back programme implemented in previous financial years, 1,150,000 of which were cancelled by a share capital reduction and 278,794 of which were allocated to bonus share issues for Rémy Cointreau Group employees and corporate officers. These shares were reclassified as Marketable securities.

Under the terms of the contract for the sale of Piper-Heidsieck Compagnie Champenoise, a nine-year loan in the amount of €75 million was granted to the purchaser to finance part of the acquisition. As of the date at which these funds were made available, and until the end of the third year of the loan, the annual interest payment will be capitalised. At year-end, such payments stood at €10.7 million.

NOTE 2.2 AMORTISATION, DEPRECIATION AND PROVISIONS

(in € millions)	Opening balance	Increase	Decrease	Closing balance
Equity investments	0.6	–	–	0.6
Other financial debt and overdrafts	–	–	–	–
TOTAL	**0.6**	**–**	**–**	**0.6**

The provision concerns non-consolidated equity investments (Ducs de Gascogne).

NOTE 2.3 MATURITY ANALYSIS OF RECEIVABLES

(in € millions)	Gross amount	Less than one year	More than one year
Fixed assets			
Receivables relating to equity investments	–	–	–
Loans	85.7	–	85.7
Other financial assets	2.5	2.5	–
Current assets			
Other receivables	55.0	55.0	–
Marketable securities	13.4	13.4	
Prepaid expenses	–	–	–
TOTAL	**156.6**	**70.9**	**85.7**

"Other receivables" mainly corresponds to the claim on income tax due for the year by subsidiaries belonging to the tax group and to the excess corporation tax paid on account over the course of the financial year.

Marketable securities are treasury shares intended for the next allocation of bonus shares to Group employees. At year-end, 182,294 treasury shares were held.

NOTE 2.4 MATURITY ANALYSIS OF DEFERRED EXPENSES

(in € millions)	Gross amount	Less than one year	More than one year
Debt costs	1.7	0.5	1.2
TOTAL	**1.7**	**0.5**	**1.2**

Cost of setting up a new €255 million syndicated loan entered into in June 2012 for a five year period. The costs are amortised over the term of the loan.

NOTE 2.5 MATURITY ANALYSIS OF BOND ISSUE PREMIUMS

(in € millions)	Gross amount	Less than one year	More than one year
Bond issue premiums	1.9	0.7	1.2
TOTAL	**1.9**	**0.7**	**1.2**

In June 2010, Rémy Cointreau issued a new bond with a par value of €205 million, including an issue premium of €4.6 million, to be amortised on a straight-line basis over the term of the bond, *i.e.* 6.5 years.

NOTE 2.6 SHAREHOLDERS' EQUITY

Breakdown of share capital

Share capital comprises 48,476,859 fully paid-up shares with a nominal value of €1.60.

Over the financial year, the capital was reduced by cancelling treasury shares:

- cancellation of 1,150,000 shares acquired as part of the buy back programme implemented between 6 December 2011 and 23 May 2012;
- cancellation of 1,283,053 shares acquired following the buy back programme implemented between 5 December 2013 and 29 January 2014.

Change in shareholders' equity

	Number of shares	Share capital	Additional paid-in capital	Legal reserve	Retained earnings	Net profit/ (loss)	Total
At 31 March 2012	**49,629,562**	**79.4**	**738.2**	**7.8**	**9.6**	**240.5**	**1,075.5**
Appropriation of earnings	–	–	–	0.1	129.6	(129.7)	–
Net profit/(loss) for the year	–	–	–	–	–	34.8	34.8
Exercise of options	–	–	–	–	–	–	–
Dividend (part payment in shares)	1,190,350	1.9	90.3	–	–	(110.8)	(18.6)
2010 bonus share plan	90,000	0.2	–	–	(0.2)	–	–
At 31 March 2013	**50,909,912**	**81.5**	**828.5**	**7.9**	**139.0**	**34.8**	**1,091.7**
Appropriation of earnings	–	–	–	0.2	34.6	(34.8)	–
Net profit/(loss) for the year	–	–	–	–	–	117.5	117.5
Exercise of options	–	–	–	–	–	–	–
Dividend				–	(69.3)	–	(69.3)
Capital reduction	(2,433,053)	(3.9)	(147.6)	–	–	–	(151.5)
AT 31 MARCH 2014	**48,476,859**	**77.6**	**680.9**	**8.1**	**104.3**	**117.5**	**988.4**

Stock options and free share plans

Detailed information relating to these plans is provided in the management report.

Stock-option plans

Plan No. 13, currently in progress, was granted at the Extraordinary Shareholders' Meeting held on 7 September 2004.

Exercise start date	Plan No.	Term in years	Type(1)	Number of options granted	Exercise price in €	Lapsed options	Options exercised on 31 March 2013	Options exercised during the year	Average exercise price	Options outstanding as at 31 March 2014
16 September 2007	12	6	A	287,000	27.67	27,000	246,440	13,560	79.49	-
24 December 2008	13	6	A	262,000	28.07	35,000	217,350	1,650	74.17	8,000
TOTAL				**549,000**		**62,000**	**463,790**	**15,210**	**78.92**	**8,000**

(1) P = Purchase.

For the entire plan, one option equals one share granted.

Plan No. 13 is hedged (see note 4.4).

Bonus share plans

Grant date(1)	Plan No.	Vesting period	Minimum retention period	Initial number of shares granted	Share value on date granted	Lapsed shares	Shares granted at the end of the vesting period	Number of shares outstanding at 31 March 2014
22 November 2011	2011	2 years	2 years	96,500	58.50	-	96,500	-
20 November 2012	2012	2 years	2 years	96,500	83.29	6,000	n/a	90,500
TOTAL				**193,000**		**6,000**	**96,500**	**90,500**

(1) The grant date is the date of the Board meeting which decided allocations under each plan.

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Grant date	Plan No.	Combined Shareholders' Meeting that approved the plan
23 November 2011	2011	26 July 2011
22 November 2012	2012	26 July 2011

For these two plans, the Board of Directors determined that the following acquisition terms would apply:

- 60% of the shares are granted on condition that the beneficiary is still employed by the Group at the end of the vesting period;
- 40% of the shares are granted on the condition that the beneficiary is still employed by the Group at the end of the vesting period and that the Group has satisfied performance criteria measured at the end of the financial year preceding the end of the vesting period. Performance indicators are the current operating profit margin and return on capital employed measured at constant exchange rates and scope.

The 2011 plan was granted in full by allotment of shares held by Rémy Cointreau.

NOTE 2.7 OTHER BONDS

(in € millions)	**2014**	2013	2012
€205 million bond issue	205.0	205.0	205.0
Total nominal value	**205.0**	**205.0**	**205.0**
Accrued interest	3.1	3.1	3.1
TOTAL	**208.1**	**208.1**	**208.1**

In June 2010, Rémy Cointreau carried out a 6.5-year bond issue with a par value of €205.0 million. The bonds have a par value of €50,000 each and were issued at 97.745% of par (issue premium of 2.255%), bearing interest of 5.18% payable on 15 June and 15 December of each year. They will be redeemed at par at maturity (15 December 2016).

This bond is not secured.

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

In the event of the sale of assets, and if the sale proceeds are not used for authorised transactions, Rémy Cointreau must, within 365 days of the date of receipt of the sale proceeds, offer early redemption of the bond up to the amount of the proceeds of the sale. The agreement additionally contains certain conventions that may limit the maximum dividend payout in the event of a loss.

After taking the issue premium and expenses into account, the net proceeds from the issue were about €197 million, making an effective interest rate of approximately 5.89%.

NOTE 2.8 OTHER BORROWINGS

Other borrowings primarily include transactions with subsidiaries of the Rémy Cointreau Group.

Borrowings and liabilities with financial institutions break down as follows:

(in € millions)	**2014**	2013	2012
Private placement	140.0	140.0	140.0
Drawdown on syndicated credit	150.0	50.0	–
Drawdown on other confirmed credit lines	–	–	–
Drawdowns on unconfirmed credit lines	–	–	25.0
Overdrafts	–	–	–
Total nominal value	**290.0**	**190.0**	**165.0**
Accrued interest	0.5	0.5	0.3
TOTAL	**290.5**	**190.5**	**165.3**

Private placement

On 10 June 2010, Rémy Cointreau secured a so-called "private placement" syndicated finance package with financial institutions. This €140.0 million contract was concluded for five years (maturing on 10 June 2015). The structured financing includes a loan comprising two tranches, of €65 million (tranche A) and €75 million (tranche B) respectively, as well as various swap contracts that exactly match the two tranches, thereby guaranteeing a fixed rate of 3.6675% for the duration of the contract.

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

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

Banking syndicate

On 5 June 2012, Rémy Cointreau concluded a new syndicated loan to replace the revolving credit facility, of which €346 million expired on 7 June 2012. This new revolving credit facility corresponds to a loan of €255 million over five years. Amounts drawn down bear interest at EURIBOR plus a fixed margin which is subject to change in line with the Average net financial debt/EBITDA ratio (A ratio).

This facility is unsecured.

Under the terms of this contract, Rémy Cointreau commits to the A ratio being less than or equal to 3.5 at 30 September and 31 March of each year until maturity. As of 31 March 2014, the A ratio was 2.09.

NOTE 2.9 MATURITY ANALYSIS OF DEBT

(in € millions)	Gross amount	Less than one year	One to five years	More than 5 years
Other bonds	208.1	3.1	205.0	–
Borrowings and amounts due to financial institutions	290.5	0.5	290.0	–
Other borrowings	128.5	128.5	–	–
Trade payables	0.1	0.1	–	–
Tax and social security liabilities	0.1	0.1	–	–
Other liabilities	96.6	96.6	–	–
TOTAL	**723.9**	**228.9**	**495.0**	**–**

"Other liabilities" mainly includes income tax instalments received from subsidiaries belonging to the tax group and the tax saving recognised under this same regime.

NOTE 2.10 PROVISIONS

(in € millions)	Regulated provisions	Provisions for liabilities and charges	Provisions for impairment	Total
Opening balance	–	0.1	0.6	0.7
Increase	–	0.1	–	0.1
Reversals	–	–	–	–
CLOSING BALANCE	**–**	**0.2**	**0.6**	**0.8**

(in € millions)	Increase	Reversals
▪ Operating	0.1	–
▪ Financial	–	–
▪ Exceptional	–	–
▪ Taxes	–	–
TOTAL	**0.1**	**0.0**

NOTE 2.11 DEFERRED INCOME

At year-end, the Company recognised €0.1 million in benefits accrued with related companies.

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NOTE 2.12 ACCRUED EXPENSES

(in € millions)	**2014**
Bonds	3.1
Borrowings and amounts due to financial institutions	0.5
Other borrowings	–
Trade payables	0.1
Tax and social security liabilities	–
Other liabilities	4.9
TOTAL	**8.6**

NOTE 3 NOTES TO THE INCOME STATEMENT

NOTE 3.1 ANALYSIS OF NET SALES

Net sales totalled €23.4 million and essentially comprised services billed to all Rémy Cointreau Group subsidiaries and sub subsidiaries, of which €18.9 million to French companies and €4.5 million to foreign companies.

NOTE 3.2 FINANCIAL INCOME FROM EQUITY INVESTMENTS

Financial income from equity investments amounted to €143.3 million and related to dividends received from subsidiaries.

NOTE 3.3 EXCEPTIONAL INCOME AND EXPENSE

Exceptional income and expense stood at €7.1 million and corresponds respectively to the outflow of treasury shares for bonus share issues as part of the 2011 bonus share plan and charge backs to related companies whose beneficiaries or corporate officers are employees.

NOTE 3.4 INCOME TAX

A) Income tax analysis

(in € millions)	Profit/(loss) before tax	Income tax	Net profit
Profit/(loss) on ordinary activities	106.3	–	106.3
Net exceptional income/(expense)	-	–	-
Net profit/(loss)	106.3	11.2	117.5

The net income tax gain recognised corresponds to:

- the Group's income tax saving for the year for €13.2 million;
- the exceptional contribution on dividends paid of €2 million.

B) Change in tax losses

(in € millions)	Base	Tax rate	Amount of tax expense
Tax loss carry-forward remaining to be allocated at the opening date	520.4	–	–
Loss for the year	25.9	–	–
Deferred amortisation and depreciation	–	–	–
Tax loss carried forward	25.9	–	–
Tax loss carry-forward remaining to be allocated at the closing date	546.3	–	–

The loss for the year arises mainly from the deduction for tax purposes of dividends received from subsidiaries.

C) Increase and reduction in future tax liabilities

(in € millions)	Base	Tax rate	Amount of tax expense
Reductions	–	–	
Non-deductible provisions as of 31 March 2014	–	38.0	–

NOTE 3.5 TAX GROUP

Rémy Cointreau elected to form a tax group with effect from 1 April 1993 for Group companies as provided in Article 223A of the French General Tax Code.

The tax allocation agreement stipulates that the tax charge is borne by the companies within the tax group as if no such group existed, after applying any tax losses carried forward.

The following companies are included in the tax group:

Rémy Martin, Izarra, Cointreau, Rémy Cointreau Services, CLS Rémy Cointreau, Domaines Rémy Martin, Rémy Cointreau International Marketing Services, Storeco, Rémy Cointreau Aries, Rémy Cointreau Libra, Joint Marketing Services.

NOTE 4 OTHER INFORMATION

NOTE 4.1 INFORMATION ON RELATED COMPANIES

	Amounts concerning	
(in € millions)	Related companies	Companies with participating interests
Receivables:		
Other receivables	1.2	
Liabilities:		
Borrowings	128.4	
Other liabilities	53.2	
Financial income:		
Income from equity investments	143.3	
Interest	–	
Financial expense:		
Interest	2.8	
Operating revenue	23.3	
Operating expenses	30.6	
Exceptional income	7.1	
Exceptional expenses	–	

NOTE 4.2 OFF-BALANCE SHEET COMMITMENTS

A) Financial commitments

At the year-end, the Company's commitments included guarantees granted to Group subsidiaries in relation to various financing facilities for a total amount of €82 million.

Rémy Cointreau manages the risk of an increase in the interest rates on its variable-rate financial resources, which mainly bear interest at EURIBOR (1-3 months). The Group chiefly uses optional instruments (caps) and interest-rate swaps.

As of 31 March 2014, interest rate derivatives in the portfolio were as follows:

(in € millions)	Nominal	Initial value	Market value
***Interest* rate swaps**			
Maturing in January 2015	125.0	–	3.3
Maturing in March 2015	25.0	–	0.8
Swaps relating to the private placement	140.0	–	2.8

The market value is based on independent valuations of the instruments at year-end.

B) Contingent liabilities relating to asset disposals

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

The guarantees granted and still outstanding at 31 March 2014 were as follows:

Disposal transaction	Transaction date	Nature of ongoing guarantees	Maturity	Maximum amount
Piper-Heidsieck Compagnie Champenoise	8 July 2011	Tax and similar items	Legal period +90 days	No ceiling
Larsen	30 August 2013	Tax and similar items, other items	Legal period 30 August 2015	€3.0 million

NOTE 4.3 DISPOSALS OF TREASURY SHARES

At 31 March 2014, no treasury shares had been credited to the liquidity account. Immaterial income generated during the year by the manager of the liquidity account was recorded as financial income.

During the financial year the Company disposed of 96,500 treasury shares as part of the 2011 bonus share plan (see note 3.3)

NOTE 4.4 COVERAGE OF STOCK OPTION PLANS

In March 2005, Rémy Cointreau sold 602,430 of its own shares with a repurchase option to meet its commitment to cover stock options granted to certain employees (284,000 shares under plan No. 12 and 37,503 shares under plan No. 13) as required under the provisions of Article L. 225-179 of the French Commercial Code, which stipulates that, as from the end of the vesting period, the Company must be in a position to deliver the shares to its employees. This mechanism was approved by the French Financial Markets Authority (AMF) on 8 March 2005. Rémy Cointreau completed the coverage of stock option plan No. 13 by acquiring 224,497 options to purchase its own shares.

At 31 March 2014, no shares remained under the sale and repurchase agreement, plan No. 12 having matured during the financial year, and 8,000 treasury shares, acquired from previous buy backs, were held by the Company to cover the outstanding stock options under plan No. 13.

NOTE 5 POST-BALANCE SHEET EVENTS

On 11 April 2014, Rémy Cointreau signed an amendment to extend its €255 million syndicated loan with a pool of 10 banks. This loan was extended by about two years, to 11 April 2019, with more favourable margins.

NOTE 6 LIST OF SUBSIDIARIES AND EQUITY INVESTMENTS AS OF 31 MARCH 2014

(in thousands of foreign currency or € thousands)	Currency	Capital *(thousands of currency)*	Shareholders' equity excluding capital *(thousands of currency)*	Share of capital held %	Carrying value of capital held *(€ thousands)*	Provisions on securities *(€ thousands)*	Dividends received *(€ thousands)*	Sales ex-tax prior year *(thousands of currency)*	Profit/(loss) after tax *(thousands of currency)*	End of year date
A) French companies										
E. Rémy Martin & Cie	EUR	6,725	336,712	100	381,708	–	13,845	200,560	16,400	31/03/2014
Cointreau	EUR	4,037	88,398	100	89,103	–	2,523	63,582	2,297	31/03/2014
Ducs de Gascogne	EUR	1,002	1,609	30	1,143	588	–	12,628	51	31/12/2013
Rémy Cointreau Services	EUR	1,114,805	61,724	93	1,046,700	–	126,929	–	45,850	31/03/2014
Total gross value					**1,518,654**	**588**	**143,297**			
B) Foreign companies										
Other foreign subsidiaries	EUR	–	–	–	989	2	–	–	–	–
Total gross value	**EUR**	**–**	**–**	**–**	**989**	**2**	**–**	**–**	**–**	**–**
Total gross value (A + B)					**1,519,643**	**590**				
TOTAL CARRYING AMOUNT					**1,519,053**					

6.6 Statutory Auditors' report on the parent company financial statements

Year ended 31 March 2014

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meetings, we hereby report to you, for the year ended 31 March 2014 on:

- the audit of the accompanying financial statements of Rémy Cointreau SA;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by your Board of Directors. 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 the professional standards applicable in France; those standards require that we plan and perform the procedures to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of 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, as well as the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and financial position of the Company as at 31 March 2014, and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of assessments

Pursuant to the provisions 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:

Note No. 1 a. of the notes to the financial statements details the accounting principles and methods relating to the approach used by the Company for assessing the value of equity investments. As part of our assessment of the accounting rules and principles followed by the Company, we have verified the validity of the approach used and we have satisfied ourselves that it has been correctly applied.

These assessments were made as part of our audit of the 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 verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report concerning the fairness and consistency with the financial statements of the information provided in the management report of the Board of Directors and in the other documents presented to shareholders relating to the financial position and financial statements.

With regard to the information provided in accordance with Article L. 225-102-1 of the French Commercial Code relating to remuneration and benefits paid to the corporate officers and to commitments given in their favour, we have checked its consistency with the financial statements or with the data used to prepare these financial statements and, where necessary, with the information collected by your Company from companies controlling your Company or controlled by it. On the basis of this work, we certify the accuracy and fairness of this information.

In accordance with French law, we have verified that the required information concerning the identity of the main shareholders has been properly disclosed in the management report.

Paris-La Défense and Paris, 5 June 2014

The Statutory Auditors,

ERNST & YOUNG et Autres	Auditeurs & Conseils Associés
Represented by	*Represented by*
Pierre Bidart	**Olivier Juramie**

7

INFORMATION ON THE COMPANY AND THE CAPITAL

7.1 General information about the Company

CORPORATE NAME, REGISTERED OFFICE AND MAIN ADMINISTRATIVE OFFICE

Corporate name: RÉMY COINTREAU SA

Registered office: Ancienne rue de la Champagne, rue Joseph Pataa, 16100 Cognac

Administrative office: 21 boulevard Haussmann, 75009 Paris

LEGAL FORM AND GOVERNANCE

Société anonyme (French limited liability company) with a Board of Directors governed by French law (in particular by the provisions of Book II of the French Commercial Code applicable to commercial companies) and by its Articles of Association.

APPLICABLE LEGISLATION

RÉMY COINTREAU SA (hereinafter called "Rémy Cointreau" or "the Company") is a company subject to French law.

DATE ESTABLISHED – DURATION

The Company was established on 3 March 1975 and will end on 30 September 2073.

CORPORATE PURPOSE

Rémy Cointreau's objects pursuant to Article 2 of its Articles of Association are as follows:

- the creation, acquisition and operation of any commercial, industrial or other business;
- the direct or indirect participation of the Company, in any form whatsoever, in any company, association, business or grouping of any form whose object is a commercial, industrial, agricultural, real estate, design, research or development activity, or the acquisition, management or exploitation of all property or rights;
- the paid provision of qualified services in technical, commercial, administrative or financial fields, on behalf of any natural person or legal entity engaged in commercial, financial or industrial activities in France or other countries; and
- in general, any commercial, financial, industrial, property or real estate transaction which is directly or indirectly related, in whole or in part, to the aforementioned objects or to any similar or related object.

REGISTER OF COMPANIES AND REGISTRATION NUMBER

Rémy Cointreau is registered under number 302 178 892 in the Angoulême Trade and Companies Register (APE code 7010Z).

PLACE OF INSPECTION OF THE COMPANY'S LEGAL DOCUMENTS

Legal documents may be inspected at the registered office whose address is provided above.

7.2 Memorandums and Articles of Association

FINANCIAL YEAR

The Company's financial period commences on 1 April and ends on 31 March of the following year. The year runs for 12 months.

DISTRIBUTION OF PROFITS UNDER THE ARTICLES OF ASSOCIATION

Out of the Company's profits in each financial year, after setting aside a provision to establish the legal reserve, which must be at least equal to the minimum required, the Shareholders' Meeting may, profit permitting and on the proposal of the Board of Directors, allocate the profit to one or more reserve funds for which it regulates the allocation or use, carry forward or distribute as dividends among the shareholders.

After reviewing the reserves at its disposal, the Shareholders' Meeting may decide to distribute amounts drawn from these reserves. In this event, the decision should expressly specify which reserve accounts have been drawn down.

DIVIDENDS (DISTRIBUTION POLICY OVER THE PAST FIVE YEARS)

The dividends distributed over the last five years are disclosed in note 6.4.

SHAREHOLDERS' MEETINGS

Shareholders' Meetings are called and held under the conditions stipulated by law.

These meetings are held either at the registered office or at another venue specified in the Notice of Meeting.

RIGHT OF ADMISSION TO MEETINGS

Pursuant to Article R. 225-85 of the French Commercial Code, the only people allowed to participate in a meeting, to vote by post or to be represented, are shareholders who have previously furnished evidence of their status by an accounting record of securities in their name or in the name of an intermediary recorded for their account, on the third working day preceding the meeting by midnight, Paris time, either in registered share accounts held for the Company by its service provider Société Générale, Service Assemblées Générales, CS 30812 44308 Nantes Cedex 3, France, or in the bearer securities accounts held by an authorised intermediary, who holds their securities account. The registration or recording of bearer securities on the books of the authorised intermediary must be attested to by a certificate of shareholding issued by the latter, attached to the postal voting or proxy form, or to the application for an admission card in the name of the shareholder, or on behalf of the shareholder represented by the registered intermediary. A certificate is also delivered to the shareholder wishing to participate in person in the meeting and who has not received the admission card on the third working day preceding the meeting by midnight, Paris time.

Admission cards for the meeting will be sent to every shareholder who requests one from Société Générale, Service Assemblées Générales, CS 30812 44308 Nantes Cedex 3, France, or at one of the authorised banking establishments, by producing, if they are bearer securities, a certificate of shareholding under the conditions referred to above.

Following a decision of the Board of Directors, shareholders may participate in meetings by videoconference or vote by any telecommunication and electronic transmission system, including the internet, under the conditions envisaged by the applicable regulations at the time of their use. This decision is included in the Notice of Meeting published in the *Bulletin des Announces Légales Obligatoires* (French Journal of Legal Notices) (BALO).

VOTING RIGHTS

Share voting rights are in proportion to the share of capital that they represent. At equivalent nominal value, each share entitles the holder to one vote.

However, a share entitles the holder to a double vote, in relation to the share capital that it represents, in the following cases:

- for all fully paid shares held in registered form in the name of the same shareholder for at least four years;
- for each registered share allotted free of charge to a shareholder, in the event of a capital increase by way of incorporation of reserves, profits or premiums, on the basis of existing shares for which such shareholder already enjoys double voting rights.

This double voting right ceases for all shares converted to bearer shares or whose ownership is transferred. However, the four-year timeframe set is not affected for acquired rights by any transfer by succession, liquidation of joint estate of spouses, or inter-vivo gifts, for the benefit of an inheriting relative. The same rules apply for transfer following a merger or share split of a corporate shareholder.

DECLARATION OF CROSSING OF THRESHOLDS

In accordance with the Articles of Association and independently from the legal requirements, any shareholder (natural person or legal entity), acting either alone or in concert, who acquires in any manner whatsoever, as set out in Article L. 233-7 *et seq*. of the French Commercial Code, a fraction equal to one per cent (1%) of the share capital or voting rights, or any multiple of this percentage, must notify the Company of the total number of shares and voting rights held within eight trading sessions of crossing one of these thresholds. This also applies in the same conditions as those described above each time that the fraction of share capital or voting rights held falls below one of the thresholds stated above.

In addition, this person must also specify in their disclosure to the Company:

(i) the number of shares owned giving future access to shares to be issued and the associated voting rights;

(ii) existing shares or voting rights that they are liable to acquire under an agreement or by virtue of a financial instrument mentioned in Article L. 211-1 of the French Monetary and Financial Code, without prejudice to Article L. 233-9(I)(4) and (4a) of the French Commercial Code.

