

FY20 GUIDANCE¹ REFLECTING UPDATED COVID-19 ASSUMPTIONS:
PROFIT FROM RECURRING OPERATIONS ORGANIC DECLINE OF C. -20%

STRONG LIQUIDITY POSITION

On 13 February 2020, Pernod Ricard shared its early assumptions regarding the COVID-19 epidemic. There has been significant evolution since, with a pandemic now affecting Asia Pacific, Europe and more recently the Americas.

Our priority remains the health and safety of our employees and business partners. Ways of working have adapted to containment measures, so that supply chains are still operational.

True to its sense of community, the Group has contributed to efforts to fight the pandemic in a number of markets, by either donating pure alcohol or directly producing hand sanitiser, to help ease current shortages.

The COVID-19 pandemic is having widespread repercussions on the business. While the extent and duration are still uncertain, the Group has updated and is today sharing its current assumptions and resulting financial impacts.

Revised COVID-19 assumptions, with impact on FY20 Profit from Recurring Operations

- China: very limited business in February and March; slow recovery from April
- Travel Retail: 80% business decline for the period from February to end June
- Other markets:
 - Off-trade, representing c. ¾ of Sales: c.10% Sales reduction from mid-March to end June
 - On-trade, representing c. ¼ of Sales: no Sales from mid-March to end June, as outlets are shut or not reordering.

The combined impact leads to an organic decline in Profit from Recurring Operations for FY20 of c. -20%.

Early bond redemption and liquidity position

On 23 March 2020, the Group repaid a bond of €850m plus interest, for a total amount of €863m, without penalty, 3 months ahead of schedule, thanks to the exercise of the early redemption option.

The next significant bond redemption is in April 2021 when USD1bn is due.

The Group has c. €3.4bn of credit lines secured with banks, of which only c. €0.3bn are currently drawn. These include a €2.5bn syndicated credit facility, maturing in 2024, which is currently undrawn.

Alexandre Ricard, Chairman and Chief Executive Officer, stated,

"Our business model and strategy are resilient. Our 3-year plan Transform & Accelerate has been very successful, as demonstrated by the FY19 and H1 FY20 results, and will continue to positively impact the business as we move through the COVID-19 crisis."

The environment has very significantly deteriorated due to the COVID-19 outbreak. We are encouraged to see that, thanks to the implementation of strong measures, China appears to be starting to make a gradual recovery. While we cannot predict the duration and extent of the impact, we remain confident in our strategy. Our priority is to ensure the health and safety of our employees

¹ Guidance given to market on 29 August 2019 of organic Profit from Recurring Operations' growth between +5% and +7%, revised on 13 February 2020 to reflect early COVID-19 assumptions to between +2% and +4%

Trading Statement - Paris, 24 March 2020

and business partners. I would like to praise the exemplary behaviour of our teams during this very difficult time.

With the revised assumptions linked to COVID-19, we are providing guidance of an organic decline in Profit from Recurring Operations for full-year FY20 of c. -20%. We are staying the strategic course while implementing a comprehensive action plan to mitigate costs. Thanks to our solid fundamentals, rooted in employee engagement and the quality of our portfolio, I am confident in Pernod Ricard's ability to bounce back and its growth potential."

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.

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
Charly Montet / Investor Relations Manager
Alison Donohoe / Press Relations Manager
Emmanuel Vouin / Press Relations Manager

+33 (0)1 41 00 41 07
+33 (0)1 41 00 45 94
+33 (0)1 41 00 44 63
+33 (0)1 41 00 44 04