

FY20 Full-year Sales and Results
Press release - Paris, 2 September 2020

STRONG RESILIENCE AND AGILITY IN FY20, DESPITE COVID-19 IMPACT

-9.5% ORGANIC SALES DECLINE (-8.0% REPORTED)

-13.7% ORGANIC DECLINE IN PRO¹ (-12.4% REPORTED)

SALES

Sales for FY20 totalled €8,448m, with an **organic decline of -9.5%** (-8.0% reported), with a favourable FX impact linked mainly to USD appreciation vs. Euro.

Sales growth in H1 was robust but H2 was impacted by Covid-19. For FY20, the trends were:

- **Americas: -6%**, with good resilience in USA² and Canada in slight growth, but double-digit decline in Latin America and Travel Retail
- **Asia-RoW: -14%**, driven mainly by China, India and Travel Retail, against high basis of comparison
- **Europe: -6%**, overall good resilience with Germany, UK and Eastern Europe growing, partially offsetting declines in Travel Retail, Spain and France.

Key categories were impacted by the pandemic, **but Specialty Brands performed well:**

- **Strategic International Brands: -10%**, after broad-based growth in H1, mainly driven by Martell, Chivas Regal, Absolut and Ballantine's
- **Strategic Local Brands: -9%**, in modest growth at the end of 9M, but strong decline in Q4, mainly due to Seagram's Indian whiskies, on high comparison basis
- **Specialty Brands: +7%**, despite Covid-19, thanks to more favourable geographic exposure, with dynamic growth of Lillet, Altos and Redbreast
- **Strategic Wines: -4%**, due mainly to Jacob's Creek, despite growth of Campo Viejo.

Q4 Sales were €1,238m, with -36.2% organic decline (-37.9% reported), with a significant impact of Covid-19 throughout the world, particularly for Travel Retail and the On-trade. There was better than expected **resilience of the Off-trade**, notably in USA and Europe.

H2 saw the implementation of **Covid-19 crisis management**, while pursuing the **long-term transformation agenda:**

- Priority given to **health and safety** of employees and business partners
- **Sound inventory position at June end**, thanks to robust demand management and supply chain continuity
- **Active resource management and strong cost mitigation** to adjust to Covid-19 context
- Continued **roll-out of 2030 Sustainability & Responsibility roadmap**, while developing new measures to support stakeholders during crisis
- Implementation of **digital transformation** and **completion of Reconquer project to resume growth in France and reorganisation of Wine business** to reignite its performance.

During FY20, Pernod Ricard **gained or held market share** in its Top 10 markets.

¹ PRO: Profit from Recurring Operations

² Sell-out at +2% (internal estimate)

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RESULTS

H1 was solid with +4.3% organic PRO, on a high basis of comparison (+12.8% in H1 FY19), demonstrating the success of the Transform & Accelerate strategic plan.

Due to the Covid-19 impact in H2, **FY20 PRO was €2,260m, an organic decline of -13.7%** and -12.4% reported.

The FY20 organic PRO margin erosion was limited to -131bps, with:

- **Resilient pricing** on Strategic brands: +1%
- **Gross margin contracting -140bps**, driven by:
 - **Adverse mix** linked to Strategic International Brands, especially Martell and Chivas Regal
 - Higher **Cost of Goods** mainly due to agave price pressure, glass and GNS in India, lower fixed cost absorption, only partially offset by operational excellence savings
- **A&P: +88bps**, thanks to very strong mitigation plan in H2
- **Structure costs: -79bps**, with topline decline reducing fixed cost absorption, despite strong cost discipline.

The FY20 corporate income **tax rate** on recurring items was **c.24% vs. 26% in FY19**.

Group share of Net PRO was €1,439m, -13% reported vs. FY19 and the **Group share of Net profit €329m**, -77% reported, impacted by **€1bn asset impairment triggered by Covid-19**, in particular on Absolut (€912m gross; €702m net of tax.)

FREE CASH FLOW AND DEBT

Recurring Free Cash Flow was €1,003m, reflecting the impact of Covid-19 on the business.

The average Cost of debt stood at 3.6% vs. 3.9% in FY19. Low rates on new bond financing not fully reflected in full year FY20.