In the event of non-compliance with the aforementioned provisions, and at the request of one or more shareholders holding at least 1% of the Company's share capital, shares exceeding the fraction that should have been declared will be deprived of voting rights at any Shareholders' Meeting that takes place until the end of the statutory and regulatory period following the date on which notification is made.

IDENTIFICATION OF SHAREHOLDERS

The Company is entitled to request, in accordance with the legal and regulatory terms and conditions, the full identity of those shareholders holding shares that give rise, immediately or in the future, to voting rights.

In order to identify shareholders, the Company is entitled to request from the share registrars at any time and at its own expense, as applicable, the name or corporate name, nationality, year of birth or establishment, and address of holders of securities that confer the right immediately or in the future to vote at the Company's Shareholders' Meetings, as well as the number of securities held by each of them and, where applicable, the restrictions that may apply to those securities and more generally to make use of the provisions of Article L. 228-2 of the French Commercial Code concerning identification of holders of securities that confer the right immediately or in the future to vote at the Company's Shareholders' Meetings.

7.3 General information on the share capital

7.3.1 Changes to the capital and shareholders' rights

The share capital can be changed in accordance with legal requirements. It may be increased by a decision taken at an Extraordinary Shareholders' Meeting. However, where a capital increase is carried out by incorporation of reserves, profits or share premiums, the relevant Extraordinary Shareholders' Meeting which decides such an increase, rules under the quorum and majority conditions required for Ordinary Shareholders' Meetings.

Capital increases are decided or authorised by an Extraordinary Shareholders' Meeting which sets the terms for an issue of new shares and grants all powers to the Board of Directors to carry this out for a period that may not exceed 26 months.

The Extraordinary Shareholders' Meeting may decide to reduce the share capital, particularly by way of repurchase of shares or reduction in their nominal value, or again, by reduction in the number of shares in accordance with legal provisions.

The share capital may also be written down in accordance with the law.

7.3.2 Amount of share capital

At 31 March 2014, the share capital stood at €77,562,974.40, split into 48,476,859 shares with a par value of €1.60 each, all in the same class, fully paid up and comprising 72,082,144 voting rights.

Form of shares: fully paid shares are in registered or bearer form, as decided by the shareholder.

7.3.3 Authorised capital

AUTHORISATION TO GRANT BONUS SHARES TO EMPLOYEES AND CERTAIN CORPORATE OFFICERS

The 18th resolution of the Combined Shareholders' Meeting of 26 July 2011 authorised the Board of Directors, for a period of 38 months from 26 July 2011, pursuant to the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code, on one or more occasions, to grant employees of the Company or related companies within the meaning of Article L. 225-197-2 of the French Commercial Code or certain categories thereof, as well as corporate officers defined by law, bonus shares, whether existing or to be issued, subject to the statutory trading restriction periods.

The Board of Directors will determine the identity of the beneficiaries of the allocation as well as the conditions and, where appropriate, the criteria of allocation of shares.

The total number of shares thereby issued free of charge may not be such that the total number of shares granted free under this resolution represents more than 2% of the number of shares in the share capital on the date the Board of Directors resolves to award the bonus shares.

The allocation of shares to their beneficiaries will become final at the end of a minimum vesting period of two years and the minimum period of retention of shares by the beneficiaries is set at two years.

The Board of Directors may make the grant of some or all of the shares conditional on the attainment of one or more performance conditions. In the case of Executive Directors, the bonus share grants will be subject to compliance with performance conditions determined by the Board of Directors.

The Board of Directors will proceed, where appropriate, during the vesting period with adjustments to the number of shares arising from transactions in the capital of the Company in order to preserve the rights of the beneficiaries.

During the 2013/2014 period, 40,600 bonus shares were granted.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY INCORPORATION OF RESERVES, PROFITS OR PREMIUMS

The 14th resolution of the Combined Shareholders' Meeting of 24 September 2013 authorised the Board of Directors, in accordance with the provisions of Articles L. 225-129, L. 225-129-2 and L. 225-130 of the French Commercial Code, with the authority to sub-delegate under the conditions established in law, for a period of 26 months from 24 September 2013, to increase the share capital, on one or more occasions, at the times and on the terms of its choosing, by incorporation of reserves, profits or premiums, the capitalisation of which is permitted by law or the Company's Articles of Association, followed by the creation and bonus issue of shares or the increase in the par value of existing shares, or a combination of both.

In the event of the distribution of bonus shares, fractional rights are not negotiable and the corresponding shares will be sold, the amounts resulting from the sale being allocated to the holders of rights within legal and regulatory requirements.

The maximum share capital increase that may be carried out under this authorisation may not exceed a nominal amount of €30,000,000, it being specified that this amount shall be deducted from the ceiling provided for in the 16th resolution of the Combined Shareholders' Meeting of 26 July 2012 or, as the case may be, the limit provided for in any similar resolution that may supersede said resolution during the term of this authorisation. This amount does not take account of any adjustments required by law and regulation, and, where applicable, contractual provisions providing for other cases of adjustment, to preserve the rights of holders of securities or other rights giving access to the share capital.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE CAPITAL BY ISSUING, WITH OR WITHOUT SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS, SHARES IN THE COMPANY AND/OR MARKETABLE SECURITIES GRANTING ENTITLEMENT TO THE ALLOCATION OF DEBT SECURITIES

The 16th, 17th and 18th resolutions of the Combined Shareholders' Meeting of 26 July 2012, granted the Board of Directors, with the authority to sub-delegate subject to legal and regulatory provisions, in accordance with the provisions of Articles L. 225-129 *et seq*. and L. 228.91 *et seq*. of the French Commercial Code, the powers required to increase the share capital and to issue, with or without shareholders' preferential subscription rights, shares in the Company as well as marketable securities of any kind, giving immediate or future access to the Company's share capital or giving entitlement to the allocation of debt securities, with a capital increase of a maximum nominal amount of €30,000,000, common to the 16th, 17th, 18th, 19th, 20th and 21st resolutions of said Shareholders' Meeting and the 18th resolution of the Combined Shareholders' Meeting of 26 July 2011 and the 15th resolution of the Combined Shareholders' Meeting of 24 September 2013. It is specified that this limit does not take account of Company shares to be issued in respect of any adjustments made in accordance with applicable legal and regulatory provisions, and, if applicable, with contractual provisions that provide for other cases of adjustment in order to preserve the rights of the holders of marketable securities and other rights giving access to the share capital. The total nominal amount of debt securities giving access to the share capital or marketable securities giving entitlement to the allocation of debt securities that the Board of Directors is empowered to issue further to the resolutions of said Extraordinary Shareholders' Meeting, may not exceed €750,000,000. Issues of preference shares and of marketable securities giving immediate or future access to preference shares are expressly excluded from this authorisation.

The Board of Directors may decide to use the treasury shares as a replacement for shares to be issued under this resolution.

The issues decided by virtue of this authority must be carried out within a period of 26 months from 26 July 2012.

The 16th resolution concerns share issues with the maintenance of shareholders' preferential subscription rights, the 17th resolution concerns the issue without preferential subscription rights, by way of a public offering, and the 18th resolution permits the same type of issue within the framework of private placements, as referred to in Article L. 411-2(II) of the French Monetary and Financial Code.

The Board of Directors may decide to use the treasury shares as a replacement for shares to be issued under these resolutions.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO ISSUE SHARES IN THE COMPANY AS A CONSEQUENCE OF THE ISSUE, BY SUBSIDIARIES, OF MARKETABLE SECURITIES ULTIMATELY GIVING ACCESS TO THE COMPANY'S CAPITAL

The same Combined Shareholders' Meeting of 26 July 2012, in its 17th and 18th resolutions, in view of the issue of shares and marketable securities giving access to the capital of the Company to which marketable securities that may be issued by companies in which Rémy Cointreau holds directly or indirectly more than 50% of the share capital would give rights, subject to the approval of the Board of Directors of Rémy Cointreau, delegated to the Board of Directors the necessary powers to proceed with the issue of capital securities in Rémy Cointreau to which these marketable securities give the right, subject to an overall maximum capital increase of a nominal €30,000,000, as set by the 17th resolution.

In this context, Rémy Cointreau shareholders do not have a preferential subscription right to these marketable securities issued by these companies.

The issues decided by virtue of this authority must be carried out within a period of 26 months from 26 July 2012.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO ISSUE SHARES OR MARKETABLE SECURITIES GIVING ACCESS TO THE COMPANY'S SHARE CAPITAL IN CONSIDERATION FOR SECURITIES CONTRIBUTED TO ANY PUBLIC TAKEOVER OFFER LAUNCHED BY RÉMY COINTREAU

The 17th resolution of the Combined Shareholders' Meeting of 26 July 2012 granted the Board of Directors, for a maximum of 26 months from 26 July 2012, the powers required to issue shares or marketable securities giving access to the share capital in consideration for the securities contributed to any public takeover offer launched by the Company on the shares of any company whose shares are admitted for trading on a regulated market, including all marketable securities issued by Rémy Cointreau, subject to an overall maximum capital increase of €30,000,000, as set by the 17th resolution.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

AUTHORISATION FOR THE BOARD OF DIRECTORS TO ISSUE SHARES, SECURITIES OR OTHER MARKETABLE SECURITIES, FREELY SETTING THE ISSUE PRICE

The 19th resolution of the Combined Shareholders' Meeting of 26 July 2012 authorised the Board of Directors, for a maximum of 26 months from 26 July 2012, within the framework of the 17th and 18th resolutions, relating to the issue, without shareholders' preferential subscription rights, by way of a public offering or offering referred to in Article L. 411.2(II) of the French Monetary and Financial Code, to set, in the manner of its choosing, the issue price for any shares and marketable securities giving access to the share capital, within a limit of a maximum of 10% *per annum*. The 19th resolution of the Combined Shareholders' Meeting of 26 July 2012 authorised the Board of Directors to issue all forms of shares and marketable securities giving access to the share capital within a limit of 10% of the share capital *per annum* and within the limit set by the 17th and 18th resolutions, by setting a different issue price to that selected for the issues authorised pursuant to the 17th and 18th resolutions, which may not be less, at the discretion of the Board of Directors, than either (a) the average price weighted by the trading volume over the 20 trading sessions prior to the setting of the issue price or (b) the average price weighted by the trading volume on the trading session prior to the setting of the issue price, in both cases, reduced by a potential maximum discount of 10% and on condition that the amount to be received for each share is at least equal to its par value. Issues of preference shares and of marketable securities giving immediate or future access to preference shares are expressly excluded from this authorisation.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

AUTHORISATION FOR THE BOARD OF DIRECTORS TO ISSUE SHARES OR MARKETABLE SECURITIES GIVING ACCESS TO THE SHARE CAPITAL WITHIN A LIMIT OF 10% OF THE SHARE CAPITAL AS CONSIDERATION FOR CONTRIBUTIONS IN KIND

The 15th resolution of the Combined Shareholders' Meeting of 24 September 2013 authorised the Board of Directors, with the authority to sub-delegate to any person permitted by law and where the provisions of Article L. 225-148 of the French Commercial Code do not apply, to issue all types of shares and marketable securities giving access to the share capital (excluding preference shares), within a limit of 10% of the share capital at the time of issue, in consideration for contributions in kind, the 10% limit being deducted from the ceiling set in the 17th resolution of the Combined Shareholders' Meeting of 26 July 2012, or as the case may be, deducted from the ceiling provided for in any similar resolution that may supersede said resolution during the term of this authorisation.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE NUMBER OF SECURITIES TO BE ISSUED IN THE EVENT OF AN ISSUE WITH OR WITHOUT SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS

The Combined Shareholders' Meeting of 26 July 2012, in its 20th resolution, authorised the Board of Directors, within the framework of the authorisations provided for by the 16th, 17th, 18th and 19th resolutions of the same meeting, to increase the number of shares to be issued under the conditions of Article L. 225-135-1 of the French Commercial Code, within 30 days after the subscription closing date, by up to 15% of each issue and at the same price as that set for the initial issue, subject to the overall limit provided by the resolution under which the issue is decided.

This authorisation is valid for a period of 26 months from 26 July 2012.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

SUMMARY TABLE OF CURRENT AUTHORISATIONS GIVEN TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF INCREASING THE SHARE CAPITAL

Description of the authorisation	Date of Shareholders' Meeting	Nominal amount of the authorisation	Period of validity of the authorisation	Use made of authorisation during the financial year
Grant of bonus shares	26 July 2011	Limited to 2% of the share capital and €1.5m for shares to be issued(1)	38 months	Grant of 40,600 shares
Issue of shares or marketable securities giving access to share capital with preferential subscription rights and/or the issue of marketable securities granting entitlement to the allocation of debt securities	26 July 2012	▪ €30,000,000 as a capital increase(2) ▪ €750,000,000 in debt securities(1)	26 months	None
Issue of marketable securities giving access to share capital without preferential subscription rights and/or the issue of marketable securities granting entitlement to the allocation of debt securities: ▪ by public offering; ▪ by private placement.	26 July 2012	▪ €30,000,000 as a capital increase(2) ▪ €750,000,000 in debt securities(1)	26 months	None
Issue of shares, securities or marketable securities, freely setting the issue price	26 July 2012	limited to 10% of the share capital(1)	26 months	None
Increase in the number of securities to be issued in the event of over-subscription	26 July 2012	Limited to 15% of each issue up to a maximum of €30,000,000(1)(2)	26 months	None
Capital increase by incorporation of reserves, profits or premiums	24 September 2013	€30,000,000(2)	26 months	None
Capital increase in consideration for contributions in kind	24 September 2013	Limited to 10% of the share capital(1)	26 months	None

(1) Deducted from the ceiling provided for in the 17th resolution of the Shareholders' Meeting of 26 July 2012.
(2) Deducted from the ceiling provided for in the 16th resolution of the Shareholders' Meeting of 26 July 2012.

NON-EQUITY SECURITIES

On 30 June 2010, Rémy Cointreau issued a 6.5 year bond for the amount of €205 million.

The features of this transaction are described in the notes to the consolidated financial statements and the notes to the parent company financial statements of Rémy Cointreau for 2013/2014.

AUTHORISATION TO ISSUE SECURITIES GIVING ACCESS TO THE SHARE CAPITAL

The Combined Shareholders' Meeting of 24 August 2000 authorised the Board of Directors to grant options giving the right to subscribe for new shares in the Company within a limit of 3% of the share capital of Rémy Cointreau. The Management Board allocated all the corresponding options at its meetings of 1 March 2001 and 8 March 2002. These plans expired on 28 February 2011 and 7 March 2012.

The Combined Shareholders' Meeting of 21 September 2001 authorised the Management Board to grant, on one or more occasions over a period of five years, to employees or management of the Company and companies or EIG covered by Article 208-4 of the French Commercial Companies Act (Article L. 225-180 of the French Commercial Code), options giving the right to subscribe for new shares in the Company within a limit of 3% of the share capital of Rémy Cointreau. The Management Board, at its meetings of 8 March 2002 and 16 September 2003, allocated 634,500 options, including 287,000 options to purchase shares in the Company. The share subscription option plan expired on 7 March 2012. The stock-option plan dated 16 September 2003 matured on 15 September 2013, while the stock-option plan dated 24 December 2004 is still valid. The table relating to option plans is included in the special report on options to subscribe for or purchase shares.

CHANGES IN THE SHARE CAPITAL OVER THE PAST FIVE YEARS

Dates	Type of transaction	Number of shares created (cancelled)	Share capital in €	Premiums in €	Cumulative share capital in €	Number of shares in the share capital
31/03/2008	Exercise of share subscription options	211,006	337,609.60	4,755,625.60	74,494,068.80	46,558,793
08/10/2008	Part payment of dividend in shares	673,843	1,078,148.80	20,222,028.43	75,572,217.60	47,232,636
20/11/2008	Exercise of share subscription options	7,290	11,664.00	133,227.60	75,583,881.60	47,239,926
20/11/2008	Capital increase by deduction from reserves following the allocation of bonus shares	89,500	143,200.00	–	75,727,081.60	47,329,426
31/03/2009	Exercise of share subscription options	40,618	64,988.80	624,426.80	75,792,070.40	47,370,044
15/09/2009	Exercise of share subscription options	3,262	5,219.20	34,577.20	75,797,289.60	47,373,306
21/09/2009	Part payment of dividend in shares	980,095	1,568,152.00	21,415,075.75	77,365,441.60	48,353,401
19/11/2009	Capital increase by deduction from reserves following the allocation of bonus shares	86,600	138,560.00	–	77,504,001.60	48,440,001
31/03/2010	Exercise of share subscription options	69,768	111,628.80	1,303,232.73	77,615,630.40	48,509,769
21/09/2010	Part payment of dividend in shares	565,770	905,232.00	20,944,805.40	78,520,862.40	49,075,539
21/09/2010	Exercise of share subscription options	55,450	88,720.00	1,405,575.00	78,609,582.40	49,130,989
23/11/2010	Exercise of share subscription options	36,827	58,923.20	929,428.50	78,668,505.60	49,167,816
23/11/2010	Capital increase by deduction from reserves following the allocation of bonus shares	88,900	142,240.00	–	78,810,745.60	49,256,716
31/03/2011	Exercise of share subscription options	171,686	274,697.60	4,173,919.50	79,085,443.20	49,428,402
20/09/2011	Exercise of share subscription options	49,287	78,859.20	1,153,315.80	79,164,302.40	49,477,689
22/11/2011	Exercise of share subscription options	1,713	2,740.80	40,084.20	79,167,043.20	49,479,402
22/11/2011	Capital increase by deduction from reserves following the allocation of bonus shares	97,300	155,680.00	–	79,322,723.20	49,576,702
31/03/2012	Exercise of share subscription options	52,860	84,576.00	1,236,924.00	79,407,299.20	49,629,562
25/09/2012	Payment of dividend in shares	1,190,350	1,904,560.00	90,383,275.50	81,311,859.20	50,819,912
23/11/2012	Capital increase by deduction from reserves following the allocation of bonus shares	90,000	144,000.00	–	81,455,859.20	50,909,912
19/11/2013	Capital reduction by cancellation of treasury shares	(1,150,000)	(1,840,000.00	(73,758,578.20)	79,615,859.20	49,759,912
25/03/2014	Capital reduction by cancellation of treasury shares	(1,283,053)	(2,052,884.80	(73,857,574.93)	77,562,974.40	48,476,859

There was no material change in the share capital ownership prior to 31 March 2013, except for First Eagle Investment Management, LLC, which held 5.66% of the share capital and 6.47% of the voting rights at 31 March 2011 and disclosed that it had fallen under the threshold of 1% of the voting rights on 6 December 2011.

The acquisition by Orpar on 22 July 2010 of 721,995 Récopart shares, including 421,995 outright and 300,000 in bare ownership, gave it a combined direct or indirect interest of 57.39% of the share capital and 69.67% of the voting rights in Rémy Cointreau.

On 3 May 2013, Orpar sold 1,500,000 Rémy Cointreau shares as part of a private placement *via* accelerated book-building, bringing its direct and indirect interest to 49.72% of the share capital and 67.03% of the exercisable voting rights.

7.3.4 Authorisation to trade in Company shares

BUYBACK PROGRAMME LINKED TO STOCK-OPTION PLANS

Pursuant to the share buyback programme authorised by the Shareholders' Meeting of 7 September 2004, the Company sold 602,430 shares with a repurchase agreement on 24 March 2005. In order to maintain full coverage of its share purchase plans, and to manage part of the dilution resulting from the exercise of one of the stock-option plans, this sale was subject to a cancellation clause. This transaction was supplemented by the Company's purchase of 224,497 call options from Barclays Bank PLC on 24 March 2005. The overall transaction enables Rémy Cointreau to cover the exercise of a maximum of 826,927 share subscription or purchase options.

The buyback movements on the two instruments are presented below. At 31 March 2014, the overall balance of treasury shares was 8,000, identical to the balance of the stock-option plan to be covered.

	Sale with repurchase clause	Options	Total	Options exercised during the period	Treasury shares held at the end of the period
Number of shares that could potentially be purchased as of 24 March 2005	602,430	224,497	826,927	–	–
2005/2006(1)	(280,927)	–	(280,927)	280,927	–
2007/2008	(75,000)	–	(75,000)	70,295	4,705
2008/2009	(33,000)	–	(33,000)	20,500	17,205
2009/2010	–	–	–	4,605	12,600
2010/2011	(76,003)	(52,497)	(128,500)	119,790	21,310
2011/2012	(96,940)	(111,500)	(208,440)	222,100	7,650
2012/2013	(9,850)	(19,500)	(29,350)	26,500	10,500
2012/2013 – partial cancellation(2)	(24,000)	(35,000)	(59,000)	–	–
2013/2014	6,710	6,000	12,710	15,210	8,000
Balance at 31/03/2014	0	0	0	–	8,000

(1) These shares were cancelled under the authorisation granted by the Shareholders' Meeting of 28 July 2005, since the options exercised corresponded to subscription rather than purchase plans.

(2) There was a partial cancellation during the period to adjust these hedging instruments to the number of stock options open for current plans after lapsed options were taken into account.

LIQUIDITY CONTRACT

In addition, the Company concluded a liquidity contract with a liquidity provider. As part of this mandate, the liquidity provider's sole purpose is to promote the liquidity of the Company's securities and the regularity of their quotation on the market. At 31 March 2014, the Company held no such shares.

SHARE BUYBACK PROGRAMME

Pursuant to the 13th and 15th resolutions of the Shareholders' Meeting of 26 July 2011, the Board of Directors resolved to retain an investment services provider to buy back Company shares within a limit of 10% of the share capital, net of treasury shares, particularly any acquired under the liquidity contract. The shares bought back in this way shall be allocated to the following objectives: (i) retention and subsequent use in exchange or as payment for acquisitions, up to legally established limits; and, (ii) cancellation as per the description in the share buyback programme. The service provider may make purchases as and when it sees fit, subject to a maximum of 4,500,000 shares at prices that comply with European Regulation (EC) No 2273/2003 of 22 December 2003 and the AMF's General Regulation.

This share buyback programme was terminated on 23 May 2012. At 31 March 2013, the Company held 1,428,794 of its own shares under this share buyback programme. On 19 November 2013, the Board of Directors decided to reassign 278,794 of these shares to a bonus share issue for employees of the Company (or related companies) and corporate officers. The remaining 1,150,000 shares were reassigned for cancellation as part of a capital reduction made on the same day.

The 11th resolution of the Combined Shareholders' Meeting of Rémy Cointreau of 24 September 2013 authorised the Board of Directors, for a period expiring following the Shareholders' Meeting called to approve the financial statements for the year ended 31 March 2014, and at the latest within a period of 18 months from 24 September 2013, to buy or sell shares in the Company, within a limit of 10% of the share capital, namely 3,641,697 shares, net of treasury shares, sales of shares with a repurchase option and the purchase of call options. The maximum amount that the Company is liable to pay based on this number of shares is €546,254,550.

The share buyback programme is designed to achieve the following, in order of decreasing priority:

- to ensure liquidity or promote trading in the secondary market in Rémy Cointreau shares *via* an investment services provider, under the terms of a liquidity agreement that complies with the Ethics Charter recognised by the AMF;
- to cancel shares as part of a share capital reduction;
- to cover obligations in respect of marketable securities giving access to share capital;
- to grant shares in accordance with the terms and conditions provided by law, notably as part of a profit-sharing plan, to cover stock options, as part of a company savings plan or to be used to grant bonus shares to employees and/or authorised corporate officers of the Company and/or companies related to it within the meaning of Articles L. 225-197-1 *et seq.* of the French Commercial Code;
- to purchase shares and retain them to be used subsequently in exchange for payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits prescribed by law;
- to implement any market practices permitted by the AMF and, more generally, carry out all transactions in compliance with the regulations in force.

The purchase of these shares, together with their sale or transfer, may be performed subject to the legal and regulatory provisions at any time, including during a public takeover offer period involving the Company's shares, or during a public takeover offer initiated by the Company, subject to the lock-up periods specified in Article 631-6 of the AMF's General Regulation, or to other legal or regulatory provisions, and by any means, including on the market or off-market, on regulated or unregulated markets, *via* multi lateral trading facilities, with systematic internalisers, or over the counter, including by public offering, block transactions, sale with repurchase options and the use of derivative financial instruments traded on a regulated market or not, multilateral trading facilities, with systematic internalises, or over the counter, including under the conditions authorised by the competent market authorities, and during the periods that the Board of Directors, or the person acting on the authority of the Board of Directors shall choose. These transactions may include option transactions, except for the sale of put options, and inasmuch as such transactions do not contribute to a significant increase in the volatility of the share price. The maximum portion of the capital acquired or transferred in the form of block transactions may amount to 100% of the authorised share buyback programme. Payment may be made by any means.

As part of these objectives, the repurchased shares may be cancelled in accordance with the 13th resolution of the same Shareholders' Meeting, subject to a limit of 10% of the share capital per period of 24 months.

The maximum share purchase price was set at €150 by the Shareholders' Meeting.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

Under this authorisation, the Board of Directors decided, on 19 November 2013, to grant a mandate to an investment services provider to purchase the Company's shares with a view to their cancellation, subject to a limit of 2,500,000 shares and a maximum price of €80.

The performance of the contract was terminated on 28 January 2014 and the 1,283,053 shares thus acquired were cancelled on 25 March 2014.

