

CONSOLIDATED FINANCIAL STATEMENTS OF THE RÉMY COINTREAU GROUP AT 31 MARCH 2017

Consolidated income statement

<i>in € millions</i>	<i>Notes</i>	2017	2016
Net sales	15	1,094.9	1,050.7
Cost of sales		(364.2)	(384.9)
Gross margin		730.7	665.8
Distribution costs	16	(416.7)	(406.7)
Administrative expenses	16	(88.5)	(81.6)
Other income from operations	16	0.6	0.9
Current operating profit	15	226.1	178.4
Other operating income/ (expense)	18	(4.8)	0.3
Operating profit		221.3	178.7
Cost of net financial debt		(21.4)	(24.0)
Other financial income/(expense)		(10.5)	(3.3)
Net financial income/(expense)	19	(31.9)	(27.3)
Profit before tax		189.4	151.4
Income tax	20	(44.5)	(44.1)
Share in profit of associates	5	(19.6)	(4.8)
Profit from continuing operations		125.2	102.5
Net profit/(loss) from deconsolidated and discontinued operations	21	65.0	–
Net profit for the year		190.2	102.5
Of which:			
attributable to non-controlling interests		(0.0)	0.1
attributable to owners of the parent		190.3	102.4
Net earnings per share – from continuing operations (in €)			
basic		2.55	2.11
diluted		2.42	2.11
Net earnings per share - attributable to owners of the parent (in €)			
basic		3.87	2.11
diluted		3.68	2.10
Number of shares used for the calculation			
basic	10.2	49,123,523	48,579,832
diluted	10.2	51,782,976	48,682,638

Consolidated statement of comprehensive income

<i>in € millions</i>	2017	2016
Net profit for the year	190.2	102.5
Movement in the value of hedging instruments	(5.6)	31.5
Actuarial difference on pension commitments	(2.1)	1.2
Movement in the value of AFS shares	-	(0.2)
Related tax effect	2.7	(12.3)
Movement in translation differences	(0.5)	(12.8)
Total income/(expenses) recorded in equity	(5.6)	7.4
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	184.7	109.9
Of which:		
attributable to owners of the parent	184.6	109.9
non-controlling interests	0.1	-

Consolidated statement of financial position

<i>in € millions</i>	<i>Notes</i>	2017	2016
Brands and other intangible assets	3	526.1	487.6
Property, plant and equipment	4	237.3	223.2
Investments in associates	5	22.4	40.6
Non-current financial assets	6	166.7	94.7
Deferred tax assets	20	30.4	28.9
Non-current assets		982.9	875.0
Inventories	7	1,145.4	1,107.9
Trade and other receivables	8	224.0	232.8
Income tax receivables		6.6	7.8
Derivative financial instruments	14	3.3	10.6
Cash and cash equivalents	9	78.0	46.9
Assets held for sale	2	1.3	0.5
Current assets		1,458.6	1,406.5
TOTAL ASSETS		2,441.5	2,281.5
Share capital		79.5	78.0
Share premium		758.6	695.3
Treasury shares		(8.4)	(8.7)
Consolidated reserves and profit of the year		445.9	319.8
Translation reserve		26.8	27.5
Equity -			
attributable to owners of the parent		1,302.5	1,111.9
Non-controlling interests		1.5	1.4
Equity	10	1,304.0	1,113.3
Long-term financial debt	11	392.5	172.0
Provision for employee benefits	23	31.6	30.7
Long-term provisions for liabilities and charges	12	6.6	5.6
Deferred tax assets	20	98.9	101.0
Non-current liabilities		529.6	309.3
Short-term financial debt and accrued interest charge	11	75.6	333.1
Trade and other payables	13	503.6	499.1
Income tax payables		11.0	9.8
Short-term provisions for liabilities and charges	12	10.9	13.3
Derivative financial instruments	14	6.7	1.2
Liabilities held for sale	2	-	2.4
Current liabilities		607.9	858.9
TOTAL EQUITY AND LIABILITIES		2,441.5	2,281.5

Change in consolidated shareholders' equity

in € millions	Share capital and premium	Treasury shares	Reserves and net profit	Translation reserve	Profit recorded in equity	Attributable to:		Total equity
						owners of the parent company	non-controlling interests	
At 31 March 2015	771.8	(9.6)	306.0	40.2	(34.1)	1,074.3	1.4	1,075.7
Net profit for the period	-	-	102.4	-	-	102.4	0.1	102.5
Gains (losses) recorded in equity	-	-	-	(12.7)	20.2	7.5	(0.1)	7.4
Share-based payments	-	-	1.4	-	-	1.4	-	1.4
Transactions on treasury shares	-	(0.9)	-	-	-	(0.9)	-	(0.9)
Dividends	1.5	-	(74.3)	-	-	(72.8)	-	(72.8)
Reclassification	-	1.8	(1.8)	-	-	-	-	-
At 31 March 2016	773.3	(8.7)	333.8	27.5	(13.9)	1,111.9	1.4	1,113.3
Net profit for the period	-	-	190.3	-	-	190.3	(0.0)	190.3
Gains (losses) recorded in equity	-	-	-	(0.6)	(5.1)	(5.7)	0.1	(5.6)
Share-based payments	-	-	1.8	-	-	1.8	-	1.8
Transactions on treasury shares	-	0.4	-	-	-	0.4	-	0.4
Dividends	64.8	-	(77.8)	-	-	(13.0)	-	(13.0)
OCEANE ⁽¹⁾	-	-	16.3	-	-	16.3	-	16.3
Other movements	-	-	0.5	-	-	0.5	-	0.5
At 31 March 2017	838.1	(8.4)	464.9	26.8	(19.0)	1,302.5	1.5	1,304.0

⁽¹⁾ On 7 September 2016, Rémy Cointreau S.A. issued bonds convertible or exchangeable into new or existing shares (OCEANE), with a par value of €275 million, maturing on 7 September 2026 (see note 11.6 "Bonds"). The difference after tax between the par value of the bonds and their fair value on the date of issue, is recognised as equity.

Consolidated statement of cash flows

<i>in € millions</i>	<i>Notes</i>	2017	2016
Current operating profit		226.1	178.4
Depreciation, amortisation and impairment		20.4	18.8
Share-based payments		1.8	1.7
Dividends received from associates	5	0.4	0.7
EBITDA		248.6	199.6
Change in inventories		(25.9)	(6.2)
Change in trade receivables		4.0	20.9
Change in trade payables		18.2	(26.0)
Change in other receivables and payables		(31.5)	(31.1)
Change in working capital requirement		(35.3)	(42.4)
Net cash flow from operations		213.3	157.2
Other operating income (expense)		(3.9)	(0.2)
Financial result		(22.5)	(22.9)
Income tax		(52.4)	(29.9)
Other operating cash flows		(78.7)	(53.0)
Net cash flow from operating activities – continuing operations		134.6	104.2
Impact of deconsolidated and discontinued operations		-	-
Net cash flow from operating activities		134.6	104.2
Capital expenditure and recurring administrative investments	3/4	(36.9)	(30.8)
Purchase of shares in associates and non-consolidated investments	5/6	(48.1)	(0.7)
Disposal of non-current assets		0.4	0.8
Disposal of shares in associates and non-consolidated investments	6	1.3	0.7
Net cash flow from other investments	6	(0.8)	0.7
Net cash flow from investment activities – continuing operations		(84.1)	(29.3)
Impact of deconsolidated and discontinued operations		-	-
Net cash flow from investment activities		(84.1)	(29.3)
Treasury shares	10	0.4	(0.9)
Increase in financial debt		282.3	110.5
Repayment of financial debt		(287.5)	(143.8)
Dividends paid		(13.0)	(72.8)
Net cash flow from financing activities – continuing operations		(17.8)	(107.0)
Impact of deconsolidated and discontinued operations		-	-
Net cash flow from financing activities		(17.8)	(107.0)
Translation differences on cash and cash equivalents		(1.6)	4.9
Change in cash and cash equivalents		31.1	(27.2)
Cash and cash equivalents at start of year	9	46.9	74.1
Cash and cash equivalents at end of year	9	78.0	46.9

Notes to the consolidated financial statements

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 7 June 2017. They will be submitted for shareholders' approval at the Shareholders' Meeting on 25 July 2017.

NOTE 1 SUMMARY OF SIGNIFICANT 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 regulation (EC) No. 1606/2002 of 19 July 2002, Rémy Cointreau's consolidated financial statements are prepared in accordance with international accounting standards applicable within the European Union as of 31 March 2017.

These standards can be consulted on the European Commission website at:

http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

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 2016 are as follows:

- IFRS annual improvement cycle 2012-2014,
- amendments to IAS 1: "Presentation of Financial Statements" – Disclosure Initiative;
- amendments to IAS 16 and IAS 38: "Clarification of Acceptable Methods of Depreciation and Amortisation";
- amendments to IAS 16 and IAS 41: "Agriculture: Bearer Plants";
- amendments to IAS 27: "Equity method in separate financial statements";
- amendments to IFRS 11: "Joint Arrangements";
- limited amendments to IFRS 10, IFRS 12 and IAS 28: "Investment Entities: Applying the Consolidation Exception".

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 2017 and for which the Group did not choose early application for the consolidated financial statements for the year ended 31 March 2017 are as follows:

- IFRS 9 "Financial Instruments";
- IFRS 15 "Revenue from Contracts with Customers".

The impact of the application of IFRS 15 "Revenue from Contracts with Customers" is currently being assessed. The results will be shared as part of the interim financial statements to 30 September 2017.

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 items described below.

Asset impairment tests

In the context of conducting impairment tests on the carrying amount of intangible assets with an indefinite useful life, and of other assets (such as the Dynasty Group investment (see note 5)), and when required by standards or circumstances, the Group regularly uses discounted future cash flow calculations and/or market values of comparable assets. The underlying parameters of such calculations are subject to assumptions, the future evolution of which may lead to significant changes in subsequent values.

Provisions for liabilities and charges

The recognition of provisions, 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.

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 CONSOLIDATION METHODS

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 1.7).

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 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 S.A.

The balance sheets of subsidiaries, whose functional currency is not the euro, are translated at the closing exchange rate. The income statements and statements of cash flows 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 relation to each entity, transactions denominated in currencies other than the functional currency are recorded in the functional currency using the exchange rate applicable on the date of transaction. At the end of each period, cash assets and liabilities in foreign currencies are revalued using the closing exchange rate for the year. The resulting differences are recognised in either the operating profit or net financial income depending on the nature of the underlying transactions.

