



Pernod Ricard Asia
Créateurs de convivialité

Asia Conference

Philippe Guettat
Chairman & CEO



May 31st, 2016



Philippe Guettat, a Masters graduate of Ecole des Hautes Etudes Commerciales (HEC), joined Pernod Ricard in 1991 and built his career in Asia.

1991 Export Area Manager (Cognac Renault Bisquit)

1992 Marketing Manager (Pernod Ricard Singapore)

1994 Regional Marketing Director (Pernod Ricard Far East Ltd.)

1997 Managing Director (Pernod Ricard Hong Kong)

1999 Marketing & International Director (SA Pernod)

2002 Managing Director (Pernod Ricard China)

2009 Chairman & CEO (The Absolut Company)

2012 Chairman & CEO (Martell Mumm Perrier-Jouët)

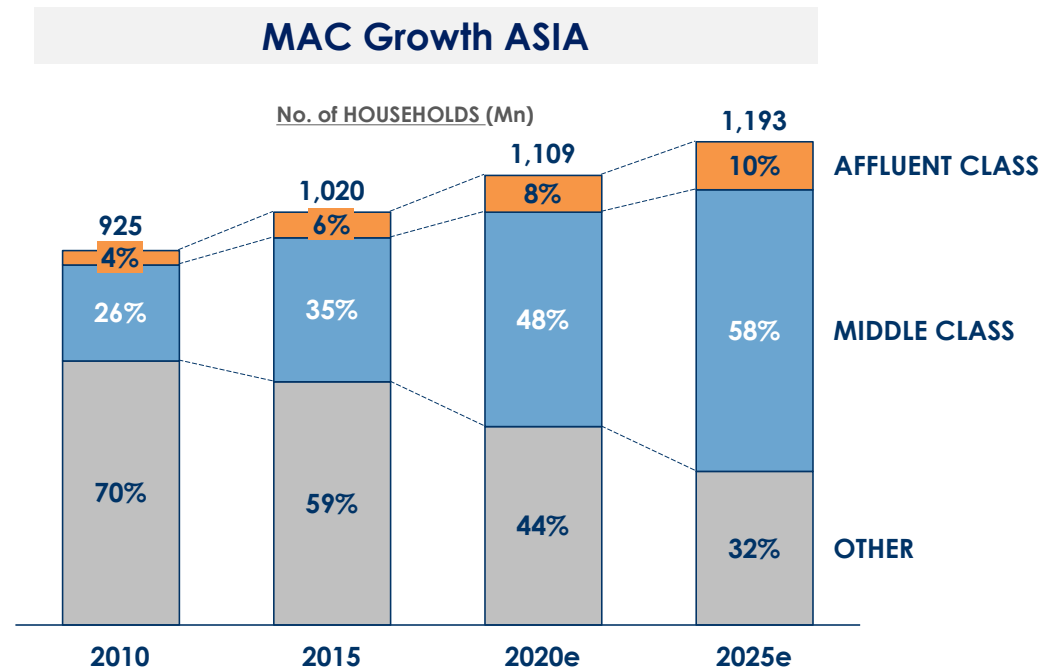
2015 Chairman & CEO (Pernod Ricard Asia)

