REGISTRATION DOCUMENT
2012/2013 FINANCIAL YEAR

including the annual financial report

RÉMY COINTREAU

CONTENTS

RÉMY COINTREAU

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

Rémy Cointreau is listed on Euronext Paris. The free float comprises approximately 42% of the share capital. The majority of the Rémy Cointreau Group is held by a family holding company, Andromède.

Rémy Cointreau SA was awarded a "BB+" rating with a positive outlook by Standard & Poor's and a "Ba1" rating by Moody's.

REGISTRATION DOCUMENT 2012/2013 FINANCIAL YEAR

INCLUDING THE ANNUAL FINANCIAL REPORT

AUTORITÉ DES MARCHÉS FINANCIERS

AMF

This registration document was filed with the French Financial Markets Authority (AMF) on 12 July 2013, in accordance with Article 212-13 of its General Regulation. It may be used in support of a financial transaction if accompanied by a memorandum approved by the AMF. It was prepared by the issuer under the responsibility of its signatories.

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GROUP PRESENTATION

1.1 Key figures

(Data in € millions, for the period 1 April to 31 March)	2013	2012	2011
Net sales	1,193.3	1,026.1	907.8
Current operating profit	245.4	207.7	167.0
Current operating margin	20.6%	20.1%	18.4%
Net profit (Group share)	130.4	110.8	70.5
Net profit excluding non-recurring items	151.5	123.9	107.5
Purchase of intangible assets, property, plant and equipment	26.1	17.2	27.4
Equity – attributable to the owners of the parent	1,093.6	974.8	1,062.9
Net financial debt	265.5	188.6	328.9
Dividends paid during the financial year (per share in €):	2.30	2.30	1.30
Earnings per share (basic, in €):			
On net profit excluding non-recurring items – attributable to the owners of the parent	3.10	2.51	2.19
On net profit attributable to the owners of the parent	2.67	2.25	1.44

NET SALES BY CATEGORY

	2013	2012	2011
Rémy Martin	719.8	592.5	486.0
Liqueurs & Spirits	239.1	215.8	208.0
Sub-total Group brands	958.9	808.3	694.0
Partner Brands	234.4	217.8	213.8
TOTAL	**1,193.3**	**1,026.1**	**907.8**

CURRENT OPERATING PROFIT

	2013	2012	2011
Rémy Martin	216.6	173.0	140.5
Liqueurs & Spirits	45.2	52.6	42.6
Sub-total Group brands	261.8	225.6	183.1
Partner Brands	3.8	4.2	2.1
Holding company	(20.2)	(22.1)	(18.2)
TOTAL	**245.4**	**207.7**	**167.0**

NET SALES BY GEOGRAPHIC AREA

	% of total	2013	2012	2011
Europe-Middle East-Africa	27.1%	323.2	317.4	302.9
Americas	33.0%	394.4	321.3	306.6
Asia-Pacific	39.9%	475.7	387.4	298.3
TOTAL	**100%**	**1,193.3**	**1,026.1**	**907.8**

NET SALES BY CURRENCY

	% of total	2013	2012	2011
Euro	23.6%	281.1	279.1	268.4
US dollar, HK dollar, Chinese yuan, Barbadian dollar	65.9%	786.6	636.8	541.2
Other currencies	10.5%	125.6	110.2	98.2
TOTAL	**100%**	**1,193.3**	**1,026.1**	**907.8**

1.2 History

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

KEY DATES AND EVENTS IN RÉMY COINTREAU'S HISTORY

1724 Establishment of the House of Rémy Martin Cognac

1849 Creation of Cointreau & Cie by the Cointreau brothers

1888 Creation of the Metaxa brand

1924 Acquisition by André Renaud of E. Rémy Martin & Cie SA

1965 André Hériard Dubreuil takes over from his father-in-law, André Renaud

1966 Creation of Rémy Martin's international distribution network

1980 Creation by Rémy Martin of the French-Chinese joint venture Dynasty Winery in partnership with the city of Tianjin (China)

1985 Acquisition by the Rémy Martin Group of Charles Heidsieck champagne

1986 Creation of the Passoa brand

1988 Acquisition by the Rémy Martin Group of Piper-Heidsieck champagne

1989 Acquisition by the Rémy Martin Group of Mount Gay Rum

1990 Transfer by Pavis SA of Rémy Martin shares to Cointreau & Cie SA

1991 Adoption by the Group of the corporate name of Rémy Cointreau

1998 Dominique Hériard-Dubreuil becomes Chairman of Rémy Cointreau

1999 Establishment of the Maxxium distribution joint venture with three partners, the Rémy Cointreau Group, the Edrington Group and Jim Beam Brands Worldwide (Fortune Brands)

2000 Acquisition of Bols Royal Distilleries including, in particular, the Bols and Metaxa brands

2001 Vin & Sprit joins the Maxxium network as its fourth partner

2005 Initial public offering of Dynasty Fine Wines Group on the Hong Kong Stock Exchange

Disposal of Bols' Polish operations to CEDC

Maxxium reinforced by taking over the distribution of a number of Allied Domecq brands acquired by Fortune Brands

2006 Disposal of the Dutch and Italian liqueurs and spirits operations

Decision by Rémy Cointreau to resume full control over its distribution by March 2009

2008 Year of transition towards the exit of Maxxium

Establishment of a new direct distribution organisation

2009 30 March: Rémy Cointreau exits the Maxxium distribution joint venture

1 April: Rémy Cointreau controls 80% of its distribution

2011 8 July: Rémy Cointreau sells its Champagne division to EPI

Rémy Cointreau continues as the sole distributor of Piper-Heidsieck and Charles Heidsieck, as well as Piper Sonoma (the US sparkling wine brand).

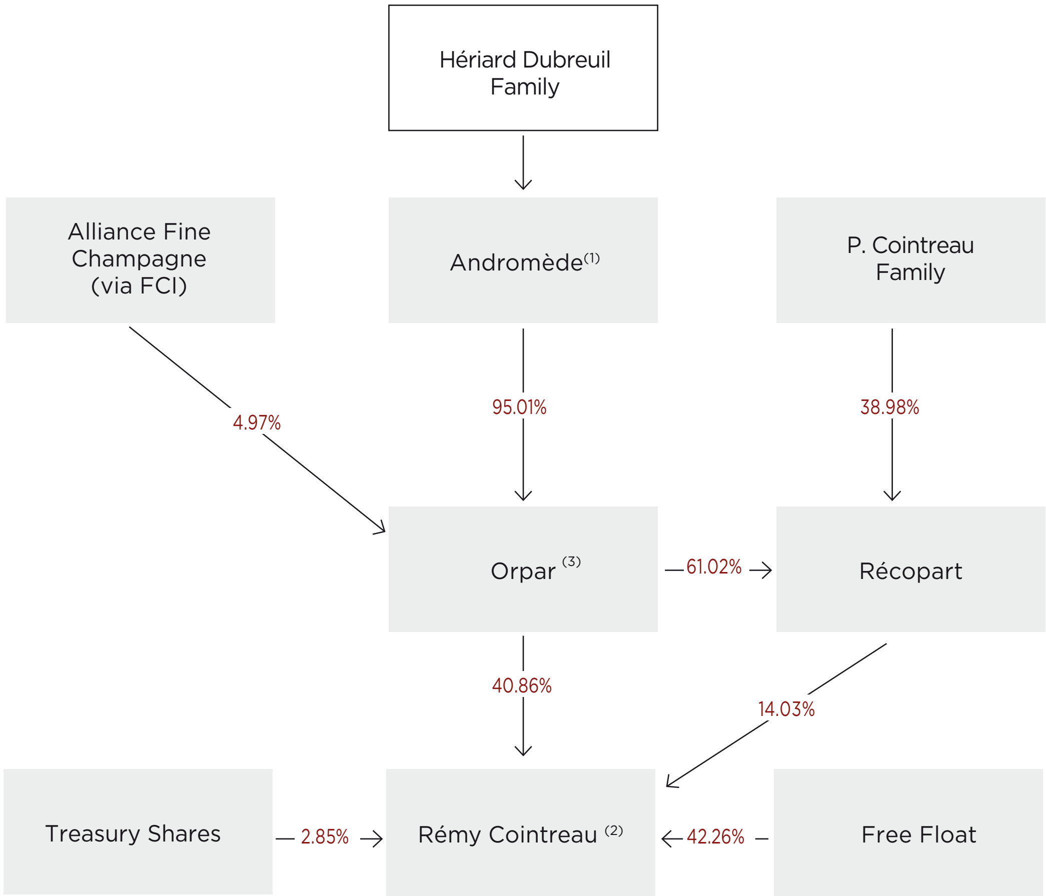
2012 3 September: acquisition of the Bruichladdich Distillery, which produces single malt Scotch whisky on the isle of Islay in Scotland

18 December: acquisition of the cognac company Larsen

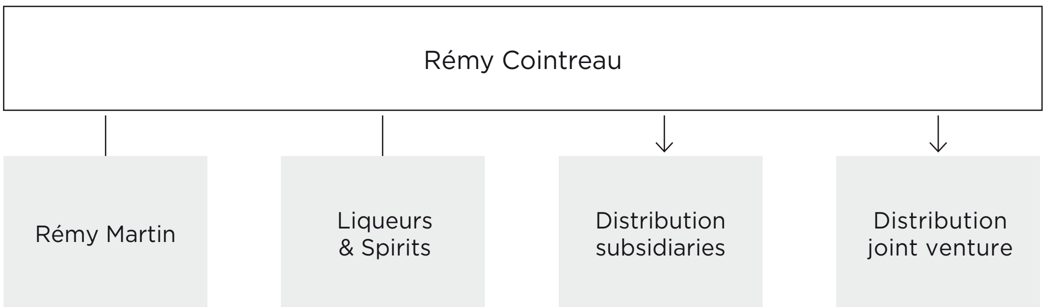
2013 10 June: Rémy Cointreau signs an agreement to sell parts of the Larsen Company's assets to the Nordic group Altia

1.3 Shareholding structure and organisation chart

AT 31 MARCH 2013



(1) Rémy Cointreau is consolidated within the Andromède Group.
(2) Only Rémy Cointreau shares are traded on the stock market.
(3) On 14 May 2013, following Orpar's disposal of 1,500,000 Rémy Cointreau shares pursuant to a private placement, Orpar held 35.68% of Rémy Cointreau.



1.4 The Group's activities

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

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

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

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

Rémy Cointreau, which has its own distribution network in Asia, the U.S. and in some European countries, controls 87% of its sales. The Group is therefore able to implement a pricing and distribution strategy consistent with its premium positioning.

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

1.4.1 Brands

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

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

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

RÉMY MARTIN

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

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

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

In 2012/2013, Rémy Martin accounted for 60.3% of the Group's total net sales. 98% of Rémy Martin's sales are generated by exports.

Key figures

(in millions of euros or %)	**2013**	**2012**	**2011**
Net sales	**719.7**	**592.5**	**486.0**
Breakdown by geographic area:			
Europe-Middle East-Africa	13.0%	14.0%	14.4%
Americas	26.8%	25.9%	30.4%
Asia-Pacific	60.2%	60.1%	55.2%
TOTAL	**100%**	**100.0%**	**100%**
Current operating profit	216.6	173.0	140.5
Current operating margin	30.1%	29.2%	28.9%

Description of "Appellation d'Origine Contrôlée Cognac"

Cognac is a brandy (eaux-de-vie distilled from grapes) with the *Appellation d'Origine Contrôlée* of the Cognac region of France.

The appellation covers six crus: Grande Champagne, Petite Champagne, Borderies, Fins Bois, Bons Bois and Bois Ordinaires. Rémy Martin selects its eaux-de-vie from the first two crus, whose quality is best suited to the production of its superior quality cognacs.

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

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

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

Competitive positioning

Four Cognac brands share 80% of the world market (source: BNIC March 2013): Rémy Martin (Rémy Cointreau), Hennessy (LVMH), Martell (Pernod Ricard) and Courvoisier (Beam). Rémy Martin's market share of cognac shipments is 13% (source: BNIC March 2013). Rémy Martin makes approximately 80% of its shipments in the superior qualities (QS), which account for 56% of the total cognac market (source: BNIC March 2013). Rémy Martin has a market share of 22% in the QS segment, which is enjoying the strongest growth in the industry (source: BNIC March 2013: QS +5.6%, vs. +3.1% for the industry as a whole).

Supply of eaux-de-vie

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

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

- collective contracts, involving 765 members, who specify the volume of the new crush to be delivered to the co-operative, which it then stores. These stocks become the property of the co-operative and are financed in part by instalments paid by E. Rémy Martin & Cie and the balance through bank financing or the co-operative's own funds. E. Rémy Martin & Cie is irrevocably committed to the acquisition in time of these stocks when the eaux-de-vie has been accepted as suitable for the brand and added to the AFC stock. The price is contractually agreed at the time it is accepted as part of the stock and is then increased by the actual storage and finance costs incurred by the co-operative;
- individual contracts involving approximately 411 members, who manage supplies by age and whose storage is assured and financed by the distillers. These contracts are between E. Rémy Martin & Cie, AFC and the members concerned. Since April 2005, E. Rémy Martin & Cie has transferred purchase commitments and the management of three-year contracts with the distillers to AFC.

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

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

LIQUEURS & SPIRITS BRANDS

In 2012/2013, the Liqueurs & Spirits division accounted for 20% of the Group's total net sales.

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

The division's main brands are:

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

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

Key figures

(in millions of euros or %)	2013	2012	2011
Net sales	**239.1**	**215.8**	**208.0**
Breakdown by geographic area:			
Europe - Middle East - Africa	56.6%	55.4%	55.0%
Americas	34.0%	33.8%	34.7%
Asia-Pacific	9.4%	10.8%	10.3%
TOTAL	**100%**	**100%**	**100%**
Current operating profit	45.2	52.6	42.6
Current operating margin	18.9%	24.4%	20.5%

Competitive positioning

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

Sourcing and sub-contracting

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

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

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

Sub-contracting represents 16% of the total volume of Group brands.

PARTNER BRANDS

In 2012/2013, Partner Brands accounted for 19.7% of the Group's total net sales.

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

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

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

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

1.4.2 The Group's principal entities

PRODUCTION

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

Cognac (France)

The production of Maison Rémy Martin products is entirely located in Cognac and Merpins (a town on the outskirts of Cognac), on a site that includes ageing and fermentation cellars, laboratories, a packaging complex, offices and a visitor and reception centre and covers a total surface area of 189,300 m^2.

Angers (France)

The production of the Cointreau and Passoa liqueurs and the St-Rémy brandy range is located in St-Barthélémy d'Anjou (on the outskirts of Angers). This site also carries out bottling operations for other Group brands. It comprises distilling facilities, fermentation cellars, laboratories, a packaging complex, offices and a visitor and reception centre over a total surface area of 100,000 m^2.

Brandons and St Lucy (Barbados)

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

Isle of Islay (Scotland)

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

The entire production operation (distilling, ageing, bottling) is carried out on the isle, on a historic site created in 1881 that covers a surface area of 30,000 m^2.

DISTRIBUTION AND ADMINISTRATION

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

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

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

1.4.3 Purchase of intangible assets, property, plant and equipment

CAPITAL EXPENDITURE

The Group considers that the level of investment required to develop, maintain and environmentally optimise the production and administrative units is between €20 million and €30 million *per annum*.

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

(in € millions)	**2013**	2012	2011
	26.1	17.2	27.4

RESEARCH AND DEVELOPMENT

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

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

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

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

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

1.5 Related-party transactions and material contracts

See the Statutory Auditors' Special Report for the year ended 31 March 2013 for regulated agreements concluded during the year or in previous years and which remained in force during the year under review.

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

1.6 Risk factors and insurance policy

1.6.1 Seasonality of the business

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

1.6.2 Principal contracts and customers

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

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

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

The Group's top ten customers represent 46% of consolidated net sales.

The Group's top ten suppliers represent roughly 61% of raw material supplies, excluding cognac eaux-de-vie.

1.6.3 Foreign exchange risk

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

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

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

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

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

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

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

The USD position structurally represents 85% of hedged flows (this position includes HKD flows which are systematically converted into USD). Hedging of exchange rate exposure is treated in note 14.5 to the consolidated financial statements.

1.6.4 Interest rate and liquidity risk

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

Confirmed resources break down as follows:

	2013	2012	2011
Fixed-rate resources	345.0	345.0	345.0
Variable-rate resources	255.0	346.0	466.0
TOTAL	**600.0**	**691.0**	**811.0**

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

Net financial debt at the year-end had a nominal value of €265.5 million, or 44% of confirmed resources.

Of the €600 million in confirmed resources at 31 March 2013, €395 million was made available subject to maintaining average net debt to EBITDA (the A ratio) below 3.50 over all half-year periods until maturity. The A ratio was 0.99 at 31 March 2013.

1.6.5 Brands

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

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

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

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

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

1.6.6 Legal risks

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.6.7 Other risks

RISKS RELATED TO INTERNATIONAL OPERATIONS

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

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

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

COMPETITION

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

INDUSTRIAL AND ENVIRONMENTAL RISKS

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

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

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

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

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

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

INFORMATION TECHNOLOGIES RISKS

The Rémy Cointreau Group's processes are based on the extensive use of IT systems, and are thus exposed to the risk of failure. The processes concerned may be interrupted or sensitive data may be lost or corrupted if these systems were to become totally or partially unavailable.

For this reason, a data backup plan has been implemented in each company, as well as a production continuity plan, in order to protect the Group against such risks.

1.6.8 Insurance

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

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

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

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

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

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

Excess levels were optimised depending on the coverage of each risk and the cost of overall coverage. Total insurance premiums, excluding employee-related collective insurance contracts, for the 2012/2013 financial year did not exceed 0.18% of consolidated net sales.

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

INSURANCE FOR MATERIAL DAMAGE AND OPERATING LOSS

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

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

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

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

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

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

GENERAL CIVIL LIABILITY INSURANCE

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

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

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

INSURANCE FOR TRANSPORTED GOODS

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

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

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

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

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

2

CORPORATE SOCIAL RESPONSIBILITY (CSR)

2.1 The Group's policy and commitments

Rémy Cointreau a responsible company by nature

Acting responsibly comes as second nature to a company that has strong ties with its local regions and an international presence. Rémy Cointreau approaches all of its activities from the perspective of corporate social responsibility as, through the commitments undertaken by the Group, it helps enhance the Company's value-creation strategy and the quest for perfection adhered to by its brands.

Believing that regulatory requirements represent an opportunity, Rémy Cointreau is multiplying its efforts to anticipate them and ensure that as many of its stakeholders as possible follow its lead. The CSR policy is now aligned with the chapters of the recent standard ISO 26000. The extension of the reporting scope to the Group's companies affected by the "Grenelle de l'Environnement" decrees also reflects this commitment. The Group's other commitments, such as its membership of the Global Compact, are still very much in force and are reflected in the actions undertaken.

Rémy Cointreau's corporate social responsibility also lies in its ability to set an example, to share its requirements with its suppliers and to enhance its employees' awareness to ensure that CSR is fully integrated into their daily activities. Rémy Cointreau's ambitions in this area even exceed the scope of its activity. For example, the Group is committed to supporting biodiversity in the regions in which it operates.

By expanding the actions undertaken in this area, its environmental commitment takes on a larger scope, turning into one that encompasses societal responsibility as a whole.

Meeting the challenges of the CSR 2015 plan

During the 2012/2013 financial year, the Group structured its CSR strategy in such a way as to anticipate regulatory requirements, deploy the Group's commitments to all of its stakeholders and meet the expectations of society.

CSR reporting includes Rémy Cointreau's employee-related, environmental and societal information, pursuant to the requirements of decree No. 2012-557 of Article 225 of the "Grenelle II" law of 12 July 2010. This reporting has been verified by an independent expert, whose conclusions are given in the report (independent auditor's Certificate of Inclusion and limited assurance report on the employee-related, environmental and societal information). Twenty-one companies within Rémy Cointreau's scope, excluding the newly-acquired companies Bruichladdich and Larsen, now report all or part of their social and environmental information according to the specifications described in the section entitled "Note on methodology".

The indicators associated with the information are calculated in accordance with Rémy Cointreau's reporting protocol, which can be obtained on request from the Group's CSR Director and is summarised in the section entitled "Note on methodology".

Upon the completion of the CSR plan, the entire scope should be covered and the necessary tools will be implemented.

Although Rémy Cointreau is not affected by the new regulatory requirements relating to carbon footprints, it seems only natural for the Group to include a CO_2 emissions reduction plan as one of the key elements of its CSR policy.

CSR affects every Rémy Cointreau employee. The Group is dedicated to making each individual aware of his or her involvement and making this one of the pillars of its business culture. The Group's CSR Charter, the commitments of which are also aligned with standard ISO 26000, is published in French and English. It is distributed to all employees and has given rise to a very large number of information meetings. The Company's internal CSR communication has been revised to favour the circulation and exchange of best practices. The financial year also saw the deployment of the code of business ethics, which functions as the Group's standard for professional ethics.

Rémy Cointreau continues to draw on standards that guarantee its commitment in the face of new challenges pertaining to sustainable development and corporate responsibility. The Group thus regularly renews the certifications acquired on the Cognac and Angers sites, which guarantee standards relating to quality, food safety and respect for consumers and their health. The Angers site has ISO 9001, ISO 14001, ISO 22000 and OHSAS 18001 certifications, whilst the Cognac site has ISO 9001, ISO 14001 and ISO 22000.

Rémy Cointreau also works towards optimising its certifications, grouping together quality and safety/environment audits with a view to implementing a single, integrated QSE certification.

The CSR 2015 plan sets forth an examination of the implementation of an EMS (Environmental Management System) on the Barbados site, which may lead to ISO 14000 certification.

A consistent human resources policy

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

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

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

2.2 Employee-related information

The employee-related reporting scope covers all subsidiaries of the Rémy Cointreau Group. For indicators relating to staff training and movements, companies based in Europe outside France (12% of the Group's workforce) are not included. Finally, the indicators connected with labour relations, absenteeism and workplace accidents relate only to the production sites of Angers, Cognac and Barbados.

2.2.1 Human resources policy

During the 2012/2013 financial year, the Group focused its actions most closely on its employees' professional development, diversity and strengthening the sense of belonging within the Group. Lastly, in France, true to the historical choices it has made, Rémy Cointreau's has pursued practices favouring collective agreements in all areas of negotiation.

ENCOURAGING EMPLOYEE DEVELOPMENT

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

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

FOSTERING THE GROUP'S MULTICULTURAL IDENTITY AND PROMOTING DIVERSITY

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

STRENGTHENING A SENSE OF BELONGING

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

MAINTAINING AN AMBITIOUS SOCIAL DIALOGUE

The 2012/2013 financial year was marked, once again, by the signing of collective agreements that underlined a willingness, shared by trade unions and employee representatives, to favour dialogue and consultation.

In France and Barbados, the salary policy was defined under collective agreements.

In France, the agreement on the employment of older people was renewed and a new agreement on health benefits was implemented, harmonising health service providers and improving services on the Cognac and Angers sites. Moreover, an amendment to the agreement on the organisation of working hours on the Cognac site afforded a better response to commercial demand whilst taking into account employees' personal arrangements. Finally, the profit-sharing agreements relating to French employees were renewed.

2.2.2 Changes in the workforce

THE GROUP'S WORKFORCE

At 31 March 2013, the Group's total workforce including Bruichladdich stood at 1,704 employees on permanent and fixed-term contracts, an increase of 144 employees compared with March 2012, 65 of whom were taken on further to the acquisition of the Scottish Bruichladdich distillery.

On a like-for-like basis, the workforce thus increased by 79 employees (+5%), the same rate as the previous year. This growth mainly related to Rémy Martin and the sales operations in China and Russia.

On the France, Americas and Asia scope, the Group recruited 200 employees, 107 of whom were employed on permanent contracts (53%). 29% were recruited for the sales team, 20% in production roles and 16% in marketing.

At the same time and on the same scope, there were 142 departures, of which 36% were resignations, 25% were mutually agreed and 20% were as a result of fixed-term contracts coming to an end. Redundancies on personal grounds accounted for only 4% of departures (GRI indicator LA2).

WORKFORCE BY GEOGRAPHICAL REGION (GRI INDICATOR LA1)

	March 2013	%	March 2012	%	March 2011	%
France	698	41	660	43	792	49
Europe (outside France) – Africa	255	15	175	10	151	9
Americas	332	19	320	21	317	20
Asia	419	25	405	26	361	22
TOTAL (1)	**1,704**		**1,560**	**100**	**1,621**	**100**

(1) Including Bruichladdich.

The workforce in France increased by 38 employees, including 30 in the Rémy Martin division, mainly in production-related roles.

The Europe-Africa region saw its workforce grow and its proportion in the total workforce rise by three points owing to the acquisition of the Scottish Bruichladdich distillery and the development of a sales operation dedicated to Africa.

Workforces in the Asia region, comprising mainly sales-related staff, have grown steadily for the last three years, which means that this region now accounts for one quarter of the total workforce.

WORKFORCE BY DIVISION (GRI INDICATOR LA1)

	March 2013	%	March 2012	%	March 2011	%
Group brands	671	39	573	37	650	40
Distribution	967	57	927	59	762	47
Holding company	66	4	60	4	54	3
Champagne	–	–	–	–	155	10
TOTAL (1)	**1,704**		**1,560**		**1,621**	

(1) Including Bruichladdich.

The distribution business still accounts for more than half of the Group's workforce (57%). As in previous years, the organic growth of the workforce in 2012/2013 continued mainly in operational roles within the distribution subsidiaries (sales, marketing), particularly in China and the United States.

For the first time in five years, the brands' workforces grew substantially, mainly as a result of the acquisition of the Scottish Bruichladdich distillery.

WORKFORCE BY FUNCTION, OCCUPATION AND GENDER

	March 2013	%	March 2012	%	March 2011	%
Sales	504	30	497	32	449	28
Marketing	237	14	200	13	190	12
Production and Purchasing	349	21	293	19	364	22
Supply Chain	158	9	151	10	155	9
Ageing	107	6	100	6	127	8
Finance & Legal	187	11	169	11	179	11
Information Systems	45	3	42	3	45	3
Human Resources	39	2	35	2	36	2
General Services	42	2	36	2	43	3
Senior management	37	2	37	2	33	2
TOTAL (1)	**1,704**		**1,560**		**1,621**	

(1) Including Bruichladdich.

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

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

Analysed by country, the workforce in the Asia region is more than 60% male.

BREAKDOWN BY PROFESSIONAL CATEGORY

43% of the workforce is made up of executives (managers), working mainly in sales, marketing and finance positions.

The Group's production operations comprise the majority of its operator and technician positions, around 75% of which are located in France on the Cognac and Angers sites, with the remainder in Scotland (Bruichladdich) and Barbados (Mount Gay).

AVERAGE AGE AND LENGTH OF SERVICE

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

By occupation, the average age of 38 in sales, marketing and finance is lower than that of the Group's other functions.

The average length of service of the Group's workforce is 9.9 years, with little difference between men and women or managers and non-managers.

WORK-LINKED TRAINING CONTRACTS IN FRANCE

The Rémy Cointreau Group continued its proactive work-linked training policy, with the renewal of all work-linked training contracts where necessary and additional recruitment in new positions. These contracts accounted for almost 4% of the workforce in France at the end of March 2013.

2.2.3 Organisation of working hours

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

2.2.4 Remuneration

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

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

The 2012/2013 salary policy in all countries was measured with respect to inflation, with an average salary increase above inflation even where the local economic context was sometimes adverse or depressed. This salary policy uses individual pay rises deliberately focused on the best-performing employees.

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

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

2.2.5 Social security and welfare

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

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

2.2.6 A training approach that targets excellence

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

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

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

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

- The Brand Academy tackles sales and marketing aspects of the Group's brands and the luxury goods sector from a strategic angle. All of our senior managers have already taken this module. A digital module has been made available to the managers to allow them to refer to it when conducting their activities,
- The Art of Selling Academy provides training in negotiation and sales techniques, with a pragmatic and differentiating market approach, in order to support the brands and create value for our partners and customers, in line with the Group's strategy. These training modules are widely deployed in the United States. Europe and Asia will follow in 2013/2014 financial year,
- Training at the Finance Academy is given to all managers. 150 non-financial employees have already received training, mainly in France and Europe. Aside from the particular financial aspects of our business, this training will make employees more financially aware and improve their understanding of all the Group's criteria for achieving efficiency,
- The Quality Academy was launched in November 2012. This module will continue to be deployed during the 2013/2014 financial year.

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

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

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

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

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

In addition to individual training, collective courses are sometimes provided for a particular category of employee. For example, all employees at the Cognac site have attended a training day on the "premiumisation of spirits". This training enabled them to learn more about spirits, brand positioning strategies and the different brand trends and identifiers.

The number of training hours declared in 2012/2013 over the entire Group scope, excluding Europe (outside France), for employees on permanent contracts, was 21,536, of which 8,246 were for women and 13,290 for men (GRI indicator LA10).

2.2.7 Seizing opportunities for employee development

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

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

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

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

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

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

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

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

2.2.9 Making diversity an opportunity

The Group aims to offer all its employees the opportunity for career development. Recruitment methods and workstations are thus continuing to be adapted to accommodate an increasing number of disabled employees. In Cognac, the efforts made have led to the employment of around 27 full-time equivalent disabled employees, compared with the legal minimum of 18.

In Angers, the Group has opted to pay its traineeship taxes to organisations, schools or entities that promote the employment of disabled people.

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

2.2.10 Equal treatment

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

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

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

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

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

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

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

2.2.11 Health and safety

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

INVOLVING TRADE UNIONS AND EMPLOYEE REPRESENTATIVES IN DISCUSSIONS

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

COMMITMENTS

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

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

LOCAL INITIATIVES

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

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

With respect to working conditions, Angers launched a participatory programme, forming working groups that report areas for improvement and examine possible solutions to be implemented. The efforts made to improve employees' working conditions focus on a few key areas such as workloads, administrative tasks and messaging management.

Cognac repeated the social audit carried out in 2010. The employees, responding anonymously, expressed their views on working conditions, interpersonal issues and their vision of the future, among other aspects. The audit achieved excellent results, bettering those seen in 2010 with a participation rate of 60% and very good scores for each subject area. For example, the vision of the future of Rémy Cointreau was 91% positive.

HEALTH AND SAFETY INDICATORS

In France and Barbados, the cumulative absenteeism rate, measured in hours of absence against theoretical hours worked for employees on permanent contracts, was 3.8% for 2012/2013. Sick leave for periods of less than 90 days accounted for the majority of absences. This rate does not include sick leave periods of more than 90 days.

The frequency rate of workplace accidents on the Group's production sites in France and Barbados for 2012/2013 was 24.3. This rate is expressed in terms of the number of accidents with workdays lost per million actual hours worked for employees on permanent contracts (GRI indicator LA7).

The severity rate is low at 0.6, expressed as the number of days lost owing to workplace accidents per 1,000 actual hours worked for employees on permanent contracts. In order to remedy the causes of each accident, the members of the health and safety committee systematically carry out a root cause analysis and report their findings and recommendations to the committee.

Finally, in France, two occupational illnesses, categorised as periarticular diseases caused by certain working gestures and positions, were declared and acknowledged by the competent health insurance authorities during the 2012/2013 financial year.

2.3 Environmental information

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

The environmental information covers the production sites of Cognac and Angers, i.e. 93% of the cases produced, together with Domaines Rémy Martin (Rémy Martin vineyards).

The Barbados site only reported its electricity consumption for this year. The scope does not include the administrative site in Paris or the distribution subsidiaries, as their environmental impacts were not deemed significant. The scope of application of each indicator is specified in the "Note on methodology" section.

2.3.1 Winemaking

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

A CERTIFICATION POLICY TO RECOGNISE EFFORTS MADE AND GUIDE PRACTICES

Rémy Martin's goal with respect to winemaking is clear: all actions undertaken aim to position the Group as a leader in economically-competitive winemaking, without compromising on quality and whilst protecting the environment. The integration this year of the Domaines Rémy Martin vineyards into the CSR reporting scope strengthens the Group's desire to measure, to take into account its innovative practices and to develop. The increase in the number of employees trained in sound practices increased substantially, with 56 days' training in winemaking practices this year compared with 22 last year (GRI indicator LA10). The training focused mainly on certificates of competency in the use of pesticides (individual "certiphyto" certificates).

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

PRACTISING ENVIRONMENTALLY-FRIENDLY WINEMAKING

Rémy Cointreau is a member of the Ecophyto network, a national initiative led by the French Ministry for Agriculture and originating in the Grenelle de l'Environnement that seeks to gradually reduce the use of pesticides and thus cut soil pollution. The Group is heavily involved in this initiative and this year hosted a regional network meeting. Wine-growing professionals discussed the chemical vine treatments used during the growing season, as part of an improvement initiative. Rémy Cointreau, meanwhile, confirmed its desire to support diverse tests: soil and leaf analyses, essential for monitoring the vine, are more complete, allowing the application of fertilisers to be adapted as precisely as possible. Around ten hectares will be set aside for an innovative initiative: only organic fertilisers will be used.

With a view to adopting environmentally-friendly growing methods, all pesticides used are harmless to neighbouring wildlife. The application of pesticides was 16% below approved doses, despite adverse weather conditions this year which hindered the growth of the vines. Natural grass cover increased slightly, covering 32% of surfaces. Domaines Rémy Martin confirmed its commitment to eliminating the use of herbicides on the entire vineyard. Finally, four soil and 11 leaf analyses allowed fertiliser input to be controlled (550 kg/ha) for regular maintenance of the vineyard. These analyses increased substantially so that fertilisation requirements for land parcels yet to be planted may be identified more effectively. Natural control methods (natural predators) are used on all vineyards.

PROMOTING OUR PARTNERS' SOUND WINEMAKING PRACTICES

Having all of the AFC's winemakers and distillers follow its lead by obtaining AHVE certifications is one of Rémy Martin's key objectives. Last year, the winemakers were made aware of this standard. This year, some of them – members of the co-operative's Board of Directors – engaged in a pilot self-assessment. This allowed them to measure their practices against the requirements of the AHVE standard. The results of this initiative were very positive, as a number of winemakers would obtain the certification. Broad guidelines have already been adopted for the next three years in order to encourage voluntary practices on the part of distillers who want to enhance their production. Rémy Cointreau has launched a joint environmental project with the AFC. The Group is thus taking a supportive approach and encouraging the AFC to obtain this certification in order to make it a quality label that promotes sound practices: it demonstrates the effectiveness of the reduced use of pesticides and the adaptation of treatments according to parasitic pressure, whilst maintaining a maximum yield.

Finally, the annual *Centaures de la distillation* trophy, which rewards the best distillers, this year recognised the exceptional quality of the eaux-de-vie produced by 32 distillers. 14 distillers were awarded the distinction of *Centaure d'or de la distillation* ("Golden Centaur of Distilling").

2.3.2 Environment

In 2012/2013, the Group invested €3.4 million to improve quality, safety and the environment (GRI indicator EN30) on its production sites in France and Barbados.

Training in these three areas increased by 33%, with a total of 3,348 training hours. 530 people were trained, compared with 359 in 2011/2012 ((GRI indicator LA10).

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

ENERGY AND NATURAL RESOURCES

Energy consumption

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

A large-scale, long-term project relating to the lighting and heat insulation of the Group's sites is underway. The buildings on the Cognac site are undergoing a renovation project in order to optimise their lighting. High energy-consuming light bulbs are being replaced with LED lighting fixtures. Heat reduction instructions are maintained on the sites and centralised management of air conditioning systems is being installed.

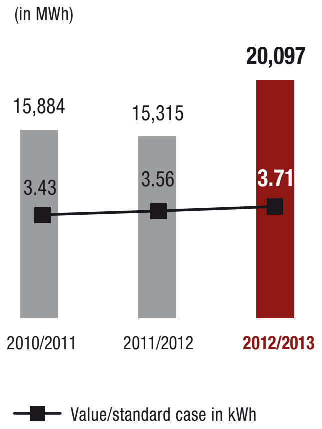
Staff awareness-raising is ongoing in order to encourage greater care with respect to energy use. An internal information campaign is being held to help reduce day-to-day energy expenditure, for example by affixing information and practical tips next to light switches.

This initiative naturally encompasses the reduction of the environmental footprint of the Group's IT equipment (Green IT protocol). New equipment which consumes less energy is thus being evaluated.

The preliminary studies carried out on sites to assess the possibility of integrating renewable energy into the production process did not produce conclusive results. The Group will carry out further studies as part of the CSR 2015 plan.

Total energy consumption amounted to 20,097 MWh, up by 31% compared with last year (15,315 MWh) following the inclusion of Domaines Rémy Martin in the reporting scope and, solely with respect to electricity consumption, the Barbados site (Mount Gay rum). On a like-for-like basis, energy consumption amounted to 16,726 MWh (+9%).

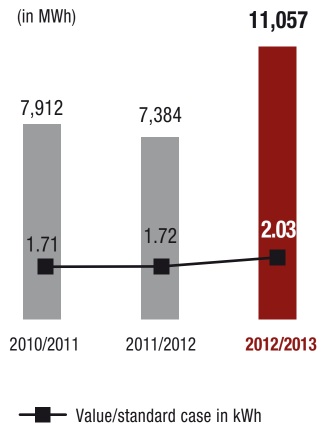
TOTAL ENERGY CONSUMPTION



Total energy consumption amounted to 3.71 kWh per standard case, excluding Domaines Rémy Martin. Total energy consumption for Domaines Rémy Martin came to 71.0 kWh per hectolitre of wine. On a like-for-like basis, total energy consumption amounted to 3.82 kWh per standard case, an increase of 7% compared with 2011/2012.

As regards direct energy (gas and fuel oil), total consumption came to 11,057 MWh, up 50% compared with last year after the inclusion of Domaines Rémy Martin in the reporting scope (GRI indicator EN3). On a like-for-like basis, consumption came to 8,873 MWh, an increase of 20% compared with 2011/2012.

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



Total direct energy consumption increased from 1.72 to 2.03 kWh per standard case (GRI indicator EN4), excluding Domaines Rémy Martin. Total direct energy consumption for Domaines Rémy Martin came to 58.3 kWh per hectolitre of wine.

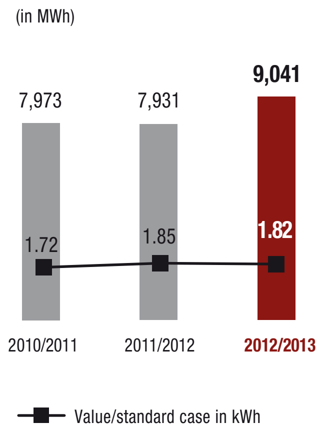
Direct energy consumption for the Cognac site increased from 2,017 to 2,712 MWh, a rise of 34% due mainly to warehouse heating.

The Angers site recorded an increase of 15%, from 5,367 MWh to 6,161 MWh, caused mainly by the harsh winter.

As regards direct energy (electricity), the consumption data now includes Domaines Rémy Martin and the Barbados site. Electricity consumption increased from 7,931 MWh to 9,041 MWh, i.e. +14%. A slight decrease was recorded on a like-for-like basis, from 7,931 to 7,853 MWh (GRI indicator EN4).

Total indirect energy consumption came to 1.82 kWh per standard case, excluding Domaines Rémy Martin. Total indirect energy consumption for Domaines Rémy Martin amounted to 12.74 kWh per hectolitre of wine. On a like-for-like basis, total indirect energy consumption came to 1.80 kWh per standard case, a fall of 3% compared with 2011/2012.

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



On the Angers site, electricity consumption increased from 2,546 to 2,612 MWh (+2.6%), whilst on the Cognac site it fell by 2.7%, from 5,384 to 5,241 MWh.

Water consumption

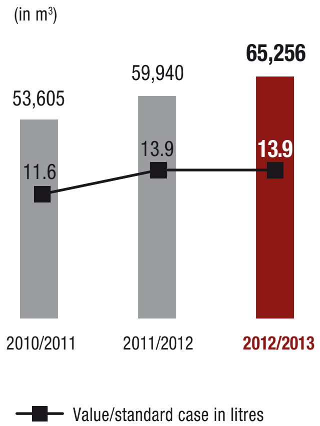
Total water consumption excluding the Barbados site increased by 9% to 65,256 m³, with the inclusion of Domaines Rémy Martin in the reporting scope (GRI indicator EN8). On a like-for-like basis, water consumption increased slightly, from 59,940 to 60,999 m³ of water consumed.

On the Angers site, water consumption was relatively unchanged, increasing from 32,048 to 32,343 m³ of water.

On the Cognac site, it rose by 3%, from 27,892 to 28,656 m³ of water, mainly as a result of the increase in production on the site.

The Angers and Cognac sites are not located in water stress areas.

WATER CONSUMPTION
(GRI INDICATOR: EN8)

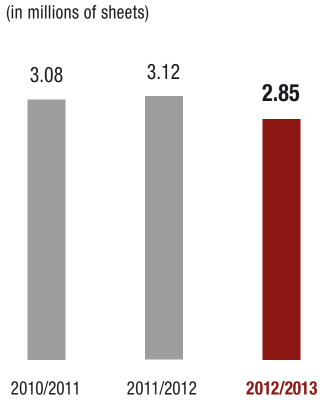


Water consumption came to 13.9 litres per standard case, excluding Domaines Rémy Martin. Total water consumption for Domaines Rémy Martin came to 113.6 litres per hectolitre of wine.

Office paper consumption

Paper consumption fell this year by 9% from 3.12 to 2.85 million sheets (GRI indicator EN1), mainly as a result of the ongoing initiatives to encourage staff to save office paper.

Paper consumption amounted to 14.43 tonnes, i.e. 20 sheets of paper used per person per day.



NOISE POLLUTION

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

SOLID WASTE

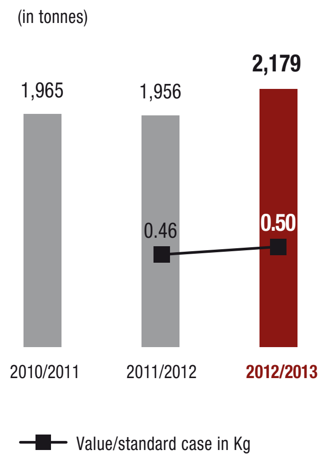
Rémy Cointreau takes measures to reduce the amount of solid waste on its sites with a policy of educating staff about waste sorting and recycling. Generally, solid waste from the Group's production sites supplies energy and materials recycling channels. It is mainly comprised of packaging waste (glass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

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

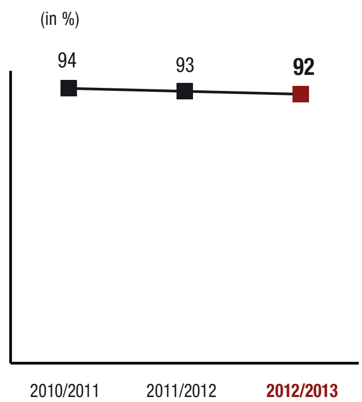
In a similar vein, in 2012 Rémy Cointreau set up a partnership with Ateliers du Bocage in the Poitou Charentes region to recycle or reuse all used mobile phones and electronic mobile phone equipment.

Total waste (GRI indicator EN22) increased by 11.4% over the year, from 1,956 tonnes to 2,179 tonnes (excluding the Barbados site). The sorting and recycling rates remained stable overall, at 92% and 91% respectively. Waste on the Angers site rose by 18% from 1,062 tonnes to 1,251 tonnes, mainly as a result of the increased activity on the site and the clearance of obsolete products. On the Cognac site it increased by only 2%, from 894 tonnes to 915 tonnes of waste, mainly owing to a rise in OIW caused by the clearance of obsolete packaging items. Waste sorting and recycling volumes respectively were 96% and 98% in Angers and around 87% in Cognac. The quantity of waste from Domaines Rémy Martin came to 13 tonnes of OIW. Waste per standard case increased from 0.46 kg to 0.50 kg.

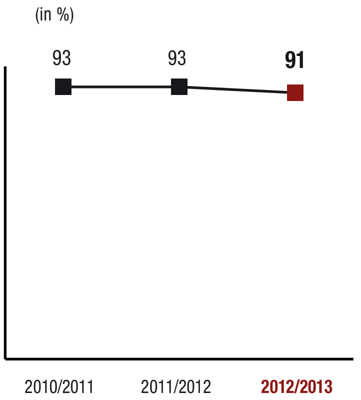
QUANTITY OF WASTE
(GRI INDICATOR: EN22)



WASTE SORTING RATE



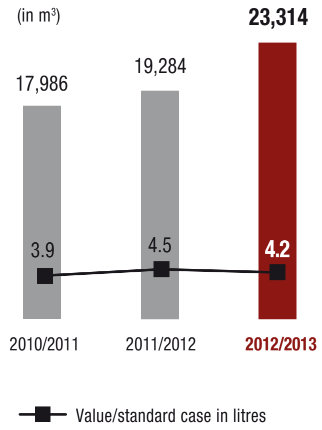
WASTE RECYCLING RATE



LIQUID WASTE

Discharged liquid waste increased by 21%, from 19,284 m³ to 23,314 m³ excluding the Barbados site (GRI indicator EN21) and including Domaines Rémy Martin. On a like-for-like basis, discharged liquid waste fell by 4%, from 19,284 m³ to 18,421 m³. On the Cognac site, discharged liquid waste fell by 13%, from 8,535 m³ to 7,444 m³. It rose slightly on the Angers site, from 10,749 to 10,977 m³. The quantity of liquid waste per standard case fell from 4.5 litres to 4.2 litres, a reduction of 6%. As regards Domaines Rémy Martin, the quantity of liquid waste amounted to 131 litres per hectolitre of wine produced.

VOLUME OF LIQUID WASTE (GRI INDICATOR: EN 21)



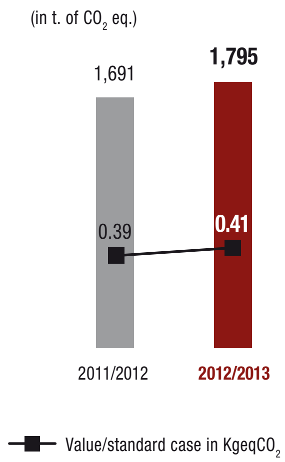
For the Angers and Cognac sites, liquid waste pollution, discharged from the site and before treatment, came to 17.7 tonnes of BOD and 34.9 tonnes of COD. After the waste was treated by external treatment plants and returned to the natural environment, pollution came to 0.6 tonnes of BOD and 2.3 tonnes of COD, excluding Domaines Rémy Martin (average reduction rate of 98% for BOD and 95% for COD). These values give a liquid waste ratio per standard case of 0.13 g of BOD and 0.53 g of COD.

GREENHOUSE GAS EMISSIONS

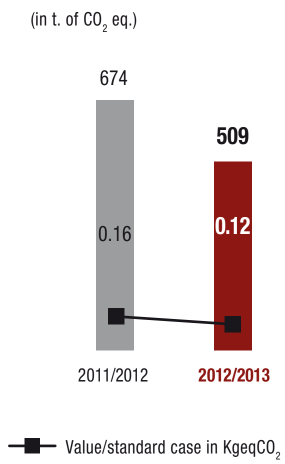
Despite the increase in production, various measures allow us to limit our greenhouse gas emissions. Over the last few years, the increasingly systematic use of videoconferences and the introduction of electric vehicles on the Angers and Cognac sites have helped reduce our CO_2 emissions. Controlling these emissions is essential if we are to implement reduction measures in other areas such as haulage, which generates a considerable proportion of our CO_2 emissions. For the first time, discussions with the storage platform manager have allowed us to measure CO_2 emissions per pallet, which will help us draw up a reduction plan for the next financial year. The Group is already anticipating forthcoming regulations on road haulage in France and elsewhere in Europe.

The greenhouse gas emissions of the Cognac and Angers sites were 2,304 Teq CO_2, a very slight increase of 3% (2,365 Teq CO_2 in 2011/2012). Per standard case, these emissions were unchanged from 2011/2012, amounting to 0.53 kgeq CO_2

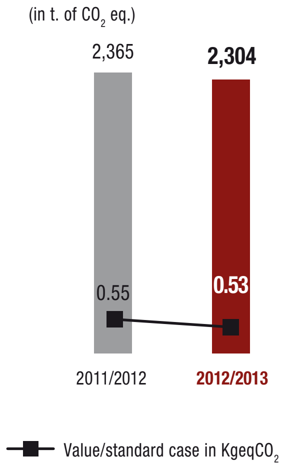
GREENHOUSE GAS EMISSIONS (SCOPE 1)



GREENHOUSE GAS EMISSIONS (SCOPE 2)



GREENHOUSE GAS EMISSIONS (SCOPE 1 & 2)



Greenhouse gas emissions rose by 4% on the Angers site, to 1,402 Teq CO_2, increasing the scope one values from 1,131 to 1,233 Teq CO_2 (mainly as a result of increased gas consumption) and reducing the scope two values from 216 to 169 Teq CO_2 (GRI indicator EN16). These emissions fell on the Cognac site, to 902 Teq CO_2 On the same site, the scope one values increased from 560 to 562 Teq CO_2, whilst those of scope two fell from 458 to 340 Teq CO_2 (GRI indicator EN16).

Rémy Cointreau continued its initiatives to lower its carbon emissions, reducing them by 1,221 Teq CO_2 Four main initiatives lie at the heart of this process (GRI indicator EN18):

- eco-design initiatives to modify our packaging. This led to a reduction of 144 Teq CO_2 (based on 2012/2013 sales);
- a 15% increase in videoconferences compared with the previous year: 946 Teq CO_2 were saved this year;
- development of the vehicle fleet. With the acquisition of electric vehicles, CO_2 emissions were cut by 4 T of CO_2, a 13% reduction in average CO_2 emissions per kilometre travelled (from 116 to 103 geq CO_2);
- the 6% reduction in the carbon footprint from business travel (average CO_2 emissions per km travelled: decrease from 200 to 188 geq CO_2), which corresponds to a fall of 127 Teq CO_2.

The Group also continued to reduce carbon emissions generated by postal items (Cognac site). 71% of post is now sent by the "lettre verte" option (52% in 2011/2012).

ECO-DESIGN

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

This year, studies led to the development of a new St-Rémy bottle in Canada. Previously made from glass, this bottle is now produced using PET, considerably reducing its environmental impact and significantly increasing its recycling potential (GRI indicator EN26). The weight of the bottle has been reduced by almost 90%, giving a saving of 266 tonnes of glass (based on 2012/2013 sales). The optimisation of transport and all initiatives undertaken on this product have helped cut greenhouse gas emissions by half. With the same concern in mind, a deposit system for bottles of Mount Gay rum was launched in Barbados this year.

In France, for the sale of its products during the 2012 calendar year, the Group used 2,026 tonnes of packaging, including 1,957 tonnes of glass, 28 tonnes of cardboard and 16 tonnes of plastic materials. The remaining 25 tonnes were made up of miscellaneous materials (wood, aluminium, crystal, cork, etc.). These tonnages correspond to an average package weight of 947 g per litre of product (GRI indicator EN1).

CLIMATE CHANGE AND BIODIVERSITY

With respect to adapting to climate change, the Group examines this issue through its presence on relevant interprofessional bodies.

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

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

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

Five hives were installed in the Charente region. The Group will also incorporate the protection of wild bees, for example by installing bee "hotels", into the replanting projects carried out in partnership with the ONF.

Rémy Cointreau also entered into an innovative project with the Charente Chamber of Agriculture. Along the same lines as the initiatives undertaken to dedicate fallow land to bees, the Group confirmed its interest in a three-year agronomic research programme on the most profitable crops for fallow soil.

2.4 Societal information

2.4.1 Citizenship: relations with stakeholders

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

A conspicuous presence in local economies, Rémy Cointreau works alongside associations, schools and universities, and bodies dedicated to economic development, providing its expertise in various key areas and promoting the virtues of a CSR policy.

For example, Rémy Cointreau took part in the Annual Congress of French Chambers of Commerce and Industry held in Angers. Its commitment is also reflected in its support for regional associations that work to promote sustainable development.

Keen to promote a positive culture of corporate responsibility in training courses, the Group took part, for example, in the La Rochelle Conférence des Grandes Écoles.

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

Rémy Cointreau continues to actively support local associations working towards social progress. Working alongside the Fondation de la Deuxième Chance (Second Chance Foundation) for the last ten years, the Group has helped disadvantaged people formulate a viable career plan. In addition to financial support, they benefit from mentoring to help them put together the relevant documents and build their plan. Rémy Cointreau supported 16 such plans in the Charente region in 2012.

2.4.2 Suppliers: sharing our responsibility requirements

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

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

The use of sub-contractors is kept to a bare minimum and only applies to activities in low-risk geographical regions.