By way of exception, revaluation differences relating to transactions classified as net investment hedges are recognised directly in equity under "Translation differences".

As a general rule, distribution subsidiaries invoice their customers in the functional currency of the customer and make purchases from production subsidiaries in their own functional currency (not in the functional currency of the production company). The majority of the Group's production subsidiaries are located in the euro zone, despite the euro representing only 25% of its sales. As a result, the production subsidiaries and certain distribution subsidiaries are significantly exposed to changes in foreign exchange rates.

The Group manages this risk, and other similar risks associated with the financing of its "non euro" subsidiaries, centrally through the use of derivative financial instruments which are recognised in accordance with IAS 39. The hedging instruments are concluded over a rolling 18-month period. At the end of each period, the Group may retain a portfolio of instruments intended to hedge the cash flows of subsequent years. Over the course of the financial year, the instruments retained at the start of the year reach maturity.

The revaluation effects of foreign currency derivative financial instruments at the end of each period are recognised in financial income for the portion that must be recorded as income in accordance with the standard, regardless of the type of cash flows hedged (trading or financial). These revaluations, dependent upon the closing exchange rate for each currency, have no bearing on the income that will actually be generated upon maturity of the instruments.

The income actually generated upon maturity of financial instruments allocated in the financial year is recorded in either gross margin or financial income depending on the type of cash flows hedged (trading or financial).

NOTE 1.5 BUSINESS COMBINATIONS AND GOODWILL

Goodwill represents the difference between the cost of acquisition of the businesses 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 income and expenses" in the consolidated income statement and as net cash flow from investment activities in the consolidated cash flow statement.

NOTE 1.6 DEFINITION OF CERTAIN INDICATORS

A) 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 customer, 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 from operations" when they are peripheral to the Group's core activity.

B) Current operating profit, operating profit, net 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 deconsolidated or 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 "Net 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.

C) Earnings before interest, tax, depreciation and amortisation (EBITDA)

This measure is used to calculate certain ratios. It corresponds to: current operating profit + depreciation and amortisation expenses on property, plant and equipment and intangible assets for the period + expenses related to stock option and similar plans + dividends paid by associates during the period.

D) Net debt

This measure is used to calculate certain ratios. It corresponds to: long-term financial debt + short-term financial debt and accrued interest - cash and cash equivalents.

NOTE 1.7 CONSOLIDATION OF CO-OPERATIVES

Since 1 April 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 statement of financial position 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

NOTE 2.1 LIXIR

The Lixir securities classified as "Assets held for sale" at 31 March 2016 were sold during the financial year ended 31 March 2017 for €0.5 million. The sum of €2.4 million corresponding to the estimated exit costs and recorded under "Liabilities held for sale" at 31 March 2016, was paid during the period.

NOTE 2.2 PASSOÃ

Following an agreement entered into on 14 October 2016, Rémy Cointreau and Lucas Bols N.V. created a joint venture, Passoã SAS, to oversee the operation and continued development of the Passoã brand business. On 2 December 2016, Rémy Cointreau contributed all Passoã activities, including manufacturing and distribution, as well as the brands and inventories, while Lucas Bols N.V. contributed its knowledge and expertise in liqueurs and cocktails, in addition to the working capital.

For the financial year ended 31 March 2016, and for the period between April and the end of November 2016, the Passoã business' contribution to the Group's consolidated net sales and current operating profit was approximately 2%. At the date of the contribution, the business and main assets (brands, recipes, clientele, inventories, receivables and direct liabilities) were recorded in the Group's statement of financial position at a carrying amount of approximately €1 million, the brand having been created ex-nihilo in 1986. In light of the immateriality of these elements, the Group has not applied IFRS 5 to the closing of the financial statements at 31 March 2017.

Under the terms of the agreements, Lucas Bols N.V. assumes the operational control and financial management of the joint venture. Consequently, this entity is not consolidated within Rémy Cointreau. Given the characteristics of the transaction, the securities received in consideration for the contribution, are recorded in the statement of financial position at their market value, under "Other equity investment financial assets" (note 6.3). The transaction generated a profit for the period, net of costs and deferred tax, of €65.0 million (note 21).

The agreement includes, subject to certain conditions in the future, the possibility that Lucas Bols N.V may acquire the stake held by Rémy Cointreau in the joint venture.

NOTE 2.3 DOMAINE DES HAUTES GLACES AND WESTLAND

On 5 and 6 January 2017, the Rémy Cointreau Group announced the completion of its acquisition of 100% of the capital of Domaine des Hautes Glaces, and the Westland distillery.

These two transactions have strengthened the Group's single malt whisky division, which was created with the acquisition of Bruichladdich in September 2012.

- Domaine des Hautes Glaces is a mountain farm distillery located in the heart of the French Alps that has been crafting single malt whiskies since 2009, mainly using local energies and raw materials. Its produce are certified organic.
- Westland is a distillery founded in 2010 in Seattle, on the Pacific northwest coast of the United States. Its whiskies reflect the singular character and traditions of the Pacific northwest region, combining ancestral craftsmanship with a pioneering spirit.

These acquisitions had the following impact on the consolidated financial statements for the period:

Goodwill	27.4
Brands	9.8
Property, plant and equipment	3.9
Other financial assets	0.1
Inventories	7.1
Other current assets (net)	(0.5)
Cash	0.1
Gross financial debt	(0.5)
TOTAL BALANCE SHEET	47.4
Purchase price	47.4
Acquisition-related costs	0.7
TOTAL DISBURSEMENTS	48.1
Net sales	0.3
Current operating profit /(loss)	(0.6)
Operating profit /(loss)	(1.3)
Taxes	0.5
NET PROFIT/(LOSS) FOR THE PERIOD	(0.9)

NOTE 3 BRANDS AND OTHER INTANGIBLE ASSETS

With the exception of software licences, "Brands and other intangible assets" mainly comprise the value of the intangibles identified when acquisitions are made by the Group: residual goodwill, brands, distribution rights.

For certain brands owned by the Group, the value recorded in the balance sheet is the result of the acquisition of non-controlling interests or businesses subsequent to the creation or inclusion of the brand. The amount recorded in the balance sheet therefore represents only a percentage of the value of the brand.

The values recorded under "Brands" in the Rémy Cointreau Group's statement of financial position 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, described below, also relate to goodwill and distribution rights, where appropriate.

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.

Pursuant to IAS 38 - "Intangible assets", advertising and promotional expenses are recorded as expenses in the period in which they are incurred.

The Rémy Cointreau 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;
- purchase price of software licences and direct costs of installations and/or upgrades: three to seven years.

Impairment tests

For impairment tests performed on the carrying amount of intangible assets with an indefinite useful life, when required by standards or circumstances, the Group regularly uses discounted future cash flow calculations and/or market values of comparable assets. The underlying parameters of such calculations are subject to assumptions, the future evolution of which may lead to significant changes in subsequent values.

The value in use of assets falling within the scope of IAS 36 "Impairment of assets" is tested as soon as there is any indication that it may be impaired, and automatically at each year-end in the case of assets with an indefinite useful life, except in the case of certain brands for which the Group uses the exemption granted by IAS 36.24 due to a significant difference between the carrying amount and the recoverable amount.

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.

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 assets or group of 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.

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, asset or group of assets. Cash flows are estimated based on medium-term business plans, the duration of which is tailored to the individual characteristics of each activity. As such, the duration is five years for brands without ageing processes and twelve years for brands with ageing processes. The terminal value is determined by applying a constant growth rate to infinity. The discount rates used are set 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.

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.

<i>In € millions</i>	Goodwill	Brands	Distribution rights	Other	Total
Gross value at 31 March 2016	26.0	503.9	7.5	34.7	572.1
Acquisitions	-	0.0	-	5.8	5.8
Disposals, items scrapped	-	-	-	(0.0)	(0.0)
Changes in consolidation scope	27.4	9.8	-	-	37.2
Translation reserve	(1.7)	(0.5)	0.2	0.4	(1.5)
Gross value at 31 March 2017	51.8	513.2	7.7	40.9	613.6
Accumulated depreciation, amortisation and impairment at 31 March 2016	-	52.9	5.3	26.3	84.5
Increase	-	-	-	2.4	2.4
Disposals, items scrapped	-	-	-	(0.0)	(0.0)
Translation reserve	-	0.2	0.1	0.3	0.5
Accumulated depreciation, amortisation and impairment at 31 March 2017	-	53.1	5.4	29.0	87.5
Net carrying amount at 31 March 2016	26.0	451.0	2.2	8.3	487.6
Net carrying amount at 31 March 2017	51.8	460.1	2.4	11.9	526.1

"Other" mainly comprises software licences.

The "Distribution rights" carrying amount includes a brand-equivalent amount.

The amounts recorded under "Goodwill", "Brands" and "Distribution rights" are considered to have an indefinite useful life.

"Goodwill" includes the goodwill arising from the acquisition of Bruichladdich Distillery Ltd in September 2012, the goodwill arising from the acquisition of the Mount Gay Rum Refinery in May 2014 and the goodwill arising from the acquisitions of Domaines des Hautes Glaces and Westland in January 2017.

The amounts recorded under "Brands" (as well as "Goodwill" and "Distribution rights") in the Group's statement of financial position mainly relate to the following brands: Rémy Martin, Cointreau, Mount Gay, Metaxa, Ponche Kuba, Bruichladdich and Westland.

The carrying amounts of Rémy Martin, Cointreau and Mount Gay are essentially derived from the acquisition of non-controlling interests and so do not represent a comprehensive valuation of these brands. Metaxa, Ponche Kuba, Bruichladdich and Westland are acquired brands. The other brands held by the Group were created and do not have any carrying value on the balance sheet.

No impairment was recognised by the Group in light of the tests carried out during the financial year. For these tests, the present value used was the recoverable amount, mainly established on the basis of discounted future cash flows, as explained above. For the year ended 31 March 2017, the main assumptions were as follows:

	Discount rate	Perpetual growth rate	Change impact 50 bps		Impairment
			+50 bps on the discount rate	-50 bps on the perpetual growth rate	
Mount Gay	9.42%	1.00%	(3.5)	(0.8)	no
Bruichladdich	7.82%	1.00%	(8.2)	(2.7)	no
Metaxa ⁽¹⁾	9.63%	1.00%	(10.1)	(8.0)	no
Subtotal			(21.8)	(11.5)	
For memory, total tested net carrying amount			192.0	192.0	

⁽¹⁾ For Metaxa, a variation of 10% on cash flows would generate an impact of approximately €17 million. A discount rate of 10.94% would make the Brand valuation equal to its net carrying amount.