Pernod Ricard Asia : A strong growth driver for the Group

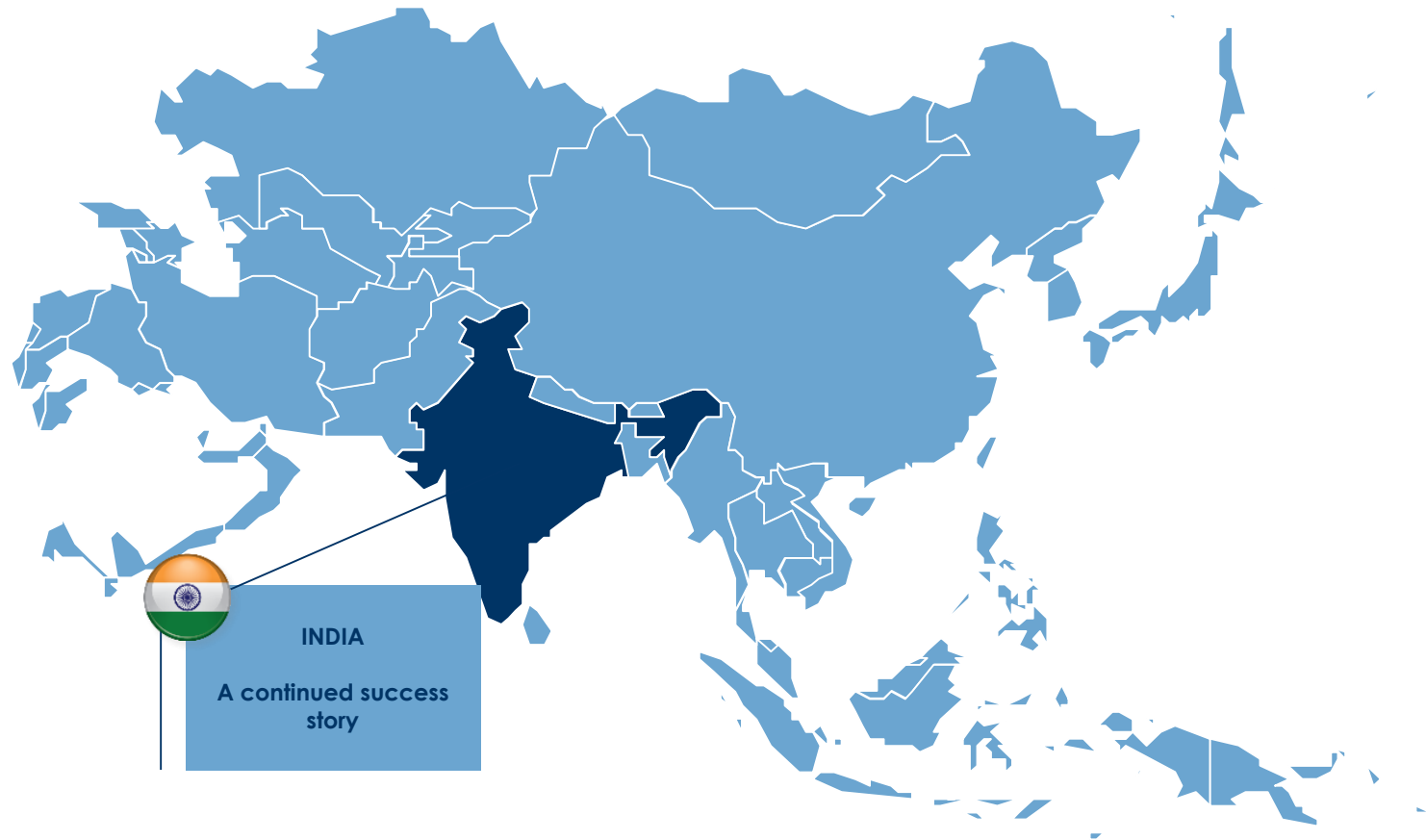


Pernod Ricard Asia

- ▶ Asia represents c. 1/3 of Pernod Ricard Sales
- ▶ Key to continued future success is seizing the middle-class opportunity while continuing to