An internal purchasing code of conduct incorporates the principles of sustainable development, based mainly on the 10 principles of the Global Compact, the international organisation to which Rémy Cointreau has belonged since 2003. Every contract signed with suppliers refers to this charter, specifying that the supplier must comply with the principles set forth therein, i.e. respect and promotion of human rights and the principles of the ILO, protection of the environment and the fight against corruption.

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

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

  Overall, more than 99% of Rémy Cointreau's suppliers (in terms of net sales) were chosen and assessed on their social responsibility commitments and actions. The audits carried out by SGS or the Group's teams supplement the CSR assessment.
- "Non-production" suppliers are now included in the CSR assessment scope. The questionnaire issued to them is identical to the questionnaire sent to production suppliers. 65% of suppliers (in terms of net sales) were chosen and 76% (in number) replied.

Drawing on close cooperation between the Purchasing and CSR departments, these processes allow the Group to foster a culture of responsibility that is especially important to it, as overall the selected suppliers represent 88% of all of Rémy Cointreau's suppliers in terms of net sales, among whom 89% in number have undergone a CSR assessment.

2.4.3 Honest practices

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

A TRANSPARENCY POLICY GUIDED BY A SET OF REFERENCE DOCUMENTS

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

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

- **Global Compact:** already a member of the Global Compact for a number of years, Rémy Cointreau intends to maintain this commitment, which guarantees its responsible actions and the compliance of its policy with international ethical standards, in the long-term;
- **Corporate Social Responsibility Charter:** reviewed this year and aligned with standard ISO 26000, it forms the basis of the Group's CSR policy. The charter has been widely distributed in French and English. Committed to making sure it is followed

on a daily basis and in the belief that responsibility concerns everyone, Rémy Cointreau supported the distribution of the charter by arranging awareness-raising initiatives for all staff;

- **Code of business ethics:** the Group's sole reference guide, it has been translated into the 13 languages spoken throughout the Group. Linking the rules of conduct specific to Rémy Cointreau and its CSR commitments with the guiding principles of the Global Compact and the OECD, it guides the commercial, social and environmental practices of all employees. The Code deals with the following subjects, divided into four main sections:
  - responsibility in business: compliance with the law, competition, responsible communication, conflicts of interest, gifts and hospitality, corruption,
  - responsibility to others: political activities, respect for people, responsible consumption, respect for the environment, health and safety, commitments to customers, consumers and suppliers,
  - responsibility to the Company: protecting the reputation of the Company, confidentiality and insider trading, Company assets and resources, information and communication systems, intellectual property, cash transactions, business and financial data, illegal activities,
  - key principles.

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

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

2.4.4 Consumers

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

PROMOTING RESPONSIBLE CONSUMPTION

Issues of societal responsibility have a special resonance for Rémy Cointreau. In 2004, the Group set up a Committee for Responsible Communication (CCR), which examines prospective communication campaigns and ensures compliance with local regulations and the Charter for Responsible Communications (see 2.4.3).

The CCR states its view, whilst also focusing particular attention on strict compliance with local regulations in terms of food safety, communication and consumer information.

Validation procedures were revised last year. All departments working on such projects were involved. The committee evaluated more than 10 campaigns this year (GRI indicators PR6/PR7).

In 2011, the Group also pledged to comply with the charter of responsible communication of the Union des Annonceurs.

Rémy Cointreau manufactures high-quality products that are intended to be consumed in moderation. The risk of excessive alcohol consumption is a major concern. The Alcohol and Society monitoring unit, created several years ago, allows the Group to stay tuned to societal trends. The Group continues to invest in research on alcoholism via IREB, the industry-based institute for scientific research on beverages chaired by the Group's CSR Director, providing support for its first congress on alcohol-related problems, held in Paris in March 2013.

Rémy Cointreau is also an active stakeholder in the development of prevention programmes for "Alcohol" risk conducted by Entreprise et Prévention, an association.

Further action in favour of consumer food safety can be found in the Group's membership of IFSP (International Federation of Spirit Producers), which works to combat counterfeiting worldwide.

The Group's actions, in terms of both advertising and public information, are in line with those of other major operators in the Wines and Spirits industry, who uphold self-regulation. Rémy Cointreau has joined forces with them in the governing bodies of national, European and international organisations to promote actions in connection with moderate consumption and support for product labelling aimed at fostering responsible consumption: generalisation of the logo of a pregnant woman in all European countries and reference to the responsibledrinking.eu website.

MAINTAINING HIGH-QUALITY RELATIONSHIPS WITH ITS CUSTOMERS

Rémy Cointreau keeps a very close eye on the demands of its customers, responding to them as quickly and completely as possible, through constant monitoring, especially on social networks. This year, an overhaul of the Marketing Services sector resulted in the development of a policy that dovetails particularly well with consumer expectations. Similarly, principles governing the respect of private data have been adopted.

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

The site visits offered by the Group also reflect its quest for excellence. Tailor-made programmes, a warm welcome: Rémy Martin's oenotourism offer in Cognac puts an emphasis on developing warm relationships with visitors, while offering tours featuring know-how related to spirits, their heritage and their history. On 30 January 2013, the quality of "*Rendez Vous Rémy Martin*" won the national oenotourism awards in the "development of a cellar or viticulture site" category.

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

2.5 Appendix: table of environmental indicators by site

	2010/2011	Value/ standard case	2011/2012	Value/ standard case	2012/2013	Value/ standard case	Value/ hectolitre of wine
Total energy consumption, in MWh, and in kWh for values per standard case or hectolitre of wine							
Total	15,884	3.43	15,315	3.56	20,097	3.71	
o/w Cointreau	7,452	2.73	7,913	3.24	8,773	3.52	
o/w E. Rémy Martin & Cie	8,432	4.44	7,402	3.99	7,953	4.23	
o/w Domaines Rémy Martin					2,661		71.0
o/w Mount Gay rum					710	2.22	
Direct energy consumption (gas, fuel oil), in MWh, and in kWh for values per standard case or hectolitre of wine (GRI indicator: EN3)							
Total	7,912	1.71	7,384	1.72	11,057	2.03	
o/w Cointreau	5,059	1.86	5,367	2.20	6,161	2.47	
o/w E. Rémy Martin & Cie	2,852	1.50	2,017	1.09	2,712	1.44	
o/w Domaines Rémy Martin					2,184		58.3
Indirect energy consumption (electricity), in MWh, and in kWh for values per standard case or hectolitre of wine (GRI indicator: EN4)							
Total	7,973	1.72	7,931	1.85	9,041	1.82	
o/w Cointreau	2,393	0.88	2,546	1.04	2,612	1.05	
o/w E. Rémy Martin & Cie	5,580	2.94	5,384	2.90	5,241	2.79	
o/w Domaines Rémy Martin					478		12.74
o/w Mount Gay rum					710	2.22	
Water consumption, in m^3, and in litres for values per standard case or hectolitre of wine (GRI indicator: EN8)							
Total	53,605	11.6	59,940	13.9	65,256	13.9	
o/w Cointreau	27,800	10.2	32,048	13.1	32,343	13.0	
o/w E. Rémy Martin & Cie	25,805	13.6	27,892	15.0	28,656	15.2	
o/w Domaines Rémy Martin					4,257		113.6
Paper consumption, in millions of sheets (GRI indicator: EN1)							
Total	3.08		3.12		2.85		
o/w Cointreau	0.75		0.66		0.46		
o/w E. Rémy Martin & Cie	1.44		1.78		1.59		
o/w Paris site	0.89		0.69		0.80		
Quantity of waste, in tonnes, and in kg for values per standard case or hectolitre of wine (GRI indicator: EN22)							
Total	1,965		1,956	0.46	2,179	0.50	
o/w Cointreau	1,136		1,062	0.43	1,251	0.50	
o/w E. Rémy Martin & Cie	829		894	0.48	915	0.49	
o/w Domaines Rémy Martin					13		

	2010/2011	Value/ standard case	2011/2012	Value/ standard case	2012/2013	Value/ standard case	Value/ hectolitre of wine
Volume of solid waste sorted, in %							
Total	94		93		92		
o/w Cointreau	96		96		96		
o/w E. Rémy Martin & Cie	90		89		87		
Volume of solid waste recycled, in %							
Total	93		93		91		
o/w Cointreau	96		96		98		
o/w E. Rémy Martin & Cie	90		89		87		
Volume of liquid waste, in m^3, and in litres for values per standard case or hectolitre of wine (GRI indicator: EN 21)							
Total	17,986	3.9	19,284	4.5	23,314	4.2	
o/w Cointreau	10,407	3.8	10,749	4.4	10,977	4.4	
o/w E. Rémy Martin & Cie	7,579	4.0	8,535	4.6	7,444	4.0	
o/w Domaines Rémy Martin					4,893		131
Liquid Waste: BOD, after treatment, in tonnes, and in grammes for values per standard case (GRI indicator: EN21)							
Total					0.56	0.13	
o/w Cointreau					0.55	0.22	
o/w E. Rémy Martin & Cie					0.01	<0.01	
Liquid Waste: COD, after treatment, in tonnes, and in grammes for values per standard case (GRI indicator: EN21)							
Total					2.31	0.53	
o/w Cointreau					2.15	0.86	
o/w E. Rémy Martin & Cie					0.16	0.08	
GHG emissions (Scope 1), in Teq CO_2, and in kgeq CO_2. for values per standard case (GRI indicator: EN16)							
Total			1,691	0.39	1,795	0.41	
o/w Cointreau			1,131	0.46	1,233	0.49	
o/w E. Rémy Martin & Cie			560	0.30	562	0.30	
GHG emissions (Scope 2), in Teq CO_2, and in kgeq CO_2. for values per standard case (GRI indicator: EN16)							
Total			674	0.16	509	0.12	
o/w Cointreau			216	0.09	169	0.07	
o/w E. Rémy Martin & Cie			458	0.25	340	0.18	
GHG emissions (Scopes 1 and 2), in Teq CO_2, and in kgeq CO_2. for values per standard case (GRI indicator: EN16)							
Total			2,365	0.55	2,304	0.53	
o/w Cointreau			1,347	0.55	1,402	0.56	
o/w E. Rémy Martin & Cie			1,018	0.55	902	0.48	

2.6 Appendix: Table of societal indicators

(GRI indicator HR2)	Rate of selected suppliers *(in net sales), as a %*	Rate of assessed suppliers *(in number), as a %*
Production suppliers	99.5	100.0
"Non-production" suppliers	64.8	76.5
Total suppliers	87.6	89.3

2.7 Appendix: CSR 2015 plan

Topic	Actions 13/14	Actions 14/15	Actions 15/16
CSR governance	▪ CSR reporting (objective: international extension) ▪ Code of ethics (objective: international scope) ▪ CSR 2015 plan (objective: international extension)	▪ CSR reporting (objective: international extension) ▪ Environmental management (objective: Barbados site)	▪ CSR reporting (objective: international extension) ▪ Environmental management (objective: Islay site) ▪ Level 3 Certification AHVE (objective: Domaines Rémy Martin) ▪ ISO 26000 (objective: evaluation of Group scope/ISO 26000 compliance rate > 90%)
Working conditions	▪ Reduce the pay gap between men and women in similar positions, with similar skills and levels of experience (objective: reduce disparity between men and women) ▪ Monitor absenteeism (objective: absenteeism < 4%) ▪ Implement "Safety at Work" action plans (objective: reduce workplace accidents and occupational illnesses) ▪ Give special attention to the inclusion of disabled people in the workforce (objective: comply with regulations) ▪ Design, develop and implement training programmes (objective: career development) ▪ Examine adjustments to targeted positions (objective: reduce disparity between men and women)	▪ Reducing pay disparities between men and women working in the same positions and with the same skills and level of experience (objective: reduction in male/female disparity) ▪ Monitoring absenteeism (objective: absenteeism rate < 4%) ▪ "Safety in the Workplace" action plans (objective: reduce workplace accidents and occupational illnesses) ▪ Particular focus on integrating disabled employees into the workforce (objective: compliance with regulations) ▪ Designing, development and implementing training programmes (objective: professional career development) ▪ Organisational study on targeted positions (objective: reduce male/female disparity)	▪ Reducing pay disparities between men and women working in the same positions and with the same skills and level of experience (objective: reduction in male/female disparity) ▪ Monitoring absenteeism (objective: absenteeism rate < 4%) ▪ "Safety in the Workplace" action plans (objective: reduce workplace accidents and occupational illnesses) ▪ Particular focus on integrating disabled employees into the workforce (objective: compliance with regulations) ▪ Designing, development and implementing training programmes (objective: professional career development)

Topic	Actions 13/14	Actions 14/15	Actions 15/16
Winemaking	▪ Reduce the use of pesticides (objective: soil protection/rate of reduction > 15%) ▪ Raise environmental awareness among winemakers (objective: briefings)	▪ Reduce in the use of pesticides ▪ Raise environmental awareness among winemakers (objective: creation of an Environment reference framework)	▪ Reducing the use of pesticides ▪ Raise environmental awareness among winemakers (objective: AHVE certification)
Environment	▪ Energy, water and paper (objective: optimise consumption) ▪ Renewable energy (objective: feasibility studies) ▪ CO_2 emissions (objective: Carbon Footprint Scopes 1 & 2) ▪ Solid waste (objective: sorting and recycling rate > 90%) ▪ Liquid waste (objective: BOD and COD discharges < 5 tonnes) ▪ Biodiversity (objective: "Bees/ Forests" conservation)	▪ Energy, water and paper (objective: optimise consumption) ▪ Renewable energy (objective: feasibility studies) ▪ CO_2 emissions (objective: Carbon Footprint Scopes 1, 2 & 3) ▪ Solid waste (objective: sorting and recycling rate > 90%) ▪ Liquid waste (objective: discharged waste BOD and COD < 5 tonnes) ▪ Biodiversity (objective: "Bees/ Forests" preservation initiatives)	▪ Energy, water and paper (objective: optimised consumption) ▪ Renewable energy (objective: rate of green energy used 10%) ▪ CO_2 emissions (objective: Carbon Footprint Scopes 1 & 2) ▪ Solid waste (objective: sorting and recycling rate > 90%) ▪ Liquid waste (objective: discharged waste BOD and COD < 5 tonnes) ▪ Biodiversity (objective: "Bees/ Forests" preservation initiatives)
Fair trade practices	▪ CSR Charter, communication and responsible consumption charters, internal code of business ethics (objective: comply with charters and codes/transparent practices)	▪ CSR Charter, communication and responsible consumption charters, internal code of business ethics (objective: comply with charters and codes/transparent practices)	▪ CSR Charter, communication and responsible consumption charters, internal code of business ethics (objective: comply with charters and codes/transparent practices)
Citizenship	▪ Exchange of best CSR practices in the fields of education and business (objective: be a player in sustainable regional development)	▪ Exchange of best CSR practices in the fields of education and business (objective: be a player in sustainable regional development)	▪ Exchange of best CSR practices in the fields of education and business (objective: be a player in sustainable regional development)
Suppliers	▪ Sustainable, responsible purchasing (objective: CSR assessment of suppliers/rate of selected suppliers: > 90%/rate of assessed suppliers > 90%)	▪ Sustainable, responsible purchasing (objective: CSR assessment of suppliers/rate of selected suppliers: > 92%/rate of assessed suppliers: > 92%)	▪ Sustainable, responsible purchasing (objective: CSR assessment of suppliers/rate of selected suppliers: > 95%/rate of assessed suppliers: > 95%)
Consumers	▪ Monitor and validate campaigns (objective: comply with the internal charter/campaign verification rate > 90%)	▪ Monitor and validate campaigns (objective: comply with the internal charter/campaign verification rate > 95%) ▪ ISO 22000 certification (objective: 75% of production sites)	▪ Monitor and validate campaigns (objective: comply with the internal charter/campaign verification rate > 95%) ▪ ISO 22000 certification (objective: all production sites)

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

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

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

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

Rémy Cointreau's corporate social responsibility (CSR) charter is based on six main commitments calculated on standard ISO 26000 and applied to the particular characteristics of the Group.

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

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

2.8.1 Reporting protocol

The 2012/2013 reporting protocol is an internal document that describes Rémy Cointreau's CSR commitments and presents the structure and the resources implemented to ensure that reports are of high standard and reliable.

It acts as a guide for internal reporting and a standard for the external verification in 2012/2013 of the various CSR indicators set forth in Article 225 of the Grenelle de l'Environnement.

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

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

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

2.8.2 Scope

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

In accordance with Article 225 of the Grenelle II law, the CSR reporting scope is based on the Group's consolidated financial scope and includes 21 companies (production sites and distribution companies).

Companies that are exclusively financial and joint ventures not controlled by the Group are not included in the CSR reporting scope. The same applies to companies disposed of and acquired during the year. The newly-acquired companies Bruichladdich Distillery Company (Scotland) and Larsen (France) are excluded from the reporting scope this year. Only Bruichladdich's workforce is included in the Group's total workforce.

The Paris administrative site and the distribution subsidiaries are excluded from the environmental reporting scope. The Barbados site is included where data is available.

Generally speaking, the environmental information covers the production sites of Cognac and Angers, i.e. 93% of the cases produced, together with Domaines Rémy Martin (Rémy Martin vineyards).

The Barbados site only reported its electricity consumption for this year. The scope does not include the administrative site in Paris or the distribution subsidiaries, as their environmental impacts were not deemed significant.

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

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

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

1. **Number of employees**

   The employee-related reporting scope covers all subsidiaries of the Rémy Cointreau Group for information relating to the workforce.

2. **Movements**

   Companies based in Europe (outside France), which account for only 12% of the Group's workforce for indicators relating to training and movements, are not included.

3. **Other indicators**

Training: the training data of the French subsidiaries takes into account training programmes taken both as part of and outside continued professional development. The number of employees trained takes into account all employees who took at least one training course during the year, including those who were no longer present as of 31 December 2012. For Barbados, only training courses lasting for at least one hour are listed. For other companies, only those lasting for at least one day are listed.

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

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

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

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

2.8.3 Indicators used

The 2012/2013 protocol presents the indicators available at the end of the year.

EMPLOYEE-RELATED INDICATORS

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

ENVIRONMENTAL INDICATORS

Energy

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

Water and liquid waste

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

Winemaking

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

Raw materials for packaging

- Reduction in the weight of glass used in packaging: Group
- Raw materials for packaging France: Group

Office paper

- Paper consumption: Angers, Cognac and Paris sites

Solid Waste

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

Carbon footprint

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

Investment and training

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

SOCIETAL INDICATORS

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

2.8.4 Relevance of indicators

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

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

2.9 Concordance table

CSR concordance table based on decree No. 2012-557 of 24 April 2012	*Pages*
EMPLOYEE-RELATED INFORMATION	
Employment	
Total workforce (breakdown of employees by gender and geographical area)	18
Employees recruited (permanent and fixed-term contracts, any recruitment difficulties)	17
Redundancies (reasons, efforts to reclassify staff, to re-employ staff and accompanying measures)	17
Remuneration (change, social security charges, profit sharing and employee savings plan)	19
Organisation of working hours	
Organisation of working hours (duration of working hours for full-time and part-time employees, overtime, external labour)	19
Absenteeism	22
Employment relations	
Organisation of social dialogue (rules and procedures for informing, consulting and negotiating with staff)	20
Review of collective agreements	21
Health and safety	
Health and safety conditions in the workplace	21-22
Agreements signed with trade union organisations and staff representatives pertaining to health and safety in the workplace	21
Workplace accident frequency and severity rate and accounting for occupational illnesses	22
Promotion of and compliance with the provisions of the core conventions of the ILO (upholding freedom of association and the right to collective bargaining, eliminating discrimination and forced labour and abolishing child labour)	16

CSR concordance table based on decree No. 2012-557 of 24 April 2012	*Pages*
Training	
Policies implemented with respect to training	19-20
Total number of training hours	20
Equal treatment	21
ENVIRONMENTAL INFORMATION	
Overall environmental policy	
Company organisational structure and assessment and certification procedures	16
Training and information for employees on protecting the environment	22
Resources devoted to preventing environmental hazards and pollution	23
Amount of provisions and guarantees for environmental risks	23
Pollution and waste management	
Prevention, reduction and repair of discharges into air, water and soil severely affecting the environment	25-27
Prevention of waste production, waste recycling and elimination	25-27
Handling of noise pollution	25
Handling of all other forms of pollution specific to an activity	n/a
Sustainable use of resources	
Water consumption and supply according to local constraints	24-25
Consumption of raw materials and measures taken to improve their efficient use	25, 27
Energy consumption, measures taken to improve energy efficiency and use of renewable energy	23-24
Use of soil	23
Climate change	
Greenhouse gas emissions	26-27
Adaptation to the consequences of climate change	27
Protection of biodiversity	
Measures taken to preserve or develop biodiversity	27
SOCIAL INFORMATION	
Regional, economic and social impact of activity	17-19, 23
Relations with stakeholders	
Terms of dialogue with stakeholders (work integration associations, educational establishments, environmental protection associations, consumer associations and neighbouring populations)	28
Partnership and sponsorship initiatives	28
Subcontractors and suppliers	
Taking social and environmental issues into account in the purchasing policy	28
Importance of subcontracting and taking suppliers' corporate social responsibility into account in relations with them	28
Honest practices	
Actions undertaken to prevent corruption	28-29
Measures taken to promote consumer health and safety	29
Actions undertaken to promote human rights	16

2.10 Independent Auditor's Certificate of Inclusion and limited assurance report on the employee-related, environmental and societal information

For the attention of senior management,

As requested and in our capacity as Independent Auditors of Rémy Cointreau, we hereby report to you on the consolidated employee-related, environmental and societal information included in the management report prepared for the year ended 31 March 2013, pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

COMPANY'S RESPONSIBILITY

It is the responsibility of the Company's Board of Directors to prepare a management report containing the consolidated employee-related, environmental and societal information required by article R. 225-105-1 of the French Commercial Code (hereafter referred to as "the information"), prepared in accordance with the reference framework used by the Company ("the reference framework") which is available on request from the CSR Director at the following address: christian.lafage@remy-cointreau.com, and of which a summary is included at the end of the section of the management report entitled "Corporate Social Responsibility" (hereafter referred to as the "Note on methodology").

INDEPENDENCE AND QUALITY CONTROL

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

INDEPENDENT AUDITOR'S RESPONSIBILITY

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

- attest that the required information is included in the management report or, if omitted, is subject to an explanation pursuant to the third paragraph of Article R. 225-105 of the French Commercial Code and decree No. 2012-557 of 24 April 2012 (Certificate of Inclusion);
- express a conclusion of limited assurance on the fact that the information is present, in all material respects and in a fair manner in accordance with the reference framework used (limited assurance report).

I. Certificate of Inclusion

We carried out the following tasks in accordance with professional standards applicable in France:

- we compared the information included in the management report with the list provided by Article R. 225-105-1 of the French Commercial Code;
- we verified that the information covered the consolidated scope, i.e. the Company and its subsidiaries within the meaning of Article L. 233-1 and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code, with the limits specified in the note on methodology, namely the exclusion of the newly-acquired companies Bruichladdich (Scotland) and Larsen (France);
- where any consolidated information was omitted, we verified that explanations were provided in accordance with the provisions of decree No. 2012-557 of 24 April 2012.

Based on this work, we certify that all required information is included in the management report.

II. Limited assurance report

NATURE AND SCOPE OF THE WORK

We carried out our work in accordance with ISAE 3000 (International Standard on Assurance Engagements) and the professional standards applicable in France. We performed the procedures described below to obtain limited assurance that the information contained no material misstatements liable to call into question its fairness, in all material respects, in accordance with the reference framework. A higher level of assurance would have required more extensive auditing work.

We carried out following tasks:

- we assessed the appropriateness of the reference framework with respect to its relevance, exhaustiveness, neutrality, clarity and reliability, taking good industry practices into account where applicable;
- we verified the implementation within the Group of a collection, compilation, processing and checking process ensuring the exhaustiveness and consistency of the information. We obtained an understanding of the internal control and risk management procedures relating to the preparation of information. We conducted interviews with those responsible for employee-related and environmental reporting;
- we selected consolidated information to be tested[1] and determined the nature and scope of the tests, taking into consideration their importance with respect to the employee-related and environmental consequences associated with the Group's activity and characteristics and its societal commitments.
  - With respect to the consolidated quantitative information we deemed most important:
  - at the level of the consolidating entity and the controlled entities, we implemented analytical procedures and verified, based on sampling, the calculations and the consolidation of this information:
  - at the level of the subsidiaries and the site we selected[2] based on their activity, their contribution to the consolidated indicators and a risk analysis, we:
    - conducted interviews to verify that procedures were applied correctly,
    - carried out detailed tests on samples, consisting of verifying the calculations made and reconciling the data with supporting documents.

    The selected sample represents 43% of the workforce and 29% of electricity consumption. Where other quantitative environmental information is concerned, the absence of available data for the Barbados site does not allow us to calculate a coverage rate.
  - With respect to the consolidated qualitative information we deemed to be most important, we conducted interviews and revised the associated documentary sources in order to corroborate this information and assess its fairness. As regards the topic of fair trade practices, the interviews were held only at the level of the consolidating entity;
- for other published consolidated information, we assessed its fairness and consistency with our knowledge of the Company and, where applicable, through interviews or consultation of documentary sources;
- finally, we assessed the appropriateness of the explanations relating, where applicable, to the absence of information.

COMMENTS ON THE REFERENCE FRAMEWORK

- The reporting scope raises the following comments:
  - with respect to the environmental information, the Mount Gay rum production site (Barbados) only reported its electricity consumption,
  - with respect to employee-related and safety information, the subsidiaries excluding France and Barbados did not report information relating to absenteeism and workplace accidents.

  The Group should pursue the inclusion of these entities.
- Where the "absenteeism rate", "frequency rate", "severity rate", "occupational illnesses", "number of training hours" and "Chemical Oxygen Demand" indicators are concerned, the reference framework should specify certain definitions and calculation methodologies more clearly in order to limit the risk of misinterpretation;
- The internal controls and processes for educating the persons contributing to the reporting of data must be maintained and strengthened in order to improve knowledge and standardised application of the reference framework, in particular where the "frequency rate", "severity rate", "occupational illnesses", "number of training hours", "Chemical Oxygen Demand" and "greenhouse gas emissions" indicators are concerned.

(1) Employee-related information: workforce and movements, health and safety conditions in the workplace, workplace accidents, their frequency and severity, occupational illnesses, training; environmental information: assessment and certification processes, the amount of provisions and guarantees for environmental risks, water emissions and the quantity of Chemical Oxygen Demand (COD), solid waste and its recycling, water consumption and local constraints, the consumption and efficient use of raw materials, energy consumption and efficiency, greenhouse gas emissions; societal information: subcontractors and suppliers, corruption, consumer health and safety.

(2) French subsidiaries and Angers production site (France).

CONCLUSION

Based on our work, we found no material misstatements liable to call into question the fact that the information is presented, in all material respects, in a true and fair way and in accordance with the framework.

Paris-La Défense, 5 June 2013
The Independent Auditor

ERNST & YOUNG et Associés
Sustainable Development department

Represented by
Eric Mugnier

3

CORPORATE GOVERNANCE AND INTERNAL CONTROL

3.1 Composition of administrative and management bodies

Since 7 September 2004, the Company has been governed by a Board of Directors. The Board of Directors elected on the same day to split the functions of Chairman of the Board and Chief Executive Officer. The Company conforms to the corporate governance in force and adopted the AFEP-MEDEF code in December 2008.

3.1.1 Board of Directors

CHAIRMAN

FRANÇOIS HÉRIARD DUBREUIL

CHAIRMAN FROM 20 NOVEMBER 2012

French nationality, 65 years old.
Date first appointed: *7 September 2004.*
Date term of office expires: *Shareholders' Meeting to approve the 2015 financial statements.*
BUSINESS ADDRESS: *Andromède – 123 avenue des Champs Élysées – 75008 Paris*

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

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Chairman of the Management Board of Andromède SA.

OTHER APPOINTMENTS OUTSTANDING:

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

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

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

3

DIRECTORS

MRS DOMINIQUE HÉRIARD DUBREUIL

CHAIRMAN UNTIL 20 NOVEMBER 2012

French nationality, 66 years old.
Date first appointed: *7 September 2004.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Professional address: *Rémy Cointreau – 21 boulevard Haussmann – 75009 Paris*

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

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

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

OTHER APPOINTMENTS OUTSTANDING:

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

Appointments within the Rémy Cointreau Group

- Chairman of E. Rémy Martin & C° SASU
- Chairman of Cointreau SASU.
- Supervisory Director of Rémy Cointreau Nederland Holding NV.
- Director of Rémy Concord Ltd.
- Director of Rémy Pacifique Ltd.
- Chairman of Rémy Cointreau Amérique Inc.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Chief Executive Officer of Andromède SAS.
- Director of Baccarat SA.
- Director of Stora ENSO Oyj.

MARC HÉRIARD DUBREUIL

French nationality, 61 years old.
Date first appointed: *7 September 2004.*
Date term of office expires: *Shareholders' Meeting to approve the 2013 financial statements.*
Professional address: *Andromède – 123 avenue des Champs Élysées – 75008 Paris*

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

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Chairman and Chief Executive Officer of Oeneo SA.

OTHER APPOINTMENTS OUTSTANDING:

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

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

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

MR DIDIER ALIX

French nationality, 66 years old.
Date appointed: *27 July 2010.*
Date term of office expires: *Shareholders' Meeting to approve the 2013 financial statements.*
Professional address: *Société Générale – 17 Cours Valmy – 75886 Paris Cedex*

Didier Alix is a graduate of IEP Paris and hAs a posT-graduate degree in economics. He began his career in 1970 at Société Générale where he held various audit and central risk control positions and worked in a number of departments. He was notably a network manager for France, then Deputy Managing Director for the Retail and Business division, then in 2006, Deputy Chief Executive Officer of Société Générale. From 2010 to 2012, he was an Advisor to the Chairman and Chief Executive Officer of Société Générale.

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Advisor to the Chairman of Société Générale.

OTHER APPOINTMENTS OUTSTANDING:

- Chairman of the Supervisory Board of Komercni Banka.
- Chairman and Chief Executive Officer of Sogébail.
- Chairman and Chief Executive Officer of Société Gestion Saint Jean de Passy.
- Chairman of the Fondation d'entreprise SG pour la solidarité.
- Director of Banque Roumaine de Développement.
- Director of SG Private Banking Suisse.
- Director of Yves Rocher.
- Member of the Supervisory Board of Société Générale Marocaine de Banques.
- Director of Crédit du Nord.
- Director of Rocher participations SAS.
- Director of CIPM International SA
- Director of Fayat SAS
- Member of the Supervisory Board of Faiveley Transport.
- Treasurer of Fondation Notre-Dame

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Director of SGBT Luxembourg.
- Director of Société Générale de Banques au Cameroun.
- Director of Société Générale de Banques au Sénégal.
- Director of Société Générale de Banques en Côte d'Ivoire.
- Director of NSGB.
- Director of Franfinance.

MS CAROLINE BOIS

French national, 37 years old.
Date first appointed: *26 July 2011.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Professional address: *Singapore, General Manager – GSS Asia Pacific – International SOS Pte Ltd – 8 Changi Business Park Ave 1 – #09-51 UE Bizhub East 486018*

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

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

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

OTHER APPOINTMENTS OUTSTANDING:

None.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

Director of Veridis Asia Pacific Pte Ltd.

MR JEAN BURELLE

French nationality, 74 years old.
Date first appointed: *3 June 2005.*
Date term of office expires: *Shareholders' Meeting to approve the 2013 financial statements.*
Professional address: *Burelle SA – 1 rue François 1er – 75008 Paris*

Jean Burelle is a graduate of the Federal Institute of Technology in Zurich and holds an MBA from Harvard. He was notably Chairman and Chief Executive Officer of Compagnie Plastic Omnium from 1987 to 2001 and a director of the Franco-German and Franco-American Chambers of Commerce for several years. He has been Chairman and Chief Executive Officer of Burelle SA since 2001. He was appointed Chairman of MEDEF International in November 2005. Jean Burelle is a Knight of the Legion of Honour and an Officer of the National Order of Merit. He has been a Director of the Company since June 2005.

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Chairman and Chief Executive Officer of Burelle SA.

OTHER APPOINTMENTS OUTSTANDING:

- Chairman and Chief Executive Officer of Sogec 2.
- Honorary Chairman and Director of Compagnie Plastic Omnium.
- Chairman of MEDEF International.
- Member of the Supervisory Board of Soparexo (SCA).
- Member of the Supervisory Board of BANK Hottinguer (SCA).
- Permanent representative of Burelle Participations, which itself has a representative on the Board of Directors of Sycovest 1.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Director of Essilor International and Chairman of the Directors' Committee.

MR GABRIEL HAWAWINI

French nationality, 66 years old.
Date first appointed: *27 July 2006.*
Date term of office expires: *Shareholders' Meeting to approve the 2015 financial statements.*
Professional address: *INSEAD, boulevard de Constance – 77305 Fontainebleau*

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

He was the Dean at INSEAD between 2000 and 2006.

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

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Professor at INSEAD.

OTHER APPOINTMENTS OUTSTANDING:

Director of S&B Industrial Minerals.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

Director of Vivendi Universal.

SIR BRIAN IVORY

British nationality, 64 years old.
Date first appointed: *7 September 2004.*
Date term of office expires: *Shareholders' Meeting to APPROVE the 2014 financial statements.*
Professional address: *12 Ann Street – EH4 1PJ Edinburgh – Scotland*

Sir Brian Ivory is a chartered accountant and holds a Master of Arts degree from the University of Cambridge. He has been a director of a number of listed companies in the United Kingdom since 1978, and is currently Chairman of The Scottish American Investment Company plc and Retec Digitel plc. Sir Brian Ivory has been a Director of Orpar, Rémy Cointreau SA parent company, since January 2003. He has been a corporate officer of the Company since November 1991.

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Chairman of The Scottish American Investment Company plc.

OTHER APPOINTMENTS OUTSTANDING:

- Director of Orpar.
- Chairman of Arcus European Infrastructure Fund GP LLP.
- Chairman of Retec Digital plc.
- Chairman of Marathon Asset Management Ltd.
- Vice-Chairman of Shawbrook Bank Ltd.
- Director of Insight Investment Management Ltd.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

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

MR TIMOTHY JONES

British nationality, 68 years old.
Date first appointed: *31 July 2007.*
Date term of office expires: *Shareholders' Meeting to approve the 2013 financial statements.*
Professional address: *8 Kirkwick Avenue, Harpenden ASL 2QL, United Kingdom.*

Tim Jones is a Doctor of Philosophy (PhD) and holds an MBA. He was a manager in the oil industry for a number of years and subsequently Chief Executive Officer of Lloyd's Register for seven years. He has been a Director of Orpar, parent company of Rémy Cointreau SA, since January 2003.

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Director of Double Dragon Underwriting Ltd, CHough LTD and InnovOx Ltd.

OTHER APPOINTMENTS OUTSTANDING:

Member of the Royal Society of Chemistry.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

Deputy Chairman of Education and Learning in Wales.

MS LAURE HÉRIARD DUBREUIL

French nationality, 35 years old.
Date first appointed: *26 July 2011.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Professional address: *1220 Collins Avenue, Miami Beach, FL. 33139, USA.*

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

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Chairman and Chief Executive Officer of The Webster.

OTHER APPOINTMENTS OUTSTANDING:

Chairman of Laure HD Investissements SAS.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- None.

MR PATRICK THOMAS

French nationality, 66 years old.
Date appointed: *16 September 2008.*
Date term of office expires: *Shareholders' Meeting to approve the 2014 financial statements.*
Professional address: *24 rue du Faubourg Saint-Honoré – 75008 Paris*

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

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

General Manager of Hermès International (SCA).

OTHER APPOINTMENTS OUTSTANDING:

- Vice-Chairman and member of the Supervisory Board of Massily Holding.
- Member of the Supervisory Board of Leica Camera AG.

Within the Hermès Group:

- Chairman of Castille Investissements, Compagnie Hermès de Participations, Full More Group, Grafton Immobilier, Hercia, Herlee, Hermès (China), Hermès Asia Pacific, Hermès Canada, Hermès GB Ltd, Hermès Immobilier Genève, Hermès Korea, Hermès Retail Malaysia, Immobilière du 5 rue de Furstenberg, Isamyol 16, Isamyol 17, Isamyol 18, Motsch George V, Hermès Intérieur & Design and Hermès Voyageur.
- Chairman of the Board of Directors of Hermès Italie, Hermès of Hawaii, Hermès of Paris and of Hermtex.
- Director of Boissy Mexico, Boissy Singapore Pte Ltd, Full More Group, Herlee, Hermès China, Hermès Asia Pacific, Hermès Australia, Hermès Benelux Nordics, Hermès Canada, Hermès do Brasil, Hermès de Paris (Mexico), Hermès GB Ltd, Hermès Grèce, Hermès Iberica, Hermès Immobilier Genève, Hermès Italie, Hermès Japon, Hermès of Hawai, Hermès Latin America, Hermès of Paris (USA), Hermès Retail Malaysia, Faubourg Italia, Hermtex, John Lobb Japan, Lacoste, La Montre Hermès, Saint-Honoré (Bangkok), Sipryl Informatique et Shang Xia Trading.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Member of the Supervisory Board of Neuflize OBC bank.
- Chief Executive Officer of Hermès International.
- Chairman of Hermès Holding US.
- Director of Hermès India Retail & Distributors Private Ltd.

MR JACQUES-ÉTIENNE DE T'SERCLAES

French nationality, 66 years old.
Date first appointed: *27 July 2006.*
Date term of office expires: *Shareholders' Meeting to approve the 2015 financial statements.*
Professional address: *14 rue des Sablons – 75116 Paris*

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

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

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

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

OTHER APPOINTMENTS OUTSTANDING:

- Director of Altran Technologie SA.
- Director of Banimmo (Belgium).

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

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

NUMBER OF INDEPENDENT BOARD MEMBERS

Five in the financial year 2012/2013 and until 31 March 2013:

Jean Burelle, Gabriel Hawawini, Patrick Thomas, Jacques-Étienne de T'Serclaes and Didier Alix.

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

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

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

3.1.2 Chief Executive Officer and Executive Committee

On 7 September 2004, the Board of Directors elected to split the positions of Chairman of the Board and Chief Executive Officer in accordance with Article L. 225-51-1 of the French Commercial Code. Jean-Marie Laborde was appointed Chief Executive Officer on 7 September 2004.

Jean-Marie Laborde was reappointed to his position on 27 July 2010 for a period of three years.

Jean-Marie Laborde, a 65 year-old French national, has a masters degree in economics from the University of Bordeaux and an MBA from the Institut Supérieur des Affaires (HEC/ISA). Jean-Marie Laborde was notably Chairman and Chief Executive Officer of Ricard from 1984 to 1996 and Chairman and Chief Executive Officer of Moet et Chandon from 1996 to 2003. He subsequently became General Manager of the wine division of Worms & Cie. At the same time, he was Chairman and Chief Executive Officer of Burgundy winemaker Antonin Rodet. He joined the Rémy Cointreau Group in September 2004. Jean-Marie Laborde is a member of a number of professional organisations. He is a Knight of the Legion of Honour, an Officer of the National Order of Merit and an Officer of the Order of Arts and Humanities.

PRINCIPAL APPOINTMENT OUTSIDE THE COMPANY

Director of Finadvance.

OTHER APPOINTMENTS OUTSTANDING

- Chairman of Rémy Cointreau Services SAS.
- Chairman of Mount Gay Distilleries Ltd.
- Director of Rémy Cointreau Amérique.
- Director of Cointreau Corporation.
- Supervisory Director of Rémy Cointreau Nederland Holding NV.
- Director of Dynasty Fine Wines Group Ltd.
- Director of Rémy Cointreau South Africa Pty Ltd.

PREVIOUS FUNCTIONS AND APPOINTMENTS

(held during the past five years and now terminated)

- Director of Maxxium Worldwide BV.
- Legal representative of Rémy Cointreau SA, Chairman of RC ONE SAS.
- Legal representative of Rémy Cointreau SA, Chairman of Seguin & Cie SAS.

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

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

3.1.3 Other information on the administrative and management bodies

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

To the best of Rémy Cointreau's knowledge:

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

NATURE OF ANY FAMILY RELATIONSHIPS

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

Caroline Bois is the daughter of François Hériard Dubreuil.

Laure Hériard Dubreuil is the daughter of Marc Hériard Dubreuil.

NO POTENTIAL CONFLICTS OF INTEREST

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

SERVICE CONTRACTS BINDING MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

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

3.1.4 Functioning of the administrative and management bodies

The Chief Executive Officer reports to the Board of Directors.

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

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

Between 1 April 2012 and 31 March 2013, the Board of Directors met eight times. The average attendance rate was 89.75%.

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

3.1.5 Board committees

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

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

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

Dear Shareholders,

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

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

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

The Report of the Chairman of the Board of Directors was approved by the Board of Directors on 4 June 2013, following the consultation of the Audit Committee on 3 June 2013.

3.2.1 Corporate Governance Code

At its meeting of 20 November 2008, the Board of Directors approved the Company's adoption of the AFEP-MEDEF Code issued as a set of recommendations in October 2008 and published officially in December 2008. The Board of Directors confirmed this decision at its meeting held on 4 June 2009.

The latest version of the Code, dated April 2010, is available for consultation at Rémy Cointreau's head office in Paris and on the website www.medef.fr.

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

INTERNAL REGULATIONS

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

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

The Board of Directors updated its internal regulations on 5 December 2005, 5 June 2007, 20 September 2011 and 25 September 2012, mainly to reflect changes in legislation.

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

COMPOSITION OF THE BOARD OF DIRECTORS

It should be noted that Rémy Cointreau's Board of Directors currently comprises 12 members, and that at least 30% of them must, if possible, be independent. There were five independent Directors in 2012/2013, representing 41.7% of its members. The list of Board members, including reference to the positions held in other companies, is provided in the "Corporate governance" section.

We also remind readers that the Shareholders' Meeting of 26 July 2011 appointed two new women Directors in compliance with the new law on the balanced representation of men and women on Boards of Directors. Your Board accordingly now comprises three women, representing 25% of its members.

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

All Board members have extensive and multidisciplinary experience of the business world and international markets. The performance of members of the Board of Directors is assessed throughout the year as they take part in meetings of the Board and its committees. Their assessment is formalised after a year-end summary of responses from each Director to a questionnaire covering the organisation of the Board, the methods by which it is informed, the content of its work and the quality of discussions during its meetings, with both the Chief Executive Officer and the members of the Executive Committee.

TRANSPARENCY RULES

Upon taking office, and then on a regular basis during their term, Directors are given the Guide published by the French Financial Markets Authority (*Autorité des marchés financiers*, AMF), which is aimed at directors of listed companies. It sets out their personal obligations with respect to holding Company shares.

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

Each Director must hold a minimum of 100 shares.

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

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

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

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

MEETING FREQUENCY

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

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

The schedule of Board meetings, the principal items on the agenda and attendance at these meetings during the 2012/2013 financial year were as follows:

9 May 2012

- Decision relating to the early termination of the share buyback programme approved by the Board of Directors' meeting of 22 November 2011; powers attributed to the Chief Executive Officer.
- Expiry on 7 June 2012 of the €346 million syndicated loan entered into on 7 June 2005; decision relating to the €250 million refinancing of the Group in the form of a "club deal" with a small number of banks; powers attributed to the Chief Executive Officer.
- Information update on the proposed acquisition of Bruichladdich Distillery Company Ltd; decision relating to the acquisition of its entire share capital, or otherwise of a majority stake; powers attributed to the Chief Executive Officer.
- Noting of the number and value of shares issued between 1 October 2011 and 31 March 2012 following the exercise of share subscription options; modification of the share capital and Articles of Association accordingly.

Attendance rate: 92%.

5 June 2012

- Examination and approval of the financial statements of the Group for the year ended 31 March 2012; comparison with the budget; report of the Audit Committee.
- Approval of the Company's financial statements for the 2011/2012 financial year.
- Proposal for the appropriation of income and setting of the dividend.
- 2012 Shareholders' Meeting; proposed Board authorisations.
- Notice of the Annual Shareholders' Meeting and an Extraordinary Shareholders' Meeting; setting of the agendas; approval of the Board of Directors' reports and the report of the Chairman to the Annual Shareholders' Meeting; draft resolutions; powers.
- Development projects.

Attendance rate: 92%.

26 July 2012

- Information on the completion of the acquisition of Bruichladdich Distillery Company Ltd.
- Increase implemented by Rémy Cointreau SA in the capital of Rémy Cointreau Services in the amount of €80 million, for the purpose of funding acquisitions.

Attendance rate: 75%.

25 September 2012

- Information from the Board on the acquisition of Bruichladdich Distillery Company Ltd on 31 August 2012.
- Information from the Board on the number and value of shares issued in connection with the option to receive the 2011/2012 dividend in cash or in shares; modification of the share capital and Articles of Association in accordance with the powers granted to the Chairman of the Board by the Board of Directors at its meeting on 26 July 2012.

- Update to the internal regulations of the Board and the guidelines for the Directors relating to the declaration of trading in Rémy Cointreau SA shares, in light of the change in the AMF recommendations.

Attendance rate: 92%.

24 October 2012

- Proposed acquisition of the entire share capital of a cognac company; powers attributed to the Chief Executive Officer.

Attendance rate: 92%.

20 November 2012

- Appointment of François Hériard Dubreuil as Chairman of the Board, in place of Dominique Hériard Dubreuil.
- Examination and approval of the Group's interim financial statements for the year ended 30 September 2012; comparison with the budget; report of the Audit Committee.
- Establishment and review of the provisional management documents referred to in Articles L. 232-2 and L. 232-3 of the French Commercial Code.
- Update on the proposed acquisition of a cognac company.
- Report of the Nomination and Remuneration Committee on the performance criteria for the 2010 bonus share plan; as a result, the decision to increase the share capital by incorporation of reserves, and to modify the Articles of Association; proposal for a new performance share plan.
- Appointment of Dominique Hériard Dubreuil as a member of the Nomination and Remuneration Committee.
- Authorisation of two assistance agreements between Rémy Cointreau SA and Bruichladdich Distillery Company Limited, and Bruichladdich UK Distribution Limited.
- Distribution of Directors' fees.
- Medium-term plan: strategic options and priorities for the Group.

Attendance rate: 92%.

29 January 2013

- Acquisition of Larsen – Le Cognac des Vikings by Rémy Cointreau Services; implementation of the second phase of the sale of certain Company assets; powers attributed to the Chief Executive Officer.
- Decision relating to the obligation to retain the bonus shares granted to the Chief Executive Officer on 20 November 2012.
- Review of general expenses.

Attendance rate: 100%.

27 March 2013

- Review and approval of the 2013/2014 budget.
- Review of the summary dashboard of currency hedges; report on exceptions to the limits of option-based hedges imposed by the Foreign Exchange Charter; request for the exception of the Australian dollar.
- Authorisation of an assistance agreement between Rémy Cointreau SA and Mount Gay Distilleries Ltd.
- Update on Larsen and Distillerie Barbade.
- Assessment of the Board of Directors.

Attendance rate: 83%.

NOTIFICATION OF BOARD MEETINGS

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

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

REMUNERATION

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

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

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

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

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

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

INFORMATION PROVIDED TO BOARD MEMBERS

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

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

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

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

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

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

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

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

A committee of Chairmen known as G4 enables the Chairman of the Board and the Chief Executive Officer to meet regularly with the Chairman of Orpar, Rémy Cointreau's parent company, and the Managing Director of Andromède, the parent of Orpar and the Group's ultimate parent company. This committee enables the Company's management to be better informed on the strategies adopted within the Group's sector of activity, and as such to prepare the work of the Board of Directors under the best possible conditions.

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

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

MEETING LOCATION

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

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

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

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

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

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

During the 2012/2013 financial year, the meetings of the Board of Directors held on 9 May, 24 October and 20 November 2012, and 29 January and 27 March 2013 made use of tele- or videoconferencing.

BOARD COMMITTEES

Three committees have been created within the Board of Directors.

The Board defines their composition and powers. Each committee must include at least one independent Director. The Board appoints a member of each committee as Chairman.

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

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

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

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

Audit Committee

Chairman: Jacques-Etienne de T'Serclaes.

Members: Marc Hériard Dubreuil, Caroline Bois, Didier Alix.

Number of independent members: 2.

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

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

This committee met on two occasions, on 4 June and 19 November 2012, with the participation of the Statutory Auditors. The attendance rate was 100%.

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

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

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

The following are the main items addressed during these meetings:

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

Strategy, Development and Marketing Committee

Chairman: Dominique Hériard Dubreuil

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

Number of independent members: two.

This committee met on 25 September 2012. The attendance rate was 75%. These committee meetings are systematically opened up to the other members of the Board. Its work was focused on the Group's Liqueurs & Spirits brand portfolio.

Nomination and Remuneration Committee

Chairman: Sir Brian Ivory.

Members: François Hériard Dubreuil until 20 November 2012, then Dominique Hériard Dubreuil from that date, and Jean Burelle.

Number of independent members: one.

This committee met on 4 June, 4 July, 24 September and 19 November 2012. The attendance rate was 100%. It discussed the following items:

- assessment of the quantitative and qualitative objectives of the Executive Committee members and determination of the variable remuneration in respect of 2011/2012;
- analysis of the fixed remuneration of Executive Committee members;
- determination of qualitative and quantitative objectives for Executive Committee members for 2012/2013;
- changes in tax and social contributions in France;
- assessment of performance criteria included in the 2010 performance-share plan;
- proposal for the allocation of performance shares in respect of 2012;
- assessment of potential and succession plans;
- determination of the profit-sharing premium.

Each committee reports its findings to the Board of Directors.

APPROVAL OF REGULATED AGREEMENTS BY THE BOARD OF DIRECTORS

During the year under review, the Board of Directors approved three agreements between Group companies:

- approval of an assistance agreement between Rémy Cointreau SA and Bruichladdich Distillery Company Limited taking effect on 1 September 2012;
- approval of an assistance agreement between Rémy Cointreau SA and Bruichladdich UK Distribution Limited taking effect on 1 September 2012;
- approval of an assistance agreement between Rémy Cointreau SA and Mount Gay Distilleries Ltd taking effect on 28 March 2013.

MINUTES OF MEETINGS

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

3.2.3 Internal control: definition, objectives and scope

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

THE GENERAL PRINCIPLES OF RISK MANAGEMENT

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

THE DEFINITION AND OBJECTIVES OF RISK MANAGEMENT

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

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

THE COMPONENTS OF RISK MANAGEMENT

Risk management organisation

Ground rules on the definition of key risks, setting standards such as the assessment of their importance and tolerance limits, and procedures for collection of information, have been clearly defined since the formalisation of risk mapping in April 2008.

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

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

Risk management procedures

Risk management procedures comprise four distinct stages:

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

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

Permanent monitoring of risk management

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

CONNECTION BETWEEN RISK MANAGEMENT AND INTERNAL CONTROL

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

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

THE GENERAL PRINCIPLES OF INTERNAL CONTROL

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

The definition and objectives of internal control

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

It aims in particular to ensure:

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

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

The components of internal control

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

An appropriate and structured organisation

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

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

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

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

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

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

An internal distribution system for relevant information

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

- departmental meetings organised on a periodic basis by the Group's various players, in order to publish and share operational information, exchange points of view, set priorities and co-ordinate action plans;
- technical databases housed within the Group's intranet, which are accessible 24/7 worldwide and which enable the various participants to consult the information necessary for the proper performance of their duties; and
- structured data warehouses, updated on a daily basis, providing the people concerned with relevant and reliable information to enable them to make timely decisions.

Risk management

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

Control procedures

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

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

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

Permanent monitoring of internal control

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

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

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

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

SCOPE OF RISK MANAGEMENT AND INTERNAL CONTROL

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

PERSONS INVOLVED IN RISK MANAGEMENT AND INTERNAL CONTROL

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

Executive Committee

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

Board of Directors

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

Audit Committee

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

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

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

Internal audit

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

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

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

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

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

Group Finance department

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

Group Operations department

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

Group Market Management department

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

Legal and Insurance department

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

Company Management Committees

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

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

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

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

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

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

Accounting and financial organisation guidance procedure

Organisation

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

Financial and accounting procedures

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

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

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

IT systems organisation and safety

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

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

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

The Statutory Auditors

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

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

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

Processes contributing to the preparation of accounting and financial information

Operating processes for preparing accounts

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

Closing process and preparation of the consolidated financial statements

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

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

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

Financial communication procedure

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

3.2.4 Limitations on the powers of the Chief Executive Officer

The Chief Executive Officer oversees the general management of the Company, and reports to the Board of Directors. The Board renewed the Chief Executive Officer's term of office on 31 July 2007 and again on 27 July 2010, for periods of three years.

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

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

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

On 5 June 2012, the Board of Directors also authorised, for a period of one year, the Chief Executive Officer to grant sureties, pledges and guarantees in the name of the Company up to an overall ceiling of €50 million in a given year. Any commitment exceeding this ceiling requires the specific approval of the Board.

