

Shareholders' Meeting

2016



Thursday 17 November 2016

Opening



Thursday 17 November 2016

ALEXANDRE RICARD

CHAIRMAN & CHIEF EXECUTIVE OFFICER



◆ Shareholders' Meeting

Bureau

Chairman:

Alexandre Ricard

Tellers:

Paul-Charles Ricard, Laurent Raets

Secretary:

Ian FitzSimons

Also attending

Managing Director, Finance & Operations:

Gilles Bogaert

Statutory Auditors

Mazars :

Isabelle Sapet

Deloitte & Associés :

David Dupont-Noel

◆ Legal documents available to Shareholders

The documents required by the applicable laws and regulations, which are on the Shareholders' Meeting Bureau, have been sent and made available to the shareholders within the established deadlines

Management report



Thursday 17 November 2016

Leverage our fundamentals
to drive growth



◆ **We have reasserted our vision by strengthening our consumer-centric approach**



◆ **We have confirmed our ambition
by focusing on 2 priorities**

Become the leader of our industry by:

1

Winning the battle for Growth

2

Instilling a Winning spirit: Mindset for Growth

◆ We have reasserted our strategy by formalizing a new model





OPERATIONAL EXCELLENCE

An increasingly efficient organization

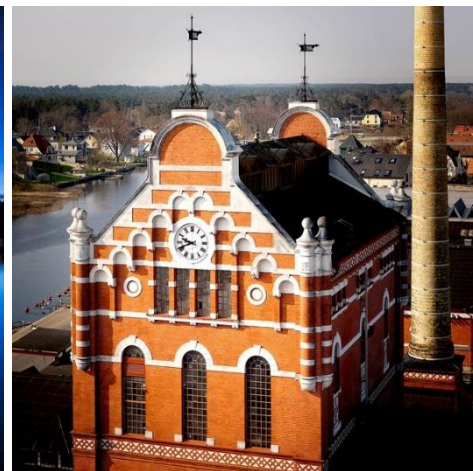
Reduce the number of SKUs



Carbon-neutral sites + Maximum productivity



Dalmunach distillery



Åhus distillery



TALENT MANAGEMENT

Employees are more engaged




Pernod Ricard USA

The Glenlivet Insiders
Programme

Involve
employees




Irish Distillers
Pernod Ricard


**THE
BARRELMEN**
REWARDS

Recognise
employees




Pernod Ricard Winemakers
Leading Wine Innovation

Graduate
Programme


Martell Mumm Perrier-Jouët
Pernod Ricard


Chivas Brothers
Pernod Ricard


Irish Distillers
Pernod Ricard


The Absolut Company
Pernod Ricard

Develop
young talents



SUSTAINABILITY & RESPONSIBILITY

An even more responsible Group

Environmental Roadmap 2010-2020

5 Priorities

1. Certification of our vineyards according to environmental standards
2. Reduction of CO₂ emissions
3. Preservation of water resources
4. Reduction of landfill waste
5. Certification of all our production sites according to ISO 14001 standards

Achieved in 2016

Objective 2020





**SUSTAINABILITY
& RESPONSIBILITY**

An increasing environmental efficiency



Mumm Perrier-Jouët Vineyards

Double certification 'Viticulture Durable en Champagne'
and 'Haute Valeur Environnementale' (October 2016)



Pernod Ricard Winemakers

Environmental Excellence Award
for the 2nd year in a row (October 2016)



SUSTAINABILITY
& RESPONSIBILITY

Even more
responsible brands

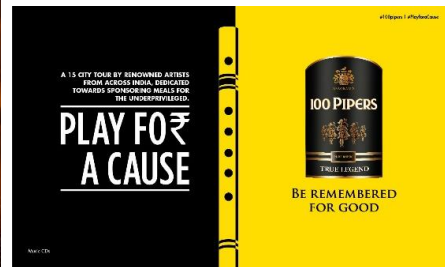
72%

of young adults willing to pay more
for more responsible products

(Nielsen Source)