At 31 March 2017, the total provision for impairment of intangible assets was €53.1 million (2016: €52.9 million), including €45.0 million for the Greek brandy Metaxa, acquired in 2000, and €8.1 million for secondary brands.

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

Gross value

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.

Depreciation

Depreciation is calculated using the straight-line method applied to the acquisition cost less any estimated residual value.

The Rémy Cointreau Group's property, plant and equipment 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

In € millions

	Land	Buildings	Other	In progress	Total
Gross value at 31 March 2016	13.8	123.3	257.8	6.4	401.3
Acquisitions	0.1	6.3	17.9	4.7	29.0
Disposals, items scrapped	(0.3)	(0.6)	(4.7)	-	(5.5)
Changes in consolidation scope	-	2.0	2.0	-	4.1
Other movements	0.4	(0.5)	4.3	(5.8)	(1.6)
Translation reserve	0.1	(0.2)	1.7	(0.0)	1.6
Gross value at 31 March 2017	14.2	130.3	279.0	5.3	428.8
Accumulated depreciation and impairment at 31 March 2016	3.0	47.0	128.1	-	178.1
Increase	0.4	3.7	13.8	-	17.9
Disposals, items scrapped	(0.1)	(0.8)	(4.3)	-	(5.1)
Changes in consolidation scope	-	0.1	0.1	-	0.2
Other movements	-	(0.2)	(0.0)	-	(0.3)
Translation reserve	(0.0)	0.1	0.7	-	0.8
Accumulated depreciation and impairment at 31 March 2017	3.3	49.9	138.4	-	191.6
Net carrying amount at 31 March 2016	10.8	76.3	129.7	6.4	223.2
Net carrying amount at 31 March 2017	10.9	80.4	140.6	5.3	237.3

As of 31 March 2017, no property, plant or equipment owned by the Group was subject to impairment provisions. These non-current assets are unencumbered.

For the financial year ended 31 March 2017, the acquisitions amounting to €29.0 million mainly correspond to the ongoing modernisation of IT systems and manufacturing tools, the purchase of barrels for spirits undergoing ageing and the extension of the storage facilities at various sites.

NOTE 5 INVESTMENTS IN ASSOCIATES

Investments in associates represent equity interests in companies meeting the principle described in note 1.2.

<i>In € millions</i>	Dynasty	Diversa	Spirits Plat- form	Total
At 31 March 2016	32.0	7.6	1.0	40.6
Dividend paid	-	(0.3)	-	(0.3)
Profit of the year	-	(0.0)	0.1	0.1
Provision for impairment	(18.8)	(0.8)	-	(19.7)
Translation reserve	1.6	-	0.1	1.7
At 31 March 2017	14.7	6.5	1.2	22.4

NOTE 5.1 DYNASTY

The 27% interest in the Dynasty Group originated in a joint venture for wine production between Rémy Cointreau and the city of Tianjin (China) in 1980. This Group was listed on the Hong Kong stock exchange in 2005.

Following allegations of fraud with regard to 2010 and 2011, the listing was suspended on 22 March 2013. It has not been re-listed to date due to the Company's inability to publish the audited financial statements for the 2012, 2013, 2014, 2015 and 2016 financial years.

During these years, the Dynasty Group also had to face a market in turmoil. After strong development up to the end of 2012 that attracted new actors, and therefore more competition, the market saw the massive arrival of low-cost imported products and measures taken by the Chinese government to limit reception costs. Whilst it did not publish financial statements, Dynasty regularly informed the market of the fall in its net sales and its losses, which can be explained by its internal difficulties and the context. As a shareholder in the Hong Kong-listed Group, Rémy Cointreau is also subject to restrictions in terms of access to financial information on the Dynasty Group due to the current rules governing the Hong Kong exchange.

Due to this unprecedented extended delay, the assessment of this holding since the end of the 2012/2013 financial year is a source of uncertainty and technical difficulties.

The carrying value at 31 March 2012 corresponds to a valuation of HK\$1.88. The last price before the suspension, which already reflected the anticipation of lower performance for the Company, was HK\$1.44 per share. During the 2012/2013, 2013/2014 and 2015/2016 financial years, Rémy Cointreau carried out three successive impairments to reduce the valuation per share to HK\$1.27, HK\$0.94 and then HK\$0.84.

At 31 March 2017, in light of external information made available to it, Rémy Cointreau revised the valuation downward to HK\$0.36. Although Dynasty remains the fourth or fifth largest wine producer in China, its competitive positioning has fallen further over the course of the financial year, despite a highly dynamic market. The Group also announced further delays in the publication of its 2012, 2013, 2014, 2015 and 2016 financial statements.

The revising of the valuation was based on an updated DCF model over 7 years with a discount rate of 17.5% (calculated by an independent expert) and a long-term growth rate of 1%. The assumptions concerning the increase in Dynasty's market share and profitability were also revised downwards based on tests carried out during the financial year ended 31 March 2016.

There are many factors of incertitude concerning the subsequent evolution of this value, whether upwards or downwards.

In terms of sensitivity, one cent of a HK\$ in the share value corresponds to an approximate €0.4 million change in the value of Rémy Cointreau's interest.

The Dynasty Group regularly publishes information on its website: www.dynasty-wines.com.

NOTE 5.2 DIVERSA

On 31 March 2009, the Group acquired a 50% interest in Diversa GmbH and formed a distribution joint venture in Germany with the Underberg Group.

At 31 March 2017, Diversa GmbH's net sales were €93.4 million (2016: €99.9 million). Its total assets amounted to €34.1 million at 31 March 2017 (2016: €32.4 million).

For the year ended 31 March 2017, the Rémy Cointreau Group generated net sales of €20.7 million with Diversa (2016: €21.5 million).

As a result of discussions with the Underberg Group about the future of this investment, a provision was made for impairment of goodwill at 31 March 2017 in the amount of €0.8 million.

NOTE 5.3 SPIRITS PLATFORM

On 31 July 2015, the Rémy Cointreau Group acquired a 37% stake in Spirits Platform Pty Ltd for €0.7 million. When this company was created, a €0.4 million loan was granted to certain shareholders for a five-year term, recognised in "Other financial assets". Spirits Platform Pty Ltd, consolidated using the equity method, distributes Rémy Cointreau's brand portfolio in the Australian market.

Its financial year-end is 30 September. Its net sales for the year ended 31 March 2017 totalled €42.6 million (€12.7 million at 31 March 2016). Its total assets amounted to €15.5 million at 31 March 2017 (2016: €12.0 million).

In the year to 31 March 2017, the Rémy Cointreau Group generated net sales of €8.7 million with Spirits Platform (2016: €5.5 million).

NOTE 6 OTHER FINANCIAL ASSETS

<i>In € millions</i>	2017	2016
Non-consolidated equity investments (note 6.1)	1.3	2.4
Vendor loan (note 6.2)	88.5	88.2
Other equity investment financial assets (note 6.3)	71.3	-
Loans to non-consolidated equity investments	0.4	0.4
Liquidity account excluding Rémy Cointreau shares (note 6.4)	3.3	2.2
Other	1.8	1.5
TOTAL	166.7	94.7

NOTE 6.1 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;
- as an impairment provision in financial result, when the loss is considered to be permanent.

In the case of the Rémy Cointreau Group, these shares represent non-core investments that have been retained for historical reasons.

<i>In € millions</i>	% held	2017	% held	2016
Dettling & Marmot (Switzerland)	25.0%	1.0	25.0%	1.0
Balchoa-Vinhos de Portugal (Portugal)	0.8%	0.5	0.8%	0.5
Ducs de Gascogne S.A. (France)	-	-	30.1%	0.5
Tianjin Dvpt Holding Ltd (RPC)	-	-	0.2%	0.4
TOTAL		1.5		2.4

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 2017, 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.

Interest accrued since July 2016 and payable in July 2017 is recognised as other receivables.

NOTE 6.3 OTHER EQUITY INVESTMENT FINANCIAL ASSETS

Following the transactions described in note 2, the fair value of the assets transferred to the Passoã SAS joint venture is recorded under "Other equity investment financial assets", in the amount of €71.3 million.

NOTE 6.4 LIQUIDITY ACCOUNT

Since the financial year ended 31 March 2006, Rémy Cointreau signed a liquidity agreement with a financial intermediary. 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

Inventories are recognised when the risks and rewards of their ownership have passed to the Rémy Cointreau 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 eau-de-vie (cognac, brandy, rum, malt Scotch whisky) that are undergoing ageing. These inventories may be held for periods ranging from 3 to more than 70 years. They remain classified within current assets based on common industry practice.

Inventories originating from agricultural assets 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 7.1 BREAKDOWN BY CATEGORY

<i>In € millions</i>	2017	2016
Raw materials	39.2	43.9
Ageing wines and eaux-de-vie ⁽¹⁾	1,008.1	963.3
Goods for resale and finished goods	102.6	105.9
Gross amount	1,149.8	1,113.1
Provision for impairment	(4.4)	(5.2)
Carrying amount	1,145.4	1,107.9

(1) Of which AFC inventories (March 2017: €270.5 million, March 2016: €262.7 million).

As of 31 March 2017, some inventories were subject to agricultural warrants for €54.0 million (2016: €46.0 million).

NOTE 7.2 ANALYSIS OF CHANGE

<i>In € millions</i>	Gross amount	Impairment	Carrying amount
Balance at 31 March 2016	1,113.1	(5.2)	1,107.9
Movement	25.9	0.8	26.7
Changes in consolidation scope	7.1	-	7.1
Translation reserve	3.8	(0.1)	3.7
Balance at 31 March 2017	1,149.8	(4.4)	1,145.4

NOTE 8 TRADE AND OTHER RECEIVABLES

Trade receivables, which are generally collected within three months, are stated at nominal value.

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.

<i>In € millions</i>	2017	2016
Trade receivables	155.2	155.2
Receivables related to taxes and social charges (excl. income tax)	6.8	23.4
Sundry prepaid expenses	8.4	12.3
Advances paid	38.2	26.7
Receivables related to asset disposals	0.1	-
Other receivables	15.3	15.2
TOTAL	224.0	232.8
Of which provision for doubtful debts	(2.4)	(2.3)

At 31 March 2017, the breakdown of trade receivables by maturity was as follows:

<i>In € millions</i>	Total	Current	Due	
			Less than 3 months	More than 3 months
Trade receivables gross	157.6	144.8	10.6	2.2

The Group implemented factoring programmes during the year which had the effect of accelerating customer payments. These totalled €42.4 million at 31 March 2017 (2016: €34.1 million).