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

This authorisation was renewed for a period of one year by the Board of Directors' at its meeting of 4 June 2013.

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

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

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

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

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

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

3.3 Report of the Statutory Auditors, in accordance with Article L. 225-235 of the French Commercial Code, on the Report of the Chairman of the Board of Directors of Rémy Cointreau SA

To the Shareholders,

In our capacity as Statutory Auditors of Rémy Cointreau SA, and in accordance with article L. 225-235 of the French Commercial Code (*Code de commerce*), we report to you on the report prepared by the Chairman of your Company in accordance with article L. 225-37 of the French Commercial Code (*Code de commerce*) for the year ended 31 March 2013.

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

Our role is to:

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

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

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

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

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

On the basis of our work, we have nothing to report on the information in respect of the Company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the Chairman of the Board of Directors in accordance with Article L. 225-37 of the French Commercial Code (*Code de commerce*).

Other information

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

Paris-La Défense and Paris, 5 June 2013
The Statutory Auditors

Auditeurs & Conseils Associés
Nexia International
Olivier Juramie

Ernst & Young et Autres
Pierre Bidart

3.4 Remuneration and benefits

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

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

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

- cash remuneration – fixed and annual variable remuneration (bonus);
- deferred remuneration – potential allocation of performance shares and supplementary pension plan.

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

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

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

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

Variable annual remuneration – the bonus – is linked to objectives specified at the beginning of the period and approved by the Board of Directors. These objectives are partly quantitative and partly qualitative, and are based on the specific challenges identified for the financial year in question. The target bonus of the Chief Executive Officer represents 120% of his/her gross annual remuneration. In the event of quantitative objectives being exceeded, the bonus is capped at 150% of the gross annual remuneration.

In 2012/2013, the quantitative targets, as in previous years, were: operating profit, cash generation, net profit and ROCE (return on capital employed).

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

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

The objectives of the supplementary defined-benefit pension plan are to retain the loyalty of the executives concerned and to encourage long-term performance. This system is founded on the payment of an annuity, the value of which, expressed as a percentage of remuneration, is based on the executives' seniority. Payment of the annuity is subject to the condition of employment at the time of retirement; its amount varies from 8% to 15% of gross annual remuneration, depending on the age of the beneficiary at the time of retirement. Since July 2010, these provisions, which no longer concern Jean-Marie Laborde, the Chief Executive Officer, apply to the Group's main executives.

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

As of 1 July 2010, Jean-Marie Laborde, Chief Executive Officer, renounced his employment contract in accordance with the AFEP-MEDEF Code, to which Rémy Cointreau is party. On this date, Jean-Marie Laborde also relinquished the deferred compensation which the Shareholders' Meeting had approved on the proposal of the Board of Directors on 2 June 2010.

3.4.2 Remuneration of Executive Directors

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

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

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

(in €)	2013	2012
François Hériard Dubreuil, Chairman (from December 2012 to March 2013)		
Remuneration due in respect of the period (specified in Table 2)	234,878	239,304
Value of options granted during the financial year	–	–
Value of performance shares granted during the financial year	–	–
TOTAL	**234,878**	**239,304**
Dominique Hériard Dubreuil, Chairman (from April 2012 to November 2012)		
Remuneration due in respect of the period (specified in Table 2)	260,764	260,227
Value of options granted during the financial year	–	–
Value of performance shares granted during the financial year	–	–
TOTAL	**260,764**	**260,227**
Jean-Marie Laborde, Chief Executive Officer		
Remuneration due in respect of the period (specified in Table 2)	1,617,046	1,664,909
Value of options granted during the financial year	–	–
Value of performance shares granted during the financial year (specified in Table 6)	1,582,510	1,111,500
TOTAL	**3,199,556**	**2,776,409**

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

	2013		2012	
	Payable	Paid	Payable	Paid
François Hériard Dubreuil, Chairman (from December 2012 to March 2013)				
Fixed remuneration – Rémy Cointreau	60,157	60,157	0	0
Fixed remuneration – controlling companies	145,321	145,321	205,804	205,804
Variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Director’s fees – Rémy Cointreau	29,400	29,400	28,500	28,500
Director’s fees – controlling companies	0	0	5,000	5,000
TOTAL	**234,878**	**234,878**	**239,304**	**239,304**
Dominique Hériard Dubreuil, Chairman (from April 2012 to November 2012)				
Fixed remuneration – Rémy Cointreau	160,601	160,601	120,354	120,354
Fixed remuneration – controlling companies	44,750	44,750	83,901	83,901
Variable remuneration	0	0	0	0
Exceptional remuneration	0	0	0	0
Director’s fees – Rémy Cointreau	29,400	29,400	28,500	28,500
Director’s fees – controlled companies	20,000	20,000	20,000	20,000
Director’s fees – controlling companies	0	0	5,000	5,000
Benefits in kind	6,013	6,013	2,472	2,472
TOTAL	**260,764**	**260,764**	**260,227**	**260,227**
Jean-Marie Laborde, Chief Executive Officer				
Fixed remuneration	661,929	661,929	643,791	643,791
Variable remuneration	772,344	949,000	757,200	837,968
Exceptional remuneration(1)	0	0	0	177,000
Directors’ fees	0	0	0	0
Benefits in kind	6,117	6,117	6,150	6,150
TOTAL	**1,440,390**	**1,617,046**	**1,407,141**	**1,664,909**

(1) Exceptional bonus awarded on the sale of the Champagne division.

TABLE 3 – DIRECTORS’ FEES

Board members	2013	2012
Mr Marc Hériard Dubreuil	€29,400	€28,500
Sir Brian Ivory	€25,000	€36,000
Jean Burelle	€29,400	€28,500
Jacques Étienne de T’Serclaes	€41,200	€40,000
Gabriel Hawawini	€20,580	€28,500
Timothy Jones	€20,580	€28,500
Orpar	–	€28,500
Patrick Thomas	€29,400	€28,500
Didier Alix	€29,400	€14,250
Caroline Bois	€13,720	–
Laure Hériard Dubreuil	€13,720	–
TOTAL	**€252,400**	**€261,250**

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

None.

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

None.

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

	Plan date	Number of shares granted during the year	Value of shares on the grant date	Vesting date	Date of earliest availability
Jean-Marie Laborde	20/11/2012	19, 000	1, 582,510	20/11/2014	20/11/2016

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

Performance shares vested for each Executive Director	Plan date	Number of shares vested during the year	Vesting conditions	Vesting date
Jean-Marie Laborde	23/11/2010	20,000	The main vesting terms and conditions are specified in the note 10.3.2 to the consolidated financial statements	23/11/2012

TABLE 8 – INFORMATION ON OPTIONS TO SUBSCRIBE OR PURCHASE SHARES

To date, none of the Executive Officers in post in the 2012/2013 financial year have been granted share subscription or purchase options.

STOCK-OPTION PLANS AS OF 31 MARCH 2013

	Plan No. 12	Plan No. 13
Date of Extraordinary Shareholders' Meeting	21/09/2001	07/09/2004
Date of Board of Directors' or Management Board meeting	16/09/2003	08/12/2004
Total number of options allocated	287,000	262,000
Total number of beneficiaries	25	30
Earliest date for exercising options	16/09/2007	24/12/2008
Date options lapse	15/09/2013	23/12/2014
Subscription or share price	27.67	28.07
Number of options lapsed	27,000	35,000
Number of options subscribed as of 31 March 2013	246,440	217,350
Remaining balance	**13,560**	**9,650**

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

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

Company granting options	Plan date	Total number of options	Exercise price	Average exercise price
Rémy Cointreau	16/09/2003	3,650	27.670	86.165
Rémy Cointreau	24/12/2004	22,850	28.070	84.682

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

Company granting shares	Grant date	Total number of shares	Final vesting date	Date of earliest availability
Rémy Cointreau	20/11/2012	52,000	20/11/2014	20/11/2016

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

Company granting shares	Grant date	Total number of shares	Final vesting date	Date of earliest availability
Rémy Cointreau	23/11/2010	47,000	23/11/2012	23/11/2014

It should be noted that Rémy Cointreau SA did not have any employees during the 2012/2013 financial year.

TABLE 10 – CONTRACTS RELATING TO CORPORATE OFFICERS

	Employment contract	Supplementary pension plan	Compensation or benefits due or likely to be due as a result of termination or change of duties	Non-competition compensation
François Hériard Dubreuil	NO	YES	NO	NO
Chairman of the Board of Directors				
Date first appointed: 20/11/2012				
Date appointment expires: Shareholders' meeting to approve the 2015 financial statements				
Dominique Hériard Dubreuil	NO	NO	NO	NO
Chairman of the Board of Directors				
Date first appointed: 07/09/2004				
Date appointment expires: 20/11/2012				
Jean-Marie Laborde	NO	NO	NO	YES
Chief Executive Officer				
Date first appointed: 27/10/2010				
Date appointment expires: 26/07/2013				

For François Hériard Dubreuil, the supplementary pension plan is managed and funded by the controlling entity Andromède.

A non-competition clause is stipulated in the Chief Executive Officer's terms of appointment, which will remain in force for a period of 24 months after termination of the term of office, regardless of the reason for termination. This clause prohibits the Chief Executive Officer from offering his services to a specific list of competing companies in a delineated geographical area, and, as compensation for this prohibition, provides for the payment of a consideration equal to 12 months of gross remuneration for the year preceding the effective termination of the term of office.

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

DECLARATIONS BY DIRECTORS

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

3.4.4 Shares and voting rights of members of the Board of Directors on 31 March 2013

Directors (natural persons)	Shares	%	Shares with double voting rights	Voting rights	%
Mrs Dominique Hériard Dubreuil	2,667	0.00	2,516	5,183	0.01
Mr François Hériard Dubreuil	110	0.00	101	211	0.00
Mr Marc Hériard Dubreuil	100	0.00	100	200	0.00
Sir Brian Ivory	100	0.00	100	200	0.00
Mr Jean Burelle	107	0.00	102	209	0.00
Mr Jacques-Étienne de T'Serclaes	536	0.00	500	1,036	0.00
Mr Gabriel Hawawini	107	0.00	100	207	0.00
Mr Timothy Jones	100	0.00	0	100	0.00
Mr Patrick Thomas	100	0.00	0	100	0.00
Mr Didier Alix	211	0.00	0	211	0.00
Ms Caroline Bois	102	0.00	0	102	0.00
MS Laure Hériard Dubreuil	102	0.00	0	102	0.00
TOTAL	**4,342**	**0.00**	**3,519**	**7,861**	**0.01**

4

COMMENTS ON THE RESULTS FOR THE YEAR

4.1 Analysis of the business and consolidated results

The Group posted a current operating profit of €245.4 million for the year ended 31 March 2013, a substantial 18.1% increase (+12.3% organic) over the previous year. The current operating margin was 20.6%.

The Rémy Cointreau Group made two acquisitions during the year. In September 2012, it acquired Bruichladdich Distillery Company Ltd, a distillery founded in 1881 and known for its production of Premium Malt Scotch Whisky on the Isle of Islay in Scotland. In December 2012, it acquired the Larsen cognac company, founded in 1926. The total investment was €151 million, consisting primarily of inventories. Neither transaction had a material impact on the current operating profit for the period.

4.1.1 Key figures

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

(in € millions)	**2013**	**2012**	**Reported change**	**Organic change**
Net sales	1,193.3	1,026.1	+16.3%	+8.8%
Current operating profit	**245.4**	**207.7**	**+18.1%**	**+12.3%**
Current operating margin	20.6%	20.2%		20.9%
Other operating income/(expenses)	(7.5)	(3.0)		
Operating profit	237.9	204.7		
Financial income/(expense)	(20.0)	(35.3)		
Income tax	(72.0)	(47.3)		
Share of profits of associates	(15.5)	(0.4)		
Net profit/(loss) from continuing operations	130.4	121.7	+7.1%	
Net profit/(loss) from discontinued operations	-	(10.6)		
Net profit attributable to the owners of the parent	130.4	110.8	+17.7%	
Net profit/(loss) excluding non-recurring items attributable to the owners of the parent	**151.5**	**123.9**	**+22.3%**	
Basic earnings per share:				
On net profit excluding non-recurring items attributable to the owners of the parent	€3.10	€2.51	+23.5%	
On net profit attributable to the owners of the parent	€2.67	€2.25	+18.7%	

	Europe-Middle East-Africa	**Americas**	**Asia-Pacific**	**Total**
Net sales				
March 2013	323.2	394.4	475.7	1,193.3
March 2012	317.4	321.3	387.4	1,026.1
Reported change	+1.8%	+22.8%	+22.8%	+16.3%
Organic change	(0.8%)	+13.5%	+12.6%	+8.8%

(in € millions)	Rémy Martin	Liqueurs & Spirits	Total Group brands	Partner Brands	Holding company expenses	Total
Net sales						
March 2013	719.8	239.1	958.9	234.4	-	1,193.3
March 2012	592.5	215.8	808.3	217.8	-	1,026.1
Reported change	+21.5%	+10.8%	+18.6%	+7.6%	-	+16.3%
Organic change	+12.7%	+3.8%	+10.3%	+3.0%	-	+8.8%
Current operating profit						
March 2013	216.6	45.2	261.8	3.8	(20.2)	245.4
March 2012	173.0	52.6	225.6	4.2	(22.1)	207.7
Reported change	+25.2%	(14.1%)	+16.0%	(9.0%)	(8.6%)	+18.1%
Organic change	+18.6%	(16.7%)	+10.3%	+9.5%	(8.6%)	+12.3%
Operating margin						
March 2013	30.1%	18.9%	27.3%	1.6%	-	20.6%
March 2013 (organic)	30.7%	19.5%	27.9%	2.1%	-	20.9%
March 2012	29.2%	24.4%	27.9%	1.9%	-	20.2%

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4.1.2 General comments on current operating profit

Change in **current operating profit** compared with the year ended 31 March 2012 was as follows:

Current operating profit – year ended 31 March 2012	**207.7**
Change due to exchange rates (net of hedges)	12.0
Change in the scope of consolidation	0.1
Change in volumes	42.5
Effect of price and mix changes on net sales	37.3
Change in marketing investments (Group brands)	(21.4)
Change in other expenses	(32.8)
Current operating profit – year ended 31 March 2013	**245.4**

Exchange rate fluctuations had a positive effect in the amount of €12 million, including a favourable effect on the U.S. dollar and related currencies, as well as the yen and the Canadian and Australian dollars. The Group's hedging policy enabled it to record an average exchange rate of 1.35 on the net flows in U.S. dollars generated by its European entities, close to the rate of 1.34 recorded in the year ended 31 March 2012.

The remarkable increase in gross margin therefore included a volume effect of €42.5 million and a price/mix effect of €37.3 million on net sales. Change in production costs is recorded in other expenses.

The group continued to reinvest a significant portion of its gross margin on its brands in its most strategic markets, with an increase of €21.4 million in its marketing investments in absolute terms.

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

The operating margin improved to 20.6% in total (20.9% organic), and 27.9% for Group brands.

4.1.3 Business overview

In the year ended 31 March 2013, the Rémy Cointreau Group generated net sales of €1,193.3 million, an increase of 16.3% compared with the previous financial year (organic growth: +8.8%). Current operating profit amounted to €245.4 million, an increase of 18.1% (organic growth: +12.3%).

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

All geographic areas posted growth. Asia-Pacific (40% of net sales) continued its robust expansion, with organic growth of

12.6%, particularly in the superior quality Rémy Martin cognacs. The Americas (33% of net sales) reported strong growth of 13.5%, reflecting growth in all activities in the United States. Lastly, the Europe-Middle East-Africa region (27% of net sales) reported a slight 0.8% decline overall, but a 5.4% increase for Group brands, thanks to good performances across the entire area, especially in Russia and the United Kingdom.

RÉMY MARTIN

With sales up 12.7% at €719.8 million, Rémy Martin achieved its fourth consecutive year of double-digit growth. The Asia-Pacific and Americas regions were the driving force behind this growth. Europe-Middle East-Africa also recorded remarkable growth in net sales, driven primarily by Russia, Africa and the United Kingdom.

Rémy Martin recorded a current operating profit of €216.6 million, a substantial 18.6% increase. The current operating margin was 30.7%, an increase of 1.5 percentage points despite further sustained marketing investments in strategic markets.

LIQUEURS & SPIRITS

At €239.1 million, net sales were up 3.8%. Sales of Cointreau, the division's flagship brand, grew by 7% thanks to increases in the United States and Europe. Metaxa's growth was driven by its high-potential markets (Eastern Europe), although the situation remained difficult in Greece. The St-Rémy and Passoa brands also enjoyed growth.

The Liqueurs & Spirits division reported a current operating profit of €45.2 million, a decline of 16.7% attributable chiefly to higher sales and marketing investments. The current operating margin was 19.5%.

Bruichladdich has been consolidated by this division since 1 September 2012, but did not have a material impact over the period.

PARTNER BRANDS

The Group recorded net sales of €234.4 million, an increase of 3% attributable mainly to the good performance of Scotch whisky brands distributed in the United States. Moreover, the global refocus on a value strategy, dating back more than a year for Piper-Heidsieck champagne, began to pay off, especially in the United States, despite a difficult market environment in Europe. The relaunch of Charles Heidsieck champagne enjoyed a very positive response in the market.

Operating profit generated in this business totalled €3.8 million.

HOLDING COMPANY EXPENSES

These expenses decreased by 8.6% to €20.2 million, or 1.7% of consolidated net sales.

4.1.4 Operating profit

Operating profit amounted to €237.9 million after taking into account other operating expenses in the amount of €7.5 million, which mainly comprised impacts from the two acquisitions (fees and compensation for the breach of distribution contracts in particular).

4.1.5 Financial income/(expense)

(in € millions)	**2013**	**2012**	**Change**
Cost of gross financial debt	(23.9)	(20.7)	(3.2)
Investment income	3.0	2.0	1.0
Sub-total	**(20.9)**	**(18.7)**	**(2.2)**
Change in the value of the interest-rate hedging instrument portfolio	(1.2)	(9.2)	8.0
Currency gains/(losses)	4.7	(5.1)	9.8
Other financial expenses (net)	(2.6)	(3.3)	0.7
IFRS 5 reclassification effect (disposal of champagne)	-	1.0	(1.0)
FINANCIAL INCOME/(EXPENSE)	**(20.0)**	**(35.3)**	**15.3**

Net financial income/(expense) totalled an expense of €20 million, down sharply by €15.3 million:

- excluding the impact of non-hedging interest-rate instruments, the cost of net financial debt increased by €2.2 million, in line with the increase in average debt over the period;
- the Group has a portfolio of interest-rate swaps worth a notional amount of €150 million to hedge against increases in short-term interest rates in the period 2012-2015. For the year ended 31 March 2013, the impact of the portfolio, for the non-hedging portion, which now totals €75 million, was negative €1.2million. During the previous year, a decrease of €9.2 million in its value was recorded;
- currency gains/(losses) mainly include the impact of the valuation of the currency risk hedging portfolio in accordance with IFRS. This impact was positive in the amount of €4.9 million in the year ended 31 March 2013, compared with a total expense of €6.6 million in the prior year;
- other financial expenses include items relating to change in value of the vendor loan (EPI Group loan) and the cost of financing certain eaux-de-vie inventories held by the AFC cooperative. Compared with the previous period, these items showed a positive change of €0.7 million, the vendor loan having only borne interest over nine months in the prior year.

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

Income tax expense amounted to €72 million, i.e. an effective tax rate of 33% (2012: 27.9%), due to the geographical breakdown of earnings for the year, and notably the greater weight of earnings recorded in France, where the effective tax rate increased.

The share of profits of associates related chiefly to the 27% stake in Chinese company Dynasty Fine Wines Ltd. This legacy Rémy Cointreau stake was originally a joint venture formed in 1980 with the municipality of Tianjin, which still holds 45%. Since 2005, the Company has been listed on the Hong Kong Stock Exchange, with a free float of approximately 28%. This major player in the Chinese wine market has been experiencing difficulties over the last two years following the start of restructuring made necessary by change in the wine market in China.

In February 2013, Dynasty issued a profit warning, flagging a prospective loss in respect of 2012. Dynasty had not reported its annual financial statements as of Rémy Cointreau's balance sheet date. Trading in its shares on the Hong Kong Stock Exchange was suspended on 22 March 2013. According to information provided by Dynasty, the delay stems from investigations brought by the Audit Committee following allegations of fraud.

Considering that the downward trend in earnings and the prospect of a loss represented a clear sign of impairment, irrespective of the reality of the allegations of fraud and their potential impact, Rémy Cointreau tested the value this asset, which stood at €58.8 million as of 31 March 2012, in accordance with IAS 36.

On the basis of external data, the value of the asset has been adjusted to €42.9 million as of 31 March 2013, representing an impairment loss of €15.9 million.

It is noted that this valuation does not take into account the results for fiscal 2012, which had not been disclosed as of the balance sheet date, and no assumption has been made as to the allegations of fraud and their possible outcome.

Net profit/(loss) from discontinued operations and assets held for sale includes, for the prior year, the final impact of the sale of the Champagne division.

The net profit attributable to the owners of the parent was €130.4 million (2012: €110.8 million), i.e. basic earnings per share of €2.67, compared with €2.25 in the prior year.

Excluding non-recurring items (other operating income and expense after tax and the net profits of discontinued operations and assets held for sale and the provision in respect of Dynasty), the net profit attributable to the owners of the parent was €151.5 million, i.e. basic earnings per share of €3.10, compared with €2.51 in the prior year, an increase of 23.5%.

4.1.7 Exceptional events and disputes

At 31 March 2013, Group companies were plaintiffs or defendants in action taken by their usual contractual business partners (service providers or customers). Compensation liable to be paid to a former supplier in the Netherlands by a Group company is estimated at a maximum of €1 million, it being noted that the amount of the damages themselves is the subject of a legal dispute. In the U.S., Rémy Cointreau USA, Inc., alongside 12 other international groups who together form a Joint Defense Group, has been contesting a dispute since February 2013 involving a company which owns two patents for the manufacture of cardboard presentation boxes in respect of two of the products it imports onto the American market. The Group buys these presentation boxes from two independent suppliers. This case is currently pending before the US International Trade Commission and the US District Court in the Eastern District of Texas where this company's claims are being contested in full by Rémy Cointreau USA.

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

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

4.2 Financial and cash positions

4.2.1 Statement of financial position

(in € millions)	March 2013	March 2012	Change
Brands and other intangible assets	480.2	443.2	37.0
Property, plant and equipment	173.1	146.4	26.7
Investments in associates	52.8	68.4	(15.6)
Other financial assets	89.9	86.9	3.0
Non-current assets (other than deferred tax)	**796.0**	**744.9**	**51.1**
Inventories	945.9	792.6	153.3
Trade and other receivables	255.5	207.9	47.6
Trade and other payables	(542.9)	(467.5)	(75.4)
working capital requirements	**658.5**	**533.0**	**125.5**
Net financial derivatives	(12.1)	(19.8)	7.7
Net assets held for sale	28.8	0.2	28.6
Net current and deferred tax	(76.3)	(63.5)	(12.8)
Provisions for risks and liabilities	(34.6)	(30.2)	(4.4)
Other net current and non-current assets and liabilities	**(94.2)**	**(113.3)**	**19.1**
TOTAL	**1,360.3**	**1,164.6**	**195.7**
Financed by:			
Equity	**1,094.8**	**976.0**	**118.8**
Long-term financial debt	389.2	340.0	49.2
Short-term financial debt and accrued interest expense	63.1	38.7	24.4
Cash and cash equivalents	(186.8)	(190.1)	3.3
Net financial debt	**265.5**	**188.6**	**76.9**
TOTAL	**1,360.3**	**1,164.6**	**195.7**
For information:			
TOTAL ASSETS	**2,267.3**	**1,989.2**	**278.1**

During the year, the Group made two acquisitions, Bruichladdich Distillery Company Ltd (Single Malt Scotch Whisky) and Larsen SA (Cognac), which played a significant part in changes in the consolidated balance sheet.

Simultaneously with the acquisition of Larsen, Rémy Cointreau initiated discussions with industrial and commercial partners for the resale of Larsen's operations. Rémy Cointreau will retain inventories of high-quality eaux-de-vie constituting a major and strategic part of the assets acquired. Accordingly, all components of Larsen's business and the real estate assets necessary for its operations were classified as "assets held for sale" as of the balance sheet date at fair value less selling costs and tax.

Non-current assets increased by €51.1 million compared with March 2012, breaking down as:

- €48.3 million for the acquisition of Bruichladdich (goodwill €22.5 million, trademark €14.8 million, property, plant and equipment €11 million);
- €15.7 million for net capital expenditures over the period on the existing scope, mainly on the Cognac site;
- €(15.6) million for "Investments in associates", reflecting the effects discussed in section 4.1.6 relating to the valuation of the stake in Dynasty Fine Wines Group Ltd;
- The change in the value of the vendor loan in the amount of €4.2 million granted on the sale of the Champagne division (capitalisation of interest for the period, in accordance with the contract).

Working capital requirements increased by €125.5 million, breaking down as:

- €90.8 million in Scotch Whisky and Cognac inventories resulting from acquisitions over the period;
- €55.1 million in inventories of eaux-de-vie to support the growth of Rémy Martin;
- trade and other receivables increased by €47.6 million due to the strong growth in sales;
- trade and other payables increased by €75.4 million, in line with the increase in inventories and the sustained growth in advertising and promotional expenditure.

The change in "Assets held for sale", in the amount of €28.6 million, corresponds wholly to the fair value of the Larsen operations less selling costs and tax.

"Taxes" include €5.2 million in deferred taxes recognised on the acquisition of Bruichladdich.

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

Net profit/(loss) for the year	**130.4**
Profit recorded in equity	1.4
Impact of stock-option and similar plans	5.3
Change in translation reserves	1.7
Transactions on treasury shares	(1.6)
Capital increases	92.4
Dividends paid in shares and cash	(110.8)
TOTAL CHANGE	**118.8**

Rémy Cointreau SA paid a dividend of €1.30 per share in respect of the year ended 31 March 2012 and a special dividend of €1.00 per share, both payable in either cash or shares. To cover payments in shares, 1,190,350 shares were issued in September 2012, resulting in a capital increase of €92.3 million. The cash portion of €18.5 million was paid in October 2012.

Net financial debt amounted to €265.5 million, an increase of €76.9 million, of which approximately €167.4 million representing the full impact of acquisitions made during the period (shares and debt).

As of 31 March 2013, confirmed financial resources totalled €600 million, breaking down as:

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

The A ratio[1] (net debt/EBITDA), which determines the margin applicable to the syndicated loan, was 0.99 as of 31 March 2013. The terms of the syndicated loan stipulate that this ratio, calculated every six months, must remain below 3.5 until the loan matures.

4.2.2 Return on capital employed (ROCE)

As of 31 March 2013, capital employed[2] totalled €810.6 million, an increase of 23% compared with 31 March 2012. Based on the operating profit of €245.4 million, the return on capital employed (ROCE) was 30.3%, a slight decline compared with the prior year (2012: 31.5%) attributable to acquisitions over the period.

ROCE was 34.2% for Rémy Martin and 46.5% for Liqueurs & Spirits.

(1) The A ratio is calculated every six months. It is the ratio of (a) the arithmetic average of net debt at the end of the half-year and the end of the prior half-year – in this case end-March 2013 and end-September 2012 – and (b) EBITDA for the previous 12 months – in this case the year ended 31 March 2013.

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

4.2.3 Cash flow statement

(in € millions)	**2013**	2012	Change
EBITDA	268.1	228.7	39.4
Change in working capital requirements	(46.2)	(6.7)	(39.5)
Net cash flow from operations	221.9	222.0	(0.1)
Other operating income/(expenses)	0.9	(0.3)	1.2
Net financial income/(expense)	(24.0)	(16.9)	(7.1)
Net income tax	(66.8)	(104.2)	37.4
Other operating cash flows	(89.9)	(121.4)	31.5
Net cash flow from operating activities – continuing operations	132.0	100.6	31.4
Net cash flow from discontinued operations	-	12.0	(12.0)
Net cash flow from operating activities	**132.0**	**112.6**	**19.4**
Net cash flow from investment activities – continuing operations	(177.0)	(15.5)	(161.5)
Impact of discontinued operations	-	71.3	(71.3)
Net cash flow before investment activities	**(45.0)**	**168.4**	**(213.4)**
Capital increases	-	2.7	(2.7)
Treasury shares	2.4	(95.2)	97.6
Dividends paid to the owners of the parent	(18.4)	(113.6)	95.2
Net cash flow relating to capital	**(16.0)**	**(206.1)**	**190.1**
Repayment of financial debt	56.0	(33.1)	89.1
Impact of discontinued operations	-	172.7	(172.7)
Net cash flow after investment activities	**(5.0)**	**101.9**	**(106.9)**
Translation differences on cash and cash equivalents	1.7	7.6	(5.9)
Change in cash and cash equivalents	**(3.3)**	**109.5**	**(112.8)**

For the year ended 31 March 2012, the impact of discontinued operations corresponds to the disposal of the Champagne division.

EBITDA [1] increased by €39.4 million, mainly due to the increase in the current operating profit.

Change in working capital requirements for the year was an increase of €46.2 million, a difference of €39.5 million compared with the prior year, including an increase in inventories of eaux-de-vie and accounts receivable in connection with the strong growth of the business.

Net cash outflows relating to financing activities were €24 million, €7.1 million higher than in the prior year, due to the increase in interest expense and payments relating to the hedging of interest-rate risk.

Net flows of taxes amounted to €66.8 million, in line with the tax expense for the year and significantly lower than in the prior year, when it included a payment relating to the settlement of a past dispute.

Investment flows on continuing operations over the period included €151.8 million to purchase the securities of entities acquired during the year (including acquisition and net cash costs) and €26.1 million in capital expenditure, an increase of €9 million compared with the prior year.

After taking into account cash flows relating to capital, changes in financial debt and currency effects, Cash and cash equivalents decreased by €3.3 million compared with 31 March 2012 to €186.8 million.

(1) *EBITDA is the current operating profit, adjusted by adding back depreciation and amortisation charges on property, plant and equipment and intangible assets, and charges in respect of share-based payments and dividends received from associates during the period..*

4.3 Parent company results

4.3.1 Comments on the results

The Company recorded a current operating profit before tax of €26.3 million for the financial year ended 31 March 2013.

Services invoiced to subsidiaries totalled €24.9 million, compared with €17.7 million in the previous year. Services provided by Rémy Cointreau to its subsidiaries are invoiced on the basis of the cost of services provided, plus a 5% profit margin.

Net operating expenses totalled €37.5 million. This sum covers all of the services provided by the Company, which are re-invoiced in part to subsidiaries. The increase of €4.6 million stems mainly from costs borne by the Company in respect of the Group's development during the period.

Dividends from subsidiaries totalled €57.8 million, compared with €101 million in the previous year.

Interest expenses rose by €5.2 million, from €20.6 million in the year ended 31 March 2012 to €25.8 million. This rise is mainly attributable to expenses related to interest-rate hedging instruments (swaps) taken out during the financial year ended 31 March 2010.

The Company did not record any exceptional items during this year.

Tax income amounting to €8.5 million relates mainly to the net savings from the consolidated tax scope during the period.

Taking into account these factors, the net profit for the year was €34.8 million.

4.3.2 Comments on the balance sheet

Assets, consisting primarily of equity investments, increased by €80 million following the subscription to the capital increase of the holding company in the distribution network, Rémy Cointreau Services.

Under the terms of the sale of the champagne division in July 2011, the Company provided a €75 million loan to the purchaser for a period of nine years. The terms of the remuneration of the loan provide for the capitalisation of annual interest payments during the first three years.

The other financial assets, totalling €99.5 million, include €96.2 million for the treasury shares acquired by the Company as part of a share buyback programme implemented between November 2011 and May 2012, following the acquisition of 1,428,794 of its own shares via an investment services provider.

The shares acquired will be assigned to a potential acquisition, to be given in exchange or in payment, or will be cancelled as part of a capital reduction.

Shareholders' equity totalled €1,091.7 million, an increase of €16.2 million. Dividends paid in respect of the year ended 31 March 2012 totalled €110.9 million, of which €92.3 million were converted into shares, corresponding to a capital increase of €1.9 million and a share premium of €90.4 million. The net profit for the year is included in the amount of €34.8 million.

Gross financial debt totalled €597.9 million, an increase of €12.5 million.

In June 2012, Rémy Cointreau negotiated a new five-year €255 million syndicated loan to replace the expiring €346 million loan. As of 31 March 2013, the syndicated loan had been drawn in the amount of €50 million. The A ratio, on which its availability is based, was 0.99, significantly below the 3.50 limit set under the terms of the contract.

4.3.3 Information in respect of payment terms pursuant to article D. 441-4 of the French Commercial Code

As of 31 March 2013, supplier invoices totalling less than €0.1 million were due for payment by the end of April at the latest.

4.4 Recent events and outlook

4.4.1 Recent events

The Dynasty Group has not reported its annual financial statements or made any statement in respect of the allegations of fraud. Trading in its shares is still suspended.

On 7 June 2013 Rémy Cointreau signed an agreement, announced on 10 June 2013, to sell its Larsen Cognac business to the Nordic group Altia, including the brand, the industrial and commercial assets and the stocks required to ensure that operations may continue.

On 31 May, the Scottish group Edrington announced that it would terminate the distribution contract with Rémy Cointreau covering its brands in the United States with effect from 31 March 2014.

4.4.2 Outlook

In a global economic environment that lacks visibility, especially in Europe, but which remains favourable to premium spirits, Rémy Cointreau will continue to pursue its long-term value strategy.

Building on its quality brands, its innovation policy, the strength of its sales network and its rigorous cost management, the Group is confident in its ability to pursue profitable growth in the medium and long term.

5

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

5.1 Consolidated income statement

As of 31 March, in € millions	*Notes*	**2013**	2012	2011
Net sales	*15*	**1,193.3**	**1,026.1**	**907.8**
Cost of sales		(456.4)	(396.1)	(389.5)
Gross margin		**736.9**	**630.0**	**518.3**
Distribution costs	*16*	(403.3)	(344.8)	(284.4)
Administrative expenses	*16*	(89.8)	(79.0)	(72.8)
Other income from operations	*16*	1.6	1.5	5.9
Current operating profit	*15*	**245.4**	**207.7**	**167.0**
Other operating income/(expense)	*18*	(7.5)	(3.0)	(46.5)
Operating profit		**237.9**	**204.7**	**120.5**
Finance costs		(22.1)	(26.9)	(27.3)
Other financial income/(expense)		2.1	(8.4)	(2.4)
Financial result	*19*	**(20.0)**	**(35.3)**	**(29.7)**
Profit before tax		**217.9**	**169.4**	**90.8**
Income tax	*20*	(72.0)	(47.3)	(21.7)
Share in profit of associates	*5*	(15.5)	(0.4)	4.3
Profit from continuing operations		**130.4**	**121.7**	**73.4**
Net profit/(loss) from discontinued operations	*21*	-	(10.6)	(2.8)
Net profit for the year		**130.4**	**111.1**	**70.6**
Attributable to:				
non-controlling interests		-	0.3	0.1
owners of the parent company		130.4	110.8	70.5
Net earnings per share – from continuing operations (€)				
basic		2.67	2.47	1.50
diluted		2.66	2.46	1.49
Net earnings per share – attributable to owners of the parent company (€)				
basic		2.67	2.25	1.44
diluted		2.66	2.24	1.43
Number of shares used for the calculation				
basic	*10.2*	48,880,252	49,324,332	48,991,452
diluted	*10.2*	49,010,681	49,473,230	49,248,856

5.2 Consolidated statement of comprehensive income

As of 31 March, in € millions	**2013**	**2012**	**2011**
Net profit for the year	**130.4**	**111.1**	**70.6**
Movement in the value of hedging instruments(1)	5.0	(16.2)	20.0
Actuarial difference on pension commitments	(3.1)	(1.7)	(0.3)
Movement in the value of AFS shares(2)	0.3	(0.3)	0.2
Related tax effect	(0.7)	6.3	(6.7)
Release of actuarial difference on pension commitments of the Champagne division, net of tax	-	(1.5)	-
Movement in translation differences	1.6	16.3	(7.6)
Total income/(expenses) recorded in equity	**3.1**	**2.9**	**5.6**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**133.5**	**114.0**	**76.2**
Attributable to:			
owners of the parent company	133.5	113.7	76.2
non-controlling interests	-	0.3	-

(1) of which unrealised gains and losses transferred to income	*1.7*	*(12.0)*	*7.9*
(2) of which unrealised gains and losses transferred to income	-	-	-

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5.3 Consolidated statement of financial position

As of 31 March, in € millions	*Notes*	**2013**	2012	2011
Brands and other intangible assets	*3*	480.2	443.2	447.1
Property, plant and equipment	*4*	173.1	146.4	141.0
Investments in associates	*5*	52.8	68.4	64.9
Other financial assets	*6*	89.9	86.9	10.9
Deferred tax assets	*20*	47.2	44.0	30.3
Non-current assets		**843.2**	**788.9**	**694.2**
Inventories	*7*	945.9	792.6	699.2
Trade and other receivables	*8*	255.5	207.9	213.6
Income tax receivables		0.8	3.9	1.6
Derivative financial instruments	*14*	6.3	5.6	16.4
Cash and cash equivalents	*9*	186.8	190.1	80.6
Assets held for sale	*2*	28.8	0.2	485.3
Current assets		**1,424.1**	**1,200.3**	**1,496.7**
Total assets		**2,267.3**	**1,989.2**	**2,190.9**
Share capital		81.4	79.4	79.1
Share premium		828.6	738.2	735.7
Treasury shares		(97.4)	(95.8)	(0.6)
Consolidated reserves and profit of the year		270.7	244.4	256.4
Translation reserve		10.3	8.6	(7.7)
Equity – attributable to owners of the parent company		**1,093.6**	**974.8**	**1,062.9**
Non-controlling interests		1.2	1.2	0.9
Equity	*10*	**1,094.8**	**976.0**	**1,063.8**
Long-term financial debt	*11*	389.2	340.0	377.7
Provision for employee benefits	*23*	25.2	21.8	20.5
Long-term provisions for liabilities and charges	*12*	5.8	6.9	6.5
Deferred tax liabilities	*20*	99.0	98.4	121.8
Non-current liabilities		**519.2**	**467.1**	**526.5**
Short-term financial debt and accrued interest	*11*	63.1	38.7	31.8
Trade and other payables	*13*	542.9	467.5	406.6
Income tax payables		25.3	13.0	39.2
Short-term provisions for liabilities and charges	*12*	3.6	1.5	9.5
Derivative financial instruments	*14*	18.4	25.4	4.5
Liabilities held for sale	*2*	-	-	109.0
Current liabilities		**653.3**	**546.1**	**600.6**
TOTAL EQUITY AND LIABILITIES		**2,267.3**	**1,989.2**	**2,190.9**

5.4 Change in consolidated shareholders' equity

As of 31 March, in € millions	Share capital and premium	Treasury shares	Reserves and net profit	Translation difference	Profit recorded in equity	Attributable to owners of the parent company	Attributable to non-controlling interests	Total equity
At 31 March 2010	**785.8**	**(0.4)**	**250.3**	**(0.2)**	**(17.9)**	**1,017.6**	**0.9**	**1,018.5**
Net profit for the period	-	-	70.5	-	-	70.5	0.1	70.6
Gains (losses) recorded in equity	-	-	-	(7.5)	13.2	5.7	(0.1)	5.6
Share-based payments	-	-	3.4	-	-	3.4	-	3.4
Capital increase	29.0	-	-	-	-	29.0	-	29.0
Transactions on treasury shares	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Dividends	-	-	(63.1)	-	-	(63.1)	-	(63.1)
At 31 March 2011	**814.8**	**(0.6)**	**261.1**	**(7.7)**	**(4.7)**	**1,062.9**	**0.9**	**1,063.8**
Net profit for the period	-	-	110.8	-	-	110.8	0.3	111.1
Gains (losses) recorded in equity	-	-	-	16.3	(13.4)	2.9	-	2.9
Share-based payments	-	-	4.3	-	-	4.3	-	4.3
Capital increase	2.8	-	(0.1)	-	-	2.7	-	2.7
Transactions on treasury shares	-	(95.2)	-	-	-	(95.2)	-	(95.2)
Dividends	-	-	(113.6)	-	-	(113.6)	-	(113.6)
At 31 March 2012	**817.6**	**(95.8)**	**262.5**	**8.6**	**(18.1)**	**974.8**	**1.2**	**976.0**
Net profit for the period	-	-	130.4	-	-	130.4	-	130.4
Gains (losses) recorded in equity	-	-	-	1.7	1.4	3.1	-	3.1
Share-based payments	-	-	5.3	-	-	5.3	-	5.3
Capital increase	92.4	-	-	-	-	92.4	-	92.4
Transactions on treasury shares	-	(1.6)	-	-	-	(1.6)	-	(1.6)
Dividends	-	-	(110.8)	-	-	(110.8)	-	(110.8)
AT 31 MARCH 2013	**910.0**	**(97.4)**	**287.4**	**10.3**	**(16.7)**	**1,093.6**	**1.2**	**1,094.8**

5.5 Consolidated statement of cash flows

As of 31 March, in € millions	*Notes*	**2013**	**2012**	**2011**
Current operating profit		245.4	207.7	167.0
Depreciation, amortisation and impairment		16.5	14.7	14.2
Share-based payments		5.3	4.3	3.1
Dividends received from associates	*5*	0.9	2.0	2.8
EBITDA		**268.1**	**228.7**	**187.1**
Change in inventories		(50.5)	(40.0)	(11.4)
Change in trade receivables		(28.7)	4.4	26.6
Change in trade payables		16.8	5.5	2.5
Change in other receivables and payables		16.2	23.4	21.8
Change in working capital requirement		(46.2)	(6.7)	39.5
Net cash flow from operations		**221.9**	**222.0**	**226.6**
Other operating income/(expenses)		0.9	(0.3)	(1.9)
Financial result		(24.0)	(16.9)	(20.3)
Income tax		(66.8)	(104.2)	(31.1)
Other operating cash flows		**(89.9)**	**(121.4)**	**(53.3)**
Net cash flow from operating activities – continuing operations		**132.0**	**100.6**	**173.3**
Impact of discontinued operations		-	12.0	8.4
Net cash flow from operating activities		**132.0**	**112.6**	**181.7**
Purchase of intangible assets and property, plant and equipement	*3/4*	(26.1)	(17.2)	(27.4)
Purchase of shares in associates and non-consolidated investments	*5/6*	(151.8)	(0.7)	(0.7)
Disposal of intangible assets and property, plant and equipement		0.3	1.4	0.5
Disposal of shares in associates and non-consolidated investments	*6*	-	1.3	-
Net cash flow from other investments	*6*	0.6	(0.3)	61.9
Net cash flow from investment activities – continuing operations		**(177.0)**	**(15.5)**	**34.3**
Impact of discontinued operations		-	71.3	0.8
Net cash flow from investment activities		**(177.0)**	**55.8**	**35.1**
Capital increase	*10*	-	2.7	7.0
Treasury shares	*10*	2.4	(95.2)	(0.2)
Increase in financial debt		96.6	25.0	329.8
Repayment of financial debt		(40.6)	(58.1)	(517.4)
Dividends paid		(18.4)	(113.6)	(41.2)
Net cash flow from financing activities – continuing operations		**40.0**	**(239.2)**	**(222.0)**
Impact of discontinued operations		-	172.7	-
Net cash flow from financing activities		**40.0**	**(66.5)**	**(222.0)**
Translation differences on cash and cash equivalents		1.7	7.6	(0.5)
Change in cash and cash equivalents		**(3.3)**	**109.5**	**(5.7)**
Cash and cash equivalents at start of year	*9*	**190.1**	**80.6**	**86.3**
Cash and cash equivalents at end of year	*9*	**186.8**	**190.1**	**80.6**

5.6 Notes to the consolidated financial statements

CONTENTS

INTRODUCTION

Rémy Cointreau is a *société anonyme* (joint stock company) with a Board of Directors subject to French legislation and in particular the French Commercial Code. Rémy Cointreau shares are listed on NYSE Euronext Paris.

The consolidated financial statements presented below were approved by the Board of Directors on 4 June 2013. They will be submitted for shareholder approval at the Shareholders' Meeting on 24 September 2013.

NOTE 1 ACCOUNTING POLICIES

Rémy Cointreau's financial year runs from 1 April to 31 March. The consolidated financial statements are presented in millions of euros.

In accordance with European General Regulation (EC) No. 1606/2002 of 19 July 2002, the consolidated financial statements of Rémy Cointreau are prepared in accordance with the international accounting policies applicable within the European Union as of 31 March 2013.

These standards can be consulted on the European Commission website at: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm.

First-time adoption of IFRS

International accounting standards were applied with retroactive effect to the transition balance sheet as of the transition date (1 April 2004), with the exception of certain optional and mandatory exemptions provided for in IFRS 1 "First-time adoption of International Financial Reporting Standards". The transition balance sheet gave rise to a Note in the registration document for the year ended 31 March 2005, a separate disclosure prior to publication of the financial statements for the six months ended 30 September 2005 and a Note in the registration document for the year ended 31 March 2006.

IFRS 1 offered options with regard to the accounting treatment of various items. In this respect, the Rémy Cointreau Group made the following elections:

- business combinations: exemption from retroactive application of IFRS 3 was applied;
- valuation of property, plant and equipment and intangible assets: the option to measure these assets at fair value on the transition date was not applied;
- employee benefits: deferred actuarial differences under French GAAP on the transition date were recognised;
- translation of the financial statements of foreign subsidiaries: translation reserves relating to the consolidation of subsidiaries in foreign currencies were cancelled on 1 April 2004, with a corresponding entry in retained earnings brought forward;
- share-based payments: the Rémy Cointreau Group did not apply IFRS 2 to share-based payments in respect of stock option plans opened before 7 November 2002, as its application was optional prior to this date.

IAS 32 and IAS 39 were first implemented with effect from 1 April 2005, without adjustment to the figures for the year ended 31 March 2005, pursuant to the option available under IFRS 1. The effect of this change in accounting policy was recorded in equity as of 1 April 2005.

Changes to accounting principles compared with the previous year

The standards, interpretations and amendments whose application is compulsory after 31 March 2013 and for which the Group did not choose early application for the consolidated financial statements for the year ended 31 March 2013, are as follows:

- IFRS 10, "Consolidated financial statements";
- IFRS 11, "Joint arrangements";
- IFRS 12, "Disclosure of interests in other entities";
- IFRS 13, "Fair value measurement";
- Amendments to IFRS 1, "Severe hyperinflation and removal of fixed dates for first-time adopters" and "Government loans";
- Amendments to IAS 19, primarily aimed at removing the option to postpone the recognition of all or part of actuarial differences (corridor method);
- Amendment to IAS 27, "Consolidated and separate financial statements";
- Amendment to IAS 28, "Investments in associates and joint ventures";
- Amendments to IAS 12, "Income taxes": recovery of underlying assets;
- Amendments to IAS 1 on the presentation of other comprehensive income;
- Amendment to IAS 32, "Offsetting financial assets and financial liabilities";
- Amendments to IFRS 7 and IFRS 9, "Financial instruments, date of application of IFRS 9 and transition information requirements";
- Amendments to IFRS 7 "Financial instruments: disclosures": transfers of financial assets, offsetting of financial assets and financial liabilities;
- 2013 IFRS improvements.

The first-time application of these standards and amendments is not expected to have a material impact on the consolidated financial statements.

NOTE 1.1 USE OF ESTIMATES

The preparation of the financial statements in accordance with International Financial Reporting Standards requires the use of estimates and assumptions that have a bearing on the amounts reported in the financial statements and whose subsequent revision could affect future results. This is particularly the case in respect of the valuations described below.

Brands

At least once a year, the Group tests the carrying amount of brands and related assets. The main valuation method is based on the discounting of future cash flows. Future cash flows are estimated by reference to medium-term business plans (five years) approved by the Board of Directors. A number of external factors may impact the actual achievement of these plans.

Investments in associates

The Group has a number of investments in associates, the most significant being in Chinese company Dynasty Fine Wines Group Limited. To test the value of this investment in the absence of usually available data (financial statements, share prices, medium-term plans), Rémy Cointreau uses external data such as financial analyses performed by stockbrokers and other expertise available on the market. These data are based to a large extent on estimates.

Provisions for risks

The recognition of provisions for risks, generally intended to cover compensation payable in the event of disputes with third parties, requires the Group's management to estimate the level of probability associated with this risk and also the outcome of negotiations, transactions and legal proceedings that are or may be conducted with the third parties concerned.

Pension commitments and other post-employment benefits

The valuation of these obligations is determined by the use of actuarial methods involving assumptions in respect of the discount rate, expected return on plan assets, salary increases, life expectancy, etc. Given the long-term nature of these obligations, any changes to these assumptions may have a material impact on the valuation.

Stock-option plans

Calculation of the corresponding charge (IFRS 2) calls for assumptions to be made in respect of the volatility of the share price, dividend payment, staff turnover rate and achievement of performance criteria.

Derivative financial instruments

Derivative financial instruments held by the Group in connection with its ordinary activities, mainly in the form of options, are valued using the methods prevailing in the financial markets. Note that these valuations are based on market data as at the balance sheet date. These values may fluctuate rapidly due to constant changes in the financial markets.

NOTE 1.2 BASIS OF CONSOLIDATION

The consolidated financial statements include, on a fully consolidated basis, all significant subsidiaries of which Rémy Cointreau directly or indirectly controls more than 50% of the voting rights or over which it exercises effective control, even when it has no actual shareholding (special-purpose entities, see also note **1.22**).

Entities over which Rémy Cointreau exercises significant influence are accounted for by the equity method. This is presumed to be the case when Rémy Cointreau holds between 20% and 50% of voting rights.

Consolidated and equity-accounted companies prepare their financial statements in accordance with generally accepted accounting principles in their country. Where necessary, adjustments are made to these financial statements to bring their accounting policies into line with those used by the Group.

All significant transactions between consolidated companies as well as intra-Group gains and losses are eliminated on consolidation.

NOTE 1.3 TRANSLATION OF THE FINANCIAL STATEMENTS OF FOREIGN SUBSIDIARIES

The consolidated financial statements of the Rémy Cointreau Group are stated in euros, the functional currency of Rémy Cointreau SA. The balance sheets of foreign subsidiaries, whose functional currency is not the euro, are translated at the closing exchange rate, while the income statements are translated at the average exchange rate for the period concerned. Differences arising from the use of different exchange rates are recognised directly in equity under "Translation reserve" until the sale or liquidation of the subsidiary concerned.

NOTE 1.4 FOREIGN-CURRENCY TRANSACTIONS

In accordance with IAS 21, "Changes in foreign exchange rates", transactions denominated in foreign currencies are recorded by each consolidated entity at the rate of exchange of the functional currency, as prevailing on the transaction date. At the balance sheet date, foreign currency assets and liabilities are netted and translated at the closing rate of exchange of the functional currency. The resulting differences are recognised in the income statement as an operating item or as a financial item depending on the nature of the underlying transactions.

This treatment is also applied to intra-Group transactions with the exception of those classified as net investment hedges, for which the effects of changes in foreign exchange rates are recognised directly in equity under "Translation reserve".

The Rémy Cointreau Group generates around 70% of its net sales outside the euro zone, whereas production and other costs are incurred mainly within this zone. The consolidated operating profit thus has significant exposure to changes in foreign exchange rates. The Group frequently uses financial derivatives, particularly options and forward currency contracts, to hedge this currency risk.

These financial derivatives are recognised on the balance sheet at their closing market value. When they qualify as hedging instruments as defined by IAS 39, changes in the value of such instruments are recognised in:

- gross profit for the effective portion of hedges relating to trade receivables and payables at the balance sheet date;
- so-called recyclable equity for the effective portion of hedges relating to future cash flows, the gain or loss being recycled in gross profit (for trading cash flows) or within net financial income/(expense) (for other cash flows) as the cash flows covered by the hedging transactions occur;
- net financial income/(expense) for the ineffective part of hedges relating to future cash flows, including changes in the time value of options.

Currency gains and losses realised during the year are recorded at the same level as their underlying transactions (i.e. within gross profit for trading transactions).

More details on derivatives are provided in note **1.10.c.**

NOTE 1.5 BUSINESS COMBINATIONS AND GOODWILL

Goodwill represents the difference between the cost of acquisition of the shares and the fair value of identifiable assets and liabilities at the date of acquisition.

In accordance with IFRS 3 "Business combinations", goodwill is not amortised but is subject to impairment testing at least annually and as soon as there is any indication of a decrease in value. For the purpose of this testing, goodwill is allocated to Cash Generating Units (CGUs).

Costs related to an acquisition are recognised in profit and loss for the periods in which the costs are incurred and the services received. They are classified as "Other operating expenses" in the consolidated income statement and as net cash flow from investment activities in the consolidated cash flow statement.

