



Pernod Ricard Asia

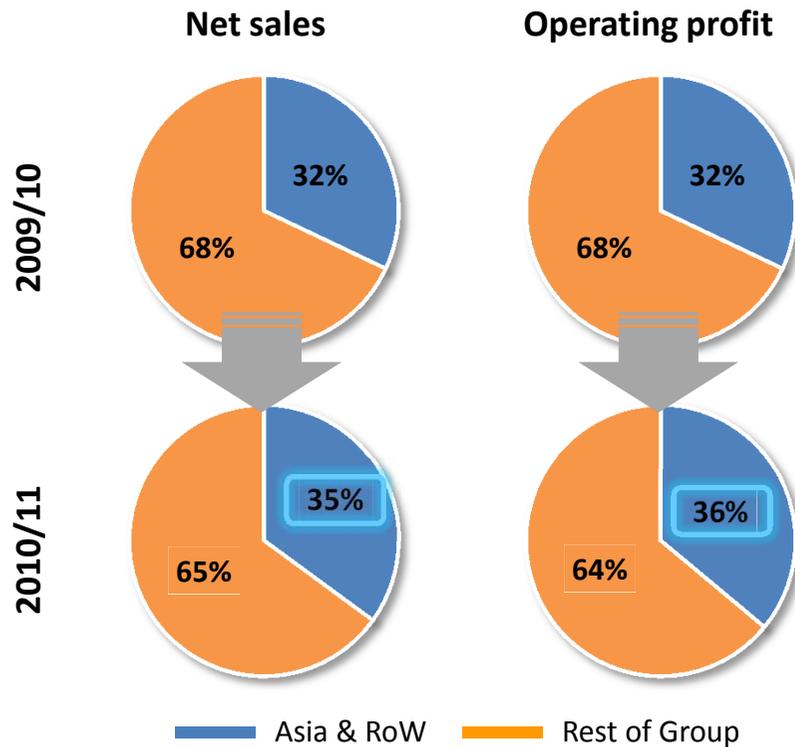
ASIA CONFERENCE



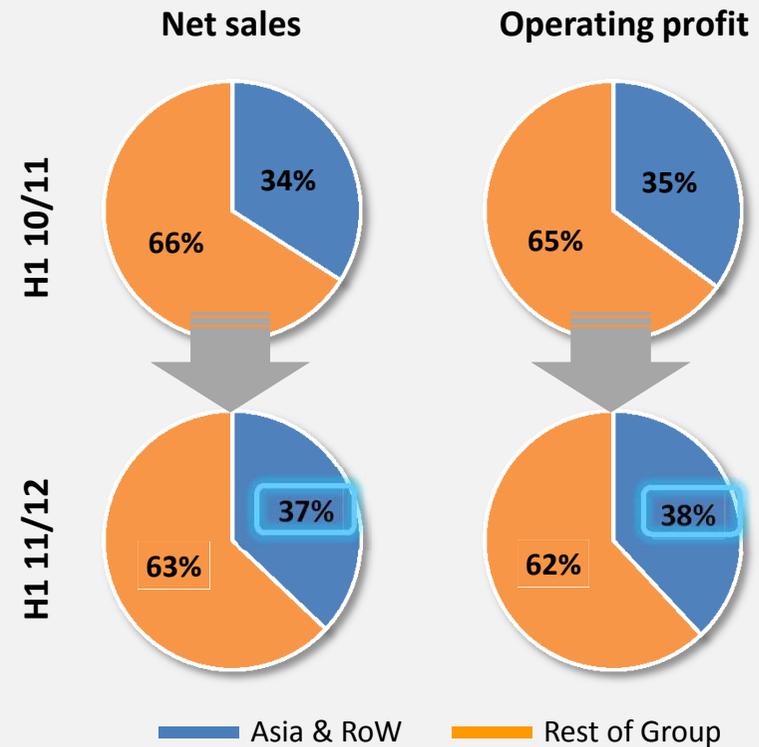
March 20<sup>th</sup>, 2012

# Asia reinforces its status of leading Region

## Permanent increase of Asia & RoW share in Pernod Ricard



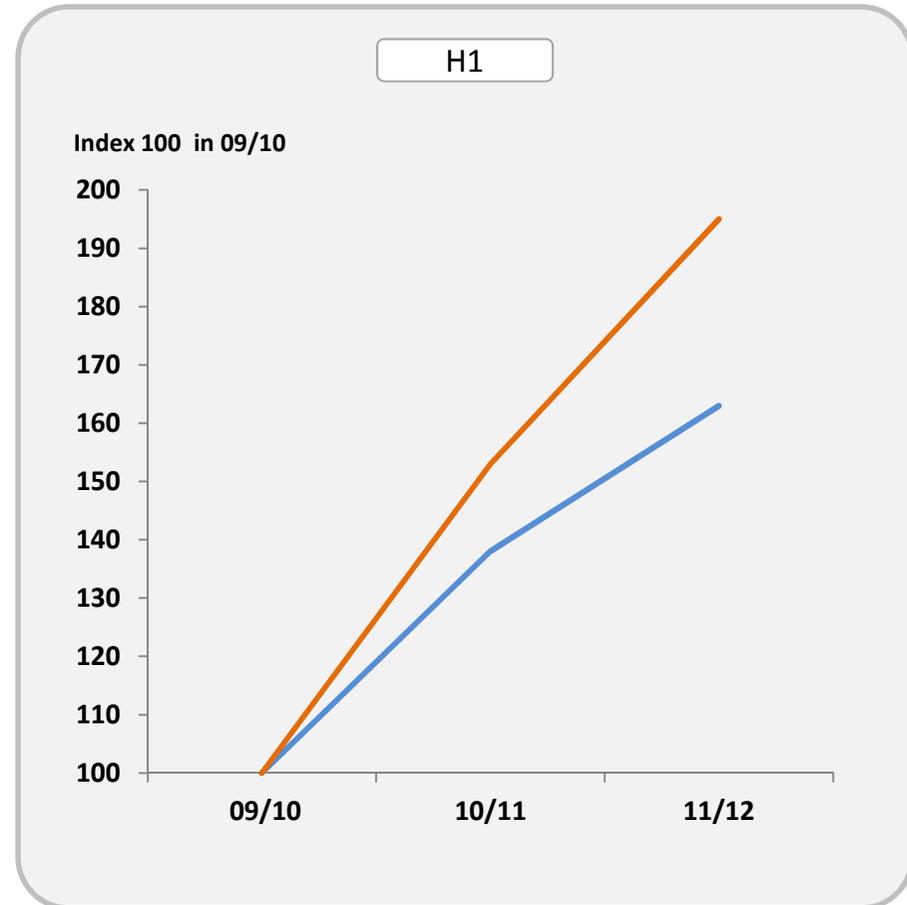
