



Pernod Ricard EMEA & LATAM

Europe, Middle East, Africa & Latin America

Regional conference call

Gilles Bogaert
Chairman & CEO

November 28th, 2019



In a Nutshell

11 Management Entities

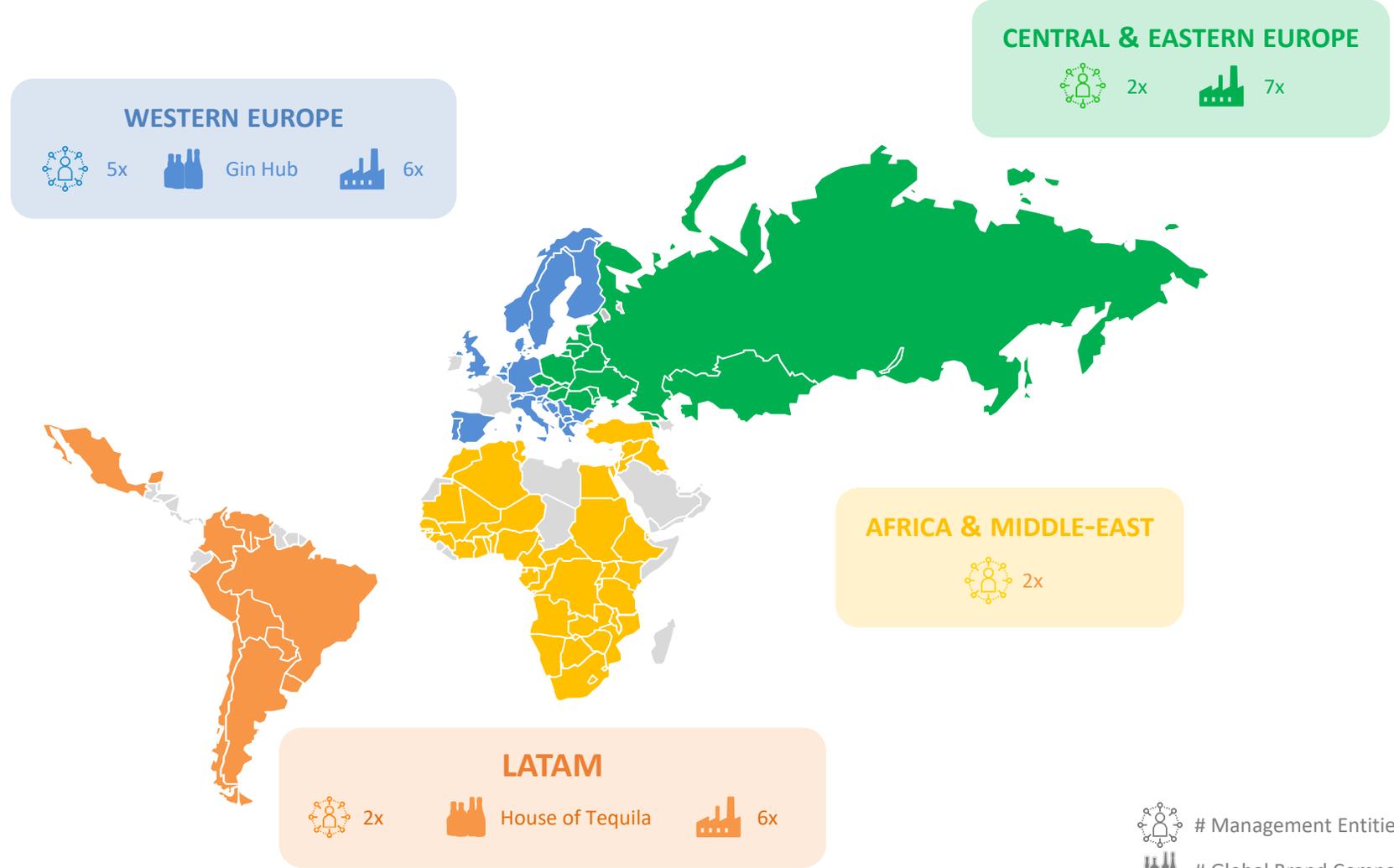
56 Affiliates

19 Production Sites

28% of Group Sales

64% EMEA LATAM Sales from Strategic International Brands

90% Engagement Rate (iSay 2019)