NOTE 1.6 INTANGIBLE FIXED ASSETS

Intangible assets mainly comprise the value of the brands identified when acquisitions are made by the Group.

Expenditure incurred to create new brands or to develop existing brands and all expenses relating to the registration and legal protection of brands are systematically recognised in the income statement for the period in which they are incurred.

The brands recorded on the Rémy Cointreau Group's balance sheet are not amortised as they have the benefit of legal protection, generate higher earnings than those of similar unbranded products and have an indefinite useful life.

Brands are tested for impairment at least annually at the period end and as soon as there is any indication of a decrease in value. These tests are described in note **1.8.**

In addition, distribution rights associated with brands are recognised when an acquisition is made by the Group. When these rights have an indefinite life, they are not amortised but are tested for impairment together with the brands to which they relate.

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

The Group does not capitalise any research and development costs.

Other intangible assets are amortised over the following periods:

- leasehold rights: over the term of the lease;
- application licences and direct costs of installations and/or upgrades: three to seven years.

NOTE 1.7 PROPERTY, PLANT AND EQUIPMENT

A) 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.

B) Depreciation

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

The Rémy Cointreau Group's non-current assets are predominantly used in production. Given that they are used until the end of their estimated useful lives, it is deemed that they have no material residual value.

Depreciation is based on the estimated useful lives of the different categories of property, plant and equipment, being the periods during which it is estimated that the Group will derive economic benefits from these assets.

- Property, according to the nature of the individual components — 10 to 75 years
- Stills, barrels and vats — 35 to 50 years
- Plant, equipment and tools — 3 to 15 years
- Computer equipment — 3 to 5 years
- Other property, plant and equipment — 5 to 10 years

NOTE 1.8 IMPAIRMENT OF NON-CURRENT ASSETS

In accordance with IAS 36 "Impairment of assets", the value in use of property, plant and equipment and intangible assets is tested as soon as there is any indication of a decrease in value, and automatically at each period end in the case of assets with an indefinite useful life (i.e. brands and certain distribution rights) see note 1.6.

When impairment tests indicate that the present value is less than the carrying amount and that this loss is deemed to be permanent, impairment is recognised in the income statement under "Provisions for impairment".

For these tests, assets are allocated to Cash Generating Units (CGUs). In the Group's case, the structure of these units is based on the brand portfolio. These tests consist of comparing the carrying amount of the brands and related assets with their present value, the latter being the higher of their value in use and their market value less any costs involved in selling the assets.

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.

With respect to operational entities that the Group's management has decided to sell, the assets concerned are stated at the lower of their carrying amount and estimated market value after transaction costs. If negotiations are in progress, the value is based on the best estimate of their outcome as of the balance sheet date.

The principal method used to estimate value in use is based on the present value of future cash flows (excluding finance costs) generated by the use of each brand. These cash flows are estimated by reference to medium-term business plans (five years) approved by the Board of Directors. The terminal value is determined by applying a constant growth rate to infinity. The discount rates used are set for each brand in turn and include a specific risk premium for each activity.

When recent transactions involving similar assets have taken place, the multiples for these transactions are used to determine market value.

NOTE 1.9 INVENTORIES

Inventories are recognised when the risks and rewards of their ownership have passed to the Group. The application of this principle, which is part of the IFRS conceptual framework, results in the recognition of inventories that are held physically and legally by third parties. The counterparty to these inventories is generally recorded in trade payables.

Inventories are stated at the lower of cost and net realisable value.

A substantial part of the inventories held by the Rémy Cointreau Group consists of eaux-de-vie (cognac, brandy, rum, malt Scotch whisky) that are undergoing ageing. These inventories may be held for periods ranging from three to more than 70 years. They remain classified within current assets based on common industry practice.

Inventories originating from vineyards owned or operated directly by the Group are not material.

Inventories that are undergoing ageing are valued at cost price, excluding finance costs. The latter are recognised in the income statement in the period in which they are incurred. Cost price includes the purchase price and incidental costs and adjusted each year to include costs directly attributable to the ageing process as well as to reflect evaporation.

The approach used to determine realisable value takes into account the sale price of finished goods made from these inventories.

Finished goods inventories are stated at the lower of the cost price calculated using the weighted average cost method and net realisable value.

NOTE 1.10 FINANCIAL ASSETS AND LIABILITIES

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

A) Trade receivable and payables

Trade receivables and payables, which are generally collected or settled within three months, are stated at nominal value.

An impairment provision is recognised when the asset value of trade receivables, based on the probability of collection, is less than their carrying amount.

B) Non-consolidated equity investments

These shares consist of available-for-sale investments (AFS) as defined by IAS 39 and are therefore stated at realisable value as at the balance sheet date, with changes in value being recognised:

- in general, directly in equity until such gains or losses are actually realised;
- when the loss is considered to be permanent, an impairment provision is recognised in financial income/(expense).

In the case of the Rémy Cointreau Group, these shares represent non-core investments that have been retained for historical reasons and which are not listed on a regulated market.

C) Derivative financial instruments

The Group makes extensive use of derivative financial instruments as part of its policy of hedging exposure to currency and interest rate risks. The Group has implemented the procedures and maintains the documentation needed to justify the application of hedge accounting as defined by IAS 39.

Derivative instruments are stated at market value as at the balance sheet date. Market values are calculated using an external valuation model, and compared with those obtained from counterparty banks. Changes in the value of currency derivatives are recognised in the manner described in note **1.4.** When used to hedge interest rate risk, changes in the value of derivative instruments (mainly caps and interest swaps) are recorded in recyclable equity in respect of the change in the intrinsic value of the hedging instruments when these options are active and in net financial income/(expense) for any residual change in fair value of the hedging instruments and the change in fair value of the non-hedging instruments.

D) Loans and financial debt

Financial resources are generally stated at nominal value net of costs incurred when arranging this financing. These costs are recognised in the income statement as finance costs using an actuarial calculation (the effective interest rate method), except for costs relating to the banking syndication, which are amortised using the straight-line method over the term of the contract.

NOTE 1.11 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and short-term investments that are considered highly liquid, can be converted into a known amount of cash and involve immaterial risk of loss in value in relation to the criteria specified in IAS 7.

In the statement of cash flows, bank overdrafts are excluded from cash and cash equivalents and are included in short-term financial debt.

NOTE 1.12 DEFERRED TAXES

In accordance with IAS 12, deferred tax is recognised on all temporary differences between the carrying amounts of the assets and liabilities in the consolidated financial statements and the corresponding values used for taxation purposes in the accounts of the consolidated entities.

Deferred tax is calculated at the statutory tax rates that are expected to be in effect when timing differences reverse, which is generally the tax rate for the current reporting period or that of the subsequent reporting period, if known. The effects of changes in tax rates are included in the income tax expense for the period in which they become known.

The main source of deferred tax for the Rémy Cointreau Group arises from the difference in the value of the brands in the consolidated financial statements, most often resulting from goodwill on acquisition, and their value for taxation purposes, which is generally nil.

As required by IAS 12, a deferred tax liability is recognised on the difference between the carrying amount and the tax value of shares in associates. In the case of fully consolidated entities, the deferred tax liability is recognised only in respect of dividends that are certain at the balance sheet date.

Tax savings from tax losses carried forward are recognised as deferred tax assets and written down according to the probability of these losses later being utilised.

NOTE 1.13 PROVISIONS FOR RISKS AND LIABILITIES

In accordance with IAS 37 “Provisions, contingent liabilities and contingent assets”, a provision is recognised when the Group has an obligation towards a third party and it is certain or highly probable that it will result in an outflow of resources for the benefit of the third party, without receipt of an at least equivalent consideration from the said third party. Provisions for restructuring are recognised only when restructuring has been announced and detailed measures drawn up.

When the time value of money is material, the amount of the provision corresponds to the present value of expected expenditure that the Company believes to be necessary to meet the liability. In practice, when the liability is expected to be settled in more than 12 months, the amount of the provision is discounted to its present value, with the effects being recognised in net financial income/(expense).

NOTE 1.14 PENSION COMMITMENTS AND OTHER EMPLOYEE BENEFITS

In accordance with the laws and practices in each country, Rémy Cointreau offers employee benefit plans providing pensions and other post-employment benefits through defined-contribution or defined-benefit plans. The assets of pre-financed pension plans are managed as separate funds by independent asset managers or insurance companies.

Commitments are determined and recognised in accordance with the requirements of IAS 19.

Accordingly:

- charges relating to defined-contribution plans are recognised as expenses when paid;
- commitments in respect of defined-benefit plans are determined by actuaries using the projected unit credit method. These calculations are based on assumptions regarding life expectancy, staff turnover and future salary increases. They also take into account the economic situation in each country. For Group companies located in the euro zone, the discount rate used is based on the iBoxx index for bonds with a maturity close to that of the corresponding liabilities.

Commitments under defined-benefit plans concern:

- retirement indemnities and long-service awards under collective bargaining agreements in France;
- commitments in respect of various post-employment healthcare benefits;
- other commitments in respect of supplementary defined-benefit pension plans sponsored by the Group in France, Germany and Belgium.

Certain Group companies have early retirement plans that are accounted for in the same way as employee redundancy.

Actuarial gains and losses for post-employment defined-benefit plans arising since 1 April 2004 are also recognised directly in equity. These actuarial gains and losses correspond to adjustments to reflect differences between the previous actuarial assumptions and actual experience, and the effects of changes in actuarial assumptions.

NOTE 1.15 NET SALES

Net sales include wholesale trading of finished goods in branded wines and spirits marketed by the Group to:

- distributors;
- agents;
- wholesalers, mainly in North America and China.

These sales are recognised when the significant risks and rewards of ownership have been transferred to the buyer, which generally occurs on shipment.

These amounts are stated net of duties and taxes and are determined by reference to customer prices. Sales to wholesalers are recognised net of any provisions for discounts, rebates and other forms of trade agreements when they result in the customer ultimately paying a lower price for the goods.

Certain revenues that are ancillary to the sale of wine and spirit brands (notably from subcontracting and the distribution of alcohol-free products) are recorded at their net amount under “Other income/ (expense)” when they are peripheral to the Group’s core activity.

NOTE 1.16 DEFINITION OF CERTAIN INDICATORS

A) Current operating profit, operating profit, profit/(loss) from discontinued operations

Current operating profit comprises all elements relating to the Group's activities with the exception of:

- the operating profit from operations that were discontinued during the period or for which plans to this effect have been approved by the Board of Directors. The corresponding operating profit is reclassified in the item "Profit/(loss) from discontinued operations" together with other items of income and expense relating to these activities;
- items that, given their nature, frequency and materiality, cannot be considered as part of the Group's ordinary activities and which affect inter-period comparisons. They include notably impairment provisions in respect of brands and other non-current assets recognised as a result of impairment tests (see note **1.8**), provisions for restructuring and litigation, and significant gains and losses on the sale of assets other than those relating to operations that already have been, or are to be, discontinued.

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

This earnings measure is used notably in the calculation of certain ratios. It corresponds to the current operating profit adjusted by adding back depreciation and amortisation charges for the period in respect of property, plant and equipment and intangible assets, and charges in respect of stock option plans and related items, to which are added dividends received from associates during the period.

C) Net debt

Net debt is used notably in the calculation of certain ratios. It corresponds to long-term financial debt plus short-term financial debt and accrued interest less cash and cash equivalents.

NOTE 1.17 SEGMENT REPORTING

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

A) Business segments

The operating segments to be presented are those for which separate financial information is available internally and which are used by the "main operational decision-maker" to make operational decisions. Rémy Cointreau's main operational decision-maker is the Executive Committee, which examines the operating performance and allocates resources based on financial information analysed at the level of the Rémy Martin, Liqueurs & Spirits and Partner Brands businesses. Consequently, the Group has identified these businesses as the operating segments to be presented. In addition, a holding segment includes the central expenses that are not allocated to the various divisions.

The main brands in the "Liqueurs & Spirits" segment are Cointreau, Passoa, Metaxa, St-Rémy, Mount Gay and Bruichladdich.

The Partner Brands division includes brands which are not owned by the Group and those whose production is not carried out wholly by the Group. These brands are distributed using the Group's distribution network. The principle brands are the Scotch whiskies owned by the Egrington Group and the Piper-Heidsieck and Charles Heidsieck champagnes.

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

B) Geographic area

The breakdown of net sales by geographic area is based on the destination of goods sold, while the breakdown of balance sheet items is based on the country in which the consolidated entities are located.

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

NOTE 1.18 TREASURY SHARES

Group investments in Rémy Cointreau shares are deducted from equity at their acquisition cost.

On 15 November 2005, and for a period of one year renewable by tacit agreement, Rémy Cointreau signed a liquidity agreement with Rothschild & Cie Banque that complies with the Ethics Charter of the Association Française des Entreprises d'Investissement and was approved by the Autorité des Marchés Financiers (AMF) by a decision dated 22 March 2005 and published in the Bulletin des Annonces Légales Obligatoires (BALO) on 1 April 2005.

At each period end, Rémy Cointreau shares held via the liquidity account and the net gains or losses during the year on share transactions conducted by the contract manager are reclassified as equity. The value of cash held in the liquidity account is recorded as "Other financial assets".

NOTE 1.19 STOCK OPTIONS AND BONUS SHARE PLANS

In accordance with IFRS 2 "Share-based payments", plans established since 7 November 2002 give rise to the recognition of a charge representing the estimated value of the benefit granted to the plans' beneficiaries. Amounts are expensed as "Administrative expenses" and simultaneously credited to reserves.

- For stock option plans: the benefit is measured on the date that each plan is granted using a binomial model and is expensed on a straight-line basis over the vesting period (four years);
- For bonus share plans: the valuation is based on the share price on the allocation date and on the estimated dividends paid during the vesting period, weighted by the anticipated achievement of the final allocation criteria. The benefit is expensed on a straight-line basis over the vesting period (two years).

NOTE 1.20 EARNINGS PER SHARE

Basic earnings per share are calculated based on the weighted average number of shares in issue during the reporting period, less treasury shares.

Diluted earnings per share are calculated based on the weighted average number of shares in issue during the reporting period, less treasury shares and plus the weighted average number of shares that would be issued during the reporting period if all existing subscription options granted in respect of the various plans, and which have not lapsed at the balance sheet date, were to be exercised. As required by IAS 33, it is assumed that proceeds from the theoretical exercise of the options are used to acquire ordinary shares at the average market price during the period.

In the event that diluted earnings per share are higher than basic earnings per share, diluted earnings per share are adjusted to the level of basic earnings per share.

NOTE 1.21 DISCONTINUED OPERATIONS

When a company or activity is classified as being discontinued as at the balance sheet date in accordance with IFRS 5, the assets and liabilities directly related to the operation and which will be transferred on completion of the disposal are reclassified as "Assets held for sale" or "Liabilities directly related to assets held for sale" for the current reporting period only.

When a company or activity that represents a major and distinct line of business or geographic area is sold during the reporting period or is classified as assets held for sale:

- all income statement items of the Company or activity in question for the reported and comparative periods are reclassified as "Net profit/(loss) from discontinued operations". A similar reclassification is performed in the cash flow statement under "Impact of discontinued operations" in net cash flow from operating and investment activities;
- When the disposal is still in progress at the balance sheet date, the potential difference between the carrying value of the assets concerned and the estimated market value, net of disposal expenses and tax, if negative, is recognised as "profit/(loss) from discontinued operations";
- the profit or loss generated on the disposal transaction, net of transaction costs and taxes, is also recognised under "Profit/(loss) from discontinued operations". In the cash flow statement, a distinction is made between the cash received as consideration for the sale net of transaction costs, classified as "Net cash flow from investing activities", and any impact of the de-consolidation of the cash held by the entity sold, classified as "Net cash flow from financing activities".

Costs directly attributable to the outstanding disposal transaction, for which there is an irrevocable commitment as at the balance sheet date, are recorded as "Profit/(loss) from discontinued operations". A similar reclassification is performed in the cash flow statement under "Impact of discontinued operations" in net cash flow from investment activities.

NOTE 1.22 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.

As a result of this consolidation, the consolidated balance sheet includes 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. Related finance costs are also included in the Group's finance costs.

NOTE 2 CHANGES IN CONSOLIDATION SCOPE

NOTE 2.1 BRUICHLADDICH DISTILLERY LTD

Following exclusive negotiations opened on 9 July 2012, Rémy Cointreau signed on 23 July 2012 and subsequently finalised on 3 September 2012 the acquisition of Bruichladdich Distillery Ltd, a distillery founded in 1881 known for its production of Premium Malt Scotch Whisky on the Isle of Islay in Scotland, on the basis of an enterprise value of £58 million.

The date of the first-time consolidation was 31 August 2012. The income statement for the year ended 31 March 2013 therefore includes seven months of activity of the acquired entity. The results achieved during this period are not material.

The provisional allocation of the purchase price is as follows:

(in € millions)	Net book value	Price allocation
Brands	-	15.6
Property, plant and equipment	5.7	10.8
Inventories	18.3	28.1
Working capital requirement, excluding inventories	(0.4)	(0.4)
Net current and deferred tax	0.9	(6.1)
Provisions for liabilities and charges	(0.2)	(0.2)
Net financial debt	(9.4)	(9.4)
Total net assets purchase	15.0	38.5
Goodwill	-	23.7
TOTAL PURCHASE PRICE	**-**	**62.1**

Goodwill generated from the acquisition represents the expertise of this distillery with more than 130 years of history and synergies from its integration into the Rémy Cointreau brand portfolio and distribution network.

Brands produced and marketed by Bruichladdich Distillery Ltd are housed in the Liqueurs & Spirits division.

NOTE 2.2 LARSEN SA

On 18 December 2012, Rémy Cointreau announced the signing of a purchase agreement for Larsen SA, le Cognac des Vikings. The acquisition took place on 28 December 2012.

Founded in 1926, Larsen was one of the last independent producers of cognac, boasting a unique range of rare and prestigious products marketed primarily in northern Europe. Over three generations, the Company had also built up inventories of high-quality eaux-de-vie.

Simultaneously with the acquisition of Larsen, Rémy Cointreau initiated discussions with industrial and commercial partners for the resale of Larsen's operations. Rémy Cointreau will retain inventories of high-quality eaux-de-vie constituting a major and strategic part of the assets acquired. Accordingly, all components of Larsen's business and real estate assets necessary for its operations were classified as "assets held for sale" as of the balance sheet date at fair value less selling costs and tax.

NOTE 2.3 DISPOSAL OF THE CHAMPAGNE DIVISION

The Rémy-Cointreau and EPI groups signed an agreement bearing on the sale of all of the shares of Piper-Heidsieck Cie Champenoise to EPI on 31 May 2011. The sale was completed on 8 July 2011, and gave EPI control of the champagne business in Reims and the Piper Sonoma brand in the United States.

NOTE 3 BRANDS AND OTHER INTANGIBLE ASSETS

(in € millions)	Goodwill	Brands	Distribution rights	Other	Total
Gross value at 31 March 2011	**-**	**485.7**	**9.0**	**21.6**	**516.3**
Acquisitions	-	-	-	1.5	1.5
Disposals, items scrapped	-	-	(2.1)	-	(2.1)
Other movements	-	-	-	0.1	0.1
Translation difference	-	0.6	0.1	0.2	0.9
Gross value at 31 March 2012	**-**	**486.3**	**7.0**	**23.4**	**516.7**
Acquisitions	23.7	-	-	1.8	25.5
Disposals, items scrapped	-	-	-	(0.1)	(0.1)
Perimeter variances	-	15.6	-	-	15.6
Other movements	-	-	-	0.1	0.1
Translation difference	(1.2)	(0.4)	0.1	0.2	(1.3)
Gross value at 31 March 2013	**22.5**	**501.5**	**7.1**	**25.4**	**556.5**
Accumulated amortization and depreciation at 31 March 2011	**-**	**48.2**	**7.2**	**13.8**	**69.2**
Charges	-	3.9	-	2.3	6.2
Disposals, items scrapped	-	-	(2.1)	-	(2.1)
Translation difference	-	0.1	-	0.1	0.2
Accumulated amortization and depreciation at 31 March 2012	**-**	**52.2**	**5.1**	**16.2**	**73.5**
Charges	-	-	-	2.8	2.8
Disposals, items scrapped	-	-	-	(0.1)	(0.1)
Translation difference	-	-	0.1	-	0.1
Accumulated amortization and depreciation at 31 March 2013	**-**	**52.2**	**5.2**	**18.9**	**76.3**
Net carrying amount at 31 March 2011	**-**	**437.5**	**1.8**	**7.8**	**447.1**
Net carrying amount at 31 March 2012	**-**	**434.1**	**1.9**	**7.2**	**443.2**
Net carrying amount at 31 March 2013	**22.5**	**449.3**	**1.9**	**6.5**	**480.2**

Intangible assets include goodwill arising from the acquisition Bruichladdich Distillery Ltd (Note **2.1**).

The net carrying amount in “Distribution rights” is equivalent to a brand.

“Other” mainly includes software licences.

As of 31 March 2013, total provisions for impairment of intangible assets amounted to €52.2 million (2012: €52.2 million, 2011: €48.2 million) and related solely to brands.

Brands owned by Rémy Cointreau are all considered to have an indefinite useful life. As such they are not amortised (Note **1.6**). However they are subject to an impairment test annually or as soon as there is an indication of a decrease in value. The method used to establish the present value of the brands is described in note **1.8.**

Tests conducted by Rémy Cointreau and reviewed by an independent expert on the entire portfolio of brands did not lead the Group to recognise any impairment.

During the year ended 31 March 2012, two secondary brands (one housed in the Liqueurs & Spirits division, one in the Partner Brands division) were impaired by €3.8 million, reflecting the difference between their recoverable values and carrying amounts.

During the year ended 31 March 2011, Metaxa, the Greek brandy brand acquired in 2000, was subject to a €45 million impairment provision to reflect the difference between its recoverable value and its carrying amount.

For tests during the period, the present value was the recoverable value, based on discounted future cash flows contained in medium-term plans (five years) and approved by the Board of Directors. The pre-tax discount rate used was 10.91% (2012: 9.95%) and the perpetual growth rate was between 1% and 2% (2012: between 1% and 2%).

Considering the projections and financial parameters on which such tests are based, an increase of 0.5 points in the discount rate, a reduction of 0.5 points in the perpetual growth rate or a 10% decrease in the cash flow projections contained in the medium-term plans would not lead to impairment of any of the brands or other intangible assets held by the Group.

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

(in € millions)	Land	Buildings	Other	In progress	Total
Gross value at 31 March 2011	**8.2**	**81.3**	**168.5**	**3.7**	**261.7**
Acquisitions	-	2.1	13.9	1.9	17.9
Disposals, items scrapped	(0.1)	(0.4)	(1.5)	-	(2.0)
Other movements	0.1	1.4	(2.4)	(1.1)	(2.0)
Translation difference	-	0.5	1.3		1.8
Gross value at 31 March 2012	**8.2**	**84.9**	**179.8**	**4.5**	**277.4**
Acquisitions	0.2	3.2	11.7	15.2	30.3
Disposals, items scrapped	-	(0.3)	(5.2)	-	(5.5)
Perimeter variances	0.9	6.0	7.8	-	14.7
Other movements	0.1	0.9	2.3	(3.6)	(0.3)
Translation difference	-	-	0.4	-	0.4
Gross value at 31 March 2013	**9.4**	**94.7**	**196.8**	**16.1**	**317.0**
Accumulated amortization and depreciation at 31 March 2011	**1.0**	**32.9**	**86.8**	**-**	**120.7**
Charges	0.4	2.3	9.7	-	12.4
Disposals, items scrapped	-	(0.2)	(0.8)	-	(1.0)
Other movements	-	0.4	(2.4)	-	(2.0)
Translation difference	-	0.1	0.8	-	0.9
Accumulated amortization and depreciation at 31 March 2012	**1.4**	**35.5**	**94.1**	**-**	**131.0**
Charges	0.5	2.6	10.7	-	13.8
Disposals, items scrapped	-	(0.3)	(4.7)	-	(5.0)
Perimeter variances	-	0.5	3.3	-	3.8
Other movements	-	-	(0.1)	-	(0.1)
Translation difference	-	-	0.4	-	0.4
Accumulated amortization and depreciation at 31 March 2013	**1.9**	**38.3**	**103.7**	**-**	**143.9**
Net carrying amount at 31 March 2011	**7.2**	**48.4**	**81.7**	**3.7**	**141.0**
Net carrying amount at 31 March 2012	**6.8**	**49.4**	**85.7**	**4.5**	**146.4**
Net carrying amount at 31 March 2013	**7.5**	**56.4**	**93.1**	**16.1**	**173.1**

As of 31 March 2013, no property, plant or equipment owned by the Group was subject to impairment provisions.

In the year ended 31 March 2012, acquisitions, in the amount of €30.3 million, related mainly to industrial capital expenditure on the Group's various production facilities (Cognac, Angers, Barbados, Islay).

These non-current assets are unencumbered.

NOTE 5 INVESTMENTS IN ASSOCIATES

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

(in € millions)	Dynasty	Lixir	Diversa	Other	Total
As at 31 March 2011	**56.1**	**1.2**	**7.6**	**-**	**64.9**
Dividend paid	(1.2)	(0.6)	(0.2)	-	(2.0)
Perimeter variation	-	-	-	0.7	0.7
Profit of the year	(1.3)	0.7	0.2	-	(0.4)
Translation difference	5.4	-	-	-	5.4
Other	(0.2)	-	-	-	(0.2)
As at 31 March 2012	**58.8**	**1.3**	**7.6**	**0.7**	**68.4**
Dividend paid	-	(0.6)	(0.3)	-	(0.9)
Perimeter variation	-	-	-	0.8	0.8
Profit of the year	-	0.4	0.2	(0.2)	0.4
Provision for impairment	(15.9)	-	-	-	(15.9)
As at 31 March 2013	**42.9**	**1.1**	**7.5**	**1.3**	**52.8**

NOTE 5.1 DYNASTY

As of 31 March 2013, Rémy Cointreau held 336.5 million Dynasty shares representing a 26.96% equity stake.

This legacy Rémy Cointreau stake was originally a joint venture formed in 1980 with the municipality of Tianjin, which still holds 45%. Since 2005, the Company has been listed on the Hong Kong Stock Exchange, with a free float of approximately 28%. This major player in the Chinese wine market has over the last two years been experiencing difficulties following the start of restructuring made necessary by change in the wine market in China.

In February 2013, Dynasty issued a profit warning, flagging a prospective loss in respect of 2012. Dynasty had not reported its annual financial statements as of Rémy Cointreau's balance sheet date. Trading in its shares on the Hong Kong Stock Exchange was suspended on 22 March 2013. According to information provided by Dynasty, the delay stems from investigations brought by the Audit Committee following allegations of fraud.

Considering that the downward trend in earnings and the prospect of a loss represented a clear sign of impairment, irrespective of the reality of the allegations of fraud and their potential impact, Rémy Cointreau tested the value this asset, which stood at €58.8 million as of 31 March 2012, in accordance with IAS 36.

On the basis of external data, the value of the asset has been adjusted to €42.9 million as of 31 March 2013, representing an impairment loss of €15.9 million.

It is noted that this valuation does not take into account the results for fiscal 2012, which had not been disclosed as of the balance sheet date, and no assumption has been made as to the allegations of fraud and their possible outcome.

There are no commercial transactions between the Rémy Cointreau Group and Dynasty.

NOTE 5.2 LIXIR

On 7 October 2008, the Rémy Cointreau Group acquired a 50% interest in the French distribution company Lixir from William Grant & Sons Investments Ltd for €0.5 million.

Lixir's financial year-end is 31 December. Lixir's net sales amounted to €162.2 million over the Rémy Cointreau financial year, compared with €165.9 million in the previous Rémy Cointreau financial year.

NOTE 5.3 DIVERSA

On 31 March 2009, the Rémy Cointreau Group acquired a 50% interest in Diversa GmbH to form a distribution joint venture in Germany with the Underberg group.

Diversa GmbH generated net sales of €120.7 million in the year ended 31 March 2013 (2012: €128.2 million).

NOTE 5.4 OTHER

During the year ended 31 March 2012, the Rémy Cointreau Group entered into a joint venture with an Indian partner for the creation of a local brandy to be developed during the subsequent financial year.

NOTE 6 OTHER FINANCIAL ASSETS

(in € millions)	2013	2012	2011
Non-consolidated equity investments	4.2	4.6	6.6
Prepayments for post-employement benefit schemes	-	-	0.4
Vendor loan (Note **6.2**)	82.1	78.0	-
Loan to non-consolidated investments	0.1	0.1	0.1
Liquidity account excluding Rémy Cointreau shares	2.2	3.0	3.0
Other	1.3	1.2	0.8
TOTAL	**89.9**	**86.9**	**10.9**

NOTE 6.1 NON-CONSOLIDATED EQUITY INVESTMENTS

(in € millions)	% held	2013	% held	2012	% held	2011
Dettling & Marmot (Switzerland)	25.0%	1.0	25.0%	1.0	25.0%	1.0
Ducs de Gascogne S.A. (France)	30.1%	0.5	30.1%	1.1	30.1%	1.1
Tianjin Dvpt Holding Ltd (RPC)	0.2%	0.6	0.2%	0.4	0.2%	0.7
Balachoa-Vinhos de Portugal (Portugal)	0.8%	0.5	0.8%	0.5	0.8%	0.5
REVICO (France)	-	-	-	-	5.0%	0.4
TRANSMED (France)	-	-	-	-	6.8%	1.3
Destilerias de Vilafranca S.A. (liquidation in process)	100.0%	1.5	100.0%	1.5	100.0%	1.5
Other investments	-	0.1	-	0.1	-	0.1
TOTAL		**4.2**		**4.6**		**6.6**

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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 2013, this loan was recognised at the present value of cash flows to be collected by Rémy Cointreau in the event that the loan is repaid on maturity in accordance with the terms and conditions of the contract.

NOTE 6.3 LIQUIDITY ACCOUNT

During the year ended 31 March 2006, Rémy Cointreau signed a liquidity agreement with a financial intermediary (Note **1.18**). This type of agreement does not qualify as “Cash and cash equivalents”. Furthermore, the balance on the account corresponding to the value of the Rémy Cointreau shares held in conjunction with the agreement is reclassified as treasury shares as a deduction from consolidated equity (Note **10.1.2**).

NOTE 7 INVENTORIES

NOTE 7.1 BREAKDOWN BY CATEGORY

(in € millions)	**2013**	2012	2011
Raw materials	30.5	23.4	19.4
Ageing wines and eaux-de vie	779.1	634.9	590.9
Goods for resale and finished goods	142.5	141.5	95.3
Gross cost	**952.1**	**799.8**	**705.5**
Provision for impairment	(6.2)	(7.2)	(6.3)
Carrying amount	**945.9**	**792.6**	**699.2**

Accounting principles applying to inventories are described in note **1.9.**

As of 31 March 2013, some inventories were subject to agricultural warrants in an amount a €28.0 million (2012: €27.9 million; 2011: €32.8 million).

NOTE 7.2 ANALYSIS OF THE CHANGE

(in € millions)	Gross cost	Impairment	Carrying amount
As at 31 March 2011	**705.5**	**(6.3)**	**699.2**
Movement	85.4	(0.7)	84.7
Translation difference	8.9	(0.2)	8.7
As at 31 March 2012	**799.8**	**(7.2)**	**792.6**
Movement	56.6	1.1	57.7
Perimeter variation	90.8	-	90.8
Translation difference	4.9	(0.1)	4.8
As at 31 March 2013	**952.1**	**(6.2)**	**945.9**

NOTE 8 TRADE AND OTHER RECEIVABLES

A provision for doubtful debt is recognised on a case-by-case basis when the fair value of the receivable is less than its carrying amount.

(in € millions)	**2013**	2012	2011
Trade receivables	197.2	160.5	157.9
Receivables related to taxes and social charges (excl. income tax)	8.6	16.5	10.8
Sundry prepaid expenses	6.0	7.2	6.4
Advances paid	24.5	6.8	16.9
Receivables related to asset disposals	-	-	0.1
Other receivables	19.3	16.9	21.5
TOTAL	**255.5**	**207.9**	**213.6**
Of which provision for doubtful debts	(6.6)	(5.3)	(4.4)

At 31 March 2013, the breakdown of trade receivables by maturity was as follows:

			Due	
(in € millions)	Total	Current	Less than 3 months	More than 3 months
Trade receivables gross	**203.8**	**124.7**	**44.9**	**34.2**

NOTE 9 CASH AND CASH EQUIVALENTS

(in € millions)	2013	2012	2011
Financial assets measured at fair value though profit and loss	100.9	126.4	0.1
Cash at bank	85.9	63.7	80.5
TOTAL	**186.8**	**190.1**	**80.6**

NOTE 10 EQUITY

NOTE 10.1 SHARE CAPITAL, ISSUE PREMIUM AND TREASURY SHARES

	Number of shares	Treasury shares	Total number of shares	Share capital	Share premium	Treasury shares
As at 31 March 2011	**49,428,402**	**(21,310)**	**49,407,092**	**79.1**	**735.7**	**(0.6)**
Exercise of stock options	103,860	-	103,860	0.2	2.5	-
2009 bonus share plan	97,300	-	97,300	0.1	-	-
Share Buy Back program	-	(1,421,003)	(1,421,003)	-	-	(95.6)
Liquidity account	-	-	-	-	-	-
Other treasury shares	-	13,660	13,660	-	-	0.4
As at 31 March 2012	**49,629,562**	**(1,428,653)**	**48,200,909**	**79.4**	**738.2**	**(95.8)**
Dividend paid in shares	1,190,350	-	1,190,350	1.9	90.4	-
2010 bonus share plan	90,000	-	90,000	0.1	-	-
Liquidity account	-	(10,000)	(10,000)	-	-	(0.9)
Share Buy Back program	-	(7,791)	(7,791)	-	-	(0.5)
Other treasury shares	-	(2,850)	(2,850)	-	-	(0.2)
As at 31 March 2013	**50,909,912**	**(1,449,294)**	**49,460,618**	**81.4**	**828.6**	**(97.4)**

Share capital and premium

At 31 March 2013, the share capital consisted of 50,909,912 shares with a nominal value of €1.60.

On 25 September 2012, 1,190,350 shares were issued following the option offered to shareholders to receive payment of the dividend in shares.

On 23 November 2012, 90,000 shares were issued (from available reserves) on expiry of the vesting period of the 2010 bonus share plan.

Treasury shares

Pursuant to resolutions 13 and 15 of the Shareholders' Meeting of 26 July 2011, Rémy Cointreau's Board of Directors, at its meeting of 22 November 2011, appointed an investment service provider to make purchases of Rémy Cointreau SA shares within the limit of 10% of share capital after deducting shares already held in treasury, including those acquired under the liquidity contract.

In compliance with the description of the share buyback programme published in the registration document of Rémy Cointreau registered with the AMF on 29 June 2011, as amended by the Shareholders'

Meeting of 26 July 2011, the shares bought shall be allocated to the following objectives (i) retention with a view to use for external growth within the limits permitted by law and (ii) cancellation.

On 23 May 2012, Rémy Cointreau decided to terminate the execution of the share buyback programme initiated on 6 December 2011. As part of this programme, the Company acquired 1,428,794 shares representing 2.88% of share capital at an average price of €67.29 per share.

In addition, as of 31 March 2013, 10,000 Rémy Cointreau shares were held under the liquidity accounts put in place in November 2005 (Note **1.18**) and 10,500 shares were held temporarily, to be allocated to the exercise of stock option plans 12 and 13.

NOTE 10.2 NUMBER OF SHARES USED FOR THE CALCULATION OF EARNINGS PER SHARE

The principles for calculating earnings per share are set out in note **1.20.**

	2013	2012	2011
Average number of shares (basic):			
Average number of shares	50,329,413	49,587,843	49,012,762
Average number of treasury shares	(1,449,161)	(263,511)	(21,310)
TOTAL USED FOR CALCULATING BASIC EARNINGS PER SHARE	**48,880,252**	**49,324,332**	**48,991,452**
Average number of shares (diluted):			
Average number of shares (basic)	48,880,252	49,324,332	48,991,452
Dilution effect of stock options and bonus share plans(1)	130,429	148,898	257,404
TOTAL USED FOR CALCULATING DILUTED EARNINGS PER SHARE	**49,010,681**	**49,473,230**	**49,248,856**

(1) The Rémy Cointreau share price used as a reference for the dilution effect was €61.23 for 2012, and €47.25 € for 2011. All dilutive stock option plans are expired as at 31 March 2013.

NOTE 10.3 STOCK-OPTION AND SIMILAR PLANS

Stock-option plans

These plans were granted under the authorisations given by the Extraordinary Shareholders' Meetings held on 21 September 2001 (Plan 12) and 7 September 2004 (Plan 13).

Exercise start date	Plan No	Term in years	Type(1)	Options granted	Exercise price in €	Lapsed options	Options exercised as at 31 March 2012	Options exercised during the year	Average exercise price	Options outstanding as at 31 March 2013
16 September 2007	12	6	P	287,000	27.67	27,000	242,790	3,650	86.16	13,560
24 December 2008	13	6	P	262,000	28.07	35,000	194,500	22,850	84.68	9,650
TOTAL				**549,000**		**62,000**	**437,290**	**26,500**	**84.89**	**23,210**

(1) P = Purchase.

For all plans, one option equals one share granted.

Pursuant to a mechanism approved by the AMF on 8 March 2005, Rémy Cointreau hedged plans 12 and 13 in March 2005 by means of a repurchase option (plan 12) and a call option (plan 13) concluded with a financial institution enabling Rémy Cointreau to deliver shares to the beneficiaries at exercise date at a cost equal to the exercise price.

Bonus share plans

Grant date(1)	Plan No	Vesting period	Minimum retention period	Initial number of shares granted	Share price on grant date	Lapsed shares	Shares granted at the end of the vesting period	Number of shares outstanding at 31 March 2013
23 November 2010	2010	2 years	2 years	94,000	52.65	4,000	90,000	-
22 November 2011	2011	2 years	2 years	96,500	58.50	-	n/a	96,500
20 November 2012	2012	2 years	2 years	96,500	83.29	500	n/a	96,000
TOTAL				**287,000**		**4,500**	**90,000**	**192,500**

(1) The grant date is the date of the Board meeting which decided on granting each plan.

For these three plans, the Board of Directors determined that the following acquisition terms would apply:

- 60% of the shares are granted on condition that the beneficiary is still employed by the Group at the end of the vesting period;
- 40% of the shares are granted on the condition that the beneficiary is still employed by the Group at the end of the vesting period and that the Group has satisfied performance criteria measured at the end of the financial year preceding the end of the vesting period. These criteria concern the current operating margin and the return on capital employed, measured on a like-for-like basis.

The shares granted at the end of the vesting period for the 2010 plan resulted in the creation of 90,000 new shares as a deduction against reserves. This plan was granted in full (with the exception of 4,000 shares that lapsed due to the departure of beneficiaries).

Calculation of the charge for the year

In accordance with IFRS 2, a charge representing the estimated value of the benefit granted to the beneficiaries of share-based payments is recognised as operating profit (Note **1.19**). As of 31 March, 2013, this only concerned bonus share plans.

For the bonus share plans, the unit value is based on the share price at the grant date for Executive Management or Management Committee beneficiaries or the notice date for other beneficiaries, less the estimated value of the dividends per share which would be due during the vesting period.

The charge is calculated by multiplying these unit values by the estimated number of options or bonus shares that will be granted. The amount is amortised on a straight-line basis over the rights vesting period from the date of the Board meeting approving each plan.

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The assumptions used for the estimation of the benefit value and the resulting values for the plans included in the calculation of the expense for the year ended 31 March 2013 were as follows:

	Plan 2010	Plan 2011	Plan 2012
Expectation performance criteria will be met	100%	100%	100%
Staff turnover ratio	5.0%	5.0%	5.0%
Fair value per option(1)	€50.05	€55.62	€78.69
Fair value per option(2)	€49.88	€58.65	€82.21

(1) Executive Management and Management Committee members.
(2) Other beneficiaries.

For the year ended 31 March 2013, the related expense was €5.3 million (2012: €4.3 million; 2011: €3.1 million).

NOTE 10.4 DIVIDENDS

The Shareholders' Meeting of 26 July 2012 approved the payment of an ordinary dividend of €1.30 per share in respect of the year ended 31 March 2012 and a special dividend of €1.00 per share, both payable in either cash or shares.

Payment in shares was made at the end of September, resulting in the issuance of 1,190,350 shares at a price of €77.53. The balance of €18.5 million was paid in October 2012.

NOTE 10.5 NON-CONTROLLING INTERESTS

(in € millions)	**2013**	2012	2011
Minority interests in Mount Gay Distilleries	1.2	1.2	0.9
TOTAL	**1.2**	**1.2**	**0.9**

NOTE 10.6 CAPITAL MANAGEMENT AND FINANCIAL STRUCTURE

Capital management forms an integral part of the optimisation of the Group's financial structure. In this respect, the Rémy Cointreau management takes into account the intrinsic features of its business and the strategic objectives it has set for the Group. These features require a high level of capital employed, mainly in eaux-de-vie and wine inventories undergoing ageing, and provide a unique guarantee for its brands' future and their potential to create shareholder value.

For several years the Group has resolutely pursued a debt-reduction policy in order to maximise the funds available for brand development. As a result, it has sold non-strategic assets and adopted new performance indicators including return on capital employed (ROCE) and free cash flow for the various businesses.

Another key indicator is the "A ratio" (average net financial debt/ EBITDA) (Notes **11.7**, **11.8** and **14.6**) with which the Group must comply in order to access a significant part of its financial resources. The A ratio was 0.99 as at 31 March 2012, substantially below the ceiling of 3.50 laid down in the covenant.

During the year ended 31 March 2013, continuing activities generated operating cash flow (before tax and financial expense) of €221.9 million. Net financial debt increased by €76.9 million and the net debt to equity ratio was 0.24 (2012: 0.19; 2011: 0.31).

NOTE 11 FINANCIAL DEBT

NOTE 11.1 NET FINANCIAL DEBT

	2013			2012			2011		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Gross financial debt	389.2	63.1	452.3	340.0	38.7	378.7	377.7	31.8	409.5
Cash and cash equivalent (Note **9**)	-	(186.8)	(186.8)	-	(190.1)	(190.1)	-	(80.6)	(80.6)
Net financial debt	**389.2**	**(123.7)**	**265.5**	**340.0**	**(151.4)**	**188.6**	**377.7**	**(48.8)**	**328.9**

NOTE 11.2 GROSS FINANCIAL DEBT BY TYPE

	2013			2012			2011		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Bonds	200.3	-	200.3	199.1	-	199.1	198.0	-	198.0
Private Placement	139.5	-	139.5	139.3	-	139.3	138.1	-	138.1
Drawdown on syndicated credit		-	-	-	-	-	40.0	-	40.0
Drawdown on club Deal	47.8	-	47.8	-	-	-	-	-	-
Drawdown on other confirmed facilities	-	-	-	-	25.0	25.0	-	-	-
Other financial debt and overdrafts	-	0.1	0.1	-	0.1	0.1	-	0.1	0.1
Accrued interest	-	7.5	7.5	-	7.3	7.3	-	7.4	7.4
Total Rémy Cointreau SA	**387.6**	**7.6**	**395.2**	**338.4**	**32.4**	**370.8**	**376.1**	**7.5**	**383.6**
Other financial debt and overdrafts	1.6	49.3	50.9	1.6	1.2	2.8	1.6	15.1	16.7
Borrowings by special *purpose entities*	-	6.2	6.2	-	5.1	5.1	-	9.2	9.2
Total subsidiaries	**1.6**	**55.5**	**57.1**	**1.6**	**6.3**	**7.9**	**1.6**	**24.3**	**25.9**
Gross financial debt	**389.2**	**63.1**	**452.3**	**340.0**	**38.7**	**378.7**	**377.7**	**31.8**	**409.5**

Drawings on unconfirmed lines explain the increase in "Other financial debt and overdrafts".

NOTE 11.3 GROSS FINANCIAL DEBT BY MATURITY

(in € millions)	Long-term	Short-term
Before 31 March 2014	-	63.1
31 March 2015	1.6	
10 June 2015	139.5	
15 December 2016	200.3	
5 June 2017	47.8	
TOTAL	**389.2**	**63.1**

As of 31 March 2013, undrawn amounts under the confirmed credit lines of Rémy Cointreau totalled €205 million (2012: €346 million; 2011: €426 million).

As of 31 March 2013, Rémy Cointreau had total confirmed resources of €600 million (2012: €691 million; 2011: €811 million).

Liquidity risk is set out in note **14.**

NOTE 11.4 GROSS FINANCIAL DEBT BY TYPE OF RATES

	2013			2012			2011		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Fixed interest rate	339.8	-	339.8	338.4	-	338.4	336.1	-	336.1
Variable interest rate	49.4	55.6	105.0	1.6	31.4	33.0	41.6	24.4	66.0
Accrued interest	-	7.5	7.5	-	7.3	7.3	-	7.4	7.4
Gross financial debt	**389.2**	**63.1**	**452.3**	**340.0**	**38.7**	**378.7**	**377.7**	**31.8**	**409.5**

	2013			2012			2011		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Drawdown on syndicated credit	-	-	-	-	-	-	40.0	-	40.0
Drawdown on club deal	47.8	-	47.8	-	-	-	-	-	-
Drawdown on other confirmed facilities	-	-	-	-	25.0	25.0	-	-	-
Other financial debt and overdrafts	1.6	55.6	57.2	1.6	6.4	8.0	1.6	24.4	26.0
VARIABLE INTEREST RATE	**49.4**	**55.6**	**105.0**	**1.6**	**31.4**	**33.0**	**41.6**	**24.4**	**66.0**

Drawdowns on syndicated credit and other confirmed and unconfirmed credit lines are hedged. Details of the interest rate hedging instruments held in the portfolio at the balance sheet date are provided in note **14.**

NOTE 11.5 GROSS FINANCIAL DEBT BY CURRENCY

	2013			2012			2011		
(in € millions)	Long term	Short term	Total	Long term	Short term	Total	Long term	Short term	Total
Euro	389.2	62.8	452.0	340.0	37.8	377.8	377.7	30.5	408.2
Dollar US	-	0.3	0.3	-	0.9	0.9	-	1.3	1.3
Gross financial debt	**389.2**	**63.1**	**452.3**	**340.0**	**38.7**	**378.7**	**377.7**	**31.8**	**409.5**

NOTE 11.6 BONDS

In June 2010, Rémy Cointreau carried out a new 6.5-year bond issue with a par value of €205 million. The bonds have a par value of €50,000 each and were issued at 97.745% of par (issue premium of 2.255%), bearing interest of 5.18% payable on 15 June and 15 December of each year. They will be redeemed at par at maturity (15 December 2016).

This bond is not secured.

The bond carries a number of clauses for early redemption at the issuer's option, primarily in the event of a capital increase, whether for the general public or privately placed, or in the event of a material change in the tax regime applicable to payments made by the issuer on the bonds subsequent to the issue date. Furthermore, all bearers are entitled to request redemption of their bonds at 101% in the event of a change of control.

In the event of the sale of assets, and if the sale proceeds are not used for authorised transactions, Rémy Cointreau must, within 365 days of the date of receipt of the sale proceeds, offer early redemption of the bond up to the amount of the proceeds of the sale. Furthermore, the agreement contains certain conventions that may limit the maximum dividend payout in the event of a loss.

After taking the issue premium and expenses into account, the net proceeds from the bond were approximately €197.0 million, putting the effective interest rate at around 5.89%.

NOTE 11.7 PRIVATE PLACEMENT

On 10 June 2010, Rémy Cointreau secured a so-called "private placement" syndicated finance package with financial institutions. The €140.0 million contract was concluded for five years (maturing on 10 June 2015). The structured financing includes a loan comprising two tranches, of €65 million (tranche A) and €75 million (tranche B) respectively, as well as various swap contracts that exactly match the two tranches, thereby guaranteeing a fixed rate of 3.6675% for the duration of the contract.

After deducting the commitment fee, the net proceeds from the issue were approximately €138.6 million, putting the effective interest rate at around 3.94%.

This contract is unsecured. Availability of the funds is subject to the A ratio (see Syndicated credit) remaining below 3.5 at each half-year end for the duration of the contract.

NOTE 11.8 BANK SYNDICATE

On 5 June 2012, Rémy Cointreau concluded a new syndicated loan to replace the revolving credit line of €346 million that matured on 7 June 2012. The new revolving credit is for a total of €255 million for a period of five years. Sums drawn are subject to interest at EURIBOR plus a margin that may vary as shown in the following table on the basis of the ratio of "average net debt to EBITDA" (A ratio).

This facility is not subject to any security.

In this contract, Rémy Cointreau agrees that the A ratio shall be less than or equal to 3.5 as of 30 September and 31 March of each year until maturity. As of 31 March 2013, the A ratio was 0.99.

NOTE 12 PROVISIONS FOR RISKS AND LIABILITIES

NOTE 12.1 ANALYSIS OF CHANGE

(in € millions)	Restructuring	Litigation	Total
At 31 March 2011	**0.7**	**15.3**	**16.0**
Increase	-	2.2	2.2
Reversals – Used	(0.2)	(8.1)	(8.3)
Reversals – Unused	-	(1.6)	(1.6)
Translation difference	-	0.1	0.1
At 31 March 2012	**0.5**	**7.9**	**8.4**
Increase	-	3.7	3.7
Reversals – Used	(0.2)	(0.4)	(0.6)
Reversals – Unused	-	(2.2)	(2.2)
Perimeter variance	-	0.2	0.2
Translation difference	-	(0.1)	(0.1)
At 31 March 2013	**0.3**	**9.1**	**9.4**

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

NOTE 12.2 MATURITY

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

(in € millions)	2013	2012	2011
Long-term provisions (or unknown maturity)	5.8	6.9	6.5
Short-term provisions	3.6	1.5	9.5
TOTAL	**9.4**	**8.4**	**16.0**

NOTE 13 TRADE AND OTHER PAYABLES

(in € millions)	2013	2012	2011
Trade payables – “eaux-de-vie”	211.5	193.8	186.1
Other trade payables	98.9	83.6	82.5
Advances from customers	19.5	8.2	11.7
Payables related to tax and social charges (excl. income tax)	51.0	49.1	37.9
Excise duties	0.9	1.0	1.3
Advertising expenses payable	88.5	66.0	46.3
Miscellaneous deferred income	10.4	13.7	1.4
Other liabilities	62.2	52.1	39.4
TOTAL	**542.9**	**467.5**	**406.6**

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NOTE 14 FINANCIAL INSTRUMENTS AND MARKET RISKS

NOTE 14.1 BREAKDOWN OF FINANCIAL INSTRUMENTS BY CATEGORY

The following tables show the financial instruments recorded on the balance sheet analysed by the measurement categories defined in IAS 39.

AS OF 31 MARCH 2013

(in € millions)	*Notes*	Carrying amount	Fair value	Loans and receivables at amortised cost	Fair value through income statement[1]	Held for sale	Hedging instruments
Other financial assets	*6*	89.9	89.9	83.5	2.2	4.2	-
Trade and other receivables	*8*	255.5	255.5	255.5	-	-	-
Derivative financial instruments	*14*	6.3	6.3	-	-	-	6.3
Cash and cash equivalents	*9*	186.8	186.8	-	186.8	-	-
ASSETS		**538.5**	**538.5**	**339.0**	**189.0**	**4.2**	**6.3**
Long-term financial debt	*11*	389.2	389.2	389.2	-	-	-
Short-term financial debt and accrued interest charge	*11*	63.1	63.1	63.1	-	-	-
Trade and other payables	*13*	542.9	542.9	542.9	-	-	-
Derivative financial instruments	*14*	18.4	18.4	-	6.3	-	12.1
LIABILITIES		**1,013.6**	**1,013.6**	**995.2**	**6.3**	**-**	**12.1**

(1) These financial instruments pertain to the “held for trading” category.

AS OF 31 MARCH 2012

(in € millions)	Notes	Carrying amount	Fair value	Loans and receivables at amortised cost	Fair value through income statement(1)	Held for sale	Hedging instruments
Other financial assets	*6*	86.9	86.9	79.3	3.0	4.6	-
Trade and other receivables	*8*	207.9	207.9	207.9	-	-	-
Derivative financial instruments	*14*	5.6	5.6	-	-	-	5.6
Cash and cash equivalents	*9*	190.1	190.1	-	190.1	-	-
ASSETS		**490.5**	**490.5**	**287.2**	**193.1**	**4.6**	**5.6**
Long-term financial debt	*11*	340.0	340.0	340.0	-	-	-
Short-term financial debt and accrued interest charge	*11*	38.7	38.7	38.7	-	-	-
Trade and other payables	*13*	467.5	467.5	467.5	-	-	-
Derivative financial instruments	*14*	25.4	25.4	-	9.3	-	16.1
LIABILITIES		**871.6**	**871.6**	**846.2**	**9.3**	**-**	**16.1**

(1) These financial instruments pertain to the "held for trading" category.