NOTE 9 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.

<i>In € millions</i>	2017	2016
Short-term deposits	0.0	0.1
Cash at bank	78.0	46.8
TOTAL	78.0	46.9

NOTE 10 SHAREHOLDERS' EQUITY

NOTE 10.1 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

	Number of shares	Treasury shares	Total number of shares	Share capital	Share premium	Treasury shares
At 31 March 2016	48,735,014	(119,964)	48,615,050	78.0	695.3	(8.7)
Partial payment of dividend in shares	957,170	-	957,170	1.5	63.3	-
Liquidity account	-	7,598	7,598	-	-	0.4
At 31 March 2017	49,692,184	(112,366)	49,579,818	79.5	758.6	(8.4)

Share capital and premium

At 31 March 2017, the share capital consisted of 49,692,184 shares with a par value of €1.60.

On 21 September 2016, 957,170 shares were issued following the option offered to shareholders to receive partial payment of the dividend in shares.

Treasury shares

Group investments in Rémy Cointreau shares are deducted from consolidated equity at their acquisition cost. These shares are generally held with the aim of serving bonus share plans or under a liquidity contract.

At 31 March 2017, Rémy Cointreau held 106,164 treasury shares intended to cover current or future bonus share plans and 6,202 treasury shares under the liquidity contract.

NOTE 10.2 NUMBER OF SHARES USED TO CALCULATE EARNINGS PER SHARE

Basic earnings per share are calculated on the basis of 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.

	2017	2016
Average number of shares (basic):		
Average number of shares	49,235,889	48,723,039
Average number of treasury shares	(112,366)	(143,207)
Total used to calculate basic earnings per share	49,123,523	48,579,832
Average number of shares (diluted):		
Average number of shares (basic)	49,123,523	48,579,832
Dilution effect of bonus share plans	175,262	102,806
Dilution effect on OCEANE	2,484,191	-
Total used to calculate diluted earnings per share	51,782,976	48,682,638

NOTE 10.3 BONUS SHARE PLANS

Grant date ⁽¹⁾	Plan No.	Vesting period	Minimum retention period	Rights initially granted	Value of rights on grant date	Lapsed rights	Rights granted at the end of the vesting period	Rights outstanding at 31 March 2017
27 January 2015	2015A	3 years	2 years	82,500	64.26	16,250	-	66,250
24 November 2015	2015B	3 years	2 years	88,800	66.64	5,800	-	83,000
22 November 2016	2016	3 years	2 years	73,600	74.44	-	-	73,600
Total				244,900		22,050	-	222,850

⁽¹⁾ The grant date is the date of the Board meeting which decided allocations under each plan. The 2015A, 2015B and 2016 plans were authorised by the Combined Shareholders' Meeting of 24 July 2014.

The 2015A, 2015B and 2016 plans are indexed plans. The shares issued to beneficiaries at the end of the vesting period are subject to their continued employment with the Group. The number of shares will depend on the achievement of external criteria.

2015A Plan: the maximum number of shares will be granted if the share price increases by 30% or more between 27 January 2015 and 27 January 2018, with a target price of €75.39. The Board of Directors will set the share delivery terms (delivery of treasury shares or creation of new shares) when deciding on the final allocation of the plan. As at the reporting date, the plan was expected to be serviced by the delivery of shares held by Rémy Cointreau.

2015B Plan: the maximum number of shares will be granted if the share price increases by 20% or more between 24 November 2015 and 23 November 2018, with a target price of €76.95. The Board of Directors will set the share delivery terms (delivery of treasury shares or creation of new shares) when deciding on the final allocation of the plan. As at the reporting date, the plan was expected to be serviced by the delivery of shares held by Rémy Cointreau up to the number of shares potentially outstanding after the service of plan 2015A and by the creation of new shares for the remainder.

2016 Plan: the maximum number of shares will be granted if the overall performance of Rémy Cointreau stock (TSR – Total Shareholder Return) as at the end of the vesting period is superior to that of a panel of nine luxury goods and/or premium spirits companies. The Board of Directors will set the share delivery terms (delivery of treasury shares or creation of new shares) when deciding on the final allocation of the plan. As at the reporting date, the plan was expected to be serviced by the creation of new shares.

Calculation of the charge for the year

In accordance with IFRS 2, a charge representing the value of the benefit granted to the beneficiaries of these plans is recognised as operating profit, spread over the vesting period.

The fair value of the rights granted was calculated by independent actuaries.

<i>In € millions</i>	Fair value per right (€)	Turnover assumptions	Total value	2017 charge
2015A Plan	28.11	0%	1.9	0.6
2015B Plan	27.81	0%	2.3	0.8
2016 Plan	51.12	7%	3.5	0.4
Total			7.7	1.8

The charge recorded for the year ended 31 March 2016 was €1.4 million.

NOTE 10.4 DIVIDENDS

The Shareholders' Meeting of 26 July 2016 approved the payment of an ordinary dividend of €1.60 per share for the year ended 31 March 2016, with an option for payment of the entire dividend in shares.

Payment in shares was made on 21 September 2016 in the total amount of €64.8 million. The balance of €13.0 million was paid in October 2016.

NOTE 10.5 NON-CONTROLLING INTERESTS

<i>In € millions</i>	2017	2016
Minority interests in Mount Gay Distilleries	1.5	1.4
TOTAL	1.5	1.4

NOTE 11 FINANCIAL DEBT

Financial resources are 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 11.1 NET FINANCIAL DEBT

	2017			2016		
	Long term	Short term	Total	Long term	Short term	Total
<i>In € millions</i>						
Gross financial debt	392.8	75.3	468.1	172.0	333.1	505.1
Cash and cash equivalents (note 9)	-	(78.0)	(78.0)	-	(46.9)	(46.9)
Net financial debt	392.8	(2.7)	390.1	172.0	286.2	458.2

NOTE 11.2 GROSS FINANCIAL DEBT BY TYPE

	2017			2016		
	Long term	Short term	Total	Long term	Short term	Total
<i>In € millions</i>						
Bonds	-	-	-	-	204.0	204.0
Private bond placement	79.8	-	79.8	79.7	-	79.7
Convertible bonds (OCEANE)	249.9	-	249.9	-	-	-
Drawdown on syndicated loan	-	-	-	30.0	-	30.0
Upfront fees on syndicated loan	(1.0)	-	(1.0)	(1.4)	-	(1.4)
Partner current account (note 25)	-	60.0	60.0	-	60.0	60.0
Other financial debt and overdrafts	-	0.0	0.0	-	0.1	0.1
Accrued interest	-	1.2	1.2	-	4.1	4.1
Total Rémy Cointreau S.A.	328.7	61.2	389.9	108.3	268.2	376.5
Bonds	63.9	-	63.9	63.7	-	63.7
Other financial debt and overdrafts	0.3	5.4	5.6	-	55.3	55.3
Accrued interest	-	1.7	1.7	-	1.7	1.7
Borrowings by special purpose entities	-	7.1	7.1	-	7.9	7.9
Total subsidiaries	64.1	14.1	78.2	63.7	64.9	128.6
Gross financial debt	392.8	75.3	468.1	172.0	333.1	505.1

The total amount of confirmed resources available and their utilisation rate is detailed in the note on liquidity risk (note 14.6).

NOTE 11.3 GROSS FINANCIAL DEBT BY MATURITY

<i>In € millions</i>	Long term	Short term
Before 31 March 2018	-	75.6
11 April 2019	(1.0)	-
13 August 2023	63.9	-
27 February 2025	79.8	-
7 September 2026	249.9	-
TOTAL	392.5	75.6

NOTE 11.4 GROSS FINANCIAL DEBT BY RATE TYPE

	2017			2016		
	Long term	Short term	Total	Long term	Short term	Total
<i>In € millions</i>						
Fixed interest rate	393.5	60.0	453.5	143.4	264.0	407.4
Variable interest rate	(1.0)	12.7	11.8	28.6	63.3	91.9
Accrued interest	-	2.9	2.9	-	5.8	5.8
Gross financial debt	392.5	75.6	468.1	172.0	333.1	505.1

	2017			2016		
	Long term	Short term	Total	Long term	Short term	Total
<i>In € millions</i>						
Drawdown on syndicated loan	-	-	-	30.0	-	30.0
Upfront fees on syndicated loan	(1.0)	-	(1.0)	(1.4)	-	(1.4)
Other	-	12.7	12.7	-	63.3	63.3
Total variable-rate debt	(1.0)	12.7	11.8	28.6	63.3	91.9

Details of the interest rate hedging instruments held in the portfolio at the reporting date are provided in note 14.

NOTE 11.5 GROSS FINANCIAL DEBT BY CURRENCY

	2017			2016		
	Long term	Short term	Total	Long term	Short term	Total
<i>In € millions</i>						
Euro	392.5	70.5	463.0	172.0	325.0	497.0
US dollar	-	0.3	0.3	-	0.9	0.9
Hong Kong dollar	-	4.8	4.8	-	7.2	7.2
Gross financial debt	392.5	75.6	468.1	172.0	333.1	505.1

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 had a par value of €50,000 each, were issued at 97.745% of par (issue premium of 2.255%), and bore interest of 5.18% payable on 15 June and 15 December of each year. This bond was repaid upon maturity on 15 December 2016.

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 S.A. 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 on 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%.

Private bond placement

On 27 February 2015, Rémy Cointreau issued an €80 million bond in the form of a private placement with a leading European insurer. The bonds have a coupon of 2.945% with a ten-year maturity.

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.

Convertible bonds (OCEANE)

On 7 September 2016, Rémy Cointreau issued a private placement with institutional investors of bonds convertible and/or exchangeable into new or existing shares ("OCEANE"), maturing on 7 September 2026, with a par value of €275 million, i.e. 2,484,191 OCEANE issued with a par value of €110.70 each.

The par value of the OCEANE bonds incorporates an issue premium of 40% based on the reference price of the Company's shares on the Euronext Paris regulated market. OCEANE bondholders are entitled to new and/or existing Rémy Cointreau shares, at the conversion rate of one share per OCEANE, subject to potential subsequent adjustments exercisable on 7 September 2023.

The OCEANE bonds bear interest at a nominal annual rate of 0.125%, payable in arrears on 7 September each year.

The difference between the par value of the issue and its fair value on the issue date is recorded in equity.

NOTE 11.7 SYNDICATED LOAN

On 5 June 2012, Rémy Cointreau arranged a syndicated loan to replace the revolving credit facility, of which €346 million expired on 7 June 2012. This new revolving credit facility, corresponding to a loan of €255 million, was agreed for an initial five-year term.