 # Management Entities
 # Global Brand Companies
 # Production Sites

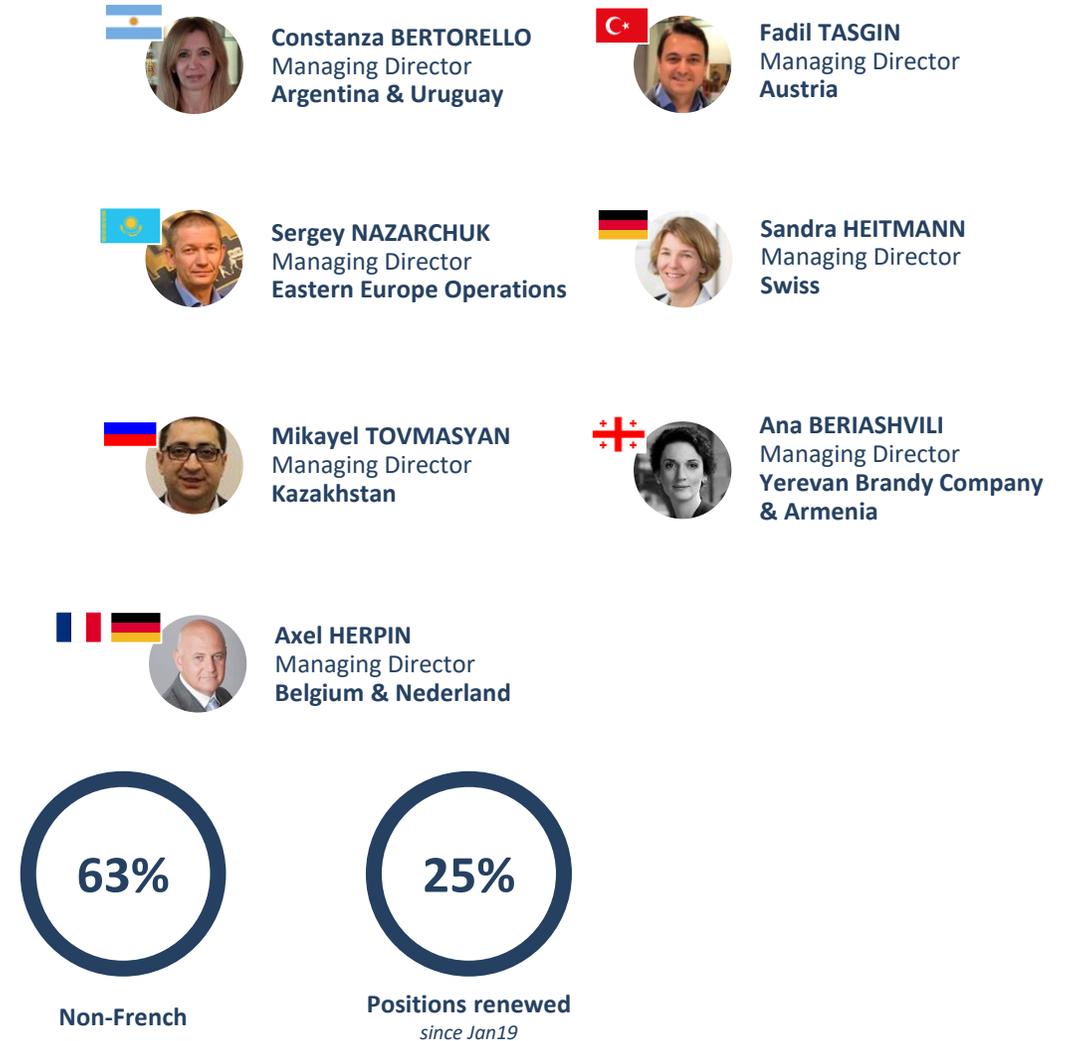
Sales figures reflect FY19 on EMEA LATAM's scope that excludes Global Travel Retail and France/Ireland/Iceland