AS OF 31 MARCH 2011

(in € millions)	Notes	Carrying amount	Fair value	Loans and receivables at amortised cost	Fair value through income statement(1)	Held for sale	Hedging instruments
Other financial assets	*6*	10.9	10.9	1.3	3.0	6.6	-
Trade and other receivables	*8*	213.6	213.6	213.6	-	-	-
Derivative financial instruments	*14*	16.4	16.4	-	-	-	16.4
Cash and cash equivalents	*9*	80.6	80.6	-	80.6	-	-
ASSETS		**321.5**	**321.5**	**214.9**	**83.6**	**6.6**	**16.4**
Long-term financial debt	*11*	377.7	377.7	377.7	-	-	-
Short-term financial debt and accrued interest charge	*11*	31.8	31.8	31.8	-	-	-
Trade and other payables	*13*	406.6	406.6	406.6	-	-	-
Derivative financial instruments	*14*	4.5	4.5	-	3.2	-	1.3
LIABILITIES		**820.6**	**820.6**	**816.1**	**3.2**	**-**	**1.3**

(1) These financial instruments pertain to the "held for trading" category.

NOTE 14.2 MARKET RISK MANAGEMENT POLICY

The Group uses financial instruments to manage its interest rate and currency risk exposure. The policy for managing market risks complies with the prudential rules approved by the Board of Directors. More specifically, the sale of options is limited to tunnel strategies and the resale of previously purchased instruments that are subject to approval on an individual basis.

All hedging transactions are entered into with top-tier international banks.

With regard to currency risk, the Group endeavours to hedge its budgeted net commercial exposure over a rolling period of approximately 15 to 18 months. This is achieved by entering into firm or optional currency hedging agreements in accordance with the guidelines set by the Board of Directors.

The Group does not hedge the currency risk arising from the translation of the financial statements of companies outside the euro zone into euros.

The Group's hedging policy only allows for the hedging of short-term currency risk. It is not intended to protect the Group against the economic effects of long-term money market trends on the Group's net sales and margins.

NOTE 14.3 BREAKDOWN OF FINANCIAL INSTRUMENTS (INTEREST AND FOREIGN EXCHANGE RATES)

(in € millions)	2013	2012	2011
Assets			
Interest rate derivatives	-	-	-
Exchange rate derivatives	6.3	5.6	16.4
TOTAL	**6.3**	**5.6**	**16.4**
Liabilities			
Interest rate derivatives	13.9	15.5	3.8
Exchange rate derivatives	4.5	9.9	0.7
TOTAL	**18.4**	**25.4**	**4.5**

NOTE 14.4 INTEREST RATE DERIVATIVES

As of 31 March 2013, interest rate derivatives in the portfolio were as follows:

Breakdown by type

(in € millions)	2013	2012	2011
Liabilities			
Interest rate swaps	9.0	11.2	2.5
Instruments related to Private Placement	4.9	4.3	1.3
TOTAL	**13.9**	**15.5**	**3.8**

Breakdown by maturity

(in € millions)	Nominal	Initial value	Market value	Qualification
Interest rate swaps:				
Maturing January 2015	75.0	0.0	4.5	Trading(1)
Maturing January 2015	50.0	0.0	2.9	CFH(1)
Maturing March 2015	25.0	0.0	1.6	CFH(1)
Related to Private Placement maturing June 2015	140.0	-	4.9	CFH(1)
TOTAL LIABILITIES	**290.0**	**-**	**13.9**	

(1) CFH: Cash Flow Hedge; Trading: held for trading purposes.

Change

Portfolio valuation as at 31 March 2012	**(15.5)**
Variation booked in:	
▪ OCI	(1.1)
▪ gross cost of financial debt	2.7
Portfolio valuation as at 31 March 2013	**(13.9)**

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Sensitivity to interest rate risk

Given the financing in place and existing hedges, a 50 basis point increase or decrease in interest rates would have the following impact:

	2013		2012		2011	
	Euribor 3 months		Euribor 3 months		Euribor 3 months	
Benchmark value	0.211%		0.777%		0.968%	
	+50 bp	-50 bp	+50 bp	-50 bp	+50 bp	-50 bp
Net profit/(loss)	0.4	(0.3)	1.2	(1.2)	1.5	(1.6)
Equity excluding net profit/(loss)	0.5	(0.3)	0.2	(0.3)	-	-
Change in value of financial instruments	1.4	(0.9)	1.9	(1.9)	2.3	(2.4)
Floating rate financial debt	103.3	103.3	31.4	31.4	66.0	66.0
▪ of which hedged	75.0	75.0	25.0	25.0	66.0	66.0
▪ of which not hedged	28.3	28.3	6.4	6.4	-	-

NOTE 14.5 EXCHANGE RATE DERIVATIVES

The Group uses options and forward contracts to hedge its cash flows from commercial transactions. Commercial transactions for the year for which payment has not been received as of the balance sheet date are hedged by short-term currency swaps.

Furthermore, Rémy Cointreau SA, which centralises the Group's financing needs, and its subsidiary Financière Rémy Cointreau make intra-Group loans and borrowings denominated in the counterparty's currency. The Group uses back-to-back currency swaps to match these loans and borrowings. The maturity of such transactions ranges from one month to one year.

The following table summarises all currency hedging instruments in the portfolio at the balance sheet date.

(in € millions)	Nominal[1]	Initial value	Market value	Of which CFH[2]	Of which trading[2]
Put options and tunnel options					
Seller USD (vs EUR)	171.8	4.8	1.5	1.5	-
Other currencies (vs EUR)	11.8	0.3	0.6	0.6	-
	183.6	**5.0**	**2.1**	**2.1**	**-**
Forward sales					
Seller USD (vs EUR)	128.9	-	1.7	1.7	-
Other currencies (vs EUR)	34.3	-	(0.2)	(0.2)	-
	163.1	**-**	**1.5**	**1.5**	**-**
Purchase/(sale) of currency swaps (operating activities)[3]					
Seller USD (vs EUR)	(75.2)	-	(0.4)	-	(0.4)
Other currencies (vs EUR)	(8.9)	-	-	-	-
	(84.1)	**-**	**(0.4)**	**-**	**(0.4)**
Purchase/(sale) of currency swaps (financing activities)[3]					
Seller USD (vs EUR)	(44.0)	-	(1.4)	-	(1.4)
Other currencies (vs EUR)	(8.5)	-	-	-	-
	(52.6)	**-**	**(1.4)**	**-**	**(1.4)**
TOTAL	**210.0**	**5.0**	**1.8**	**3.6**	**(1.8)**

(1) Nominal amount in foreign currency translated at the closing rate.
(2) CFH: Cash Flow Hedge; Trading: held for trading purposes.
(3) Difference between closing price and future price.

During the year ended 31 March 2013, pre-tax income of €2.1 million was recognised directly in equity in respect of change in the intrinsic value of the portfolio of instruments hedging cash flows in the subsequent year.

Sensitivity to foreign exchange risk

Taking into account the hedges in place, a 10% increase or decrease in the EUR/USD exchange rate would have the following impact, with the impact on net profit/(loss) arising mainly from the ineffective portion hedging future flows:

	2013		2012		2011	
	U.S. dollar sensitivity		U.S. dollar sensitivity		U.S. dollar sensitivity	
Benchmark value	1.2805		1.3356		1.4207	
	+10%	-10%	+10%	-10%	+10%	-10%
EUR/USD rate	1.41	1.15	1.47	1.20	1.56	1.28
Net profit/(loss)	0.1	(3.8)	2.8	(8.5)	(2.9)	1.0
Equity excluding net profit/(loss	13.5	(9.2)	14.0	(14.1)	12.0	(8.0)
Change in value of financial instruments	21.3	(20.4)	27.3	(36.4)	15.7	(12.8)
Nominal amount at balance sheet date(1):						
▪ USD/EUR instruments	341.7	417.6	361.4	441.7	243.2	297.3
▪ USD/EUR receivables potentially exposed	69.8	85.4	74.3	90.9	78.6	96.1

(1) *Translated in EUR millions at each simulation rate.*

NOTE 14.6 LIQUIDITY RISK

The following table shows the contractual maturity profile of disbursements relating to financial liabilities recognised as of 31 March 2013.

(in € millions)	Before 31 March 2014	Before 31 March 2015	Before 31 March 2016	Before 31 March 2017	Subsequent	Total
Financial debt and accrued interest	63.1	1.6	140.0	205.0	50.0	459.7
Trade and other payables	542.9	-	-	-	-	542.9
Derivative financial instruments	5.1	4.2	-	-	-	9.3
Liabilities recognised at 31 March 2012	**611.1**	**5.8**	**140.0**	**205.0**	**50.0**	**1,011.9**
Future interest on financial debt	17.7	17.4	13.2	9.1	0.3	57.7
TOTAL DISBURSEMENTS	**628.8**	**23.2**	**153.2**	**214.1**	**50.3**	**1,069.6**

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 2013 are assumed to be carried forward until the maturity of each of the corresponding facilities. The corresponding interest expense is calculated using the parameters known at the balance sheet date. For derivative financial instruments, amounts stated in this analysis are the net cash outflow, excluding discounting effects, which should be paid out by the Company based on market conditions prevailing at the balance sheet date.

Liquidity risk stems mainly from the availability and maturity of financial resources. As of the balance sheet date, total gross financial debt was €459.7 million in nominal value facing confirmed resources with a maturity of more than one year amounting to €600 million as of 31 March 2012 (Note **11.3**). The availability of €395 million is subject to compliance with the A ratio covenant (Notes **11.7** and **11.8**), which must be below 3.50 at the end of every six-month period until maturity of the financing.

Rémy Cointreau has a syndicated loan of €255 million maturing in June 2017, on which drawings in the amount of €50 million had been made as of 31 March 2013.

NOTE 15 SEGMENT REPORTING

The principles applying to the segmentation by business and geographic area are set out in note **1.17.**

NOTE 15.1 BUSINESSES

Breakdown of net sales and current operating profit

There are no intra-segment sales.

(in € millions)	Net sales			Current operating profit		
	2013	2012	2011	2013	2012	2011
Rémy Martin	719.8	592.5	486.0	216.6	173.0	140.5
Liqueurs & Spirits	239.1	215.8	208.0	45.2	52.6	42.6
Group brands	958.9	808.3	694.0	261.8	225.6	183.1
Partner Brands	234.4	217.8	213.8	3.8	4.2	2.1
Holding	-	-	-	(20.2)	(22.1)	(18.2)
TOTAL	**1,193.3**	**1,026.1**	**907.8**	**245.4**	**207.7**	**167.0**

Breakdown of the balance sheet

AS OF 31 MARCH 2013

(in € millions)	Rémy Martin	Liqueurs & Spirits	Partner Brands	Unallocated	Total
Non-current assets	361.3	290.5	1.5	189.9	843.2
Current assets	960.0	106.9	126.8	8.5	1,202.2
Derivative financial instruments	-	-	-	6.3	6.3
Assets held for sale	-	-	-	28.8	28.8
Cash and cash equivalents	-	-	-	186.8	186.8
TOTAL ASSETS	**1,321.3**	**397.4**	**128.3**	**420.3**	**2,267.3**
Equity	-	-	-	1,094.8	1,094.8
Financial debt and accrued interest	-	-	-	452.3	452.3
Provisions for liabilities and charges	17.5	8.9	2.1	6.1	34.6
Deferred and current tax assets	-	-	-	124.3	124.3
Trade and other payables	434.3	54.0	45.9	8.7	542.9
Derivative financial instruments	-	-	-	18.4	18.4
TOTAL EQUITY AND LIABILITIES	**451.8**	**62.9**	**48.0**	**1,704.6**	**2,267.3**

AS OF 31 MARCH 2012

(in € millions)	Rémy Martin	Liqueurs & Spirits	Partner Brands	Unallocated	Total
Non-current assets	349.0	238.9	1.7	199.3	788.9
Current assets	783.9	72.6	128.1	19.8	1,004.4
Derivative financial instruments	-	-	-	5.6	5.6
Assets held for sale	-	-	-	0.2	0.2
Cash and cash equivalents	-	-	-	190.1	190.1
TOTAL ASSETS	**1,132.9**	**311.5**	**129.8**	**415.0**	**1,989.2**
Equity	-	-	-	976.0	976.0
Financial debt and accrued interest	-	-	-	378.7	378.7
Provisions for liabilities and charges	15.7	5.1	1.8	7.6	30.2
Deferred and current tax assets	-	-	-	111.4	111.4
Trade and other payables	365.6	48.8	41.5	11.6	467.5
Derivative financial instruments	-	-	-	25.4	25.4
TOTAL EQUITY AND LIABILITIES	**381.3**	**53.9**	**43.3**	**1,510.7**	**1,989.2**

AS OF 31 MARCH 2011

(in € millions)	Rémy Martin	Liqueurs & Spirits	Partner Brands(1)	Unallocated	Total
Non-current assets	346.8	237.7	3.6	106.1	694.2
Current assets	736.6	73.0	91.6	13.2	914.4
Derivative financial instruments	-	-	-	16.4	16.4
Assets held for sale	-	-	-	485.3	485.3
Cash and cash equivalents	-	-	-	80.6	80.6
TOTAL ASSETS	**1,083.4**	**310.7**	**95.2**	**701.6**	**2,190.9**
Equity	-	-	-	1,063.8	1,063.8
Financial debt and accrued interest	-	-	-	409.5	409.5
Provisions for liabilities and charges	15.8	5.5	1.7	13.5	36.5
Deferred and current tax assets	-	-	-	161.0	161.0
Trade and other payables	319.4	47.0	32.2	8.0	406.6
Derivative financial instruments	-	-	-	4.5	4.5
Liabilities directly linked to assets held for sale	-	-	-	109.0	109.0
TOTAL EQUITY AND LIABILITIES	**335.2**	**52.5**	**33.9**	**1,769.3**	**2,190.9**

(1) After reclassification of capital employed in the Champagne division and not held for sale.

Capital expenditure and amortisation expense

	Capital expenditure and acquisition of intangible assets			Depreciation and amortisation charges		
(in € millions)	2013	2012	2011	2013	2012	2011
Rémy Martin	23.2	13.9	11.6	10.8	9.9	9.6
Liqueurs & Spirits	8.4	5.2	5.8	5.1	4.3	4.0
Partner Brands	0.4	0.3	0.4	0.6	0.5	0.6
TOTAL	**32.0**	**19.4**	**17.8**	**16.5**	**14.7**	**14.2**

NOTE 15.2 GEOGRAPHIC AREA

Net sales

	Net sales		
(in € millions)	2013	2012	2011
Europe-Middle East-Africa	323.2	317.4	302.9
Americas	394.4	321.3	306.6
Asia Pacific	475.7	387.4	298.3
TOTAL	**1,193.3**	**1,026.1**	**907.8**

Balance sheet

AS OF 31 MARCH 2013

(in € millions)	Europe-Middle East-Africa	Americas	Asia-Pacific	Unallocated	Total
Non-current assets	739.3	35.3	68.6	-	843.2
Current assets	912.1	134.2	155.9	-	1,202.2
Derivative financial instruments	-	-	-	6.3	6.3
Assets held for sale	28.8	-	-	-	28.8
Cash and cash equivalents	-	-	-	186.8	186.8
TOTAL ASSETS	**1,680.2**	**169.5**	**224.5**	**193.1**	**2,267.3**
Equity	-	-	-	1,094.8	1,094.8
Financial debt and accrued interest	-	-	-	452.3	452.3
Provisions for liabilities and charges	34.2	-	0.4	-	34.6
Deferred and current tax liabilities	110.5	0.3	13.5	-	124.3
Trade and other payables	371.2	51.2	120.5	-	542.9
Derivative financial instruments	-	-	-	18.4	18.4
TOTAL EQUITY AND LIABILITIES	**515.9**	**51.5**	**134.4**	**1,565.5**	**2,267.3**

AS OF 31 MARCH 2012

(in € millions)	Europe-Middle East-Africa	Americas	Asia-Pacific	Unallocated	Total
Non-current assets	680.9	31.9	76.1	-	788.9
Current assets	768.5	126.8	109.1	-	1,004.4
Derivative financial instruments	-	-	-	5.6	5.6
Assets held for sale	0.2	-	-	-	0.2
Cash and cash equivalents	-	-	-	190.1	190.1
TOTAL ASSETS	**1,449.6**	**158.7**	**185.2**	**195.7**	**1,989.2**
Equity	-	-	-	976.0	976.0
Financial debt and accrued interest	-	-	-	378.7	378.7
Provisions for liabilities and charges	29.9	-	0.3	-	30.2
Deferred and current tax liabilities	101.5	0.6	9.3	-	111.4
Trade and other payables	336.7	43.7	87.1	-	467.5
Derivative financial instruments	-	-	-	25.4	25.4
TOTAL EQUITY AND LIABILITIES	**468.1**	**44.3**	**96.7**	**1,380.1**	**1,989.2**

AS OF 31 MARCH 2011

(in € millions)	Europe-Middle East-Africa	Americas	Asia-Pacific	Unallocated	Total
Non-current assets	597.5	34.5	62.2	-	694.2
Current assets	709.7	117.0	87.7	-	914.4
Derivative financial instruments	-	-	-	16.4	16.4
Assets held for sale	466.5	18.8	-	-	485.3
Cash and cash equivalents	-	-	-	80.6	80.6
TOTAL ASSETS	**1,773.7**	**170.3**	**149.9**	**97.0**	**2,190.9**
Equity	-	-	-	1,063.8	1,063.8
Financial debt and accrued interest	-	-	-	409.5	409.5
Provisions for liabilities and charges	35.2	-	1.3	-	36.5
Deferred and current tax liabilities	149.0	0.6	11.4	-	161.0
Trade and other payables	308.4	39.9	58.3	-	406.6
Derivative financial instruments	-	-	-	4.5	4.5
Total equity and liabilities	109.0	-	-	-	109.0
NON-CURRENT ASSETS	**601.6**	**40.5**	**71.0**	**1,477.8**	**2,190.9**

Investments

	Capital expenditure and acquisition of intangible assets		
(in € millions)	2013	2012	2011
Europe-Middle East-Africa	28.3	16.2	14.3
Americas	2.5	2.1	2.8
Asia-Pacific	1.2	1.1	0.7
TOTAL	**32.0**	**19.4**	**17.8**

NOTE 16 ANALYSIS OF OPERATING EXPENSES BY TYPE

(in € millions)	**2013**	2012	2011
Personnel costs	(156,8)	(135,7)	(122,8)
Advertising and promotion expenses	(260,4)	(220,5)	(170,9)
Depreciation, amortisation and impairment of non-current assets	(16,5)	(14,7)	(14,2)
Other expenses	(106,5)	(98,2)	(91,3)
Expenses allocated to inventories and production costs	47,1	45,3	42,0
TOTAL	**(493,1)**	**(423,8)**	**(357,2)**
Of which:			
Distribution costs	(403,3)	(344,8)	(284,4)
Administrative expenses	(89,8)	(79,0)	(72,8)
TOTAL	**(493,1)**	**(423,8)**	**(357,2)**

Distribution costs comprise advertising and promotion expenses, commission income or expenses, brand royalties, ordinary writedowns of inventories and trade receivables and the overheads of the Group distribution companies.

Administrative expenses comprise all overheads of the holding companies and production companies.

Other income and expenses correspond to the profit generated by peripheral activities.

Personnel costs consist of the following:

(in € millions)	**2013**	2012	2011
Salaries and social charges	(145.4)	(123.6)	(114.6)
Pension and other similar benefits	(2.6)	(2.5)	(3.6)
Employee profit-sharing	(3.5)	(5.3)	(1.5)
Share-based payments	(5.3)	(4.3)	(3.1)
TOTAL	**(156.8)**	**(135.7)**	**(122.8)**

NOTE 17 NUMBER OF EMPLOYEES

The number of employees is stated in full-time equivalents at the balance sheet date and covers all fully consolidated companies.

(full-time equivalents)	**2013**	2012	2011
France	712	674	792
Europe (excluding France)	239	161	151
Americas	332	320	317
Asia-Pacific	421	405	361
TOTAL	**1,704**	**1,560**	**1,621**

NOTE 18 OTHER OPERATING INCOME/(EXPENSES)

(in € millions)	2013	2012	2011
Expenses related to the acquisition of Bruichladdich	(5.3)	-	-
Expenses related to the acquisition of Larsen	(2.5)	-	-
Impairment of brands	-	(3.8)	(45.0)
Tax adjustments (other than on income taxes)	0.2	0.7	(1.6)
Other	-	0.1	0.1
TOTAL	**(7.6)**	**(3.0)**	**(46.5)**

The €3.8 million impairment recorded in the year ended 31 March 2012 related to secondary brands.

NOTE 19 FINANCIAL INCOME/(EXPENSE)

NOTE 19.1 COST OF NET FINANCIAL DEBT BY TYPE

(in € millions)	2013	2012	2011
Bonds	(11.7)	(11.7)	(12.4)
Private placement	(5.3)	(5.2)	(5.1)
Syndicated credit and unconfirmed lines	(3.0)	(0.9)	(3.0)
Finance costs of special *purpose entities*	(2.7)	(2.9)	(3.1)
Interest flows on hedging interest rate derivatives	(2.3)	-	(2.5)
Ineffective portion of hedging interest rate derivatives	1.4	-	-
Other financial expense	(0.3)	-	0.5
Sub-total	**(23.9)**	**(20.7)**	**(25.6)**
Impact of early repayment of bonds	-	-	(3.7)
Effect of non-hedging interest rate derivatives	(1.2)	(9.2)	(2.2)
Cost of gross financial debt	**(25.1)**	**(29.9)**	**(31.5)**
Interest income	3.0	2.0	-
Cost of net financial debt before IFRS 5	**(22.1)**	**(27.9)**	**(31.5)**
Reclassification to discontinued operations	-	1.0	4.3
Cost of net financial debt	**(22.1)**	**(26.9)**	**(27.2)**

Financial debt is described in note **11.**

NOTE 19.2 OTHER FINANCIAL INCOME/(EXPENSE)

(in € millions)	2013	2012	2011
Currency gains	4.7	-	1.1
Vendor loan – interest accrued and revaluation	4.2	3.0	1.1
Other financial income	**8.9**	**3.0**	**2.2**
Currency losses	-	(5.1)	-
Other financial expenses of special purpose entities	(5.2)	(4.7)	(4.4)
Discounting charge on provisions	-	-	(0.1)
Other	(1.6)	(1.6)	(0.1)
Other financial expenses	**(6.8)**	**(11.4)**	**(4.6)**
Total	**2.1**	**(8.4)**	**(2.4)**

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

Currency losses and gains recorded in "Other financial expenses" include mainly the impact of hedge accounting under IAS 39 relating to the cash flow hedge and the currency gains/(losses) from financing transactions. Currency gains/(losses) from operations are recognised in gross profit (Note **1.4**).

(in € millions)	2013	2012	2011
Ineffective portion of currency hedges	4.9	(6.6)	1.4
Other	(0.2)	1.5	(0.3)
Currency gains/(losses)	**4.7**	**(5.1)**	**1.1**

NOTE 20 INCOME TAX

NOTE 20.1 NET INCOME TAX EXPENSE

(in € millions)	2013	2012	2011
Current tax/(expense) income	(80.6)	(73.7)	(61.2)
Deferred tax/(expense) income	8.6	26.4	39.5
Total	**(72.0)**	**(47.3)**	**(21.7)**
Effective tax rate	-33.1%	-27.9%	-24.0%

NOTE 20.2 TAX REGIME

Rémy Cointreau has opted for the Group tax regime for certain subsidiaries in which it holds a direct or indirect equity interest of at least 95%. This regime entitles the Group to offset, within certain limits, the tax expenses of companies with taxable income against losses incurred by other subsidiaries. The resulting tax saving is recognised in the year of offset.

NOTE 20.3 ANALYSIS OF ORIGIN AND ALLOCATION OF DEFERRED TAXES

(in € millions)	**2013**	2012	2011
Breakdown by type			
Pension provisions	8.0	6.8	5.9
Regulated provisions	(10.8)	(8.6)	(14.4)
Other provisions	8.3	6.8	0.7
Brands	(98.4)	(93.4)	(93.5)
Non-current assets	(12.5)	(13.3)	(8.0)
Margins on inter-company inventories	20.2	16.3	11.9
Losses carried forward	6.1	8.7	13.7
Other timing differences	27.3	22.3	(7.8)
Net liability	**(51.8)**	**(54.4)**	**(91.5)**
Breakdown by tax group			
France	(60.6)	(78.3)	(94.7)
US	4.9	2.9	3.5
Netherlands	(12.7)	(15.4)	(18.2)
Other	16.6	36.4	17.9
Net liability	**(51.8)**	**(54.4)**	**(91.5)**
Deferred tax asset	93.7	44.0	30.3
Deferred tax liability	(145.5)	(98.4)	(121.8)
Net liability	**(51.8)**	**(54.4)**	**(91.5)**

NOTE 20.4 TAX LOSSES AND CAPITAL LOSSES CARRIED FORWARD

As of 31 March 2013, tax losses carried forward totalled €25.9 million (2012: €28.7 million). The potential tax saving arising from the use of these losses is €7.3 million (2012: €9.0 million). Of these deficits, the Group recognised a net asset of €6.1 million, of which it plans to recover €5.6 million by March 2016.

NOTE 20.5 TAX PROOF

In 2013, income tax expense amounted to €72.0 million. The difference with the theoretical tax expense based on the French statutory rate of 36.1% is as follows:

(in € millions)	**2013**	2012	2011
Theoretical tax charge	(78.7)	(61.1)	(31.3)
Actual tax charge	(72.0)	(47.3)	(21.7)
Difference	**6.7**	**13.8**	**9.6**
Permanent differences between consolidated profit and taxable profit	(15.1)	(8.7)	(5.5)
Use of tax losses or timing differences not previously recognised	0.2	1.2	1.8
Unused losses from subsidiaries that are loss-making from a tax point of view	(0.8)	(0.2)	-
Difference in tax rates applicable to foreign subsidiaries	25.4	25.4	15.0
Adjustment to the tax charge for prior years	(3.0)	(3.9)	(1.7)
TOTAL	**6.7**	**13.8**	**9.6**

NOTE 21 NET PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

(in € millions)	**2013**	2012	2011
Champagne			
Pre-tax profit/(loss) for the year	-	-	0,4
Income tax expense for the year	-	-	(0,5)
Disposal expenses	-	(1,1)	-
Restatement on the EPI distribution contract	-	(9,5)	-
Value restatement of discontinued assets	-	-	(3,8)
Sub-total Champagne	**-**	**(10,6)**	**(3,9)**
Other profit/(loss) from discontinued operations	-	-	1,1
TOTAL	**-**	**(10,6)**	**(2,8)**

During the year ended 31 March 2012, pursuant to IFRS, part of the disposal price of the Champagne division was allocated to the distribution contract, whose terms are favourable to the buyer in the initial years. This amount was recognised as a liability and will be released over the periods concerned. The initial corresponding charge was €9.5 million after tax.

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

Net profit/(loss) excluding non-recurring items corresponds to net profit/(loss) restated for other operating income/(expense) (as described in note **18**), the related tax effects and the profit/(loss) from discontinued operations.

NOTE 22.1 RECONCILIATION WITH NET PROFIT/(LOSS)

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

(in € millions)	**2013**	2012	2011
Net profit/(loss) – attributable to the owners of the parent	**130.4**	**110.8**	**70.5**
Provision for impairment on Dynasty shares (Note **5.1**)	15.9	-	-
Expenses related to the acquisition of Bruichladdich	5.3	-	-
Expenses related to the acquisition of Larsen	2.5	-	-
Brand impairment	-	3.8	45.0
Tax adjustment excluding income taxes	(0.2)	(0.7)	1.6
Other	-	(0.1)	(0.1)
Tax effect	(2.4)	(0.5)	(12.3)
Net profit/(loss) from discontinued operations	-	10.6	2.8
Net profit/(loss) excluding non-recurring items – attributable to the owners of the parent	**151.5**	**123.9**	**107.5**

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

(in € millions)	Notes	**2013**	2013	2013
Net profit excluding non-recurring items				
▪ attributable to the owners of the parent company		151.5	123.9	107.5
Number of shares				
▪ basic	*10.2*	48,880,252	49,324,332	48,991,452
▪ diluted	*10.2*	49,010,681	49,473,230	49,248,856
Per share (€)				
▪ basic		3.10	2.51	2.19
▪ diluted		3.09	2.50	2.18

NOTE 23 PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

NOTE 23.1 DEFINED-BENEFIT PENSION PLANS

(in € millions)	2013	2012	2011
Present value of obligation at start of year	**(23.7)**	**(29.7)**	**(33.1)**
Service cost	(1.3)	(1.0)	(1.3)
Interest cost	(0.8)	(1.2)	(1.4)
Curtailment or settlement	-	3.6	0.3
Benefits paid	1.2	0.8	5.7
Actuarial gain (losses)	(2.6)	(1.6)	(0.2)
Past service costs	(0.1)	-	-
Closure of pension scheme	-	1.3	-
Change in consolidation scope[1]	-	4.1	-
Other (including transfers)	-	-	0.2
Translation difference	-	-	0.1
Present value of obligation at end of year[2]	**(27.3)**	**(23.7)**	**(29.7)**
Not funded	(18.9)	(17.2)	(19.9)
Partly funded	(8.4)	(6.5)	(9.8)
Carrying amount of plan asset at start of year	**3.4**	**5.4**	**9.1**
Expected return	0.2	0.1	0.2
Contributions received	0.6	0.9	0.9
Changes in schemes	-	(2.9)	-
Benefits paid	(0.5)	(0.1)	(4.6)
Actuarial gain (losses)	(0.3)	-	0.2
Other (including transfers)	-	-	(0.2)
Translation difference	-	-	(0.2)
Carrying amount of plan asset at end of year[2]	**3.4**	**3.4**	**5.4**
Funded status	**(23.9)**	**(20.3)**	**(24.3)**
Unrecognised past service costs	(0.9)	(1.1)	0.1
Unrecognised actuarial (gains) losses	-	-	-
Net commitment[2]	**(24.8)**	**(21.4)**	**(24.2)**
LIABILITY	**(24.8)**	**(21.4)**	**(24.6)**
ASSET	**-**	**-**	**0.4**

(1) Disposal of the Champagne division.
(2) As at 31 March 2011, the following relate to operations held for sales: actuarial liability €(4.1) million, carrying value of plan asset n/a, net commitment €(4.0) million.

NOTE 23.2 CHARGES FOR THE YEAR

(in € millions)	2013	2012	2011
Service cost	(1.3)	(1.0)	(1.3)
Interest cost	(0.8)	(1.2)	(1.4)
Expected return	0.2	0.1	0.2
Amortization of other items no recognised	-	(0.1)	(0.5)
Curtailment or settlement	-	0.6	0.2
Total income (expense)(1)	**(1.9)**	**(1.6)**	**(2.8)**
Benefits paid	0.8	0.7	1.1
Employer's contribution	0.6	0.8	0.9
Total net income (expense)(1)	**(0.5)**	**(0.1)**	**(0.8)**
Assumptions			
Average discount rate	2.67%	3.94%	5.03%
Average salary increase	3.00%	2.85%	2.68%
Expected working life	3 to 19 years	6 to 19 years	6 to 19 years
Expected rate of return of plan assets	3.00%	4.00%	4.18%
Increase in medical costs	5.00%	5.00%	5.00%

(1) 2011: including amounts related to operations held for sale: €0.1 million for each item.

NOTE 23.3 ACTUARIAL GAINS AND LOSSES

(in € millions)	2013	2012	2011
Opening balance	**(21.4)**	**(17.8)**	**(17.8)**
Movement for the year	(2.9)	(3.6)	-
Of which experience adjustments	0.2	0.5	0.6
Closing balance	**(24.3)**	**(21.4)**	**(17.8)**

NOTE 23.4 BREAKDOWN OF PRESENT VALUE OBLIGATION BY NATURE

(in € millions)	2013	2012	2011
Retirement indemnities	(9.8)	(8.2)	(8.0)
Supplementary pension plans	(13.7)	(14.3)	(17.7)
Long-service awards	(0.7)	(0.6)	(0.6)
Post-employment healthcare benefits	(0.6)	(0.6)	(3.4)
TOTAL(1)	**(24.8)**	**(23.7)**	**(29.7)**

(1) 2011: including amounts related to operations held for sale: €4.1 million.

NOTE 23.5 DEDICATED FINANCIAL ASSETS

At 31 March 2013, the assets underlying the liabilities were held by insurance companies who invest these assets together with their general assets.

NOTE 23.6 SENSITIVITY

The sensitivity of the present value of the rights to an increase/decrease of 250 basis points in the discount rate is less than €1 million.

Given the present non-material scope of post-employment healthcare benefit schemes, the sensitivity to an increase in medical costs exceeding 5% is not material for the Group.

The impact of IAS 19R will be to lower provisions for pensions by approximately €1 million in exchange for equity in respect of the full consideration of the past service cost not recognised in the year ended 31 March 2013.

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

NOTE 24.1 OPERATING ACTIVITY COMMITMENTS

(in € millions)	**2013**	2012	2011
Purchase commitments – non-current assets	1.2	3.0	6.9
Leasing commitments – offices	9.9	12.4	14.1
Leasing commitments – equipment	2.1	1.9	1.0
Purchase commitments – “eaux-de-vie”	15.0	39.9	60.9
Purchase commitments – wine	11.9	37.7	67.7

The office leasing commitments mainly relate to the lease of the Group’s Paris head office and that of the head office of the subsidiary Rémy Cointreau USA in New York.

The eaux-de-vie purchase commitments essentially relate to three-year contracts entered into with the distillers. These commitments are valued based on the prices known at the balance sheet date.

The wine purchase commitments comprise purchase commitments for wine in the U.S.

Breakdown of commitments by maturity as of 31 March 2013:

(in € millions)	Total	2014	Beyond
Purchase commitments – non-current assets	1.2	1.2	0.1
Leasing commitments – offices	9.9	3.8	6.1
Leasing commitments – equipment	2.1	0.9	1.2
Purchase commitments – “eaux-de-vie”	15.0	9.1	5.9
Purchase commitments – wine	11.9	3.3	8.6

NOTE 24.2 FINANCING COMMITMENTS, DEPOSITS AND SIMILAR GUARANTEES

(in € millions)	**2013**	2012	2011
Tax deposits	0.2	0.2	0.2
Customs deposits	13.4	12.9	14.0
Export deposits	0.5	0.5	0.5
Environmental deposits	2.5	2.5	2.3
Guarantees granted to suppliers	6.3	6.3	6.3
Factoring guarantees	10.0	10.0	-
Agricultural warrants on AFC inventories	28.0	27.9	32.8
Miscellaneous guarantees on credit lines	9.5	8.7	10.4
Other guarantees	0.8	-	-

Breakdown of commitments by maturity as of 31 March 2013:

(in € millions)	Total	2014	Beyond
Tax deposits	0.2	-	0.2
Customs deposits	13.4	1.0	12.4
Export deposits	0.5	-	0.5
Environmental deposits	2.5	-	2.5
Guarantees granted to suppliers	6.3	-	6.3
Factoring guarantees	10.0	10.0	-
Agricultural warrants on AFC inventories	28.0	28.0	-
Miscellaneous guarantees on credit lines	9.5	9.5	-
Other guarantees	0.8	0.8	-

NOTE 24.3 CONTINGENT LIABILITIES RELATED TO DISPOSAL TRANSACTIONS

In connection with disposal transactions, guarantees in respect of liabilities are generally granted to the buyers for defined periods and amounts stipulated in the agreements. Liabilities for tax, excise duties and social security payments that may arise following audits covering periods prior to the sale are generally included until such liabilities lapse under the statute of limitations.

The guarantees granted and still outstanding at 31 March 2013 were as follows:

Disposals	Date of transaction	Type of guarantees still outstanding	Expiry	Maximum amount
Piper-Heidsieck Compagnie Champenoise	8 July 2011	Tax and similar items	Legal period +90 days	No limit

NOTE 24.4 OTHER CONTINGENT LIABILITIES

At 31 March 2013, 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 2013, the Rémy Cointreau Group's main associates were Dynasty Fine Wines Group Ltd, Lixir and Diversa.

The transactions with these companies are described in note **5**.

NOTE 25.2 TRANSACTIONS WITH ORPAR AND ANDROMÈDE

Andromède is Rémy Cointreau's main shareholder, through Orpar. Transactions between Rémy Cointreau and these companies are as follows:

(in € millions)	**2013**	2012	2011
Service fees paid	3.4	3.3	3.2
Current account	0.1	0.1	0.1
Trade payables and other liabilities	0.1	0.1	0.9

NOTE 25.3 TRANSACTIONS WITH COMPANIES WITH A COMMON SHAREHOLDER OR DIRECTOR

Andromède, shareholder of Orpar, is also a shareholder of Oeneo group, which is listed on Euronext Paris and is a market leader in the cooperage and corking business. As such, various Oeneo Group subsidiaries are suppliers to the Rémy Cointreau Group.

(in € millions)	**2013**	2012	2011
Purchases of non-current assets	3.0	2.4	2.4
Other purchases	0.8	0.7	0.8
Trade payables	0.8	-	0.2

NOTE 25.4 MANAGEMENT BODIES

Since 7 September 2004, the Group's management bodies have comprised the members of the Board of Directors and the Executive Committee (comprising six members).

Short-term benefits comprise fixed and variable remuneration and directors' fees.

(in € millions)	**2013**	2012	2011
Short-term benefits	6.2	6.6	5.7
Post-employment benefits	0.4	0.2	0.1
Share-based payments	2.9	2.3	1.6
TOTAL	**9.4**	**9.1**	**7.4**

In addition, on 4 June 2008 the Board of Directors authorised the commitment to deferred compensation corresponding to 18 months of gross remuneration (fixed and variable) that would be due by the Company in the event that the Chief Executive Officer's (CEO) departure is instigated by his employer. This compensation is subject to compliance with performance conditions measured by the rate of achievement, over the past three years, of the CEO's individual annual objectives used as a basis for the variable share of his remuneration. If this rate is less than 50%, no compensation shall be paid. If the rate is between 50% and 75%, the compensation is proportional to the value of this rate. Compensation shall be paid in full if the rate exceeds 75%.

NOTE 26 POST-BALANCE SHEET EVENTS

The Dynasty Group has not reported its annual financial statements or made any statement in respect of the allegations of fraud against it. Trading in its shares is still suspended.

NOTE 27 LIST OF CONSOLIDATED COMPANIES

At 31 March 2013, the consolidation included 47 companies (43 at 31 March 2012). Forty-three companies were fully consolidated, and four were accounted for using the equity method. All companies have a 31 March year-end, with the exception of Dynasty Fine Wines Group Ltd and Lixir, which have a 31 December year-end.

		% interest	
Company	**Activity**	**March 2013**	**March 2012**
EUROPE			
France			
Rémy Cointreau SA[1]	Holding/Finance	100.00	100.00
Rémy Cointreau Sces[1]	Holding/Finance	100.00	100.00
CLS Rémy Cointreau[1]	Production/Distribution	100.00	100.00
Domaines Rémy Martin[1]	Agricultural production	100.00	100.00
E. Rémy Martin & Cie[1]	Production	100.00	100.00
Cointreau[1]	Production	100.00	100.00
Izarra- Distillerie de la Côte Basque[1]	Production	100.00	100.00
Alliance Fine Champagne[2]	Special purpose entity	100.00	100.00
Lixir[3]	Distribution	50.00	50.00
Rémy Cointreau International Marketing Service[1]	Other	100.00	100.00
Netherlands			
Rémy Cointreau Nederland Holding NV	Holding/Finance	100.00	100.00
DELB BV	Holding/Finance	100.00	100.00
Rémy Cointreau Nederland BV	Holding/Finance	100.00	100.00
De Bron 1575 BV	Holding/Finance	100.00	100.00
Other countries			
Hermann Joerss GmbH & Co (Germany)	Distribution	100.00	100.00
Cointreau Holding GmbH (Germany)	Holding/Finance	100.00	100.00
Diversa Spezialitaten GmbH[3] (Germany)	Distribution	50.00	50.00
S. & E. & A. Metaxa ABE (Grece)	Production	100.00	100.00
Financière Rémy Cointreau SA (Belgium)	Holding/Finance	100.00	100.00
Rémy Cointreau Belgium (Belgium)	Distribution	100.00	100.00
Rémy Cointreau Luxembourg (Luxemburg)	Distribution	100.00	100.00
Rémy Cointreau Slovakia sro (Slovakia)	Distribution	100.00	100.00
Rémy Cointreau Czech Republic sro (Czech Republic)	Distribution	100.00	100.00

		% interest	
Company	**Activity**	**March 2013**	**March 2012**
AMERICAS			
Unites States			
Rémy Cointreau USA Inc	Distribution	100.00	100.00
Rémy Cointreau Amérique Inc	Holding/Finance	100.00	100.00
Rémy Cointreau Travel Retail Americas Inc	Distribution	100.00	100.00
Barbados			
Mount Gay Distilleries Ltd	Production	95.22	95.22
Mount Gay Holding Ltd	Holding/Finance	100.00	100.00
Other countries			
Cointreau Do Brazil (licores) Ltda (Brazil)	Other	100.00	100.00
ASIA/PACIFIC/AFRICA			
China/Hong Kong			
Dynasty Fine Wines Group Ltd(3)	Production	26.96	26.96
Rémy Cointreau Shanghaï Ltd	Distribution	100.00	100.00
E. Rémy Rentouma Trading Ltd	Distribution	100.00	100.00
Shanghaï RC Trading Ltd	Distribution	100.00	100.00
Rémy Concord	Distribution	100.00	100.00
Rémy Pacifique Ltd	Holding/Finance	100.00	100.00
Caves de France	Holding/Finance	100.00	100.00
Other countries			
Rémy Cointreau Taïwan Pte Ltd (Taïwan)	Distribution	100.00	100.00
Rémy Cointreau Japan KK (Japan)	Distribution	100.00	100.00
Rémy Cointreau International Pte Ltd (Singapore)	Distribution	100.00	100.00
Rémy Cointreau India Private Ltd (India)	Distribution	100.00	100.00
Rémy Sula India Private Ltd (India)(3)	Production	50.00	50.00
Rémy Cointreau South Africa Pty Ltd	Distribution	100.00	100.00
Rangit Ltd (Mauritius)	Holding/Finance	100.00	100.00
CHANGES IN CONSOLIDATION SCOPE			
Bruichladdich Distillery Company Ltd(4)	Production	100.00	-
Rémy Cointreau UK Ltd(4)	Holding/Finance	100.00	-
Larsen – Le Cognac des Vikings SA(4)	Production	100.00	-
Joint Marketing Services(5)	Holding/Finance	100.00	-

(1) Company included in the French tax group.
(2) Special-purpose entity.
(3) Equity-accounted company.
(4) Acquisition during the year.
(5) Creation during the year.

5.7 Statutory Auditors' Report on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meetings, we hereby report to you, for the year ended 31 March 2013 on:

- the audit of the accompanying consolidated financial statements of Rémy Cointreau SA;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France; those standards require that we plan and perform the procedures to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the assets, liabilities, financial position and results of the consolidated group of companies in accordance with IFRSs as adopted by the EU.

II. Justification of assessments

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

BRAND IMPAIRMENT TEST

Brands are valued according to the method described in note 1.8 of the notes to the consolidated financial statements. We have assessed the validity of the valuation method applied which is based on estimates and examined the information and assumptions used in making these valuations by your company. We carried out the assessment of the reasonableness of these estimates.

USE OF ESTIMATES

Provisions for risks and reserves are recorded according to the method described in note 1.1 of the notes to the consolidated financial statements. We examined the information and assumptions used by your company on which these estimates are based, reviewed the calculations made by your company, compared the estimates made during previous periods with actual realisations and assessed the approval process of these estimates by the management of your company. We carried out the assessment of the reasonableness of these estimates.

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

III. Specific verification

In accordance with professional standards applicable in France, we have also verified the information given in the Group management report.

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

Paris-La Défense and Paris, 5 June, 2013
The Statutory Auditors,

Auditeurs & Conseils Associés	Ernst & Young et Autres
Nexia International	
Olivier Juramie	**Pierre Bidart**

6

COMPANY FINANCIAL STATEMENTS AS OF 31 MARCH 2013

6.1 Balance sheet

For the years ended 31 March, in € millions	*Notes*	**2013**	2012	2011
ASSETS				
Intangible fixed assets		32.4	32.4	32.4
Property, plant and equipment		–	–	–
Equity investments		1,519.1	1,439.6	1,587.2
Receivables relating to equity investments		–	–	–
Other long-term investments		–	–	–
Loans		81.6	77.8	–
Other financial assets		99.5	98.8	3.6
Total fixed assets	*2.1/2.2*	**1,732.6**	**1,648.6**	**1,623.2**
Other receivables	*2.3*	59.8	75.8	21.5
Marketable securities		–	–	–
Cash and cash equivalents		0.2	–	0.8
Total current assets		**60.0**	**75.8**	**22.3**
Prepaid expenses		0.1	0.1	0.1
Deferred expenses	*2.4*	2.2	–	–
Bond redemption premiums	*2.5*	2.7	3.4	4.1
Unrealised foreign exchange losses		–	–	–
TOTAL ASSETS		**1,797.6**	**1,727.9**	**1,649.7**
LIABILITIES				
Share capital		81.5	79.4	79.1
Additional paid-in capital		828.5	738.2	735.7
Legal reserve		7.9	7.8	7.8
Regulated reserves		–	–	–
Other reserves		–	–	–
Retained earnings		139.0	9.6	158.6
Profit(loss) for the year		34.8	240.5	(35.2)
Regulated provisions		–	–	–
Shareholders' equity	*2.6*	**1,091.7**	**1,075.5**	**946.0**
Convertible bonds				–
Provisions for liabilities and charges	*2.10*	0.1	0.4	6.7
Other bonds	*2.7*	208.1	208.1	208.1
Other borrowings		199.2	211.6	127.3
Borrowings and amounts due to financial institutions	*2.8*	190.5	165.3	180.3
Borrowings		**597.9**	**585.4**	**515.7**
Trade payables		0.1	0.1	1.7
Tax and social security liabilities		9.3	0.5	0.4
Amounts payable on fixed assets and related accounts		–	–	–
Other payables		98.6	66.4	179.2
Payables		**108.0**	**67.0**	**181.3**
Deferred income		–	–	–
Unrealised translation gains		–	–	–
TOTAL LIABILITIES		**1,797.6**	**1,727.9**	**1,649.7**

6.2 Income statement

As of 31 March, in € millions	*Notes*	2013	2012	2011
Services provided	*3.1*	24.9	17.7	18.1
Reversals of depreciation, amortisation and provisions, transferred charges		2.6	–	–
Other income		–	–	–
Total operating revenue		**27.5**	**17.7**	**18.1**
Purchases and external charges		39.1	32.4	35.1
Taxes, duties and other levies		0.1	0.1	0.1
Wages and salaries		–	–	–
Social security charges		0.1	–	–
Depreciation and amortisation of fixed assets		0.4	–	0.9
Provisions for liabilities and charges		–	–	–
Other expenses		0.4	0.4	0.3
Total operating expenses		**40.1**	**32.9**	**36.4**
Operating income		**(12.6)**	**(15.2)**	**(18.3)**
Financial income from equity investments	*3.2*	57.8	101.0	240.8
Income from investment securities and equity investments		3.9	2.7	–
Other interest and related income		4.0	0.1	2.2
Reversals of provisions and transferred charges		0.2	1.3	1.9
Foreign exchange gains		–	–	–
Net gains on disposals of marketable securities		0.1	0.1	0.1
Total financial income		**66.0**	**105.2**	**245.0**
Charges for amortisation and provisions		1.3	0.7	243.5
Interest and similar expenses		25.8	20.6	26.8
Foreign exchange losses		–	–	–
Net losses on disposals of marketable securities		–	–	–
Total financial expenses		**27.1**	**21.3**	**270.3**
Net financial income/(expense)		**38.9**	**83.9**	**(25.3)**
Profit/(loss) on ordinary activities before tax		**26.3**	**68.7**	**(43.6)**
Exceptional gains on management transactions		–	–	–
Exceptional gains on capital transactions		–	147.6	–
Reversals of provisions and transferred charges		–	243.8	–
Total exceptional income		**0.0**	**391.4**	**–**
Exceptional gains on management transactions		–	–	0.1
Exceptional gains on capital transactions		–	391.4	–
Exceptional depreciation, amortisation and provisions		–	–	–
Total exceptional expenses		**0.0**	**391.4**	**0.1**
Net exceptional income/(expense)	*3.3*	**0.0**	**0.0**	**(0.1)**
Income tax	*3.4*	8.5	171.8	8.5
NET PROFIT/(LOSS)		**34.8**	**240.5**	**(35.2)**

6.3 Cash flow statement

As of 31 March, in € millions	**2013**	2012	2011
Net profit/(loss)	34.8	240.5	(35.2)
Depreciation, amortisation and provisions	**1.7**	**0.7**	**246.4**
Operating	–	–	–
Financial	1.3	0.7	243.5
Exceptional	–	–	2.0
Deferred charges	0.4	–	0.9
Reversals of depreciation, amortisation and provisions	**(0.2)**	**(250.2)**	**(1.9)**
Operating	–	–	–
Financial	(0.2)	(1.3)	(1.9)
Exceptional	–	(248.9)	–
(Gains)/losses on disposals	**0**	**243.8**	–
Proceeds from disposals	–	(147.6)	–
Carrying amount of assets sold	–	391.4	–
= Operating cash flow	**36.3**	**234.8**	**209.3**
A - Resources			
Operating cash flow	36.3	234.8	209.3
Disposals of intangible fixed assets	–	–	–
Disposals of property, plant and equipment	–	–	–
Disposals or reductions of financial assets	–	147.6	–
Reduction of receivables relating to equity investments	0.9	0.4	16.9
Capital increase and share premium	–	2.6	7.0
Long- and medium-term borrowings	50.0	25.0	345.0
Total	**87.2**	**410.4**	**578.2**
B - Uses			
Dividends	18.5	113.6	41.2
Acquisitions of fixed assets:	80.0	–	63.0
▪ Intangible fixed assets	–	–	–
▪ Property, plant and equipment	–	–	–
▪ Financial assets	80.0	–	63.0
Increase in receivables relating to equity investments	5.5	173.3	17.1
Repayment of borrowings	25.0	40.0	522.4
Deferred charges	2.6	–	–
Bond redemption premiums	–	–	4.6
Reduction of shareholders' equity		–	–
Total	**131.6**	**326.9**	**648.3**
A - B = Change in working capital	**(44.4)**	**83.5**	**(70.1)**
Analysis of change in working capital			
Increase/(decrease) in trade payables	–	1.6	(1.5)
Increase/(decrease) in advance payments on orders	–	–	–
Increase/(decrease) in other current assets/liabilities, including	–	–	–
Bank overdrafts	(44.4)	81.9	(68.6)
TOTAL	**(44.4)**	**83.5**	**(70.1)**

6.4 Net financial income/(expense) for the last five years

As of 31 March, in € millions	2009	2010	2011	2012	2013[1]
1. Share capital at year-end					
Share capital	75.8	77.6	79.1	79.4	81.5
Number of shares in circulation	47,370,044	48,509,769	49,428,402	49,629,562	50,909,912
Maximum number of shares to be created through the conversion of bonds	–	–	–	–	–
2. Operations and results for the year					
Sales excluding taxes	15.8	14.4	18.1	17.7	24.9
Profit before tax, depreciation, amortisation and provisions	27.8	11.4	198.8	(175.7)	27.8
Income tax	41.2	(1.4)	8.5	171.8	8.5
Profit/(loss) after tax, depreciation, amortisation and provisions	70.2	9.5	(35.2)	240.5	34.8
Dividends	61.6	63.1	113.6	114.1	71.3
3. Earnings per share (€)					
Profit/(loss) after tax, but before depreciation, amortisation and provisions	0.6	0.2	4.2	(0.1)	0.7
Profit/(loss) after tax, depreciation, amortisation and provisions	1.5	0.2	(0.7)	4.8	0.7
Net dividend distributed per share	1.3	1.3	2.3	2.3	1.4
4. Employees					
Workforce	–	–	–	–	–
Total payroll	–	–	–	–	–
Staff benefits (social security and other benefits)	–	–	–	–	–
Profit sharing (included in total payroll)	–	–	–	–	–

(1) Subject to approval of the Ordinary Shareholders' Meeting.

6.5 Notes to the Financial Statements

CONTENTS

NOTE 1 ACCOUNTING PRINCIPLES, RULES AND METHODS

The financial statements have been prepared in accordance with the provisions of the French Commercial Code and French Accounting Regulatory Commission (CRC) standard 99-03 of 29 April 1999 relating to the revised French chart of accounts.