On 11 April 2014, Rémy Cointreau signed an amendment to extend this syndicated loan with a pool of ten banks. This loan was extended by about two years, to 11 April 2019, with more favourable margins. Amounts drawn down bear interest at EURIBOR plus a margin that is subject to change according to Rémy Cointreau's rating.

This facility is unsecured.

The availability of the facility is contingent on "Average net debt/EBITDA" (the A ratio) being less than or equal to 3.5 at 30 September and 31 March of each year until maturity. At 31 March 2017, the A ratio was 1.78 (September 2016: 2.16; March 2016: 2.29).

NOTE 12 PROVISIONS FOR RISKS AND LIABILITIES

The recognition of provisions, 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.

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 result.

NOTE 12.1 ANALYSIS OF CHANGE

In € millions

	Restructuring	Litigation	Total
At 31 March 2016	0.1	18.8	18.9
Increase	-	3.8	3.8
Reversals – Used	(0.1)	(2.0)	(2.1)
Reversals – Unused	(0.1)	(3.5)	(3.6)
Translation reserve	-	0.6	0.6
Reclassification	-	(0.1)	(0.1)
At 31 March 2017	-	17.6	17.6

"Restructuring" covers costs for the restructuring, closure and transfer of sites in the Netherlands. "Litigation" comprises provisions set aside to cover trade, tax and employee-related disputes.

NOTE 12.2 MATURITY

These provisions are intended to cover probable items of expenditure payable as follows:

In € millions

	2017	2016
Long-term provisions (or unknown maturity)	6.6	5.6
Short-term provisions	10.9	13.3
TOTAL	17.6	18.9

NOTE 13 TRADE AND OTHER PAYABLES

Trade payables, which are generally settled within three months, are stated at nominal value.

<i>In € millions</i>	2017	2016
Trade payables – eaux-de-vie	269.2	255.8
Other trade payables	66.7	55.4
Advances from customers	1.7	2.4
Payables related to tax and social charges (excl. income tax)	61.2	71.8
Excise duties	3.2	4.1
Advertising expenses payable	50.6	64.5
Miscellaneous deferred income	4.4	1.8
Other liabilities	46.7	43.3
TOTAL	503.6	499.1

NOTE 14 FINANCIAL INSTRUMENTS AND MARKET RISKS

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.

Financial assets and liabilities are valued in accordance with IAS 39 "Financial instruments: recognition and measurement" (and its subsequent amendments), as approved by the European Union on 19 November 2004.

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 result for any residual change in fair value of the hedging instruments and the change in fair value of the non-hedging instruments.

NOTE 14.1 BREAKDOWN OF FINANCIAL INSTRUMENTS BY CATEGORY

The following tables show the financial instruments recorded on the statement of financial position analysed by the measurement categories defined in IAS 39.

AT 31 MARCH 2017

<i>In € millions</i>	<i>Notes</i>	Carrying amount	Fair value	Loans and receivables at amortised cost	Fair value through profit or loss	Available for sale	Hedging instruments
Non-current financial assets	6	166.7	166.7	90.6	74.6	1.5	-
Trade and other receivables	8	224.0	224.0	224.0	-	-	-
Derivative financial instruments	14	3.3	3.3	-	0.9	-	2.4
Cash and cash equivalents	9	78.0	78.0	-	78.0	-	-
ASSETS		472.0	472.0	314.6	153.5	1.5	2.4
Long-term financial debt	11	392.5	392.5	392.5	-	-	-
Short-term financial debt and accrued interest charge	11	75.6	75.6	75.6	-	-	-
Trade and other payables	13	503.6	503.6	503.6	-	-	-
Derivative financial instruments	14	6.7	6.7	-	2.1	-	4.7
LIABILITIES		978.5	978.5	971.7	2.1	-	4.7

AT 31 MARCH 2016

<i>In € millions</i>	<i>Notes</i>	Carrying amount	Fair value	Loans and receivables at amortised cost	Fair value through profit or loss	Available for sale	Hedging instruments
Other financial assets	6	94.7	94.7	90.1	2.2	2.4	-
Trade and other receivables	8	232.8	232.8	232.8	-	-	-
Derivative financial instruments	14	10.6	10.6	-	4.7	-	5.9
Cash and cash equivalents	9	46.9	46.9	-	46.9	-	-
ASSETS		385.0	385.0	322.9	53.8	2.4	5.9
Long-term financial debt	11	172.0	172.0	172.0	-	-	-
Short-term financial debt and accrued interest charge	11	333.1	333.1	333.1	-	-	-
Trade and other payables	13	499.1	499.1	499.1	-	-	-
Derivative financial instruments	14	1.2	1.2	-	0.5	-	0.7
LIABILITIES		1,005.4	1,005.4	1,004.2	0.5	-	0.7

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 into euros of the financial statements of companies that use a currency other than the euro.

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)

<i>In € millions</i>	2017	2016
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Assets		
Interest rate derivatives	-	-
Exchange rate derivatives	3.3	10.6
TOTAL	3.3	10.6
Liabilities		
Interest rate derivatives	-	-
Exchange rate derivatives	6.7	1.2
TOTAL	6.7	1.2

NOTE 14.4 INTEREST RATE DERIVATIVES

At 31 March 2017, the Group no longer has any interest rate derivatives in its portfolio, following the maturity of the private placement (note 11.4).

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.

Breakdown of currency hedging instruments in the portfolio as at 31 March 2017:

<i>(in € millions)</i>	Nominal amount⁽¹⁾	Initial value	Market value	of which: CFH⁽²⁾	of which: Trading⁽²⁾
Put options and tunnel options					
Seller USD (vs. EUR)	182.5	4.4	0.4	0.4	-
Other currencies (vs. EUR)	36.5	0.7	0.2	0.2	-
	219.0	5.1	0.6	0.6	-
Forward sales					
Seller USD (vs. EUR)	56.2	-	(2.6)	(2.6)	-
Other currencies (vs. EUR)	43.3	-	(0.2)	(0.2)	-
	99.5	-	(2.9)	(2.9)	-
Purchase/(sale) of currency swaps (operating activities)⁽³⁾					
Seller USD (vs. EUR)	(58.7)	-	(0.4)	-	(0.4)
Other currencies (vs. EUR)	1.8	-	(0.0)	-	(0.0)
	(56.9)	-	(0.5)	-	(0.5)
Purchase/(sale) of currency swaps (financing activities)⁽³⁾					
Seller USD (vs. EUR)	(103.6)	-	(0.1)	-	(0.1)
Other currencies (vs. EUR)	(48.0)	-	(0.6)	-	(0.6)
	(151.6)	-	(0.7)	-	(0.7)
Total	110.1	5.1	(3.4)	(2.3)	(1.2)

Breakdown of currency hedging instruments in the portfolio as at 31 March 2016:

(in € millions)	Nominal amount ⁽¹⁾	Initial value	Market value	of which: CFH ⁽²⁾	of which: Trading ⁽²⁾
Put options and tunnel options					
Seller USD (vs. EUR)	131.8	3.6	2.3	2.3	-
Other currencies (vs. EUR)	24.8	0.5	0.5	0.5	-
	156.5	4.1	2.8	2.8	-
Forward sales					
Seller USD (vs. EUR)	87.8	-	2.0	2.0	-
Other currencies (vs. EUR)	33.0	-	0.4	0.4	-
	120.8	-	2.4	2.4	-
Purchase/(sale) of currency swaps (operating activities)⁽³⁾					
Seller USD (vs. EUR)	(43.6)	-	0.7	-	0.7
Other currencies (vs. EUR)	(0.7)	-	0.1	-	0.1
	(44.3)	-	0.8	-	0.8
Purchase/(sale) of currency swaps (financing activities)⁽³⁾					
Seller USD (vs. EUR)	(60.8)	-	2.9	-	2.9
Other currencies (vs. EUR)	(44.7)	-	0.5	-	0.5
	(105.5)	-	3.4	-	3.4
Total	127.4	4.1	9.4	5.2	4.2

⁽¹⁾ Nominal amount in foreign currency translated at the closing rate.

⁽²⁾ FVH: Fair Value Hedge; CFH: Cash Flow Hedge

Trading: held for trading.

⁽³⁾ Difference between closing rate and forward rate.

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:

	2017		2015	
	US dollar sensitivity		US dollar sensitivity	
Benchmark value	1.0685		1.1385	
	+10%	-10%	+10%	-10%
EUR/USD rate	1.18	0.96	1.25	1.02
Net profit for the period	(2.1)	2.8	(2.9)	3.2
Equity excluding net profit/(loss)	6.8	(6.7)	10.7	(6.4)
Change in value of financial instruments	16.7	(17.7)	20.4	(15.3)
Nominal amount at balance sheet date:				
• USD instruments in the portfolio	163.6	200.0	160.0	195.5
• USD receivables potentially exposed	95.3	116.5	85.0	103.9

NOTE 14.6 LIQUIDITY RISK

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 2016 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 of financial resources.

The majority of the Group's activities are characterised by high levels of capital employed, particularly inventories undergoing ageing. Rémy Cointreau continuously monitors the balance of its financial structure, prioritises long-term resources and combines fixed-rate and variable-rate resources. Refinancing is systematically prepared for those resources reaching maturity. The Group obtains its financing from leading financial institutions.

The following table shows the contractual maturity profile of disbursements relating to financial liabilities recognised as of 31 March 2017.

<i>In € millions</i>	Before 31 March 2018	Before 31 March 2019	Before 31 March 2020	Before 31 March 2021	Beyond	Total
Financial debt and accrued interest	75.6	-	-	-	420.0	495.6
Trade and other payables	503.6	-	-	-	-	503.6
Liabilities recognised at 31 March 2017	579.2	-	-	-	420.0	999.2
Future interest on financial debt	7.2	7.2	5.3	5.3	19.3	44.2
Total disbursements	586.4	7.2	5.3	5.3	439.3	1,043.4

The confirmed resources and their availability are as follows (see also note 11 for the description of financial debt):

<i>In € millions</i>	2017	2016
Fixed-rate resources	480.0	410.0
Variable-rate resources	255.0	255.0
Total	735.0	665.0
Long-term	675.0	400.0
Short-term	60.0	265.0
Total	735.0	665.0
Availability subject to compliance with the A ratio	335.0	335.0
Available with no ratio restrictions	400.0	330.0
Total	735.0	665.0
Unused at 31 March	255.0	225.0
Unused at 31 March as % of available resources	35%	34%

The availability of some financing is contingent upon the level of the so-called A ratio (Average net debt/EBITDA), which is calculated twice per year and must be below 3.50. The A ratio was 1.78 at 31 March 2017. The Group is confident in its ability to maintain this ratio in the short, medium and long-term, and in its ability to renew financing that is due to reach maturity in the coming years.