build our business with the Affluent Asian consumers and HNWIs



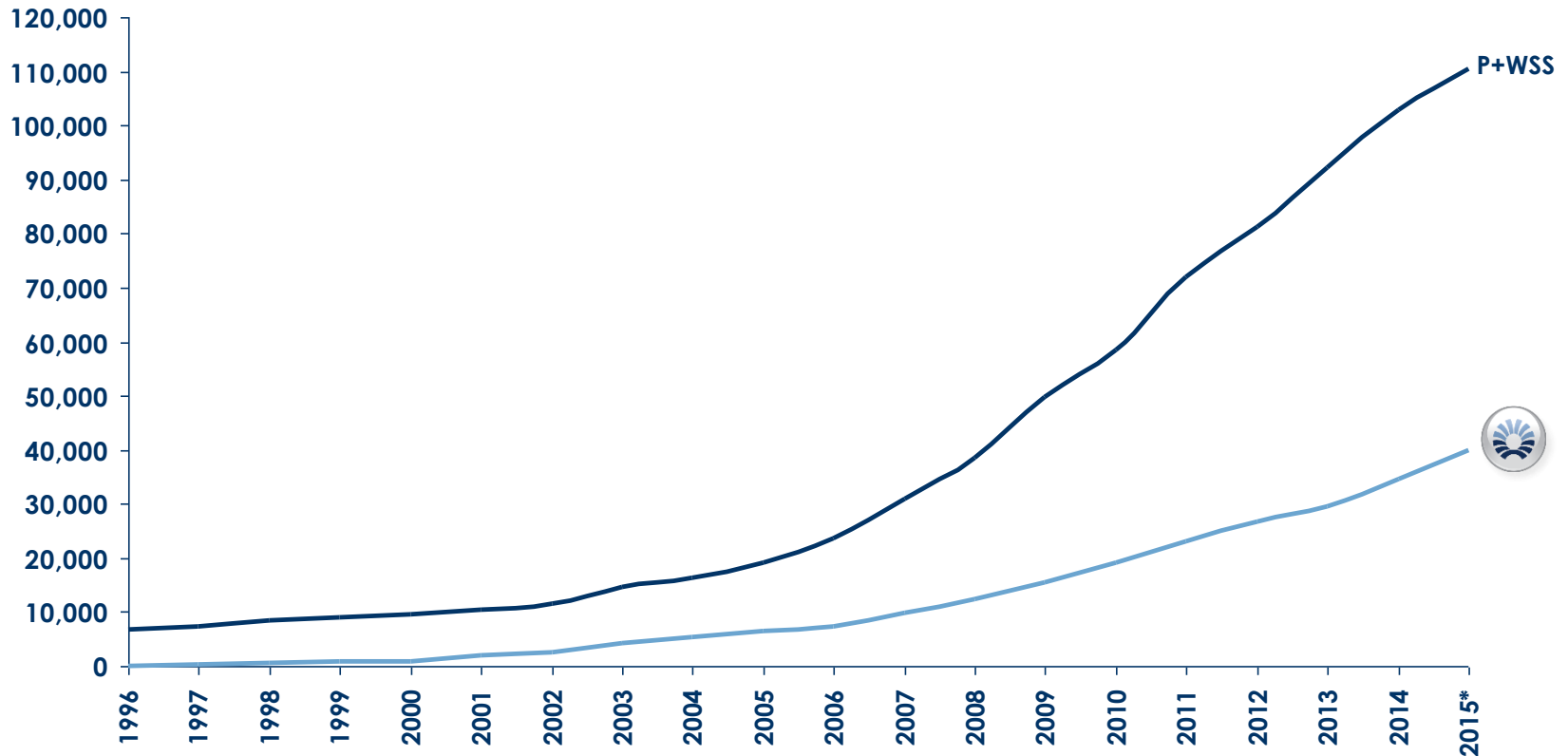
INDIA: A continued success story



INDIA: Success built over 20 years



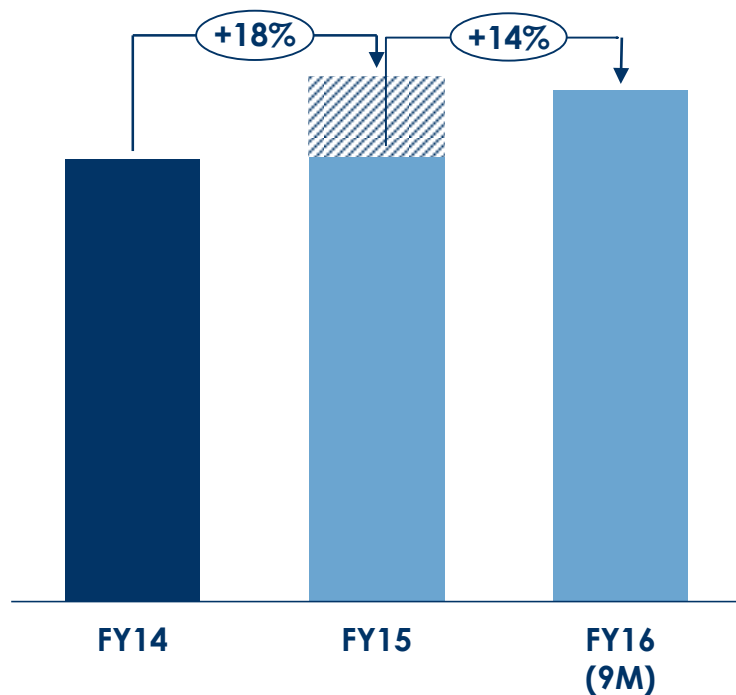
PREMIUM+ WESTERN STYLE SPIRITS '000 9L Cs