The main accounting principles and valuation methods used are as follows:

a. Investments are recorded at acquisition cost or transfer value, less, where applicable, any provisions required to bring them to their value in use. Value in use is determined using a number of criteria, including in particular net assets, unrealised capital gains and future earnings potential.

b. Receivables and liabilities are recorded at their nominal value. Any such items that are denominated in foreign currency are translated at the closing exchange rate for the year. Where applicable, a provision for doubtful debts is recorded on receivables to cover any risk of non-collection.

c. The difference arising from the valuation of receivables and liabilities denominated in foreign currencies, using the closing exchange rate, is recorded on the balance sheet as an unrealised foreign currency translation gain or loss.

d. Interest-rate hedging instruments are recorded in off-balance sheet commitments.

NOTE 2 NOTES TO THE BALANCE SHEET

NOTE 2.1 FIXED ASSETS

(in € millions)	Gross value at the start of the year	Increase	Decrease	Gross value at year-end
Intangible fixed assets	32.4	–	–	32.4
Equity investments	1,439.6	80.0	–	1,519.6
Other financial assets	98.8	1.6	0.9	99.5
Loans	77.8	3.8	–	81.6
TOTAL	**1,648.6**	**85.4**	**0.9**	**1,733.1**

The amount recorded in "Intangible assets" relates to business goodwill from the merger with RC PAVIS. It has no legal protection.

"Equity investments" include investments in companies that are fully consolidated in the Rémy Cointreau Group's consolidated financial statements in the amount of €1,517.5 million.

This increase corresponds to the subscription to the capital increase of Rémy Cointreau Services, a holding in the distribution network.

"Other financial assets" include:

- a balance of €3 million held as part of a liquidity contract with a liquidity provider. The liquidity provider's sole purpose is to promote the liquidity of the Company's securities and the regularity of their quotation on the market. At year-end, 10,000 company shares were held as part of this contract, for a gross value of €0.9 million. The cash balance on this account at the year-end was invested in a money-market instrument valued at €2.1 million;
- in connection with its obligation to cover the stock options granted to certain employees, the Company held 10,500 shares valued at €0.3 million;
- a programme bearing on the purchase of the Company's own shares was set up in November 2011 and contracted to an investment services provider. The contract provided for the purchase of up to 4,500,000 shares by 31 December 2012. The Company decided to terminate this programme in May 2012 and holds 1,428,794 treasury shares for a value of €96.2 million.

Under the terms of the contract for the sale of Piper-Heidsieck Compagnie Champenoise, a nine-year loan in the amount of €75 million was granted to the purchaser to finance part of the acquisition. As of the date at which these funds were made available, and until the end of the third year of the loan, the annual interest payment will be capitalised. At year-end, such payments stood at €6.6 million.

NOTE 2.2 AMORTISATION, DEPRECIATION AND PROVISIONS

(in € millions)	At the start of the year	Increase	Decrease	At the close of the year
Equity investments	–	0.6	–	0.6
Other financial debt and overdrafts				
TOTAL	**–**	**0.6**	**–**	**0.6**

The allocation for the year relates to non-consolidated equity investments (Ducs de Gascogne).

NOTE 2.3 MATURITY ANALYSIS OF RECEIVABLES

(in € millions)	Gross amount	Less than one year	More than one year
Fixed assets			
Receivables relating to equity investments	–	–	–
Loans	81.6	–	81.6
Other financial assets	99.5	99.5	–
Current assets			
Other receivables	59.8	59.8	–
Prepaid expenses	0.1	0.1	–
TOTAL	**241.0**	**159.4**	**81.6**

"Other receivables" mainly corresponds to the claim on income tax due for the year by subsidiaries belonging to the tax group.

NOTE 2.4 MATURITY ANALYSIS OF DEFERRED EXPENSES

(in € millions)	Gross amount	Less than one year	More than one year
Debt costs	2.2	0.5	1.7
TOTAL	**2.2**	**0.5**	**1.7**

Cost of setting up a new €255 million syndicated loan entered into in June 2012 for a five year period. The costs are amortised over the term of the loan.

NOTE 2.5 MATURITY ANALYSIS OF BOND ISSUE PREMIUMS

(in € millions)	Gross amount	Less than one year	More than one year
Bond issue premiums	2.7	0.7	2.0
TOTAL	**2.7**	**0.7**	**2.0**

In June 2010, Rémy Cointreau issued a new bond with a par value of €205 million, including an issue premium of €4.6 million, to be amortised on a straight-line basis over the term of the bond, i.e. 6.5 years.

NOTE 2.6 SHAREHOLDERS' EQUITY

Breakdown of share capital

Share capital comprises 50,909,912 fully paid-up shares with a nominal value of €1.60.

During the year, 1,280,350 new shares were issued in respect of the following transactions:

- the distribution of dividends giving rise to the subscription of 1,190,350 new shares;
- the allocation of 90,000 bonus shares out of reserves, corresponding to the 2010 plan.

Change in shareholders' equity

	Number of shares	Share capital	Additional paid-in capital	Legal reserve	Retained earnings	Net profit/ (loss)	Total
At 31 March 2011	**49,428,402**	**79.1**	**735.7**	**7.8**	**158.5**	**(35.2)**	**945.9**
Appropriation of earnings	–	–	–	–	(35.2)	35.2	–
Net profit/(loss) for the year	–	–	–	–	–	240.5	240.5
Exercise of options	103,860	0.2	2.5	–	–	–	2.7
Dividend	–	–	–	–	(113.6)	–	(113.6)
Allocation of 2009 bonus share plan	97,300	0.1	–	–	(0.1)	–	–
At 31 March 2012	**49,629,562**	**79.4**	**738.2**	**7.8**	**9.6**	**240.5**	**1,075.5**
Appropriation of earnings	–	–	–	0.1	129.6	(129.7)	–
Net profit/(loss) for the year	–	–	–	–	–	34.8	34.8
Exercise of options	–	–	–	–	–	–	–
Dividend (part payment in shares)	1,190,350	1.9	90.3	–	–	(110.8)	(18.6)
Allocation of 2010 bonus share plan	90,000	0.2	–	–	(0.2)	–	–
AT 31 MARCH 2013	**50,909,912**	**81.5**	**828.5**	**7.9**	**139.0**	**34.8**	**1,091.7**

Stock options and free share plans

Detailed information relating to these plans is provided in the management report.

Stock-option plans

These plans were granted under the authorisations given by the Extraordinary Shareholders' Meetings of 21 September 2001 (plan 12) and 7 September 2004 (plan 13).

Exercise start date	Plan No.	Term in years	Number of options granted	Exercise price in €	Lapsed options	Options exercised at 31 March 2012	Options exercised during the year	Average exercise price	Options outstanding at 31 March 2013
16 September 2007	12	6 years	287,000	27.67	27,000	242,790	3,650	86.16	13,560
24 December 2008	13	6 years	262,000	28.07	35,000	194,500	22,850	84.68	9,650
TOTAL			**549,000**		**62,000**	**437,290**	**26,500**	**84.89**	**23,210**

For all plans, one option equals one share granted.

Plans Nos. 12 and 13 are hedged (see note 4.4).

Allocation of bonus shares

Grant date(1)	Plan No.	Vesting period	Minimum retention period	Options allocated at outset	Share value on date granted	Lapsed options	Options allocated at the end of the vesting period	Options outstanding at 31/03/2013
23 November 2010	2010	2 years	2 years	94,000	52.65	4,000	90,000	–
22 November 2011	2011	2 years	2 years	96,500	58.50	–	N/A	96,500
20 November 2012	2012	2 years	2 years	96,500	83.29	500	N/A	96,000
TOTAL				**287,000**		**4,500**	**90,000**	**192,500**

(1) The grant date is the date of the Board meeting which decided allocations under each plan.

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Grant date	Plan No.	Combined Shareholders' Meeting that approved the plan
23 November 2010	2010	16 September 2008
22 November 2011	2011	26 July 2011
20 November 2012	2012	26 July 2011

In respect of these three plans, the Board of Directors determined that the following terms apply:

- 60% of the shares are granted on the condition that the beneficiary is still employed by the Group at the end of the vesting period;
- 40% of the shares are granted on condition that the beneficiary is still employed by the Group at the end of the vesting period and that the Group has achieved the performance criteria as measured at the end of the financial year preceding the end of the vesting period. Performance indicators are the current operating profit margin and return on capital employed measured at constant exchange rates and scope.

The shares granted at the end of the vesting period for the 2010 plan resulted in the creation of 90,000 new shares as a deduction against reserves. This plan was granted in full.

NOTE 2.7 OTHER BONDS

(in € millions)	2013	2012	2011
€205 million bond issue	205.0	205.0	205.0
Total nominal value	**205.0**	**205.0**	**205.0**
Accrued interest	3.1	3.1	3.1
TOTAL	**208.1**	**208.1**	**208.1**

In June 2010, Rémy Cointreau issued a new 6.5-year bond with a nominal value of €205.0 million. The bonds have a nominal value of €50,000 each and were issued at 97.745% of par (issue premium of 2.255%), bearing interest of 5.18% payable on 15 June and 15 December of each year. They will be redeemed at par at maturity (15 December 2016).

This bond is not secured.

The bond carries a number of clauses for early redemption at the issuer's option, primarily in the event of a capital increase, whether for the general public or privately placed, or in the event of a material change in the tax regime applicable to payments made by the issuer on the bonds subsequent to the issue date. Furthermore, in the event of a change of control all bearers are entitled to request redemption of their bonds held at 101%.

In the event of the sale of assets, and if the sale proceeds are not used for authorised transactions, Rémy Cointreau must, within 365 days of the date of receipt of the sale proceeds, offer early redemption of the bond up to the amount of the proceeds of the sale. The agreement additionally contains certain conventions that may limit the maximum dividend payout in the event of a loss.

After taking the issue premium and expenses into account, the net proceeds from the issue were about €197 million, making an effective interest rate of approximately 5.89%.

NOTE 2.8 OTHER BORROWINGS

Other borrowings primarily include transactions with subsidiaries of the Rémy Cointreau Group.

Borrowings and liabilities with financial institutions break down as follows:

(in € millions)	2013	2012	2011
Private placement	140.0	140.0	140.0
Drawdown on syndicated credit	50.0	–	40.0
Drawdown on other confirmed credit lines	–	–	–
Drawdowns on unconfirmed credit lines	–	25.0	–
Overdrafts	–	–	–
Total nominal value	**190.0**	**165.0**	**180.0**
Accrued interest	0.5	0.3	0.3
TOTAL	**190.5**	**165.3**	**180.3**

Private Placement

On 10 June 2010, Rémy Cointreau secured a so-called "private placement" syndicated finance package with financial institutions. This €140.0 million contract was concluded for five years (maturing on 10 June 2015). The structured financing includes a loan comprising two tranches, of €65 million (tranche A) and €75 million (tranche B) respectively, as well as various swap contracts that exactly match the two tranches, thereby guaranteeing a fixed rate of 3.6675% for the duration of the contract.

After deducting the commitment fee, the net proceeds from the issue were about €138.6 million, which resulted in an effective interest rate of approximately 3.94%.

This contract is unsecured. Availability of the funds is subject to the A Ratio (see Syndicated Credit) remaining below 3.5 at the end of each half-year period for the duration of the contract.

Banking Syndicate

On 5 June 2012, Rémy Cointreau concluded a new syndicated loan to replace the revolving credit facility, of which €346 million expired on 7 June 2012. This new revolving credit facility corresponds to a loan of €255 million over five years. Amounts drawn down bear interest at EURIBOR plus a fixed margin which is subject to change in line with the Average net financial debt/EBITDA ratio (A ratio).

This facility is unsecured.

Under the terms of this contract, Rémy Cointreau commits to the A ratio being less than or equal to 3.5 at 30 September and 31 March of each year until maturity. At 31 March 2013, the A ratio was 0.99.

NOTE 2.9 MATURITY ANALYSIS OF DEBT

(in € millions)	Gross amount	Less than one year	One to five years	More than 5 years
Other bonds	208.1	3.1	205.0	–
Borrowings and amounts due to financial institutions	190.5	0.5	190.0	–
Other borrowings	199.2	199.2	–	–
Trade payables	0.1	0.1	–	–
Tax and social security liabilities	9.3	9.3	–	–
Other liabilities	98.6	98.6	–	
TOTAL	**705.8**	**310.8**	**395.0**	**–**

"Other liabilities" mainly includes income tax instalments received from subsidiaries belonging to the tax group and the tax saving recognised under this same regime.

NOTE 2.10 PROVISIONS

(in € millions)	Regulated provisions	Provisions for risks and liabilities	Provisions for impairment	Total
Opening balance	–	0.4	–	0.4
Increase	–	–	0.6	0.6
Reversals	–	(0.3)	–	(0.3)
Closing balance	**–**	**0.1**	**0.6**	**0.7**

(in € millions)	Increase	Reversals
▪ Operating	–	(0.3)
▪ Financial	0.6	–
▪ Exceptional	–	–
▪ Taxes	–	–
TOTAL	**0.6**	**(0.3)**

NOTE 2.11 DEFERRED INCOME

There was no deferred income as of 31 March 2013.

NOTE 2.12 ACCRUED EXPENSES

(in € millions)	2013
Bonds	3.1
Borrowings and amounts due to financial institutions	0.5
Other borrowings	–
Trade payables	0.1
Tax and social security liabilities	0.1
Other liabilities	4.9
TOTAL	**8.7**

NOTE 3 NOTES TO THE INCOME STATEMENT

NOTE 3.1 ANALYSIS OF NET SALES

Net sales totalled €24.9 million and essentially comprised services billed to all Rémy Cointreau Group subsidiaries and sub-subsidiaries, of which €19.4 million to French companies and €5.5 million to foreign companies.

NOTE 3.2 FINANCIAL INCOME FROM EQUITY INVESTMENTS

Financial income from equity investments amounted to €57.8 million and related to dividends received from subsidiaries.

NOTE 3.3 EXCEPTIONAL INCOME AND EXPENSE

No exceptional income or expense was recognised during the year.

NOTE 3.4 INCOME TAX

A) Income tax analysis

(in € millions)	Profit/(loss) before tax	Income tax	Net profit
Profit/(loss) on ordinary activities	26.3	–	26.3
Net exceptional income/(expense)	0	–	0
Net profit/(loss)	26.3	8.5	34.8

The income tax gain recognised corresponds to:

- the Group's income tax saving for the year for €9.1 million;
- the exceptional contribution on dividends paid of €0.6 million.

B) Change in tax losses

(in € millions)	Base	Tax rate	Amount of tax expense
Tax loss carry-forward remaining to be allocated at the opening date	494.8	–	–
Loss for the year	25.6	–	–
Deferred amortisation and depreciation	–	–	–
Tax loss carried forward	25.6	–	–
Tax loss carry-forward remaining to be allocated at the closing date	520.4	–	–

The loss for the year arises mainly from the deduction for tax purposes of dividends received from subsidiaries.

C) Increase and reduction in future tax liabilities

(in € millions)	Base	Tax rate	Tax amount
Reductions	–	–	–
Non-deductible provisions as of 31 March 2013	–	36.1	–

NOTE 3.5 TAX GROUP

Rémy Cointreau elected to form a tax group with effect from 1 April 1993 for Group companies as provided in Article 223A of the French General Tax Code.

The tax allocation agreement stipulates that the tax charge is borne by the companies within the tax group as if no such group existed, after applying any tax losses carried forward.

The following companies are included in the tax group:

Rémy Martin, Izarra, Cointreau, Rémy Cointreau Services, CLS Rémy Cointreau, Domaines Rémy Martin, Rémy Cointreau International Marketing Services, Storeco.

NOTE 4 OTHER INFORMATION

NOTE 4.1 INFORMATION ON RELATED COMPANIES

	Amounts concerning	
(in € millions)	Related companies	Companies with participating interests
Receivables:		**–**
Other receivables	9.1	–
Liabilities:		**–**
Other liabilities	6.6	–
Financial income:		**–**
Income from equity investments Interest	57.8	–
Interest	–	–
Financial expense:		**–**
Interest	2.8	–
Operating revenue	24.9	–
Operating expenses	32.0	–
Exceptional income	–	–
Exceptional expenses	–	–

NOTE 4.2 OFF-BALANCE SHEET COMMITMENTS

A) Financial commitments

At the year-end, the Group's commitments included guarantees granted to Group subsidiaries in relation to various financing facilities for a total amount of €4.5 million.

Rémy Cointreau manages the risk of an increase in the interest rates on its variable-rate financial resources, which mainly bear interest at EURIBOR (1-3 months). The Group chiefly uses optional instruments (caps) and interest-rate swaps.

At 31 March 2013, interest rate derivatives in the portfolio were as follows:

(in € millions)	Nominal	Initial value	Market value
***Interest* rate swaps**			
Maturing in January 2015	125.0	–	(7.4)
Maturing in March 2015	25.0	–	(1.6)
Swaps relating to the private placement	140.0	–	(4.9)

The market value is based on independent valuations of the instruments at year-end.

B) Contingent liabilities relating to asset disposals

In connection with disposals, guarantees in respect of future liabilities are generally granted to the buyers for 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 2013 were as follows:

Disposal transaction	Transaction date	Nature of ongoing guarantees	Maturity	Maximum amount
Piper-Heidsieck Compagnie Champenoise	8 July 2011	Tax and similar items	Legal period + 90 days	No ceiling

NOTE 4.3 DISPOSALS OF TREASURY SHARES

As of 31 March 2013, 10,000 shares were held in the liquidity account with a total value of €0.9 million. Immaterial income generated during the year by the manager of the liquidity account was recorded as financial income.

NOTE 4.4 COVERAGE OF STOCK-OPTION PLANS

In March 2005, Rémy Cointreau sold 602,430 of its own shares with a repurchase option to meet its commitment to cover stock options granted to certain employees (284,000 shares under plan No. 12 and 37,503 shares under plan No. 13) as required under the provisions of Article L. 225-179 of the French Commercial Code, which stipulates that, as from the end of the vesting period, the Company must be in a position to deliver the shares to its employees. This mechanism was approved by the French Financial Markets Authority (AMF) on 8 March 2005. Rémy Cointreau completed the coverage of stock-option plan No. 13 by acquiring 224,497 options to purchase its own shares.

During the year, to take account of the lapsed stock-option plans nos. 12 and 13, the hedging instruments were terminated in part in consideration of a payment of €4 million which was received and recorded in financial income.

As of 31 March 2013, 6,710 shares remained under the sale and repurchase agreement and 6,000 options to repurchase Rémy Cointreau shares were allocated to cover the outstanding share options under plans No. 12 (13,560 shares) and 13 (9,650 shares), in addition to 10,500 treasury shares following previous repurchases, of which 6,850 will be allocated to cover plan No. 12 and 3,650 to plan No. 13.

NOTE 5 SUBSEQUENT EVENTS

As of 31 March 2013, there have been no significant events likely to impact the financial statements.

NOTE 6 LIST OF SUBSIDIARIES AND EQUITY INVESTMENTS AS OF 31 MARCH 2013

(in thousands of foreign currency or € thousands)	Currency	Capital (thousands of currency)	Share-holders' equity excluding capital (thousands of currency)	Share of capital held %	Carrying value of capital held (€ thousands)	Provisions on securities (€ thousands)	Dividends received (€ thousands)	Sales ex-tax prior year (thousands of currency)	Profit/(loss) after tax (thousands of currency)	End of year date
A) French companies										
E. Rémy Martin & Cie	EUR	6,725	327,068	100	381,708	–	–	199,976	13,930	31/03/2013
Cointreau	EUR	4,037	87,087	100	89,103	–	19,343	65,125	2,513	31/03/2013
Ducs de Gascogne	EUR	1,002	1,558	30	1,143	588	–	12,319	4	31/12/2012
Rémy Cointreau Services	EUR	1,114,805	151,880	93	1,046,700	–	38,416	–	142,613	31/03/2013
Total gross value					**1,518,654**	**588**	**57,759**			
B) Foreign companies										
Other foreign subsidiaries	EUR	–	–	–	989	2	–	–	–	–
Total gross value	**EUR**	**–**	**–**	**–**	**989**	**2**	**–**	**–**	**–**	**–**
Total gross value (A + B)					**1,519,643**	**590**				
TOTAL CARRYING AMOUNT					**1,519,053**					

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6.6 Statutory Auditors' Report on the Financial Statements

Year ended 31 March 2013

To the Shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meetings, we hereby report to you, for the year ended 31 March 2013 on:

- the audit of the accompanying financial statements of Rémy Cointreau SA;
- the justification of our assessments;
- the specific verifications and information required by law.

These financial statements have been approved by your Board of Directors. Our role is to express an opinion on these financial statements based on our audit.

I. Opinion on the Financial Statements

We conducted our audit in accordance with the professional standards applicable in France; those standards require that we plan and perform the procedures to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and financial position of the Company as at 31 March 2013, and of the results of its operations for the year then ended in accordance with French accounting principles.

II. Justification of assessments

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

- Paragraph 1.a of the notes to the financial statements details the accounting principles and method relating to the approach used by the Company for assessing the value of equity investments. As part of our assessment of the accounting rules and principles followed by the Company, we have verified the validity of the approach used and we have satisfied ourselves that it has been correctly applied;
- These assessments were made as part of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. Specific verifications and information

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report concerning the fairness and consistency with the financial statements of the information provided in the management report of the Board of Directors and in the other documents presented to shareholders relating to the financial position and financial statements.

With regard to the information provided in accordance with Article L. 225-102-1 of the French Commercial Code relating to remuneration and benefits paid to the corporate officers and to commitments given in their favour, we have checked its consistency with the financial statements or with the data used to prepare these financial statements and, where necessary, with the information collected by your company from companies controlling your company or controlled by it. On the basis of this work, we certify the accuracy and fairness of this information.

In accordance with French law, we have verified that the required information concerning the identity of the main shareholders has been properly disclosed in the management report.

Paris-La Défense and Paris, 5 June, 2013
The Statutory Auditors,

ERNST & YOUNG et Autres	**Auditeurs & Conseils Associés**
Represented by	*Represented by*
Pierre Bidart	**Olivier Juramie**

7

ABOUT THE COMPANY AND ITS SHARE CAPITAL

7.1 General information about the Company

CORPORATE NAME, REGISTERED OFFICE AND MAIN ADMINISTRATIVE OFFICE

Corporate name: Rémy Cointreau SA

Registered office: Ancienne rue de la Champagne, rue Joseph Pataa, 16100 Cognac

Administrative office: 21 boulevard Haussmann, 75009 Paris

LEGAL FORM AND GOVERNANCE

Société Anonyme (French limited liability company) with a Board of Directors governed by French law and in particular by the provisions of Book II of the French Commercial Code applicable to commercial companies and by its Articles of Association.

APPLICABLE LEGISLATION

Rémy Cointreau SA (hereinafter called “Rémy Cointreau” or “the Company”) is a company subject to French law.

DATE ESTABLISHED – DURATION

The Company was established on 3 March 1975 and will end on 30 September 2073.

CORPORATE OBJECT

Rémy Cointreau’s objects pursuant to Article 2 of its Articles of Association are as follows:

- the creation, acquisition and operation of any commercial, industrial or other business;
- the direct or indirect participation of the Company, in any form whatsoever, in any company, association, business or grouping of any form whose object is a commercial, industrial, agricultural, property, design, research or development activity, or the acquisition, management or operation of all goods or rights;
- the paid provision of qualified services in technical, commercial, administrative or financial fields, on behalf of any natural person or legal entity engaged in commercial, financial or industrial activities in France or other countries; and
- in general, any commercial, financial, industrial, property or real estate operation which is directly or indirectly related, in whole or in part, to the aforementioned objects or to any similar or related object.

REGISTER OF COMPANIES AND REGISTRATION NUMBER

Rémy Cointreau is registered under number 302 178 892 in the Angoulême Trade and Companies Register; APE Code 7010Z.

INSPECTION OF THE COMPANY’S LEGAL DOCUMENTS

Legal documents may be inspected at the registered office whose address is provided above.

7.2 Memorandums and Articles of Association

FINANCIAL YEAR

The Company’s financial period commences on 1 April and ends on 31 March of the following year. The year runs for 12 months.

DISTRIBUTION OF PROFITS UNDER THE ARTICLES OF ASSOCIATION

Out of the Company’s profits in each financial year, after setting aside a provision to establish the legal reserve, which must be at least equal to the minimum required, the Shareholders’ Meeting may, profit permitting and on the proposal of the Board of Directors, allocate the profit to one or more reserve funds for which it regulates the allocation or use, carry forward or distribute as dividends among the shareholders.

After reviewing the reserves at its disposal, the Shareholders’ Meeting may decide to distribute amounts drawn from these reserves. In this event, the decision should expressly specify which reserve accounts have been drawn down.

DIVIDENDS (DISTRIBUTION POLICY OVER THE PAST FIVE YEARS)

The dividends distributed over the last five years are disclosed in note 6.4.

SHAREHOLDERS' MEETINGS

Shareholders' Meetings are called and held under the conditions stipulated by law.

These meetings are held either at the registered office or at another venue specified in the Notice of Meeting.

RIGHT OF ADMISSION TO MEETINGS

Pursuant to Article R. 225-85 of the French Commercial Code, the only people allowed to participate in a meeting, to vote by post or to be represented, are shareholders who have previously justified their status by an accounting record of securities in their name or in the name of an intermediary recorded for their account, on the third working day preceding the meeting by midnight, Paris time, either in nominative accounts held for the Company by its service provider Société Générale, Service Assembles Générale, 32 rue du Champ de Tir, Nantes 44000, France, or in the bearer securities accounts held by an authorised intermediary, who holds their securities account. The registration or recording of bearer securities on the books of the authorised intermediary must be attested to by a certificate of shareholding issued by the latter, attached to the postal voting or proxy form, or to the application for an admission card in the name of the shareholder, or on behalf of the shareholder represented by the registered intermediary. A certificate is also delivered to the shareholder wishing to participate in person in the meeting and who has not received the admission card on the third working day preceding the meeting by midnight, Paris time.

Admission cards for the meeting will be sent to every shareholder who requests one by Société Generate, Service Assemblies Générale, 32 rue du Champ de Tir, Nantes 44000, France, or in one of the authorised banking establishments, by producing, if they are bearer securities, a certificate of shareholding under the conditions referred to above.

As decided by the Board of Directors, shareholders may participate in the meeting via video-conferencing or data transmission, including the internet, pursuant to the conditions set by regulations at the time of its use. This decision is included in the Notice of Meeting published in the *Bulletin des Announces Légales Obligatoires* (French Journal of Legal Notices).

VOTING RIGHTS

Share voting rights are in proportion to the share of capital that they represent. At equivalent nominal value, each share entitles the holder to one vote.

However, a share entitles the holder to a double vote, in relation to the share capital that it represents, in the following cases:

- any shareholder who has held fully paid shares in nominative form in the same name for at least four years;
- for each nominative share attributed to the shareholder, in the event of a capital increase by way of incorporation of reserves, profits or premiums, on the basis of existing shares for which such shareholder already enjoys double voting rights.

This double voting right ceases for all shares converted to bearer shares or whose ownership is transferred. However, the four-year timeframe set is not affected for acquired rights by any transfer by succession, liquidation of joint estate of spouses, or inter-vivo gifts, for the benefit of an inheriting relative. The same rules apply for transfer following a merger or share split of a corporate shareholder.

DECLARATION OF CROSSING OF THRESHOLDS

In accordance with the Articles of Association and independently from legal requirements, any shareholder (natural person or legal entity), acting either alone or in concert, who acquires in any manner, as set out in Article L. 233-7 *et seq.* of the French Commercial Code, a fraction equal to one per cent (1%) of the share capital or voting rights, or any multiple of this percentage, must notify the Company of the total number of shares and voting rights held within eight trading sessions of crossing one of these thresholds. This also applies each time that the fraction of share capital or voting rights held falls below one of the thresholds stated above.

In addition, this person must also specify in their disclosure to the Company:

(i) the number of shares they own that give future access to shares to be issued and the associated voting rights;

(ii) the number of existing shares that he/she may purchase pursuant to agreements or instruments falling within the scope of Article L. 233-7 I (3) (b) of the French Commercial Code; and

(iii) the number of existing shares affected by any agreement or financial instrument falling within the scope of Article L. 233-7 I (3) (c) of the French Commercial Code.

In the event of non compliance with this provision, and upon the request of shareholders holding at least 1% of the share capital, the shares exceeding the fraction which should have been declared will be deprived of voting rights at all meetings held until the expiration of the timeframe provided for by the law and regulations in force following the date of regularising the notification.

IDENTIFICATION OF SHAREHOLDERS

The Company is entitled to request, in accordance with the legal terms and conditions, the identity of those shareholders holding shares which give rise, immediately or in the future, to voting rights.

In order to identify the holders of securities, the Company is entitled to request from the share registrars at any time and at its own expense, as applicable, the name or corporate name, nationality, year of birth or establishment, and address of holders of securities that have the right immediately or in the future to vote at the Company's Shareholders' Meetings, as well as the number of securities held by each of them and, where applicable, the restrictions that may apply to those securities and more generally to make use of the provisions of Article L. 228-2 of the French Commercial Code concerning identification of holders of securities that confer the right immediately or in the future to vote at the Company's Shareholders' Meetings.

7.3 General information on the share capital

7.3.1 Changes to the capital and shareholders' rights

The share capital can be changed in accordance with legal requirements. It may be increased by a decision taken at an Extraordinary Shareholders' Meeting. However, where a capital increase is carried out by incorporation of reserves, profits or share premiums, the relevant Extraordinary Shareholders' Meeting which decides such an increase, rules under the quorum and majority conditions required for Ordinary Shareholders' Meetings.

Capital increases are decided or authorised by an Extraordinary Shareholders' Meeting which sets the terms for an issue of new shares and grants all powers to the Board of Directors to carry this out for a period that may not exceed 26 months.

The Extraordinary Shareholders' Meeting may decide to reduce the share capital, particularly by way of repurchase of shares or reduction in their nominal value, or again, by reduction in the number of shares in accordance with legal provisions.

The share capital may also be written down in accordance with the law.

7.3.2 Amount of share capital

At 31 March 2013, the share capital stood at €81,455,859.20 split into 50,909,912 shares of €1.60 each, all in the same class, fully paid up and comprising 76,660,759 voting rights.

Form of shares: fully paid shares are in nominative or bearer form, at the shareholder's choice.

7.3.3 Authorised capital

AUTHORISATION TO GRANT STOCK OPTIONS

Authorisation was given by way of the 20th resolution of the Combined Shareholders' Meeting of Rémy Cointreau of 27 July 2010 to the Board of Directors, for a period of 38 months from 27 July 2010, to grant, on one or more occasions, to employees of the Company or companies covered by Article L. 225-180 of the French Commercial Code, or certain of them, as well as the corporate officers of the Company or companies covered by Article L. 225-180 of the French Commercial Code, within the limits set by Article L. 225-182 of the French Commercial Code, options to subscribe for new shares in the Company, to be issued by way of a capital increase, or options to purchase shares in the Company arising from a repurchase pursuant to Articles L. 225-208 or L. 225-209 *et seq.* of the French Commercial Code; the total amount of options granted under the current authorisation may not give a right to a number of shares representing more than 2% of the share capital of the Company, it being specified that the amount of the capital increase resulting from the issue of shares following the exercise of subscription options will be deducted from the limit set by the 16th resolution of the said Shareholders' Meeting.

The subscription price or the share price shall be set by the Board of Directors on the day the option is granted, within the limits prescribed by law. Share subscription or purchase options may not be granted during periods forbidden by law.

In any event, the issue price for options to subscribe must not, on the day the option is granted, be lower than the average share price of the 20 trading sessions prior to the issue date. In the event of the grant of options to purchase, the purchase price of the shares may not be either less than the average share price of the 20 trading sessions prior to the date of grant of the purchase options, or less than the average purchase price of the shares held by the Company pursuant to Articles L. 225-208 and/or L. 225-209 of the French Commercial Code.

This price may only be revised in accordance with circumstances provided by law at the time of financial transactions or share transactions. The Board of Directors will then, in accordance with regulations, take the necessary steps to protect the beneficiaries by, if required, adjusting the number of shares that may be obtained from the exercise of options granted to take account of the impact of these transactions, it being specified that, as required, the number of new or additional shares that may be obtained following these adjustments will be set against the above-mentioned limit. The options must be exercised within a period of ten years from the date on which they were granted.

Renewal of this authorisation, which expires on 25 September 2013, will not be proposed at the next Annual Shareholders' Meeting.

AUTHORISATION TO GRANT BONUS SHARES TO EMPLOYEES AND CERTAIN CORPORATE OFFICERS

The 18th resolution of the Combined Shareholders' Meeting of 26 July 2011 authorised the Board of Directors to, for a period of 38 months from 26 July 2011, pursuant to the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code, on one or more occasions, grant employees of the Company or related companies within the meaning of Article L. 225-197-2 of the French Commercial Code or certain categories thereof, as well as corporate officers defined by law, bonus shares, whether existing or to be issued, subject to the trading restriction periods required by law.

The Board of Directors will determine the identity of the beneficiaries of the allocation as well as the conditions and, where appropriate, the criteria of allocation of shares.

The total number of shares thereby issued free of charge may not be such that the total number of shares granted free under this resolution represents more than 2% of the number of shares in the share capital on the date the Board of Directors resolves to award the bonus shares.

The allocation of shares to their beneficiaries will become final at the end of a minimum vesting period of two years and the minimum period of retention of shares by the beneficiaries is set at two years.

The Board of Directors may make the grant of some or all of the shares conditional on the attainment of one or more performance conditions. In the case of Executive Directors, the bonus share grants will be subject to compliance with performance conditions determined by the Board of Directors.

The Board of Directors will proceed, where appropriate, during the vesting period with adjustments to the number of shares arising from transactions in the capital of the Company in order to preserve the rights of the beneficiaries.

96,500 bonus shares were granted during the 2012/2013 period.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY INCORPORATION OF RESERVES, PROFITS OR PREMIUMS

The 16th resolution of the Combined Shareholders' Meeting of 26 July 2011 authorised the Board of Directors, in accordance with the provisions of Articles L. 225-129, L. 225-129-2 and L. 225-130 of the French Commercial Code, with the authority to sub-delegate under the conditions established in law, for a period of 26 months from 26 July 2011, to increase the share capital, on one or more occasions, at the times and on the terms of its choosing, by incorporation of reserves, profits or premiums, the capitalisation of which is permitted by law or the Company's Articles of Association, followed by the creation and bonus issue of shares or the increase in the par value of existing shares, or a combination of both.

In the event of the distribution of bonus shares, fractional rights are not negotiable and the corresponding shares will be sold, the amounts resulting from the sale being allocated to the holders of rights within legal and regulatory requirements.

The maximum share capital increase that may be carried out under this authorisation may not exceed a nominal amount of €30,000,000, it being specified that this amount shall be deducted from the ceiling provided for in the 15th resolution of the Combined Shareholders' Meeting of 27 July 2010 or, as the case may be, the limit provided for in any similar resolution that may supersede said resolution during the term of this authorisation. This amount does not take account of any adjustments required by law and regulation, and, where applicable, contractual provisions providing for other cases of adjustment, to preserve the rights of holders of securities or other rights giving access to the share capital.

The share capital was increased by €144,000 in 2012/2013, due to the granting of 90,000 bonus shares.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL BY ISSUING SHARES IN THE COMPANY AND/OR MARKETABLE SECURITIES GIVING ENTITLEMENT TO THE ALLOCATION OF DEBT SECURITIES, WITH OR WITHOUT SHAREHOLDER PREFERENTIAL SUBSCRIPTION RIGHTS

The 16th, 17th and 18th resolutions of the Combined Shareholders' Meeting of 26 July 2012, in accordance with the provisions of Articles L. 225-129 *et seq.* and L. 225-129 *et seq.* and L. 228.91 *et seq.* of the French Commercial Code, granted the Board of Directors, with the authority to sub-delegate subject to legal and regulatory provisions, the powers required to increase the share capital and to issue, with or without shareholder preferential subscription rights, shares in the Company as well as marketable securities of any kind, giving immediate or future access to the Company's share capital or giving entitlement to the allocation of debt securities, up to a share capital nominal increase ceiling of €30,000,000, common to the 16th, 17th, 18th, 19th, 20th and 21st resolutions of said Shareholders' Meeting and the 17th and 18th resolutions of the Combined Shareholders' Meeting of 26 July 2011 and the 20th resolution of the Combined Shareholders' Meeting of 27 July 2010. It is specified that this limit does not take account of Company shares to be issued in respect of any adjustments made in accordance with applicable legal and regulatory provisions, and, if applicable, with contractual provisions that provide for other cases of adjustment in order to preserve the rights of the holders of marketable securities and other rights giving access to the share capital. The total nominal amount of debt securities giving access to the share capital or marketable securities giving entitlement to the allocation of debt securities, that the Board of Directors is empowered to issue further to the resolutions of said Extraordinary Shareholders' Meeting, may not exceed €750,000,000. Issues of preference shares and of marketable securities giving immediate or future access to preference shares are expressly excluded from this authorisation.

The Board of Directors may decide to use the treasury shares as a replacement for shares to be issued under this resolution.

The issues decided by virtue of this authority must be carried out within a period of 26 months from 26 July 2012.

The 16th resolution concerns share issues with the maintenance of shareholders' preferential subscription rights, the 17th resolution concerns the issue without preferential subscription rights, by way of a public offering, and the 18th resolution permits the same type of issue within the framework of private placements, as referred to in Article L. 411-2 II of the French Monetary and Financial Code.

The Board of Directors may decide to use the treasury shares as a replacement for shares to be issued under these resolutions.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO ISSUE COMPANY SHARES AS A RESULT OF THE ISSUE, BY CONTROLLED COMPANIES, OF MARKETABLE SECURITIES GIVING FUTURE ACCESS TO THE COMPANY'S SHARE CAPITAL.

The same Combined Shareholders' Meeting of 26 July 2012, in its 17th and 18th resolutions, in view of the issue of shares and marketable securities giving access to the capital of the Company to which marketable securities that may be issued by companies in which Rémy Cointreau holds directly or indirectly more than 50% of the share capital would give rights, subject to the approval of the Board of Directors of Rémy Cointreau, delegates to the Board of Directors the necessary powers to proceed with the issue of capital securities in Rémy Cointreau to which these marketable securities give the right, and this up to an overall nominal limit of a capital increase of €30,000,000, as fixed by the 17th resolution.

In this context, Rémy Cointreau shareholders do not have a preferential subscription right to these marketable securities issued by these companies.

The issues decided by virtue of this authority must be carried out within a period of 26 months from 26 July 2012.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO ISSUE SHARES OR MARKETABLE SECURITIES GIVING ACCESS TO THE COMPANY'S SHARE CAPITAL IN CONSIDERATION FOR THE SECURITIES CONTRIBUTED TO ANY PUBLIC TAKEOVER OFFER LAUNCHED BY RÉMY COINTREAU

The 17th resolution of the Combined Shareholders' Meeting of 26 July 2012 grants the Board of Directors, for a maximum of 26 months effective from 26 July 2012, the powers required to issue shares or marketable securities giving access to the share capital in consideration for the securities contributed to any public takeover offer launched by the Company on the shares of any Company whose shares are admitted for trading on a regulated market, including all marketable securities issued by Rémy Cointreau, up to an overall nominal limit of a capital increase of €30,000,000, as fixed by the 17th resolution.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO ISSUE SHARES, SECURITIES OR VARIOUS MARKETABLE SECURITIES AND TO FREELY SET THE ISSUE PRICE

The 19th resolution of the Combined Shareholders' Meeting of 26 July 2012 authorised the Board of Directors, within the framework of the 17th and 18th resolutions, relating to the issue, without shareholder preferential subscription rights, by way of a public offering or offering referred to in Article L. 411.2 II of the French Monetary and Financial Code, to set, in the manner of its choosing, the issue price for any shares and marketable securities giving access to the share capital, within a limit of a maximum of 10%. The 19th resolution of the Combined Shareholders' Meeting of 26 July 2012, authorised the Board of Directors to issue all forms of shares and marketable securities giving access to the share capital within a limit of 10% of the share capital and within the limit set by the 17th and 18th resolutions, and setting a different issue price to that selected for the issues authorised pursuant to the 17th and 18th resolutions, which may not be less, at the discretion of the Board of Directors, than either (a) the average price weighted by the trading volume over the 20 trading sessions prior to the setting of the issue price or (b) the average price weighted by the trading volume on the trading session prior to the setting of the issue price, in both cases, reduced by a potential maximum discount of 10% and subject to the limit that the amount to be received for each share is at least equal to its nominal value. Issues of preference shares and of marketable securities giving immediate or future access to preference shares are expressly excluded from this authorisation.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO ISSUE SHARES OR MARKETABLE SECURITIES GIVING ACCESS TO THE SHARE CAPITAL WITHIN A LIMIT OF 10% OF THE SHARE CAPITAL AS CONSIDERATION FOR CONTRIBUTIONS IN KIND

The 17th resolution of the Combined Shareholders' Meeting of 26 July 2011 authorised the Board of Directors, with the authority to sub-delegate to any person permitted by law and where the provisions of Article L. 225-148 of the French Commercial Code do not apply, to issue all types of shares and marketable securities giving access to the share capital (excluding preference shares), within a limit of 10% of the share capital at the time of issue, in consideration for contributions in kind, the 10% limit being deducted from the ceiling set in the 16th resolution of the Combined Shareholders' Meeting of 27 July 2010, or as the case may be, deducted from the ceiling provided for in any similar resolution that may supersede said resolution during the term of this authorisation or the limit set in the 17th resolution of the Combined Shareholders' Meeting of 26 July 2012.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

AUTHORISATION GIVEN TO THE BOARD OF DIRECTORS TO INCREASE THE NUMBER OF SECURITIES TO BE ISSUED IN THE EVENT OF AN ISSUE WITH OR WITHOUT WAIVER OF SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS

The Combined Shareholders' Meeting of 26 July 2012, in its 20th resolution, authorised the Board of Directors, within the framework of authorisations provided by the 16th, 17th, 18th and 19th resolutions of the same meeting, to increase the number of shares to be issued within the provisions of Article L. 225-135-1 of the French Commercial Code, within 30 days following the subscription, by up to 15% of each issue and at the same price as adopted for the initial issue and within the global limit provided by the resolution in application of which the issue is decided.

This authorisation is valid for a period of 26 months from 26 July 2012.

SUMMARY TABLE OF CURRENT AUTHORISATIONS GIVEN TO THE BOARD OF DIRECTORS FOR THE PURPOSE OF INCREASING THE SHARE CAPITAL

Description of the authorisation	Date of Shareholders' Meeting	Nominal amount of the authorisation	Term of authorisation	Use made of authorisation during the financial year
Grant of share subscription options	27 July 2010	Limited to 2% of the share capital(1)	38 months	None
Capital increase by incorporation of reserves, profits or premiums	26 July 2011	€30,000,000(2)	26 months	€144,000 from the granting of 90,000 bonus shares
Capital increase in consideration for contributions in kind	26 July 2011	Limited to 10% of the share capital(1)	26 months	None
Grant of bonus shares	26 July 2011	Limited to 2% of the share capital and €1.5 million for shares to be issued(1)	38 months	Allocation of 96,500 shares
Issue of shares or marketable securities giving access to share capital with preferential subscription rights and/or the issue of marketable securities granting entitlement to the allocation of debt securities	26 July 2012	▪ Capital increase: €30,000,000(2) ▪ Debt securities: €750,000,000(1)	26 months	None
Issue of marketable securities giving access to share capital without preferential subscription rights and/or the issue of marketable securities granting entitlement to the allocation of debt securities: ▪ by public offering, ▪ by private placement	26 July 2012	▪ Capital increase: €30,000,000(2) ▪ Debt securities: €750,000,000(1)	26 months	None
Issue of shares, securities or marketable securities, freely setting the issue price	26 July 2012	Limited to 10% of the share capital(1)	26 months	None
Increase in the number of securities to be issued in the event of over-subscription	26 July 2012	Limited to 15% of each issue up to a maximum of €30,000,000(1)(2)	26 months	None

(1) Deducted from the ceiling provided for in the 17th resolution of the Shareholders' Meeting of 26 July 2012.
(2) Deducted from the ceiling provided for in the 16th resolution of the Shareholders' Meeting of 26 July 2012.

NON-EQUITY SECURITIES

On 30 June, 2010, Rémy Cointreau issued a 6.5 year bond for the amount of €205 million.

The features of this transaction are described in the notes to the consolidated financial statements and the notes to the parent company financial statements of Rémy Cointreau for 2012/2013.

AUTHORISATION TO ISSUE SECURITIES GIVING ACCESS TO THE SHARE CAPITAL

The Combined Shareholders' Meeting of 24 August 2000 authorised the Board of Directors to grant options giving the right to subscribe for new shares in the Company within a limit of 3% of the share capital of Rémy Cointreau. The Management Board allocated all the corresponding options at its meetings of 1 March 2001 and 8 March 2002. These plans expired on 28 February 2011 and 7 March 2012.

The Combined Shareholders' Meeting of 21 September 2001 authorised the Management Board to grant, on one or more occasions over a period of five years, employees or management of the Company and companies or EIG covered by Article 208-4 of the French Commercial Companies Act (Article L. 225-180 of the French Commercial Code), options giving the right to subscribe for new shares in the Company within a limit of 3% of the share capital of Rémy Cointreau. The Management Board, at its meetings of 8 March 2002 and 16 September 2003, allocated 634,500 options, including 287,000 options to purchase shares in the Company. The share subscription option plan expired on 7 March 2012. The stock-option plans are currently in force. The table of outstanding option plans is included in the special report in respect of options to subscribe for or to purchase shares.

CHANGES IN THE SHARE CAPITAL OVER THE PAST FIVE YEARS

Dates	Type of transaction	Number of shares created (cancelled)	Share capital in €	Premiums in €	Cumulative share capital In €	Number of shares in the share capital
31/03/2008	Exercise of share subscription options	211,006	337,609.60	4,755,625.60	74,494,068.80	46,558,793
08/10/2008	Part payment of dividend in shares	673,843	1,078,148.80	20,222,028.43	75,572,217.60	47,232,636
20/11/2008	Exercise of share subscription options	7,290	11,664.00	133,227.60	75,583,881.60	47,239,926
20/11/2008	Capital increase by deduction from reserves following the allocation of bonus shares	89,500	143,200.00	–	75,727,081.60	47,329,426
31/03/2009	Exercise of share subscription options	40,618	64,988.80	624,426.80	75,792,070.40	47,370,044
15/09/2009	Exercise of share subscription options	3,262	5,219.20	34,577.20	75,797,289.60	47,373,306
21/09/2009	Part payment of dividend in shares	980,095	1,568,152.00	21,415,075.75	77,365,441.60	48,353,401
19/11/2009	Capital increase by deduction from reserves following the allocation of bonus shares	86,600	138,560.00	–	77,504,001.60	48,440,001
31/03/2010	Exercise of share subscription options	69,768	111,628.80	1,303,232.73	77,615,630.40	48,509,769
21/09/2010	Part payment of dividend in shares	565,770	905,232.00	20,944,805.40	78,520,862.40	49,075,539
21/09/2010	Exercise of share subscription options	55,450	88,720.00	1,405,575.00	78,609,582.40	49,130,989
23/11/2010	Exercise of share subscription options	36,827	58,923.20	929,428.50	78,668,505.60	49,167,816
23/11/2010	Capital increase by deduction from reserves following the allocation of bonus shares	88,900	142,240.00	–	78,810,745.60	49,256,716
31/03/2011	Exercise of share subscription options	171,686	274,697.60	4,173,919.50	79,085,443.20	49,428,402
20/09/2011	Exercise of share subscription options	49,287	78,859.20	1,153,315.80	79,164,302.40	49,477,689
22/11/2011	Exercise of share subscription options	1,713	2,740.80	40,084.20	79,167,043.20	49,479,402
22/11/2011	Capital increase by deduction from reserves following the allocation of bonus shares	97,300	155,680.00	–	79,322,723.20	49,576,702
31/03/2012	Exercise of share subscription options	52,860	84,576.00	1,236,924.00	79,407,299.20	49,629,562
25/09/2012	Payment of dividend in shares	1,190,350	1,904,560.00	90,383,275.50	81,311,859.20	50,819,912
23/11/2012	Capital increase by deduction from reserves following the allocation of bonus shares	90,000	144,000.00	–	81,455,859.20	50,909,912

There was no material change in the share capital ownership prior to 31 March 2013, except for First Eagle Investment Management, LLC, which held 5.66% of the share capital and 6.47% of the voting rights at 31 March 2011 and disclosed that it had fallen under the threshold of 1% of the voting rights on 6 December 2011.

The acquisition by Orpar on 22 July 2010 of 721,995 Récopart shares, including 421,995 outright and bare ownership of 300,000, gave it a combined direct or indirect interest of 57.39% of the share capital and 69.67% of the voting rights of Rémy Cointreau.

On 3 May 2013, Orpar sold 1,500,000 Rémy Cointreau shares as part of a private placement via accelerated book-building, bringing its direct and indirect interest to 49.72% of the share capital and 67.03% of the exercisable voting rights.

7.3.4 Authorisation to trade in Company shares

BUYBACK PROGRAMME LINKED TO STOCK-OPTION PLANS

Pursuant to the share buyback programme authorised by the Shareholders' Meeting of 7 September 2004, the Company sold 602,430 shares with a repurchase agreement on 24 March 2005. In order to maintain full coverage of its share purchase plans, and to manage part of the dilution resulting from the exercise of one of the stock-option plans, this sale was subject to a cancellation clause. This transaction was supplemented by the Company's purchase of 224,497 call options from Barclays Bank PLC on 24 March 2005. The overall transaction enables Rémy Cointreau to cover the exercise of a maximum number of 826,927 share subscription or purchase options.

The buyback movements on the two instruments are presented below. As of 31 March 2013, a total of 10,500 treasury shares were held on this account and the Company could also purchase 6,710 shares by exercising the repurchase clause and 6,000 call options, totalling 23,210 shares, which corresponds exactly to the balance of the stock options plans requiring hedging.

	Sale with repurchase clause	Options	Total	Options exercised during the period	Treasury shares held at the end of the period
Number of shares that could potentially be purchased as of 24 March 2005	602,430	224,497	826,927	–	–
2005/2006[(1)]	(280,927)	–	(280,927)	280,927	–
2007/2008	(75,000)	–	(75,000)	70,295	4,705
2008/2009	(33,000)	–	(33,000)	20,500	17,205
2009/2010	–	–	–	4,605	12,600
2010/2011	(76,003)	(52,497)	(128,500)	119,790	21,310
2011/2012	(96,940)	(111,500)	(208,440)	222,100	7,650
2012/2013	(9,850)	(19,500)	(29,350)	26,500	10,500
2012/2013 – termination in part[(2)]	(24,000)	(35,000)	(59,000)	–	–
As at 31/03/2013	6,710	6,000	12,710	–	–

(1) *These shares were cancelled under the authorisation granted by the Shareholders' Meeting of 28 July 2005, since the options exercised corresponded to subscription rather than purchase plans.*

(2) *There was a partial cancellation during the period to adjust these hedging instruments to the number of stock options open for current plans after lapsed options were taken into account.*

LIQUIDITY CONTRACT

In addition, the Company concluded a liquidity contract with a liquidity provider. As part of this mandate, the liquidity provider's sole purpose is to promote the liquidity of the Company's securities and the regularity of their quotation on the market. As of 31 March 2013, the Company held 10,000 shares in this account.

SHARE BUYBACK PROGRAMME

Pursuant to the 13th and 15th resolutions of the Shareholders' Meeting of 26 July 2011, the Board of Directors resolved to retain an investment services provider to buy back Company shares within a limit of 10% of the share capital, net of treasury shares and in particular any acquired under the liquidity contract. The shares bought back in this way shall be allocated to the following objectives: (i) retention and subsequent use in exchange or as payment for acquisitions, up to legally established limits; and, (ii) cancellation as per the description in the share buyback programme. The service provider may make purchases as and when it sees fit, up to a maximum of 4,500,000 shares at prices that comply with European regulation 2273/2003 of 22 December 2003 and the AMF's General Regulation.

As of 31 March 2012, the Company held 1,421,003 shares in this account. During financial year 2012/2013, the Company purchased 7,791 shares for the sum of €584,148.

This share buyback programme was terminated on 23 May 2012. As of 31 March 2013, the Company held 1,428,794 treasury shares in this account.

The 13th resolution of the Combined Shareholders' Meeting of Rémy Cointreau of 26 July 2012 authorised the Board of Directors, for a period expiring following the Shareholders' Meeting called to approve the financial statements for the financial year ended 31 March 2013 and, at the latest, within a period of 18 months from 26 July 2012, to buy or sell shares in the Company, within a limit of 10% of the share capital, namely 3,526,512 shares, net of treasury shares, sales of shares with a repurchase option and the purchase of call options. The maximum amount that the Company may pay on the basis of this number of shares is €528,976,800.

