

Q1 FY20 Sales

Press release - Paris, 17 October 2019

**Q1: MODERATE GROWTH IN LINE WITH EXPECTATIONS, ON A VERY HIGH BASIS
OF COMPARISON (+10.4% IN Q1 FY19)**

ORGANIC SALES GROWTH: +1.3% (REPORTED: +4.0%)

**FY20 GUIDANCE¹ CONFIRMED:
ORGANIC GROWTH IN PRO² BETWEEN +5% AND +7%**

Sales for the first quarter of FY20 totalled € 2,483 million, with organic growth of +1.3%:

- **Good start in USA: +6%**
 - thanks in particular to innovation, enhanced by advance shipments
- **China: +6% and India: +3%**
 - good growth on a very high comparison basis
- **Global Travel Retail: -6%**
 - following very strong Q1 FY19
- **Good growth in Europe: +3%**
 - thanks to strong Sales in Eastern Europe and return to growth in Western Europe

Reported growth was +4.0% due to a favourable FX impact, mainly from US Dollar.

For full-year FY20, a significantly positive FX impact on PRO² is expected³.

By category, growth was driven by:

- **Strategic International Brands: +3%**, with growth moderation due to high comparison basis on Martell and Scotch but acceleration of Jameson, Beefeater, Malibu and Havana Club
- **Strategic Local Brands: +2%**, with softer growth due to very high Q1 FY19 for Seagram's Indian whiskies
- **Specialty Brands: +15%**, continued very dynamic performance, particularly for Lillet, Monkey 47, Del Maguey and Altos
- **Strategic Wines: -2%**, modest decline linked to continued implementation of value strategy on Jacob's Creek
- **Pricing: +2%** on Strategic brands

As part of this communication, **Alexandre Ricard**, Chairman and Chief Executive Officer, stated,

"Q1 growth was moderate, as expected. In an environment that remains particularly uncertain, we confirm our FY20 guidance of organic growth in Profit from Recurring Operations of between +5% and +7%."

Pernod Ricard also clarified it intends to sign an agreement with an investment services provider, to implement a first tranche of the share buy-back programme announced on 29 August 2019 (of up to €1bn in total), according to which:

- Pernod Ricard will undertake to acquire its own shares for a maximum amount of €150m.
- The purchase period shall start on October 18, 2019 and end on December 18, 2019 latest.
- The price shall not exceed the maximum price as set by the 12th resolution of the Ordinary Shareholders' Meeting of November 21, 2018.
- Repurchased shares will be cancelled.

¹ Guidance communicated 29 August 2019

² PRO = Profit from Recurring Operations

³ Based on average FX rates projected at 1 October 2019, particularly a EUR/USD rate of 1.09

Q1 FY20 Sales

Press release - Paris, 17 October 2019

All growth data specified in this press release refers to organic growth (at constant FX and Group structure), unless otherwise stated. Data may be subject to rounding.

A detailed presentation of Sales for the first quarter of FY20 can be downloaded from our website: www.pernod-ricard.com

Definitions and reconciliation of non-IFRS measures to IFRS measures

Pernod Ricard's management process is based on the following non-IFRS measures which are chosen for planning and reporting. The Group's management believes these measures provide valuable additional information for users of the financial statements in understanding the Group's performance. These non-IFRS measures should be considered as complementary to the comparable IFRS measures and reported movements therein.

Organic growth

Organic growth is calculated after excluding the impacts of exchange rate movements and acquisitions and disposals.

Exchange rates impact is calculated by translating the current year results at the prior year's exchange rates.

For acquisitions in the current year, the post-acquisition results are excluded from the organic movement calculations. For acquisitions in the prior year, post-acquisition results are included in the prior year but are included in the organic movement calculation from the anniversary of the acquisition date in the current year.

Where a business, brand, brand distribution right or agency agreement was disposed of, or terminated, in the prior year, the Group, in the organic movement calculations, excludes the results for that business from the prior year. For disposals or terminations in the current year, the Group excludes the results for that business from the prior year from the date of the disposal or termination.

This measure enables to focus on the performance of the business which is common to both years and which represents those measures that local managers are most directly able to influence.