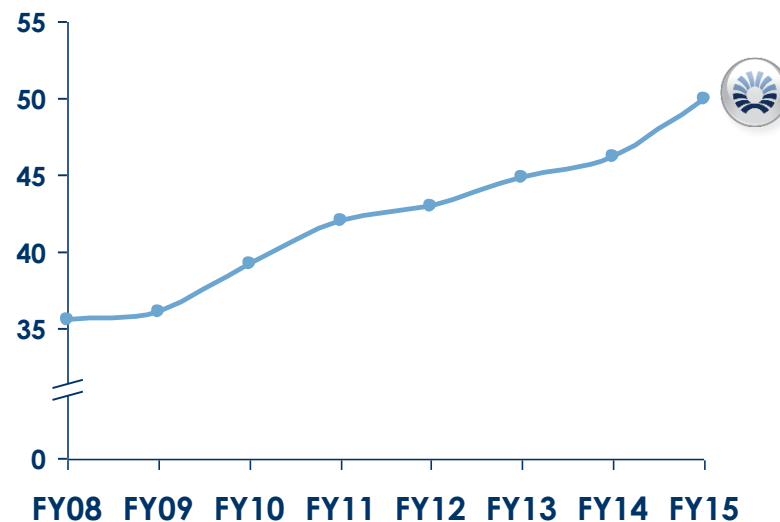
- ▶ Continued market share gains and top-line double digit growth due to a powerful local and international portfolio



PERNOD RICARD INDIA TOTAL VALUE SALES



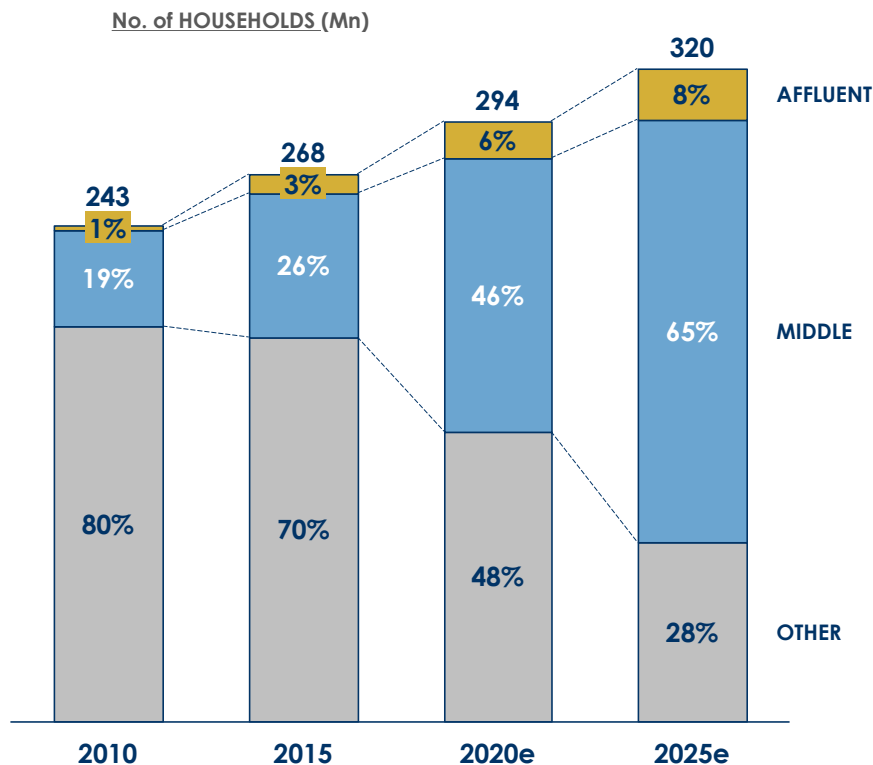
PERNOD RICARD INDIA P+WSS Value Share (%)*



INDIA: Strong potential for premiumisation



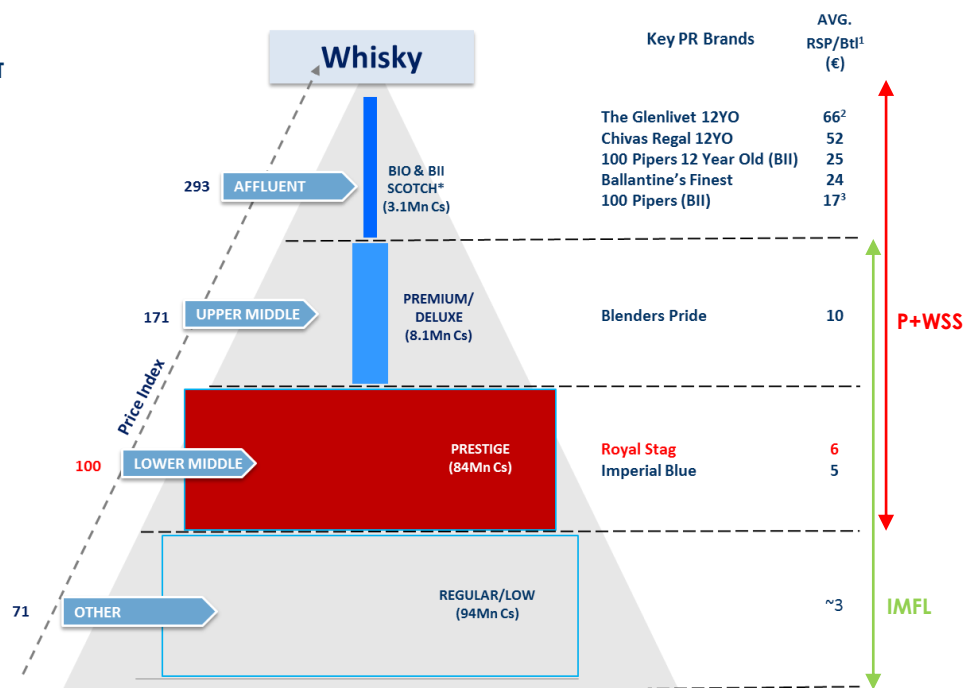
Growing number of MAC households



IHS Global Insight MAR 2016 (2005 USD Constant FX)
MAC: : Millions household income PPP, Affluents > \$80k USD, Middle Class: \$20k-80k, USD
Others: <\$20k