Cash was actively managed and the **liquidity position reinforced**, thanks to bond issuances and an additional credit line. **Liquidity at 30 June 2020 stood at €5.3bn, of which €3.4bn credit lines was undrawn**.

Active portfolio management continued throughout the year, with the Italicus and KI NO BI transactions and the disposal of Café de Paris in H2.

Net debt increased by €1,804m¹ vs. 30 June 2019 to **€8,424m** due to lower Free Cash Flow, an increase in the **M&A cash-out**, a **€523m Share buyback** (prior to suspension of the programme in April), an increase in the **dividend payout to c.50%** (vs. 41% in FY19), additional lease liabilities following the IFRS16 norm application and a **negative translation adjustment** mainly due to EUR/USD evolution.

The Net Debt/EBITDA ratio at average rates² was 3.2x at 30 June 2020.

A **dividend of €2.66** is proposed for the Annual General Meeting of 27 November 2020.

¹ Including €603m additional lease liabilities pursuant to IFRS16 norm application

² Based on average EUR/USD rates: 1.11 in FY20

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Alexandre Ricard, Chairman and Chief Executive Officer, stated,

“The Group has proven very resilient through FY20 and demonstrated its agility and ability to keep its supply chains operational, control costs and manage cash. I would like to take this opportunity to praise the exceptional commitment of our teams during this difficult time.

For FY21, Pernod Ricard expects continued uncertainty and volatility, in particular relating to sanitary conditions and their impact on social gatherings, as well as challenging economic conditions. We anticipate a prolonged downturn in Travel Retail but resilience of the Off-trade in the USA and Europe and sequential improvement in China, India and the On-trade globally.

We will stay the strategic course and accelerate our digital transformation while maintaining strict discipline, with clear, purpose-based investment decisions. We will harness our agility to adjust fast to capture new opportunities. Thanks to our solid fundamentals, our teams and our brand portfolio, I am confident that Pernod Ricard will emerge from this crisis stronger.”

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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 FY20 Sales and Results can be downloaded from our website: www.pernod-ricard.com

Audit procedures have been carried out on the financial statements. The Statutory Auditors' report is being issued.

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 €8,448 million in FY20. 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 160+ markets and by its own 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 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 Sustainability and Responsibility roadmap supporting the United Nations Sustainable Development Goals (SDGs), "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. 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.

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Appendices

Emerging Markets

Asia-Rest of World		Americas	Europe
Algeria	Malaysia	Argentina	Albania
Angola	Mongolia	Bolivia	Armenia
Cambodia	Morocco	Brazil	Azerbaijan
Cameroon	Mozambique	Caribbean	Belarus
China	Namibia	Chile	Bosnia
Congo	Nigeria	Colombia	Bulgaria
Egypt	Persian Gulf	Costa Rica	Croatia
Ethiopia	Philippines	Cuba	Georgia
Gabon	Senegal	Dominican Republic	Hungary
Ghana	South Africa	Ecuador	Kazakhstan
India	Sri Lanka	Guatemala	Kosovo
Indonesia	Syria	Honduras	Latvia
Iraq	Tanzania	Mexico	Lithuania
Ivory Coast	Thailand	Panama	Macedonia
Jordan	Tunisia	Paraguay	Moldova
Kenya	Turkey	Peru	Montenegro
Laos	Uganda	Puerto Rico	Poland
Lebanon	Vietnam	Uruguay	Romania
Madagascar	Zambia	Venezuela	Russia
			Serbia
			Ukraine

Strategic International Brands' organic Sales growth

	Volumes FY20 (in 9Lcs millions)	Organic Sales growth FY20	Volumes	Price/mix
Absolut	10.3	-11%	-7%	-4%
Chivas Regal	3.7	-17%	-19%	2%
Ballantine's	7.2	-8%	-5%	-3%
Ricard	4.2	-6%	-6%	-1%
Jameson	7.6	-1%	-2%	0%
Havana Club	4.2	-6%	-8%	2%
Malibu	3.9	5%	5%	0%
Beefeater	3.1	-7%	-4%	-3%
Martell	2.0	-20%	-24%	5%
The Glenlivet	1.2	2%	-3%	4%
Royal Salute	0.2	-2%	-7%	5%
Mumm	0.6	-13%	-13%	0%
Perrier-Jouët	0.3	-12%	-21%	8%
Strategic International Brands	48.3	-10%	-7%	-3%