INFORMATION ON TRANSACTIONS CARRIED OUT UNDER THE CURRENT SHARE BUYBACK PROGRAMME FOR THE PERIOD 1 APRIL 2013 TO 31 MARCH 2014

Pursuant to the provisions of Article L. 225-211 of the French Commercial Code, the purpose of this section is to inform the Shareholders' Meeting of the share purchases made between 1 April 2013 and 31 March 2014 as part of the share buyback programme authorised by the Shareholders' Meetings of 26 July 2012 and 24 September 2013.

Between 1 April 2013 and 31 March 2014, the Company purchased 1,478,473 shares and sold 192,710 shares. During the same period, it also transferred 15,210 shares to service stock options and 96,500 shares as part of the bonus share award for employees of the Company (or related companies) and corporate officers.

The table below summarises the purpose of the transactions carried out during the period 1 April 2013 to 31 March 2014:

		Average price
Percentage of treasury shares held directly or indirectly	0.39%	
Number of securities held at the start of the year	1,449,294	
Number of securities purchased since the start of the year:		
▪ as part of the liquidity contract	182,710	€75.25
▪ as part of the sale with repurchase agreement and purchase option	12,710	
▪ as part of the implementation of the share buyback programme dated 19 November 2013	1,283,053	€59.16
Number of securities sold since the start of the year as part of the liquidity contract	192,710	€76.20
Number of securities transferred since the start of the year		
▪ to service stock options	15,210	
▪ grant of bonus shares	96,500	
Number of securities cancelled since the start of the year	2,433,053	
Number of securities held as of 31 March 2014:		
▪ as part of the liquidity contract	0	
▪ as part of the sale with repurchase agreement contract	8,000	
▪ for bonus share grant (reassignment of shares for the share buyback programme dated 22 November 2011)	182,294	

SUMMARY OF THE IMPLEMENTATION OF THE SHARE BUYBACK PROGRAMME AUTHORISED BY THE COMBINED SHAREHOLDERS' MEETING OF 24 SEPTEMBER 2013

		Average price
Percentage of treasury shares held directly or indirectly	0.00%	
Number of securities held at the start of the programme	1,431,444 2.82%	
Number of securities purchased since the start of the programme:		
▪ as part of the liquidity contract	202,612	€64.24
▪ as part of the sale with repurchase agreement contract	6,000	
▪ as part of the implementation of the share buyback programme dated 19 November 2013	1,283,053	
Number of securities sold since the start of the programme as part of a liquidity contract	202,612	€65.59
Number of securities transferred since the start of the programme:		
▪ to service stock options	650	
▪ grant of bonus shares	96,500	
Number of securities cancelled since the start of the programme	2,433,053	
Number of shares held at 30 May 2014:		
▪ as part of the liquidity contract	0	
▪ as part of the sale with repurchase agreement contract	8,000	
▪ for bonus share grant (reassignment of shares for the share buyback programme of 22 November 2011)	182,294	

BREAKDOWN OF EQUITY SECURITIES HELD, BY OBJECTIVE

Shares held by the Company are used partly to promote trading in the secondary market or to enhance the liquidity of the Rémy Cointreau share by an investment services provider, *via* a liquidity contract that complies with the Ethics Charter recognised by the AMF, and partly to cover the exercise of stock options. In addition, the shares held in connection with the mandate given to an investment service provider in accordance with the Board of Directors' decision of 22 November 2011 taken under the 13th and 15th resolutions, adopted by the Shareholders' Meeting of 26 July 2011, were reassigned by the Board of Directors' decision of 19 November 2013 in order to (i) grant bonus shares to employees and/or authorised corporate officers of the Company and/or related companies and (ii) cancel shares.

DESCRIPTION OF THE KEY FEATURES OF THE BUYBACK PROGRAMME TO BE SUBMITTED FOR THE APPROVAL OF THE SHAREHOLDERS' MEETING OF 24 JULY 2014 UNDER THE 18TH RESOLUTION

- Securities: shares issued by Rémy Cointreau SA.
- Maximum percentage that may be purchased by the Company: 10% of shares comprising the share capital.
- Maximum number of shares that may be purchased by the Company: 4,657,391 shares.
- Maximum unit price: €150 excluding purchase costs.
- Objectives:
  - to ensure liquidity or promote trading in the secondary market in Rémy Cointreau shares *via* an investment services provider, under the terms of a liquidity agreement that complies with the Ethics Charter recognised by the AMF;
  - to cancel shares as part of a capital reduction, subject to the adoption of the 20th resolution submitted to this Shareholders' Meeting;
  - to cover obligations in respect of marketable securities giving access to share capital;
  - to grant shares to employees and/or authorised corporate officers of the Company and/or related companies in accordance with the terms and conditions provided by law, notably as part of a profit-sharing plan, to cover stock options, as part of a company savings plan or to grant bonus shares within the meaning of Articles L. 225-197-1 *et seq.* of the French Commercial Code;
  - to purchase shares and retain them to be used subsequently in exchange for payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits prescribed by law;
  - to implement any market practices permitted by the AMF and, more generally, carry out all transactions in compliance with the regulations in force.

Duration of the programme: until the Shareholders' Meeting called to consider the financial statements for the year ended 31 March 2015 and within a period of 18 months from 24 July 2014.

7.3.5 Transactions carried out during the year

TRANSACTIONS CARRIED OUT ON THE EXERCISE OR MATURITY OF DERIVATIVES

Date of transaction	Name of intermediary	Purchase/ Sale	Number of shares	Transaction price	Amount in €	Underlying derivative transaction
10/09/2013		Repurchase clause	6,710	€27.65	180,566	Exercise of the repurchase clause contained in the sale agreement entered into on 24 March 2005 - see statement posted online on 13/09/2013
03/12/2013		Purchase	6,000	€28.07	163,800	Exercise of purchase options planned in addition to the repurchase clause contained in the share sale agreement entered into on 24/03/2005 – see statement posted online on 13/12/2013

7.3.6 Outstanding derivatives

Date of transaction	Name of intermediary	Purchase/ Sale	Purchase options/ Maturity	Maturity	Exercise price €	Premium	Organised market/OTC	Balance at 31/03/2014
24/03/2005	–	Repurchase clause	–	15/09/2013	27.67	–	–	N/A
24/03/2005	–	Purchase	Purchase options	23/12/2014	28.07	10.25	OTC	N/A

7.4 Shareholding and stock market information

7.4.1 Ownership of share capital and voting rights as of 31 March 2014

As of 31 March 2014, after the Board of Directors had noted the various changes to the share capital that had occurred during the year, as disclosed in section 7.3 of this registration document, the share capital amounted to €77,562,974.40, divided into 48,476,859 shares with a nominal value of €1.60 each.

Pursuant to the provisions of Article L. 233-13 of the French Commercial Code, it is hereby specified that:

- Orpar held more than one third of the share capital and voting rights of your Company as of 31 March 2014;
- Récopart held more than 10% of the share capital and more than 15% of the voting rights of your Company as of the same date;
- Fine Champagne Investissement held more than 2% of the share capital and more than 1% of the voting rights as of the same date;
- Andromède held more than 1% of the share capital and voting rights of your Company as of the same date.

The employee savings plans represent 0.3% of the share capital of Rémy Cointreau. It is the only form of collective shareholding by Rémy Cointreau employees.

VOTING RIGHTS, NUMBER OF SHAREHOLDERS, DETAILS OF SHAREHOLDERS HOLDING 1% OR MORE AND THE NATURE OF THEIR HOLDING, SHAREHOLDERS' AGREEMENT, SHARES HELD BY EMPLOYEES AND TREASURY SHARES

	Position at 31/03/2014			Position at 31/03/2013			Position at 31/03/2012		
Shareholders	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights	Number of shares	% of share capital	% of voting rights
Orpar	17,170,629	35.42	46.77	20,802,494	40.86	53.45	21,252,815	42.82	55.01
Récopart	7,143,709	14.74	19.53	7,143,709	14.03	18.12	6,937,889	13.98	18.11
Andromède	562,888	1.16	1.01	20,223	0.04	0.05	19,640	0.04	0.05
Sub-total	**24,877,226**	**51.32**	**67.31**	**27,966,426**	**54.93**	**71.62**	**28,210,344**	**56.84**	**73.17**
Fine Champagne Investissement	1,065,057	2.19	1.48	–	–	–	–	–	–
GROUPAMA	–	–	–				1,400,296	2.82	1.87
Fidelity Management & Research Company, LLC(1)	2,577,684	5.317	3.576	2,204,020	4.33	2.88	2,204,020	4.46	2.82
UBS AG(2)	1,124,774	2.32	1.56	–	–	–	–	–	–
ESTA INVESTMENTS PTE(3)	1,034,934	2.135	1.436	–	–	–	–	–	–
AXA(4)	805,755	1.662	1.118						
Edmond De Rothschild(5)	740,000	1.527	1.027	–	–	–	–	–	–
AMUNDI(6)	723,486	1.492	1.004	540,820	1.06	0.71	–	–	–
APG Algemene Pensioen Groep NV(7)	644,334	1.329	0.894	–	–	–	–	–	–
Schroders8)	534,358	1.102	0.741	–	–	–	–	–	–
Citigroup Global Markets Limited(9)	534,228	1.102	0.741	–	–	–	–	–	–
Threadneedle Investments(10)	490,666	1.012	0.681	–	–	–	–	–	–
Rémy Cointreau (treasury shares)	190,294	0.39	–	1,449,294	2.85	–	1,428,653	2.88	–
Free float	13,555,216	27.962	18.981	20,953,372	41.16	27.67	18,590,269	37.46	24.96
TOTAL	**48,476,859**	**100.00**	**100.00**	**50,909,912**	**100.00**	**100.00**	**49,629,562**	**100.00**	**100.00**

Based on the declaration of crossing thresholds provided by law or by the Articles of Association (1% of the share capital and voting rights).
(1) Declaration of 24 October 2013.
(2) Declaration of 1 April 2014.
(3) Declaration of 7 October 2013.
(4) Declaration of 29 July 2013.
(5) Declaration of 31 January 2013.
(6) Declaration of 25 March 2014.
(7) Declaration of 17 September 2013.
(8) Declaration of 25 March 2014.
(9) Declaration of 18 November 2013.
(10) Declaration of 4 December 2013.

In addition, the Generali Investments Europe Group disclosed on 8 April 2014 that it held more than 1% of the share capital in the Company, UBS disclosed on 7 May 2014 that it held more than 3% of the share capital and more than 2% of the voting rights. Fidelity Management & Research Company disclosed it held 4.98% of the share capital representing 3.35% of the voting rights.

A number of shares possess double voting rights. A total of 23,795,579 shares had double voting rights at 31 March 2014. The main shareholders, Orpar and Récopart, hold such rights, as indicated in the above table.

The Company holds 190,294 treasury shares, including 8,000 acquired under the sale and repurchase agreement signed on 24 March 2005 to cover the exercise of stock options, and 182,294 acquired under the buyback programme established by the Board of Directors pursuant to the authorisation of the Shareholders' Meeting of 26 July 2011 and allocated to the bonus share award. No shares are held under the liquidity contract.

Andromède disclosed that, *via* the companies Orpar and Récopart which it controls, on 3 May 2013 it crossed the thresholds of two thirds of the voting rights and 50% of the share capital of Rémy Cointreau, directly and indirectly, and that it held, both directly and indirectly, 25,314,615 Rémy Cointreau shares representing 49,604,552 voting rights or 49.72% of the share capital and 65.74% of the voting rights of the Company. On this occasion, Orpar had individually fallen below the threshold of 50% of the voting rights in Rémy Cointreau. The thresholds were crossed following the sale by Orpar of 1,500,000 Rémy Cointreau shares as part of a private placement *via* accelerated book-building. This declaration of crossing of thresholds was the subject of AMF decision No. 213C0550 of 14 May 2013 posted online on the AMF website.

Fine Champagne Investissements (FCI) disclosed that on 13 May 2013, it, in concert with Andromède, Orpar and Récopart, had exceeded the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, and one third of the share capital and voting rights and 50% of the voting rights in Rémy Cointreau and that it jointly held 25,385,619 Rémy Cointreau shares representing 49,675,982 voting rights or 49.86% of the share capital and 65.83% of the voting rights in the Company[1].

The thresholds were crossed following the execution, on 13 May 2013, of a shareholders' agreement between the abovementioned members acting in concert towards Rémy Cointreau[2]. The declaration that the thresholds had been crossed was the subject of AMF Decision No. 213C0586 of 23 May 2013, posted online on the AMF website.

FCI also made a declaration of intent (see AMF Decision No. 213C0586 of 23 May 2013, posted online on the AMF website).

Andromède, acting in concert with Récopart, Orpar and Fine Champagne Investissements, disclosed that on 28 June 2013, it had exceeded the thresholds of 50% of the share capital and two thirds of the voting rights in Rémy Cointreau and that it held, directly and indirectly, *via* the companies Orpar and Récopart which it controls, 25,942,283 Rémy Cointreau shares representing 50,389,513 voting rights or 50.96% of the share capital and 66.78% of the voting rights. The thresholds were crossed following Andromède's merger by absorption of four companies controlled by the Hériard Dubreuil family and then shareholders of Andromède, as a result of which Andromède received 556,877 Rémy Cointreau shares representing 713,957 voting rights, resulting from the universal transfer of assets from the absorbed companies. This merger by absorption has no effect on the control of Andromède (see AMF decision no. 213C0862 of 8 July 2013 posted online on the AMF website).

The Group composed of the limited companies Andromède, Orpar and Récopart and the simplified limited company Fine Champagne Investissements (FCI) declared that on 31 July 2013, it had fallen below the threshold of two thirds of voting rights in Rémy Cointreau and held 25,942,283 Rémy Cointreau shares representing 49,395,460 voting rights, or 50.96% of the share capital and 66.33% of the voting rights in this company[3]. On this occasion, Andromède, through Orpar and Récopart, both companies it controls, indirectly fell below the thresholds of 50% of the share capital and two thirds of the voting rights in Rémy Cointreau.

The thresholds were crossed following the exercise, by FCI, of an undertaking to purchase 201,533 Orpar shares it held, which Orpar paid for by remittance to FCI of 994,053 shares in Rémy Cointreau, resulting in the loss of double voting rights attached to the aforementioned Rémy Cointreau shares. The declaration that the thresholds had been crossed was the subject of AMF Decision No. 213C1167 of 2 August 2013, posted online on the AMF website.

The Group composed of the limited companies Andromède, Orpar and Récopart and the simplified limited company Fine Champagne Investissements[4] (FCI) declared that on 19 November 2013, it had exceeded the threshold of two thirds of voting rights in Rémy Cointreau and held 25,942,283 Rémy Cointreau shares representing 49,587,459 voting rights, or 52.13% of the share capital and 67.46% of the voting rights in this company. This threshold was crossed due to a reduction in the total number of shares and voting rights in Rémy Cointreau resulting from the cancellation of 1,150,000 Rémy Cointreau shares.

The declaration that the thresholds had been crossed was the subject of AMF Decision No. 213C1783 of 22 November 2013, posted online on the AMF website.

The limited company Andromède (123, avenue des Champs-Elysées, 75008 Paris) declared that on 25 March 2014, it had exceeded, directly and indirectly, through the companies Orpar and Récopart which it controls, the thresholds of two thirds of voting rights and 50% of the capital of Rémy Cointreau and that it held, directly and indirectly, 24,877,226 shares representing 48,522,402 voting rights, or 51.32% of the capital and 67.14% of the theoretical voting rights in this company.

The thresholds were crossed following the reduction in the total number of shares and voting rights of Rémy Cointreau following a cancellation of Rémy Cointreau shares.

The Group composed of the limited companies Andromède, Orpar and Récopart and simplified limited company Fine Champagne Investissements (FCI) has not crossed any threshold and at 25 March 2014, this held 25,942,283 Rémy Cointreau shares representing 49,587,459 voting rights, or 53.51% of the capital and 68.79% of the voting rights in this company.

The declaration that the thresholds had been crossed was the subject of AMF Decision No. 214C0472 of 28 March 2014, posted online on the AMF website.

The Company is aware of the existence of the following concert parties and shareholders' agreements:

- between Orpar and the shareholders of Récopart:
  - under a Memorandum of Understanding signed on 21 and 22 July 2010, on 22 July 2010 Orpar acquired 721,995 Récopart shares, including 421,995 outright and 300,000 in bare ownership from Mr Pierre Cointreau and his children, thereby increasing its investment to 61.02% of the share capital and 54.53% of the voting rights in Récopart,
  - prior to this transaction, Orpar and Récopart were granted an exemption from the requirement to made a public takeover offer under Article 234-9-6 of the General Regulation set out in Decision and Notification 210C0520 published on the website of the AMF on 14 June 2010. The declaration of crossing of thresholds following this exemption was made by letter of 23 July 2010 and published on the website of the AMF in Decision and Notification 210C0694.

(1) *Based on share capital comprising 50,909,912 shares representing 75,460,124 voting rights, pursuant to Article 223-11 (2) of the General Regulation.*
(2) *It is specified that the above-mentioned shareholders' agreement is also included in Decision and Notification 213C0515 of 2 May 2013, the provisions of which are included below (see 7.4.1).*
(3) *Based on share capital comprising 50,909,912 shares representing 74,466,099 voting rights, pursuant to Article 223-11 (2) of the General Regulation.*
(4) *Simplified limited company (based at Maison des Viticulteurs, 25 rue de Cagouillet, 16100 Cognac) owned by the cooperative Alliance Fine Champagne (AFC), an entity resulting from the merger of the cooperatives Champaco and Prochacoop.*

On that date, Récopart held 6,937,889 shares and 13,229,478 voting rights in Rémy Cointreau, *i.e.* 14.30% of the share capital and 17.08% of the voting rights in Rémy Cointreau. On that date, Orpar held 20,901,034 shares and 40,732,231 voting rights in Rémy Cointreau, *i.e.* 43.09% of the share capital and 52.59% of the voting rights in Rémy Cointreau. As a result, following this acquisition, Orpar directly or indirectly held a total of 27,838,923 shares and 53,961,709 voting rights in Rémy Cointreau, *i.e.* 57.39% of the share capital and 69.67% of the voting rights in Rémy Cointreau, and had thus indirectly exceeded the threshold of 50% of the share capital and 66.67% of the voting rights in Rémy Cointreau.

In application of the Memorandum of Understanding and as part of the implementation of the acquisition, Orpar and Mr Pierre Cointreau and his family entered into the following agreements to govern their relationship within Récopart:

- an undertaking to purchase was granted on 21 and 22 July 2010 by Orpar to the Cointreau family, in relation to the remaining Récopart shares held by the Cointreau family. The undertaking to purchase reflects Orpar's commitment to acquire, from members of the Cointreau family and at their request, a maximum of 2,378,005 Récopart shares;
- an undertaking to sell was granted on 21 and 22 July 2010 by the Cointreau family to Orpar, in relation to the remaining Récopart shares held by the Cointreau family. The undertaking to sell reflects the commitment of the members of the Cointreau family to sell to Orpar, at the latter's request, a maximum of 2,378,005 Récopart shares;
- a shareholders' agreement was signed on 21 and 22 July 2010. This agreement was entered into for a period of 20 years from the date of its signature. The agreement specified that Récopart, in order to streamline the Company's structure, would be turned into a simplified limited company (SAS) and that the Company Articles of Association would be redrafted accordingly, which was done in July 2011. The agreement also specified the annual dividend distribution policy.

Orpar also benefits from a preferential subscription right on any share transfer, except for certain types of so-called free transfers, it being specified that the preferential subscription right became automatically applicable from the date Récopart was turned into a simplified limited company and the corresponding amending of its Articles of Association.

Lastly, the agreement specifies that in the event Orpar were to receive a bid from a third party buyer for at least 51% of Récopart shares, which it would be prepared to accept, that all shareholders would be compelled to dispose of their shares jointly with Orpar, on the terms and conditions specified in the agreement.

As a result, the shareholders' agreement dated 27 June 2001 was terminated on 22 July 2010.

The commitments under the "Dutreil agreement", entered into in July 2010 and December 2010 were waived in July 2012.

- between Andromède, Orpar and FCI:
  - in Decision No. 213C0515 of 2 May 2013 posted on its website, the AMF examined the consequences of the concert party between Fine Champagne Investissements (FCI) and Andromède, Orpar and Récopart and granted an exemption from the requirement to make a public takeover offer under Article 234-1[(1)] of the AMF General Regulation,
  - on 3 April 2013, Andromède, FCI and Orpar entered into a shareholders' agreement with respect to Orpar and Rémy Cointreau[(1)], the main clauses of which were published pursuant to Article L. 233-11 of the French Commercial Code in AMF Decision No. 213C0515 of 2 May 2013, posted online on the AMF website.

Main clauses of the agreement concerning Rémy Cointreau:

- **governance:** Orpar and FCI will meet in reasonable time before any Shareholders' Meeting of Rémy Cointreau to examine the draft resolutions submitted to the meeting and agree on a common position. In any event, FCI agrees to attend the meeting in question or give proxy to Orpar and combine its votes with those of Orpar and vote as previously indicated to Orpar;
- **allotment of Rémy Cointreau shares as payment:** in the event that FCI sells its interest in the capital of Orpar to Andromède as a result of the undertaking to purchase agreed by Andromède relating to 201,533 Orpar shares held by FCI or the undertaking to sell relating to the same Orpar shares and agreed by FCI, Andromède may pay the price due to FCI in cash or in Rémy Cointreau shares[(2)];
- **retention:** FCI agrees not to sell any Rémy Cointreau securities received in payment for the abovementioned undertakings for a period of two years from their receipt;
- **pre-emptive right:** Andromède will benefit from a pre-emptive right on the abovementioned Rémy Cointreau shares at the end of the two-year period established in the retention obligation;
- **ceiling:** FCI agrees not to increase its stake in Rémy Cointreau without the agreement of Orpar and not to enter into any agreement or more generally any concert party with any third party with respect to Rémy Cointreau;
- **duration:** the agreement is valid for seven years, *i.e.* until 4 April 2020, it being specified that, in the event that Orpar or FCI carries out an act forcing the launch of a public takeover offer on Rémy Cointreau securities, the concert party linking them will immediately end and will, by law, become null and void.

(1) It is specified that the concert party and entry into force of the clauses concerning Rémy Cointreau are subject to condition precedent of the granting by the AMF of an exemption from the requirement to make a public takeover offer on Rémy Cointreau securities, which is not open to appeal.

(2) Based on Orpar's NAV with a 12.5% discount. It is specified that Andromède is free to pay the exercise price, in full or in part, in cash and/or in Rémy Cointreau shares based on the average Rémy Cointreau share price over the last six months prior to the date of the exercise notice.

7.4.2 Changes to the share capital ownership structure over the past three years

In financial year 2011/2012, the exercise of 103,860 share subscription options and the allocation of 97,300 bonus shares resulted in the share capital being increased by €321,840 to €79,407,299.20. At closing, Orpar held more than one-third of the share capital and more than half the voting rights. Récopart held more than 10% of the share capital and more than 15% of the voting rights.

First Eagle Investment Management, LLC (formerly Arnhold and S. Bleichroeder LLC), which held more than 5% of the share capital and voting rights, declared on 6 December 2011 that it had fallen below the threshold of 1% of the capital and voting rights.

In financial year 2012/2013, the exercise of the option for the dividend payment to be made in shares, which resulted in the creation of 1,190,350 shares and the distribution of 90,000 bonus shares, led to an increase in the share capital of €2,048,560 to €81,455,859.20. At closing, Orpar held more than one-third of the share capital and more than half the voting rights. Récopart held more than 10% of the share capital and more than 15% of the voting rights.

In financial year 2013/2014, the Company proceeded with two capital reductions by cancellation of treasury shares, reducing the capital to €77,562,974.40. At closing, Orpar held more than one third of the share capital and voting rights. Récopart held more than 10% of the share capital and more than 15% of the voting rights.

7.4.3 Persons controlling the Company and details of their shareholdings

At 31 March 2014, Orpar was 99.99% controlled by Andromède, which is controlled by the Hériard Dubreuil family.

At 31 March 2014, Andromède held 562,888 shares corresponding to 730,032 voting rights, Orpar held 17,170,629 shares in Rémy Cointreau, or 35.42% of the capital, corresponding to 33,710,772 voting rights, or 46.77% of the voting rights. Orpar holds, directly and indirectly, the shares held by Récopart, or a total of 50.15% of the share capital and 66.30% of the voting rights in Rémy Cointreau. Together Andromède, Orpar and Récopart hold 51.32% of the share capital and 67.31% of the voting rights in Rémy Cointreau.

Pursuant to European regulation No. 809/2004 of 29 April 2004 established pursuant to the “Prospectus” directive, Rémy Cointreau ensures that the control of the Company is not abused, by adopting corporate governance measures.

The Company conforms to current corporate governance guidelines and takes into account the recommendations of the Viénot and Bouton reports. In particular, the Board of Directors comprises a significant proportion of independent directors and has its own internal regulations. The Company complies with the AFEP-MEDEF Code.

7.4.4 Stock market information

Shares in Rémy Cointreau are listed on the NYSE Euronext Paris regulated market (ISIN code FR0000130395). Rémy Cointreau is included in the French CACMID 100 index and the European EuroStoxx 100 index.

As of 31 March 2014, Rémy Cointreau had a market capitalisation of €2.8 billion.

Since September 2005, Rémy Cointreau has entrusted a financial institution with the implementation of a liquidity contract that conforms to the AMAFI Ethics Charter recognised by the AMF.