Continue to recruit from Regular/Low



Source: IWSR VOL.
NB: BII = Bottled in India, BIO = Bottled in Origin,
IMFL = Indian Made Foreign Liquor
* Including US, Canadian & Irish Whiskies

¹Delhi Domestic market at LE16 Fx (1 € = 72.121 INR)
²RSP for TGL 12
³RSP for 100 Piper Bottled in India pack

INDIA: Strengthening Leadership in Premium+ Indian Whiskies



17M Cs

#1

100



5M Cs

#1

170



VOL 2015*

16M Cs

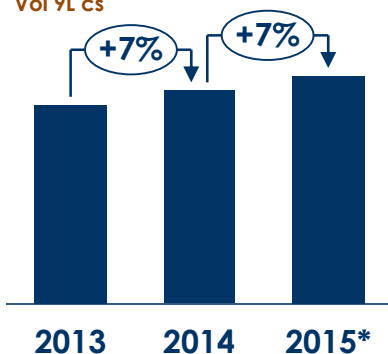
RANK

#2

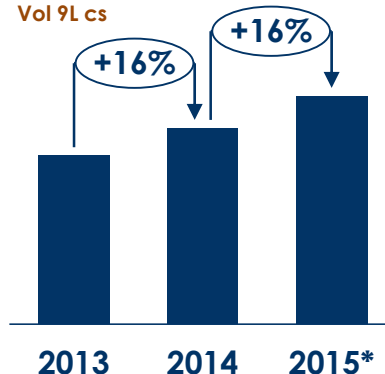
\$ INDEX

75

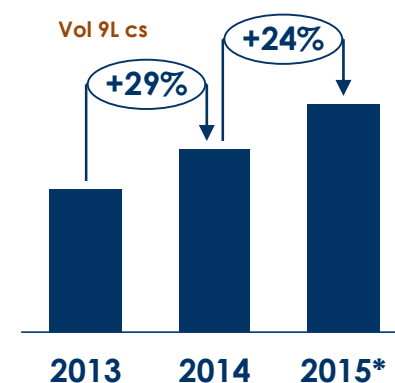
Vol 9L cs



Vol 9L cs



Vol 9L cs



INDIA: Focus on Driving Awareness and Recruitment of Affluent Consumers

✓ Strong sustained double digit performance on international brands



+14%*



Ballantine's

+42%*



 **CHIVAS**

+12%*



THE GLENLIVET

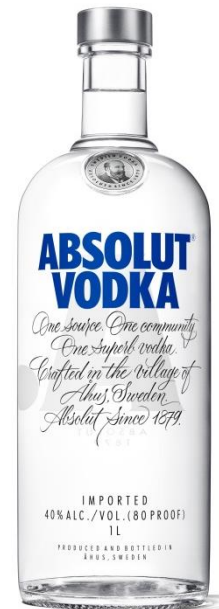


+9%*



ABSOLUT.

+33%*



INDIA: Success Supported by Key Enablers

✓ Driven by Commercial Excellence & focus at the Last 3 Feet



Winner of India 2014 Popai Retail Awards



Royal Stag local store branded visibility, owning street and the store environment



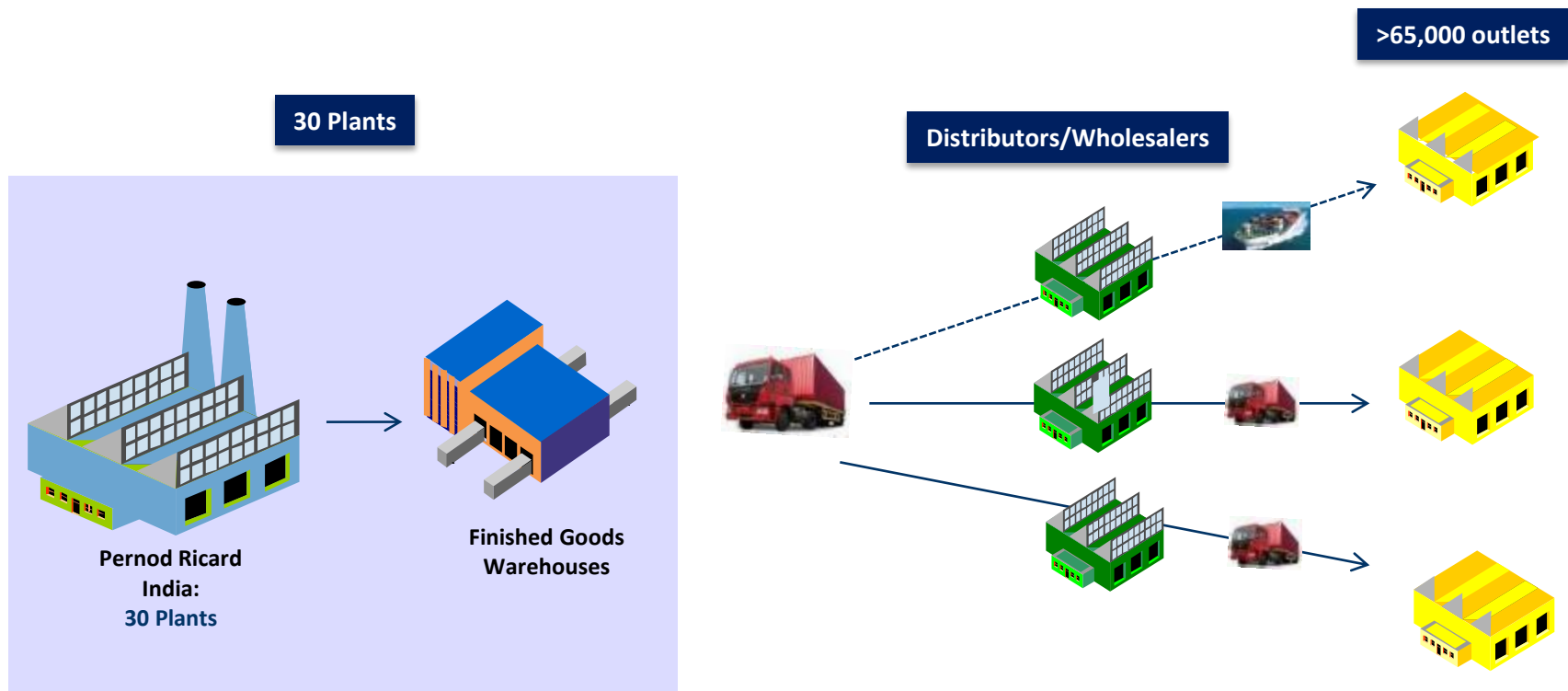
Blenders Pride shop signage & in-store display driving premiumisation



