

- **Wine & Spirits: 5.4% organic sales growth**
- **12 key brands: 7.3% volume growth**
- **Asia and North America: two growth engines**



## **2004 1<sup>st</sup> QUARTER CONSOLIDATED SALES**

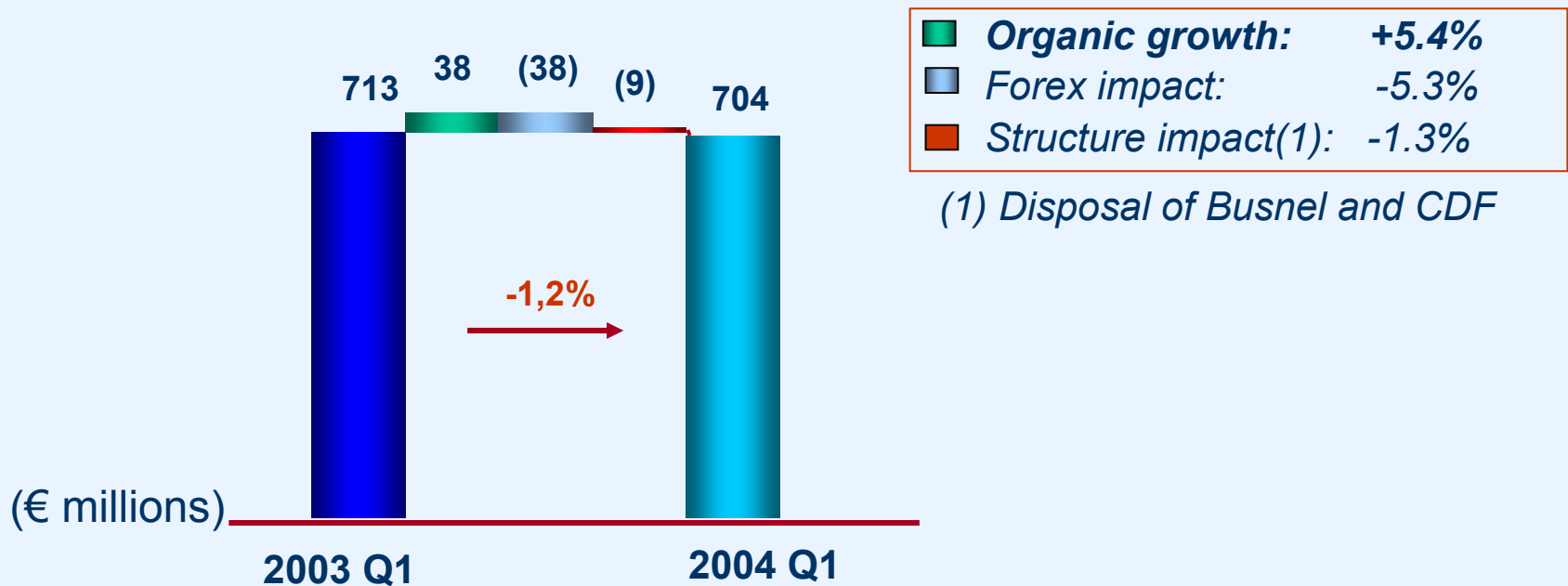


**4 May 2004**

# Wine & Spirits

## 2004 1<sup>st</sup> Quarter Sales

- A satisfactory performance driven by strong volume growth enjoyed by the Group's 12 key brands (up 7.3%) .....



...partially offset by the appreciation of the Euro relative to other currencies  
Negative impact of appreciation against \$US amounted to € 30 million (79% of Forex impact)