NUMBER OF SHARES AND VOLUMES TRADED ON EURONEXT PARIS AND SHARE PRICE PERFORMANCE OVER THE PAST 18 MONTHS

	Number of shares traded	Average price in €	High in €	Low in €	Trading volumes in €m
2012					
December	1,271,060	85.38	90.40	81.53	108.88
2013					
January	1,690,732	89.76	95.45	82.75	152.14
February	1,326,182	96.71	101.55	92.82	96.71
March	2,373,591	92.70	97.00	87.85	219.27
April	2,073,270	87.07	91.75	85.00	182.56
May	2,433,455	89.63	91.84	86.45	214.14
June	2,090,025	83.87	89.15	77.10	173.86
July	1,944,577	80.90	84.23	77.60	156.04
August	1,386,824	80.11	81.81	77.85	110.83
September	2,407,165	80.39	84.59	77.90	194.45
October	3,157,646	75.42	80.94	69.99	236.50
November	3,233,894	70.47	73.40	62.07	217.75
December	3,691,847	60.61	63.28	58.87	224.37
2014					
January	5,644,975	57.82	61.50	54.50	327.58
February	2,885,168	57.65	62.94	52.99	165.93
March	2,723,434	60.60	63.62	57.61	164.44
April	4,403,735	61.46	65.72	57.45	271.54
May	1,991,726	64.67	68.00	61.65	130.10

7.5 Items liable to have an impact in the event of a public takeover offer

Pursuant to the provisions of Article L. 225-100-3 of the French Commercial Code, we list below the factors liable to impact a public takeover offer:

- the structure of the Company's share capital is disclosed in section 7.4 of this registration document and refers to concert parties and to shareholders' agreements that had been brought to the Company's attention at the time of writing;
- the direct or indirect investments known to the Company are also described in section 7.4 of this registration document;
- with the exception of the double voting rights allocated, pursuant to Article 23.2 of the Articles of Association, to fully paid-up shares which have been held in registered form for at least four years in the name of the same shareholder, no shares carry specific privileges;
- there is no restriction in the Articles of Association on the exercise of voting rights, except for failure to comply with the provisions in respect of crossing the threshold of 1% of the share capital or voting rights or any multiple of this percentage, provided for by Article 8.2 of the Articles of Association; there are no restrictions on share transfers in the Articles of Association;
- the rules governing the appointment and dismissal of members of the Board of Directors are those of the prevailing laws and the Articles of Association;
- amendments to the Company's Articles of Association are made in accordance with the prevailing laws and regulations;
- the Company and some of its subsidiaries have entered into agreements containing a clause offering the parties the option of terminating those agreements in the event of a change of control of the Company, mainly under distribution agreements with third parties and the bond of €205 million dated June 2010, described in note 11.6 to the consolidated financial statements.
- the various delegations and authorisations granted to the Board of Directors by the Shareholders' Meeting, notably concerning the issue and repurchase of shares, are disclosed in section 7.3.3 of this registration document.

8

COMBINED SHAREHOLDERS' MEETING

8.1 Comments on the draft resolutions

Approval of the Company and consolidated financial statements

Once you have reviewed its report and the reports of the Company's Statutory Auditors, the Board of Directors asks that you first approve the Company financial statements for the financial year ending 31 March 2014, which show a profit of €117,482,814.71, and then the consolidated financial statements for the same period, which show net income attributable to the owners of the parent of €62,359,000.

Appropriation of 2013/2014 income

In the 3rd resolution, the Board of Directors asks that you approve the appropriation of distributable income for the financial year ending 31 March 2014 as follows:

▪ company profit as of 31 March 2014:	€117,482,814.71
▪ retained earnings:	€104,305,937.87
Total distributable amount:	**€221,788,752.58**
▪ dividend of €1.27 per share:	€61,565,610.93
▪ retained earnings:	€160,223,141.65
Total:	**€221,788,752.58**

The dividend of €1.27 per share will be paid on 1 October 2014.

For individuals domiciled for tax purposes in France, the dividend is eligible for the proportional allowance of 40% of the gross amount received, as provided for in Article 158-3-2 of the French General Tax Code.

In the event that the Company holds any of its own shares as of the ex-dividend date, the amount corresponding to the dividend not distributed as a result of that holding shall be allocated to retained earnings.

In accordance with the law, we hereby advise you that the amount of net dividends paid in respect of the past three financial years, and the amount of the dividend payment eligible for the aforementioned tax allowance for individual shareholders who are tax residents of France, were as follows:

Financial years	2010/2011	2011/2012	2012/2013
Net dividend per share	€2.30*	€2.30**	€1.40
Eligible dividend paid	€2.30*	€2.30**	€1.40

* *Including €1.00 as a special dividend.*
** *Including €1.00 as an extraordinary dividend.*

Option for the payment of the dividend in shares

In accordance with the requirements of Articles L. 232-18 to L. 232-20 of the French Commercial Code and Article 27 of the Articles of Association, we ask that you grant each shareholder the option of receiving payment of the dividend in cash or in shares for thirty-seven euro cents (€0.37) of the dividend paid.

Under this option, the issue price of the new shares will be equal to 90% of the average closing price in the 20 trading sessions preceding the Shareholders' Meeting of 24 July 2014, less the net dividend amount, in accordance with Article L. 232-19 of the French Commercial Code. The Board of Directors will have the option of rounding up the issue price thus determined to the nearest whole cent.

Shareholders may opt either for payment of €0.37 of the dividend in shares and €0.90 of the dividend in cash, or payment of the entire dividend in cash. Shareholders who opt for payment of €0.37 of the dividend in shares must request this from their financial intermediary between 1 August 2014 and 17:00 on 12 September 2014 at the latest. After this time, the entire dividend shall automatically be paid in cash.

If the amount of dividends on which the option is exercised does not correspond to a whole number of shares, shareholders may subscribe either for the next lowest number of shares and receive a cash payment for the balance, or the next highest number of shares and pay the extra in cash.

The new shares shall be subject to all provisions of law and the Articles of Association and shall be eligible for dividends from 1 April 2014, the start of the current financial year.

Finally, we ask that you vest every power in the Board of Directors to make, in accordance with Article L. 232-20 of the French Commercial Code, the necessary arrangements for payment of the dividend in shares, and specifically to set the issue price of the shares issued under the aforementioned conditions, to record the number of shares issued and the resulting capital increase, to amend the Articles of Association of the Company accordingly, to take every measure to ensure the successful outcome of the transaction and, in general, to do whatever may be useful or necessary.

Transfer of the portion of the legal reserve exceeding 10% of the share capital to retained earnings

As of the date of this report, the legal reserve stands at €8,145,585.92 and the share capital is €77,562,974.40. Shareholders are reminded that companies are required to maintain a reserve of 10% of the share capital and that allocation to this legal reserve ceases to be mandatory once the cumulative amount of the legal reserve reaches 10% of the share capital. Therefore, it is proposed that the amount of €389,288.48, corresponding to the portion of the legal reserve exceeding this threshold, should be transferred to retained earnings.

If this resolution is passed, the legal reserve will be €7,756,297.44, or 10% of the share capital.

Agreements covered by Article L. 225-38 of the French Commercial Code

We inform you that the Statutory Auditors have been notified of agreements previously authorised and concluded that remained in force during the financial year, as well as of agreements authorised during the year, for the purpose of preparing their special report. We ask that you approve the terms of these agreements. Under the sixth resolution, you are asked to approve the agreements entered into or renewed by the Company during the financial year and covered by Articles L. 225-38 *et seq.* of the French Commercial Code. The new agreements consist of a service provision agreement between Rémy Cointreau SA and Rémy Cointreau Europe & MEA and a guarantee to be granted to Financière Rémy Cointreau in connection with a €65 million bond issue maturing in 2023, with a coupon of 4%. Two service provision agreements have been terminated: the service provision agreement between Rémy Cointreau SA and Rémy Cointreau Belgium and the service provision agreement between Rémy Cointreau SA and Rémy Cointreau Czech Republic.

Reappointment of two directors

Since the terms of office of Ms Dominique Hériard Dubreuil and Ms Laure Hériard Dubreuil are due to expire at the end of the Shareholders' Meeting, we ask that you reappoint them for a further three-year term (eighth and ninth resolutions). Information about these two directors can be found in this registration document.

Mr Patrick Thomas, whose term of office also expires at the end of this Shareholders' Meeting, will not be nominated for re-election. The Board of Directors' meeting that follows this Shareholders' Meeting will nominate Patrick Thomas for the post of non-voting member.

Appointment of two new directors

Since the terms of office of Ms Caroline Bois and Sir Brian Ivory are due to expire at the end of this Shareholders' Meeting, we ask, on the recommendation of the Nomination and Remuneration Committee, that you appoint Ms Guylaine Dyèvre and Mr Emmanuel de Geuser as members of the Board of Directors for a three-year term.

The Board of Directors' meeting that follows this Shareholders' Meeting will nominate Sir Brian Ivory for the post of non-voting member.

In the event of their appointment, Ms Guylaine Dyèvre and Mr Emmanuel de Geuser will be independent within the meaning of the AFEP-MEDEF Corporate Governance Code and the internal regulations of the Board of Directors. Specifically, they have no family ties with each other or with any current Board members. To the knowledge of Rémy Cointreau, there is no potential conflict of interest between the obligations towards the issuer and the private interests and/or other obligations of Ms Guylaine Dyèvre and Mr Emmanuel de Geuser.

Ms Guylaine Dyèvre, 53, a French national, holds a bachelor's degree in economics and a master's degree in politics from the University of Paris II. She also holds a company director's qualification from IFA-Sciences Po. Ms Dyèvre has spent her entire career since 1989 with BNP, which subsequently became BNP-Paribas. She worked on the trading desk for more than ten years, and then in 2002 joined the investment bank as international key account manager. After serving as head of international partnerships at BNP-Paribas Assurance, in May 2009 Ms Dyèvre became head of remuneration, company benefits and expatriation at the BNP-Paribas Group.

OTHER APPOINTMENTS OUTSTANDING

Director of Veolia Eau.

Director of the Endowment Fund of the *Institut des Hautes Études de Défense Nationale* (circle of partners).

OTHER PREVIOUS FUNCTIONS AND APPOINTMENTS (HELD DURING THE PAST FIVE YEARS AND NOW TERMINATED)

Chairman of the Board of Directors of the Swiss company BWS (a subsidiary of BNP Paribas)

Mr Emmanuel de Geuser, 50, a French national, graduated from the *Institut d'études politique de Paris* and has a master's degree in monetary economics from Université Paris IV-Dauphine, as well as being a qualified chartered accountant. After eight years as a manager with the firm Arthur Andersen, from 1996 to 2002, Mr de Geuser held the roles of audit director, coordinator of the "Performance 2001" plan and finance director of the cigarettes division of Seita (now the Altadis Group). From 2002 to 2011, Mr de Geuser was administrative and financial director and member of the

Executive Committee of Générale de Santé. Since January 2012, he has served as financial, legal and IT director and member of the Group Management Committee of the Roquette Frères Group, an agro-industrial (starch) group with a turnover of €3 billion.

OTHER APPOINTMENTS OUTSTANDING

Director of Roquette Re, Actire, Roquette Management, Roquette Riddhi Siddhi.

General Manager of Roquette BV.

OTHER PREVIOUS FUNCTIONS AND APPOINTMENTS (HELD DURING THE PAST FIVE YEARS AND NOW TERMINATED)

None.

Following these reappointments (the subject of the eighth and ninth resolutions) and the two new appointments (the subject of the tenth and eleventh resolutions), the Board of Directors will comprise 11 members, including seven independent members within the meaning of the Corporate Governance Code and the Board's internal regulations.

Reappointment of a Statutory Auditor and appointment of an Alternate Statutory Auditor

Since the term of office of the Statutory Auditors Auditeurs & Conseils Associés is due to expire at the end of this Shareholders' Meeting, we ask that you reappoint it for a term of six financial years until the Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2020. The signatory partner of the firm Auditeurs & Conseils Associés will be Mr François Mahé, replacing Mr Olivier Juramie, in accordance with the provisions of Article L. 822-14 of the French Commercial Code which limits the certification of the accounts of a listed company by the same partner of an audit firm to six consecutive financial years.

Since the term of office of the Alternate Statutory Auditor is also due to expire, we ask that you appoint Pimpaneau et Associés, domiciled at 31, rue Rochefort – 75017 Paris, for a term of six financial years until the Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2020. Pimpaneau et Associés will replace Mr Olivier Lelong in accordance with the same provisions of the French Commercial Code.

INFORMATION ON THE FEES AND SELECTION PROCESS OF THE STATUTORY AUDITORS

We hereby inform you that the fees received by the firm Auditeurs & Conseils Associés for the 2013/2014 financial year came to €141,400. They break down as follows:

Services directly linked to the role of Statutory Auditor of Rémy Cointreau:	94
Other services:	47.4
TOTAL:	**141.4**

These proposals on the composition of the Board of Statutory Auditors result from a study carried out by the Audit Committee, which carefully examined the appointments of the Statutory Auditors and the expediency of putting the contract out to tender. In view of the existence of a joint audit, the high quality of service provided by the Statutory Auditors, the recognition by local operating divisions and by the Group Finance department of the expertise and professionalism of the teams at Auditeurs & Conseils Associés, their in-depth knowledge of our business sector and our internal functioning, all of which are a major advantage, the Audit Committee has decided to recommend to the Board of Directors that Auditeurs & Conseils Associés be reappointed as Statutory Auditors. This recommendation is consistent with EU audit reforms, which allow a maximum term of office of 24 years in the case of a joint audit.

On 3 June 2014, the Board of Directors therefore decided to recommend to the Shareholders' Meeting the reappointment of Auditeurs & Conseils Associés as Statutory Auditor and the appointment of Pimpaneau et Associés as Alternate Statutory Auditor.

Directors' fees

We ask that you set the amount of directors' fees awarded to Board members for the 2014/2015 financial year at €420,000. This amount is identical to that of the previous financial year and is consistent with the practice followed by several French multinationals of a similar size to our own.

Opinion on the elements of remuneration due or awarded for the year ending 31 March 2014 to each executive director of the Company

In accordance with the recommendations of the AFEP-MEDEF Code revised in June 2013, the shareholders are asked to issue an advisory opinion on the fifteenth, sixteenth and seventeenth resolutions, on the elements of remuneration due or awarded for the year ending 31 March 2014 to each person who has held the post of executive director of the Company during said financial year, namely Mr Jean-Marie Laborde from 1 April to 30 September 2013, Mr Frédéric Pflanz from 1 October 2013 to 2 January 2014, and Mr François Hériard Dubreuil, in his capacity as Chairman of the Board of Directors from 1 April 2013 to 1 January 2014 and Chairman and Chief Executive Officer from 2 January to 31 March 2014, as presented in the tables contained in section 3.4.2 of this registration document. Shareholders are reminded that on 28 January 2014, the Board of Directors increased the gross annual base salary of Mr François Hériard Dubreuil, Chairman and Chief Executive Officer, to €360,000, and that Mr François Hériard Dubreuil receives no annual variable compensation or benefits due or likely to be due for termination or change of office, pursuant to Article L. 225-42-1 of the French Commercial Code.

Purchase and sale of its own shares by the Company

We ask that you authorise the Board of Directors to purchase the Company's shares, within the limit of 10% of the share capital on the date such purchases are made, for a maximum period of 18 months from the date of this Shareholders' Meeting. For indicative purposes, based on the current share capital, this amount corresponds to a maximum number of 4,657,391 shares, including treasury shares held by the Company as of 31 March 2014, the sale of shares with a repurchase agreement and the purchase of call options.

Shareholders are reminded that, by law, if shares are repurchased for liquidity reasons, the number of shares included in the calculation of the 10% corresponds to the number of shares purchased, less the number of shares resold during the authorisation period.

The purpose of the buyback programme is to enable the following transactions to be performed, in decreasing order of priority:

- to ensure liquidity or promote trading in the secondary market in Rémy Cointreau shares *via* an investment service provider, under the terms of a liquidity agreement that complies with the Ethics Charter recognised by the AMF. We remind you that your company has entrusted Rothschild & Cie Banque with a liquidity agreement since 15 November 2005, for a period of one year, renewable by tacit agreement;
- to cancel shares as part of a capital reduction, subject to the adoption of the 20th resolution submitted to this Shareholders' Meeting;
- to cover obligations in respect of marketable securities giving access to share capital;
- to grant shares to employees and/or authorised corporate officers of the Company and/or related companies in accordance with the terms and conditions provided by law, notably as part of a profit-sharing plan, to cover stock options, as part of a company savings plan or to grant bonus shares pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code;
- to purchase shares and retain them to be used subsequently in exchange for payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits prescribed by law;
- to implement any market practices permitted by the AMF and, more generally, carry out all transactions in compliance with the regulations in force.

The purchase of these shares, together with their sale or transfer, may be performed under legal and regulatory conditions at any time, including during a public takeover offer involving the Company's shares, or during a public takeover offer initiated by the Company, subject to the lock-up periods specified in Article 631-6 of the General Regulation of the AMF, or to other legal or regulatory provisions, or by any means, including through the use of derivative financial instruments, except for the sale of put options, and inasmuch as such means do not contribute to a significant increase in the volatility of the share price. The maximum portion of the capital acquired or transferred in the form of block transactions may amount to 100% of the authorised share buyback programme. Payment may be made by any means.

We request that you set the maximum purchase price per share at €150, excluding transaction expenses. The maximum amount that the Company would therefore be liable to pay is €698,608,650, excluding trading fees.

The Board of Directors shall inform shareholders of the transactions performed in its annual management report, in accordance with the provisions of Article L. 255-211 of the French Commercial Code.

We should remind you that the Company sold and repurchased 602,430 shares during the 2004/2005 financial year. In order to maintain full coverage of its share purchase plans, and to manage part of the dilution resulting from the exercise of one of the stock option plans, this sale was subject to a cancellation clause. The transaction was finalised *via* the Company's purchase of 224,497 call options from Barclays Capital Securities Ltd on 24 March 2005. The overall transaction enables Rémy Cointreau to cover the exercise of a maximum number of 826,927 share subscription or purchase options.

As such, Rémy Cointreau acquired, on 1 March 2006, 280,927 shares from Barclays Capital Securities Ltd in order to limit the dilutive impact of a stock-option plan. Pursuant to the authorisation granted by the Extraordinary Shareholders' Meeting of 28 July 2005 in its fifteenth resolution, the Board of Directors, at its meeting of 28 April 2006, decided to reduce the share capital by cancelling these 280,927 shares, in accordance with the terms of the aforementioned sale and repurchase agreement.

During the 2007/2008 financial year, Rémy Cointreau repurchased 75,000 shares from Barclays Capital Securities Ltd, at a price of €27.67 each, *i.e.* a total amount of €2,075,250. This repurchase enabled the Company to cover the exercise of 70,295 stock options arising from the 16 September 2003 plan, *i.e.* a total amount of €1,945,062.65.

During the 2008/2009 financial year, Rémy Cointreau repurchased 33,000 shares from Barclays Capital Securities Ltd, consisting of 15,000 shares at a price of €27.67 each and 18,000 shares at a price of €28.07 each, *i.e.* a total amount of €920,310. This repurchase enabled the Company to cover in full the exercise of 20,500 stock options arising from the 16 September 2003 and 24 December 2004 plans.

No shares were bought back from Barclays Capital Securities Ltd during the 2009/2010 financial year. A total of 4,605 shares purchased during the previous financial year were used to cover the exercise of stock options arising from the 16 September 2003 and 24 December 2004 plans. Information regarding the use of the buyback programme during the last financial year is provided in the Board of Directors' management report presented to the Shareholders' Meeting.

During the 2010/2011 financial year, Rémy Cointreau repurchased 118,500 shares from Barclays Capital Securities Ltd, consisting of 56,500 shares at a price of €27.67 each and 72,000 shares at a price of €28.07 each, *i.e.* a total amount of €3,584,395. This repurchase enabled the Company to cover in full the exercise of 119,790 stock options arising from the 16 September 2003 and 24 December 2004 plans.

During the 2011/2012 financial year, Rémy Cointreau repurchased 208,440 shares from Barclays Capital Securities Ltd, consisting of 96,940 shares in connection with the 16 September 2003 plan and 111,500 shares in connection with the 24 December 2004 plan, for a total amount of €5,756,062. Given the residual number of shares held as of 31 March 2011, this repurchase enabled the Company to cover the exercise of 222,100 stock options arising from these plans.

Furthermore, the Company purchased 1,421,003 shares as part of the implementation of the mandate entrusted to an investment service provider, in accordance with the decision of the Board of Directors at its meeting of 22 November 2011, which was taken pursuant to the 13th and 15th resolutions approved by the Shareholders' Meeting of 26 July 2011.

During the 2012/2013 financial year, Rémy Cointreau repurchased 9,850 shares from Barclays Capital Securities Ltd under the 16 September 2003 plan and exercised 19,500 options under the 24 December 2004 plan, for a total amount of €804,427. Given the residual number of shares held as of 31 March 2012, this repurchase enabled the Company to cover the exercise of 26,500 stock options arising from these plans.

Furthermore, the Company purchased 7,791 shares as part of the implementation of the mandate entrusted to an investment service provider, in accordance with the decision of the Board of Directors at its meeting of 22 November 2011, which was taken pursuant to the thirteenth and fifteenth resolutions approved by the Shareholders' Meeting of 26 July 2011.

During the 2013/2014 financial year, Rémy Cointreau repurchased 6,710 shares from Barclays Capital Securities Ltd under the 16 September 2003 plan and exercised 6,000 options under the 24 December 2004 plan, for a total amount of €343,966. Given the residual number of shares held as of 31 March 2013, this repurchase enabled the Company to cover the exercise of 15,210 stock options arising from these plans.

Furthermore, the Company purchased 1,283,053 shares as part of the implementation of the mandate entrusted to an investment service provider, in accordance with the decision of the Board of Directors at its meeting of 19 November 2013, which was taken pursuant to the eleventh resolution approved by the Shareholders' Meeting of 24 September 2013.

As of 31 March 2014, the number of shares held by the Company stood at 190,294, of which 8,000 were used to cover the options exercised under the 24 December 2004 plan, 182,294 were destined for the bonus share award for employees and/or corporate officers of the Company and/or related companies (reassignment of shares held under the repurchase implemented by the Board of Directors on 22 November 2011) and no shares were held under the liquidity contract.

This authorisation cancels the authorisation granted by the ordinary session of the Combined Shareholders' Meeting of 24 September 2013 in its eleventh resolution, in respect of the amounts unused to date.

Authorisation to reduce the share capital *via* the cancellation of treasury shares held by the Company

The twentieth resolution submitted to you allows the Board of Directors the option of cancelling, in accordance with Article L. 225-209 of the French Commercial Code, the shares purchased by the Company pursuant to the authorisation granted by the Shareholders' Meeting under the eighteenth resolution, or purchased under prior authorisation to buy and sell its own shares.

Its aim is to enable the Board of Directors to reduce the share capital as a result of this cancellation. Such transactions may not cover more than 10% of the share capital in each 24 month period, in accordance with the law.

The authorisation is for a maximum period of 18 months and will expire at the end of the Shareholders' Meeting called to approve the financial statements for the next financial year. This authorisation therefore renews the thirteenth resolution adopted at the Shareholders' Meeting of 24 September 2013. This resolution was implemented during the 2013/2014 financial year to allow the cancellation of 1,150,000 shares on 19 November 2013 and 1,283,053 shares on 25 March 2014, with a commensurate reduction in the share capital.

Authorisation granted to the Board of Directors to increase the share capital by issuing, with or without shareholders' preferential subscription rights, Company shares and/or marketable securities giving access to the Company's capital and/or marketable securities granting entitlement to the allocation of debt securities

The extraordinary session of the Rémy Cointreau Shareholders' Meeting on 26 July 2012 granted authorisation to the Board of Directors, with or without preferential subscription rights, to allow the Company recourse to the financial market by issuing marketable securities giving access to the Company's capital or granting entitlement to the allocation of debt securities for a period of 26 months.

The Company has not made use of this authorisation to date.

The shareholders are asked to renew this authorisation to allow the Group to have swift access at all times to the necessary financial resources for its development, using the most suitable instruments in view of the market situation.

In accordance with Articles L. 225-129 *et seq.* and L. 228-91 *et seq.* of the French Commercial Code, the Shareholders' Meeting is asked once again to grant the Board of Directors, for a period of 26 months from said meeting, authorisation, as per the twenty-first, twenty-second and twenty-third resolutions, to increase the share capital and proceed with the issue, with or without preferential subscription rights, of Company shares, as well as any marketable securities, of any nature whatsoever, giving immediate and/or future access to the Company's capital or granting entitlement to the allocation of debt securities, subject to a maximum capital increase of a nominal amount of €30,000,000.

Issues of preference shares and of marketable securities giving immediate or future access to preference shares are excluded from this authorisation.

a) Issues with preferential subscription rights (twenty-first resolution)

The 21st resolution concerns issues with preferential subscription rights of Company shares or marketable securities giving access to the capital of Rémy Cointreau or the issue of marketable securities granting entitlement to the allocation of debt securities. It replaces the authorisation of the same nature, with preferential subscription rights, arising from the sixteenth resolution of the Combined Shareholders' Meeting of 26 July 2012.

In the event of the issue of marketable securities ultimately giving access to the capital, whether through the conversion, exchange, redemption or presentation of warrants, a combination of the above, or by any other means, your decision shall entail the waiver by the shareholders, for the benefit of the holders of such securities, of their preferential subscription rights to the shares or marketable securities giving access to the capital, to which such marketable securities confer entitlement.