The Group's rating by specialised agencies is reviewed annually. At 31 March 2017 Standard & Poor's: BB+, outlook stable and Moody's: Baa3, outlook stable.

NOTE 15 SEGMENT REPORTING

Breakdown by sector

As required by IFRS 8, the Rémy Cointreau Group provides an analysis by business segment and geographic area of certain items of its consolidated financial statements.

A) Business segments

The segments to be presented are those operating segments 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 of the "Liqueurs & Spirits" business are Cointreau, Metaxa, St-Rémy, Mount Gay, Bruichladdich, Westland and Domaine des Hautes Glaces.

The "Partner Brands" business includes brands which are not controlled 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 in the framework of fixed-term agreements.

Information given by business segment is identical to that presented to the Executive Committee.

B) Geographic area

Net sales by geographic area are analysed based on the destination of the goods sold. Items in the statement of financial position are analysed based on the geographic area of the entities reporting them.

The geographic areas covered are: Europe-Middle East-Africa, Americas, Asia-Pacific. The Asia-Pacific area includes Asia, Australia and New Zealand.

NOTE 15.1 BUSINESSES

Note 15.1.1 Breakdown of net sales and current operating profit

	Net sales		Current operating profit	
	2017	2016	2017	2016
<i>In € millions</i>				
Rémy Martin	707.5	647.8	185.2	139.7
Liqueurs & Spirits	276.3	273.9	57.5	48.0
Group brands subtotal	983.8	921.8	242.7	187.6
Partner Brands	111.0	129.0	2.0	6.1
Holding	-	-	(18.6)	(15.4)
TOTAL	1,094.9	1,050.7	226.1	178.4

There are no intra-segment sales.

Note 15.1.2 Breakdown of the statement of financial position

AT 31 MARCH 2017

<i>In € millions</i>	Rémy Martin	Liqueurs & Spirits	Partner Brands	Unallocated	Total
Non-current assets	390.2	331.6	0.6	260.4	982.9
Current assets	1,155.8	139.3	52.5	28.4	1,376.0
Derivative financial instruments	-	-	-	3.3	3.3
Assets held for sale	-	-	-	1.3	1.3
Cash and cash equivalents	-	-	-	78.0	78.0
Total assets	1,546.0	471.0	53.1	371.5	2,441.5
Equity	-	-	-	1,304.0	1,304.0
Financial debt and accrued interest	-	-	-	468.1	468.1
Provisions for liabilities and charges	30.7	8.3	3.4	6.6	49.2
Deferred and current tax assets	-	-	-	109.9	109.9
Trade and other payables	410.4	56.8	18.5	17.9	503.6
Derivative financial instruments	-	-	-	6.7	6.7
Total equity and liabilities	441.2	65.2	22.0	1,913.2	2,441.5
Brands and other intangible assets not included in the basis of calculation of return on capital employed (ROCE)	236.3	240.8	-	37.2	514.3
ROCE basis of calculation	868.5	165.0	31.1		1,064.7

AT 31 MARCH 2016

<i>In € millions</i>	Rémy Martin	Liqueurs & Spirits	Partner Brands	Unallocated	Total
Non-current assets	383.4	326.5	0.9	164.2	875.0
Current assets	1,106.0	136.3	67.6	38.6	1,348.5
Derivative financial instruments	-	-	-	10.6	10.6
Assets held for sale	-	-	-	0.5	0.5
Cash and cash equivalents	-	-	-	46.9	46.9
Total assets	1,489.4	462.8	68.5	260.8	2,281.5
Equity	-	-	-	1,113.3	1,113.3
Financial debt and accrued interest	-	-	-	505.1	505.1
Provisions for liabilities and charges	31.3	7.3	3.6	7.4	49.6
Deferred and current tax assets	-	-	-	110.8	110.8
Trade and other payables	391.7	53.3	22.8	31.3	499.1
Derivative financial instruments	-	-	-	1.2	1.2
Liabilities held for sale	-	-	-	2.4	2.4
Total equity and liabilities	423.0	60.6	26.4	1,771.5	2,281.5
Brands and other intangible assets not included in the basis of calculation of return on capital employed (ROCE)	236.3	242.9	-		479.2
ROCE basis of calculation	830.1	159.3	42.1		1,031.5

Note 15.1.3 Return on capital employed (ROCE)

Return on capital employed is measured using the following indicators:

- current operating profit by activity (note 15.1.1);
- breakdown of the statement of financial position by activity, excluding certain intangibles (note 15.1.2).

Current operating profit and capital employed are identified by business on an analytical basis. Profit and capital employed of the distribution network and holding businesses are allocated on a pro-rata basis according to net sales and current inventory.

Return on capital employed is a key indicator for the Group's management. It is one of the key performance indicators for each business.

AT 31 MARCH 2017

<i>In € millions</i>	Capital employed	Current operating profit	%
Rémy Martin	868.5	185.2	21.3%
Liqueurs & Spirits	165.0	57.5	34.8%
Sub-total Group brands	1,033.5	242.7	23.5%
Partner Brands	31.1	2.0	6.5%
Holding	-	(18.6)	-
Total	1,064.7	226.1	21.2%

AT 31 MARCH 2016

<i>In € millions</i>	Capital employed	Current operating profit	%
Rémy Martin	830.1	139.7	16.8%
Liqueurs & Spirits	159.3	48.0	30.1%
Sub-total Group brands	989.4	187.6	19.0%
Partner Brands	42.1	6.1	14.6%
Holding	-	(15.4)	-
Total	1,031.5	178.4	17.3%

Note 15.1.4 Capital expenditure and depreciation expense

<i>In € millions</i>	Capital expenditure and acquisition of intangible assets		Depreciation and amortisation charges	
	2017	2016	2017	2016
Rémy Martin	20.9	15.3	13.0	11.8
Liqueurs & Spirits	13.7	17.1	7.1	6.7
Partner Brands	0.2	0.1	0.3	0.3
Total	34.9	32.5	20.4	18.8

NOTE 15.2 GEOGRAPHIC AREAS

Net sales

<i>In € millions</i>	Net sales	
	2017	2016
Europe-Middle East-Africa ⁽¹⁾	345.3	359.6
Americas	434.2	394.6
Asia Pacific	315.4	296.5
Total	1,094.9	1,050.7

⁽¹⁾ Net sales for France totalled €19.5 million at 31 March 2017 (March 2016: €31.3 million).

Balance sheet

AT 31 MARCH 2017

<i>In € millions</i>	Europe- Middle East- Africa	Americas	Asia -Pacific	Unallocated	Total
Non-current assets	857.8	103.7	21.3	-	982.9
Current assets	1,151.6	98.9	125.4	-	1,376.0
Derivative financial instruments	-	-	-	3.3	3.3
Assets held for sale	1.3	-	-	-	1.3
Cash and cash equivalents	-	-	-	78.0	78.0
Total assets	2,010.8	202.6	146.8	81.3	2,441.5
Equity	-	-	-	1,304.0	1,304.0
Financial debt and accrued interest	-	-	-	468.1	468.1
Provisions for liabilities and charges	41.3	0.0	7.9	-	49.2
Deferred and current tax assets	102.9	0.3	6.6	-	109.9
Trade and other payables	395.1	53.4	55.1	-	503.6
Derivative financial instruments	-	-	-	6.7	6.7
Liabilities held for sale	-	-	-	-	-
Total equity and liabilities	539.3	53.8	69.6	1,778.9	2,441.5

AT 31 MARCH 2016

<i>In € millions</i>	Europe- Middle East- Africa	Americas	Asia -Pacific	Unallocated	Total
Non-current assets	775.4	60.7	38.9	-	875.0
Current assets	1,147.2	87.3	114.0	-	1,348.5
Derivative financial instruments	-	-	-	10.6	10.6
Assets held for sale	0.5	-	-	-	0.5
Cash and cash equivalents	-	-	-	46.9	46.9
Total assets	1,923.1	148.0	152.9	57.5	2,281.5
Equity	-	-	-	1,113.3	1,113.3
Financial debt and accrued interest	-	-	-	505.1	505.1
Provisions for liabilities and charges	39.3	-	10.3	-	49.6
Deferred and current tax assets	105.9	0.3	4.6	-	110.8
Trade and other payables	392.8	48.9	57.4	-	499.1
Derivative financial instruments	-	-	-	1.2	1.2
Liabilities held for sale	2.4	-	-	-	2.4
Total equity and liabilities	540.4	49.2	72.3	1,619.6	2,281.5

Investments

In € millions

	Capital expenditure and acquisition of property, plant and equipment and intangible assets	
	2017	2016
Europe-Middle East-Africa	26.0	26.6
Americas	5.7	5.2
Asia-Pacific	3.2	0.7
TOTAL	34.9	32.5

NOTE 16 ANALYSIS OF OPERATING EXPENSES BY TYPE

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.

In € millions

	2017	2016
Personnel costs	(178.3)	(175.9)
Advertising and promotion expenses	(252.9)	(244.1)
Depreciation, amortisation and impairment of non-current assets	(20.0)	(18.8)
Other expenses	(109.7)	(104.2)
Expenses allocated to inventories and production costs	55.6	54.7
TOTAL	(505.2)	(488.3)
Of which:		
Distribution costs	(416.7)	(406.7)
Administrative expenses	(88.5)	(81.6)
TOTAL	(505.2)	(488.3)

Personnel costs consist of the following:

In € millions

	2017	2016
Salaries and social charges	(166.8)	(166.7)
Pension and other similar benefits	(5.4)	(5.6)
Employee profit-sharing	(4.3)	(2.2)
Share-based payments	(1.8)	(1.4)
TOTAL	(178.3)	(175.9)

NOTE 17 NUMBER OF EMPLOYEES

The number of employees is stated at the reporting date and covers all fully consolidated companies.

	2017	2016
France	685	690
Europe (outside France) – Africa	363	353
Americas	368	342
Asia Pacific	394	377
TOTAL	1,810	1,762

NOTE 18 OTHER OPERATING INCOME AND EXPENSES

“Other operating income and expenses” include 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 notably include impairment provisions in respect of brands and other non-current assets recognised as a result of impairment tests, provisions for restructuring and litigation, and significant gains and losses on the sale of assets other than those relating to operations that have already been, or are to be, discontinued (see note 1.6).