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Sales Analysis by Period and Region

Net Sales (€ millions)	FY19		FY20		Change		Organic Growth		Group Structure		Forex impact	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
Americas	2,545	27.7%	2,449	29.0%	(96)	-4%	(161)	-6%	43	2%	23	1%
Asia / Rest of World	3,965	43.2%	3,467	41.0%	(498)	-13%	(547)	-14%	27	1%	21	1%
Europe	2,672	29.1%	2,532	30.0%	(140)	-5%	(159)	-6%	15	1%	4	0%
World	9,182	100.0%	8,448	100.0%	(734)	-8%	(867)	-10%	85	1%	47	1%

Net Sales (€ millions)	Q4 FY19		Q4 FY20		Change		Organic Growth		Group Structure		Forex impact	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
Americas	589	29.5%	411	33.2%	(178)	-30%	(176)	-31%	14	2%	(16)	-3%
Asia / Rest of World	777	39.0%	368	29.8%	(409)	-53%	(376)	-48%	4	1%	(37)	-5%
Europe	628	31.5%	458	37.0%	(170)	-27%	(164)	-26%	5	1%	(11)	-2%
World	1,994	100.0%	1,238	100.0%	(756)	-38%	(716)	-36%	24	1%	(65)	-3%

Net Sales (€ millions)	H2 FY19		H2 FY20		Change		Organic Growth		Group Structure		Forex impact	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
Americas	1,155	28.9%	988	33.2%	(167)	-14%	(183)	-16%	28	2%	(12)	-1%
Asia / Rest of World	1,699	42.5%	1,052	35.4%	(647)	-38%	(615)	-36%	11	1%	(43)	-3%
Europe	1,143	28.6%	934	31.4%	(209)	-18%	(206)	-18%	8	1%	(11)	-1%
World	3,997	100.0%	2,974	100.0%	(1,023)	-26%	(1,004)	-25%	47	1%	(66)	-2%

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

Summary Consolidated Income Statement

(€ millions)	FY19	FY20	Change
Net sales	9,182	8,448	-8%
Gross Margin after logistics costs	5,648	5,086	-10%
Advertising and promotion expenses	(1,512)	(1,327)	-12%
Contribution after A&P expenditure	4,137	3,759	-9%
Structure costs	(1,556)	(1,499)	-4%
Profit from recurring operations	2,581	2,260	-12%
Financial income/(expense) from recurring operations	(314)	(328)	5%
Corporate income tax on items from recurring operations	(586)	(468)	-20%
Net profit from discontinued operations, non-controlling interests and share of net income from associates	(27)	(25)	-8%
Group share of net profit from recurring operations	1,654	1,439	-13%
Other operating income & expenses	(206)	(1,283)	NA
Financial income/(expense) from non-recurring operations	3	(38)	NA
Corporate income tax on items from non recurring operations	4	210	NA
Group share of net profit	1,455	329	-77%
Non-controlling interests	27	21	-22%
Net profit	1,482	350	-76%

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Profit from Recurring Operations by Region

World

(€ millions)	FY19		FY20		Change		Organic Growth		Group Structure		Forex impact	
Net sales (Excl. T&D)	9,182	100.0%	8,448	100.0%	(734)	-8%	(867)	-10%	85	1%	47	1%
Gross margin after logistics costs	5,648	61.5%	5,086	60.2%	(562)	-10%	(653)	-12%	44	1%	47	1%
Advertising & promotion	(1,512)	16.5%	(1,327)	15.7%	184	-12%	216	-14%	(24)	2%	(7)	0%
Contribution after A&P	4,137	45.1%	3,759	44.5%	(378)	-9%	(437)	-11%	19	0%	40	1%
Profit from recurring operations	2,581	28.1%	2,260	26.8%	(320)	-12%	(355)	-14%	(2)	0%	36	1%

Americas

(€ millions)	FY19		FY20		Change		Organic Growth		Group Structure		Forex impact	
Net sales (Excl. T&D)	2,545	100.0%	2,449	100.0%	(96)	-4%	(161)	-6%	43	2%	23	1%
Gross margin after logistics costs	1,698	66.7%	1,599	65.3%	(98)	-6%	(156)	-9%	29	2%	29	2%
Advertising & promotion	(504)	19.8%	(461)	18.8%	43	-9%	58	-12%	(11)	2%	(4)	1%
Contribution after A&P	1,193	46.9%	1,138	46.5%	(55)	-5%	(98)	-8%	17	1%	26	2%
Profit from recurring operations	785	30.9%	718	29.3%	(67)	-9%	(101)	-13%	9	1%	25	3%