Imperial Blue street and retail visibility drives brand stand-out

INDIA: Success Supported by Key Enablers

✓ Operational efficiency in a complex operational environment



Winner of Frost &
Sullivan's Sustainability
Award 2016



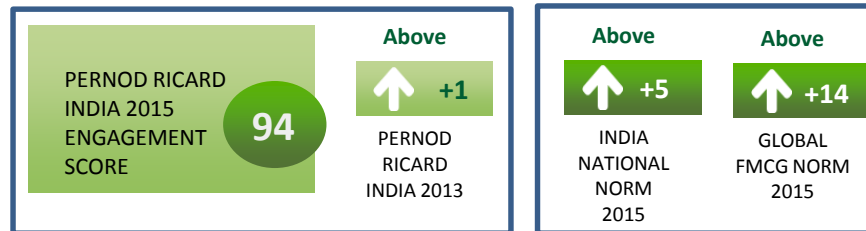
Nashik manufacturing site



Rocky manufacturing site

✓ Marketing, Manufacturing, Logistics and Procurement expertise

EMPLOYEE ENGAGEMENT SCORE¹



Marketing Conference Jan 16



Annual Rewards & Recognition Program 2015



Leadership Intervention Program
at Management Development Institute

INDIA: Working with the community



Skill India Project providing training to unemployed youth



Clean Water Project providing sanitation in village schools



Eye and Health Camps for Truck Drivers India



Charitable Dispensary

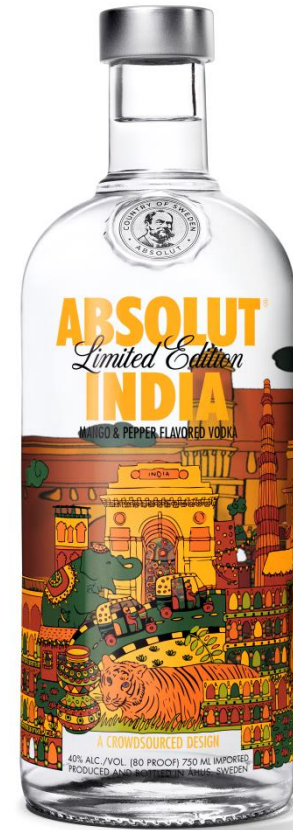


Partnership with Gurgaon Traffic Police on Road Safety

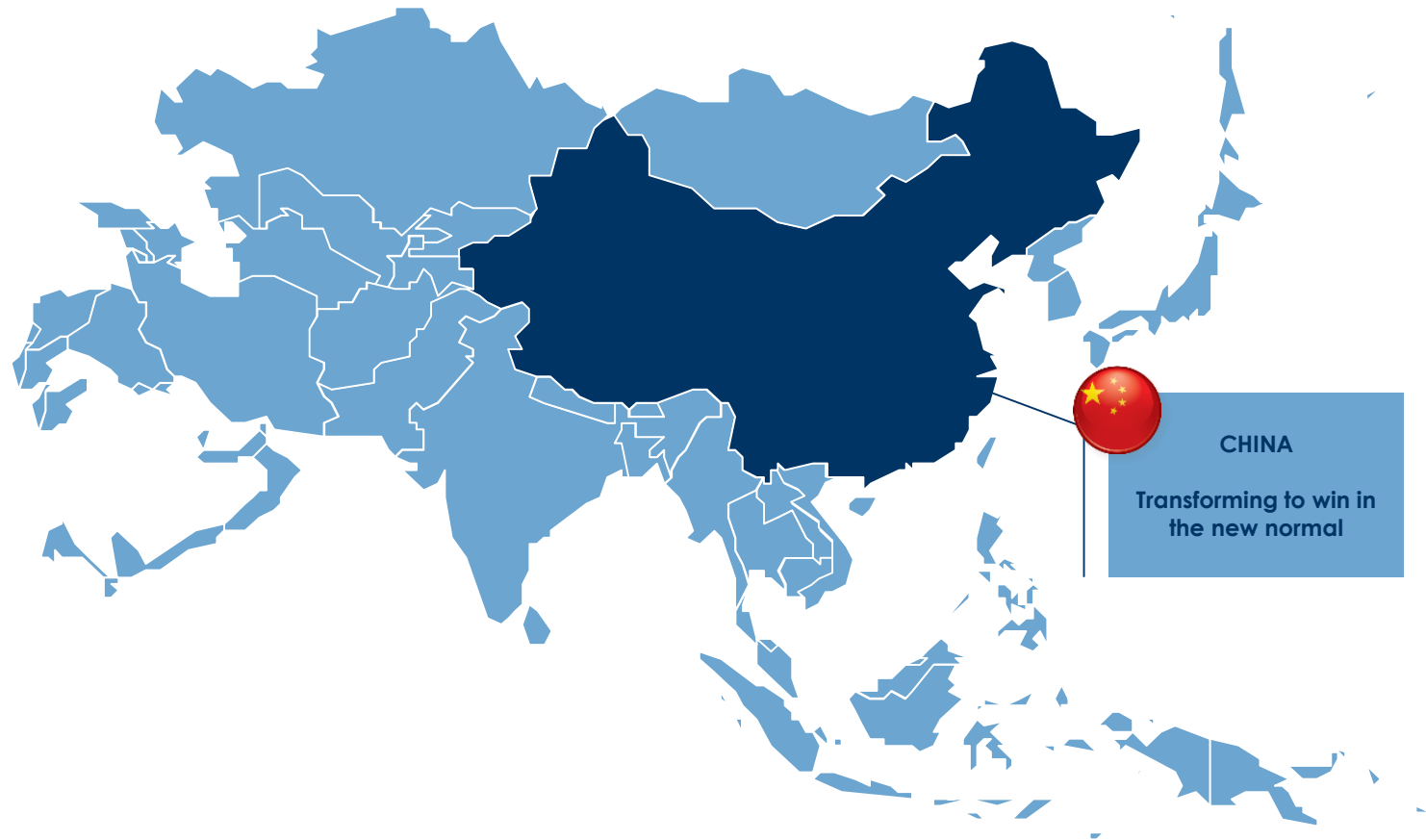


Responsible Drinking Training to Young Adults

INDIA: Locally relevant successful innovation



CHINA: Transforming to win in the new normal

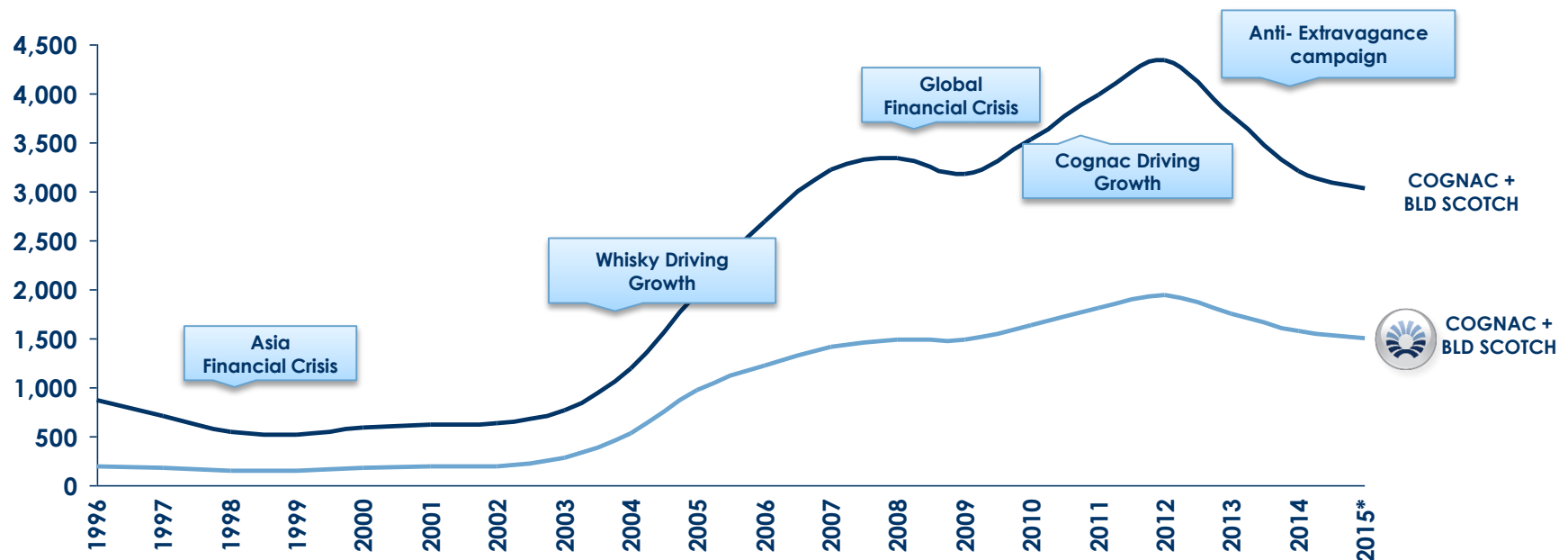


CHINA: Pernod Ricard has been the key driver of the long-term growth story of International Spirits

- ▶ Difficult past 3 years because of anti-extravagance and prestige market slow-down
- ▶ Intact ambition mid-term