Main People changes in the Management Teams since Jan 19

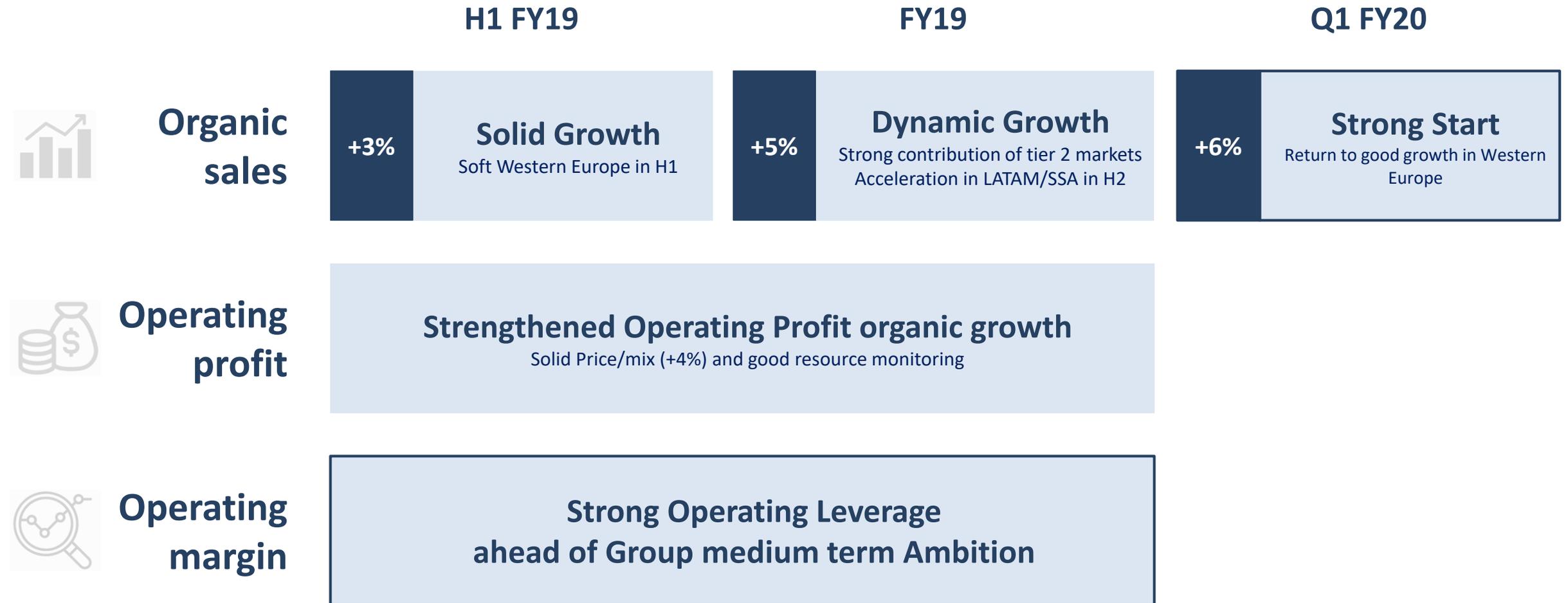
Regional Executive Committee



Regional Management Teams



Strong start of the year in the wake of Dynamic Topline Growth in FY19 demonstrating Business Acceleration



Strategic Update

Clear
Brand / Market
Strategic
Roadmap
continuing to
deliver Solid and
Diversified
Growth...