# Brands

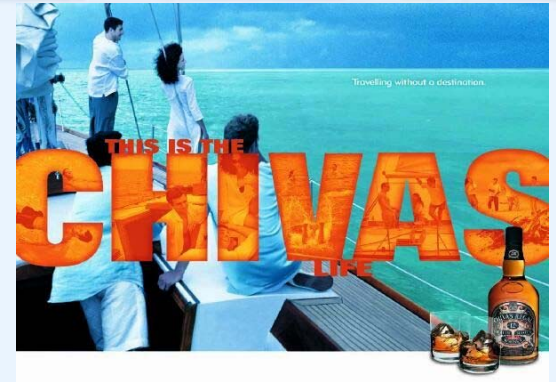


# Wine & Spirits

## Volumes

**Chivas: +8%**

- **Impressive continuation of growth**
  - **Asia: excellent performance in Chinese Asia**  
China = brand's leading market in Q1 (twofold increase in volume )
  - **Americas: continued growth thanks to:**
    - US depletions (+6.6% for the quarter)
    - Americas Duty Free
  - **Europe:**
    - Greece, France, Spain, Italy, Duty Free : good growth
    - Cessation of Asian parallel (notably Germany)



# Wine & Spirits

## Volumes

**Martell: +6%**

*Only a few can tell*



- **Good global performance by the brand supported by its superior qualities (CB + XO = +17% for the quarter)**
  - **Asia: leading growth region with strong development in China, Malaysia and Taiwan**
  - **USA: continuation of favourable trends (US depletions +4.6%)**
  - **Europe: (UK and Duty Free), decline in the quarter**



# Wine & Spirits

## Volumes

- Continuation of sustained development of growth drivers

Sales volume growth 2004/2003	Q1	MAT
Jameson	+14%	+9%
Havana Club	+14%	+13%
The Glenlivet	+8%	+4%
Jacob's Creek	+6%	+14%
Amaro Ramazzotti	-4%	+3%

- Acceleration of Jameson, Havana Club and The Glenlivet growth
- Jacob's Creek continues its rapid progression, other than in the UK
- Ramazzotti performance affected by an unfavourable base effect (pre-price increase buy-in in 2003 Q1)



# Wine & Spirits

## Volumes

- **French brands: slight recovery**
  - **Anis**
    - Varied evolution of Ricard and Pastis 51, given the technical effects specific to each brand
    - MAT in line with market trends
  - **Whiskies**
    - Slight recovery in standard whiskies volumes
    - Rebound in premium whiskies volumes: Chivas, Jameson (St Patrick), Aberlour
  - **Vodka, Rums: good performances by brands (Wyborowa, Zubrowka, Havana Club)**

Sales volume growth 2004/2003	Q1	MAT
Ricard	+7%	-2%
Pastis 51	-7%	-2%
Clan Campbell	+5%	-3%



# Wine & Spirits

## Volumes

- **US brands:**
  - **Dynamic performances by Seagram's Gin and Wild Turkey, as a result of good year-end sales and technical effects confirming their positive trends**

Volume growth 2004/2003	Q1	MAT
Seagram's Gin	+11%	+7%
Wild Turkey	+23%	+3%



# Wine & Spirits

## Volumes

### ■ Local Brands:



Volumes were affected as follows (excluding the 12 key brands):

- 100 Pipers, Something Special: lower sales in Latin America
- Larios: new bottle in April ⇒ significant inventory liquidation Q1/04
- Local Polish vodkas: pursuit of rapid volume decreases
- Becherovka: duty hikes in Czech Republic from 1 January 2004





# Markets



# Wine & Spirits

## Analysis of Sales by Region

### Asia-Pacific & Rest of World Organic Growth: +12.9%

- Chinese Asia (China, Hong Kong, Taiwan, Singapore, Malaysia):
  - Excellent Chinese New Year
  - Chivas and Martell drive growth
- India and Thailand: continuation of local brands growth
- Japan: slight signs of a recovery
- Korea: market remains depressed



# Wine & Spirits

## Analysis of Sales by Region

### Americas

**Organic Growth: +7.1%**

- **North America (organic growth: +8.6%)**
  - Very sustained organic growth thanks to performances achieved by Jameson, Seagram's Gin, The Glenlivet, Wild Turkey and Jacob's Creek
  - Increased depletions throughout the portfolio (notably Chivas +6.6%, Martell +4.6%)
- **South and Central America (organic growth: +0.6%)**
  - Turnaround of operations in Brazil and Argentina, offset by disappointing performance in Venezuela