The share buyback programme is designed to achieve the following, in order of decreasing priority:

- to ensure liquidity or promote trading in the secondary market in Rémy Cointreau shares via an investment services provider, under the terms of a liquidity agreement that complies with the Ethics Charter recognised by the AMF;
- to cancel shares as part of a share capital reduction;
- to cover obligations in respect of marketable securities giving access to share capital;
- to grant shares in accordance with the terms and conditions provided by law, notably as part of a profit-sharing plan, to cover stock options, as part of a company savings plan or to be used to grant bonus shares to employees and/or authorised executives of the Company and/or companies related to it within the meaning of Articles L. 225-197-1 *et seq.* of the French Commercial Code;
- to purchase shares and retain them to be used subsequently in exchange for payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits prescribed by law;
- to implement any market practices permitted by the AMF and, more generally, carry out all transactions in compliance with the regulations in force.

The purchase of these shares, together with their sale or transfer, may be performed subject to the legal and regulatory provisions at any time, including during a public takeover offer period involving the Company's shares, or during a public takeover offer initiated by the Company, subject to the lock-up periods specified in Article 631-6 of the AMF's General Regulation, or to other legal or regulatory provisions, and by any means, including on the market or off-market, on regulated or unregulated markets, via multilateral trading facilities, with systematic internalisers, or over the counter, including by public offering, block transactions, sale with repurchase options and the use of derivative financial instruments traded on a regulated market or not, multilateral trading facilities, with systematic internalises, or over the counter, including under the conditions authorised by the competent market authorities, and during the periods that the Board of Directors, or the person acting on the authority of the Board of Directors shall choose. These transactions may include option transactions, except for the sale of put options, and inasmuch as such transactions do not contribute to a significant increase in the volatility of the share price. The maximum portion of the capital acquired or transferred in the form of block transactions may amount to 100% of the authorised share buyback programme. Payment may be made by any means.

As part of these objectives, the repurchased shares may be cancelled in accordance with the 13th resolution of the same Shareholders' Meeting, up to 10% of the share capital per period of 24 months.

The maximum share purchase price was set at €150 by the Shareholders' Meeting.

The renewal of this authorisation will be proposed at the next Annual Shareholders' Meeting.

INFORMATION ON TRANSACTIONS CARRIED OUT AS PART OF THE SHARE BUYBACK PROGRAMME IN FORCE DURING THE PERIOD 1 APRIL 2012 TO 31 MARCH 2013

Pursuant to the provisions of Article L. 225-211 of the French Commercial Code, the purpose of this section is to inform the Shareholders' Meeting of the share purchases made between 1 April 2012 and 31 March 2013 as part of the share buyback programme authorised by the Shareholders' Meetings of 26 July 2011 and 26 July 2012.

Between 1 April 2012 and 31 March 2013, the Company purchased 161,278 and sold 114,137 shares. During the same period, it also set aside 26,500 shares to cover stock options.

The table below summarises the final position of transactions carried out during the period 1 April 2012 to 31 March 2013:

		Average price
Percentage of treasury shares held directly or indirectly	0.03%	
Number of securities held at the start of the year	1,428,653	
Number of securities purchased since the start of the year:		
▪ as part of the liquidity contract	124,137	€87.91
▪ as part of the sale with repurchase agreement and purchase option	29,350	
▪ as part of the implementation of the Share Buyback Program dated 22 November 2011	7,791	€74.97
Number of securities sold since the start of the year as part of the liquidity contract	114,137	€87.70
Number of securities transferred since the start of the year	26,500	
Number of securities cancelled since the start of the year	–	
Number of securities held as of 31 March 2013:		
▪ as part of the liquidity contract	10,000	
▪ as part of the sale with repurchase agreement contract	10,500	
▪ as part of the implementation of the share buyback programme dated 22 November 2011	1,428,794	

TRANSACTIONS RESULTING FROM THE EXECUTION OF THE SHARE BUYBACK PROGRAMME AUTHORISED BY THE COMBINED SHAREHOLDERS' MEETING OF 26 JULY 2012

		Average price
Percentage of treasury shares held directly or indirectly	0.00%	
Number of securities held at the start of the programme	1,442,544 2.91%	
Number of securities purchased since the start of the programme:		
▪ as part of the liquidity contract	156,795	€88.34
▪ as part of the sale with repurchase agreement contract	5,000	
▪ as part of the implementation of the Share Buyback Program dated 22 November 2011	0	
Number of securities sold since the start of the programme as part of a liquidity contract	153,395	€88.47
Number of securities transferred since the start of the programme	8,750	
Number of securities cancelled since the start of the programme	0	
Number of securities held as of 31 May 2013:		
▪ as part of the liquidity contract	34,000	
▪ as part of the sale with repurchase agreement contract	10,000	
▪ as part of the implementation of the Share Buyback Program dated 22 November 2011	1,428,794	

BREAKDOWN OF EQUITY SECURITIES HELD, BY OBJECTIVE

Shares held by the Company are used partly to promote trading in the secondary market or to enhance the liquidity of the Rémy Cointreau share by an investment services provider, via a liquidity contract that complies with the Ethics Charter recognised by the AMF, and partly to cover the exercise of stock options. In addition, shares held under the mandate given to an investment services provider in accordance with the decision of the Board of Directors of 22 November 2011 pursuant to the 13th and 15th resolutions approved by the Shareholders' Meeting of 26 July 2011 will be either (i) set aside for subsequent delivery in exchange or payment for acquisitions within the limits prescribed by law, or (ii) cancelled.

DESCRIPTION OF THE MAIN FEATURES OF THE BUYBACK PROGRAMME SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS' MEETING OF 24 SEPTEMBER 2013 AS PART OF THE 11TH RESOLUTION

- Securities: shares issued y Rémy Cointreau SA.
- Maximum percentage that may be purchased by the Company: 10% of shares comprising the share capital.
- Maximum number of shares that may be purchased by the Company: 3,641,697 shares may be purchased, taking into account treasury shares, the sale of shares with a repurchase agreement and the purchase of stock options.
- Maximum unit price: €150 excluding purchase costs.
- Objectives:
  - to ensure liquidity or promote trading in the secondary market in Rémy Cointreau shares via an investment services provider, under the terms of a liquidity agreement that complies with the Ethics Charter recognised by the AMF;
  - to cancel shares as part of a capital reduction, subject to the adoption of the 13th resolution submitted to this Shareholders' Meeting;
  - to cover obligations in respect of marketable securities giving access to share capital;
  - to grant shares to employees and/or authorised corporate officers of the Company and/or companies related to it in accordance with the terms and conditions provided by law, notably as part of a profit-sharing plan, to cover stock options, as part of a company savings plan or to be used to grant bonus shares within the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code;
  - to purchase shares and retain them to be used subsequently in exchange for payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits prescribed by law;
  - to implement any market practices permitted by the AMF and, more generally, carry out all transactions in compliance with the regulations in force.

Duration of the programme: until the Shareholders' Meeting called to consider the financial statements for the year ended 31 March 2014 and no later than 18 months from 24 September 2013.

7.3.5 Transactions carried out during the year

TRANSACTIONS CARRIED OUT ON THE EXERCISE OR MATURITY OF DERIVATIVES

Date of transaction	Name of intermediary	Purchase/ Sale	Number of shares	Transaction price	Amount in €	Underlying derivative transaction
02/05/2012		Purchase	4,500	€28.05	124,152	Exercise of purchase options provided in addition to the repurchase clause included in the contract for the sale of shares concluded on 24/03/2005 – see statement posted online on 04/05/2012
02/05/2012		Repurchase clause	9,850	€27.65	267,881	Exercise of the repurchase clause included in the sale contract concluded on 24 March 2005 – see statement posted online on 04/05/2012
30/05/2012		Purchase	10,000	€28.07	275,894	Exercise of purchase options provided in addition to the repurchase clause included in the contract for the sale of shares concluded on 24/03/2005 – see statement posted online on 04/06/2012
14/02/2013		Purchase	5,000	€28.05	136,500	Exercise of stock options provided in addition to the repurchase clause included in the contract for the sale of shares – see statement posted online on 25/02/2013

7.3.6 Outstanding derivatives

Date of transaction	Name of intermediary	Purchase/ Sale	Purchase options/ Maturity	Maturity	Exercise price €	Premium	Organised market/OTC	As at 31/03/2013
24/03/2005	–	Repurchase clause	–	15/09/2013	27.67	–	–	6,710 securities
24/03/2005	–	Purchase	Purchase options	23/12/2014	28.07	10.25	OTC	6,000 securities

7.4 Shareholding and stock market information

7.4.1 Ownership of share capital and voting rights as of 31 March 2013

As of 31 March 2013, after the Board of Directors had noted the various changes to the share capital that had occurred during the year, as disclosed in section 7.3 of this registration document, the share capital amounted to €81,455,859.20, divided into 50,909,912 shares with a nominal value of €1.60 each.

Pursuant to the provisions of Article L. 233-13 of the French Commercial Code, it is hereby specified that:

- Orpar held more than one-third of the share capital and more than half the voting rights of your Company as of 31 March 2013;
- Récopart held as of the same date more than 10% of the share capital and more than 15% of the voting rights of your Company; and
- funds managed by Amundi held as of the same date more than 1% of the share capital of your Company.

The employee savings plans represent 2.50% of the share capital of Rémy Cointreau. It is the only form of collective shareholding by Rémy Cointreau employees.

VOTING RIGHTS, NUMBER OF SHAREHOLDERS, DETAILS OF SHAREHOLDERS HOLDING 1% OR MORE AND THE NATURE OF THEIR HOLDING, SHAREHOLDERS' AGREEMENT, SHARES HELD BY EMPLOYEES AND TREASURY SHARES

	Position at 31/03/2013			Position at 31/03/2012			Position at 31/03/2011		
Shareholders	**Number of shares**	**% of share capital**	**% of voting rights**	**Number of shares**	**% of share capital**	**% of voting rights**	**Number of shares**	**% of share capital**	**% of voting rights**
Orpar	20,802,494	40.86	53.45	21,252,815	42.82(1)	55.01	21,252,815	43.00	52.55
Récopart	7,143,709	14.03	18.12	6,937,889	13.98	18.11	6,937,889	14.03	17.29
Andromède	20,223	0.04	0.05	19,640	0.04	0.05	19,640	0.04	0.05
Sub-total	**27,966,426**	**54.93**	**71.62**	**28,210,344**	**56.84**	**73.17**	**28,210,344**	**57.07**	**69.89**
First Eagle Investment Management, LLC(1)	–	–	–	–	–	–	2,797,672	5.66	6.47
Fidelity Investments International(1)	–	–	–	–	–	–	2,204,020	4.46	2.82
GROUPAMA	–	–	–	1,400,296	2.82	1.87	748,349	1.51	0.96
AMUNDI	540,820	1.06	0.71	–	–	–	–	–	–
Rémy Cointreau (treasury shares)	1,449,294	2.85	–	1,428,653	2.88	–	21,310	0.04	–
Free float	20,953,372	41.16	27.67	18,590,269	37.46	24.96	15,446,707	31.25	19.87
TOTAL	**50,909,912**	**100.00**	**100.00**	**49,629,562**	**100.00**	**100.00**	**49,428,402**	**100.00**	**100.00**

(1) *In a declaration dated 14 December 2011, First Eagle Investment Management, LLC disclosed that it had fallen below the 1% voting rights threshold on 6 December 2011. In addition, the Threadneedle Investments Group disclosed that it held more than 1% of the share capital in the Company and Verlinvest disclosed that as of 25 April 2013 it held more than 2% of the share capital and more than 1% of the voting rights.*

A number of shares possess double voting rights. A total of 27,200,141 shares had double voting rights at 31 March 2013. The main shareholders, Orpar and Récopart, hold such rights, as indicated in the above table.

The Company had 1,449,294 treasury shares including 10,500 shares acquired under the sale and repurchase agreement signed on 24 March 2005 to cover the exercise of stock options, 10,000 shares held as part of the liquidity contract and 1,428,794 acquired under the buyback programme established by the Board of Directors pursuant to the authorisation of the Shareholders' Meeting of 26 July 2011.

There was no material change in the share capital ownership prior to 31 March 2013, except for First Eagle Investment Management, LLC, which held 5.66% of the share capital and 6.47% of the voting rights at 31 March 2011 and disclosed that it had fallen under the threshold of 1% of the voting rights on 6 December 2011.

Andromède disclosed that, via the companies Orpar and Récopart which it controls, on 3 May 2013 it fell below the thresholds of 2/3 of the voting rights and 50% of the share capital of Rémy Cointreau, directly and indirectly, and that it held, both directly and indirectly, 25,314,615 Rémy Cointreau shares representing 49,604,552 voting rights or 49.72% of the share capital and 65.74% of the voting rights of this Company. On this occasion, Orpar had individually fallen below the threshold of 50% of the voting rights in Rémy Cointreau. These threshold crossings result from the sale by Orpar of 1,500,000 Rémy Cointreau shares as part of a private placement via accelerated book-building. This declaration of crossing of thresholds was the subject of AMF decision No. 213C0550 of 14 May 2013 posted online on the AMF website.

Fine Champagne Investissements (FCI) disclosed that on 13 May 2013, it, in concert with Andromède, Orpar and Récopart, had exceeded the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, and 1/3 of the share capital and voting rights and 50% of the voting rights in Rémy Cointreau and that it held, jointly, 25,385,619 Rémy Cointreau shares representing 49,675,982 voting rights or 49.86% of the share capital and 65.83% of the voting rights in this company[1].

This crossing of thresholds is due to the conclusion, on 13 May 2013, of a shareholders' agreement between the abovementioned members acting in concert regarding Rémy Cointreau[2]. This crossing of threshold was the subject of AMF decision No. 213C0586 of 23 May 2013 posted online on the AMF website.

FCI also issued a declaration of intent (see AMF decision No. 213C0586 of 23 May 2013 posted online on the AMF website).

Andromède, acting in concert with Récopart, Orpar and Fine Champagne Investissements, disclosed that on 28 June 2013, it had exceeded the thresholds of 50% of the share capital and 2/3 of the voting rights in Rémy Cointreau and that it held, directly and indirectly, via the companies Orpar and Récopart which it controls, 25,942,283 Rémy Cointreau shares representing 50,389,513 voting rights or 50.96% of the share capital and 66.78% of the voting rights in this company This crossing of thresholds is due to Andromède's merger by absorption of four companies controlled by the Hériard Dubreuil family and shareholders of Andromède, as a result of which, Andromède received 566,877 Rémy Cointreau shares representing 713,957 voting rights, resulting from the universal transfer of assets from the absorbed companies. This merger by absorption has no effect on the control of Andromède (see AMF decision no. 213C0862 of 8 July 2013 posted online on the AMF website).

The Company is aware of the existence of the following concert parties and shareholders' agreements:

- between Orpar and the shareholders of Récopart:
  - in accordance with Article 13.1 of Récopart's Articles of Association, shareholders holding category B shares, of which 99.99% are held by Orpar, are entitled to submit to the Supervisory Board candidates for two positions on the Board of Directors. As a result, two corporate officers from Orpar, namely Mr François Hériard Dubreuil and Mr Marc Hériard Dubreuil, were appointed as Chairman and Member of the Board of Directors of Récopart, respectively. The purpose of this condition is to ensure consultation on the exercise of voting rights between Récopart and Orpar, so that they apply a common policy as regards Rémy Cointreau;
  - in accordance with the terms and conditions of a Memorandum of Understanding dated 21 and 22 July 2010, on 22 July 2010 Orpar acquired 721,995 Récopart shares, including 421,995 outright and 300,000 in bare ownership from Mr Pierre Cointreau and his children, thereby increasing its investment to 61.02% of the share capital and 54.53% of voting rights of Récopart;
  - prior to this transaction, Orpar and Récopart were granted an exemption from the requirement to made a public takeover offer under Article 234-9 6 of the General Regulation set out in Decision and Notification 210C0520 published on the website of the AMF on 14 June 2010. The declaration of crossing of thresholds following this exemption was made by letter of 23 July 2010 and published on the website of the AMF in Decision and Notification 210C0694.

  On that date, Récopart held 6,937,889 shares and 13,229,478 voting rights in Rémy Cointreau, i.e. 14.30% of the share capital and 17.08% of the voting rights in Rémy Cointreau. On that date, Orpar held 20,901,034 shares and 40,732,231 voting rights of Rémy Cointreau, i.e. 43.09% of the share capital and 52.59% of the voting rights of Rémy Cointreau. As a result, following this acquisition, Orpar directly or indirectly owned a total of 27,838,923 shares and 53,961,709 voting rights in Rémy Cointreau, i.e. 57.39% of the share capital and 69.67% of the voting rights in Rémy Cointreau, and had thus indirectly crossed over the threshold of 50% of the share capital and 66.67% of the voting rights in Rémy Cointreau.

  In application of the Memorandum of Understanding and as part of the implementation of the acquisition, Orpar and Mr Pierre Cointreau and his family entered into the following agreements to govern their relationship within Récopart:
  - an undertaking to purchase was granted on 21 and 22 July 2010 by Orpar to the Cointreau family, in relation to the remaining Récopart shares held by the Cointreau family. The undertaking to purchase reflects Orpar's commitment to acquire, from members of the Cointreau family and at their request, a maximum of 2,378,005 Récopart shares;

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(1) *Based on share capital comprising 50,909,912 shares representing 75,460,124 voting rights, pursuant to Article 223-11 (2) of the General Regulation.*
(2) *It is specified that the above-mentioned shareholders' agreement is also included in Decision and Notification 213C0515 of 2 May 2013, the provisions of which are included below (see 7.4.1).*

- an undertaking to sell was granted on 21 and 22 July 2010 by the Cointreau family to Orpar, in relation to the remaining Récopart shares held by the Cointreau family. The undertaking to sell reflects the commitment of the members of the Cointreau family to sell to Orpar, at the latter's request, a maximum of 2,378,005 Récopart shares;
- a shareholders' agreement was concluded on 21 and 22 July 2010, for 20 years from the date of signing. The agreement specified that Récopart, in order to streamline the Company's structure, would be turned into a simplified limited company (SAS) and that the Company Articles of Association would be redrafted accordingly, which was done in July 2011. The agreement also specified the annual dividend distribution policy.

Orpar also benefits from a preferential subscription right on any share transfer, except for certain types of so-called free transfers, it being specified that the preferential subscription right became automatically applicable from the date Récopart was turned into a simplified limited company and the corresponding amending of its Articles of Association.

Lastly, the agreement specifies that in the event Orpar were to receive a bid from a third party buyer for at least 51% of Récopart shares, which it would be prepared to accept, that all shareholders would be compelled to dispose of their shares jointly with Orpar, on the terms and conditions specified in the agreement.

As a result, the shareholders' agreement dated 27 June 2001 was terminated on 22 July 2010.

Furthermore, two so-called "Dutreil pact" retention commitments were concluded in July 2010 between Orpar and Récopart, acting as principals, in relation to 10,400,000 Rémy Cointreau shares, i.e. 21.44% of the share capital of Rémy Cointreau. These agreements include a commitment to retain the Rémy Cointreau shares covered by this agreement for two years.

Two so-called "Dutreil pact" retention commitments were also concluded in December 2010 between Orpar and Récopart, acting as principals, in relation to 10,820,000 Rémy Cointreau shares, i.e. 22% of the share capital of Rémy Cointreau. These agreements include a commitment to retain the Rémy Cointreau shares covered by this agreement for two years.

These agreements were filed with the AMF on 28 July 2010 and a notification published on 30 July 2010 in Decision and Notification 210C0730 published on the AMF website;

- between Andromède, Orpar and FCI:
  - in decision No. 213C0515 of 2 May 2013 posted on its website, the AMF examined the consequences of the concert party between Fine Champagne Investissements (FCI) and Andromède, Orpar and Récopart and granted exemption from the requirement to make a public takeover offer under Article 234-1, 1 of the General Regulation of the AMF,
  - on 3 April 2013, Andromède, FCI and Orpar concluded a shareholders' agreement with respect to Orpar and Rémy Cointreau[1], the main clauses of which were published pursuant to Article L. 233-11 of the French Commercial Code in AMF decision No. 213C0515 of 2 May 2013 posted online on the AMF website.

Main clauses of the agreement concerning Rémy Cointreau:

- **governance:** Orpar and FCI will meet in a reasonable timeframe before any meeting of the Shareholders' Meeting of Rémy Cointreau in order to examine the draft resolutions submitted to the assembly and agree a common position. In any event, FCI agrees to attend the meeting in question or give proxy to Orpar and combine its votes with those of Orpar and vote as previously indicated to Orpar;
- **allotment of Rémy Cointreau shares as payment:** In the event that FCI sells its interest in the capital of Orpar to Andromède as a result of the undertaking to purchase agreed by Andromède relating to 201,533 Orpar shares held by FCI or the undertaking to sell relating to the same Orpar shares and agreed by FCI, Andromède may pay the price due to FCI in cash or in Rémy Cointreau shares[2];
- **retention:** FCI agrees not to sell any Rémy Cointreau securities received in payment for the abovementioned undertakings for a period of two years counting from their receipt;
- **pre-emptive right:** Andromède will benefit from a pre-emptive right on the above-mentioned Rémy Cointreau shares at the end of the two year period established in the retention obligation;
- **ceiling:** FCI agrees to not increase its stake in Rémy Cointreau without the agreement of Orpar and to not conclude any agreement or more generally any concert party with any third party with respect to Rémy Cointreau;
- **duration:** the agreement is signed for seven years, i.e. until 4 April 2020, it being specified that, in the event that Orpar or FCI carries out an act forcing the launch of a public takeover offer on Rémy Cointreau securities, the concert party linking them will immediately end and will, by law, become null and void.

7.4.2 Changes to the share capital ownership structure over the past three years

During the course of 2010/2011, the share capital increased by €1,469,812.80 to €79,085,443.20, as a result of the exercise of 263,963 share subscription options, the exercise of the option for 50% of the dividend payment to be made in shares which resulted in the issue of 565,770 shares, and the distribution of 88,900 bonus shares. At closing, Orpar held more than one-third of the share capital and more than half the voting rights. Récopart held more than 10% of the share capital and more than 15% of the voting rights. Following the acquisition by Orpar of Récopart shares, on 22 July 2010, Orpar owned, directly and indirectly, 57.39% of the share capital and 69.67% of the voting rights in Rémy Cointreau.

First Eagle Investment Management, LLC (formerly Arnhold and S. Bleichroeder LLC) held more than 5% of the share capital and voting rights. Fidelity Investments International held more than 4% of the share capital and more than 2% of the voting rights and Amundi-Société Générale Gestion-Etoile Gestion and Groupama each held more than 1% of the share capital and less than 1% of the voting rights.

(1) It is specified that the concert party and entry into force of the clauses concerning Rémy Cointreau are subject to condition precedent of the granting by the AMF of an exemption from the requirement to make a public takeover offer on Rémy Cointreau securities, which is not open to appeal.

(2) Based on Orpar's NAV with a 12.5% discount. It is specified that Andromède is free to pay the exercise price, in full or in part, in cash and/or in Rémy Cointreau shares based on the average Rémy Cointreau share price over the last six months prior to the date of the exercise notice.

In financial year 2011/2012, the exercise of 103,850 share subscription options and the allocation of 97,300 bonus shares resulted in the share capital being increased by €321,840 to €79,407,299.20. At closing, Orpar held more than one-third of the share capital and more than half the voting rights. Récopart held more than 10% of the share capital and more than 15% of the voting rights.

During the course of 2012/2013, the exercise of the option for the dividend payment to be made in shares, which resulted in the creation of 1,190,350 shares, and the distribution of 90,000 bonus shares led to an increase in the share capital of €2,048,560 to €81,455,859.20. At closing, Orpar held more than one-third of the share capital and more than half the voting rights. Récopart held more than 10% of the share capital and more than 15% of the voting rights.

7.4.3 Persons controlling the Company and details of their shareholdings

At 31 March 2013, Orpar was 95.01% controlled by Andromède, which is controlled by the Hériard Dubreuil family.

At 31 March 2013, Orpar held 20,802,494 shares in Rémy Cointreau, representing 40.86% of the share capital, and 40,974,502 voting rights, or 53.45% of the voting rights. Orpar, directly or indirectly, owned shares held by Récopart, representing a total of 54.93% of the share capital and 71.62% of the voting rights in Rémy Cointreau.

On 3 April 2013, Andromède opted for the payment of its interim dividend from Orpar in Rémy Cointreau shares and in this respect received 1,081,947 Rémy Cointreau shares. On 19 April 2013, Andromède transferred, by way of exchange, 1,080,807 Rémy Cointreau shares and 14,452 Fine Champagne Investissement shares to Verlinvest.

On 3 May 2013, Orpar sold 1,500,000 Rémy Cointreau shares as part of a private placement via accelerated book-building. Following these transactions, Andromède held 6,011 shares or 0.01% of the capital, corresponding to 11,199 voting rights, or 0.01% of the theoretical voting rights, Orpar held 18,164,895 Rémy Cointreau shares, or 35.68% of the share capital, corresponding to 35,699,304 voting rights, i.e. 47.31% of the theoretical voting rights. Andromède holds, directly and indirectly, 49.72% of the share capital and 65.74% of the theoretical voting rights in Rémy Cointreau.

On 28 June 2013, following the transaction described on page 157 of this registration document, Andromède holds, directly and indirectly, 25,942,283 Rémy Cointreau shares representing 50,389,513 voting rights or 50.96% of the share capital and 66.78% of the voting rights in this company.

Pursuant to European regulation No. 809/2004 of 29 April 2004 established pursuant to the “Prospectus” directive, Rémy Cointreau ensures that the control of the Company is not abused, by adopting corporate governance measures.

The Company conforms to current corporate governance guidelines and takes into account the recommendations of the Viénot and Bouton reports. In particular, the Board of Directors comprises a significant proportion of independent directors and has its own internal regulations. The Company adheres to the AFEP-MEDEF Code.

7.4.4 Stock market information

Shares in Rémy Cointreau are listed on the NYSE Euronext Paris regulated market (ISIN code FR0000130395). Rémy Cointreau is included in the French CACMID 100 index and the European EuroStoxx 100 index.

As of 31 March 2013, Rémy Cointreau had a market capitalisation of €4.6 billion.

Since September 2005, Rémy Cointreau has entrusted a financial institution with the implementation of a liquidity contract that conforms to the AMAFI Ethics Charter recognised by the AMF.

NUMBER OF SHARES AND VOLUMES TRADED ON EURONEXT PARIS AND SHARE PRICE PERFORMANCE OVER THE PAST EIGHTEEN MONTHS

	Number of shares traded	Average price *in €*	High *in €*	Low *in €*	Trading volumes *in € millions*
2011					
December	1,463,553	61.14	62.50	59.34	89.56
2012					
January	2,442,961	65.00	68.00	61.50	158.99
February	1,330,808	71.15	73.71	67.13	96.71
March	1,340,847	75.50	77.99	72.92	100.93
April	1,980,635	79.29	85.14	74.16	156.79
May	3,691,818	82.42	86.49	77.60	300.60
June	1,928,456	81.55	86.77	75.75	156.48
July	1,843,905	90.25	97.44	85.22	106.34
August	1,148,316	92.75	97.18	88.27	106.91
September	1,504,133	88.51	93.24	82.03	131.47
October	2,410,997	84.56	90.45	76.50	198.80
November	1,823,740	83.38	89.80	78.32	153.19
December	1,271,060	85.38	90.40	81.53	108.88
2013					
January	1,690,732	89.76	95.45	82.75	152.14
February	1,326,182	96.71	101.55	92.82	96.71
March	2,373,591	92.70	97.00	87.85	219.27
April	2,073,270	87.87	91.75	85.00	182.36
May	2,433,455	89.63	91.84	86.45	214.14

7.5 Items that may have an impact in the event of a public takeover offer

Pursuant to Article L. 225-100-3 of the French Commercial Code, we list below the factors liable to impact a public takeover offer:

- the structure of the Company's share capital is disclosed in section 7.4 of this registration document and refers to concert parties and to shareholders' agreements that had been brought to the Company's attention at the time of writing;
- the direct or indirect investments known to the Company are also described in section 7.4 of this registration document;
- with the exception of the double voting rights allocated, pursuant to Article 23.2 of the Articles of Association, to fully paid-up shares which have been held in registered form for at least four years in the name of the same shareholder, no shares carry specific privileges;
- there is no restriction in the Articles of Association on the exercise of voting rights except for failure to comply with the provisions in respect of crossing the threshold of 1% of share capital or voting rights or any multiple of this percentage, provided by Article 8.2 of the Articles of Association; there are no restrictions on share transfers in the Articles of Association;
- the rules governing the appointment and dismissal of members of the Board of Directors are those of the prevailing laws and the Articles of Association;
- revisions to the Company's Articles of Association are carried out in accordance with the prevailing laws and regulations; and
- the various delegations and authorisations granted to the Board of Directors by the Shareholders' Meeting, notably concerning the issue and repurchase of shares, are disclosed in section 7.3.3 of this registration document. It should be noted, in this respect, that the authorisations and the delegations of authority and powers granted to the Board of Directors can only be implemented pursuant to Article L. 233-32 of the French Commercial Code and in the event of the securities of the Company being targeted by a public offer in circumstances making Article L. 233-33 of the French Commercial Code applicable.

8

COMBINED SHAREHOLDERS' MEETING

8.1 Comments on the draft resolutions

Approval of the Company and consolidated financial statements

Once you have reviewed its report and the reports of the Company's Statutory Auditors, the Board of Directors asks that you first approve the Company financial statements for the financial year ended 31 March 2013, which show a profit of €34,779,455.36, and then the consolidated financial statements for the same period, which show net income attributable to the owners of the parent of €130,407,000.

Appropriation of 2012/2013 income

The Board of Directors asks in the 3rd resolution that you approve the appropriation of the distributable income for the financial year ended 31 March 2013 as follows:

▪ company profit as of 31 March 2013:	€34,779,455.36
▪ allocation to the legal reserve:	€(204,856.00)
▪ retained earnings:	€139,001,193.71
Total distributable amount:	**€173,575,793.07**
▪ ordinary dividend of €1.40 per share:	€71,273,876.80
▪ retained earnings:	€102,301,916.27
Total:	**€173,575,793.07**

The dividend of €1.40 per share will be paid in cash on 1 October 2013.

For natural persons who are tax residents of France, the dividend is subject to income tax at progressive rates, and is, with certain exceptions, fully eligible for the proportional tax allowance of 40% of the gross amount received, in accordance with Article 158-3-2 of the French General Tax Code.

In the event that the Company holds any of its own shares as of the ex-dividend date, the amount corresponding to the dividend not distributed as a result of such holdings shall be allocated to retained earnings.

Pursuant to the law, we hereby advise you that the amount of net dividends paid in respect of the past three financial years, and the amount of the dividend payment eligible for the aforementioned tax allowance for shareholders who are tax residents of France, were as follows:

Financial year ended 31 March	2009/2010	2010/2011	2011/2012
Net dividend per share	€1.30	€2.30(1)	€2.30(2)
Eligible dividend paid	€1.30	€2.30(1)	€2.30(2)

(1) Including €1.00 as a special dividend.
(2) Including €1.00 as a special dividend.

Agreements covered by Article L. 225-38 of the French Commercial Code

We inform you that the Statutory Auditors have been notified of agreements previously authorised and concluded that remained in force during the financial year, as well as of agreements authorised during the year, for the purpose of preparing their special report. We ask that you approve the terms of these agreements. The purpose of the 4th resolution is to approve the agreements covered by Articles L. 225-38 *et seq.* of the French Commercial Code that were concluded or renewed by the Company during the last financial year. The new agreements are three assistance agreements between Rémy Cointreau and Bruichladdich Distillery Company Limited, between Rémy Cointreau SA and Rémy Cointreau Distribution UK, and between Rémy Cointreau SA and Mount Gay Distilleries Limited.

Reappointment of a director

As Marc Dubreuil Hériard's term of office expires at the end of this meeting, we ask that you renew it for a period of three years (6th resolution). Information regarding this director is provided in this registration document.

Appointment of three new directors

As the terms of office as a Director of Didier Alix, Timothy Jones and Jean Burelle expire at the end of this meeting, we ask that you appoint, on the recommendation of the "Nomination and Remuneration" Committee, Florence Rollet, Yves Guillemot and Olivier Jolivet as members of the Board of Directors for a period of three years.

Florence Rollet, 47 years old, a French national, is a graduate of the EM Lyon business school (1987).

Following more than 12 years' experience in sales and marketing roles within various groups including the Danone Group (Brasseries Kronenbourg), Pepsi Cola and Reckitt-Benckiser, Florence Rollet joined the Coty group in 1999 as Chief Executive Officer of Coty Beauty France, where she spent over eight years. In 2005, she added the role of Chief Executive Officer of Coty Prestige France to her existing duties.

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

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

Yves Guillemot, 52 years old, a French national, is a graduate of the Institut de Petites et Moyennes Entreprises. Mr Guillemot grew up in a family of entrepreneurs and, together with his four brothers, founded Ubisoft in 1986. At the age of 26, and recently graduated, he was named Chairman of the company. The company grew rapidly in France and in its main export markets. Yves Guillemot is currently Chairman and Chief Executive Officer of Ubisoft, having led the company to third place in independent publishers of video games. Ubisoft has teams in 29 countries and distributes games in more than 55 countries worldwide.

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

Olivier Jolivet, 40 years old, a French national, is a graduate of the University of Westminster, the University of Munich and Ipag.

After a period at McKinsey's German subsidiary, Mr Jolivet spent nearly 10 years with the Club Méditerranée group, mainly in Asia-Pacific. A member of the Executive Committee, he was most recently International Business Development Director and Construction Director.

In 2008, Olivier Jolivet joined the Aman (resorts) group in Singapore as Chief Executive Officer.

In the event that they are appointed, Florence Rollet, Yves Guillemot and Olivier Jolivet will be independent as defined in the AFEP/MEDEF Corporate Governance Code and the Board of Directors' internal regulations. Specifically, they have no family ties with each other or with any current board members. To the best of Rémy Cointreau's knowledge, there are no potential conflicts of interest between the duties toward the issuer and the private interests and/or other duties of Florence Rollet, Yves Guillemot or Olivier Jolivet.

Following this reappointment (subject to the sixth resolution) and the three new appointments (subject to the seventh, eighth and ninth resolutions), the Board of Directors will comprise twelve members, including six independent members within the meaning of the Corporate Governance Code and the Board's internal regulations.

Directors' fees

We ask that you set the amount of the directors' fees allocated to Board members in respect of the 2013/2014 financial year at €420,000. This amount is consistent with the practice of several French groups with global operations that are similar to us in size.

Purchase and sale of its own shares by the Company

We ask that you authorise the Board of Directors to purchase shares of the Company, within the limit of 10% of the share capital on the date such purchases are performed, for a maximum period of 18 months from the date of this Shareholders' Meeting. For indicative purposes, this amount corresponds to a maximum number of 3,641,697 shares, including treasury shares held by the Company as of 31 March 2013, the sale of shares with a repurchase agreement and the purchase of call options.

Since Decree No. 2009-105 of 30 January 2009, which specifically relates to share buybacks where the shares are bought back in order to improve liquidity, the number of shares taken into account to calculate the 10% limit corresponds to the number of shares purchased net of the number of shares resold during the authorisation period.

The purpose of the buyback programme is to enable the following transactions to be performed, in decreasing order of priority:

- to ensure liquidity or promote trading in Rémy Cointreau shares in the secondary market via an investment services provider, under the terms of a liquidity agreement that complies with the Ethics Charter recognised by the AMF. We remind you that your company has entrusted Rothschild & Cie Banque with a liquidity agreement since 15 November 2005, for a period of one year, renewable by tacit agreement;
- to cancel shares as part of a capital reduction, subject to the adoption of the 13th resolution submitted to this Shareholders' Meeting;
- to cover obligations in respect of marketable securities giving access to share capital;
- to grant shares to employees and/or authorised corporate officers of the Company and/or companies related to it in accordance with the terms and conditions provided by law, notably as part of a profit-sharing plan, to cover stock options, as part of a company savings plan or to be used to grant bonus shares within the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code;
- to purchase shares and retain them to be used subsequently in exchange for payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits prescribed by law;
- to implement any market practices permitted by the AMF and, more generally, carry out all transactions in compliance with the regulations in force.

The purchase of these shares, together with their sale or transfer, may be performed under legal and regulatory conditions at any time, including during a public takeover offer involving the Company's shares, or during a public takeover offer initiated by the Company, subject to the lock-up periods specified in Article 631-6 of the General Regulation of the AMF, or to other legal or regulatory provisions, or by any means, including through the use of derivative financial instruments, except for the sale of put options, and inasmuch as such means do not contribute to a significant increase in the volatility of the share price. The maximum portion of the capital acquired or transferred in the form of block transactions may amount to 100% of the authorised share buyback programme. Payment may be made by any means.

We request that you set the maximum purchase price per share at €150, excluding transaction expenses. The maximum amount that the Company would therefore be liable to pay is €546,254,550, excluding trading fees.

The Board of Directors shall inform shareholders of the transactions performed in its annual management report, in accordance with the provisions of Article L. 255-211 of the French Commercial Code.

We remind you that the Company sold and repurchased 602,430 shares during the 2004/2005 financial year. In order to maintain full coverage of its share purchase plans, and to manage part of the dilution resulting from the exercise of one of the stock-option plans, this sale was subject to a cancellation clause. The transaction was finalised via the Company's purchase of 224,497 call options from Barclays Capital Securities Ltd on 24 March 2005. The overall transaction enables Rémy Cointreau to cover the exercise of a maximum number of 826,927 share subscription or purchase options.

As such, Rémy Cointreau acquired, on 1 March 2006, 280,927 shares from Barclays Capital Securities Ltd in order to limit the dilutive impact of a stock-option plan. Pursuant to the authorisation granted by the Extraordinary Shareholders' Meeting of 28 July 2005 in its 15th resolution, the Board of Directors, at its meeting of 28 April 2006, decided to reduce the share capital by cancelling the said 280,927 shares, in accordance with the terms of the aforementioned sale and repurchase agreement.

During the 2007/2008 financial year, Rémy Cointreau bought back 75,000 shares from Barclays Capital Securities Ltd, at a price of €27.67 each, i.e. a total amount of €2,075,250. This buyback enabled the Company to cover the exercise of 70,295 stock options arising from the 16 September 2003 plan, i.e. a total amount of €1,945,062.65.

During the 2008/2009 financial year, Rémy Cointreau bought back 33,000 shares from Barclays Capital Securities Ltd, of which 15,000 shares at a price of €27.67 each and 18,000 shares at a price of €28.07 each, i.e. a total amount of €920,310. This buyback enabled the Company to cover in full the exercise of 20,500 stock options arising from the 16 September 2003 and 24 December 2004 plans.

No shares were bought back from Barclays Capital Securities Ltd during the 2009/2010 financial year. A total of 4,605 shares purchased during the previous financial year were used to cover the exercise of stock options arising from the 16 September 2003 and 24 December 2004 plans. Information regarding the use of the buyback programme during the last financial year is provided in the Board of Directors' management report presented to the Shareholders' Meeting.

During the 2010/2011 financial year, Rémy Cointreau bought back 118,500 shares from Barclays Capital Securities Ltd, of which 56,500 shares at a price of €27.67 each and 72,000 shares at a price of €28.07 each, i.e. a total amount of €3,584,395. This buyback enabled the Company to cover in full the exercise of 119,790 stock options arising from the 16 September 2003 and 24 December 2004 plans.

During the 2011/2012 financial year, Rémy Cointreau bought back 208,440 shares from Barclays Capital Securities Ltd, of which 96,940 shares in connection with the 16 September 2003 plan and 111,500 shares in connection with the 24 December 2004 plan, in a total amount of €5,756,062. Given the residual number of shares held as of 31 March 2011, this buyback enabled the Company to cover the exercise of 222,100 stock options arising from the relevant plans.

Furthermore, the Company purchased 1,421,003 shares as part of the implementation of the mandate entrusted to an investment services provider, in accordance with the decision of the Board of Directors at its meeting of 22 November 2011, which was taken pursuant to the 13th and 15th resolutions approved by the Shareholders' Meeting of 26 July 2011.

During the 2012/2013 financial year, Rémy Cointreau bought back 9,850 shares from Barclays Capital Securities Ltd under the 16 September 2003 plan and exercised 19,500 options under the 24 December 2004 plan, in a total amount of €804,427. Given the residual number of shares held as of 31 March 2012, this buyback enabled the Company to cover the exercise of 26,500 stock options arising from the relevant plans.

Furthermore, the Company purchased 7,791 shares as part of the implementation of the mandate entrusted to an investment services provider, in accordance with the decision of the Board of Directors at its meeting of 22 November 2011, which was taken pursuant to the 13th and 15th resolutions approved by the Shareholders' Meeting of 26 July 2011.

As of 31 March 2013, the number of shares held by the Company was 1,449,294, including 6,850 shares to cover the exercise of stock options arising from the 16 September 2003 plan, 3,650 shares earmarked to meet the options arising from the 24 December 2004 plan,1,428,794 shares in connection with the buyback implemented by the Board of Directors at its meeting of 22 November 2011 and 10,000 shares under the liquidity contract.

This authorisation cancels the authorisation granted by the ordinary session of the Combined Shareholders' Meeting of 26 July 2012 in its 13th resolution, in respect of the amounts unused to date.

Authorisation to reduce the share capital via the cancellation of treasury shares held by the Company

The purpose of this resolution is to allow the Board of Directors to cancel shares purchased by the Company pursuant to the authorisation potentially granted by the Shareholders' Meeting in its 11th resolution, or shares that may have been purchased pursuant to former authorisations to buy and sell treasury shares, in accordance with Article L. 225-209 of the French Commercial Code.

Its aim is to enable the Board of Directors to reduce the share capital as a result of this cancellation. Such transactions may not cover more than 10% of the share capital in each 24 month period, in accordance with the law.

The authorisation is for a maximum period of 18 months, and will expire at the end of the Shareholders' Meeting convened to approve the financial statements for the next financial year. This authorisation therefore renews the 15th resolution adopted at the Shareholders' Meeting of 26 July 2012.

Authorisation given to the Board of Directors to increase the share capital through the capitalisation of reserves, profits or premiums

In the 14th resolution, we ask that you renew, for a period of 26 months, the authorisation to the Board of Directors to increase the share capital on one or more occasions, at times and in a manner determined by it, by capitalisation of reserves, profits or premiums, followed by the creation and distribution of bonus shares or an increase in the par value of existing shares or a combination of these two mechanisms.

The nominal amount of capital increases potentially carried out under this authorisation may not exceed €30,000,000, it being stipulated that (i) such amount shall be deducted from the ceiling provided for in the 16th resolution of the Combined Shareholders' Meeting of 26 July 2012 (*issues with maintenance of preferential subscription rights*) (or, where applicable, the ceiling under a similar resolution that may supersede said resolution during the period of validity of this authorisation) and that (ii) the amount does not include any adjustments liable to be made in accordance with applicable laws and regulations and, where applicable, contractual stipulations providing for other adjustments, to preserve the rights of holders of shares or other marketable securities giving access to capital.

This authorisation cancels the portion unused as of this date of the authorisation granted in the 16th resolution of the Combined Shareholders' Meeting of 26 July 2011.

Authorisation given to the Board of Directors to issue shares or marketable securities giving access to the share capital within a limit of 10% of the share capital as consideration for contributions in kind

Article L. 225-147 of the French Commercial Code allows the Extraordinary Shareholders' Meeting to authorise the Board of Directors, for a maximum period of 26 months, to issue shares or marketable securities giving access to capital (excluding preference shares) within the limit of 10% of the share capital on the date of issue, as consideration for contributions in kind made to the Company in the form of shares or marketable securities giving access to capital. This authorisation thereby avoids cash outflows for acquisitions of limited size.

This request supersedes the authorisation granted by the Combined Shareholders' Meeting of 26 July 2011 in its 17th resolution, depriving it of effect for the portion unused to date.

You are advised that the ceiling of 10% above shall be deducted from the ceiling provided for in the 17th resolution of the Combined Shareholders' Meeting of 26 July 2012 (*issues without preferential subscription rights through a public offering*) (or, where applicable, the ceiling set by a resolution of a similar nature that may supersede said resolution during the term of this authorisation).

You are asked to cancel as necessary, in favour of the holders of securities representing in-kind contributions, shareholders' preferential subscription rights to shares and marketable securities issued under these terms.

This delegation entails the waiver by shareholders of their preferential subscription rights to shares to which the marketable securities to be issued may qualify them.

Authorisation to increase the share capital via the issue of shares reserved for members of an employee savings scheme

Pursuant to Article L. 225-129-6 of the French Commercial Code, the Extraordinary Shareholders' Meeting must, whenever any decision is taken to provide for a capital increase in cash, vote on a draft resolution regarding the issue of shares reserved for employees belonging to an employee savings scheme (PEE).

This obligation, which is of a very non-specific nature, applies to all joint-stock companies, regardless of whether they have an employee savings scheme, and to any decision regarding a cash capital increase, including deferred capital increases. Furthermore, when an Extraordinary Shareholders' Meeting authorises the Board of Directors to carry out a capital increase, it must also vote on a draft resolution providing for a capital increase reserved for employees (Article L. 225-129-6 of the French Commercial Code). This stipulation thereby avoids the need to call an Extraordinary Shareholders' Meeting to vote on such a resolution each time that the Board of Directors decides to increase the share capital.

Such a requirement is only required when a cash capital increase is proposed. A decision of this nature is not on the agenda of this meeting. However, as the purpose of the 15th resolution is to delegate powers to issue shares or marketable securities giving access to capital as consideration for contributions in kind consisting of shares or marketable securities giving access to capital, the 16th resolution is put to you, as required under Article L. 225-129-6 of the French Commercial Code.

Moreover, French law No. 2011-525 of 17 May 2011 amending Article L. 225-129-6 of the French Commercial Code stipulates that the Shareholders' Meeting must vote on a resolution of this nature "when the Company has employees".

The Company has no employees, and as such no employee savings scheme; neither is there a group employee savings scheme. In this respect, the Company does not fall within the scope of this obligation. However, the severity of the penalties attached to non-compliance with this obligation, despite the absence of employees within Rémy Cointreau SA, the parent company of the Group, requires us to put this resolution to you.

Furthermore, paragraph 2 of Article L. 225-129-6 of the French Commercial Code also stipulates that a Shareholders' Meeting must vote on such a resolution every three years (the timeframe is extended to five years where the meeting has voted on a resolution under sub-paragraph 1 of Article L. 225-129-6 of the French Commercial Code since the promulgation of law No. 2012-387 of 22 March 2012), where the management report makes it clear that the shares held by employees of the Company and related companies, within the meaning of Article L. 225-180, amount to less than 3% of the Company's capital.

In order to ensure that the authorisations and delegations granted to the Board of Directors to issue shares and various marketable securities giving access to capital remain fully valid, and to fulfil the requirements of the second sub-paragraph of Article L. 225-129-6 of the French Commercial Code, we are therefore required to present this resolution resulting from a non-specific legal obligation, while at the same time asking you to reject it, as at the Combined Shareholders' Meeting of 26 July 2012, inasmuch as it does not apply to our company.

Authorisation granted to the Board of Directors in the event of a public takeover offer targeting the Company's securities

Since French law No. 2006-387 of 31 March 2006, which transposed the European Union directive on public takeover offers, the principle in the event of a public takeover offer is that set out in Article L. 233-32 of the French Commercial Code, namely the suspension of any delegation of power granted by the Shareholders' Meeting before the public takeover offer period, where implementation of said delegation is liable to result in the takeover being unsuccessful, except in respect of seeking other offers. This principle is the transposition into French law of the principle whereby directors are required to remain impartial during public takeover offers, as set out in Article 9 of the European Union directive on public takeover offers.

The exception to this principle is specified in Article L. 233-33 of the French Commercial Code, which is the article expressly referred to in the resolution that is being presented to you, whenever the delegation granted to the Board of Directors was given within an 18-month period prior to the date when the public takeover offer was made.

Article L. 233-33 of the French Commercial Code applies – i.e. it sets aside the provisions of Article L. 233-32 – in the event of a public takeover offer being launched by an entity whose registered offices are in a European Union Member State that does not require directors to remain impartial during the public takeover offer period, or for a takeover offer launched by an entity whose registered offices are outside the European Union, in a country that does not apply measures equivalent to the requirement that directors remain impartial.

The Extraordinary Shareholders' Meeting of 26 July 2012 granted the Board of Directors an authorisation of this nature in its 23rd resolution. The request that is now being submitted to you therefore amounts to a renewal of this authorisation.

Amendment of Article 8.2 of the Articles of Association relating to the crossing of statutory thresholds following the entry into force on 1 October 2012 of certain provisions of French law No. 2012-387 of 22 March 2012

We ask that you amend Article 8.2 of the Articles of Association relating to the crossing of statutory thresholds, in order to take into account the new provisions of the third paragraph of Article L. 233-7 of the French Commercial Code, following the entry into force on 1 October 2012 of certain provisions of French law No. 2012-387 of 22 March 2012.

The proposed amendment aims to update the Articles of Association to reflect the new wording of the third paragraph of Article L. 233-7 of the French Commercial Code, amending the third paragraph of Article 8.2 of the Articles of Association as follows:

"Moreover, this person must also specify in their disclosure to the Company:

(i) the number of shares owned giving future access to shares to be issued and the associated voting rights;

(ii) existing shares or voting rights that they are liable to acquire under an agreement or by virtue of a financial instrument mentioned in Article L. 211-1 of the French Monetary and Financial Code, without prejudice to 4 and 4 a of I of Article L. 233-9 of the French Commercial Code."

The other clauses of Article 8.2 are unchanged.

We ask you to vote in favour of the resolutions put to you.

The Board of Directors

8.2 Draft resolutions

8.2.1 Within the competence of the Ordinary Shareholders' Meeting

1ST RESOLUTION

(Approval of the Company financial statements for the 2012/2013 financial year)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, and having reviewed the Board of Directors' report on the financial year ended 31 March 2013 and the report of the Statutory Auditors, approves the financial statements for the year ended 31 March 2013, which include the balance sheet, the income statement, and the notes thereto, as presented, which show a profit of €34,779,455.36, together with all the transactions reflected in the aforementioned financial statements or summarised in these reports.

In accordance with the provisions of Article 223 c of the French General Tax Code, the Shareholders' Meeting notes that no expenditure and expenses referred to in Article 39-4 of said Code were incurred during the financial year ended 31 March 2013.

2ND RESOLUTION

(Approval of the consolidated financial statements for the 2012/2013 financial year)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, and having reviewed the Board of Directors' report and the report of the Statutory Auditors on the consolidated financial statements, approves the consolidated financial statements for the year ended 31 March 2013, which include the balance sheet, the income statement, and the notes thereto, as presented, which show net profit of €130,407,000 attributable to the owners of the parent company, together with all the transactions reflected in the aforementioned financial statements or summarised in these reports.

3RD RESOLUTION

(Appropriation of income and setting of the dividend)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, decides to allocate the distributable income for the financial year ended 31 March 2013 as follows, on the recommendation of the Board of Directors:

▪ company profit for the year ended 31 March 2013:	€34,779,455.36
▪ allocation to the legal reserve:	€(204,856.00)
▪ retained earnings:	€139,001,193.71
Total distributable amount:	**€173,575,793.07**
▪ €1.40 per share:	€71,273,876.80
▪ retained earnings:	€102,301,916.27
Total:	**€173,575,793.07**

The cash dividend will be paid on 1 October 2013.

For natural persons who are tax residents of France, the dividend is subject to income tax at progressive rates, and is, with certain exceptions, fully eligible for the proportional tax allowance of 40% of the gross amount received, in accordance with Article 158-3-2 of the French General Tax Code.

The Meeting acknowledges having been informed that, pursuant to the 2013 Budget, dividends received, eligible for the allowance provided for in Article 158-3-2 of the French General Tax Code, are subject to a standard mandatory tax at a rate of 21% in accordance with Article 117 c of the French General Tax Code.

In the event that the Company holds any of its own shares as of the ex-dividend date, the amount corresponding to the dividend not distributed as a result of that holding shall be allocated to retained earnings.

In accordance with the law, we hereby advise you that the amount of net dividends paid in respect of the past three financial years, and the amount of the dividend payment eligible for the aforementioned tax allowances for shareholders who are tax residents of France, were as follows:

Financial year	2009/2010	2010/2011	2011/2012
Net dividend per share	€1.30	€2.30(1)	€2.30(2)
Eligible dividend paid	€1.30	€2.30(1)	€2.30(2)

(*) Including €1.00 as a special dividend.
(**) Including €1.00 as a special dividend.