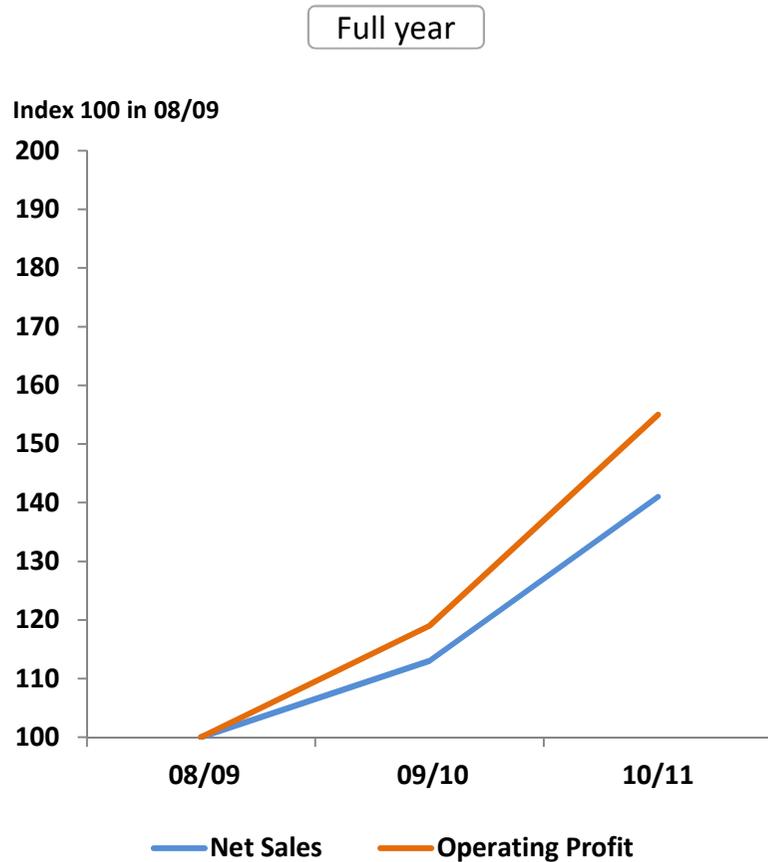
Asia represented 80% of sales within Asia & RoW in 10/11



Asia represented 81% of sales within Asia & RoW in H1 11/12

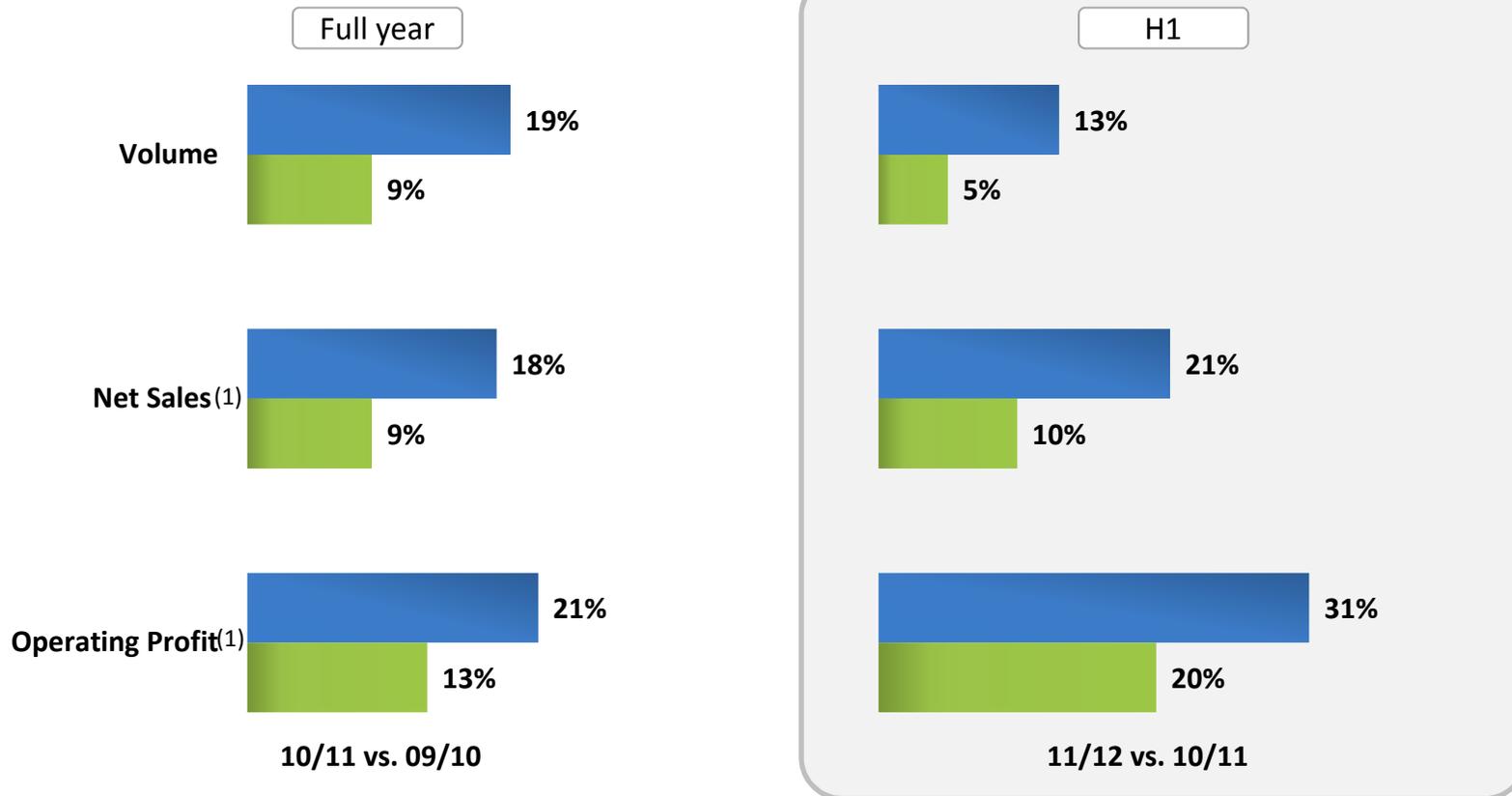
# Pernod Ricard enjoys strong momentum in Asia