The authorisation of the Shareholders' Meeting would therefore allow the Board of Directors the option, for a period of 26 months, of issuing, subject to a maximum capital increase of a nominal amount of €30,000,000, Company shares, in addition to any categories of marketable securities giving access to the capital. It is stipulated (i) that this maximum amount shall include the nominal amount of any capital increase resulting, or likely to result in future, from issues approved under the twenty-second, twenty-third, twenty-fourth, twenty-fifth, twenty-sixth and twenty-seventh resolutions of this Shareholders' Meeting, as well as the fifteenth resolution of the Combined Shareholders' Meeting of the Company of 24 September 2013, and (ii) that this maximum amount is set without taking into account the Company shares to be issued in respect of the adjustments likely to be made in accordance with the applicable legislative and regulatory provisions and, where appropriate, contractual clauses providing for other adjustments, to preserve the rights of holders of marketable securities or other rights giving access to the capital.

The total nominal amount of the marketable securities representing debt securities, whether marketable securities representing debt securities giving access to the capital, or marketable securities giving access to the allocation of debt securities, that can be issued under the 21st resolution, shall not exceed €750,000,000. This amount shall include the amount of debt securities to be issued under the authorisation given to the Board of Directors by this Shareholders' Meeting.

On this basis, it is proposed that the Board of Directors shall have every power to give effect to this authorisation, as well as to defer or delegate same where necessary, and specifically to establish, depending on the market opportunities, the subscription price (with or without share premium), the terms and conditions and the features of the issue, to set the amounts to be issued, to determine the issue procedures and the form of the securities to be created, to set the vesting date, which may be retroactive if necessary, of the securities to be issued and the terms of their repurchase, to set and proceed with any adjustments required in accordance with the legal and regulatory conditions and, where necessary, the contractual provisions, to take any measures aimed at reserving the rights of owners of marketable securities giving access to the capital, to suspend the exercise of any rights attached to such marketable securities for a period set in accordance with the legal and regulatory provisions and, in general, to take any useful measures, to complete any necessary formalities and to enter into any agreements to bring about the successful completion of the issues envisaged, to apply for them to be listed if necessary, to record the performance of same and to make the corresponding amendments to the Articles of Association necessitated by the use of this authorisation, all in accordance with the laws and regulations in force.

You are also asked to allow the Board of Directors to establish, for the benefit of the shareholders, a pro-rata subscription right and, in each case, if the issue is not fully subscribed, to decide, under the conditions provided by law, to limit this to the amount of subscriptions received, or freely distribute the securities not subscribed wholly or in part, or offer them wholly or in part to the public, in whichever order it sees fit. It is recommended that you resolve that issues of warrants to subscribe for shares in the Company may be made by subscription offer, as well as by bonus award to existing shareholders. You are also asked to allow the Board of Directors to use the treasury shares as a replacement for the shares to be issued under this authorisation.

b) Issues without preferential subscription rights (twenty-second and twenty-third resolutions)

The aim of this authorisation is to renew, in advance, the authorisation given to the Board of Directors to seize opportunities offered by the financial markets to secure the financial resources necessary for the Company's development.

The authorisation conferred by the seventeenth and eighteenth resolutions of the Combined Shareholders' Meeting of 26 July 2012 stipulated, in particular, that marketable securities could be issued in France, abroad and/or on international markets, by waiving shareholders' preferential subscription rights, by public offering or private placement, particularly with investors. The Company has not made use of this authorisation to date.

In accordance with the relevant recommendation of the French Financial Markets Authority and to allow shareholders a separate vote, the twenty-second resolution proposes to delegate to the Board of Directors the authority to increase the share capital and to issue, without preferential subscription rights for shareholders, Company shares, as well as any marketable securities, of any nature whatsoever, giving access to the Company's capital or granting entitlement to the allocation of debt securities, excluding preference shares and marketable securities giving access immediately or in future to preference shares, without preferential subscription rights, by public offering, while the 23rd resolution proposes to delegate to the Board of Directors the authority to decide on the same type of issue, in connection with a private placement referred to in Article L. 411-2(II) of the French Monetary and Financial Code, to the categories of persons referred to in Article L. 411-2(II) of the French Monetary and Financial Code, namely (i) persons providing third-party portfolio management investment services and/or (ii) qualified investors and/or a restricted circle of investors, provided that such investors are acting on their own account.

During the Shareholders' Meeting, you will hear special reports from the Statutory Auditors, who will give you their opinion on said authorisations.

i) Issues by public offering (twenty-second resolution)

The Board of Directors may be required, in the interest of the Company and its shareholders, to proceed with issues without shareholders being able to exercise their preferential subscription right, in order to seize opportunities offered by the financial markets in certain circumstances.

This waiver of the preferential subscription right is justified by the need, in certain circumstances, to act swiftly in order to facilitate the placement of the marketable securities issued, particularly on the international market.

The Board of Directors therefore asks you to delegate your authority to increase the share capital and to issue, without preferential subscription rights for shareholders, Company shares, as well as any marketable securities, of any nature whatsoever, giving access to the Company's capital or granting entitlement to the allocation of debt securities as envisaged in the 21st resolution, subject to the general limit provided therein, *i.e.* €30,000,000, which is common to both resolutions, for the same period of 26 months from this Shareholders' Meeting. It is stipulated (i) that this maximum amount shall include the nominal amount of any capital increase resulting, or likely to result in future, from issues approved under the twenty-third, twenty-fourth, twenty-fifth, twenty-sixth and twenty-seventh resolutions of this Shareholders' Meeting, as well as the fifteenth resolution of the Combined Shareholders' Meeting of the Company of 24 September 2013 and (ii) that this maximum amount shall be included in the maximum nominal amount envisaged in the twenty-first resolution of this Shareholder's Meeting, and (iii) that this maximum amount is set without taking into account the Company shares to be issued in respect of adjustments likely to be made in accordance with the applicable legislative and regulatory provisions, and, where appropriate, contractual clauses providing for adjustments, to preserve the rights of holders of marketable securities or other rights giving access to the capital.

Issues of preference shares and of marketable securities giving immediate or future access to preference shares are excluded from this authorisation.

Under this resolution, you are asked to waive the preferential subscription right of shareholders to the shares and marketable securities to be issued under this resolution.

Furthermore, this vote, like that of the twenty-first resolution, shall entail, for the benefit of holders of marketable securities giving access to the capital, the waiver by the shareholders of their preferential subscription right to shares or marketable securities giving access to the capital, to which such marketable securities confer entitlement.

The total nominal amount of marketable securities representing debt securities that can be issued under the twenty-second resolution shall not exceed €750,000,000 and shall be included in the nominal amount of marketable securities representing debt securities that can be issued in accordance with the twenty-first resolution of this Shareholders' Meeting.

Under this authorisation, the issue price would be at least equal to the minimum amount provided for by the laws and regulations in force when this authorisation is used, following the adjustment of this amount, where applicable, to take into account the difference in vesting dates.

For marketable securities giving access to shares, the issue price would be set with reference to the same amount, adjusted, where applicable, for the difference in vesting dates.

Under current regulations, the issue price of new shares as part of a public offering without preferential subscription rights by a company whose shares are admitted to trading on a regulated market cannot be less than the weighted average price for the last three trading sessions preceding the setting of the price, if necessary minus a discount of up to 5%.

On this basis, the Shareholders' Meeting is asked to authorise the Board of Directors, which may delegate such authorisation under the conditions provided by law, to issue, on one or more occasions, shares and/or marketable securities giving access to the capital or the allocation of debt securities by public offering and to establish the terms and conditions of each issue. You are also asked to allow the Board of Directors to use the treasury shares as a replacement for the shares to be issued under this authorisation.

Nevertheless, the Board of Directors requests authorisation from the shareholders to arrange, for their benefit, depending on the circumstances and where these permit, a non-negotiable preferential subscription right for a minimum period, under the current regulations, of three trading days, pro-rata if necessary, to be exercised under conditions set by the Board of Directors.

You are also asked to delegate your authority to the Board of Directors to issue, without preferential subscription rights, shares or marketable securities giving access to the capital in return for the securities contributed to any public takeover offer initiated by the Company on securities of any company whose shares are admitted to trading on one of the regulated markets referred to in Article L. 225-148 of the French Commercial Code, including any marketable securities issued by Rémy Cointreau, as well as to issue shares and marketable securities representing a portion of Rémy Cointreau's capital to which the marketable securities issued by companies in which Rémy Cointreau directly or indirectly holds more than half of the share capital would confer entitlement.

The same maximum nominal amount of the capital increase of €30,000,000 would apply for such issues.

Finally, you are asked to authorise any company holding, directly or indirectly, more than half of the Company's capital to issue marketable securities giving access by any means, immediately or in the future, to existing Company shares. The number of existing shares thus remitted may not represent more than 10% of the Company's capital. In this regard, we should point out that draft legislation is imminent which will reform the law on marketable securities, essentially by placing this type of issue under the regime of ordinary bonds. In principle this would then rest solely with a decision of the Board of Directors of the controlling company.

ii) Issues without preferential subscription rights by an offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code (twenty-third resolution)

In addition to the twenty-second resolution, and to allow shareholders a separate vote, the 23rd resolution asks you to authorise the Board of Directors to increase the share capital and to issue, without shareholders' preferential subscription rights, Company shares, in addition to any marketable securities, of any nature whatsoever, giving access to the Company's capital or granting entitlement to the allocation of debt securities under the 22nd resolution, subject to the maximum nominal amount of the capital increase provided for therein, or €30,000,000, common to both resolutions, for the same period of 26 months from this Shareholders' Meeting.

The total nominal amount of marketable securities representing debt securities that can be issued under the twenty-third resolution shall not exceed €750,000,000 and shall be included in the maximum nominal amount of marketable securities representing debt securities that can be issued under the twenty-second resolution of this Shareholders' Meeting.

Such issues shall take place as part of the private placement referred to in Article L. 411-2(II) of the French Monetary and Financial Code. Such transactions would apply exclusively to the categories of person referred to in Article L. 411-2(II) of the French Monetary and Financial Code, namely (i) persons providing third-party portfolio management investment services and/or (ii) qualified investors and/or a restricted circle of investors, provided that such investors are acting on their own account.

Note that a qualified investor is a person or entity with the necessary expertise and ability to understand the risks inherent in securities transactions. The list of these qualified investors is prescribed by law. A restricted circle of investors is composed of fewer than 150 persons, other than the qualified investors.

The proposed authorisation would not increase the total amount of capital increases likely to be carried out without preferential subscription rights, since the issues made under this authorisation would be included in the maximum amount referred to in the twenty-second resolution.

The nominal amount of capital increases carried out in connection with the offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code may not in any case exceed 20% of the share capital *per annum*.

Under this authorisation, the issue price would be at least equal to the minimum amount provided for by the laws and regulations in force when this authorisation is used, following the adjustment of this amount, where applicable, to take into account the difference in vesting dates.

For marketable securities giving access to shares, the issue price would be set with reference to the same amount, adjusted, where applicable, for the difference in vesting dates.

Under current regulations, the issue price of new shares in connection with an offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code without preferential subscription rights by a company whose shares are admitted to trading on a regulated market may not be less than the weighted average price of the last three trading sessions preceding the setting of the price, if necessary minus a discount of up to 5%.

The waiver of the preferential subscription right is justified by the need, in certain circumstances, to act swiftly in order to facilitate the placement of the marketable securities issued, particularly on the international market. The Board of Directors therefore wishes to have the means at its disposal for swift and flexible access to the financial resources necessary for the Company's development, if necessary through a private placement.

You are also asked to authorise the Board of Directors to issue shares and marketable securities representing a portion of Rémy Cointreau's capital to which the marketable securities issued by companies in which Rémy Cointreau directly or indirectly holds more than half of the share capital would confer entitlement, subject to a maximum capital increase of a nominal amount of €30,000,000, which amount would be included in the maximum amount set by the twenty-second resolution of this Shareholders' Meeting.

Finally, you are asked to authorise any company holding, directly or indirectly, more than half of the Company's capital to issue marketable securities giving access by any means, immediately or in the future, to existing Company shares. The number of existing shares thus issued may not represent more than 10% of the Company's capital. In this regard, we should point out that draft legislation is imminent which will reform the law on marketable securities, essentially by placing this type of issue under the regime of ordinary bonds. In principle this would then rest solely with a decision of the Board of Directors of the controlling company.

If the Board should make use of the authorisation granted under the twenty-first and/or twenty-second and/or twenty-third resolutions referred to above, in accordance with the prevailing regulations, additional reports on the definitive terms of the transactions will be made available to you and presented at the annual Shareholders' Meeting.

Finally, you are asked to vest every power in the Board of Directors to make the amendments to the Articles of Association necessitated by the use of this authorisation and to allow it to add the costs incurred by the capital increases carried out to the premiums pertaining to such transactions.

Authorisation for the Board of Directors to set the issue price of securities to be issued under the twenty-second and twenty-third resolutions without shareholders' preferential subscription rights, subject to an annual limit of 10% of the capital

Article L. 225-136(1) of the French Commercial Code states that in the event of an issue without preferential subscription rights by a public offering or an offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code, the Extraordinary Shareholders' Meeting may authorise the Board of Directors, subject to an annual limit of 10% of the share capital, to set the issue price based on such terms as it may deem appropriate.

The resolution tabled for the vote seeks to renew the authorisation granted by the 19th resolution of the Combined Shareholders' Meeting of 26 July 2012.

The proposed resolution allows the Board of Directors to choose between two different minimum price rules, with the possibility of a maximum discount of 10%.

Furthermore, the authorisation thus given to the Board of Directors to set the issue price according to the terms and conditions defined in the twenty-fourth resolution for any issue made by public offering under the twenty-second resolution or by an offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code under the twenty-third resolution is subject to a total annual limit of 10% of the share capital.

In this case, your Board of Directors shall prepare an additional report, certified by the Statutory Auditors, describing the terms of the transaction and the impact on the shareholders.

Issues of preference shares and of marketable securities giving immediate or future access to preference shares are excluded from this authorisation.

Authorisation given to the Board of Directors to increase the number of securities to be issued in the event of an issue with or without preferential subscription rights

The resolution tabled seeks to authorise the Board of Directors, in the event of an issue with or without shareholders' preferential subscription rights, to increase the number of securities to be issued, particularly in the event of over-subscription.

This resolution may be used for each of the issues conducted under the aforementioned authorisation in order to increase the number of securities to be issued, subject to the legal conditions and the maximum amount stipulated in the resolution under which the issue is authorised.

Under current regulations, the implementation of this authorisation must take place no later than 30 days from the closing date for subscriptions for the initial issue, subject to 15% of the initial issue and at the same price as that applied for the initial issue.

Authorisation for the Board of Directors to grant bonus shares to employees and certain corporate officers

Article 83 of the 2005 Finance law introduced a new mechanism for granting bonus shares to employees and certain corporate officers, which came into effect on 1 January 2005. The officers concerned by the law are, in a conventional limited company, the Chairman of the Board of Directors, the Chief Executive Officer and, where applicable, the Deputy Chief Executive Officer or Officers (the "executive directors").

We hereby ask you to renew, for a period of 38 months, the authorisation given to the Board of Directors, in accordance with Articles L. 225-197-1 *et seq.* of the French Commercial Code, to grant, on one or more occasions, bonus shares in the Company, in circulation or to be issued in future, to members of staff or certain categories of them employed by the Company or related companies within the meaning of Article L. 225-197-2 of the French Commercial Code and the corporate officers defined by law.

The shares to be granted may either be existing shares acquired by the Company, or new shares created as part of a capital increase. In the latter case, the capital increase may take place through the incorporation of reserves or premiums reserved for the beneficiaries of bonus shares. For new shares, the nominal amount of the capital increase that may be decided under the proposed resolution may not exceed a maximum amount of €1,600,000. It is stipulated that the number of shares allocated for adjustments to preserve the rights of beneficiaries of the shares granted in the event of a transaction affecting the capital or equity of the Company shall be included in this maximum amount and that this maximum amount shall be included in the maximum capital increase envisaged in the twenty-second resolution of this Shareholders' Meeting (or, where appropriate, the maximum amount set forth in a resolution of the same nature that might replace said resolution during the period of validity of this authorisation).

The share award shall become final for beneficiaries at the end of a minimum two-year vesting period. The shares shall also be subject to a minimum two-year retention period.

The resolution on bonus share grants also provides that the Board of Directors may make the grant of some or all of the shares conditional on the attainment of one or more performance conditions of its choice. It is stipulated that in accordance with the AFEP-MEDEF Corporate Governance Code, any bonus share grant to executive directors of the Company shall be contingent on attainment of the performance conditions determined by the Board of Directors.

In accordance with the provisions of Article L. 225-197-6 of the French Commercial Code resulting from law No. 2008-1258 of 3 December 2008, the grant of bonus shares to executive directors of the Company may only take place on condition that the Company implements one of the measures set forth in this article.

By law, for shares granted to executive directors, the Board of Directors shall either decide that such shares may not be sold by the interested parties while in office, or shall set the quantity of shares that they are required to hold in registered form while in office.

The number of shares thus granted may not exceed 2% of the number of shares comprising the share capital on the date of the grant by the Board of Directors. The total number of bonus shares granted to executive directors of the Company under this authorisation may not represent more than 0.2% of this limit of 2% of the number of shares comprising the share capital. The Board of Directors shall have a period of 38 months from the date of this Shareholders' Meeting in which to make use of the authorisation.

Each year, the Shareholders' Meeting shall be informed of the grants authorised in a special report by the Board.

This request for authorisation renews that granted by the eighteenth resolution of the Extraordinary Shareholders' Meeting of 26 July 2011.

Authorisation to increase the share capital *via* the issue of shares reserved for members of an employee savings scheme

Pursuant to Article L. 225-129-6 of the French Commercial Code, the Extraordinary Shareholders' Meeting must, whenever any decision is taken to proceed with a capital increase in cash, vote on a draft resolution regarding the issue of shares reserved for employees belonging to an employee savings scheme (PEE).

This obligation, which is of a very non-specific nature, applies to all joint-stock companies, regardless of whether they have an employee savings scheme, and to any decision regarding a cash capital increase, including deferred capital increases. Furthermore, when an Extraordinary Shareholders' Meeting authorises the Board of Directors to proceed with a capital increase, it must also vote on a draft resolution providing for a capital increase reserved for employees (Article L. 225-129-6 of the French Commercial Code). This stipulation thereby avoids the need to call an Extraordinary Shareholders' Meeting to vote on such a resolution each time that the Board of Directors decides to increase the share capital.

Such a requirement is only required when a cash capital increase is proposed.

Furthermore, law No. 2011-525 of 17 May 2011 amended Article L. 225-129-6 of the French Commercial Code, requiring the Shareholders' Meeting to vote on such a resolution "if the Company has employees".

The Company has no employees, and as such no employee savings scheme; neither is there a group employee savings scheme. In this respect, the Company does not fall within the scope of this obligation. However, in view of the severity of the penalties attached to non-compliance with this obligation, and despite the absence of employees within Rémy Cointreau SA, the parent company of the Group, we put this resolution to you in case the need arises.

Furthermore, Article L. 225-129-6, subparagraph 2 of the French Commercial Code also stipulates that a Shareholders' Meeting must vote on such a resolution every three years (extended to five years where the meeting has voted on a draft resolution under subparagraph 1 of Article L. 225-129-6 of the French Commercial Code since the promulgation of law No. 2012-387 of 22 March 2012), where the management report makes it clear that the shares held by employees of the Company and related companies, within the meaning of Article L. 225-180, amount to less than 3% of the Company's capital.

To ensure that the authority delegated and the authorisation granted to the Board of Directors to issue shares and various marketable securities giving access to the capital remain fully valid, and to fulfil the requirements of the second subparagraph of Article L. 225-129-6 of the French Commercial Code, we therefore put this resolution to you resulting from a non-specific legal obligation, while at the same time asking you to reject it, as at the Combined Shareholders' Meeting of 24 September 2013, inasmuch as it does not apply to our Company.

We ask you to vote in favour of the resolutions put to you.

The Board of Directors

8.2 Draft resolutions

8.2.1 Within the competence of the Ordinary Shareholders' Meeting

1ST RESOLUTION
(Approval of the Company financial statements for the 2013/2014 financial year)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

having reviewed the Board of Directors' report on the financial year ending 31 March 2014 and the report of the Statutory Auditors,

approves the financial statements for the year ending 31 March 2014, which include the balance sheet, the income statement, and the notes thereto, as presented, which show a profit of €117,482,814.71, together with all the transactions reflected in the aforementioned financial statements or summarised in these reports.

In accordance with the provisions of Article 223(c) of the French General Tax Code, the Shareholders' Meeting notes that no expenditure or expenses referred to in Article 39-4 of said Code were incurred during the financial year ending 31 March 2014.

2ND RESOLUTION
(Approval of the consolidated financial statements for the 2013/2014 financial year)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

having reviewed the Board of Directors' report and the report of the Statutory Auditors on the consolidated financial statements,

approves the consolidated financial statements for the year ending 31 March 2014, which include the balance sheet, the income statement, and the notes thereto, as presented, which show a net profit attributable to the owners of the parent company of €62,359,000, together with all the transactions reflected in the aforementioned financial statements or summarised in these reports.

3RD RESOLUTION
(Appropriation of income and setting of the dividend)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

on the proposal of the Board of Directors, hereby approves the appropriation of the distributable income for the financial year ending 31 March 2014 as follows:

▪ company profit as of 31 March 2014:	€117,482,814.71
▪ retained earnings:	€104,305,937.87
Total distributable amount:	**€221,788,752.58**
▪ dividend of €1.27 per share:	€61,565,610.93
▪ retained earnings:	€160,223,141.65
Total:	**€221,788,752.58**

The cash dividend will be paid on 1 October 2014.

For individuals domiciled for tax purposes in France, the dividend is eligible for the proportional allowance of 40% mentioned in Article 158-3-2 of the French General Tax Code.

In the event that the Company holds any of its own shares as of the ex-dividend date, the amount corresponding to the dividend not distributed as a result of that holding shall be allocated to retained earnings.

In accordance with the law, we hereby advise you that the amount of net dividends paid in respect of the past three financial years, and the amount of the dividend payment eligible for the aforementioned tax allowance for individual shareholders who are tax residents of France, were as follows:

Financial years	2010/2011	2011/2012	2012/2013
Net dividend per share	€2.30*	€2.30**	€1.40
Eligible dividend paid	€2.30*	€2.30**	€1.40

* *Including €1.00 as a special dividend.*
** *Including €1.00 as an extraordinary dividend.*

4TH RESOLUTION
(Option for the payment of dividends in shares)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, having reviewed the Board of Directors' report and in accordance with the requirements of Articles L. 232-18 to L. 232-20 of the French Commercial Code and Article 27 of the Articles of Association, resolves to grant each shareholder the option of receiving payment of the dividend in cash or in shares for thirty-seven euro cents (€0.37) of the dividend due.

Shareholders may opt for either payment method, although this option will apply in the same way to all shares held.

The issue price of the new shares, the subject of this option, will be equal to 90% of the average closing price in the 20 trading sessions preceding the date of this Shareholders' Meeting, less the net dividend amount, in accordance with Article L. 232-19 of the French Commercial Code. The Board of Directors will have the option of rounding up the issue price thus determined to the nearest whole cent.

Shareholders opting for payment of the dividend in shares for €0.37 per share of the amount of the dividends to which they are entitled must request this from their financial intermediary between 1 August 2014 and 17:00 on 12 September 2014 at the latest. Consequently, any shareholder who has not exercised this option at the end of this period will receive the entire dividend in cash.

The portion of the dividend on which the option for payment in shares is not granted, or ninety euro cents (€0.90) per share of the dividend paid out under the 3rd resolution, will be paid in cash from 1 October 2014, or from the same date as the payment of the dividend in cash.

If the amount of dividends on which the option is exercised does not correspond to a whole number of shares, shareholders may subscribe either for the next lowest number of shares and receive a cash payment for the balance, or the next highest number of shares and pay the extra in cash.

The new shares shall be subject to all provisions of law and the Articles of Association and shall be eligible for dividends from 1 April 2014, the start of the current financial year.

The Shareholders' Meeting hereby vests every power in the Board of Directors to make, in accordance with Article L. 232-20 of the French Commercial Code, the necessary arrangements for payment of the dividend in shares, and specifically to set the issue price of the shares issued under the aforementioned conditions, to record the number of shares issued and the resulting capital increase, to amend the Articles of Association of the Company accordingly, to take every measure to ensure the successful outcome of the transaction and, in general, to do whatever may be useful or necessary.

5TH RESOLUTION
(Transfer of the portion of the legal reserve exceeding 10% of the share capital to retained earnings)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

on the proposal of the Board of Directors and noting that the amount of the legal reserve exceeds 10% of the share capital following capital reductions not due to losses resulting from the repurchase of shares,

resolves to transfer to retained earnings the amount of €389,288.48 corresponding to the portion of the legal reserve exceeding 10% of the share capital.

6TH RESOLUTION
(Approval of the agreements referred to in Article L. 225-38 of the French Commercial Code)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

having reviewed the special report of the Statutory Auditors on the agreements referred to in Article L. 225-38 of the French Commercial Code,

approves, under the conditions set forth in Article L. 225-40 of the French Commercial Code, each of the agreements and transactions made or continued during the financial year and mentioned therein.

7TH RESOLUTION
(Discharge)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

as a consequence of the previous resolutions,

grants members of the Board of Directors full, final and unqualified discharge for their management for the year ending 31 March 2014. Furthermore, it takes note of the fact that the Statutory Auditors have completed their assignment.

8TH RESOLUTION
(Reappointment of Ms Dominique Hériard Dubreuil as director)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

on the proposal of the Board of Directors,

resolves to reappoint Ms Dominique Hériard Dubreuil as director for a three-year term, *i.e.* until the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2017.