Asia / Rest of the World

(€ millions)	FY19		FY20		Change		Organic Growth		Group Structure		Forex impact	
Net sales (Excl. T&D)	3,965	100.0%	3,467	100.0%	(498)	-13%	(547)	-14%	27	1%	21	1%
Gross margin after logistics costs	2,308	58.2%	1,969	56.8%	(339)	-15%	(365)	-16%	10	0%	16	1%
Advertising & promotion	(592)	14.9%	(517)	14.9%	75	-13%	87	-15%	(9)	1%	(3)	1%
Contribution after A&P	1,716	43.3%	1,452	41.9%	(264)	-15%	(279)	-16%	1	0%	13	1%
Profit from recurring operations	1,179	29.7%	938	27.0%	(241)	-20%	(247)	-21%	(6)	-1%	12	1%

Europe

(€ millions)	FY19		FY20		Change		Organic Growth		Group Structure		Forex impact	
Net sales (Excl. T&D)	2,672	100.0%	2,532	100.0%	(140)	-5%	(159)	-6%	15	1%	4	0%
Gross margin after logistics costs	1,643	61.5%	1,519	60.0%	(124)	-8%	(131)	-8%	5	0%	2	0%
Advertising & promotion	(415)	15.5%	(349)	13.8%	66	-16%	71	-17%	(4)	1%	(0)	0%
Contribution after A&P	1,228	45.9%	1,169	46.2%	(58)	-5%	(60)	-5%	1	0%	1	0%
Profit from recurring operations	617	23.1%	605	23.9%	(12)	-2%	(7)	-1%	(5)	-1%	(1)	0%

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

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Foreign Exchange Impact

Forex impact FY20 (€ millions)		Average rates evolution			On Net Sales	On Profit from Recurring Operations
		FY19	FY20	%		
US dollar	USD	1.14	1.11	-3.1%	70	35
Chinese yuan	CNY	7.79	7.77	-0.1%	1	1
Indian rupee	INR	80.52	80.13	-0.5%	5	2
Pound sterling	GBP	0.88	0.88	-0.5%	1	3
Other					(30)	(4)
Total					47	36

Sensitivity of profit and debt to EUR/USD exchange rate

Estimated impact of a 1% appreciation of the USD

Impact on the income statement ⁽¹⁾	(€ millions)
Profit from recurring operations	+12
Financial expenses	(3)
Pre-tax profit from recurring operations	+9

Impact on the balance sheet	(€ millions)
Increase/(decrease) in net debt	+48

⁽¹⁾ Full-year effect

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Balance Sheet

Assets (€ millions)	30/06/2019	30/06/2020
(Net book value)		
Non-current assets		
Intangible assets and goodwill	17,074	16,576
Tangible assets and other assets	4,002	3,699
Deferred tax assets	1,590	1,678
Total non-current assets	22,666	21,953
Current assets		
Inventories	5,756	6,167
aged work-in-progress	4,788	5,084
non-aged work-in-progress	79	76
other inventories	889	1,006
Receivables (*)	1,226	906
Trade receivables	1,168	862
Other trade receivables	59	44
Other current assets	359	323
Other operating current assets	291	317
Tangible/intangible current assets	67	6
Tax receivable	105	142
Cash and cash equivalents and current derivatives	929	1,947
Total current assets	8,375	9,485
Assets held for sale	5	87
Total assets	31,045	31,525
(*) after disposals of receivables of:	674	513

