Statutory Auditors' special report on regulated agreements and commitments

SHAREHOLDERS' MEETING HELD TO APPROVE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

To the Shareholders,

As Statutory Auditors of your Company, we hereby present our report on regulated agreements and commitments.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements and commitments brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such commitments and agreements are in the company's interest, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the interest involved in respect of the conclusion of these agreements and commitments for the purpose of approving them.

Our role is also to provide you with the information stipulated in Article R. 225-31 of the French Commercial Code relating to the implementation during the past year of agreements and commitments previously approved by the Shareholders' Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in cross-checking the information provided to us with the relevant source documents.

Agreements and commitments submitted to the approval of the Shareholders' Meeting

Agreements and commitments authorised during the year

We hereby inform you that we have not been advised of any agreement or commitment authorised during the year to be submitted to the approval of the Shareholders' Meeting pursuant to Article L. 225-38 of the French Commercial Code.

Agreements and commitments authorised since the year-end

We have been advised of the following agreements and commitments, authorised since the year-end, that were previously authorised by your Board of Directors.

1. Renewal of commitments authorised for Mr. Alexandre Ricard, Chairman and Chief Executive Officer

On 31 August 2016, the Board of Directors authorised the renewal of the commitments undertaken for Mr. Alexandre Ricard as Chairman and Chief Executive Officer of Pernod Ricard, subject to renewal of his term of office as Executive Corporate Officer, such commitments having been already approved by the Shareholders' Meeting of 6 November 2015:

1. ***A 1-year non-compete clause, together with compensation corresponding to 12 months of remuneration*** (most recent annual fixed and variable remuneration decided by the Board of Directors).

   In accordance with the Afep-Medef Code, a provision authorises the Board of Directors to waive the implementation of this clause upon departure of the Executive Corporate Officer.

2. ***A forced departure clause subject to performance conditions, together with a maximum compensation corresponding to 12 months of remuneration*** (most recent annual fixed and variable remuneration decided by the Board of Directors):

   a. The compensation relating to the forced departure clause would be paid, subject to the satisfaction of performance conditions, in the event of forced departure relating to a change of Group control or strategy. In accordance with the Afep-Medef code, no compensation shall be paid in the event of a departure i) for the non-renewal of a term of office, ii) at the initiative of the executive officer, iii) if he changes functions within the Group or iv) if he can claim his pension in the near future.

   b. The compensation relating to the forced departure clause is subject to the following three performance criteria:

      - Criteria 1: Annual bonus rates achieved over the term of the mandate(s): shall be considered as satisfied if the average amount of bonuses collected over the entire term of the mandate(s) is greater than or equal to 90% of the target variable remuneration;
      - Criteria 2: Growth rate of current operating income over the term of the mandate(s): shall be considered as satisfied if the average growth of annual current operating income compared to the budget of each year over the term of the mandate(s) is greater than 95% (adjusted for foreign exchange and scope impacts);
      - Criteria 3: Average growth rate of revenue over the term of the mandate(s): shall be considered as satisfied if the average growth rate of revenue over the term of the mandate(s) is greater than or equal to 3% (adjusted for foreign exchange and scope impacts).

   c. The amount of compensation likely to be collected under the forced departure clause shall be calculated according to the following scale:

      1) if 3 criteria are satisfied: 12 months of remuneration[1];
      2) if 2 out of 3 criteria are satisfied: 8 months of remuneration[1];
      3) if 1 out of 3 criteria is satisfied: 4 months of remuneration[1];
      4) if no criteria is satisfied: no compensation will be paid.

In accordance with the Afep-Medef Code, the maximum overall compensation under the non-compete clause (compensation of 12 months of remuneration(1)) and under the forced departure clause (maximum compensation of 12 months of remuneration(1)) (the total of the 2 compensations) may not exceed 24 months of remuneration(1).

The Board of Directors considered that these commitments, which were not implemented during the year ended 30 June 2016 and on the date of this report, safeguard the Company in the event of the departure of the Executive Corporate Officer by restricting his freedom to exercise functions for a competitor (non-compete clause) and protect the Executive Corporate Officer by providing for the payment of compensation, subject to performance conditions, in the event of an involuntary departure (forced departure clause).

(1) Most recent annual fixed and variable remuneration decided by the Board of Directors.