# Wine & Spirits

## Analysis of Sales by Region

### Europe

**Organic Growth: -0.1%**

- Region enjoys overall stable sales after posting very strong organic sales growth of 16.1% for the 1<sup>st</sup> quarter of 2003
- Underlying growth amounted to  $\cong 3\%$  when non-recurring technical effects (Chivas in Germany, duty hikes in Czech Republic ...) are excluded
- Strong growth in Italy, Greece, Scandinavia
- Stability or slight growth in the UK, Ireland and Spain (excluding Larios)
- Difficult situation still for Poland

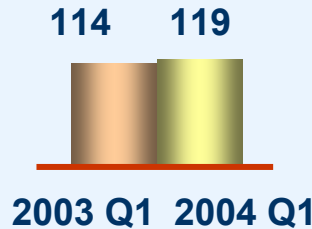


# Wine & Spirits

Analysis of sales by region (€ millions) *and by organic growth rate*

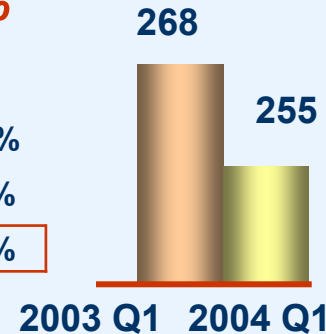
**France** + 4.6%

Structure impact	-0.7%
Forex impact	-
<b>Total sales growth</b>	<b>+3.9%</b>



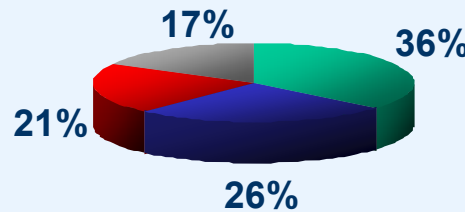
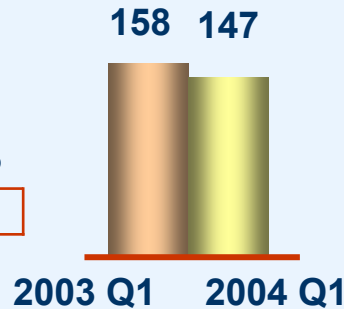
**Europe** -0.1%

Structure impact	-3.0 %
Forex impact	-1.8%
<b>Total sales growth</b>	<b>-4.9%</b>



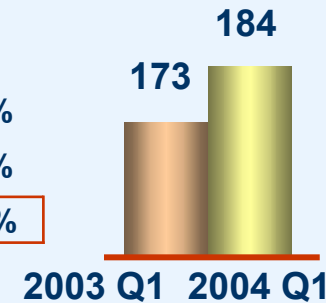
**Americas** +7.1%

Structure impact	-0.2 %
Forex impact	-13.8%
<b>Total sales growth</b>	<b>-6.9%</b>



**Rest of World** + 12.9%

Structure impact	-0.2%
Forex impact	-6.4%
<b>Total sales growth</b>	<b>+6.4%</b>



# Conclusion

**Favourable beginning of year that strengthens  
our confidence for 2004**







# Appendices



# 2004 1<sup>st</sup> Quarter Sales

## Key brands volume growth

Volume growth: 2004 versus 2003	Q1	MAT
Chivas	+8%	+3%
Martell	+6%	+4%
Havana Club	+14%	+13%
Jameson	+14%	+9%
Wild Turkey	+23%	+3%
Seagram's Gin	+11%	+7%
The Glenlivet	+8%	+4%
Ricard	+7%	-2%
Jacob's Creek	+6%	+14%
Clan Campbell	+5%	-3%
Amaro Ramazzotti	-4%	+3%
Pastis 51	-7%	-2%
<b>Total</b>	<b>+7.3%</b>	<b>+4.9%</b>
<b>Total Spirits</b>	<b>+2%</b>	<b>+3%</b>
<b>Total Wine</b>	<b>0%</b>	<b>+6%</b>



# 2004 1<sup>st</sup> Quarter Sales

## Quarterly sales growth analysis

	W & S	Other activities	Group
Organic growth	+5.4%	+3.9%	+5.3%
Forex impact	-5.3%	-0.3%	-5.1%
Structure impact	-1.3%	-23.6%	-2.1%
Total growth	-1.2%	-19.9%	-1.9%