Fast track in buoyant **Gin** and **Tequila** categories



Drive strong topline growth through **Innovation**



Leverage **Prestige** to drive contributive margin growth



Actively manage our **Portfolio**



Strategic Update

... Supported by the ongoing execution of clear **Transversal Initiatives**



- + **Brand Equity Monitoring** and **Social Listening**
- + **Portfolio Management** by **Touchpoint** and **Geographic Focus**, guiding **resource allocation** and arbitration
- + **A&P Effectiveness** and **Efficiency**



- + Customized **Channel Strategy** by Geography
- + **Specific Route-To-Market** and **Ways of Working**, in particular **Prestige**
- + **E-Commerce** Opportunity through E-retail and Market Place



- + **Revenue Growth Management** *Pricing, Trade Terms, Promotional Effectiveness*
- + **Cost of Goods and Supply Chain Optimization** *S&OP (process & tool), Procurement, Value Engineering*
- + **Organization Improvements** *Synergies across Management Entities, Mutualization, Back-Office Digitalization, IT hubs, Global Consumer Insights organization*



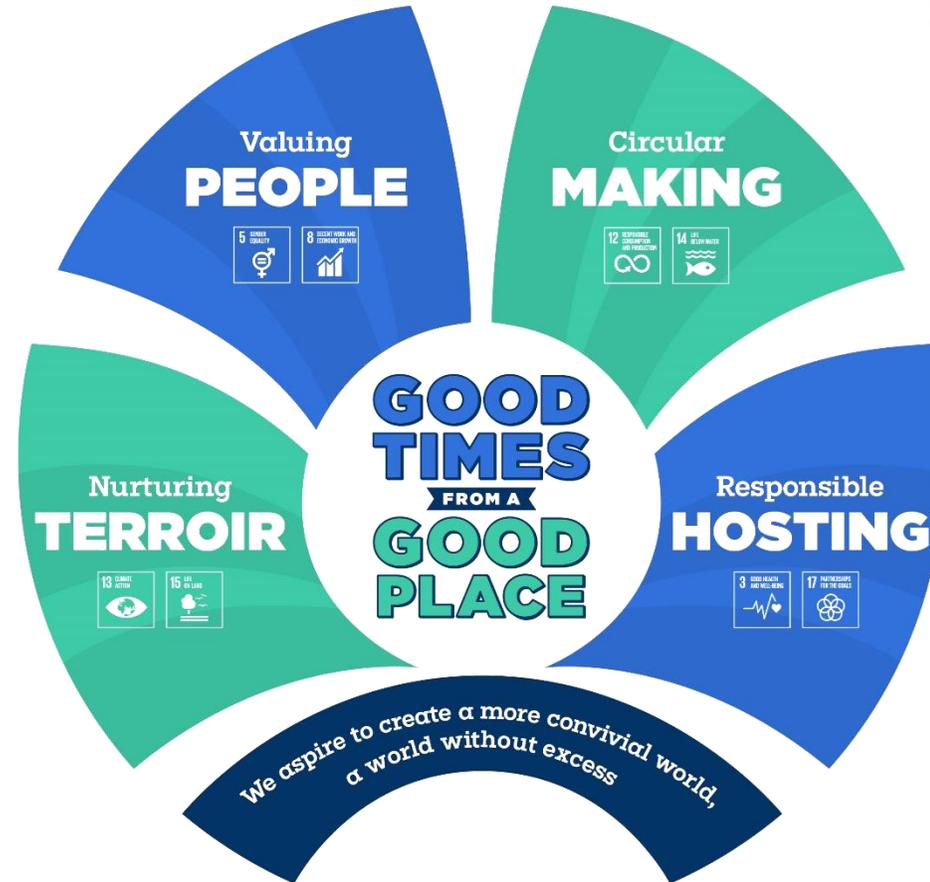
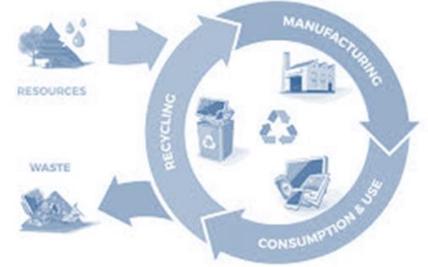
Sustainability & Responsibility Strategy

4 commitments and an ambition for 2030 with specific Transversal Regional Priorities

Health & Safety
Responsible Procurement



Circular Design & Packaging



Biodiversity



We aspire to create a more convivial world, a world without excess



FY19 Sales

Strong Sales growth of +5% driven by Strategic International Brands and very dynamic Specialty Brands