Double-digit growth in net sales & operating profit



# At a much faster pace than its main international competitor

## Widening the gap



(1) Organic growth

■ Pernod Ricard\*

■ International Competitor 1\*\*

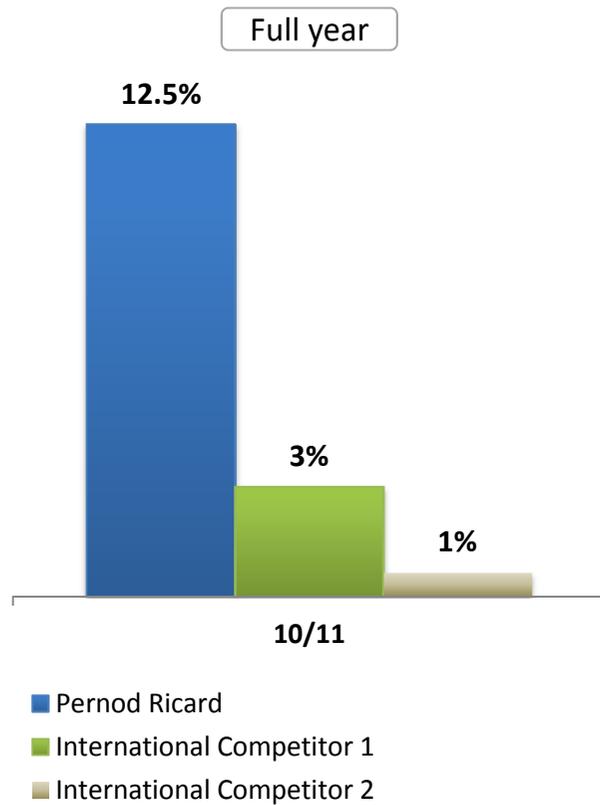
Source: \* Pernod Ricard Asia figures only

