



1st quarter 2009/10 net sales: € 1,646 million

- **Organic decline of 4%⁽¹⁾**
- **Sales in line with our expectations with a positive price/mix effect**

Press release - Paris, 22 October 2009

Pernod Ricard's **consolidated net sales** (excluding tax and duties) totalled € **1,646 million** for the 1st quarter 2009/10 (from 1 July to 30 September 2009), featuring:

- An **organic decline** of 4%, in line with our expectations,
- A 1% negative foreign exchange effect,
- A 1% negative group structure effect, primarily relating to the € 30 million contribution of Vin&Sprit sales and net of disposals (including Stolichnaya and Wild Turkey) of € 50 million.

The **Spirits** business proved resilient with an organic decline of 2%, whereas **Wine and Champagne** sales decreased by 13%.

The **15 strategic brands** recorded a **5% organic decline in value**, along with a **9% drop in volume**, showing good resilience with a positive price/mix effect.

Within this context:

- the most dynamic brands in value were Martell (+13%), which once again posted a remarkable performance, Havana Club (+6%), Jameson (+2%) and Ricard (+2%).
- ABSOLUT (-7%) suffered from a particularly high comparison base, the previous distributors having recorded significant sales prior to transfer of distribution to Pernod Ricard on 1 October 2008. However, in the US, there was a trend towards improved consumer offtake.
- Chivas Regal (-7%) was faced by both an unfavourable technical effect (transfer of distribution from Kirin to Pernod Ricard Japan) and difficulties in Duty Free and in Russia. The brand held up well in Western Europe and grew in South America.
- Ballantine's (-15%) declined in Asia and Eastern Europe but maintained its position in Western Europe.
- the decline in Jacob's Creek (-7%) was the result of a value strategy (price promotions not repeated). The contribution of the brand is growing⁽¹⁾.
- Mumm (-18%) and Perrier-Jouët (-38%) were adversely affected in an environment that remained difficult for champagne.

The portfolio of 30 local brands confirmed its satisfactory performance at a time of economic crisis with volumes up 1% and sales growth of 2%⁽¹⁾ over the quarter. Indian whiskies continued their very strong volume growth with Royal Stag (+33%) and Blender's Pride (+19%). Imperial in South Korea and 100 Pipers in Thailand again returned to growth over this quarter.

Premium brands demonstrated their good resilience: they represent 70% of sales, the same percentage as that of the 1st quarter 2008/09.



Review by region

Emerging markets were the major growth drivers in the 1st quarter (+6%⁽¹⁾). Asia/Rest of World, driven by China and India, enhanced its share of net sales.

◆ **Asia / Rest of World: € 514 million (organic growth of 3%)**

Emerging Asian markets reported strong organic growth of 16%, in particular India (+26%), China (+19%) and Vietnam (+21%). South Korea and Thailand grew over the quarter. Duty Free Asia recovered (depletions: +7%) but shipments were still down significantly.

◆ **Americas: € 456 million (organic decline of 2%)**

- North America: In the United States, depletions were up for the first time since summer 2008. Shipments were down compared to the 1st quarter 2008/09 taking account of the timing of distributors' orders for Christmas and New Year. A number of marketing initiatives are in progress to support the brands. Canada declined whereas Mexico had modest growth.
- Central and South America: strategic brands achieved strong growth. Scotch brands (Something Special, 100 Pipers, Passport) reported good performances, especially in Venezuela.

◆ **Europe: € 520 million (organic decline of 11%)**

Europe remains the region most affected by the crisis.

- Central and Eastern Europe: Russia and Poland reported significant declines on very unfavourable comparatives.
- Western Europe: the situation remained difficult in most markets. However, Sweden, Greece and Portugal are in growth.

◆ **France: € 157 million (organic decline of 3%)**

In an environment that is becoming more difficult, Havana Club, ABSOLUT and Aberlour reported good performances. Ricard and Pastis 51 grew in value over the period and consolidated their market share. The decline in sales was primarily due to Mumm champagne.

To conclude:

- ◆ The 1st quarter 2009/10 proved satisfactory in comparison with a record 1st quarter 2008/09. The 2nd quarter performance will have to be viewed against comparatives which remain high.
- ◆ Sales in 1st quarter 2009/10 reflect:
 - a positive price / mix effect,
 - a European market that remains difficult,
 - but buoyant growth in most emerging markets, in particular in China and India.
- ◆ Early signs of improvement appear in certain markets (consumer offtake in Duty Free, depletions in the US).