Strategic International Brands



+10%

#2

Super Premium Scotch Whisky



+3%

#1

Premium Vodka



+10%

#2

Premium Scotch Whisky



+9%

#2

Premium non-Scotch Whisky



+9%

#2

Premium+ Gin

Specialty Brands



Strategic Local Brands



Strategic Wines



Note: Figures reflect FY19 Sales Organic Growth vs. last year
 Source: IWSR Pernod Ricard Market View, ending 2018 / International Players on International Western Style Spirits, in volume

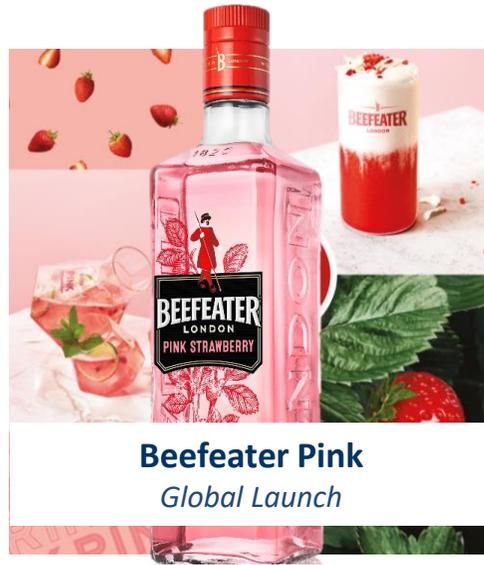
FY19 Sales

Strong contribution of Innovation driving over one third of Sales growth...



Incremental Growth
In FY19 vs. LY

Flavoured Gins



Beefeater Pink
Global Launch



Beefeater Blood Orange
UK Launch in Feb 19



Beefeater Pink
In FY19 and vs. FY18



Beefeater Blood Orange
In 5 months in UK only
From Feb to June 2019

Shaking up the Category Conventions



Jameson Caskmates
Stout & IPA Editions
Sales **+45%**



Martell Blue Swift
Finished in *Bourbon* casks
Sales **x3.3**



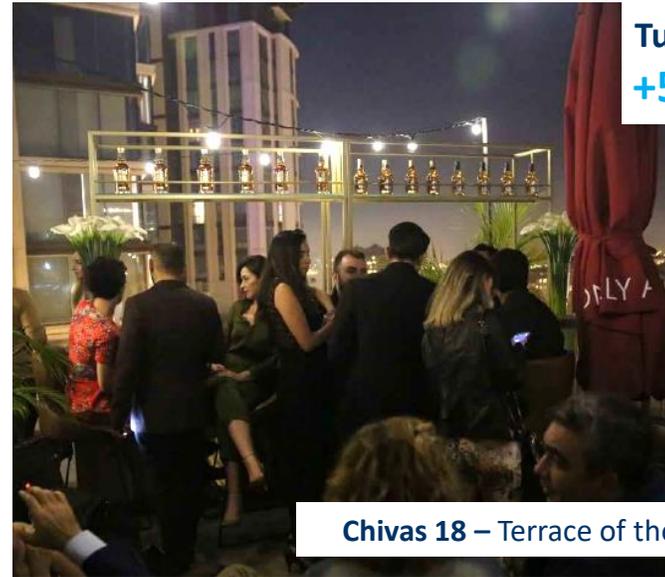
Chivas XV
Finished in *Cognac* casks
Launched in
all Management Entities

FY19 Results

... and continued strong growth of Prestige

x1.5

Total Portfolio Sales Growth vs. LY



Turkey
+50%

Chivas 18 – Terrace of the “House of Brothers”, Turkey



Absolut Elyx - Ammo Beach Club, Florianópolis

Brazil
+45%



Martell Blue Swift - Launch

Caribbean
+35%



Perrier-Jouët - Nikki Beach St Barth



Ararat – Aznavour Limited Edition

Russia
+23%

Note: Figures reflect FY19 Sales Organic Growth vs. last year of the Prestige Brands portfolio