Ms Dominique Hériard Dubreuil has let it be known that she accepts this mandate, and that she does not exercise any responsibilities and is not affected by any measures likely to prevent her from fulfilling it.

9TH RESOLUTION
(Reappointment of Ms Laure Hériard Dubreuil as director)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

on the proposal of the Board of Directors,

resolves to reappoint Ms Laure Hériard Dubreuil as director for a three-year term, *i.e.* until the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2017.

Ms Laure Hériard Dubreuil has let it be known that she accepts this mandate, and that she does not exercise any responsibilities and is not affected by any measures likely to prevent her from fulfilling it.

10TH RESOLUTION
(Appointment of Ms Guylaine Dyèvre as director)

The Shareholders' Meeting,

on the proposal of the Board of Directors,

resolves to appoint Ms Guylaine Dyèvre as director for a three-year term, *i.e.* until the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2017, to replace Ms Caroline Bois, whose term of office expires at the end of this Shareholders' Meeting.

Ms Guylaine Dyèvre has let it be known that she accepts this mandate, and that she does not exercise any responsibilities and is not affected by any measures likely to prevent her from fulfilling it.

11TH RESOLUTION
(Appointment of Mr Emmanuel de Geuser as director)

The Shareholders' Meeting,

on the proposal of the Board of Directors,

resolves to appoint Mr Emmanuel de Geuser as director for a three-year term, *i.e.* until the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2017, to replace Sir Brian Ivory, whose term of office expires at the end of this Shareholders' Meeting.

Mr Emmanuel de Geuser has let it be known that he accepts this mandate, and that he does not exercise any responsibilities and is not affected by any measures likely to prevent him from fulfilling it.

12TH RESOLUTION
(Reappointment of the company Auditeurs & Conseils Associés as Statutory Auditor)

The Shareholders' Meeting,

having heard the report of the Board of Directors,

resolves to reappoint the company Auditeurs & Conseils Associés, represented by Mr François Mahé, as Statutory Auditor for a term of six financial years expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2020.

13TH RESOLUTION
(Appointment of the company Pimpaneau et Associés as Alternate Statutory Auditor)

The Shareholders' Meeting,

having heard the report of the Board of Directors,

resolves to appoint as Alternate Statutory Auditor the company Pimpaneau et Associés, domiciled at 31, rue Rochefort, 75017 Paris, for a term of six financial years expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2020.

14TH RESOLUTION
(Determination of directors' fees)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, in accordance with Article 18 of the Articles of Association,

sets the total amount of directors' fees awarded to members of the Board of Directors for 2014/2015 at €420,000.

15TH RESOLUTION
(Opinion on the elements of remuneration due or awarded for the year ending 31 March 2014 to Mr François Hériard Dubreuil)

The Shareholders' Meeting,

consulted in application of the recommendation of section 24.3 of the AFEP-MEDEF Corporate Governance Code for Listed Companies of June 2013,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

issues a favourable opinion on the elements of remuneration due or awarded for the year ending 31 March 2014 to Mr François Hériard Dubreuil, Chairman and Chief Executive Officer, as presented in section 3.4.2 of the 2013/2014 registration document.

16TH RESOLUTION
(Opinion on the elements of remuneration due or awarded for the year ending 31 March 2014 to Mr Jean-Marie Laborde)

The Shareholders' Meeting,

consulted in application of the recommendation of section 24.3 of the AFEP-MEDEF Corporate Governance Code for Listed Companies of June 2013,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

issues a favourable opinion on the elements of remuneration due or awarded for the year ending 31 March 2014 to Mr Jean-Marie Laborde, Chief Executive Officer from 1 April to 30 September 2013, as presented in section 3.4.2 of the 2013/2014 registration document.

17TH RESOLUTION
(Opinion on the elements of remuneration due or awarded for the year ending 31 March 2014 to Mr Frédéric Pflanz)

The Shareholders' Meeting,

consulted in application of the recommendation of section 24.3 of the AFEP-MEDEF Corporate Governance Code for Listed Companies of June 2013,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

issues a favourable opinion on the elements of remuneration due or awarded for the year ending 31 March 2014 to Mr Frédéric Pflanz, Chief Executive Officer from 1 October 2013 to 2 January 2014, as presented in section 3.4.2 of the 2013/2014 registration document.

18TH RESOLUTION
(Authorisation for the Board of Directors to buy and sell Company shares in accordance with the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code)

The Shareholders' Meeting,

deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings,

having reviewed the Board of Directors' report and the elements referred to in the registration document, comprising all the information that must be included in the programme's prospectus,

authorises the Board of Directors, which may delegate such authorisation under legal and regulatory conditions, in accordance with the provisions of Articles L. 225-209 *et seq*. of the French Commercial Code, to purchase the Company's shares on one or more occasions, subject to the following limits.

The purchase of these shares, together with their sale or transfer, may be performed under legal and regulatory conditions at any time, including during a public takeover offer period involving the Company's shares, or during a public takeover offer initiated by the Company, subject to the lock-up periods set out in Article 631-6 of the General Regulation of the French Financial Markets Authority, or subject to other legal or regulatory provisions, and by any means, including on the market or off-market, on regulated or unregulated markets, *via* multilateral trading facilities, with systematic internalisers, or over the counter, including by public offering, block transactions, sale with repurchase options and the use of any derivative financial instruments traded on a regulated market or not, multilateral trading facilities, with systematic internalisers or over the counter, including under the conditions authorised by the competent market authorities, and during the periods that the Board of Directors, or the person acting on the authority of the Board of Directors, shall choose. These transactions may include option transactions, except for the sale of put options, and inasmuch as such transactions do not contribute to a significant increase in the volatility of the share price. The maximum portion of the capital acquired or transferred in the form of block transactions may amount to 100% of the authorised share buyback programme. Payment may be made by any means.

The maximum purchase price per share is set at €150 (excluding acquisition expenses) subject to the adjustments relating to potential transactions in the Company's share capital and/or on the par value of the shares.

In the event of a capital increase *via* the capitalisation of reserves, the allocation of bonus shares, a split or reverse split of the par value and/or the shares, the price indicated above shall be adjusted by a multiplying factor equal to the ratio between the number of shares comprising the share capital before the transaction and the number following the transaction.

Purchases may involve a number of shares such that the number of shares held by the Company following these purchases does not exceed 10% of the share capital on the date such purchases are made. For indicative purposes, this corresponds to a maximum number of 4,657,391 shares based on the current share capital, including the treasury shares held by the Company as of 31 March 2014.

It is specified that where the shares are repurchased in order to ensure liquidity in Rémy Cointreau's shares under the conditions defined below, the number of shares taken into account in order to calculate this 10% limit shall correspond to the number of shares purchased, less the number of shares resold during the period of this authorisation.

The maximum overall amount that the Company is liable to pay based on this number of shares will be €698,608,650, excluding trading fees.

The purpose of this programme is to enable the following transactions to be performed, in decreasing order of priority:

- to ensure liquidity or promote trading in the secondary market in Rémy Cointreau shares *via* an investment service provider, under the terms of a liquidity agreement that complies with the Ethics Charter recognised by the French Financial Markets Authority;
- to cancel shares as part of a capital reduction, subject to the adoption of the twentieth resolution submitted to this Shareholders' Meeting;
- to cover obligations in respect of marketable securities giving access to share capital;
- to grant shares to employees and/or authorised corporate officers of the Company and/or companies related to it in accordance with the terms and conditions provided by law, notably as part of a profit-sharing plan, to cover stock options, as part of a company savings plan or to grant bonus shares pursuant to Articles L. 225-197-1 *et seq.* of the French Commercial Code;
- to purchase shares and retain them to be used subsequently in exchange or payment for acquisitions, in accordance with market practices permitted by the French Financial Markets Authority and within the limits prescribed by law;
- to implement any market practices permitted by the French Financial Markets Authority and, more generally, carry out all transactions in compliance with the regulations in force.

This authorisation will expire at the end of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 March 2015, and at the latest within 18 months from today.

This authorisation cancels the authorisation granted by the ordinary session of the Combined Shareholders' Meeting of 24 September 2013 in its eleventh resolution, in respect of the amounts unused to date.

The Shareholders' Meeting grants all powers to the Board of Directors, which may delegate same under legal and regulatory conditions, to place all stock market orders, to sign all sale or transfer agreements, to enter into all agreements and option agreements, to make all declarations and complete all formalities with all bodies, and generally to do whatever is necessary for the execution of the decisions it takes under this authorisation. The Shareholders' Meeting grants all powers to the Board of Directors to adjust the unit price and the maximum number of the shares to be purchased, in accordance with the change in the number of shares or in the par value resulting from potential financial transactions performed by the Company.

The Shareholders' Meeting takes note that the Board of Directors shall inform shareholders of the transactions performed under this resolution each year, in accordance with the provisions of Article L. 225-211 of the French Commercial Code.

19TH RESOLUTION
(Powers to accomplish formalities)

The Ordinary Shareholders' Meeting confers all powers to accomplish all legal filing and public notice formalities to the bearer of a copy or a certified excerpt of these minutes.

8.2.2 Within the competence of the Extraordinary Shareholders' Meeting

20TH RESOLUTION
(Authorisation enabling the Board of Directors to reduce the share capital *via* the cancellation of treasury shares held by the Company)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, having reviewed the Board of Directors' report and the special report of the Statutory Auditors, authorises the Board of Directors, which may delegate such authorisation under legal and regulatory conditions, in accordance with Article L. 225-209 of the French Commercial Code, to reduce the share capital by cancelling, in one or more instalments, in the amount and at the time of its choice, some or all shares in the Company acquired or held pursuant to the authorisation for the Company to purchase its own shares, the subject of the eighteenth resolution of this Shareholders' Meeting, or acquired pursuant to previous authorisation for the Company to buy or sell its own shares.

The Shareholders' Meeting grants all powers to the Board of Directors to perform this or these capital reduction(s), to determine their amount, within a limit of 10% of the share capital for each 24-month period, on the understanding that this limit applies to an amount of the Company's share capital that will be adjusted, where applicable, in order to take into account the transactions subsequent to this meeting that affect the share capital, to determine their terms and conditions, to charge the difference between the par value of the cancelled shares and the purchase price surplus to any reserve and paid-in capital items available, to make the corresponding amendments to the Articles of Association, to issue all publications and complete all formalities required, to delegate all powers for the implementation of its decisions, all according to the legal provisions in force when this authorisation is used.

This authorisation will expire at the end of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 March 2015, and at the latest within 18 months from today.

This authorisation terminates, for the unused portion, and replaces the 13th resolution adopted by the Combined Shareholders' Meeting of 24 September 2013.

21ST RESOLUTION

(Authorisation granted to the Board of Directors to increase the share capital by issuing, with shareholders' preferential subscription rights, Company shares and/or marketable securities giving access to the Company's capital and/or marketable securities granting entitlement to the allocation of debt securities)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, having reviewed the Board of Directors' report and the special report of the Statutory Auditors, and deliberating pursuant to Articles L. 225-129 *et seq.* of the French Commercial Code, particularly Article L. 225-129-2, and Articles L. 228-91 *et seq.* of the French Commercial Code:

- terminates, with immediate effect, for the unused portion, the authorisation granted by the Combined Shareholders' Meeting of 26 July 2012 in its 16th resolution;
- authorises the Board of Directors, which may delegate such authorisation under legal and regulatory conditions, for a period of 26 months from the date of this Shareholders' Meeting, to increase the share capital, in one or more instalments, in the amount and at the time of its choice, in France and/or abroad and/or on the international market, in euros, in foreign currency or in any monetary unit whatsoever established with reference to several currencies, by issuing, with preferential subscription rights for shareholders, shares in the Company as well as any marketable securities giving access to the Company's capital, including stock subscription or purchase warrants issued separately, or to issue, under the same conditions, marketable securities granting entitlement to the allocation of debt securities.

Issues of preference shares and of marketable securities giving immediate or future access to preference shares are expressly excluded from this authorisation.

The subscription may either be in cash, or set off against due and payable claims on the Company, or free of charge.

The total nominal amount of the immediate or future capital increases resulting from all issues pursuant to this authorisation is set at €30,000,000. It is stipulated (i) that this maximum amount shall include the nominal amount of any capital increase resulting, or likely to result in future, from issues approved under the twenty-second, twenty-third, twenty-fourth, twenty-fifth, twenty-sixth and twenty-seventh resolutions of this Shareholders' Meeting, as well as the 14th and 15th resolutions of the Combined Shareholders' Meeting of the Company of 24 September 2013, and (ii) that this maximum amount is set without taking into account the Company shares to be issued in respect of the adjustments likely to be made in accordance with the applicable legislative and regulatory provisions and, where appropriate, contractual clauses providing for other adjustments, to preserve the rights of holders of marketable securities or other rights giving access to the capital.

The total nominal amount of marketable securities representing debt securities giving access to the capital or granting entitlement to the allocation of debt securities likely to be issued in connection with this authorisation shall not exceed the amount of €750,000,000 or its equivalent value on the date of the issue decision, not taking into account adjustments likely to be made in accordance with the law. It is stipulated that this amount shall include the amount of marketable securities representing debt securities giving access to the capital or granting entitlement to the allocation of debt securities issued pursuant to the authorisation granted to the Board of Directors by this Shareholders' Meeting. The Board of Directors may in particular set the issue price, the fixed or floating interest rate for the debt securities and a payment date, as well as the price and terms and conditions of repayment of these debt securities with or without premium, the form of the securities, whether subordinated, fixed term or otherwise, either in euros or in foreign currency, or in any monetary units established with reference to several currencies, and the terms and conditions of their redemption according to the market conditions.

Shareholders may exercise, in the conditions provided by law, their preferential subscription right to the shares and marketable securities giving access to the capital as of right and in proportion to the amount of shares they hold. The Board of Directors may establish for the benefit of the shareholders a subscription right to the shares and marketable securities giving access to the capital on a pro-rata basis, to be exercised in proportion to their rights and insofar as they request it.

This decision entails, for the benefit of holders of marketable securities giving access to the Company's capital issued under this resolution, a waiver by the shareholders of their preferential subscription right to shares or marketable securities giving access to the capital, to which such marketable securities confer entitlement.

Specifically, the Board of Directors may decide that the residual amount of the capital increase that could not be subscribed as of right and, where applicable, on a pro-rata basis, shall be distributed freely by it, wholly or in part, or offered to the public wholly or in part, or that the amount of the capital increase shall be limited to the amount of subscriptions received if the legal conditions are met, on the understanding that the Board of Directors may use some or all of the aforementioned options in the order it deems appropriate.

The Shareholders' Meeting resolves that issues of warrants to subscribe for Company shares may be issued by subscription offer, as well as by a bonus grant to existing shareholders.

The Board of Directors may decide to use the treasury shares as a replacement for the shares to be issued under this resolution.

The Board of Directors shall have every power to give effect to this authorisation, as well as to defer or delegate same where necessary, and specifically to establish, depending on the market opportunities, the subscription price (with or without share premium), the terms and conditions and the features of the issue, to set the amounts to be issued, to determine the issue procedures and the form of the securities to be created, to set the vesting date, which may be retroactive if necessary, of the securities to be issued and the terms of their repurchase, to set and proceed with any adjustments required in accordance with the legal and regulatory conditions and, where necessary, the contractual provisions, to take any measures aimed at reserving the rights of holders of marketable securities giving access to the capital, to suspend if necessary the exercise of any rights attached to such marketable securities for a period set in accordance with the legal and regulatory provisions and, in general, to take any useful measures, to complete any necessary formalities and to enter into any agreements to bring about the successful completion of the issues envisaged, to apply for them to be listed if necessary, to record the performance of same and to make the corresponding amendments to the Articles of Association necessitated by the use of this authorisation, all in accordance with the laws and regulations in force.

22ND RESOLUTION

(Authorisation granted to the Board of Directors to increase the share capital by issuing, without shareholders' preferential subscription rights, Company shares and/or marketable securities giving access to the Company's capital and/or marketable securities granting entitlement to the allocation of debt securities, by public offering)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, having reviewed the Board of Directors' report and the special report of the Statutory Auditors, and deliberating pursuant to Articles L. 225-129 *et seq.* of the French Commercial Code, particularly Articles L. 225-129-2, L. 225-135, L. 225-136 and L. 228-91 *et seq.* of the French Commercial Code,

- terminates, with immediate effect, for the unused portion, the authorisation granted for the same purpose by the Combined Shareholders' Meeting of 26 July 2012 in its seventeenth resolution;
- authorises the Board of Directors, which may delegate such authorisation under legal and regulatory conditions, for a period of 26 months from the date of this Shareholders' Meeting, to increase the share capital, in one or more instalments, in the amount and at the time of its choice, in France and/or abroad and/or on the international market, in euros, in foreign currency or in any monetary unit whatsoever established with reference to several currencies, by issuing, by public offering, shares in the Company as well as any marketable securities giving access to the Company's capital, or to issue, under the same conditions, marketable securities granting entitlement to the allocation of debt securities.

Issues of preference shares and of marketable securities giving immediate or future access to preference shares are expressly excluded from this authorisation.

The subscription may either be in cash, or set off against due and payable claims on the Company.

The nominal amount of the immediate or future capital increases likely to be made under this authorisation may not exceed €30,000,000. It is stipulated (i) that this amount shall include the nominal amount of any capital increase resulting, or likely to result in future, from issues approved under the twenty-third, twenty-fourth, twenty-fifth, twenty-sixth and twenty-seventh resolutions of this Shareholders' Meeting, as well as the fifteenth resolution of the Combined Shareholders' Meeting of 24 September 2013, and (ii) that this amount shall be included in the maximum nominal amount envisaged in the 21st resolution of this Shareholder's Meeting, and (iii) that this maximum amount is set without taking into account the Company shares to be issued in respect of the adjustments likely to be made in accordance with the applicable legislative and regulatory provisions, and, where appropriate, contractual clauses providing for other adjustments, to preserve the rights of holders of marketable securities or other rights giving access to the capital.

The nominal amount of marketable securities representing debt securities giving access to the capital or granting entitlement to the allocation of debt securities likely to be issued pursuant to this authorisation shall not exceed the amount of €750,000,000 or its equivalent value on the date of the issue decision, and shall be included in the maximum amount of marketable securities representing debt securities giving access to the capital or granting entitlement to the allocation of debt securities envisaged pursuant to the 21st resolution of this Shareholders' Meeting, excluding any adjustments likely to be required by law.

The Board of Directors may in particular set the issue price, the fixed or floating interest rate for the debt securities and a payment date, as well as the price and terms and conditions of repayment of the principal of these debt securities with or without premium, the form of the securities, whether subordinated, fixed term or otherwise, either in euros or in foreign currency, or in any monetary units established with reference to several currencies, and the terms and conditions of their redemption according to the market conditions.

The Shareholders' Meeting consequently resolves to waive the preferential subscription right of shareholders to the shares and marketable securities to be issued pursuant to this authorisation, subject to the amount defined above.

Furthermore, this decision entails, for the benefit of holders of marketable securities giving access to the Company's capital issued pursuant to this resolution, an explicit waiver by the shareholders of their preferential subscription right to shares or marketable securities giving access to the capital, to which such marketable securities confer entitlement.

The Board of Directors may if necessary choose to grant shareholders a priority period for all or part of the issue, deciding on the duration and terms and conditions of same in accordance with the legal and regulatory provisions. Said priority period shall not give rise to the creation of negotiable rights.

The Board of Directors shall have every power to give effect to this authorisation, as well as to defer or delegate same where necessary, subject to the legal conditions, and specifically to establish, depending on the market opportunities, the subscription price, terms and conditions and features of the issue, to set the amounts to be issued, to determine the issue procedures and the form of the securities to be created, to set the vesting date, which may be retroactive if necessary, of the securities to be issued and the terms of their repurchase, to set and proceed with any adjustments required in accordance with the legal and regulatory conditions and, where necessary, the contractual provisions, to take any measures aimed at reserving the rights of holders of marketable securities giving access to the capital, to suspend the exercise of any rights attached to such marketable securities for a period set in accordance with the legal and regulatory provisions and, in general, to take any useful measures, to complete the necessary formalities and to enter into any agreements to bring about the successful completion of the issues envisaged, to apply for them to be listed if necessary, to record the performance of same and to make the corresponding amendments to the Articles of Association necessitated by the use of this authorisation, all in accordance with the laws and regulations in force. It is stipulated that the amount due to the Company for each share issued pursuant to this authorisation shall be at least equal to the minimum value set by the laws and regulations in force when this authorisation is used, adjusted where necessary for the difference in vesting dates.

The Board of Directors may decide to use the treasury shares as a replacement for the shares to be issued under this resolution.

The Board of Directors may, where subscriptions have not absorbed the entire issue of the marketable securities, limit the amount of the issue to the amount of subscriptions received, provided that this equates to at least three quarters of the authorised issue.

The Shareholders' Meeting authorises the Board of Directors, in accordance with Article L. 225-148 of the French Commercial Code, to use this authorisation to proceed with the issue of shares or marketable securities giving access to the capital, as consideration for the securities contributed to any public takeover offer initiated by the Company on securities of any company whose shares are admitted to trading on one of the regulated markets referred to in Article L. 225-148, including any marketable securities issued by Rémy Cointreau, and resolves, if need be, to waive the preferential subscription right of shareholders to such shares and marketable securities for the benefit of the holders of those securities. This authorisation may also be used to issue shares or marketable securities giving access to the capital, as consideration for the securities contributed to a transaction having the same effect as a public takeover offer initiated by the Company on the securities of any company whose shares are admitted to trading on a regulated market governed by a foreign law.

The maximum nominal amount of the capital increase resulting from the issues made or the securities representing a portion of the share capital granted as consideration for a public takeover offer pursuant to Article L. 225-148 of the French Commercial Code is set at €30,000,000. It is stipulated that this amount is included in the total maximum amount defined by this resolution and that it is set without taking into account the Company shares to be issued in respect of adjustments likely to be made pursuant to the law and any contractual provisions, where applicable.

The Shareholders' Meeting vests every power in the Board of Directors, which may delegate same under the conditions established by law and by the Board of Directors' report, to implement the aforementioned public takeover offers and issues of shares and/or marketable securities, as consideration for the securities contributed, in the conditions envisaged hereunder, on the understanding that the Board of Directors shall decide on the exchange ratios, as well as the balancing cash payment due, where appropriate, without the application of the pricing methods defined by this resolution.

The Shareholders' Meeting also authorises the Board of Directors to use this authorisation to issue shares and marketable securities giving access to the capital of Rémy Cointreau to which the marketable securities that may be issued by companies in which Rémy Cointreau indirectly or directly holds more than half of the share capital would confer entitlement, subject to the approval of Rémy Cointreau's Board of Directors.

In this regard, the Shareholders' Meeting acknowledges that Rémy Cointreau's shareholders do not have a preferential subscription right to such marketable securities issued by these companies and that this decision entails, for the benefit of the holders of the marketable securities likely to be issued, a waiver by Rémy Cointreau's shareholders of their preferential subscription right to the shares or marketable securities giving access to the capital, to which such marketable securities entitle them.

The maximum nominal amount of the capital increase resulting from the issues carried out or the securities representing a portion of the share capital allocated following the issuance of marketable securities by companies in which Rémy Cointreau directly or indirectly holds more than half of the share capital is set at €30,000,000. It is stipulated that this amount is included in the total maximum amount set by this resolution and that it does not take into account Company shares to be issued in respect of adjustments likely to be made in accordance with the law and any contractual provisions, where applicable.

The Board of Directors shall set the amounts to be issued, decide on the form of the marketable securities to be created and the terms and conditions of the issue, and in general enter into any agreements, take any measures and complete any formalities necessary with a view to the performance of the issues envisaged, on the understanding that the Board of Directors shall decide on the exchange ratios and any amount to be paid in cash. The Board of Directors may delegate such authority subject to the conditions established by law or by the Board of Directors' report, in agreement with the Board of Directors or the Chairman of the Company or companies wishing to proceed with an issue.

The Shareholders' Meeting also authorises any company holding, directly or indirectly, more than half of Rémy Cointreau's capital to issue marketable securities granting entitlement by any means, immediately or in the future, to existing Rémy Cointreau shares. It is stipulated that the number of existing shares thus remitted may not represent more than 10% of Rémy Cointreau's capital.

If need be, the Shareholders' Meeting notes that this authorisation does not have the same purpose as the twenty-third resolution of this Shareholders' Meeting, which is confined to the increase in share capital by issuing, without preferential subscription rights, Company shares and/or marketable securities giving access to the Company's capital and/or marketable securities granting entitlement to the allocation of debt securities in connection with an offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code; consequently, it acknowledges that any adoption of the twenty-third resolution shall not affect the validity and term of the present authorisation.

23RD RESOLUTION

(Authorisation granted to the Board of Directors to increase the share capital by issuing, without shareholders' preferential subscription rights, Company shares and/or marketable securities giving access to the Company's capital and/or marketable securities granting entitlement to the allocation of debt securities, by an offering referred to in Article L. 411-2 of the French Monetary and Financial Code)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings,

having reviewed the Board of Directors' report and the special report of the Statutory Auditors, and deliberating in accordance with Articles L. 225-129 *et seq*. of the French Commercial Code, particularly Articles L. 225-129-2, L. 225-135, L. 225-136 and L. 228-91 *et seq*. of the French Commercial Code,

- terminates, with immediate effect, for the unused portion, the authorisation granted for the same purpose by the Combined Shareholders' Meeting of 26 July 2012 in its eighteenth resolution;
- authorises the Board of Directors, which may delegate such authorisation under legal and regulatory conditions, for a period of 26 months from the date of this Shareholders' Meeting, to increase the share capital, in one or more instalments, in the amount and at the time of its choice, in France and/or abroad and/or on the international market, in euros, in foreign currency or in any monetary unit whatsoever established with reference to several currencies, by issuing, in connection with the offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code, shares in the Company, as well as any marketable securities giving access to the Company's capital, or to issue, in the same conditions, marketable securities granting entitlement to the allocation of debt securities.