3. ***The supplementary defined-benefit collective pension scheme and the collective healthcare and welfare schemes prevailing within the Company,*** under the same terms and conditions as those applicable to the category of employees to which he is assimilated for the setting of benefits and other additional items of compensation.

The Board of Directors considered that the membership of these schemes represents benefits granted in connection with the overall compensation and benefits policy of the Executive Corporate Officer, the latter no longer having an employment contract with the Company in accordance with the Afep-Medef Code.

2. Cancellation of membership of the supplementary defined-benefit pension scheme for Mr. Alexandre Ricard, Chairman and Chief Executive Officer

On 31 August 2016, the Board of Directors decided to cancel, on the recommendation of the Compensation Committee, Mr. Alexandre Ricard's membership of the supplementary defined-benefit pension scheme as from the renewal of his term of office as Executive Corporate Officer, to be submitted to the Board of Directors at the end of the Shareholders' Meeting held to approve the financial statements for the year ended 30 June 2016.

This commitment had been approved by the Shareholders' Meeting of 6 November 2015.

The Board of Directors considered that it was in the interest of the Company to terminate this commitment, given the high cost of the supplementary defined-benefit pension scheme (Article L. 137-11 of the French Social Security Code) and its reduced efficiency.

Agreements and commitments previously approved by the shareholders' meeting

Agreements and commitments approved in prior years that remained in force during the financial year

Pursuant to Article 225 30 of the French Commercial Code, we have been informed that the following agreements and commitments, previously approved by Shareholders' Meetings of prior years, have remained in force during the year.

1. €2,500,000,000 Multicurrency Revolving Facility Agreement

The Board of Directors, meeting on 25 April 2012, authorised the signature of a loan agreement in English entitled "€2,500,000,000 Multicurrency Revolving Facility Agreement" with, amongst others, BNP Paribas and J.P. Morgan Ltd as Mandated Lead Arrangers and Bookrunners and BNP Paribas and J.P. Morgan Chase Bank N.A. as Original Lenders, under which the lenders would make available to the Company, to Pernod Ricard Finance and to the other companies of the Group party to the agreement, a revolving line of credit of a maximum principal amount of €2,500,000,000.

Pernod Ricard undertook to guarantee under certain conditions, as joint and several guarantor, compliance with the payment obligations of the other borrowing companies of the group.

The loan agreement was signed on 25 April 2012.

The Board of Directors, meeting on 23 October 2013, authorised the signature of an amendment to the loan agreement, primarily reducing the agreement margin and extending its maturity.

For the year ended 30 June 2016, Pernod Ricard did not draw any amounts under this loan agreement. The commission for the non-utilisation of the syndicated loan amounted to €6,247,041 for the year ended 30 June 2016.

Pernod Ricard invoices a guarantee commission at market rates to Group companies exercising their drawing rights in respect of the guarantee granted by Pernod Ricard to certain of its subsidiaries; the amount of this commission is likely to vary in line with market conditions. Accordingly, Pernod Ricard invoiced €358,127 to Pernod Ricard Finance in the financial statements for the year ended 30 June 2016.

This agreement provides Pernod Ricard, Pernod Ricard Finance and the Group with a multicurrency revolving credit facility for their financing needs.

Corporate officer involved: Mr. Wolfgang Colberg, member of the Deutsche Bank AG Regional Board (party to the loan agreement).

2. Loan from Pernod Ricard to Havana Club Holding (HCH) in connection with the restructuring of HCH

In connection with the financial restructuring of HCH, the Board of Directors, meeting on 20 October 2010, authorised Pernod Ricard to grant HCH a loan for a maximum amount of between USD 50 million and USD 60 million. A loan of the same amount would also be granted to HCH by the Cuban partners.

The final loan amount was USD 53,839,374.

Financial income invoiced by Pernod Ricard to HCH in respect of this loan for the year ended 30 June 2016 totalled USD 7,047,947 (euro equivalent of €6,373,934).

This loan agreement provides HCH with the necessary resources for its financing needs.

Corporate officer involved: Mr. Alexandre Ricard, also a Director of HCH.

Courbevoie and Neuilly-sur-Seine, 19 September 2016

The Statutory Auditors

MAZARS		DELOITTE & ASSOCIES
Isabelle SAPET	Erwan CANDAU	David DUPONT-NOEL

This is a free translation into English of the Statutory Auditors' special report on regulated agreements and commitments with third parties that is issued in the French language and is provided solely for the convenience of English speaking readers. This report on regulated agreements and commitments should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.