<i>In € millions</i>	2017	2016
Costs related to the acquisition of Westland and Domaine des Hautes Glaces	(0.7)	-
Provision for disputes relating to distribution contracts	(2.9)	-
Net proceeds from the disposal of the Izarra brand	-	0.2
Tax adjustment excluding income taxes	-	0.1
Provision for impairment on non-strategic assets	(1.2)	-
TOTAL	(4.8)	0.3

NOTE 19 FINANCIAL RESULT

NOTE 19.1 NET BORROWING COST BY TYPE

<i>In € millions</i>	2017	2016
Bonds	(11.2)	(14.7)
Convertible bonds (OCEANE)	(2.3)	-
Private bond placement	(2.4)	(2.4)
Private placement	-	(1.0)
Syndicated loan and unconfirmed lines	(2.2)	(2.6)
Partner current account	(0.8)	(0.7)
Finance costs of special purpose entities	(2.5)	(2.5)
Other financial expense	(0.1)	(0.2)
Sub-total	(21.5)	(24.1)
Effect of non-hedging interest rate derivatives	-	-
Cost of gross financial debt	(21.5)	(24.1)
Interest income	0.0	0.1
Cost of net financial debt	(21.4)	(24.0)

Financial debt is described in note 11.

NOTE 19.2 OTHER FINANCIAL INCOME AND EXPENSES

The amount presented in currency gains and losses mainly includes the impact of IAS 39 on the portfolio of foreign currency derivative financial instruments, for the so-called "ineffective" portion, and the currency gains and losses from financing transactions. Currency gains/(losses) from operations are recognised in gross profit (note 1.4).

<i>In € millions</i>	2017	2016
Currency gains	-	0.8
Vendor loan – interest accrued and revaluation	4.6	4.6
Other financial income	4.6	5.4
Currency losses	(5.4)	-
Other financial expenses of special purpose entities	(8.2)	(7.7)
Other	(1.6)	(1.0)
Other financial expense	(15.1)	(8.7)
Other Financial income/(expense)	(10.5)	(3.3)

The item "Vendor loan – interest accrued and revaluation" relates to the loan granted at the time of the disposal of the Champagne division. These loans are described in note 6.2.

<i>In € millions</i>	2017	2016
Ineffective portion of currency hedges	(2.9)	1.7
Other	(2.5)	(0.9)
Currency gains/(losses)	(5.4)	0.8

NOTE 20 INCOME TAX

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 reporting 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 20.1 NET INCOME TAX EXPENSE

<i>In € millions</i>	2017	2016
Current tax/(expense) income	(54.1)	(31.5)
Deferred tax/(expense) income	(4.5)	(12.6)
Subtotal	(58.6)	(44.1)
Effective tax rate excluding the effects of changes in tax rates on deferred taxes	-31.0%	-29.1%
Effect of changes in tax rates on deferred taxes	14.1	-
Income tax	(44.5)	(44.1)
Effective tax rate	-23.5%	-29.1%

For the financial year ended 31 March 2017, the effect of changes in tax rates on deferred taxes is essentially due to the reduction of the tax rate in France introduced as part of the Finance Act for 2017, which will see the tax rate fall to 28.92% from 2020. Consequently, long-term deferred taxes, mainly those related to acquired brands, have been remeasured using the rates applicable from 2020.

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 THE ORIGIN AND BREAKDOWN OF DEFERRED TAXES

<i>In € millions</i>	2017	2016
Breakdown by type		
Pension provisions	9.8	9.0
Regulated provisions	(23.9)	(20.7)
Other provisions	7.1	6.1
Brands	(85.1)	(99.4)
Non-current assets	(5.9)	(6.4)
Convertible bonds (OCEANE)	(7.9)	-
Margins on inter-company inventories	20.7	21.7
Losses carried forward	0.7	1.3
Other timing differences	16.0	16.3
Net liability	(68.5)	(72.1)
Breakdown by tax group		
Tax group - France	(82.7)	(87.2)
Tax group - United States	7.4	7.3
Other	6.8	7.8
Net liability	(68.5)	(72.1)
Deferred tax asset	30.4	28.9
Deferred tax liability	(98.9)	(101.0)
Net liability	(68.5)	(72.1)

NOTE 20.4 TAX LOSSES AND CAPITAL LOSSES CARRIED FORWARD

As of 31 March 2017, tax losses carried forward totalled €18.9 million (2016: €20.1 million). The potential tax saving arising from the use of these losses is €2.9 million (2016: €3.5 million). Of these losses, the Group recognised a net asset of €0.6 million, which it plans to recover in full by March 2020.

NOTE 20.5 TAX RECONCILIATION

In 2017, income tax expense amounted to €44.5 million. The difference compared to the theoretical tax expense based on the French statutory rate (38.0% in 2016 and 34.43% in 2017) is as follows:

<i>In € millions</i>	2017	2016
Theoretical tax charge	(65.2)	(57.5)
Actual tax charge	(44.5)	(44.1)
Difference	20.7	13.4
Permanent differences between consolidated profit and taxable profit	(4.5)	(4.4)
Use of tax losses or timing differences not previously recognised	-	0.4
Unused losses from subsidiaries that are loss-making from a tax point of view	(2.4)	(4.0)
Difference in tax rates applicable to foreign subsidiaries	14.3	18.1
Adjustment to the tax charge for prior years	(0.8)	3.3
Effect of changes in tax rates on deferred taxes	14.1	-
TOTAL	20.7	13.4

NOTE 21 NET PROFIT OF DECONSOLIDATED AND 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 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 deconsolidated or 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 deconsolidated and discontinued operations". A similar reclassification is made in the statement of cash flows by using: "Impact of deconsolidated and discontinued operations" for operating and investment cash flows;
- when the disposal is still in progress at the reporting date, any difference between the carrying amount 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 deconsolidated and discontinued operations";
- the profit generated by the disposal, net of transaction costs and tax, is also recognised under "Net profit/(loss) from deconsolidated and 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 deconsolidated and discontinued operations". A similar reclassification is made in the statement of cash flows by using: "Impact of deconsolidated and discontinued operations" for investment cash flows.

<i>In € millions</i>	2017	2016
Fair value of assets transferred to Passoã SAS	71.3	-
Net carrying amount of assets transferred	(1.0)	-
Provision for costs and expenses and transaction costs	(4.3)	-
Taxes	(1.0)	-
TOTAL	65.0	-

NOTE 22 NET PROFIT/(LOSS) EXCLUDING NON-RECURRING ITEMS

Net profit/(loss) excluding non-recurring items corresponds to the net profit/(loss) for the period adjusted to reflect the other operating income and expenses described in note 18, the related tax effects, the profit/(loss) from discontinued operations and the contribution on the distribution of cash dividends.

NOTE 22.1 RECONCILIATION WITH NET PROFIT/(LOSS)

Net profit/(loss) excluding non-recurring items attributable to the owners of the parent is reconciled with net profit/(loss) attributable to the owners of the parent as follows:

<i>In € millions</i>	2017	2016
Net profit/(loss) – attributable to the owners of the parent	190.3	102.4
Provision for impairment on Dynasty Fine Wines Group shares (note 5.1)	18.8	3.7
Provision for impairment on Diversa (note 5.1)	0.8	-
Provision for the estimated cost of exiting the Lixir joint venture (note 5.2)	-	2.4
Profit/(loss) recorded under "Other operating income and expenses" (note 18)	4.8	(0.3)
Tax on "Other operating income and expenses"	(1.4)	-
Effect of changes in tax rates on deferred taxes (note 20.1)	(14.1)	-
"Net profit/(loss) from deconsolidated and discontinued operations" (note 21)	(65.0)	-
Other	0.5	-
3% contribution on distribution of cash dividend	0.4	2.2
Net profit/(loss) excluding non-recurring items – attributable to owners of the parent	135.0	110.4

NOTE 22.2 NET PROFIT/(LOSS) EXCLUDING NON-RECURRING ITEMS PER SHARE – ATTRIBUTABLE TO OWNERS OF THE PARENT

<i>In € millions</i>	Notes	2017	2016
Net profit excluding non-recurring items			
• attributable to owners of the parent		135.0	110.4
Number of shares			
• basic	10.2	49,123,523	48,579,832
• diluted	10.2	51,782,976	48,682,638
Per share (in €)			
• basic		2.75	2.27
• diluted		2.61	2.27

NOTE 23 PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

The valuation of pension commitments and other post-employment benefits is determined using actuarial methods that involve assumptions in respect of the discount rate, expected rate of return of 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.

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 19R.

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.

Actuarial gains and losses calculated for the valuation of post-employment defined benefit plans (experience adjustments and the effects of changes in actuarial assumptions) are recognised directly in equity.

NOTE 23.1 DEFINED-BENEFIT PENSION PLANS

At 31 March 2017, defined-benefit plans, which are subject to an actuarial valuation, predominantly pertain to:

- retirement indemnities and long-service awards under collective bargaining agreements in France affecting a workforce of 639 people;
- three defined-benefit supplementary pension plans sponsored by the Group in France, one in Germany and one in Belgium, affecting 139 people of which 42 current and 97 retired or deferred;
- a post-employment healthcare scheme in France affecting a closed population of 26 retirees.

The breakdown by plan type of the liabilities recorded in the consolidated financial statements is as follows:

<i>In € millions</i>	2017	2016
Retirement indemnities	9.8	11.3
Supplementary pension plans	20.6	18.2
Long-service awards	0.7	0.7
Post-employment healthcare benefits	0.5	0.5
TOTAL	31.6	30.7

<i>In € millions</i>	2017	2016
Present value of obligation at start of year	35.3	35.5
Service cost	2.1	1.7
Interest cost	0.5	0.4
Impact of changes to schemes	(1.5)	-
Benefits paid	(2.2)	(1.5)
Actuarial gain (losses)	2.0	(0.8)
Translation reserve	-	-
Present value of obligation at end of year	36.2	35.3
Not funded	20.0	22.6
Partly funded	16.2	12.7
Carrying amount of plan asset at start of year	4.6	3.8
Expected return	0.1	-
Contributions received	0.6	0.5
Curtailment or settlement	-	-
Benefits paid	(0.6)	(0.1)
Actuarial gain (losses)	(0.1)	0.4
Translation reserve		
Carrying amount of plan asset at end of year	4.6	4.6
Pension commitments	31.6	30.7
LIABILITIES	31.6	30.7
ASSETS	-	-

The assets underlying the liabilities are held by insurance companies who invest these assets together with their general assets.

