



EXPERIENCE **MATTERS**

2016

ANNUAL REPORT

5 FINANCIAL REPORT 2016

5.5.5 SHAREHOLDERS' EQUITY

For an explanation of the shareholders equity, reference is made to the consolidated statement of changes in equity and 5.3.23 Equity Attributable to Shareholders.

Legal reserve

| | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
| Joint venture equity non-distributable | 947 | 827 |
| Capitalized development expenditure | 18 | 15 |
| Translation reserve | (45) | (26) |
| Cash flow hedges | (212) | (263) |
| Total | 708 | 553 |

Under the Dutch guidelines for financial reporting which apply to the Company statement of financial position, a legal reserve must be maintained for the above-mentioned items.

PROPOSED APPROPRIATION OF PROFITS

With the approval of the Supervisory Board, it is proposed that the result shown in the Company income statement be appropriated as follows (in US\$):

Appropriation of result

| | |
|---|-----------|
| Profit/Loss attributable to shareholders | 2016 |
| | 182 |
| In accordance with Article 29 clause 4 to be transferred to retained earnings | 136 |
| At the disposal of the General Meeting of Shareholders | 46 |

It is proposed that US\$ 46 million of the profit of the year ended December 31, 2016 be distributed among the shareholders.

5.5.6 OTHER CURRENT AND NON-CURRENT LIABILITIES

Current and non current liabilities

| | 31 December 2016 | 31 December 2015 |
|--------------------------------------|------------------|------------------|
| Amounts owed to Group companies | - | 2 |
| Total non current liabilities | - | 2 |
| Amounts owed to Group companies | 303 | 38 |
| Taxation and social security costs | 1 | 5 |
| Other creditors | 3 | 74 |
| Total current liabilities | 307 | 116 |

The other current liabilities fall due in less than one year. The fair value of other current liabilities approximates the book value, due to their short-term character.

The movement in the current portion of 'other creditors' mainly relates to the last US\$ 70 million remaining installment due, following the settlement with the Dutch Public Prosecutor's Office over the investigation into potentially improper sales payments.