\*\* International Competitor 1 Asia Pacific reported figures

# Thus reinforcing its global leadership in Asia

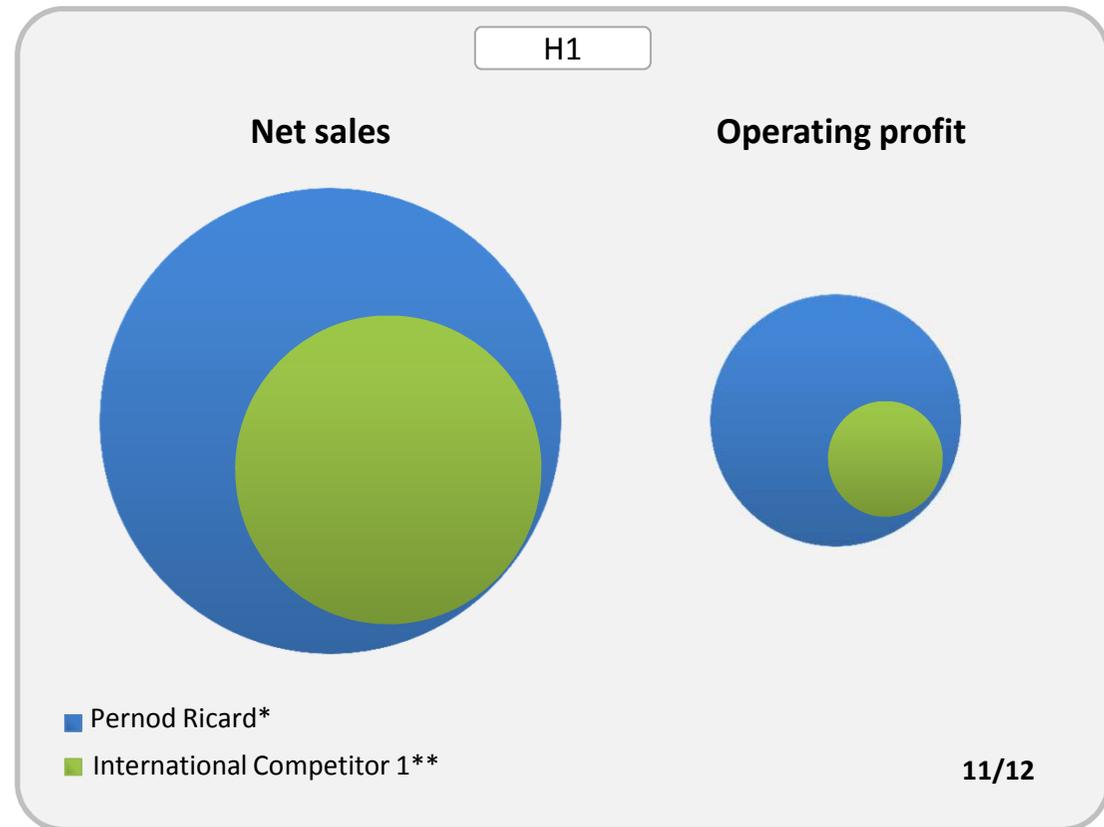
## Volume market share

Western Style Spirits



Source: Pernod Ricard Market Estimate, Dec 2011  
Pernod Ricard Asia perimeter

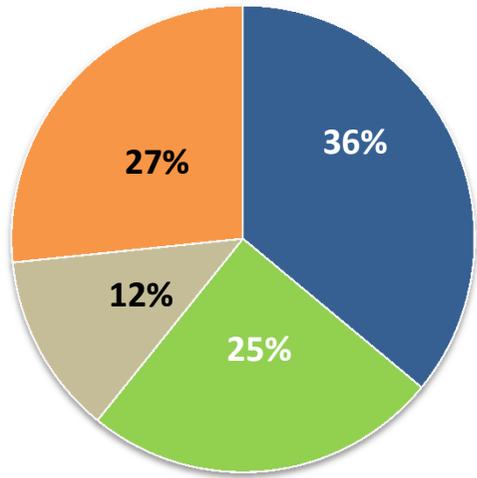
## Relative size



Source: \* Pernod Ricard Asia figures only  
\*\* International Competitor 1, Asia Pacific reported figures

# Pernod Ricard expanding its dominance in its core business

## Volume market share Super Premium+ \*



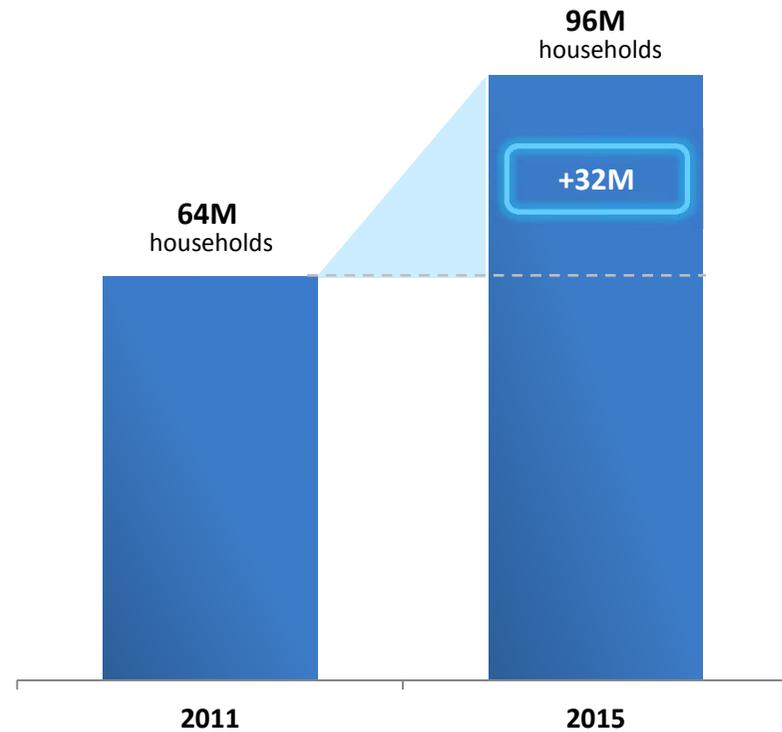
10/11

- Pernod Ricard
- International Competitor 1
- International Competitor 2
- Others

Source: Pernod Ricard Market Estimate, Dec 2011  
Pernod Ricard Asia perimeter

\* Super Premium+ > \$26

## Affluents in Asia \*\*



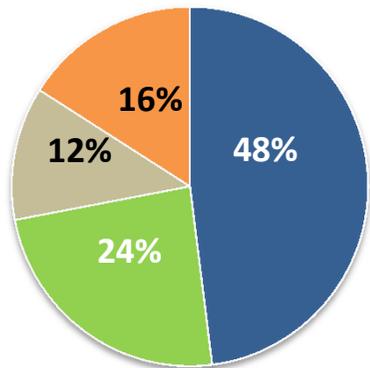
Source: International Handling Systems (IHS) Global Insight 2011

\*\* Affluents : household income PPP > \$80K

# First and foremost in China

## CHINA – 2<sup>nd</sup> largest Pernod Ricard Market Market Position: No.1

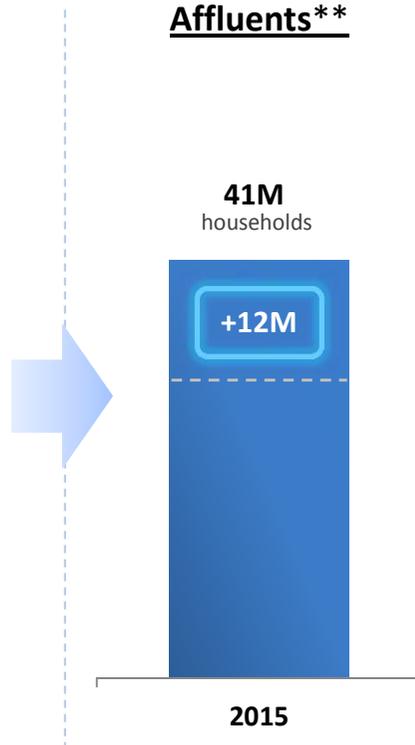
**Volume market share  
Super Premium\*\***