Liabilities and shareholders' equity (€ millions)	30/06/2019 restated*	30/06/2020
Group Shareholders' equity	15,987	13,968
Non-controlling interests	195	243
of which profit attributable to non-controlling interests	27	21
Total Shareholders' equity	16,182	14,211
Non-current provisions and deferred tax liabilities	3,584	3,511
Bonds non-current	6,071	8,599
Lease liabilities - non-current	-	433
Non-current financial liabilities and derivative instruments	379	192
Total non-current liabilities	10,034	12,735
Current provisions	149	222
Operating payables	2,187	1,877
Other operating payables	1,058	1,016
of which other operating payables	660	633
of which tangible/intangible current payables	398	383
Tax payable	307	232
Bonds - current	944	723
Lease liabilities - current	-	88
Current financial liabilities and derivatives	182	404
Total current liabilities	4,826	4,563
Liabilities held for sale	2	16
Total liabilities and shareholders' equity	31,045	31,525

* Opening positions of Group Balance Sheet Liabilities have been restated from impact of IFRIC 23 first application (uncertain tax positions reclassified from non-current provisions to Tax payable for €150m)

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Analysis of Working Capital Requirement

(€ millions)	June 2018	June 2019	June 2020	FY19 WC change*	FY20 WC change*
Aged work in progress	4,532	4,788	5,084	268	294
Advances to suppliers for wine and ageing spirits	10	12	19	2	7
Payables on wine and ageing spirits	(96)	(105)	(108)	(11)	(5)
Net aged work in progress	4,447	4,695	4,995	259	296
Trade receivables before factoring/securitization	1,641	1,842	1,375	187	(434)
Advances from customers	(6)	(24)	(38)	(18)	(14)
Other receivables	353	338	343	24	12
Other inventories	869	889	1,006	15	121
Non-aged work in progress	71	79	76	2	(1)
Trade payables and other	(2,471)	(2,717)	(2,364)	(226)	293
Gross operating working capital	457	405	398	(15)	(24)
Factoring/Securitization impact	(610)	(674)	(513)	(63)	161
Net Operating Working Capital	(153)	(269)	(115)	(78)	138
Net Working Capital	4,294	4,427	4,879	181	433
* at average rates				Of which recurring variation	Of which non recurring variation
				201	450
				(21)	(17)

Net Debt

(€ millions)	30/06/2019			30/06/2020		
	Current	Non-current	Total	Current	Non-current	Total
Bonds	944	6,071	7,015	723	8,599	9,322
Syndicated loan	-	-	-	-	-	-
Commercial paper	-	-	-	299	-	299
Other loans and long-term debts	177	363	540	81	192	273
Other financial liabilities	177	363	540	380	192	572
Gross Financial debt	1,121	6,434	7,555	1,103	8,791	9,894
Fair value hedge derivatives – assets	-	(13)	(13)	(3)	(40)	(44)
Fair value hedge derivatives – liabilities	-	2	2	-	-	-
Fair value hedge derivatives	-	(12)	(12)	(3)	(40)	(44)
Net investment hedge derivatives – assets	-	-	-	-	(13)	(13)
Net investment hedge derivatives – liabilities	-	-	-	-	-	-
Net investment hedge derivatives	-	-	-	-	(13)	(13)
Net asset hedging derivative instruments – assets	-	-	-	-	-	-
Net asset hedging derivative instruments – liabilities	0	-	0	-	-	-
Net asset hedging derivative instruments	0	-	0	-	-	-
FINANCIAL DEBT AFTER HEDGING	1,121	6,422	7,543	1,100	8,737	9,837
Cash and cash equivalents	(923)	-	(923)	(1,935)	-	(1,935)
NET FINANCIAL DEBT EXCLUDING LEASE DEBT	198	6,422	6,620	(835)	8,737	7,902
Lease Debt	-	-	-	88	433	522
NET FINANCIAL DEBT	198	6,422	6,620	(747)	9,171	8,424