COGNAC & BLD SCOTCH WHISKY '000 9L CS

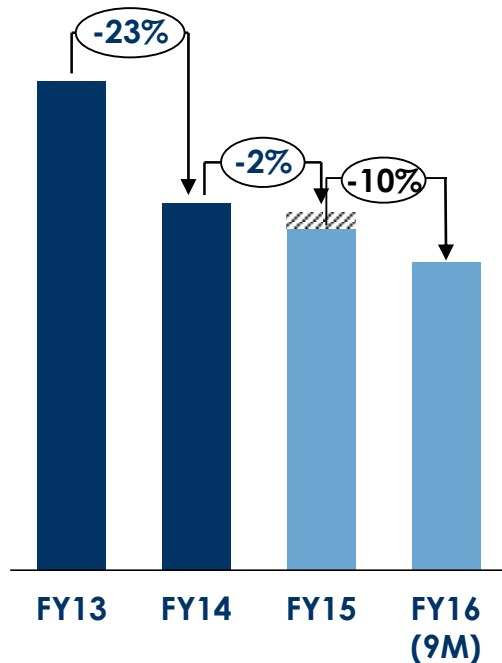


CHINA: Business transforming to win in new normal

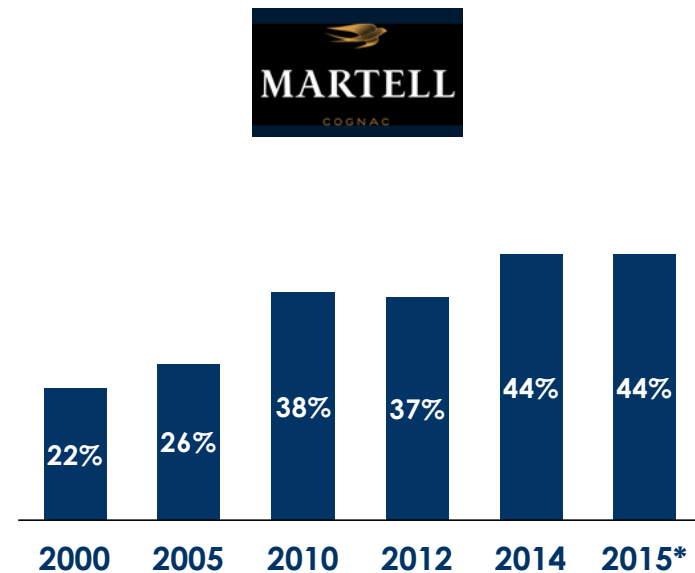
- ▶ China Sales still in decline FY16
- ▶ Martell resilient but Scotch still in double-digit decline
- ▶ Price/mix improving



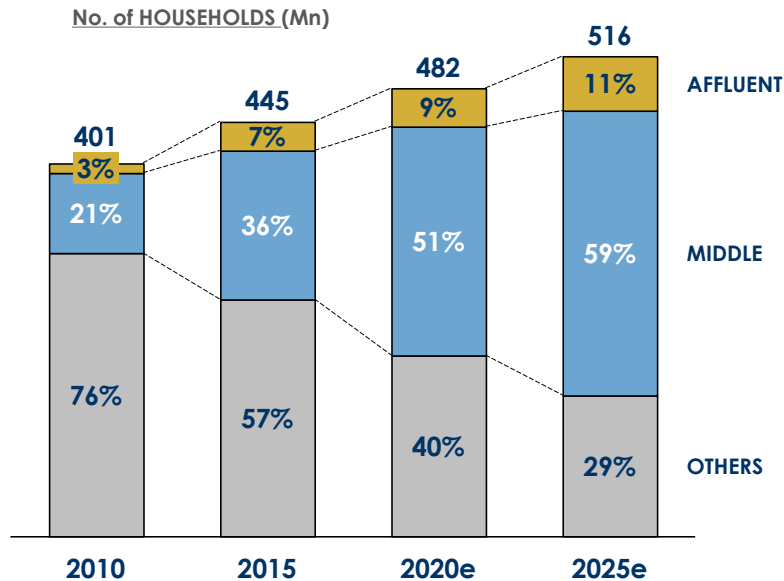
PERNOD RICARD CHINA
TOTAL VALUE SALES



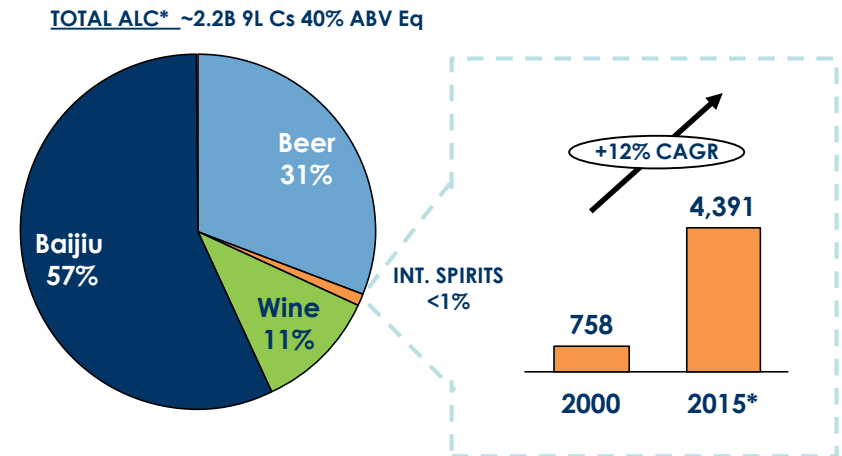
COGNAC VOL. MARKET SHARE*



► Double digit MACs growth forecast



► Low International Spirits penetration



IHS Global Insight 2015 (2005 USD Constant FX)
 MAC: : Millions household income PPP, Affluents > \$80k USD, Middle Class: \$20k-80k, USD
 Others: <\$20k

*IWSR

► Digital Explosion



► Accessible portfolio



► New Drinking styles



PAST



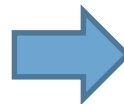
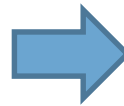
Bottle Service



Hosted/Business Entertainment



Luxury Night Contracted Bar



NEW NORMAL



Bar Service & Cocktails



Social lighter drinkers



Small Speak Easy Bars

CHINA: In the New Normal Pernod Ricard will have a new business model

	PAST	NEW NORMAL
RSP	HIGH	ACCESSIBLE
Pricing model	CONTRACTED	FLEXIBLE
Wholesaler / external RTM	DEEP	SHALLOW
Service Model	HIGH-VALUE HIGHER COST	LOWER VALUE LOWER COST
Activation	HEAVY INVESTMENT (CUSTOMISED)	LIGHTER INVESTMENT (TURN-KEY)