10/11

- Pernod Ricard
- International Competitor 1
- International Competitor 2
- Others

**Affluents\*\***

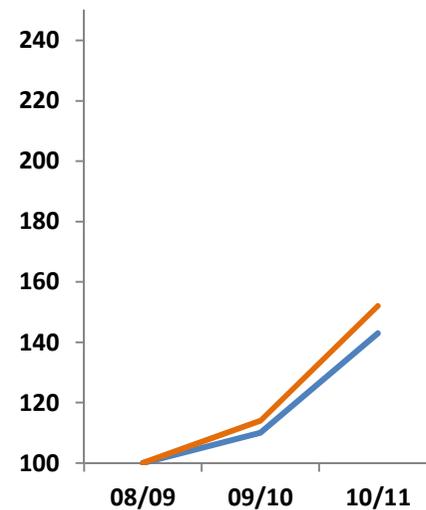


**Net sales & operating profit**

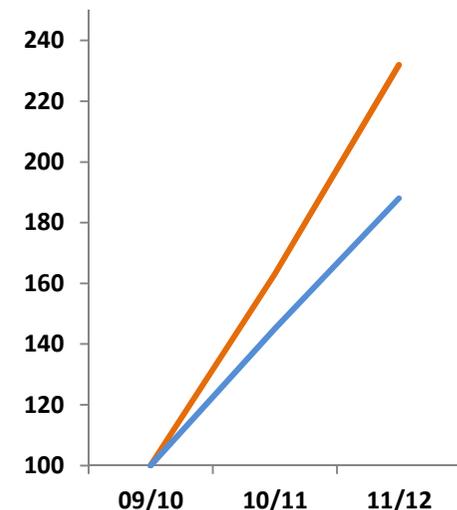
Full year

H1

Index 100 in 08/09



Index 100 in 09/10



— Net Sales — Operating Profit

Source: Pernod Ricard Market Estimate, Dec 2011

\* Super Premium\* > \$26

Source: IHS Global Insight 2011

\*\* Affluents : household income PPP > \$80K

## China key milestones

**Martell - 1 million cases (MAT end of January)  
1st imported spirit brand to cross this mark**



**MARTELL NOBLIGE** new “Signs of Elegance” TV commercial positions Martell Noblige as a New Elegance icon.



**MARTELL CORDON BLEU** – Icon of Martell celebrating its 100<sup>th</sup> anniversary with this centenary Limited Edition.



Introducing the new **Martell Chanteloup Perspective** in Beijing Water Cube - the new Extra cognac in the Ultra Prestige segment.

# China key milestones

## Strong brand activation programmes



Royal Salute new “Today’s King” TV commercial burst in key Cities aiming at increasing the brand awareness.



Chivas “Craft of Chivalry” Finale campaign connects 8 Cities in China via high-tech satellite live concert broadcast reaching over 130,000 live viewers.



Ballantine’s “The Omega Mission Hills World Cup” sponsorship in Haikuo. Celebrating the winning team with a rare bottle of Ballantine’s 30 Year Old.



Jacob’s Creek 1837, The Solway – Introduction of this China-exclusive fine wine - a 2004 Cabernet Merlot at a Beijing launch.

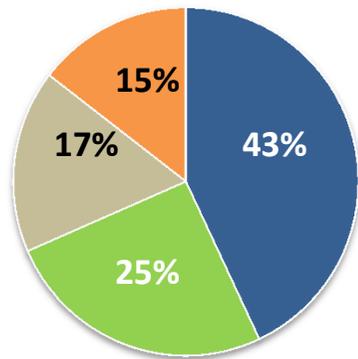


Pernod Ricard Asia

# But also in Vietnam

## VIETNAM – Fastest growing Pernod Ricard Market in Asia Market Position: No.1

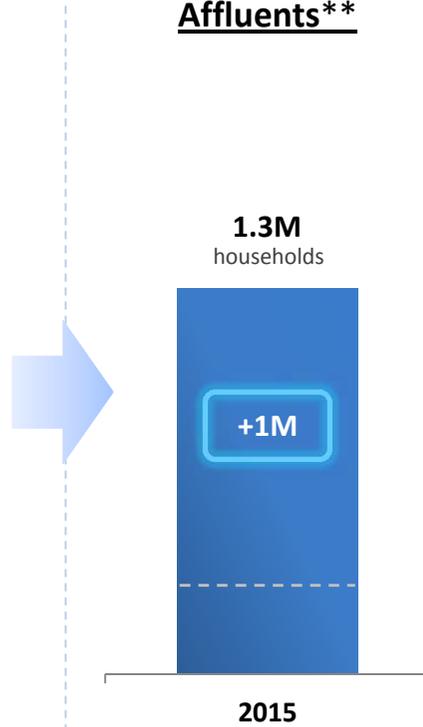
**Volume market share  
Super Premium\*\***



10/11

- Pernod Ricard
- International Competitor 1
- International Competitor 2
- Others