NOTE 23.2 CHARGES FOR THE YEAR

<i>In € millions</i>	2017	2016
Service cost	(2.1)	(1.7)
Interest cost	(0.5)	(0.4)
Expected return	0.1	-
Impact of changes to scheme	1.5	-
Total income (expense)	(1.0)	(2.1)
Benefits paid	2.8	1.6
Employer's contribution	0.6	0.5
Total net income (expense)	2.4	-
Assumptions		
Average discount rate	1.27%	1.39%
Average salary increase	2.33%	2.34%
Expected working life	21 years	21 years
Expected rate of return of plan assets	0.40%	0.53%
Increase in medical costs	5.00%	5.00%
Estimated payments for the next five years:	11.2	11.8
Sensitivity to an increase of 0.50% in the discount rate on the gross actuarial debt	(1.3)	(1.0)
Sensitivity to an increase of 0.50% in the discount rate on the service cost	(0.1)	(0.1)

NOTE 23.3 ACTUARIAL GAINS AND LOSSES

<i>In € millions</i>	2017	2016
Opening balance	(26.8)	(27.9)
Movement for the year	(2.1)	1.1
of which experience adjustments	(1.3)	1.0
Closing balance	(28.9)	(26.8)

NOTE 24 OFF-BALANCE SHEET COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

NOTE 24.1 OPERATING ACTIVITY COMMITMENTS

<i>In € millions</i>	2017	2016
Purchase commitments – non-current assets	8.4	13.9
Leasing commitments – offices	28.0	31.1
Leasing commitments – equipment	2.1	2.0
Purchase commitments – <i>eaux-de-vie</i> (individual agreements)	50.3	42.5
Purchase commitments – <i>eaux-de-vie</i> (collective agreements)	79.9	54.5
Purchase commitments – wine	1.1	1.7
Other purchase commitments	20.5	27.0

Purchase commitments – non-current assets mainly concern the acquisition of ageing casks at the Cognac site.

The office leasing commitments mainly relate to the lease of the Group's Paris head office and those of the head offices of the subsidiaries Rémy Cointreau USA in New York, E. Rémy Rentouma Trading Ltd in Shanghai and Rémy Cointreau International Pte Ltd in Singapore.

Eaux-de-vie purchasing commitments mainly relate to multi-year contracts in place with 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.

Other purchase commitments comprise purchase commitments for packaging items, advertising and promotion spending commitments and other miscellaneous purchase commitments.

Breakdown of commitments by maturity as of 31 March 2017:

<i>In € millions</i>	Total	2018	Beyond
Purchase commitments – non-current assets	8.4	4.4	4.0
Leasing commitments – offices	28.0	6.0	22.0
Leasing commitments – equipment	2.1	0.8	1.3
Purchase commitments – <i>eaux-de-vie</i> (individual agreements)	50.3	9.8	40.5
Purchase commitments – <i>eaux-de-vie</i> (collective agreements)	79.9	-	79.9
Purchase commitments – wine	1.1	0.8	0.3
Other purchase commitments	20.5	5.4	15.1

NOTE 24.2 FINANCING COMMITMENTS, DEPOSITS AND SIMILAR GUARANTEES

<i>In € millions</i>	2017	2016
Tax deposits	0.2	0.3
Customs deposits	18.7	19.7
Environmental deposits	2.8	2.9
Guarantees granted to suppliers	6.3	6.3
Factoring guarantees	10.0	10.0
Agricultural warrants on AFC inventories	54.0	46.0
Guarantee on €65 million bond issue	65.0	65.0
Miscellaneous guarantees on credit lines	37.3	35.9
Other guarantees	1.6	0.3

Breakdown of commitments by maturity as of 31 March 2017:

<i>In € millions</i>	Total	2018	Beyond
Tax deposits	0.2	-	0.2
Customs deposits	18.7	7.7	11.0
Environmental deposits	2.8	-	2.8
Guarantees granted to suppliers	6.3	6.3	-
Factoring guarantees	10.0	-	10.0
Agricultural warrants on AFC inventories	54.0	54.0	-
Guarantee on €65 million bond issue	65.0	-	65.0
Miscellaneous guarantees on credit lines	37.3	37.3	-
Other guarantees	1.6	0.3	1.3

As part of the creation of the Passoa SAS joint-venture with Lucas Bols, the parties issued put and call options on their respective securities in Passoa SAS, which may not be exercised before 1 December 2020. Unwinding of these instruments could enable Lucas Bols to acquire all the securities held by Rémy Cointreau in Passoa SAS. The exercise amount is currently estimated at €71.3 million.

NOTE 24.3 CONTINGENT ASSETS AND 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 2017 were as follows:

Disposal transaction	Transaction date	Nature of ongoing guarantees	Maturity	Maximum amount
Izarra – Distillerie de la Côte Basque	27 October 2015	Tax items	Legal period +30 days	€200,000

NOTE 24.4 OTHER CONTINGENT LIABILITIES

At 31 March 2017, 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 2017, the Rémy Cointreau Group's main associates were Dynasty Fine Wines Group Ltd, Diversa and Spirits Platform Pty Ltd.

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:

<i>In € millions</i>	2017	2016
Service fees paid	2.6	2.7
Current-account agreement ⁽¹⁾	60.0	60.0
Trade payables and other liabilities	-	-

⁽¹⁾ A shareholder current account advance agreement between Rémy Cointreau S.A. and Orpar S.A. was approved at the Shareholders' Meeting on 29 July. The agreement, signed on 31 March 2015, is for €60 million at an interest rate of 1.25%.

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.

<i>In € millions</i>	2017	2016
Purchases of non-current assets	3.4	3.9
Other purchases	0.8	0.9
Trade payables	0.1	0.7

NOTE 25.4 MANAGEMENT BODIES

The Group's management bodies comprise the members of the Board of Directors and the Executive Committee.

The Executive Committee is comprised of the Chief Executive Officer and 11 members.

The data below includes the remuneration due to members of the management bodies during their term of office with these bodies.

Short-term benefits include fixed and variable remuneration, benefits in kind and all social security charges directly linked to these remunerations.

<i>In € millions</i>	2017	2016
Short-term benefits	8.8	9.0
End of contract indemnities	0.9	1.1
Post-employment benefits ⁽¹⁾	1.2	0.4
Share-based payments	1.1	0.6
Directors' fees paid to members of the Board of Directors	0.4	0.4
TOTAL	12.5	11.5

(1) Primarily a defined-benefit pension plan (note 23). The corresponding liabilities for the management bodies were €4.0 million at 31 March 2017.

NOTE 26 EVENTS AFTER THE REPORTING PERIOD

None.

NOTE 27 LIST OF CONSOLIDATED COMPANIES

At 31 March 2017, the scope of consolidation included 49 companies (49 at 31 March 2016). 46 companies were fully consolidated, and three were accounted for using the equity method. All companies have a 31 March year-end, except for Dynasty Fine Wines Group Ltd and Lixir, which have a 31 December year-end, and Spirits Platform Pty Ltd, which has a 30 September year-end.

Company	Activity	% interest	
		March 2017	March 2016
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
Alliance Fine Champagne ⁽²⁾	Special purpose entity	100.0	100.0
Rémy Cointreau International Marketing Services ⁽¹⁾	Other	100.0	100.0
Joint Marketing Services ⁽¹⁾	Holding/Finance	100.0	100.0
Storeco ⁽¹⁾	Production	100.0	100.0
Other countries			
Rémy Cointreau Nederland Holding NV (Netherlands)	Holding/Finance	100.0	100.0
Hermann Joerss GmbH & Co (Germany)	Distribution	100.0	100.0
Cointreau Holding GmbH (Germany)	Holding/Finance	100.0	100.0
Diversa Spezialitäten GmbH ⁽³⁾ (Germany)	Distribution	50.0	50.0
S. & E. & A. Metaxa ABE (Greece)	Production	100.0	100.0
Financière Rémy Cointreau S.A. (Belgium)	Holding/Finance	100.0	100.0
Rémy Cointreau Belgium (Belgium)	Distribution	100.0	100.0
Rémy Cointreau Europe & MEA S.A. (Switzerland)	Distribution	100.0	100.0
Rémy Cointreau Luxembourg S.A. (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
Buichladdich Distillery Company Ltd (UK)	Production	100.0	100.0
Rémy Cointreau UK Ltd (UK)	Holding/Finance	100.0	100.0
Rémy Cointreau UK Distribution Ltd (UK)	Distribution	100.0	100.0
AMERICAS			
United States			
Rémy Cointreau USA Inc	Distribution	100.0	100.0
Rémy Cointreau Amérique Inc	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

Company	Activity	% interest	
		March 2017	March 2016
ASIA/PACIFIC/AFRICA			
China/Hong Kong			
Dynasty Fine Wines Group Ltd ⁽³⁾	Production	27.0	27.0
Rémy Cointreau Shanghai Ltd	Distribution	100.0	100.0
E. Rémy Rentouma Trading Ltd	Distribution	100.0	100.0
Shanghai 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 Taiwan Pte Ltd (Taiwan)	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
RM Cointreau Vietnam Company Ltd (Vietnam)	Distribution	100.0	100.0
Rémy Cointreau South Africa Pty Ltd (South Africa)	Distribution	100.0	100.0
Rémy Cointreau India Private Ltd (India) ⁽⁷⁾	Distribution	100.0	100.0
Spirits Platform Pty Ltd (Australia) ⁽³⁾	Distribution	37.0	37.0
CHANGES IN CONSOLIDATION SCOPE			
Rangit Ltd (Mauritius) ⁽⁷⁾	Holding/Finance	-	100.0
Lixir (France) ⁽⁶⁾	Distribution	-	50.0
DELB BV (Netherlands) ⁽⁶⁾	Holding/Finance	-	100.0
Rémy Cointreau Nederland BV (Netherlands) ⁽⁷⁾	Holding/Finance	-	100.0
De Bron 1575 BV (Netherlands) ⁽⁷⁾	Holding/Finance	-	100.0
Rémy Cointreau Malaysia (Malaysia) ⁽⁵⁾	Distribution	100.0	-
HDHG (France) ⁽⁴⁾	Holding/Finance	100.0	-
Domaine des Hautes Glaces (France) ⁽⁴⁾	Production	95.5	-
The Westland Distillery Company (United States) ⁽⁴⁾	Production	100.0	-
Rémy Cointreau International Spirits Ltd (United Kingdom) ⁽⁵⁾	Distribution	100.0	-

(1) Company included in the French tax group.

(2) Special purpose entity.

(3) Equity-accounted company.

(4) Acquired during the year.

(5) Created during the year.

(6) Sold during the year.

(7) Merged or liquidated during the year.