Pierre Pringuet, Chief Executive Officer of Pernod Ricard, commenting on the sales stated: “*The performance of this 1st quarter strengthens our confidence for the current financial year and our determination to increase advertising and promotion investment in our strategic brands*”.

Pernod Ricard will communicate its profit guidance for the current financial year at its Annual General Meeting, to be held on Monday 2 November next.

(1) *On a like-for-like basis (organic growth for Vin&Sprit calculated over the 2 months August and September)*

Please visit our website www.pernod-ricard.com to download the slideshow presentation

About Pernod Ricard

Created by the merger of Pernod and Ricard (1975), the Group has undergone sustained development, based on both organic growth and acquisitions. The acquisitions of Seagram (2001), Allied Domecq (2005) and recently of Vin&Sprit (2008) have made the Group the world's co-leader in Wines and Spirits with consolidated sales of € 7,203 million in 2008/09. Pernod Ricard holds one of the most prestigious brand portfolios in the sector: ABSOLUT Premium Vodka, Ricard pastis, Ballantine's, Chivas Regal and The Glenlivet Scotch whiskies, Jameson's Irish Whiskey, Martell cognac, Havana Club rum, Beefeater gin, Kahlúa and Malibu liqueurs, Mumm and Perrier-Jouët champagnes, as well Jacob's Creek and Montana wines.

The Group favours a decentralised organisation, with 6 Brand Owners and 70 Distribution Companies established in each key market, and employs a workforce of around 19,000 people. Pernod Ricard is strongly committed to a sustainable development policy and encourages responsible consumption of its products.

Pernod Ricard is listed on the NYSE Euronext exchange (Ticker: RI ; ISIN code: FR0000120693) and is a member of the CAC 40 index.

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APPENDICES 1ST QUARTER 2009/2010

Analysis of sales by region

€ million	Q1 08/09		Q1 09/10		Variation		Organic Growth		Group Structure		Forex impact	
France	161	9%	157	10%	(4)	-2%	(4)	-3%	0	0%	0	0%
Europe excl. France	630	36%	520	32%	(111)	-18%	(66)	-11%	(18)	-3%	(27)	-4%
Americas	467	27%	456	28%	(11)	-2%	(10)	-2%	(2)	-1%	2	0%
Asia / Rest of the World	498	28%	514	31%	16	3%	15	3%	0	0%	0	0%
World	1 756	100%	1 646	100%	(110)	-6%	(65)	-4%	(20)	-1%	(24)	-1%

Volume and organic growth of strategic brands

	Volumes organic growth	Net Sales organic growth
Absolut (*)	-10%	-7%
Chivas Regal	-17%	-7%
Ballantine's	-13%	-15%
Ricard	-1%	2%
Martell	4%	13%
Malibu	-9%	-9%
Kahlua	-14%	-14%
Jameson	-3%	2%
Beefeater	-7%	-3%
Havana Club	3%	6%
The Glenlivet	-7%	-8%
Jacob's Creek	-13%	-7%
Mumm	-22%	-18%
Perrier Jouet	-35%	-38%
Montana	-15%	-14%
15 Strategic Brands	-9%	-5%

(*) Organic growth on Absolut: from August to September



Analysis of currency effect

Forex impact Q1 2009/2010 (€ million)		Average rates movements			On Net Sales
		A08/09	A09/10	%	
US Dollar	USD	1,50	1,43	-5%	15
Chinese Yuan	CNY	10,29	9,77	-5%	6
British Pound	GBP	0,80	0,87	10%	(9)
Swedish Krona	SEK	9,47	10,41	10%	(3)
Japanese Yen	JPY	161,76	133,85	-17%	3
Mexican Peso	MXN	15,51	18,97	22%	(10)
Argentinian Peso	ARS	4,57	5,48	20%	(3)
Polish Zloty	PLN	3,31	4,20	27%	(6)
Korean Won	KRW	1,60	1,77	11%	(6)
Russian Rouble	RUB	36,48	44,78	23%	(6)
Other currencies					(6)
Total					(24)

Analysis of Group structure effect

Group structure Q1 2009/2010 (€ million)	On Net Sales
V&S acquisition	30
Other (including Wild Turkey, Tia Maria, Stolichnaya...)	(50)
Total Group Structure	(20)