Strong start of the year demonstrating **Business Acceleration**



Sales Organic Growth in **Q1 FY20**



Q1 FY20 Update

Whisky brands are leading the growth thanks to a strong performance in **Emerging Markets**



Q1 Sales growth vs. LY (Ballantine's, Jameson, Chivas)

Ballantine's



Ballantine's "Stay True" campaign is building on its success in Poland

JAMESON



Jameson's Dublin-based Experience World Tour, LX Factory in Lisbon (Portugal) - Sept 2019

 **CHIVAS**



Chivas "Success is a Blend" campaign Partnership w/ Manchester United

ABSOLUT
Country of Sweden
VODKA



Absolut Rainbow, "Create an Open World" campaign - Milan, Italy



Double-Digit growth in Africa, Brazil, Central and Eastern Europe



Double-Digit growth in Africa, Eastern Europe, UK and Germany



Double-Digit growth in Mexico, Brazil and Africa



Strong growth in Central and Eastern Europe



Strong growth in Western Europe

Note: Figures reflect Q1 FY20 Sales Organic Growth vs. last year

Q1 FY20 Update

Pernod Ricard is expanding and leveraging its diversified Gin Portfolio to seize the Category Boom

Double Digit

Q1 Sales growth vs. LY Total Gin Portfolio*



Beefeater's New Campaign

The Spirit of London



Malfy Gin Acquisition

Italy



Pernod Ricard's latest Gin Acquisition

South Africa



Monkey Kiosk Tour

Bar Convent, Berlin



Brazil

x2.3



UK

+23%



Germany

+34%



Mexico

+61%



Italy

+23%



Spain

Stable



Poland

+59%



South Africa

+46%

* Q1 sales growth excluding Malfy and Inverroche sales
Note: Figures reflect Q1 FY20 Sales Organic Growth vs. last year

Q1 FY20 Update

Continued outstanding performance for Lillet expanding beyond its current Stronghold



Q1 Sales growth vs. LY Lillet



+47%



+34%



+53%



+20%



+23%

Note: Figures reflect Q1 FY20 Sales Organic Growth vs. last year



Q1 FY20 Western Europe

Sales improvement driven by Sales bouncing back in Germany

+5%
Q1 Sales growth vs. LY

Market Performance

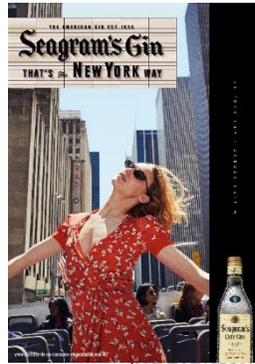
Brand Highlights

Operational Excellence



Stable Market Share
Market Share Gain on Gin

New Brand Campaigns



+6%
Seagram's Spain



+1%
Beefeater Std Spain



Stable w/ acceleration in last 3 Months

Strong Q1 Activations in Festivals



Absolut – Lollapalooza, Berlin

+29%
Absolut Germany



Continued Share Gains

Successful Innovation



Beefeater Blackberry UK Launch in Sept 19

+62%
Beefeater UK



+13%
Jameson UK



Ceder's
Non-Alcoholic Gin



MARKETING EFFECTIVENESS
Tool Implementation



VISTA CONJOINT

PRICING / PROMOTIONS
Tool Implementation



UNITY

IT ORGANIZATION
Mutualization - 1st Wave





Q1 FY20
Eastern/Central
Europe

**Double-Digit
Growth thanks to
Dynamic
Strategic
International
Brands and Solid
Growth of Local
Brands**



Q1 Sales growth vs. LY

Very Dynamic
Growth...