Profit from recurring operations

Profit from recurring operations corresponds to the operating profit excluding other non-current operating income and expenses.

About Pernod Ricard

Pernod Ricard is the No.2 worldwide producer of wines and spirits with consolidated sales of €9,182 million in FY19. Created in 1975 by the merger of Ricard and Pernod, the Group has developed through organic growth and acquisitions: Seagram (2001), Allied Domecq (2005) and Vin&Sprit (2008). Pernod Ricard, which owns 16 of the Top 100 Spirits Brands, holds one of the most prestigious and comprehensive brand portfolios in the industry, including: Absolut Vodka, Ricard pastis, Ballantine's, Chivas Regal, Royal Salute, and The Glenlivet Scotch whiskies, Jameson Irish whiskey, Martell cognac, Havana Club rum, Beefeater gin, Malibu liqueur, Mumm and Perrier-Jouët champagnes, as well Jacob's Creek, Brancott Estate, Campo Viejo, and Kenwood wines. Pernod Ricard's brands are distributed across over 160 markets, and by its own direct salesforce in 73 markets. The Group's decentralised organisation empowers its 19,000 employees to be true on-the-ground ambassadors of its vision of "Créateurs de Convivialité." As reaffirmed by the Group's three-year strategic plan, "Transform and Accelerate," deployed in 2018, Pernod Ricard's strategy focuses on investing in long-term, profitable growth for all stakeholders. The Group remains true to its three founding values: entrepreneurial spirit, mutual trust, and a strong sense of ethics. As illustrated by the 2030 roadmap supporting the United Nations Sustainable Development Goals (SDGs), "We bring good times from a good place." In recognition of Pernod Ricard's strong commitment to sustainable development and responsible consumption, it has received a Gold rating from Ecovadis and is ranked No. 1 in Vigeo Eiris for the beverage sector. Pernod Ricard is also a United Nation's Global Compact LEAD company. Pernod Ricard is listed on Euronext (Ticker: RI; ISIN Code: FR0000120693) and is part of the CAC 40 index.

Contacts

Julia Massies / VP, Financial Communications & Investor Relations	+33 (0)1 41 00 41 07
Adam Ramjean / Investor Relations Manager	+33 (0)1 41 00 41 59
Fabien Darrigues / External Communications Director	+33 (0)1 41 00 44 86
Alison Donohoe / Press Relations Manager	+33 (0)1 41 00 44 63
Emmanuel Vouin / Press Relations Manager	+33 (0)1 41 00 44 04

Q1 FY20 Sales
Press release - Paris, 17 October 2019

APPENDICES

Q1 FY20 Sales by Region

Net Sales (€ millions)	Q1 FY19		Q1 FY20		Change		Organic growth		Group structure		Forex impact	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
Americas	636	28.7%	674	27.1%	37	6%	14	2%	2	0%	21	3%
Asia/Rest of World	1,084	41.1%	1,116	44.9%	32	3%	(4)	0%	4	0%	32	3%
Europe	667	30.2%	694	27.9%	27	4%	21	3%	2	0%	4	1%
World	2,387	100%	2,483	100%	96	4%	31	1%	8	0%	57	2%

Note: Bulk Spirits are allocated by Region according to the Regions' weight in the Group

Foreign exchange impact on Q1 FY20 Sales

Forex Impact Q1 FY20 (€ millions)	Average rates evolution			On Net Sales
	Q1 FY19	Q1 FY20	%	
US dollar USD	1.16	1.11	-4.4%	29
Pound sterling GBD	0.89	0.90	1.1%	(1)
Chinese yuan CNY	7.92	7.80	-1.4%	5
Indian rupee INR	81.65	78.31	-4.1%	12
Turkish lira TRL	6.60	6.31	-4.4%	1
Other				11
TOTAL				57

Upcoming communications

Date ¹	Event
Friday 8 November 2019	Annual General Meeting
Thursday 28 November 2019	EMEA & LATAM conference call
Thursday 13 February 2020	H1 FY20 Sales & Results

1. Dates are indicative and liable to change