**Affluents\*\***

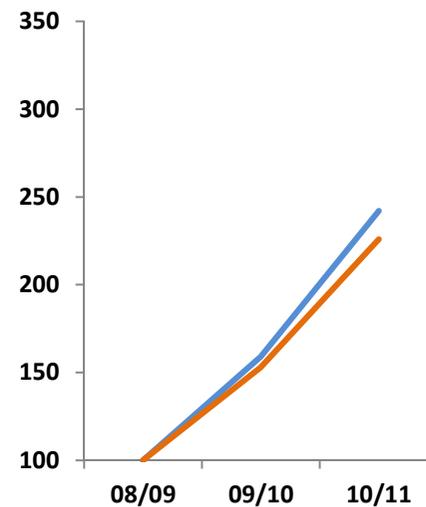


**Net sales & operating profit**

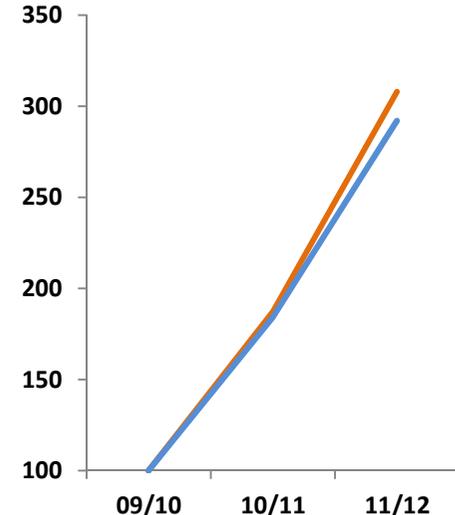
Full year

H1

Index 100 in 08/09



Index 100 in 09/10



— Net Sales — Operating Profit

Source: Pernod Ricard Market Estimate, Dec 2011

\* Super Premium\* > \$26

Source: IHS Global Insight 2011

\*\* Affluents : household income PPP > \$80K

# Vietnam key milestones

## Iconic events



Chivas 25 – Appreciation dinner events for VIPs.

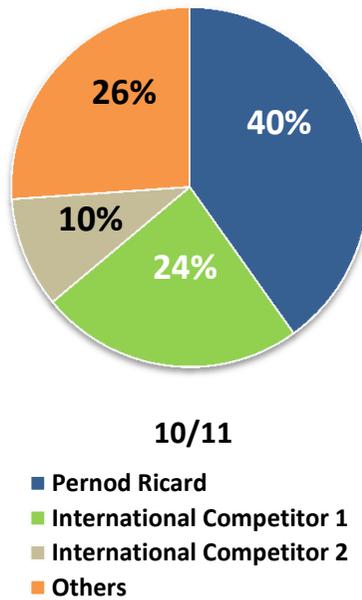


Royal Salute “Mark of Respect” - Honouring the achievement of respectful businessmen in Vietnam.

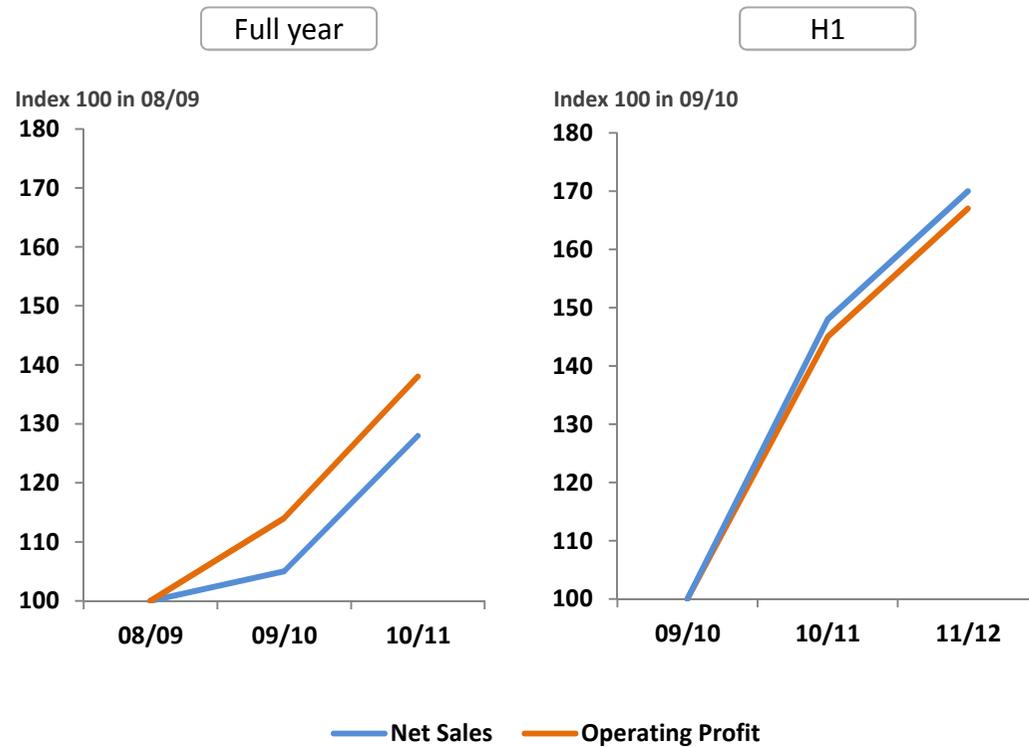
# And in Asia Duty Free

## ASIA DUTY FREE – The showcase opportunity Market Position: No.1

**Volume market share  
Super Premium\*\***



**Net sales & operating profit**



Source: Pernod Ricard Market Estimate, Dec 2011  
Pernod Ricard Asia Duty Free perimeter

\* Super Premium\* > \$26

# Duty Free key milestones

## Step up in “outstanding activities”



**Chivas Le Baron** – Eye-catching displays of this limited edition featuring “the Art of Hosting” philosophy of enjoying Chivas with style at home.



**Absolut Elyx** – Launch of the **new** handcrafted **super premium vodka from Absolut**. Mix it Bar – DFS Singapore.



**Royal Salute** - Partnership with Delhi Duty Free to create the first-ever exclusive lounge featuring **Royal Salute 62 Gun Salute**.