Issues of preference shares and of marketable securities giving immediate or future access to preference shares are expressly excluded from this authorisation.

The subscription may either be in cash, or set off against due and payable claims on the Company.

The nominal amount of capital increases likely to be carried out immediately or in future under this authorisation may not exceed the maximum amount provided by law, it being stipulated (i) that such amount shall be included in the maximum nominal amount provided for in the 22nd resolution of this Shareholders' Meeting and (ii) that this maximum amount is set without taking into account the Company shares to be issued in respect of the adjustments likely to be made in accordance with the applicable legislative and regulatory provisions, and, where appropriate, contractual clauses providing for other adjustments, to preserve the rights of holders of marketable securities or other rights giving access to the capital, and (iii) that the nominal amount of capital increases carried out in connection with the offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code may not in any case exceed 20% of the share capital *per annum*.

The nominal amount of marketable securities representing debt securities giving access to the capital or granting entitlement to the allocation of debt securities likely to be issued pursuant to this authorisation shall not exceed the amount of €750,000,000 or its equivalent value on the date of the issue decision, and shall be included in the maximum amount of marketable securities representing debt securities giving access to the capital or granting entitlement to the allocation of debt securities envisaged in the 22nd resolution of this Shareholders' Meeting, excluding any adjustments likely to be required by law.

The Board of Directors may in particular set the issue price, the fixed or floating interest rate for the debt securities and a payment date, as well as the price and terms and conditions of repayment of the principal of these debt securities with or without premium, the form of the securities, whether subordinated, fixed term or otherwise, either in euros or in foreign currency, or in any monetary units established with reference to several currencies, and the terms and conditions of their redemption according to the market conditions.

The Shareholders' Meeting consequently resolves to waive the preferential subscription right of shareholders to the shares and marketable securities to be issued pursuant to this authorisation, subject to the amount defined above.

Furthermore, this decision entails, for the benefit of holders of marketable securities giving access to the Company's capital issued pursuant to this resolution, an explicit waiver by the shareholders of their preferential subscription right to shares or marketable securities giving access to the capital, to which such marketable securities confer entitlement.

The Board of Directors shall have every power to give effect to this authorisation, as well as to defer or delegate same where necessary, subject to the legal conditions, and specifically to establish, depending on the market opportunities, the subscription price, terms and conditions and features of the issue, to set the amounts to be issued, to determine the issue procedures and the form of the securities to be created, to set the vesting date, which may be retroactive if necessary, of the securities to be issued and the terms of their repurchase, to set and proceed with any adjustments required in accordance with the legal and regulatory conditions and, where necessary, the contractual provisions, to take any measures aimed at reserving the rights of holders of marketable securities giving access to the capital, to suspend the exercise of any rights attached to such marketable securities for a period set in accordance with the legal and regulatory provisions and, in general, to take any useful measures, to complete the necessary formalities and to enter into any agreements to bring about the successful completion of the issues envisaged, to apply for them to be listed if necessary, to record the performance of same and to make the corresponding amendments to the Articles of Association necessitated by the use of this authorisation, all in accordance with the laws and regulations in force. It is stipulated that the amount due to the Company for each share issued pursuant to this authorisation shall be at least equal to the minimum value set by the laws and regulations in force when this authorisation is used, adjusted where necessary for the difference in vesting dates.

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The Board of Directors may decide to use the treasury shares as a replacement for the shares to be issued under this resolution.

The Board of Directors may, where subscriptions have not absorbed the entire issue of the marketable securities, limit the amount of the issue to the amount of subscriptions received, provided that this equates to at least three quarters of the authorised issue.

The Shareholders' Meeting also authorises the Board of Directors to use this authorisation to issue shares and marketable securities giving access to the capital of Rémy Cointreau to which the marketable securities that may be issued by companies in which Rémy Cointreau indirectly or directly holds more than half of the share capital would confer entitlement, subject to the approval of Rémy Cointreau's Board of Directors.

In this regard, the Shareholders' Meeting acknowledges that Rémy Cointreau's shareholders do not have a preferential subscription right to such marketable securities issued by these companies and that this decision entails, for the benefit of the holders of the marketable securities likely to be issued, a waiver by Rémy Cointreau's shareholders of their preferential subscription right to the shares or marketable securities giving access to the capital, to which such marketable securities entitle them.

The total nominal amount of the capital increase resulting from the issues made or the securities representing a portion of the share capital allocated following the issuance of marketable securities by companies in which Rémy Cointreau directly or indirectly holds more than half of the share capital is fixed at €30,000,000. It is stipulated that this maximum amount is included in the total maximum amount set by the twenty-second resolution of this Shareholders' Meeting and does not take into account the Company shares to be issued in respect of adjustments likely to be made in accordance with the law and any contractual provisions, where applicable.

The Board of Directors shall set the amounts to be issued, decide on the form of the marketable securities to be created and the terms and conditions of the issue, and in general enter into any agreements, take any measures and complete any formalities necessary with a view to the performance of the issues envisaged, on the understanding that the Board of Directors shall decide on the exchange ratios and any amount to be paid in cash. The Board of Directors may delegate such authority subject to the conditions established by law or by the Board of Directors' report, in agreement with the Board of Directors or the Chairman of the Company or companies wishing to proceed with an issue.

The Shareholders' Meeting also authorises any company holding, directly or indirectly, more than half of Rémy Cointreau's capital to issue marketable securities granting entitlement by any means, immediately or in the future, to existing Rémy Cointreau shares. It is stipulated that the number of existing shares thus remitted may not represent more than 10% of Rémy Cointreau's capital.

The Shareholders' Meeting notes that, because it is confined to a capital increase by issuing, without preferential subscription rights and through an offering referred to in Article L. 411-2(II) of the French Monetary and Financial Code, shares and/or marketable securities giving access to the Company's capital and/or marketable securities granting entitlement to the allocation of debt securities, this authorisation does not have the same purpose as the previous resolution.

24TH RESOLUTION

(Authorisation for the Board of Directors to set the issue price of the securities to be issued under the 22nd and 23rd resolutions without preferential subscription rights for shareholders, subject to an annual limit of 10% of the capital)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings,

having reviewed the Board of Directors' report and the special report of the Statutory Auditors, in accordance with the provisions of Article L. 225-136-1 of the French Commercial Code;

- authorises, for a period of 26 months, under the twenty-second and twenty-third resolutions of this Shareholders' Meeting, within an annual limit of 10% of the capital and subject to the maximum amount envisaged, as the case may be, by the twenty-second and twenty-third resolutions of this Shareholders' Meeting authorising the issue in which it is included, the Board of Directors, which may delegate such authorisation under legal and regulatory conditions, to set the issue price of any shares and marketable securities giving access to the capital at a different issue price from the one adopted for the issues authorised under the twenty-second and twenty-third resolutions of this Shareholders' Meeting, which may not be less, at the Board of Directors' discretion, than either (a) the volume-weighted average share price in the 20 trading sessions preceding the setting of the issue price, or (b) the volume-weighted average share price in the trading session preceding the setting of the issue price, in both cases minus a discount of up to 10% if necessary, and on condition that the amounts received for each share are at least equal to the par value. In this case, the Board of Directors shall prepare an additional report, certified by the Statutory Auditors, describing the definitive terms of the transaction and the impact on the shareholders.

Issues of preference shares and of marketable securities giving immediate or future access to preference shares are expressly excluded from this authorisation.

This resolution supersedes, for the unused amounts, the authorisation granted by the Combined Shareholders' Meeting of 26 July 2012 in its nineteenth resolution.

25TH RESOLUTION

(Authorisation given to the Board of Directors to increase the number of securities to be issued in the event of an issue with or without shareholders' preferential subscription rights)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, having reviewed the Board of Directors' report and the special report of the Statutory Auditors, in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code,

authorises the Board of Directors, which may delegate such authorisation under legal and regulatory conditions, to increase the number of securities to be issued for each of the issues with or without preferential subscription rights authorised pursuant to the twenty-first, twenty-second, twenty-third and twenty-fourth resolutions of this Shareholders' Meeting, within 30 days of the subscription closing date and, within a limit of 15% of each issue and at the same price as the one adopted for the initial issue, subject to the maximum amount envisaged in the resolution under which the issue is authorised.

The authorisation granted to the Board of Directors by this resolution is valid for a period of 26 months from today.

This resolution supersedes, for the unused amounts, the authorisation granted by the Combined Shareholders' Meeting of 26 July 2012 in its twentieth resolution.

26TH RESOLUTION

(Authorisation for the Board of Directors to proceed with a bonus grant of existing or future shares to employees and to certain corporate officers)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings,

having reviewed the Board of Directors' report and the special report of the Statutory Auditors, in accordance with Articles L. 225-197-1 *et seq*. of the French Commercial Code:

- authorises the Board of Directors to grant, on one or more occasions, to employees of the Company or related companies within the meaning of Article L. 225-197-2 of the French Commercial Code or certain categories thereof, as well as to corporate officers defined by law, bonus shares, whether existing or to be issued, in the Company, subject to the statutory lock-up periods;
- resolves that the Board of Directors shall identify the beneficiaries of the grant as well as defining the terms and conditions and, where appropriate, the criteria for granting the shares;
- resolves that the total number of shares thus awarded free of charge may not be such that the total number of shares awarded free of charge under this resolution represents more than 2% of the number of shares comprising the share capital on the date the Board of Directors resolves to award the bonus shares;
- resolves that the total number of bonus shares awarded pursuant to this authorisation to executive directors of the Company may not represent more than 0.2% of said 2% limit on the number of shares comprising the share capital set in the previous paragraph;
- resolves that the granting of the shares to their beneficiaries shall become final at the end of a minimum vesting period of two years and the minimum period of retention of the shares by the beneficiaries is set at two years. However, in the event of death or incapacity of the beneficiary and in accordance with the conditions laid down by law, the share grant may become final prior to the end of the vesting period;
- resolves that the Board of Directors may make the granting of some or all of the shares conditional on the attainment of one or more performance conditions;
- resolves, in the case of the Company's executive directors, that the bonus share grant shall be subject to compliance with performance conditions determined by the Board of Directors;
- authorises the Board of Directors to proceed, where appropriate, during the vesting period, with adjustments to the number of shares arising from any transactions affecting the Company's capital in order to preserve the rights of the beneficiaries;
- acknowledges that the bonus shares granted may consist of existing or new shares;
- acknowledges that, in terms of the shares to be issued, (i) this authorisation shall entail, at the end of the vesting period, a capital increase and the corresponding waiver by the shareholders for the benefit of the beneficiaries of the grants, of the portion of any reserves, profits and premiums to be incorporated into the capital, (ii) this authorisation shall automatically entail, for the beneficiaries of said shares, a waiver by the shareholders of their preferential subscription right;
- resolves that, in terms of the shares to be issued, the nominal amount of the capital increase liable to be decided pursuant to this resolution may not exceed a maximum amount of €1,600,000, it being stipulated that the number of shares granted for the adjustments intended to preserve the rights of beneficiaries of the shares granted in the event of a transaction affecting the Company's capital or equity shall be included in this maximum amount and that this maximum amount shall be included in the maximum amount of the capital increase envisaged in the twenty-second resolution of this Shareholders' Meeting (or, where necessary, the maximum amount set forth in a resolution of the same nature that might replace said resolution during the period of validity of this authorisation);
- delegates all powers to the Board of Directors, which may delegate same subject to the statutory limits, to give effect to this authorisation and in particular to identify the beneficiaries, to set the dates and terms and conditions of the share grant, notably the period at the end of which such grants shall become final, as well as, where necessary, the retention period required for each beneficiary, to determine the performance-related conditions, to set the criteria for granting shares and the performance conditions to which grants to the Company's corporate officers shall be subject; to determine whether the bonus shares granted are existing or new shares, to proceed where necessary, in order to preserve the rights of beneficiaries, with adjustments of the number of shares granted in view of any transactions affecting the Company's capital (it being specified that shares granted under such adjustments shall be deemed to be granted on the same day as the shares initially granted), to set, where the shares granted are still to be issued, the amount and nature of the reserves, profits and premiums to be incorporated into the capital, to set the dates on which the new shares become eligible for dividends, to record the dates on which the grant becomes final and the dates from which the shares may be freely traded, to complete any acts, formalities and declarations, to record, where necessary, the performance of capital increases, to amend the Articles of Association accordingly and, in general, to do whatever may be necessary.

This authorisation, which supersedes the authorisation granted under the terms of the eighteenth resolution of the Combined Shareholders' Meeting of 26 July 2011, depriving it of effect for the portion unused to date, shall be valid for a period of 38 months from this meeting.

27TH RESOLUTION

(Authorisation for the Board of Directors to increase the share capital *via* the issue of shares reserved for members of an employee savings scheme)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, having reviewed the Board of Directors' report and the special report of the Statutory Auditors,

authorises the Board of Directors, which may delegate such authorisation under legal and regulatory conditions, subject to the provisions of the French Commercial Code, and specifically in accordance with Article L. 225-129-6, subparagraphs 1 and 2, and Article L. 225-138-1, as well as Articles L. 3332-1 and L. 3332-18 *et seq*. of the French Labour Code, to increase the share capital, in one or more instalments, at its sole discretion, in the amount and at the time or times of its choice, *via* the issue of shares (other than preference shares) reserved for members of an employee savings scheme, and resolves to cancel the preferential rights to subscribe for the shares authorised to be issued under this resolution in favour of the beneficiaries;

resolves that the beneficiaries of the capital increases authorised hereunder shall be the members of an employee savings scheme of the Company or related companies within the meaning of Article L. 225-180 of the French Commercial Code, and who also fulfil the conditions potentially set by the Board of Directors;

sets the validity period of this authorisation at 26 months from today;

resolves that the maximum nominal amount of the overall capital increase that can be made by issuing shares shall be €1,500,000. It has stipulated that this maximum amount is included in the maximum capital increase allowed under the twenty-second resolution of this Shareholders' Meeting (or where applicable, the maximum amount envisaged in such other resolution that may potentially replace said resolution during the period of validity of this authorisation);

resolves that the price of the shares subscribed by the beneficiaries referred to above, pursuant to this authorisation, shall be determined in accordance with legal and regulatory provisions, and that, in the case of shares that are already listed on a regulated market, the price shall not be higher than the average share price for the 20 trading sessions prior to the date on which the decision establishing the opening date of the subscription period was taken, nor more than 20% lower than this average, or 30% where the vesting period provided by the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the French Labour Code is equal to or more than ten years;

resolves that the Board of Directors may also provide for the allocation of bonus shares or other marketable securities giving access to the Company's share capital pursuant to this authorisation, under the conditions specified in Article L. 3332-21 of the French Labour Code;

resolves that the shares may be subscribed and paid for either in cash, or by set-off, under conditions approved by the Board of Directors;

authorises the Board of Directors to issue any shares giving access to the Company's share capital that may be authorised by the law or regulations in force pursuant to this authorisation;

resolves that the Board of Directors shall have all powers to give effect to this authorisation, with the authority to delegate same under legal and regulatory conditions, within the limits and subject to the conditions specified above, specifically in order to:

- draw up a list of the beneficiaries and the conditions that the beneficiaries of the new shares resulting from the capital increases pursuant to this resolution shall be required to meet;
- approve the conditions of the issue(s);
- decide on the amount to issue, the issue price, and the dates and terms and conditions for each issue;
- determine the length of time granted to subscribers to pay for their securities;
- approve the date from which the new shares rank for dividend, even if it is retroactive;
- record or arrange for the recording of the capital increase corresponding to the number of shares actually subscribed for;
- at its sole discretion, charge the cost of the capital increase against the corresponding share premiums, and deduct from such proceeds the amounts necessary to bring the legal reserve up to one-tenth of the new share capital after each increase;
- in general, take all measures to perform the capital increases, complete the formalities resulting from these increases, and make the corresponding amendments to the Articles of Association.

28TH RESOLUTION
(Authorisation for the Board of Directors to charge the expenses generated by the capital increases performed to the premiums relating to these transactions)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings,

authorises the Board of Directors to charge the expenses, duties and fees resulting from the capital increases performed pursuant to the authorisations granted by the above resolutions, as well as by the resolutions of previous Shareholders' Meetings that are still valid, to the amount of the premiums relating to such transactions, and to deduct the amounts required to bring the legal reserve up to one-tenth of the new capital from those premiums, after each capital increase.

29TH RESOLUTION
(Powers to accomplish formalities)

The Extraordinary Shareholders' Meeting confers all powers to accomplish all legal filing and public notice formalities to the bearer of a copy or a certified excerpt of these minutes.

8.3 Statutory Auditors' special reports

8.3.1 Statutory Auditors' Report on Regulated Agreements and Commitments

This is a free translation into English of a report issued in French. It is provided solely for the convenience of English speaking readers. This report was construed in accordance with French law and professional standards applicable in France and should be read in conjunction with them.

Year ended March 31, 2014

To the Shareholders,

In our capacity as auditors for your company, we present to you our report on the agreements and commitments with related parties.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any other agreements and commitments. It is your responsibility, in accordance with the terms of Article R. 225-31 of the French Commercial Code *(Code de commerce)*, to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the French Commercial Code *(Code de commerce)* on the implementation, during the year, of agreements and commitments previously approved by the General Meeting of Shareholders.

We performed those procedures which we considered necessary to comply with professional guidance issued by the national auditing body *(Compagnie Nationale des Commissaires aux Comptes)* relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

1. AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE GENERAL MEETING OF SHAREHOLDERS

Agreement and commitments authorized in the course of financial year

In accordance with Article L. 225-40 of the French commercial code (Code de commerce), we have been advised of the following related parties' agreements and commitments which were previously authorized by your Board of Directors.

1.1. Guarantee between Rémy Cointreau and Financière Rémy Cointreau SA/NV

Person concerned: Mr. François Hériard Dubreuil, CEO of Rémy Cointreau SA ; and President of Rémy Cointreau Services, President of Financière Rémy Cointreau

Rémy Cointreau guarantees a bond of 65 000 000 € issued by its subsidiary Financière Rémy Cointreau SA/NV on August 13, 2013, with a term on August 13, 2023.

This guarantee has been authorised by Rémy Cointreau Board of Directors of July 23, 2013, and provide an annual commission of 0,2%. The income recorded by Rémy Cointreau according to this agreement for the financial year ending March 31, 2014 is € 81,250.

1.2. Assistance agreement with Rémy Cointreau Europe & MEA

The Board of Directors of March 25, 2014 authorized the conclusion of an assistance agreement between Rémy Cointreau SA and Rémy Cointreau Europe & MEA. This agreement was signed on March 28, 2014 and took effect on April 1, 2014, for an initial term of one year. It is tacitly renewable each year.

According to this agreement, Rémy Cointreau SA provides Rémy Cointreau Europe & MEA with assistance services in the fields of strategy, commercial, financial and various technical fields requiring expertise. The fees for these services are based on the costs borne by Rémy Cointreau SA increased by 5%.

There is no invoice resulting from the application of this agreement in the course of financial year 2013/2014.

1.3. Termination of the assistance agreement with Rémy Cointreau Belgium

The Board of Directors of March 25, 2014 authorized the termination of an assistance agreement signed on April 1, 2009 between Rémy Cointreau SA and Rémy Cointreau Belgium. This termination takes effect on March 31, 2014.

The amount VAT excluded billed by Rémy Cointreau SA under the terms of this agreement during the course of financial year 2013/2014 is € 203,000.

1.4. Termination of the assistance agreement with Rémy Cointreau Czech Republic

The Board of Directors of March 25, 2014 authorized the termination of an assistance agreement signed on March 31, 2009 between Rémy Cointreau SA and Rémy Cointreau Czech Republic. This termination takes effect on March 31, 2014.

The amount VAT excluded billed by Rémy Cointreau SA under the terms of this agreement during the course of financial year 2013/2014 is € 151,000.

2. AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE GENERAL MEETING OF SHAREHOLDERS

Agreement and commitments authorized in the course of previous financial years which had effect during financial year

In accordance with Article R. 225-30 of the French commercial code (Code de commerce), we have been advised that the implementation of the following agreements and commitments which were already approved by the General Meeting of Shareholders in prior years continued during the year.

2.1. Service provision agreement with Andromède

Andromède and Rémy Cointreau signed a service provision agreement on March 31, 2011. According to this agreement, Andromède provides to Rémy Cointreau SA services in the field of management strategy and finance, institutional and commercial relationship, development and external growth, and directors' management.

This agreement has been authorized by the Board of Directors which met on March 22, 2011, and took effect from April 1, 2011. The fees for these services are determined on the cost borne by Andromède, increased by 5%.

The amount VAT excluded resulting from the application of this agreement which were invoiced by Andromède to Rémy Cointreau SA during the course of financial year 2013/2014 is € 3,248,519.

2.2. Assistance agreement with French subsidiary companies

Rémy Cointreau SA provides its subsidiaries CLS Cointreau, Rémy Martin & C° and Cointreau assistance services in the fields of strategy, commercial, financial and various technical fields requiring expertise.

- The agreement with CLS Rémy Cointreau was authorized by the Board of Directors which met on March 26, 2009. It was signed on March 31, 2009 and took effect April 1, 2009.
- The agreements with E. Rémy Martin & C° and Cointreau were authorized by the Board of Directors which met on November 22, 2011. They were signed on November 23, 2011 and took effect April 1, 2011.

These agreements have an initial term of 3 years and are renewable tacitly each year. Fees for these services are calculated on the costs borne by Rémy Cointreau SA increased by 5%.

The amounts VAT excluded resulting from the application of these conventions invoiced by Rémy Cointreau SA during financial year 2013/2014 are the following:

CLS Rémy Cointreau:	8,731,000 euros
E. Rémy Martin & C°:	6,793,000 euros
Cointreau:	3,240,000 euros

2.3. Assistance agreement with the international subsidiaries

Rémy Cointreau SA provides these companies Rémy cointreau International Pte Ltd, SEA Metaxa ABE, Financière Rémy Cointreau, Rémy Cointreau USA et Bruichladdich UK Distribution, Bruichladdich Distillery Company Limited (BDCL) et Mount Gay Distilleries Ltd with assistance services in the fields of strategy, commercial, financial and various technical fields requiring expertise.

- For the companies Rémy Cointreau International Pte Ltd, SEA Metaxa ABE, Financière Rémy Cointreau, Rémy Cointreau USA, the agreements were authorized by the Board of Directors on March 26, 2009, signed on March 31, 2009 and took effect April 1, 2009.
- For the companies Bruichladdich Distillery Company Limited (BDCL) and Bruichladdich UK Distribution, the agreements were authorized by the Board of Directors on November 20, 2012, signed on November 21, 2012 and took effect September 1, 2012.
- For the company Mount Gay Distilleries Ltd, the agreement was authorized by the Board of Directors on March 27, 2013, signed on March 28, 2013 and took effect since its date of signature.

These agreements have an initial term of three years, and are tacitly renewable each year. The fees for these services are calculated on the costs borne by Rémy Cointreau SA increased by 5%.

The amounts VAT excluded resulting from the application of these conventions invoiced by Rémy Cointreau SA during financial year 2013/2014 are the following:

Rémy Cointreau International Pte Ltd:	1,359,000 euros
Rémy Cointreau USA:	1,470,000 euros
Financière Rémy Cointreau:	481,000 euros
Mount Gay:	440,000 euros
SEA Metaxa Abe:	195,000 euros
Bruichladdich Distillery Company Limited:	144,000 euros

Rémy Cointreau did not invoiced fees related to this agreement to Bruichladdich UK Distribution during the course of financial year 2013/2014.

2.4. Cash management agreement with Orpar

A cash management agreement was signed on December 14, 2004 between Orpar and Rémy Cointreau SA and the meeting of the Board of Directors of June 5, 2007 authorized its modification through an endorsement of July 4, 2007.

This agreement foresees the payment of the advances granted by Orpar to Rémy Cointreau SA determined on the basis of the Euribor, increased by a margin fixed according to the syndicated loan's conditions applicable to Rémy Cointreau SA.

The advances granted by Orpar to Rémy Cointreau SA in accordance with this agreement amounted to € 42,230 on March 31, 2014. The charge of interests calculated on daily loan and booked in the account of Rémy Cointreau SA for the financial year amounts to € 20,983.

2.5. Endorsement to the cash management agreement with Financière Rémy Cointreau

The Board of Directors which met on June 2, 2010, authorized the conclusion of a cash management agreement between Financière Rémy Cointreau and various centralized subsidiary companies of the Rémy Cointreau group, including Rémy Cointreau SA.

This agreement was signed on June 4, 2010, and took effect April 1, 2010. It entrusts to Financière Rémy Cointreau, centralizing company, the coordination of all the cash requirements and surpluses of the group.

- Fixed forward advances granted by subsidiary companies to Financière Rémy Cointreau bear interest based on Euribor rate or local equivalent in case of advance in currencies. Fixed forward loans granted by Financière Rémy Cointreau to subsidiary companies bear interest at the same rate, plus a margin corresponding to the margin of the syndicated loan granted to the group by a banking union. This margin is renegotiable.
- Advances granted in the form of daily loans by the subsidiary companies to Financière Rémy Cointreau bear interest based on Eonia rate or local equivalent in case of advance in currencies, decreased of 3 points.
- Daily loans granted by Financière Rémy Cointreau to subsidiary companies bear interest based on Eonia rate or local equivalent in case of advance in currencies, plus a margin corresponding to the margin of the syndicated loan granted to the group by a banking union. This margin is renegotiable.