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Change in Net Debt

(€ millions)	30/06/2019	30/06/2020
Operating profit	2,375	978
Depreciation and amortisation	226	350
Net change in impairment of goodwill, PPE and intangible assets	69	1,007
Net change in provisions	7	97
Retreatment of contributions to pension plans acquired from Allied Domecq and others	3	
Changes in fair value on commercial derivatives and biological assets	(7)	(3)
Net (gain)/loss on disposal of assets	0	(27)
Share-based payments	40	23
Self-financing capacity before interest and tax ⁽¹⁾	2,714	2,423
Decrease / (increase) in working capital requirements	(181)	(433)
Net interest and tax payments	(829)	(809)
Net acquisitions of non financial assets and others	(338)	(352)
Free Cash Flow ⁽²⁾	1,366	830
<i>of which recurring Free Cash Flow ⁽³⁾</i>	<i>1,477</i>	<i>1,003</i>
Net acquisitions of financial assets and activities, contributions to pension plans acquired from Allied Domecq and others	(181)	(587)
Dividends paid	(645)	(849)
(Acquisition) / Disposal of treasury shares and others	(121)	(526)
Decrease / (increase) in net debt (before currency translation adjustments)	420	(1,132)
IFRS 15 opening adjustment	16	
Foreign currency translation adjustment	(94)	(69)
Non cash impact on lease liabilities ⁽⁴⁾		(603)
Decrease / (increase) in net debt (after currency translation adjustments and IFRS 16 non cash impacts) ⁽⁵⁾	342	(1,804)
Initial net debt	(6,962)	(6,620)
Final net debt	(6,620)	(8,424)

Note: IFRS16 impacts are: (1) +108M€ / (2) +98M€ / (3) +86M€ / (4) -603M€ / (5) -497M€

Net Debt Maturity at 30 June 2020

€ billions



Strong liquidity position at c. €5.3bn as of 30th June 2020, of which €3.4bn credit lines undrawn

Gross debt after hedging at 30 June 2020

- 14% floating rate and 86% fixed rate

- 52% in EUR and 49% in USD

FY20 Full-year Sales and Results
Press release - Paris, 2 September 2020

Bond details

Currency	Par value	Coupon	Issue date	Maturity date
EUR	€ 650 m	2.125%	29/09/2014	27/09/2024
	€ 500 m	1.875%	28/09/2015	28/09/2023
	€ 600 m	1.500%	17/05/2016	18/05/2026
	€ 1,500 m o/w:			
	€ 500 m	0.000%	24/10/2019	24/10/2023
	€ 500 m	0.500%		24/10/2027
	€ 500 m	0.875%		24/10/2031
	€ 1,500 m o/w:			
	€ 750 m	1.125%	01/04/2020	07/04/2025
	€ 750 m	1.750%		08/04/2030
€ 500 m o/w:				
€ 250 m	1.125%	27/04/2020	07/04/2025	
€ 250 m	1.750%		08/04/2030	
USD	\$ 500 m	5.750%	07/04/2011	07/04/2021
	\$ 1,500 m	4.450%	25/10/2011	15/01/2022
	\$ 1,650 m o/w:			
	\$ 800 m at 10.5 years	4.250%	12/01/2012	15/07/2022
	\$ 850 m at 30 years	5.500%		15/01/2042
	\$ 201 m	Libor 6m + spread	26/01/2016	26/01/2021
\$ 600 m	3.250%	08/06/2016	08/06/2026	

Net Debt / EBITDA ratio evolution

	Closing rate	Average rate ⁽¹⁾
EUR/USD rate Jun FY19 -> Jun FY20	1.14 -> 1.12	1.14 -> 1.11
Ratio at 30/06/2019	2.3	2.3
EBITDA & cash generation excl. Group structure effect ⁽²⁾ and forex impacts	0.6	0.6
Group structure ⁽²⁾ and forex impacts	0.3	0.3
Ratio at 30/06/2020	3.2	3.2⁽³⁾

(1) Last-twelve-month rate

(2) Including IFRS16 impact

(3) Syndicated credit leverage ratio restated from IFRS16 is 3.1

FY20 Full-year Sales and Results
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Diluted EPS calculation

(x 1,000)	FY19	FY20
Number of shares in issue at end of period	265,422	265,422
Weighted average number of shares in issue (pro rata temporis)	265,422	265,422
Weighted average number of treasury shares (pro rata temporis)	(1,248)	(2,564)
Dilutive impact of stock options and performance shares	1,246	1,179
Number of shares used in diluted EPS calculation	265,420	264,037

(€ millions and €/share)	FY19	FY20	reported △
Group share of net profit from recurring operations	1,654	1,439	-13.0%
Diluted net earnings per share from recurring operations	6.23	5.45	-12.5%

Note: 3.5m shares cancelled in July 2020 pursuant to share buy-back

Upcoming Communications

Date ¹	Event
22 October 2020	Q1 FY21 Sales
27 November 2020	Annual General Meeting
11 February 2021	H1 FY21 Sales and Results

¹ The above dates are indicative and are liable to change