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4TH RESOLUTION

(Approval of the agreements referred to in Article L. 225-38 of the French Commercial Code)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, and having reviewed the Statutory Auditors' special report on agreements referred to in Article L. 225-38 of the French Commercial Code, approves each of the agreements and transactions that occurred or were performed during the year just ended that were mentioned therein, under the conditions of Article L. 225-40 of the French Commercial Code.

5TH RESOLUTION

(Discharge)

As a result of the previous resolutions, the Shareholders' Meeting, deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, grants full and final discharge, with no reservations, to the members of the Board of Directors regarding their management for the financial year ended 31 March 2013. Furthermore, it takes note of the fact that the Statutory Auditors have completed their assignment.

6TH RESOLUTION

(Renewal of Marc Hériard Dubreuil's term of office as a Director)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, decides, on the recommendation of the Board of Directors, to renew Marc Hériard Dubreuil's term of office as a Director for a period of three years, until the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2016.

Marc Hériard Dubreuil has let it be known that he accepts this office, and that he does not exercise any responsibilities and is not affected by any measures liable to prevent him from fulfilling it.

7TH RESOLUTION

(Appointment of Florence Rollet as a director)

The Shareholders' Meeting, on the proposal of the Board of Directors, decides to appoint Florence Rollet as a director for a term of three years, until the close of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2016.

Florence Rollet has let it be known that she accepts this mandate, and that she does not exercise any responsibilities and is not affected by any measures likely to prevent her from fulfilling it.

8TH RESOLUTION

(Appointment of Yves Guillemot as a director)

The Shareholders' Meeting, on the proposal of the Board of Directors, decides to appoint Yves Guillemot as a director for a term of three years, until the close of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2016.

Yves Guillemot has let it be known that he accepts this mandate, and that he does not exercise any responsibilities and is not affected by any measures likely to prevent him from fulfilling it.

9TH RESOLUTION

(Appointment of Olivier Jolivet as a director)

The Shareholders' Meeting, on the proposal of the Board of Directors, decides to appoint Olivier Jolivet as a director for a term of three years, until the close of the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending 31 March 2016.

Olivier Jolivet has let it be known that he accepts this mandate, and that he does not exercise any responsibilities and is not affected by any measures likely to prevent him from fulfilling it.

10TH RESOLUTION

(Determination of directors' fees)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, in accordance with Article 18 of the Articles of Association, sets the overall annual amount of directors' fees allocated to members of the Board of Directors for the 2013/2014 financial year at €420,000.

11TH RESOLUTION

(Authorisation enabling the Board of Directors to purchase and sell shares in the Company under the provisions of Articles L. 225-209 *et seq.* of the French Commercial Code)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Ordinary Shareholders' Meetings, and having reviewed the Board of Directors' report and the items mentioned in the registration document including all the information required in the programme's description, authorises the Board of Directors, which may sub-delegate this authority subject to legal and regulatory provisions, to buy back shares in the Company in one or more instalments within the limits specified below, in accordance with Articles L. 225-209 *et seq.* of the French Commercial Code.

The purchase of these shares, together with their sale or transfer, may be performed subject to legal and regulatory provisions at any time, including during a public takeover offer period involving the Company's shares, or during a public takeover offer initiated by the Company, subject to the lock-up periods set out in Article 631-6 of the General Regulation of the AMF, or to other legal or regulatory provisions, and by any means, including on the market or off-market, on regulated or unregulated markets, via multi-lateral trading facilities, with systematic internalisers, or over the counter, including by public offering, block transactions, sale with repurchase options and the use of derivative financial instruments traded on a regulated market or not, multi-lateral trading facilities, with systematic internalisers or over the counter, including under the conditions authorised by the competent market authorities, and during the periods that the Board of Directors, or the person acting on the authority of the Board of Directors shall choose. These transactions may include option transactions, except for the sale of put options, and inasmuch as such transactions do not contribute to a significant increase in the volatility of the share price. The maximum portion of the capital acquired or transferred in the form of block transactions may amount to 100% of the authorised share buyback programme. Payment may be made by any means.

The maximum purchase price per share is set at €150 (excluding acquisition expenses) subject to the adjustments relating to potential transactions in the Company's share capital and/or on the par value of the shares.

In the event of a capital increase via the capitalisation of reserves, the allocation of bonus shares, a split or reverse split of the par value and/or the shares, the price indicated above shall be adjusted by a multiplying factor equal to the ratio between the number of shares comprising the share capital before the transaction and the number following the transaction.

Purchases may involve a number of shares such that the number of shares held by the Company following these purchases does not exceed 10% of the share capital on the date such purchases are performed. For indicative purposes, this corresponds to a maximum number of 3,641,697 shares based on the current share capital, including the treasury shares held by the Company as of 31 March 2013, which are primarily the result of the share buyback programme, sale and repurchase agreements, and of the purchase of call options.

It is specified that where the shares are repurchased in order to ensure liquidity in Rémy Cointreau's shares under the conditions defined below, the number of shares taken into account in order to calculate this 10% limit shall correspond to the number of shares purchased, less the number of shares resold during the duration of this authorisation.

The maximum overall amount that the Company is liable to pay on the basis of this number of shares amounts to €546,254,550, excluding trading fees.

The purpose of this programme is to enable the following transactions to be performed, in decreasing order of priority:

- to ensure liquidity or promote trading in Rémy Cointreau shares in the secondary market via an investment services provider, under the terms of a liquidity agreement that complies with the Ethics Charter recognised by the AMF;
- to cancel shares as part of a capital reduction, subject to the adoption of the 13th resolution submitted to this Shareholders' Meeting;
- to cover obligations in respect of marketable securities giving access to share capital;
- to grant shares to employees and/or authorised corporate officers of the Company and/or companies related to it in accordance with the terms and conditions provided by law, notably as part of a profit-sharing plan, to cover stock options, as part of a company savings plan or to be used to grant bonus shares within the provisions of Articles L. 225-197-1 *et seq.* of the French Commercial Code;
- to purchase shares and retain them to be used subsequently in exchange for payment for acquisitions, in accordance with market practices permitted by the AMF and within the limits prescribed by law;
- to implement any market practices permitted by the AMF and, more generally, carry out all transactions in compliance with the regulations in force.

This authorisation will expire at the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending 31 March 2014, and at the latest within 18 months of today.

This authorisation cancels the authorisation granted by the ordinary session of the Combined Shareholders' Meeting of 26 July 2012 in its 13th resolution, in respect of the amounts unused to date.

The Shareholders' Meeting grants all powers to the Board of Directors, which it may sub-delegate subject to legal and regulatory provisions, to place all stock market orders, to sign all sale or transfer agreements, to enter into all agreements and option agreements, to make all declarations and accomplish all formalities with all bodies, and generally to do all that is necessary for the execution of the decisions that it takes under this authorisation. The Shareholders' Meeting grants all powers to the Board of Directors to adjust the unit price and the maximum number of the shares to be purchased, in accordance with the change in the number of shares or in the par value resulting from potential financial transactions performed by the Company.

The Shareholders' Meeting takes note that the Board of Directors shall inform shareholders of the transactions performed under this resolution every year, in accordance with the provisions of Article L. 255-211 of the French Commercial Code.

12TH RESOLUTION
(Powers to accomplish formalities)

The Ordinary Shareholders' Meeting confers all powers to accomplish all legal filing and public notice formalities to the bearer of a copy or a certified excerpt of these minutes.

8.2.2 Within the competence of the Extraordinary Shareholders' Meeting

13TH RESOLUTION
(Authorisation enabling the Board of Directors to reduce the share capital via the cancellation of treasury shares held by the Company)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, and having reviewed the Board of Directors' report and the special report of the Statutory Auditors, grants the Board of Directors, which may sub-delegate this authority subject to legal and regulatory provisions, in accordance with Article L. 225-209 of the French Commercial Code, the authority to reduce the share capital by cancelling, in one or more instalments and in the proportion and at the times that it shall decide, all or part of the shares in the Company that it has acquired or that it may hold pursuant to the authorisation granted to the Company to purchase its own shares, which is the subject of the 11th resolution of this Shareholders' Meeting, or of the shares pursuant to former authorisations for the Company to purchase and sell its own shares.

The Shareholders' Meeting grants all powers to the Board of Directors to perform this or these capital reduction(s), to determine their amount, within a limit of 10% of the share capital for each 24-month period, on the understanding that this limit applies to an amount of the Company's share capital that will be adjusted, where applicable, in order to take into account the transactions subsequent to this meeting that affect the share capital, to determine their terms and conditions, to charge the difference between the par value of the cancelled shares and the purchase price surplus to any reserve and paid-in capital items available, to make the corresponding amendments to the Articles of Association, to issue all publications and accomplish all formalities required, to delegate all powers for the implementation of its decisions, and all according to the legal provisions in force when this authorisation is used.

This authorisation will expire at the end of the Shareholders' Meeting convened to approve the financial statements for the financial year ending 31 March 2014, and at the latest within 18 months of today.

This authorisation cancels and replaces the 15th resolution adopted by the Combined Shareholders' Meeting of 26 July 2012.

14TH RESOLUTION
(Authorisation to the Board of Directors to increase the share capital through the capitalisation of reserves, profits or premiums)

The Extraordinary Shareholders' Meeting, deliberating under the quorum and majority required for Ordinary Shareholders' Meetings, having reviewed the report of the Board of Directors, delegates to the Board of Directors, in accordance with the provisions of Articles

L. 225-129, L. 225-129-2 and L. 225-130 of the French Commercial Code, with the authority to sub-delegate under the conditions established by law, the powers necessary to increase the share capital, on one or more occasions, at the times and on the terms of its choosing, by incorporation of reserves, profits or premiums, the capitalisation of which is permitted by law or the Company's Articles of Association, followed by the creation and distribution of bonus shares or the increase in the par value of existing shares, or a combination of both.

The nominal amount of capital increases that may be carried under this authorisation may not exceed €30,000,000, it being stipulated that (i) such amount shall be deducted from the ceiling provided for in the 16th resolution of the Combined Shareholders' Meeting of 26 July 2012 (or, where applicable, the ceiling under a similar resolution that may supersede said resolution during the period of validity of this authorisation) and that (ii) said amount does not include any adjustments liable to be made in accordance with applicable laws and regulations and, where applicable, contractual stipulations providing for other adjustments, to preserve the rights of holders of shares or other marketable securities giving access to capital.

The Shareholders' Meeting grants the Board of Directors, notably and without this list being exhaustive, all powers, including the power to sub-delegate under the conditions provided for by law in case of use of this delegation, including:

- to determine the terms and conditions of the authorised transactions, and notably to determine the amount and nature of amounts capitalised, to set the number of new shares to be issued or the amount by which the par value of existing shares comprising the share capital shall be increased and to set the date, even if it is retroactive, from which the new shares shall rank for dividend or the date on which the increase in par value shall take effect;
- to decide, in the event of the allocation of bonus shares, that fractional rights shall not be negotiable and that the corresponding shares shall be sold and the proceeds of the sale allocated to holders no later than 30 days after the date of inclusion in their account of the whole number of shares allotted;
- to make adjustments required by laws and regulations, and, where applicable, contractual provisions providing for other cases of adjustment, to preserve the rights of holders of securities or other rights giving access to capital;
- to note the completion of each capital increase and to amend the Articles of Association accordingly;
- to take all measures and conclude all agreements necessary to ensure the successful completion of the proposed transaction, and generally do whatever is necessary, perform all acts and formalities to finalise prospective capital increase(s) pursuant to this authorisation.

This authorisation, which supersedes the authorisation granted under the terms of the 16th resolution of the Combined Shareholders' Meeting of 26 July 2011, depriving it of effect for the portion unused to date, shall be valid for a period of 26 months after this meeting.

15TH RESOLUTION

(Authorisation of the Board of Directors to issue shares or marketable securities giving access to capital within a limit of 10% of the share capital as consideration for contributions in kind made to the Company in the form of shares or marketable securities giving access to capital)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings in accordance with the provisions of Article L. 225-147 of the French Commercial Code, having reviewed the report of the Board of Directors and the report of the Statutory Auditors, delegates to the Board of Directors, with authority to sub-delegate to any person authorised by law and where the provisions of Article L. 225-148 of the Commercial Code are not applicable, for a period of 26 months after this meeting, the powers necessary to issue shares or marketable securities giving access to capital (excluding preference shares), within the limit of 10% of the share capital on the date of issue, in compensation for contributions in kind made to the Company in the form of shares or marketable securities giving access to share capital and to decide, as necessary, to cancel in favour of the holders of shares or marketable securities representing in-kind contributions, the preferential subscription rights of shareholders to shares or securities issued under these terms.

This decision implies, in favour of the holders of such securities, the waiver by shareholders of their preferential subscription rights to shares of the Company to which the securities to be issued pursuant to this authorisation may entitle holders.

The ceiling of 10% provided above shall be deducted from the ceiling imposed in the 17th resolution of the Combined Shareholders' Meeting of 26 July 2012 (or, where applicable, the ceiling set by a resolution of a similar nature that may supersede said resolution during the term of this authorisation).

The Shareholders' Meeting grants full powers to the Board of Directors, with the power to sub-delegate under the relevant statutory and regulatory provisions, in order to use this delegation, notably with the effect of:

- approving the report of the transfer auditor(s);
- determining the terms and conditions of authorised transactions, notably estimating the value of contributions in kind and granting special benefits, if any;
- determining the number of shares to be issued as consideration for the contribution and the date of possession of the securities to be issued;
- carrying out as appropriate any deduction from contribution premium(s), including those relating to issuing costs incurred;
- noting the completion of capital increase and amending the Articles of Association accordingly; and
- taking all necessary measures and concluding all agreements, carrying out all formalities required for the admission to trading of shares issued and carrying out all formalities in respect of public notice.

This request supersedes the authorisation granted by the 17th resolution of the Combined Shareholders' Meeting of 26 July 2011, depriving it of effect for the portion unused to date.

16TH RESOLUTION

(Authorisation enabling the Board of Directors to increase the share capital via the issue of shares reserved for the members of an employee savings scheme, with waiver of shareholders' preferential subscription rights)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, having reviewed the report of the Board of Directors and the special report of the Statutory Auditors, authorises the Board of Directors, which has the authority to sub-delegate subject to legal and regulatory provisions, under the provisions of the French Commercial Code, and specifically in accordance with Article L. 225-129-6, sub-paragraphs 1 and 2, and with Article L. 225-138-1, as well as with Articles L. 3332-1 and L. 3332-18 *et seq.* of the French Labour Code, to increase the share capital in one or more instalments, based solely on its own deliberations, in the proportions and at the times that it shall deem fit, via the issue of shares (other than preference shares) reserved for the members of an employee savings scheme, and decides to cancel the preferential rights to subscribe to the shares authorised to be issued in this resolution, in favour of the beneficiaries;

Decides that the beneficiaries of the capital increases authorised herein shall be the members of an employee savings scheme of the Company or related companies within the meaning of Article L. 225-180 of the French Commercial Code, and who also fulfil the conditions potentially set by the Board of Directors;

Sets the validity period of this delegation at 26 months as from today;

Decides to set the overall maximum nominal amount of the capital increase that may be performed via the issue of shares at €1,500,000, it being specified that this ceiling shall be deducted from the capital increase ceiling specified in the 17th resolution of the Combined Shareholders' Meeting of 26 July 2012 (or, where applicable, from the amount of the ceiling specified in a resolution of the same nature that may potentially replace said resolution during the period in which this delegation is valid);

Decides that the price of the shares subscribed by the beneficiaries referred to above, pursuant to this delegation, shall be determined in accordance with legal and regulatory provisions, and that, in the case of shares that are already listed on a regulated market, the price shall not be higher than the average share price for the 20 trading sessions prior to the date on which the decision establishing the opening date of the subscription period was taken, nor over 20% lower than this average, or 30%, where the retention period provided by the plan pursuant to Articles L. 3332-25 and L. 3332-26 of the French Labour Code is longer than or equal to ten years;

Decides that the Board of Directors may also provide for the allocation of free shares or other marketable securities giving access to the Company's share capital pursuant to this authorisation, under the conditions specified in Article L. 3332-21 of the French Labour Code;

Decides that the subscription and payment conditions for the shares may be either in the form of cash, or by offset, under the conditions approved by the Board of Directors;

Authorises the Board of Directors to issue any shares giving access to the Company's share capital that may be authorised by the law or by the regulations in force pursuant to this authorisation;

Decides that the Board of Directors shall have all powers to implement this delegation, with the authority to sub-delegate subject to legal and regulatory provisions, within the limits and under the conditions specified above, specifically in order to:

- draw up a list of the beneficiaries and the conditions that the beneficiaries of the new shares resulting from the capital increases pursuant to this resolution shall be required to meet,
- approve the conditions of the issue(s),
- decide on the amount to issue, the issue price, and the dates and terms and conditions for each issue,
- determine the length of time granted to subscribers to pay for their securities,
- approve the date as from which the new shares rank for dividend, even if it is retroactive,
- record or arrange for the recording of the capital increase corresponding to the number of shares actually subscribed for,
- charge the cost of the capital increase against the corresponding share premiums, and deduct from such proceeds the amounts necessary to bring the legal reserve up to one-tenth of the new share capital after each increase,
- generally speaking, take all measures to perform the capital increases, accomplish the formalities resulting from these increases, and make the corresponding amendments to the Articles of Association.

17TH RESOLUTION

(Authorisation granted to the Board of Directors in the event of a public takeover offer targeting the Company's securities)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, having reviewed the report of the Board of Directors, authorises the Board of Directors, which has the authority to sub-delegate subject to the legal and regulatory provisions in force, to implement the authorisations and delegations of authority and powers that it has been granted by this Shareholders' Meeting and by the Shareholders' Meeting of 26 July 2012, in the event that the Company's shares were to become the target of a public takeover offer under circumstances that render Article L. 233-33 of the French Commercial Code applicable, and in compliance with the legal and regulatory provisions in force on the date when such use is made of these authorisations and delegations;

Sets the validity period for the authorisation granted to the Board of Directors by this resolution at 18 months as from today.

This authorisation cancels and replaces the 23rd resolution adopted by the Combined Shareholders' Meeting of 26 July 2012.

18TH RESOLUTION

(Authorisation for the Board of Directors to charge the expenses generated by the capital increases performed to the premiums relating to these transactions)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, authorises the Board of Directors to charge the expenses, duties and fees resulting from the capital increases performed pursuant to the authorisations granted by the above resolutions, as well as by the resolutions of previous Shareholders' Meetings that are still valid, to the amount of the premiums relating to these transactions, and to deduct the amounts required to bring the legal reserve up to one-tenth of the new capital from those premiums, after each capital increase.

19TH RESOLUTION

(Amendment of Article 8.2 of the Articles of Association relating to the crossing of statutory thresholds following the entry into force on 1 October 2012 of certain provisions of French law No. 2012-387 of 22 March 2012)

The Shareholders' Meeting, deliberating under the quorum and majority requirements of Extraordinary Shareholders' Meetings, having reviewed the report of the Board of Directors, decides to amend section 8.2 of the Articles of Association in order to take into account the new provisions of the third paragraph of Article L. 233-7 of the French Commercial Code, as amended by law No. 2012-387 of 22 March 2012, which came into force on 1 October 2012, and accordingly decides to amend the third paragraph of Article 8.2 of the Articles of Association as follows:

"Moreover, this person must also specify in their disclosure to the Company:

(i) the number of shares owned giving future access to shares to be issued and the associated voting rights;

(ii) existing shares or voting rights that they are liable to acquire under an agreement or by virtue of a financial instrument mentioned in Article L. 211-1 of the French Monetary and Financial Code, without prejudice to 4 and 4 a of I of Article L. 233-9 of the French Commercial Code."

The other clauses of Article 8.2 are unchanged.

20TH RESOLUTION

(Powers to accomplish formalities)

The Extraordinary Shareholders' Meeting confers all powers to accomplish all legal filing and public notice formalities to the bearer of a copy or a certified excerpt of these minutes.

8.3 Statutory Auditors' Special Reports

8.3.1 Statutory Auditors' Special Report on Regulated Agreements and Commitments

Year Ended 31 March 2013

To the Shareholders,

In our capacity as auditors for your company, we present to you our report on the agreements and commitments with related parties.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any other agreements and commitments. It is your responsibility, in accordance with the terms of Article R. 225-31 of the French Commercial Code (*Code de commerce*), to evaluate the benefits resulting from these agreements and commitments prior to their approval.

In addition, we are required, where applicable, to inform you in accordance with Article R. 225-31 of the Commercial Code (*Code de commerce*) on the implementation, during the year, of agreements and commitments previously approved by the Shareholders' Meeting.

We performed procedures that we considered necessary in accordance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

1. AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL BY THE SHAREHOLDERS' MEETING

Agreements and commitments authorised during the year

Pursuant to Article L. 225-40 of the French Commercial Code (*Code de commerce*), we have been advised of the following related parties' agreements and commitments that were previously authorised by the Board of Directors.

1.1 Assistance agreement with Bruichladdich Distillery Company Limited (BDCL)

Person concerned: Jean-Marie Laborde: CEO of Rémy Cointreau SA and Director of Bruichladdich Distillery Company Limited.

At its meeting of 20 November 2012, Board of Directors authorised the conclusion of an assistance agreement between Rémy Cointreau SA and BDCL. The agreement was signed on 21 November 2012 and took effect on 1 September 2012, for an initial term of three years. It is renewable annually by tacit agreement.

Under the terms of this agreement, Rémy Cointreau SA provides BDCL assistance on strategic, commercial and financial questions and in various technical fields. The fees for the relevant services are calculated on the basis of the costs incurred by Rémy Cointreau SA, plus 5%.

The amount excluding VAT billed by Rémy Cointreau SA to BDCL under the terms of this agreement in the 2012/2013 financial year was €171,000.

1.2 Assistance agreement with Bruichladdich UK Distribution

Person concerned: Jean-Marie Laborde: CEO of Rémy Cointreau SA and Director of Rémy Cointreau Distribution UK subsequently renamed Bruichladdich UK Distribution.

At its meeting of 20 November 2012, the Board of Directors authorised the conclusion of an agreement between Rémy Cointreau SA and Bruichladdich UK Distribution. The agreement was signed on 21 November 2012 and took effect on 1 September 2012, for an initial term of three years. It is renewable annually by tacit agreement.

Under the terms of this agreement, Rémy Cointreau SA provides Bruichladdich UK Distribution assistance on strategic, commercial and financial questions and in various technical fields. The fees for the relevant services are calculated on the basis of the costs incurred by Rémy Cointreau SA, plus 5%.

No billings were made by Rémy Cointreau SA to Bruichladdich UK Distribution under the terms of this agreement in the 2012/2013 financial year.

1.3 Assistance agreement with Mount Gay Distilleries Ltd

Person concerned: Jean-Marie Laborde: CEO of Rémy Cointreau SA and Chairman of Mount Gay Distilleries Ltd.

At its meeting of 27 March 2013, the Board of Directors authorised the conclusion of an agreement between Rémy Cointreau SA and Mount Gay Distilleries Ltd. The agreement was signed on 28 March 2013 and took immediate effect, for a term of three years. It is renewable annually by tacit agreement.

Under the terms of this agreement, Rémy Cointreau SA provides Mount Gay Distilleries Ltd assistance on strategic, commercial and financial questions and in various technical fields. The fees for the relevant services are calculated on the basis of the costs incurred by Rémy Cointreau SA, plus 5%.

The amount excluding VAT billed by Rémy Cointreau SA to Mount Gay Distilleries Ltd under the terms of this agreement in the 2012/2013 financial year was €469,000.

2. AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE SHAREHOLDERS' MEETING

Agreements and commitments approved in prior years whose implementation continued during the year

In accordance with Article R. 225-30 of the French Commercial Code (*Code de commerce*), we have been advised that the implementation of the following agreements and commitments approved by the Shareholders' Meeting in prior years continued during the year.

2.1 Service provision agreement with Andromède

Andromède and Rémy Cointreau SA signed a service provision agreement on 31 March 2011. Under the terms of this agreement, Andromède provides Rémy Cointreau SA services in the field of management strategy and finance, institutional and commercial relationships, development and external growth, and directors' management.

The agreement was authorised by the Board of Directors at its meeting of 22 March 2011, and took effect on 1 April 2011. The fees for these services are determined on the cost incurred by Andromède, plus a margin of 5%.

The amount VAT excluded resulting from the application of this agreement billed by Andromède to Rémy Cointreau SA during the course of the 2012/2013 financial year was €3,386,871.

2.2 Marketing and management support agreement with the French subsidiaries

Rémy Cointreau SA provides services on strategic, financial, commercial questions, and in various technical fields, for the benefit of its subsidiaries CLS Rémy Cointreau, E. Rémy Martin & Cie and Cointreau.

The agreement with CLS Rémy Cointreau was authorised by the Board of Directors at its meeting of 26 March 2009. It was signed on 31 March 2009 and became applicable on 1 April 2009 for an initial term of three years, and is renewable annually by tacit agreement.

The agreements with E. Rémy Martin & Cie were authorised by the Board of Directors at its meeting of 22 November 2011. They were signed on 23 November 2011 and became applicable on 1 April 2011 for an initial term of 3 years and are renewable annually by tacit agreement.

The fees for the relevant services are calculated on the basis of the costs incurred by Rémy Cointreau SA, plus 5%.

The amounts excluding VAT billed by Rémy Cointreau SA under the terms of these agreements for the 2012/2013 financial year were as follows:

- CLS Rémy Cointreau: €8,212,000
- E. Rémy Martin & Cie: €7,366,000
- Cointreau: €3,792,000

2.3 Assistance agreement between Rémy Cointreau SA and the distribution companies Rémy Cointreau Belgium, Rémy Cointreau Czech Republic, Rémy Cointreau International Pte Ltd, SEA Metaxa ABE, Financière Rémy Cointreau and Rémy Cointreau USA

Under the terms of this agreement, Rémy Cointreau SA provides the above named companies assistance on strategic, commercial and financial questions and in various technical fields.

These agreements were authorised by the Board of Directors at its meeting of 26 March 2009. They were signed on 31 March 2009 and became applicable on 1 April 2009 for an initial term of three years, and are renewable annually by tacit agreement. The fees for the relevant services are calculated on the basis of the costs incurred by Rémy Cointreau SA, plus 5%.

The amounts excluding VAT billed by Rémy Cointreau SA under the terms of these agreements for the 2012/2013 financial year were as follows:

- Rémy Cointreau International Pte Ltd: €1,943,000
- Rémy Cointreau USA: €1,761,000
- Financière Rémy Cointreau: €518,282
- SEA Metaxa Abe: €229,000
- Rémy Cointreau Belgium: €227,000
- Rémy Cointreau Czech Republic: €164,000

2.4 Cash management agreement with Orpar

A cash management agreement was signed on 14 December 2004 between Orpar and Rémy Cointreau SA, as amended on 4 July 2007 pursuant to authorisation by the Board of Directors on 5 June 2007.

It provides for the payment of advances granted by Orpar to Rémy Cointreau SA determined on the basis of Euribor, plus a margin set in accordance with the conditions of the syndicated loan applicable to Rémy Cointreau SA.

The advances granted by Orpar to Rémy Cointreau SA pursuant to this agreement amounted to €53,294 in the year ended 31 March 2013. The interest expense recognised by Rémy Cointreau SA in respect of advances granted by Orpar during the year was €11,182.

2.5 Amendment to the cash management agreement with Financière Rémy Cointreau

At its meeting of 2 June 2010, the Board of Directors authorised the conclusion of a cash management agreement between Financière Rémy Cointreau and various centralised subsidiary companies of the Rémy Cointreau Group, including Rémy Cointreau SA.

The agreement was signed on 4 June 2010, and took effect on 1 April 2010. It entrusts to Financière Rémy Cointreau, the centralising company, the coordination of all the cash requirements and surpluses of the Group.

- Fixed-term advances granted to the centralising company bear interest based on Euribor or the local equivalent in case of advance in foreign currencies. Fixed-term advances granted by the centralising company bear interest at the same rate, plus a margin corresponding to the margin of the syndicated loan granted to the Group by a banking syndicate. This margin is renegotiable.
- Advances made available in the form of daily loans by the subsidiary companies to the centralising company bear interest based on Eonia or the local equivalent in case of advances in foreign currencies, less three basis points.
- Advances made available in the form of daily loans by the centralising company to subsidiary companies bear interest based on Eonia or the local equivalent in case of advances in foreign currencies, plus a margin corresponding to the margin of the syndicated loan granted to the Group by a banking syndicate. This margin is renegotiable.

In the year ended 31 March 2013, advances granted by Financière Rémy Cointreau in favour of Rémy Cointreau SA amounted to €199,101,706. Interest billed by Financière Rémy Cointreau to Rémy Cointreau SA amounted to €2,740,359.

2.6 Service provision agreement for exchange rate risks and international cash management between Financière Rémy Cointreau and various other companies in the Group

The agreement was signed on 25 March 2010, and took effect on 1 April 2010. Under its terms, Financière Rémy Cointreau bears foreign exchange risk on the receivables and payables transferred to it, and rebills subsidiaries for the currency gains or losses on transactions relating to them, in addition to a consideration corresponding to the expenses incurred in its risk management activities, plus an annually revised margin.

Charges resulting from the application of this agreement during the 2012/2013 financial year were €101,126.

2.7 Customer credit management agreement between Financière Rémy Cointreau and various other companies in the Group

The agreement was signed on 25 January 2010, with retroactive effect from 1 April 2009. The financial compensation paid to Financière Rémy Cointreau is set in accordance with the same rules as those provided for in the exchange rate risk agreement.

Charges resulting from the application of this agreement during the 2012/2013 financial year were €252,814.

2.8 Guarantees given by Rémy Cointreau SA in favour of group companies taking part of the asset disposal transaction in the Netherlands

As part of the disposals of the intangible and tangible assets relating to the brands Bols, Bokma and other local brands, Pisang Ambon, Galliano and Vaccari, Rémy Cointreau SA gave, on the one hand, a general guarantee that its subsidiary, DELB BV, would fulfil its obligations under the hire purchase agreement, and on the other hand, gave guarantees that it would bear all settlement differences between group companies taking part in the asset disposal operation under the guarantee payment agreement, as soon as the buyer meets his seller credit payments obligations.

These guarantees provided by Rémy Cointreau SA expired on 11 October 2012.

2.9 Commitments to defined-benefit pension plans

François Hériard Dubreuil, Chairman of Rémy Cointreau SA and Marc Hériard Dubreuil, director, benefit from defined-benefit pension plans financed by Andromède.

Paris-La Défense and Paris, 5 June, 2013
The Statutory Auditors,

Ernst & Young et Autres	**Auditeurs & Conseils Associés**
Represented by	*Represented by*
Pierre Bidart	**Olivier Juramie**

8.3.2 Special report of the Board of Directors on options to subscribe or purchase Rémy Cointreau shares (Article L. 225-184 of the French Commercial Code)

In accordance with the provisions of Article L. 225-184 of the French Commercial Code, we inform you that no options to subscribe or purchase Rémy Cointreau shares were granted during the 2012/2013 financial year.

8.3.3 Special Report of the Statutory Auditors to the Combined Shareholders' Meeting held on 24 September 2013, on the 13th, 15th and 16th resolutions

To the Shareholders,

In our capacity as Statutory Auditors of Rémy Cointreau SA, we hereby present our report on the following transactions, on which you are called to vote.

1. CAPITAL REDUCTION (13TH RESOLUTION)

As required under the provisions of Article L. 225-209 of the French Commercial Code (*Code de commerce*) in the event of a reduction of capital by cancellation of purchased shares, we hereby submit this report on our assessment of the reasons and conditions of the proposed capital reduction.

The Board of Directors requests that you delegate to it, until the Shareholders' Meeting called upon to approve the accounts for the financial year ending 31 March 2014, and no later than within an 18-month period starting from the date of this Shareholders' Meeting, full authority to cancel the shares purchased under the proposed share repurchase program, as provided under the 11th resolution, up to a maximum of 10% of the share capital per 24-month period.

We performed the procedures we considered necessary in accordance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures require that we verify whether the reasons and the conditions of the capital reduction, which is not liable to compromise the equal treatment of shareholders, are appropriate.

We have no comments to make on the reasons and the conditions of the proposed capital reduction.

2. ISSUANCE OF SHARES OR MARKETABLE SECURITIES GIVING ACCESS TO CAPITAL AS CONSIDERATION FOR CONTRIBUTIONS IN KIND (15TH RESOLUTION)

As required under the provisions of Article Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code, we hereby report on the proposed issue with cancellation of preferential subscription rights of shares or marketable securities giving access to capital, up to a maximum of 10% of the share capital on the date of issue, as consideration for contributions in kind made to the Company in the form of shares or marketable securities giving access to capital, upon which you are called to vote.

The Board of Directors requests, on the basis of its report, that you delegate to it, for a period of 26 months, the power to set the terms of such transactions and to cancel your preferential subscription rights, as necessary, to the securities to be issued.

The Board of Directors also requests, in the 17th resolution, to be authorised to use this delegation in the event of a public offering for securities of your company, in the event that the first paragraph of Article L. 233-33 of the French Commercial Code is applicable.

The ceiling of 10% shall be deducted from the capital increase ceiling imposed in the 17th resolution of the Combined Shareholders' Meeting of 26 July 2012 (or, where applicable, the ceiling set by a resolution of a similar nature that may supersede said resolution during the term of this authorisation).

It is the Board of Directors' role to prepare a report in accordance with the provision of Articles R. 225-113 *et seq.* of the French Commercial Code (*Code de commerce*). Our role is to report to you on the fairness of the financial information extracted from the accounts, on the proposal to cancel your preferential subscription rights and on certain other information concerning the issue provided in this report.

We performed the procedures we considered necessary in accordance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this assignment. These procedures require that we verify the content of the Board of Directors' report on this transaction and the methods used to determine the issue price of the equity securities.

As the Board of Directors' report does not specify the methods used to determine the issue price of the securities to be issued, we do not express an opinion regarding the calculation on the issue price of the securities to be issued.

As the final terms of the capital increase have not yet been set, we do not express an opinion on them and, as such, on the proposal made to you to waive your preferential subscription rights.

Pursuant to the Article R. 225-116 of the French Commercial Code, we shall prepare an additional report at such time as your Board of Directors makes use of this authorisation.

3. CAPITAL INCREASE RESERVED FOR THE MEMBERS OF A COMPANY SAVINGS PLAN (16TH RESOLUTION)

In accordance with the assignment set out in Articles L. 225-135 *et seq.* of the French Commercial Code (*Code de commerce*), we hereby present our report on the proposal to delegate to the Board of Directors the authority to perform a share capital increase, by issuing shares with cancellation of preferential subscription rights, reserved for members of a savings plan of the Company or companies affiliated with it within the meaning of Article L. 225-180 of the French Commercial Code, upon which you are called to vote.

The maximum nominal amount of capital increase is €1,500,000. It is stipulated that this amount is included in the maximum capital increase approved under the under the 17th resolution of the Combined Shareholders' Meeting of 26 July 2012 (or, where applicable, the ceiling set by a resolution of a similar nature that may supersede said resolution during the term of this authorisation).

This capital increase is submitted for your approval pursuant to the provisions of Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 *et seq.* of the French Labour Code.

On the basis of its report, the Board of Directors asks you to delegate, for a period of 26 months, the authority to carry out a share capital increase and to cancel your preferential subscription rights to the ordinary shares to be issued. Where appropriate, the Board of Directors shall set the terms and conditions of such transactions.

It is the Board of Directors' role to prepare a report in accordance with the provisions of Articles R. 225-113 and R. 225-114 of the French Commercial Code. Our role is to report to you on the fairness of the financial information extracted from the accounts, on the proposal to cancel your preferential subscription rights and on certain other information concerning the issue provided in this report.

We performed the procedures we considered necessary in accordance with professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this assignment. These procedures involved verifying the content of the Board of Directors' report in respect of this transaction and the condition for determining the issue price of the shares.

Subject to a subsequent review of the terms and conditions of a prospective capital increase, we have no matters to report regarding the terms and conditions for determining the issue price of ordinary shares to be issued as set out in the Board of Directors' report.

As the final terms of the share capital increase has not yet been set, we do not express an opinion on them and, as a result, on the proposal made to you to cancel your preferential subscription rights.

Pursuant to the Article R. 225-116 of the French Commercial Code, we shall prepare an additional report at such time as your Board of Directors makes use of this authorisation.

Paris-La Défense and Paris, 5 June, 2013
The Statutory Auditors,

Ernst & Young et Autres	Auditeurs & Conseils Associés
Represented by	*Represented by*
Pierre Bidart	Olivier Juramie

9

ADDITIONAL INFORMATION

9.1 Documents on display

The Articles of Association, minutes of the Shareholders' Meetings, Statutory Auditors' reports and other corporate documents may be consulted at the Company's registered office.

The Rémy Cointreau registration document filed with the AMF, together with the Company's press releases regarding sales and net income, the annual and half-yearly reports, the Company and consolidated financial statements, and the information regarding transactions in treasury shares and the total number of shares and voting rights may be viewed on the Company's website, at the following address: www.remy-cointreau.com

9.2 Information incorporated by reference

Pursuant to Article 28 of (EC) regulation 809/2004, the following information is incorporated in this document for reference purposes:

- the consolidated financial statements for the 2011/2012 financial year, prepared in accordance with IFRS, together with the related Statutory Auditors' report, are shown on pages 72 to 118 and 119 respectively of the registration document filed with the AMF on 26 June 2012 under Number D. 12-0661;
- the consolidated financial statements for the 2010/2011 financial year, prepared in accordance with IFRS, together with the related Statutory Auditors' report, are shown on pages 66 to 111 and 112 respectively of the registration document filed with the AMF on 29 June 2011 under Number D. 11-0649;
- Rémy Cointreau SA's financial statements for the 2011/2012 financial year, prepared in accordance with French legislation, together with the related Statutory Auditors' general and special reports, are shown on pages 121 to 134 and 135 to 139 respectively of the registration document filed with the AMF on 26 June 2012 under Number D. 12-0661;
- Rémy Cointreau SA's financial statements for the 2010/2011 financial year, prepared in accordance with French legislation, together with the related Statutory Auditors' general and special reports, are shown on pages 113 to 127 and 128 to 131 respectively of the registration document filed with the AMF on 29 June 2011 under Number D. 11-0649;

9.3 Person responsible for the registration document and annual financial report

"I hereby certify that, to the best of my knowledge, and after taking all reasonable measures to this end, the information contained in this registration document is accurate and contains no omissions likely to affect the import of that information.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the net assets, financial position and results of the Company and of all companies included in the scope of consolidation, and that the management report, in accordance with the concordance table in section 9.5.3, provides a true and fair view of the business trends, results and financial position of the Company and of all companies included in the scope of consolidation, together with a description of the main risks and uncertainties that they face.

I have obtained a letter from the Statutory Auditors, upon completion of their work, in which they state that they have verified the information relating to the financial position and financial statements, as provided in this registration document, and have read the registration document in full.

"The historical information presented in this document is the subject of reports by the Statutory Auditors on pages 127 and 144 for the 2012/2013 financial year and incorporated for reference purposes for the 2011/2012 and 2010/2011 financial years."

Jean-Marie Laborde,
Chief Executive Officer of Rémy Cointreau

9.4 Persons responsible for the audit and fees

9.4.1 Current mandates

STATUTORY AUDITORS

Firm	Ernst & Young et Autres 1/2 Place des Saisons 92400 Courbevoie Paris la Défense 1	Auditeurs & Conseils Associés 31 rue Henri Rochefort, 75017 Paris
Represented by	Pierre Bidart	Olivier Juramie
Date of first appointment	22/09/1988	26/09/1990
Date appointment renewed	26/07/2012	16/09/2008
Date appointment expires	Shareholders' Meeting to consider the 2018 financial statements	Shareholders' Meeting to consider the 2014 financial statements

ALTERNATE STATUTORY AUDITORS

Holder	Auditex 1/2 Place des Saisons 92400 Courbevoie Paris la Défense 1	Olivier Lelong
Date of first appointment	22/09/1988	26/09/1990
Date appointment renewed	26/07/2012	16/09/2008
Date appointment expires	Shareholders' Meeting to consider the 2018 financial statements	Shareholders' Meeting to consider the 2014 financial statements

9.4.2 Fees paid to the Statutory Auditors

Fees paid to the Statutory Auditors and members of their network for the year ended 31 March 2013 amounted to €1,193,000.
They break down as follows:

	Ernst & Young et Autres				**Auditeurs & Conseils Associés S.A.**			
	Amount		**%**		**Amount**		**%**	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
Audit								
Auditing of the parent company (separate) and consolidated financial statements	988	981	100%	100%	135	127	100%	100%
▪ *Rémy Cointreau SA*	*218*	*246*			*95*	*104*		
▪ *Fully consolidated subsidiaries*	*780*	*735*			*40*	*23*		
Ancillary assignments	60	–	0%	0%	–	–	0%	0%
▪ *Rémy Cointreau SA*	*40*	-			–	–		
▪ *Fully consolidated subsidiaries*	*20*	–						
Sub-total	**1,058**	**981**	**100%**	**100%**	**135**	**127**	**100%**	**100%**
Other services								
Other services	–	–	0%	0%	–	–	0%	0%
Sub-total	**–**	**–**	**0%**	**0%**	**–**	**–**	**0%**	**0%**
TOTAL	**1,058**	**981**	**100%**	**100%**	**135**	**127**	**100%**	**100%**

9.5 Concordance tables

9.5.1 Concordance table with the headings of Annex 1 of EU regulation 809/2004

		Page number	Chapter number
1.	**Persons responsible**	**182**	**9.3**
2.	**Statutory Auditors**	**183**	**9.4.1**
3.	**Selected financial information**		
3.1	Historical financial information	4, 70-71	1.1, 4.1.1
3.2	Interim financial information	n/a	n/a
4.	**Risk factors**	**11-14**	**1.6**
5.	**Information about the issuer**		
5.1	History and development of the issuer	5	1.2
5.2	Investments	10, 76	1.4.3, 4.2.3
6.	**Business overview**	**7-9**	**1.4.1**
7.	**Organisational structure**		
7.1	Summary description	6	1.3
7.2	List of significant subsidiaries	125-126	5.6 note 27
8.	**Property, plant and equipment**		
8.1	Material items of property, plant and equipment	9	1.4.2
8.2	Environmental issues	13	1.6.7
9.	**Operating and financial review**		
9.1	Financial position	74-76, 77	4.2, 4.3.2
9.2	Operating results	70-73, 77	4.1, 4.3.1
10.	**Capital resources**		
10.1	Capital resources of the issuer		4.2.1
10.2	Source and amounts of the issuer's cash flows	74-75	4.2.3
10.3	Borrowing requirements and funding structure	76	4.2.1, 5.6 note 11
10.4	Restrictions on the use of capital resources	75, 102-104	4.2.1, 5.6 note 10.6
10.5	Anticipated sources of funds	75, 102	n/a
11.	**Research and development, patents and licences**	**10**	**1.4.3**
12.	**Trend information**	**78**	**4.4**
13.	**Profit forecasts or estimates**	**n/a**	**n/a**
14.	**Administrative bodies and senior management**		
14.1	Administrative and management bodies	42-49	3.1
14.2	Conflicts of interests	48	3.1.3
15.	**Remuneration and benefits**		
15.1	Remuneration and benefits in kind	62-66	3.4
15.2	Pension provisions	62, 120	3.4.1, 5.6, note 23

		Page number	Chapter number
16.	**Board practices**		
16.1	Date of expiration of current terms of office	42-47	3.1.1
16.2	Service contracts binding members of management bodies	49	3.1.3
16.3	Information on the Audit Committee and the Remuneration Committee	54	3.2
16.4	Corporate governance	50	3.2.1
17.	**Employees**		
17.1	Number of employees	17	2.2.2
17.2	Shareholdings and stock options	65, 156	3.4.2, 7.4.1
17.3	Arrangements involving the employees in the capital of the issuer	151	7.3.3
18.	**Major shareholders**		
18.1	Shareholders owning more than 5% of the share capital and voting rights	156-158	7.4.1
18.2	Existence of different voting rights	147, 157	7.2, 7.4.1
18.3	Control of the issuer	156, 159	7.4.1, 7.4.3
18.4	Arrangements known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer	157-158	7.4.1
19.	**Related-party transactions**	**10, 174-176**	**1.5, 8.3.1**
20.	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**		
20.1	Historical financial information	80-126	5
20.2	Pro-forma financial information	n/a	n/a
20.3	Rémy Cointreau SA annual financial statements	130-143	6
20.4	Auditing of historical annual financial information	127-128, 144	5.7, 6.6
20.5	Age of latest financial information	-	-
20.6	Interim and other financial information	n/a	n/a
20.7	Dividend policy	133	6.4
20.8	Legal and arbitration proceedings	73	4.1.7
20.9	Significant change in the issuer's financial or trading position	n/a	n/a
21.	**Additional information**		
21.1	**Share capital**		
21.1.1	Issued capital and information for each class of share capital	148	7.3.2
21.1.2	Shares not representing capital	n/a	n/a
21.1.3	Shares held by the issuer or its subsidiaries	152-156	7.3.4
21.1.4	Convertible securities, exchangeable securities, or securities with warrants	n/a	n/a
21.1.5	Acquisition rights, shares capital but not fully paid, undertakings to increase capital	148-151	7.3.3
21.1.6	Options on the capital, and agreements providing for placing the capital under option	n/a	n/a
21.1.7	History of the share capital	152	7.3.3

		Page number	Chapter number
21.2	**Memorandum and Articles of Association**		
21.2.1	Corporate purpose	146	7.1
21.2.2	Provision with respect to the members of the administrative, management, and supervisory bodies	50-51	3.2.2
21.2.3	Rights, preferences and restrictions attaching to each class of the existing shares	147	7.2
21.2.4	Actions required to alter shareholders' rights	148	7.3.1
21.2.5	Conditions governing Shareholders' Meetings	147	7.2
21.2.6	Provisions liable to delay, defer, or prevent a change of control of the issuer	n/a	n/a
21.2.7	Provisions governing the ownership threshold above which shareholder ownership must be disclosed	147	7.2
21.2.8	Conditions governing changes in the capital	148	7.3.1
22.	**Material contracts**	**10, 11**	**1.5, 1.6.2**
23.	**Third-party information and statement by experts and declarations of any interest**	**n/a**	**n/a**
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25.	**Information on holdings**	**125-126**	**5.6 note 27**

9.5.2 Concordance table for use with the annual financial report

		Page number	Chapter number
1.	**Parent company financial statements**	**130-143**	**6**
2.	**Consolidated financial statements**	**80-126**	**5**
3.	**Statutory Auditors' report on the parent company financial statements**	**144**	**6.6**
4.	**Statutory Auditors' report on the consolidated financial statements**	**127-128**	**5.7**
5.	**Management report**		
5.1	Analysis of change in the business, results and financial position	70-78	4
5.2	Principal risks and uncertainties, financial risk management policy	11-14	1.6
5.3	Items liable to have an impact in the event of a public takeover offer	161	7.5
5.4	Treasury share buybacks	152-155	7.3.4
6.	**Statutory Auditors' fees**	**183**	**9.4.2**
7.	**Report of the Chairman of the Board of Directors on governance and internal control**	**50-60**	**3.2**
8.	**Statutory Auditors' report on the report prepared by the Chairman of the Board of Directors on governance and internal control**	**61**	**3.3**
9.	**Statement by the persons assuming responsibility for the annual financial report**	**182**	**9.3**

9.5.3 Concordance table for use with the management report

Reference texts		Comments on the financial year	Page number	Chapter number
French Commercial Code	L. 225-100, L. 225-100-2, L. 232-1, L. 233-6 and L. 233-26	Objective and comprehensive analysis of change in the business, earnings and financial position of the Company and group	70-78	4
French Commercial Code	L. 225-100 and L. 225-100-2	Key performance indicators of a non-financial nature relating to the specific activity of the Company	n/a	n/a
French Commercial Code	L. 233-6	Significant stakes acquired during the year in companies with their registered office in France	n/a	n/a
French Commercial Code	L. 232-1 and L. 233-26	Important events occurring between the balance sheet date and the date of the report	78	4.4.1
French Commercial Code	L. 232-1 and L. 233-26	Foreseeable change in the situation of the Company and the Group	78	4.4.2
French General Tax Code	243 a	Dividends paid in respect of the last three financial years and the amount paid in respect of the said financial years eligible for the allowance of 40%	133	6.4
		Elements of presentation of the Group		
French Commercial Code	L. 225-100 and L. 225 100-2	Description of the principal risks and uncertainties that the Company faces	11-14	1.6
French Commercial Code	L. 225-100 and L. 225 100-2	Use of financial instruments by the Company: objectives and policy for the management of financial risks	11-14, 105-109	1.6 5.6 note 14
French Commercial Code	L. 225-100 and L. 225 100-2	Company exposure to price, credit, liquidity and cash risk	11-14, 105-109	1.6 5.6 note 14
French Commercial Code	L. 225-102-1, L. 225-102 2 and R. 225-104	Social and environmental consequences of the activity (including “Seveso” facilities)	22-31	2.3-2.5
French Commercial Code	L. 232-1	Research and development activities	10	1.4.3
		Items bearing on corporate governance		
French Commercial Code	L. 225-102-1	List of all holdings held in any company by each of the directors during the year	42-47	3.1.1
French Commercial Code	L. 225-102-1	Total remuneration and benefits of all kinds paid to each corporate officer during the year	62-67	3.4
French Commercial Code	L. 225-102-1	Commitments of all kinds made by the Company for the benefit of its corporate officers, corresponding to remuneration, allowances or benefits due or liable to be due following the assumption, termination or change of these functions by the persons in question	62-67	3.4
French Commercial Code	L. 225-184	Options granted, subscribed or purchased during the year by the executive officers and each of the top ten employees of the Company not to be corporate officers, and options granted to all eligible employees, by category	65	3.4
French Commercial Code	L. 225-185	Conditions for the exercise and conservation of options by executive officers	n/a	n/a
French Commercial Code	L. 225-197-1	Conditions for the conservation of bonus shares awarded to executive directors	n/a	n/a
French Monetary and Financial Code	L. 621-18-2	Transactions by directors and related parties on the Company’s shares	66	3.4.3

Reference texts		Comments on the financial year	Page number	Chapter number
		Information on the Company and the capital		
French Commercial Code	L. 225-100-3	Rules applicable for the appointment and replacement of members of the Board of Directors or the Executive Board and to amend the Articles of Association of the Company	49, 50	3.1.4, 3.2.2
French Commercial Code	L. 225-100-3	Powers of the Board of Directors or the Executive Board, in particular to issue or repurchase shares	148-150	7.3.3
French Commercial Code	L. 225-211	Detail of purchases and sales of treasury shares during the year	154	7.3.4
French Commercial Code	R. 228-90	Any adjustments to securities giving access to the capital in case of share buybacks or financial transactions	n/a	n/a
French Commercial Code	L. 225-100	Table summarising the delegations currently in force granted to the Board of Directors or Executive Board by the Shareholders' Meeting in respect of capital increases	151	7.3.3
French Commercial Code	L. 225-100-3 and L. 233-13	Structure of and change in the Company's capital	152	7.3.3
French Commercial Code	L. 225-100-3	Statutory restrictions on the exercise of voting rights and share transfers or agreement clauses brought to the knowledge of the Company	147 157-158	7.2 7.4.1
French Commercial Code	L. 225-100-3	Direct or indirect shareholdings in the capital of which the Company has knowledge	156	7.4.1
French Commercial Code	L. 225-102	State of employee shareholdings in the share capital on the last day of the financial year and the proportion of capital represented by the shares held by employees under the Company savings plan and by employees and former employees in company mutual funds	156	7.4.1
French Commercial Code	L. 225-100-3	List of holders of any securities with special control rights, and description thereof	156	7.4.1
French Commercial Code	L. 225-100-3	Control mechanisms provided for in any employee shareholding scheme where the control rights are not exercised by it	n/a	n/a
French Commercial Code	L. 225-100-3	Agreements between shareholders of which the Company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights	157-158	7.4.1
French Commercial Code	L. 225-100-3	Agreements concluded by the Company that are modified or terminated in the event of a change of control of the Company, unless such disclosure, except in the case of a legal duty of disclosure, would seriously harm its interests	161	7.5
French Commercial Code	L. 225-100-3	Agreements providing for compensation to members of the Board of Directors, senior management or employees if they resign or are dismissed without just cause or if their employment ceases because of a public offer	62, 66	3.4.1, 3.4.2
French Commercial Code	L. 464-2	Injunctions or penalties for anti-competitive practices	n/a	n/a
		Items bearing on the financial statements		
French Commercial Code	L. 232-6	Any changes in the presentation of financial statement or in valuation methods used	86	5.6 note 1
French Commercial Code	R. 225-102	Results of the Company over the last five financial years	133	6.4

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