On March 31, 2014, advances granted by Financière Rémy Cointreau to Rémy Cointreau SA amounted to € 128,386,556. For the year ended March 31, 2014, interests invoiced by Financière Rémy Cointreau to Rémy Cointreau SA amounted to € 2,774,008.

2.6. Service provision agreement for exchange rate risks and international cash management between Financière Rémy Cointreau and various other companies in the group

This agreement was signed on March 25, 2010, and took effect April 1, 2010. According to this agreement, Financière Rémy Cointreau is in charge of account receivables or debts in foreign currencies which are transferred to it. Financière Rémy Cointreau re-invoices to the subsidiaries exchange gain and loss related to the operations which concern them, as well as a fee for the costs incurred by Financière Rémy Cointreau increased by a margin which shall be revised annually.

Charges resulting from the application of this agreement during the course of financial year 2013/2014 are € 103,333.

2.7. Customer credit management agreement between Financière Rémy Cointreau and various other companies in the group

This agreement was signed on January 25, 2010, with retroactive effect from April 1, 2009. The fees of Financière Rémy Cointreau comply with the same setting rules as those included in the exchange rate risks and international cash management.

Charges resulting from the application of this agreement during the course financial year 2013/2014 amounts to € 258,333.

2.8. Commitment to a retirement with defined services

M. Marc Hériard Dubreuil, member of the Board of Directors, benefit from a pension regime with defined services financed by Andromède.

Paris-La Défense and Paris, June 5, 2014
The Statutory Auditors,

ERNST & YOUNG et Autres	Auditeurs & Conseils Associés
Represented by	*Represented by*
Pierre Bidart	Olivier Juramie

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8.3.2 Special report of the Board of Directors on options to subscribe or purchase Rémy Cointreau shares (Article L. 225-184 of the French Commercial Code)

In accordance with the provisions of Article L. 225-184 of the French Commercial Code, we inform you that no options to subscribe or purchase Rémy Cointreau shares were granted during the 2012/2013 financial year.

8.3.3 Statutory Auditors' Report – Combined shareholders' meeting of July 24, 2014 – 20th, 21st, 22nd, 23rd, 24th, 25th, 26th and 27th resolutions

This is a free translation into English of a report issued in French. It is provided solely for the convenience of English speaking readers. This report was construed in accordance with French law and professional auditing standards applicable in France and should be read in conjunction with them.

To the Shareholders,

In our capacity as statutory auditors of the company Rémy Cointreau SA, we hereby present our report on the following operations, on which you are called to vote.

1. SHARE CAPITAL REDUCTION (RESOLUTION 20)

As required under the provisions of Articles L. 225-209 of the French Commercial Code *(Code de Commerce)* in the event of a reduction of capital by cancellation of purchased shares, we hereby submit this report on our assessment of the reasons and conditions of the proposed capital reduction.

Your Board of Directors requests you to delegate to it, until the General Shareholders' Meeting called upon to approve the accounts for the financial year ended March 31, 2015, and no later than within a 18 month period starting from the date of this General Shareholders' Meeting, full authority so as to cancel the shares purchased under the proposal share repurchase program, as indicated within the 18th resolution, up to a maximum of 10 % of the share capital per 24 month period.

We performed procedures that which we considered necessary in accordance with professional guidance issued by the French institute of statutory auditors *(Compagnie Nationale des Commissaires aux Comptes)* relating to this operation. These procedures require that we verify whether the reasons and the conditions of the capital reduction, which is not liable to compromise the equal treatment of shareholders, are appropriate.

We have no matter to report concerning the reasons and the conditions of the proposed capital reduction.

2. ISSUING OF SHARES AND/OR SECURITIES GIVING ACCESS TO THE CAPITAL OF THE COMPANY AND GIVING RIGHT TO THE ALLOCATION OF DEBT INSTRUMENTS, WITH OR WITHOUT MAINTAINING THE PREFERENTIAL SUBSCRIPTION RIGHTS (RESOLUTIONS 21, 22, 23, 24 AND 25)

In accordance with Articles L.228-92, L.228-93, L.225-135 and the following of the French Commercial Code *(Code de Commerce)*, we hereby submit our report on the proposed authorization granted to the Board of Directors in order to issue securities with both debt and equity components, with or without preferential subscription rights, operations upon which you are called to vote.

Your Board of Directors proposes that, on the basis of its report:

- To delegate to it the authorization, for a period of 26 months from the board of directors' of July 24th, 2014, to decide on the following operations and fix the final terms for these issues. It also suggests to you, if appropriate, to waive your preferential subscription rights:
  - The issuing on one or several occasion of shares and/or other securities giving access to the company's share capital and/or other securities giving the right to the allocation of debt instruments, with the preferential subscription rights maintained (resolution 21).
  - The issuing on one or several occasion, through a public offering, of shares and/or securities giving access to the company's share capital and/or other securities giving the right to the allocation of debt instruments, without preferential subscription rights (resolution 22).
  - The issuing on one or several occasion of shares and/or securities giving access to the company's share capital and/or other securities giving the right to the allocation of debt instruments, without preferential subscription rights in case of offering carried out pursuant to paragraph II of Article L.411-2 of the French Monetary and Financial Code *(Code Monétaire et Financier)* with a limit of 20% of the company's share capital per year (resolution 23).
  - The issuing by any company which directly or indirectly possess more than half of the share capital of Rémy Cointreau, securities giving access to Rémy Cointreau shares, immediately or on term. The number of existing shares so delivered may not represent more than 10% of the share capital of Rémy Cointreau (resolution 22 and 23).
- To delegate to it, for a term of 26 months, to fix the issue prices of securities issued in the context of resolutions 22 and 23, without preferential subscription rights, within the limit of 10% of the company's share capital, and with the respect of a floor price, for which the calculation is set out in the resolution 24.

The resulting increases in share capital which shall occur immediately or on term of the securities issues and those allowed by the resolutions 21, 22, 23, 24, 25, 26 and 27 of this meeting as well as resolutions 14 and 15 of the General Shareholders' Meeting of September 26, 2013 may not exceed € 30,000,000. In the same way, amount of securities giving or not the right to the allocation of shares should not exceed € 750,000,000; this limit is common to all the debt instruments for which the issue is delegated to the Board of Directors as part of this meeting.

The number of securities to be issued in application of the delegations exposed in resolutions 21, 22, 23 and 24 may be increased within a limit of 15% of each issue, in accordance with the provision of Articles L. 225-135-1 of the French Commercial Code *(Code de Commerce)* if you adopt the resolution 25.

It is your Board of Directors' role to prepare a report in accordance with the provision of Articles R. 225-113 and the following of the French Commercial Code *(Code de Commerce)*. Our role is to report to on the fairness of the financial information extracted from the financial statements, on the proposal to waive your preferential subscription rights and on certain other information related to the issue, provided in this report.

We performed the procedures that we considered necessary in accordance with professional guidance issued by the French institute of statutory auditors *(Compagnie Nationale des Commissaires aux Comptes)* relating to this operation. These procedures require that we verify the content of the Board of Directors' report on this transaction and the methods used to determine the issue price of the equity securities.

Subject to the subsequent review of the terms and conditions of any share capital increase as may be decided upon, we have no matters to report regarding the method used to determine the issue price of the equity securities, set out in the Board of Directors' report under resolutions 22 and 23.

As the Board of Directors' report does not specify the methods used to determine the issue price of the securities to be issued under resolutions 21, 22 and 23, we do not express an opinion regarding the calculation on the issue price of the securities to be issued.

As the issue price of the equity securities has not yet been set, we do not express an opinion on the final conditions of the capital increase and, as a result, on the proposal made to you in resolutions 22 and 23 to waive your preferential subscription rights.

In accordance with Article R.225-116 of the French Commercial Code *(Code de Commerce)*, we shall prepare an additional report, if need be, when the authorization is used by your board of Directors in case of issuing shares and/or securities giving access to the company's share capital and/or other securities giving the right to the allocation of debt instruments, without preferential subscription rights.

3. REPORT ON THE ALLOCATION OF BONUS SHARES, ALREADY ISSUED OR TO BE ISSUED (RESOLUTION 26)

In compliance with articles L 225-197-1 of the French Commercial Code *(Code de Commerce)* we hereby report on the allocation of bonus shares to employees or definite categories of them and directors of the Company and of certain related groups or companies as defined in article L 225-197-2 of the French Commercial Code *(Code de Commerce)*, operation upon which you are called to vote.

Your Board of Directors proposes that it could be authorized to allocate, for a term of 38 months, bonus shares, existing or to be created.

It is the responsibility of the Board of Directors to prepare a report on the reasons for the proposed resolution. Our responsibility is to report to you our opinion on the information given about this operation.

Our work was conducted in accordance with professional doctrine of the French National Company of Statutory Auditors applicable to this mission. Those procedures consisted in verifying that the methods exposed in the Board of Directors' report are in accordance with legal requirements.

We have no comment to make on the information given in the Board of Directors' report about the allocation of bonus shares.

4. INCREASE IN CAPITAL OF THE COMPANY RESERVED FOR MEMBERS OF A COMPANY SAVINGS PLAN (RESOLUTION 27)

In accordance with the engagement set forth in Articles L. 225-135 et seq. of the French Commercial Code *(Code de commerce)*, we hereby present our report on the proposal to delegate to the Board of Directors the authority to perform a share capital increase, by issuing shares with waiver of the preferential subscription rights, reserved for members of a company savings plan or company that are affiliated with it within the meaning of Article L.225-180 of the French Commercial Code, operation upon which you are called to vote.

The maximum nominal amount of capital increase is €1,500,000. It is being specified that this maximum amount set off the maximum amount of capital increase decided in 21st resolution of July 24th 2014 shareholder's meeting (or, on the maximum amount set in a same kind of resolution that shall replace this resolution).

This share capital increase project is submitted to your approval pursuant to Articles

L. 225-129-6 of the French Commercial Code and Article L. 3332-18 et seq. of the French Labor Code *(code du travail)*.

On the basis of its report, the Board of Directors asks you to delegate, for a period of 26 months, the authority to decide a share capital increase and to waive your preferential subscription rights to the share issued. Where appropriate, the Board of Directors shall set the terms and conditions of the share capital increases.

It is the Board of Directors' role to prepare a report in accordance with the provisions of Articles R. 225-113 and R. 225-114 of the French Commercial Code. Our role is to report to you on the fairness of the financial information extracted from the accounts, on the proposal to waive your preferential subscription rights and on certain other information concerning the issue provided in this report.

We performed the procedures that we considered necessary in accordance with the professional guidance issued by the French institute of statutory auditors *(Compagnie Nationale des Commissaires aux Comptes)* relating to this assignment. These procedures involved verifying the content of the Board of Directors' report in respect of this transaction and the condition for determining the share issue price.

Subject to a subsequent review of the terms and conditions of any share capital increase as may be decided upon, we have no matters to report regarding the terms and conditions for determining the issue price as set forth in the Board of Directors' report.

As the final terms of the share capital increase has not yet been set, we do not express an opinion on them and, as a result, on the proposal made to you to waive your preferential subscription rights.

Pursuant to the Article R.225-116 of the French Commercial Code, we shall prepare an additional report at such time as your Board of Directors makes use of this authorization.

Paris-La Défense and Paris, June 5, 2014
The Statutory Auditors,

ERNST & YOUNG et Autres	**Auditeurs & Conseils Associés**
Represented by	*Represented by*
Pierre Bidart	**Olivier Juramie**

9

ADDITIONAL INFORMATION

9.1 Documents on display

The Articles of Association, minutes of the Shareholders' Meetings, Statutory Auditors' reports and other corporate documents may be consulted at the Company's registered office.

The Rémy Cointreau registration document filed with the AMF, together with the Company's press releases regarding sales and net income, the annual and half-yearly reports, the Company and consolidated financial statements, and the information regarding transactions in treasury shares and the total number of shares and voting rights may be viewed on the Company's website, at the following address: www.remy-cointreau.com

9.2 Information incorporated by reference

Pursuant to Article 28 of (EC) regulation No. 809/2004, the following information is incorporated in this document for reference purposes:

- the consolidated financial statements for the 2012/2013 financial year, prepared in accordance with IFRS, together with the related Statutory Auditors' report, can be found on pages 79 to 126 and 127 respectively of the registration document filed with the AMF on 12 July 2013 under number D. 13-0737;
- the consolidated financial statements for the 2011/2012 financial year, prepared in accordance with IFRS, together with the related Statutory Auditors' report, can be found on pages 72 to 118 and 119 respectively of the registration document filed with the AMF on 26 June 2012 under number D. 12-0661;
- Rémy Cointreau SA's financial statements for the 2012/2013 financial year, prepared in accordance with French legislation, together with the related Statutory Auditors' general and special reports, can be found on pages 129 to 143 and 144 respectively of the registration document filed with the AMF on 12 July 2013 under number D. 13-0737;
- Rémy Cointreau SA's financial statements for the 2011/2012 financial year, prepared in accordance with French legislation, together with the related Statutory Auditors' general and special reports, can be found on pages 121 to 134 and 135 to 139 respectively of the registration document filed with the AMF on 26 June 2012 under number D. 12-0661.

9.3 Person responsible for the registration document and annual financial report

"I hereby certify that, to the best of my knowledge, and after taking all reasonable measures to this end, the information contained in this registration document is accurate and contains no omissions likely to affect the import of that information.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the net assets, financial position and results of the Company and of all companies included in the scope of consolidation, and that the management report, in accordance with the concordance table in section 9.5.3, provides a true and fair view of the business trends, results and financial position of the Company and of all companies included in the scope of consolidation, together with a description of the main risks and uncertainties that they face.

I have obtained a letter from the Statutory Auditors, upon completion of their work, in which they state that they have verified the information relating to the financial position and financial statements, as provided in this registration document, and have read the registration document in full.

The historical information presented in this document is covered in the Statutory Auditors' reports on pages 131 and 148 for the 2013/2014 financial year and incorporated by reference in this document for the 2012/2013 and 2011/2012 financial years."

François Hériard Dubreuil,
Chairman and Chief Executive Officer of Rémy Cointreau

9.4 Persons responsible for the audit and fees

9.4.1 Current mandates

STATUTORY AUDITORS

Firm	Ernst & Young et Autres 1/2 Place des Saisons 92400 Courbevoie Paris la Défense 1	Auditeurs & Conseils Associés 31 rue Henri Rochefort, 75017 Paris
Represented by	Pierre Bidart	Olivier Juramie
Date of first appointment	22/09/1988	26/09/1990
Date appointment renewed	26/07/2012	16/09/2008
Date appointment expires	Shareholders' Meeting to consider the 2018 financial statements	Shareholders' Meeting to consider the 2014 financial statements

ALTERNATE STATUTORY AUDITORS

Holder	Auditex 1/2 Place des Saisons 92400 Courbevoie Paris la Défense 1	Olivier Lelong
Date of first appointment	22/09/1988	26/09/1990
Date appointment renewed	26/07/2012	16/09/2008
Date appointment expires	Shareholders' Meeting to consider the 2018 financial statements	Shareholders' Meeting to consider the 2014 financial statements

9.4.2 Fees paid to the Statutory Auditors

The fees paid to the Statutory Auditors and members of their network for the year ended 31 March 2014 amounted to €1,279,000. They break down as follows:

	Ernst & Young et Autres				**Auditeurs & Conseils Associés SA**			
	Amount		**%**		**Amount**		**%**	
(in €)	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Audit								
Auditing of the parent company (separate) and consolidated financial statements	979	998	86%	94%	133	135	94%	100%
▪ *Rémy Cointreau SA*	*210*	*218*			*94*	*95*		
▪ *Fully consolidated subsidiaries*	*769*	*780*			*39*	*40*		
Ancillary assignments	159	60	14%	6%	8	–	6%	0%
▪ *Rémy Cointreau SA*	*45*	*40*			*3*	–		
▪ *Fully consolidated subsidiaries*	*114*	*20*			*5*			
Sub-total	**1,138**	**1,058**	**100%**	**100%**	**141**	**135**	**100%**	**100%**
Other services								
Other services	–	–	0%	0%	–	–	0%	0%
Sub-total	**–**	**–**	**0%**	**0%**	**–**	**–**	**0%**	**0%**
TOTAL	**1,138**	**1,058**	**100%**	**100%**	**141**	**135**	**100%**	**100%**

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9.5 Concordance tables

9.5.1 Concordance table with the headings of Annex 1 of EU regulation 809/2004

		Page number	Chapter number
1.	**Persons responsible**	**196**	**9.3**
2.	**Statutory Auditors**	**197**	**9.4.1**
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4.	**Risk factors**	**10-14**	**1.6**
5.	**Information about the issuer**		
5.1	History and development of the issuer	5, 150	1.2, 7.1
5.2	Investments	9, 82	1.4.3, 4.2.3
6.	**Business overview**	**7-9**	**1.4.1**
7.	**Organisational structure**		
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7.2	List of significant subsidiaries	129-130	5.6 note 27
8.	**Property, plant and equipment**		
8.1	Material items of property, plant and equipment	9, 100	1.4.2, 5.6 note 4
8.2	Environmental issues	13, 23-27	1.6.7, 2.3.2
9.	**Operating and financial review**		
9.1	Financial position	80-83	4.2, 4.3.2
9.2	Operating results	76-79, 83	4.1, 4.3.1
10.	**Capital resources**		
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10.2	Source and amounts of the issuer's cash flows	82	4.2.3
10.3	Borrowing requirements and funding structure	80, 107-108	4.2.1, 5.6 note 11
10.4	Restrictions on the use of capital resources	81, 107	4.2.1, 5.6 note 10.6
10.5	Anticipated sources of funds	na	na
11.	**Research and development, patents and licences**	**10**	**1.4.3**
12.	**Trend information**	**84**	**4.4**
13.	**Profit forecasts or estimates**	**na**	**na**
14.	**Administrative bodies and senior management**		
14.1	Administrative and management bodies	46-54	3.1
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15.1	Remuneration and benefits in kind	68-72	3.4.1, 3.4.2
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		Page number	Chapter number
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16.4	Corporate governance	55	3.2.1
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17.2	Shareholdings and stock options	71-72, 160	3.4.2, 7.4.1
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18.	**Major shareholders**		
18.1	Shareholders owning more than 5% of the share capital and voting rights	160-161	7.4.1
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18.3	Control of the issuer	161, 164	7.4.1, 7.4.3
18.4	Arrangements known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	162-163	7.4.1
19.	**Related-party transactions**	**10, 189-191**	**1.5, 8.3.1**
20.	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
20.1	Historical financial information	86-130	5
20.2	Pro-forma financial information	na	na
20.3	Rémy Cointreau SA annual financial statements	134-147	6
20.4	Auditing of historical annual financial information	131, 148	5.7, 6.6
20.5	Age of latest financial information	86, 134	5, 6
20.6	Interim and other financial information	na	na
20.7	Dividend policy	81, 106, 137	4.2.1, 5.6 note 10.4, 6.4
20.8	Legal and arbitration proceedings	79	4.1.7
20.9	Significant change in the issuer's financial or trading position	na	na
21.	**Additional information**		
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21.1.1	Issued capital and information for each class of share capital	152	7.3.2
21.1.2	Shares not representing capital	na	na
21.1.3	Shares held by the issuer or its subsidiaries	156-159	7.3.4
21.1.4	Convertible securities, exchangeable securities, or securities with warrants	na	na
21.1.5	Acquisition rights, capital subscribed but not paid in, undertakings to increase capital	152-156	7.3.3
21.1.6	Options on the capital, and agreements providing for placing the capital under option	na	na
21.1.7	History of the share capital	155-156	7.3.3
21.2	Memorandum and Articles of Association		
21.2.1	Corporate purpose	150	7.1
21.2.2	Provision with respect to the members of the administrative, management and supervisory bodies	56-57	3.2.2
21.2.3	Rights, preferences and restrictions attaching to each class of the existing shares	151	7.2
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		Page number	Chapter number
21.2.5	Conditions governing Shareholders' Meetings	151	7.2
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9.5.3 Concordance table for use with the management report

Reference texts		Comments on the financial year	Page number	Chapter number
French Commercial Code	L. 225-100, L. 225-100-2, L. 232-1, L. 233-6 and L. 233-26	Objective and comprehensive analysis of change in the business, earnings and financial position of the Company and Group	76-84	4
French Commercial Code	L. 225-100 and L. 225-100-2	Key performance indicators of a non-financial nature relating to the specific activity of the Company	30-36	2.5, 2.6, 2.7
French Commercial Code	L. 233-6	Significant stakes acquired during the year in companies with their registered office in France	na	na
French Commercial Code	L. 232-1 and L. 233-26	Important events occurring between the balance sheet date and the date of the report	84	4.4.1
French Commercial Code	L. 232-1 and L. 233-26	Foreseeable change in the situation of the Company and the Group	84	4.4.2
French General Tax Code	243 a	Dividends paid in respect of the last three financial years and the amount paid in respect of the said financial years eligible for the allowance of 40%	137	6.4
		Elements of presentation of the Group		
French Commercial Code	L. 225-100 and L. 225-100-2	Description of the principal risks and uncertainties that the Company faces	10-14	1.6
French Commercial Code	L. 225-100 and L. 225-100-2	Use of financial instruments by the Company: objectives and policy for the management of financial risks	11, 110-111	1.6.3, 1.6.4 5.6 note 14
French Commercial Code	L. 225-100 and L. 225-100-2	Company exposure to price, credit, liquidity and cash risk	10-14, 110-111	1.6 5.6 note 14
French Commercial Code	L. 225-102-1, L. 225 102 2 and R. 225-104	Social and environmental consequences of the activity (including "Seveso" facilities)	17-36	2.2-2.7
French Commercial Code	L. 232-1	Research and development activities	10	1.4.3
		Items bearing on corporate governance		
French Commercial Code	L. 225-102-1	List of all holdings held in any company by each of the directors during the year	46-53	3.1.1
French Commercial Code	L. 225-102-1	Total remuneration and benefits of all kinds paid to each corporate officer during the year	68-72	3.4.1, 3.4.2
French Commercial Code	L. 225-102-1	Commitments of all kinds made by the Company for the benefit of its corporate officers, corresponding to remuneration, allowances or benefits due or liable to be due upon the assumption, termination or change of these functions by the persons in question or subsequent thereto	68-72	3.4.1, 3.4.2
French Commercial Code	L. 225-184	Options granted, subscribed or purchased during the year by the executive officers and each of the top ten employees of the Company not to be corporate officers, and options granted to all eligible employees, by category	68-72	3.4.1, 3.4.2
French Commercial Code	L. 225-185	Conditions for the exercise and conservation of options by executive officers	na	na
French Commercial Code	L. 225-197-1	Conditions for the retention of bonus shares awarded to executive directors	na	na
French Monetary and Financial Code	L. 621-18-2	Transactions by directors and related parties on the Company's shares	73	3.4.3

Reference texts		Comments on the financial year	Page number	Chapter number
		Information on the Company and the capital		
French Commercial Code	L. 225-100-3	Rules applicable for the appointment and replacement of members of the Board of Directors or Executive Board and for amendments of the Articles of Association of the Company	53, 56	3.1.4, 3.2.2
French Commercial Code	L. 225-100-3	Powers of the Board of Directors or the Executive Board, in particular to issue or repurchase shares	152-156	7.3.3
French Commercial Code	L. 225-211	Detail of purchases and sales of treasury shares during the year	156-159	7.3.4
French Commercial Code	R. 228-90	Any adjustments to securities giving access to the capital in the event of share buybacks or financial transactions	na	na
French Commercial Code	L. 225-100	Table summarising the authorisations currently in force granted by the Shareholders' Meeting to the Board of Directors or Executive Board in respect of capital increases	155	7.3.3
French Commercial Code	L. 225-100-3 and L. 233-13	Structure of and change in the Company's capital	161	7.4.1
French Commercial Code	L. 225-100-3	Statutory restrictions on the exercise of voting rights and share transfers or agreement clauses brought to the knowledge of the Company	151 160	7.2 7.4.1
French Commercial Code	L. 225-100-3	Direct or indirect shareholdings in the capital of which the Company has knowledge	160-163	7.4.1
French Commercial Code	L. 225-102	State of employee shareholdings in the share capital on the last day of≈the financial year and the proportion of capital represented by the shares held by employees under the Company savings plan and by employees and former employees in company mutual funds	160	7.4.1
French Commercial Code	L. 225-100-3	List of holders of any securities with special control rights, and description thereof	160-163	7.4.1
French Commercial Code	L. 225-100-3	Control mechanisms provided for in any employee shareholding scheme where the control rights are not exercised by it	na	na
French Commercial Code	L. 225-100-3	Agreements between shareholders of which the Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights	160-163	7.4.1
French Commercial Code	L. 225-100-3	Agreements concluded by the Company that are modified or terminated in the event of a change of control of the Company, unless such disclosure, except in the case of a legal duty of disclosure, would seriously harm its interests	166	7.5
French Commercial Code	L. 225-100-3	Agreements providing for compensation for members of the Board of Directors, senior management or employees if they resign or are dismissed without just cause or if their employment ceases because of a public offer	53, 72	3.4.1, 3.4.2
French Commercial Code	L. 464-2	Injunctions or penalties for anti-competitive practices	na	na
		Items bearing on the financial statements		
French Commercial Code	L. 232-6	Any changes in the presentation of financial statements or in the valuation methods used	92	5.6 note 1
French Commercial Code	R. 225-102	Results of the Company over the last five financial years	137	6.4

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