CHINA: Further development of middle-class portfolio



Pernod Ricard Asia

HNWI & AFFLUENT CLASS PORTFOLIO



INT. SPIRITS DRINKERS

MIDDLE CLASS PORTFOLIO



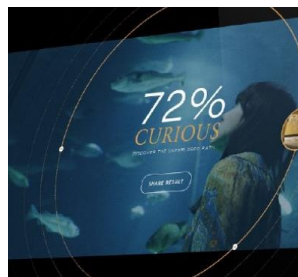
INT. SPIRITS DRINKERS

X 4

CHINA: Significant initiatives driving core business



✓ RECRUIT



Win the night with Martell Noblige 'party to impress' experiences

✓ ADVOCATE



Build Martell Noblige 'party' community to drive CRM and advocacy

✓ RETAIN



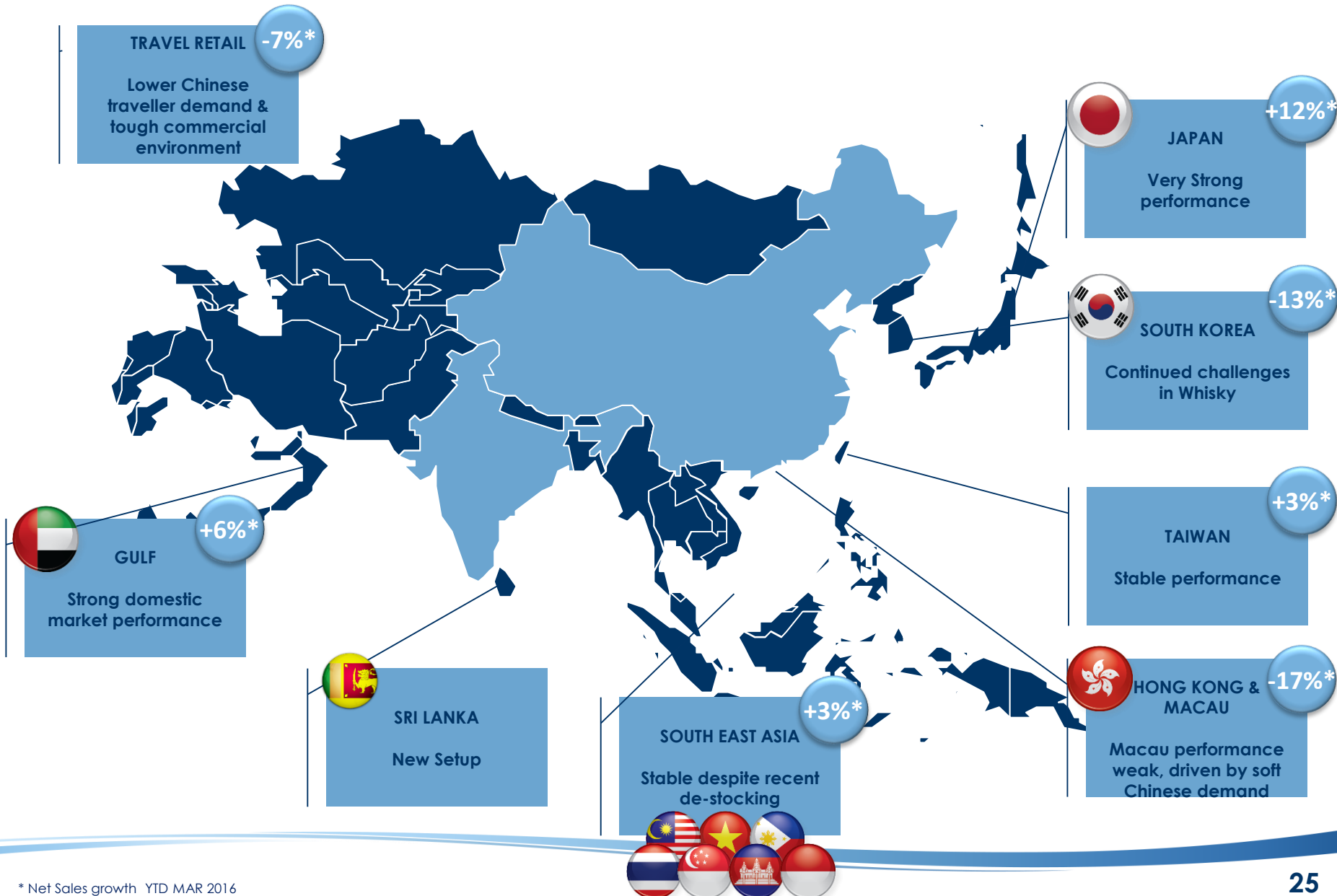
On-trade amplification with bar parties & activations and drink rituals

CHINA: Accelerating premium brands for middle-class

✓ Supported by Strong Digital Programs

 	 	 	 	 
<p>Martell Distinction integrated digital Communication & Activation</p>	<p>Chivas 12 Communication & Activation</p>	<p>Ballantine's Finest Music Festival & On-Trade Night Activation</p>	<p>Absolut education, 'Absolut Nights' Activation, CRM & Community</p>	<p>Novak Made By & Our Table Tennis Carnival Digiwine CRM Community</p>

Ecommerce : + 33% YTD*



REST OF ASIA: Japan continues strong growth & success Pernod Ricard Asia



✓ Building leading luxury brands with Experiences and Innovation



+10%*



+12%*



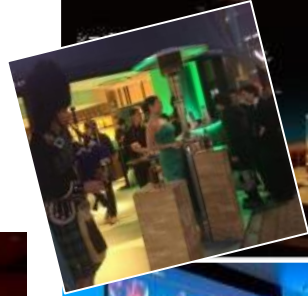
+6%*



+12%*



Perrier Jouët Belle Époque Edition
Automne Launch & L'Eden Tokyo
Oct 2015 & Mar 2016



Chivas & Chivas Mizunara
activation



Ballantine's Finest & Aged
Range activation & Gifting



Jameson on-trade local
activation

REST OF ASIA: Strong locally relevant innovation driving future growth



Chivas Blue Signature Launch Oct 2015
Vietnam Exclusive



Chivas Icon Launch May, Oct & Nov 2015
Gulf, China & Hong Kong



Kahlua Matcha Launch Japan Exclusive
Mar 2016 Japan



Imperial Neon Launch Oct 2015
Korea Exclusive



Travel Retail
Exclusive

Global and local leverage of Martell 300 year milestone



Pernod Ricard Asia



Versailles, France



HK Airport
Travel Retail



Taipei,
Taiwan



Kuala Lumpur,
Malaysia



Shanghai, China

REST OF ASIA: Extensive local community efforts



Safe Roads for Youth Program -Vietnam



No Underage Drinking Campaign -China



'No Ikki' Drinking -Japan



Bottled Hope Campaign Brightbox Distribution to Underprivileged in East Malaysia

- ▶ Long-term track record of success in Asia
- ▶ Continued success of India
- ▶ China transforming to win in New Normal
- ▶ Renewed confidence in medium-term

REMEMBER – Responsib'All Day June 2nd

✓ Global day of community action by all employees