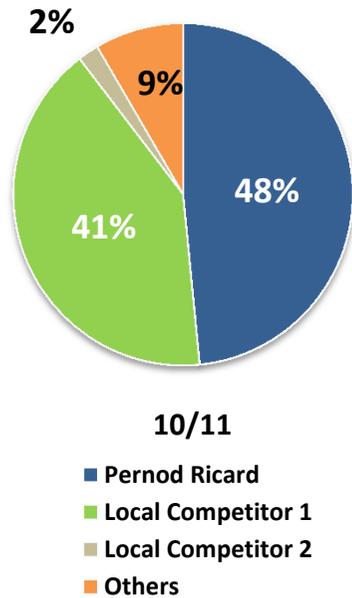


**The Glenlivet Master Distiller's Reserve** - Duty Free new and **exclusive** single malt whisky.

# Pernod Ricard expanding its dominance in Premium Indian Whiskies

## INDIA – 5<sup>th</sup> largest Pernod Ricard Market Market Position: No.1

**Volume market share  
Premium Indian Whiskies\***



**Upper middle class\*\***

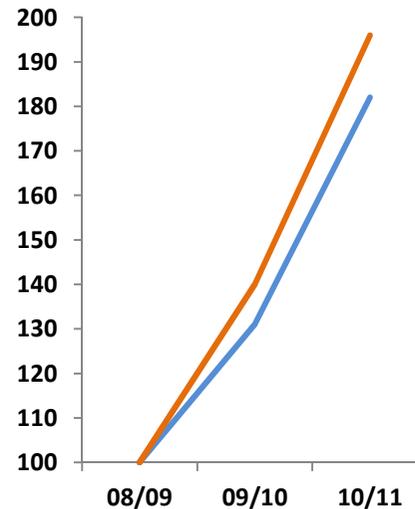


**Net sales & operating profit**

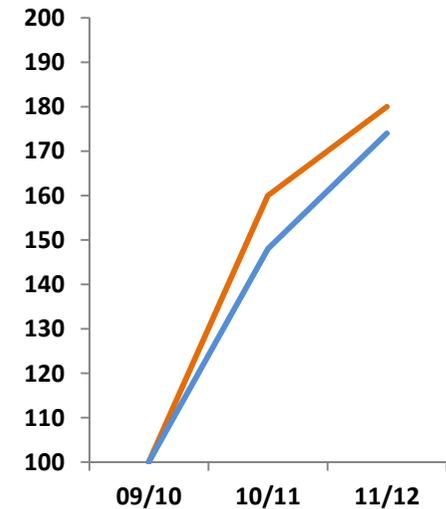
Full year

H1

Index 100 in 08/09



Index 100 in 09/10



— Net Sales — Operating Profit

Source: Pernod Ricard Market Estimate, Dec 2011

\* Premium India Whiskies > \$7

Source: IHS Global Insight 2011

\*\* Upper middle class : household income PPP \$40-80K

# India key milestones

## Premiumisation via innovation



**Royal Stag Barrel Select** - Initial launch in December in 3 key Markets, extends to 15 Markets in April. Royal Stag Barrel Select sets new benchmarks in terms of quality of blend and premiumness of packaging in Indian whiskies.



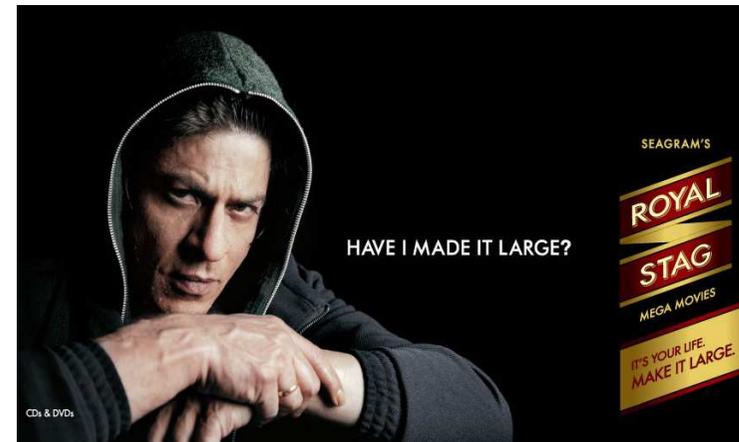
**Blenders Pride Reserve Collection** - Initial launch in December in North India, Maharashtra and Andhra Pradesh, extends to 21 Markets in April. It is **the most expensive Indian whisky** cementing Blenders Pride as the most premium destination in Indian whiskies.

# India key milestones

## “Top of the art” advertising campaigns



**Imperial Blue** – The smart sense of humor “Men will be men” TV campaign is the winner of **Top 10 TV Campaigns** for year 2011 in India.



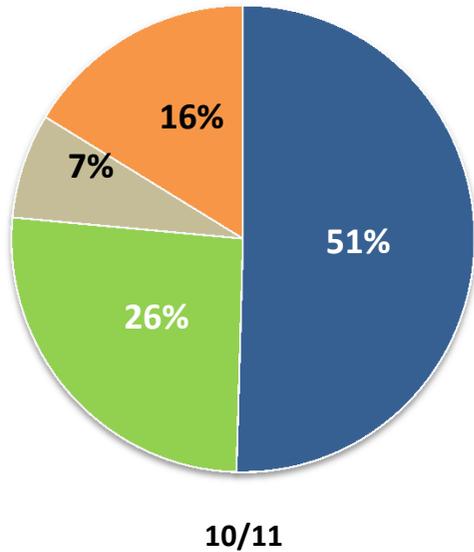
**Royal Stag** – “Make it Large” thematic campaign featuring the biggest Bollywood star - “Shahrukh Khan” as the brand ambassador.



**Blenders Pride** “Blenders Pride fashion tour 2011” Facebook campaign featuring celebrity “Priyanka Chopra”, recruiting more than 135,000 new fans in 4 weeks’ time.