... Driven by
Whiskies



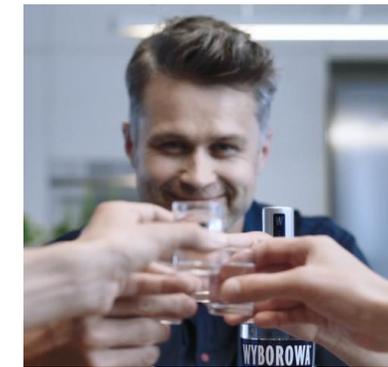
Local Brands
Contributing
to Growth



New Ararat Apricot for summer
6 YO ARARAT brandy and delicate apricot taste



New Wyborowa launching campaign "Unboxing"
New Bottle Design, Celebrity Endorsement:
Maciej Zakościelny (famous Polish actor)





Q1 FY20
Africa
Middle East

Solid Q1 Growth driven by the Expansion of our Whisky Portfolio

+7%
Q1 Sales growth vs. LY



+30%



+28%

Transform and Accelerate our Organization

Pernod Ricard Sub-Saharan Africa
Push the **M.A.P**

West Africa	Angola
x2.3	+24%
South Central	Nigeria
+16%	+93%

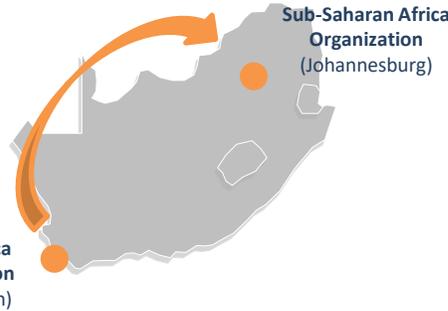


New Campaign Imperial Blue



New Campaign South Africa

Organization Mutualization



Expand our Whisky Portfolio

From Chivas to a full Whisky Portfolio



CHIVAS
+23%

Ballantine's
+33%

ABERLOUR
+25%

JAMESON
+9%

ROYAL SALUTE
+49%

THE GLENLIVET
+58%

Turkey started the portfolio activation "Month of Malts" including The Glenlivet, Aberlour, Scapa and Chivas Ultis

Note: Figures reflect Q1 FY20 Sales Organic Growth vs. last year



Q1 FY20
LATAM

Pursuing Transformation in LATAM competitive markets



Q1 Sales growth vs. LY

Performance and Brand Highlights

Organization Transformation

Sales Decline
Driven by phasing

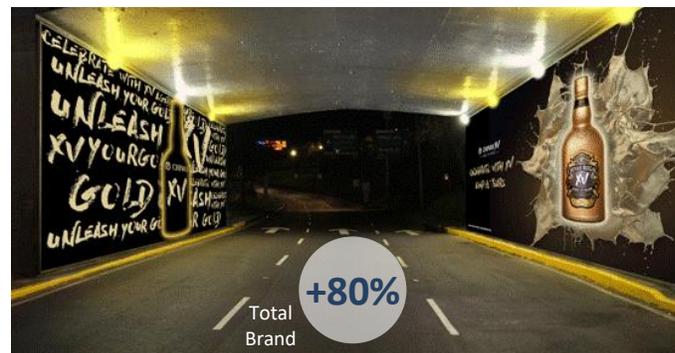


+0.5pt
Share Gain*
Imported Premium+ Spirits



+16%

Chivas – Chivas XV Launch, Mexico



Chivas – Brazil Brand Ambassador, Taís Araújo



Pursuing Transformation
Transform our ways of working aiming at more agility and efficiency



Brand Factory
Boost Growth Relays thanks to a New Incubation Model



+53%
New Route-To-Market
Fit for purpose organization in line with business size and ambition



Deleveraging of Assets
Adapt organization and Industrial footprint to declining volume

*Value Share Gain for Pernod Ricard total portfolio on the specified category over the last 3 month period vs. Last Year
Note: Figures reflect Q1 FY20 Sales Organic Growth vs. last year

Conclusion

**Solid FY19
Performance**
confirmed by
Acceleration in Q1

- **Business acceleration in Q1** driven by **Western Europe**, with in particular the **rebound of Germany**
- Continued strong growth in **Russia** and **Emerging Markets**
- **Margin Improvement** (strong price/mix and tight resources management)

**Clear
Strategic
Roadmap**

- **Innovation, Prestige, Gin / Tequila** fast track
- **Active Portfolio Management**
- **Operational Excellence**
- Active **talent management** while injecting more diversity

Pernod Ricard EMEA & LATAM well positioned to keep delivering
Good Top Line Growth and Margin Improvement