# Pernod Ricard making inroads in Luxury

## Volume market share Prestige<sup>+</sup>\*\*



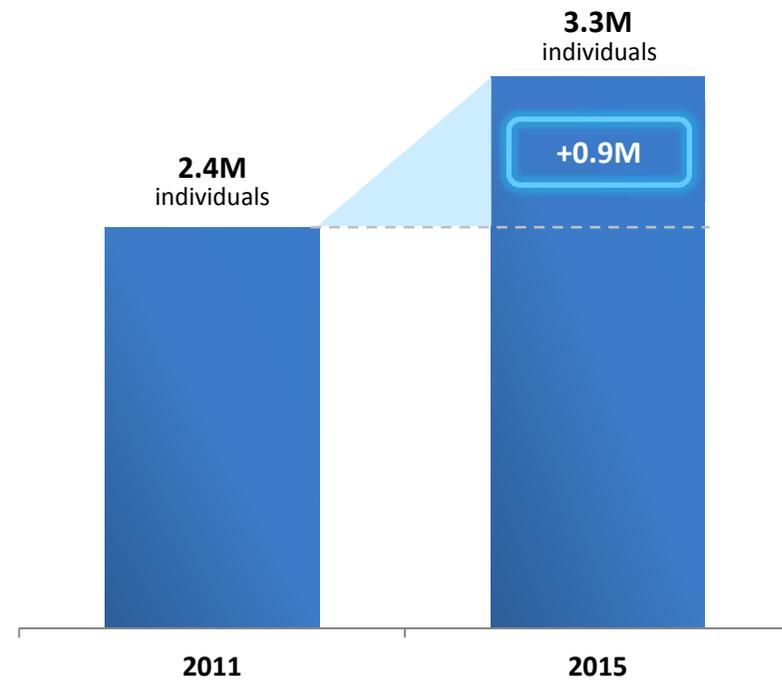
- Pernod Ricard
- International Competitor 1
- International Competitor 2
- Others

Source: Pernod Ricard Market Estimate, Dec 2011  
Pernod Ricard Asia perimeter

\* Prestige<sup>+</sup> total includes Prestige Whiskies/Cognac/Champagne and above

\* Prestige<sup>+</sup> > \$84

## HNWI in Asia<sup>\*\*</sup>



Source: Euromonitor

\*\* HNWI : individuals aged 15+ with annual gross income PPP > \$500k

# In Greater China in particular

## Set up of a luxury pole



- **VIP managers organisation**
- **VIP membership club**
- **Shop in shop**
- **Experience centers**



| <b>Luxury portfolio</b> |               |
|-------------------------|---------------|
| <b>China</b>            | <b>+150 %</b> |
| <b>Taiwan</b>           | <b>+44 %</b>  |
| <b>Hong Kong</b>        | <b>+35 %</b>  |

# Key milestones in Greater China

## Luxury portfolio



L'OR de Jean Martell new gift box “The Dome by Eric Gizard”, reflecting the ultimate luxurious image of this Ultra Prestige cognac by the House of Martell.



Royal Salute Diamond Jubilee - Limited Edition celebrating Queen Elizabeth II's 60<sup>th</sup> anniversary of her reign.



Yao Ming Wines - China NBA star, Yao Ming chooses Pernod Ricard China as its sole and exclusive distributor for the launch of his top-end California wines in his home country.



Hainan Rendez Vous - Perrier-Jouët Belle Époque takes part in this billionaire gathering event held annually in Hainan, reaching more than 2,500 super rich Chinese.

# In Japan as well

## Implementation of an exclusive route to market/consumers

- Dedicated luxury team in Tokyo and Osaka (12 people)
- Brand experience lounge@Beige in Ginza



Net sales + 13%



Celebration of the 200th anniversary of Perrier-Jouët Belle Époque in Tokyo.



Perrier-Jouët Belle Époque Brand experience lounge@Beige, on the roof top bar of the Chanel building in Ginza.



The first Perrier-Jouët Belle Époque bottle redesign - Perrier-Jouët Ikebana.

# Pernod Ricard getting ready for new opportunities

## Investigating new emerging Markets

### Start initial A&P investment



Chivas out-of-home display in Phnom Penh.



Grand Royal Regency - Strong Pernod Ricard brands merchandising in the newly opened most premium and largest KTV in Ulan Bator.

### Set up Pernod Ricard presence



# Pernod Ricard getting ready for new opportunities

## Modern On-Trade (MOT) Penetration – ABSOLUT driven

### KOREA



High brand visibility display in Korean MOT.

↑ + 49%

### THAILAND



ABSOLUT Bar@INFINITI, the newest MOT outlet in Chiangmai.

↑ + 44%

### INDIA



Customized brand visibility in trendy outlets.

↑ + 73%

↑ Absolut Net Sales Organic Growth 10/11 vs. 09/10

# Pernod Ricard getting ready for new opportunities

## Tapping into the meal occasion

### Vietnam



**Jameson** – Tapping into the Vietnamese local restaurants targeting middle class.

### Japan



**Chivas 18** - New frozen Chivas cocktail with fresh ginger (**Chivas X**) promotion in over 2,000 Japanese and Western style restaurants.

### Japan



**Café de Paris** - Unique **online digital community** featuring food pairing recipes driving double-digit growth.

# Conclusion

A clear strategy in support of Pernod Ricard's sustainable leadership

**Expanding dominance in core business**

(Super Premium+ for Affluents & Indian whiskies)

**Deliver superior profitable growth**

**Making inroads into luxury**

(Prestige+ for HNWI)

**Seize a major profit opportunity**

**Getting ready for new opportunities**

(New emerging Markets, MOT & meal occasions)

**Future business opportunities to arise**



Pernod Ricard Asia

THANK YOU