Entrepreneurial support



Humanitarian Support

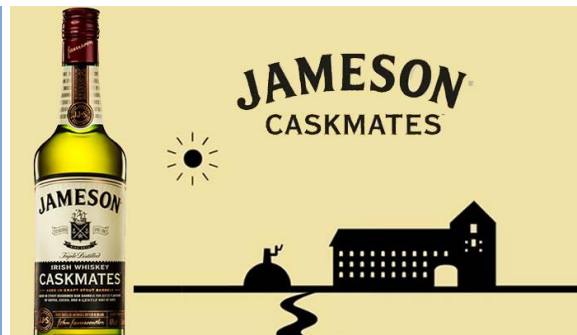


INNOVATION

Even more focus



1%
Incremental
Growth
for the Group





PORTFOLIO MANAGEMENT

Active portfolio management



Bolt-on acquisitions of niche brands with great potential



Disposal of non-strategic brands



PREMIUMISATION &
LUXURY

**Even more
value creation**



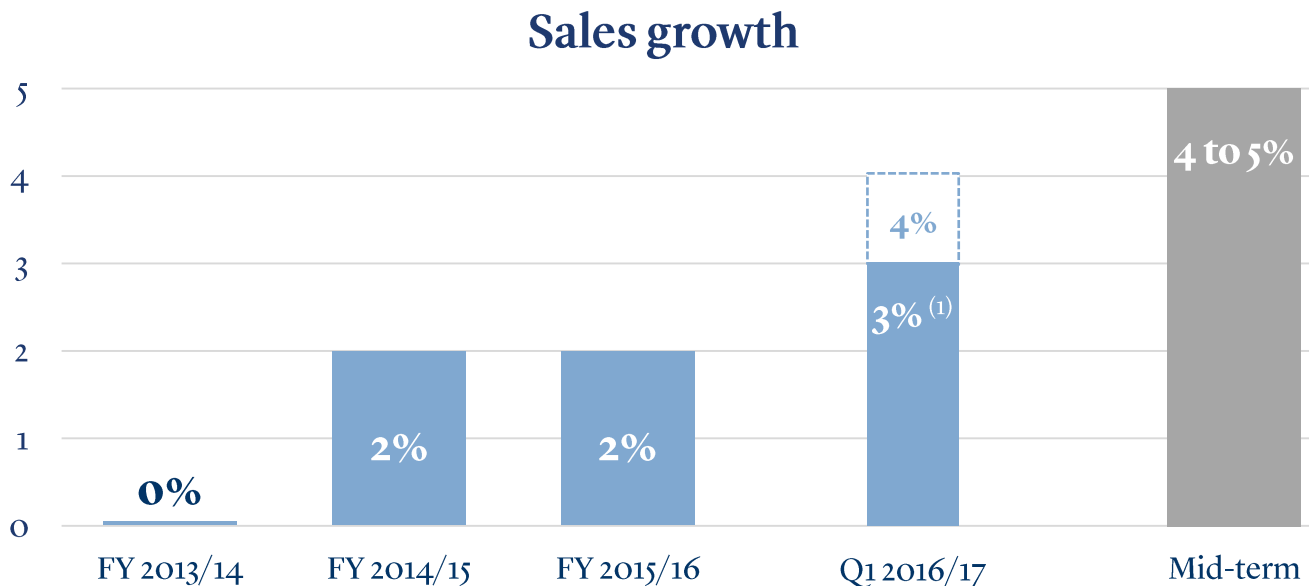
Mission London: A luxury approach for iconic establishments

◆ This strategy is delivering in an environment that remains difficult

- Political uncertainty
- Terrorism
- Brexit
- Global soft growth
- Market instability
- Currency volatility



◆ A gradual improvement in our Sales...



(1) Restated for French technical impact: shipments brought forward from July to June 2015 ahead of back-office mutualisation between Ricard and Pernod on 1 July 2015

◆ In contrasted markets



+ 4%



+ 12%



-9%



-6%



+12%

Sales growth FY16 vs FY15

◆ A ‘Mindset’ perceived as a reality

86% of the attendees at our annual convention consider that ‘*Mindset for Growth*’ is a daily reality



Our objective:
Continue to improve our Growth

How ?
By continuing to invest in our priorities
and by implementing new initiatives





Invest behind our strategic brands

(New campaigns, innovations ...)





Support our key markets



Invest
in our key markets



**A new
Organisation in the USA**



**Creation of a premium
commercial network
in China**



**Creation of
Global Travel Retail**

Re-organize
for more efficiency



An ambitious operational efficiency plan

Gross savings over 4 years

M€200*

PRO

+

M€200

Cash savings
(Stock)

* 50% of which reinvested in brands



Better-trained employees

New « Pernod Ricard University » training center





A responsible commitment more than ever at the **core of our priorities**

Pernod Ricard commits with
the UN:

12 priority goals in terms of
sustainable development



Contributes to





An historic commitment for the preservation of oceans



Take OFF Project:

50th anniversary of the
Paul Ricard Oceanographic
Institute





A responsible actor promoting responsible drinking



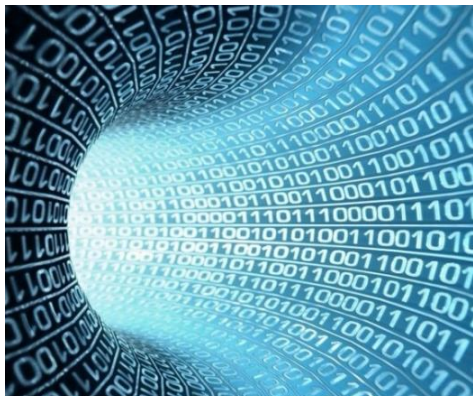
Responsible Party:
in partnership with Erasmus since 2010

Renewal of our commitment in January,
for the 30th anniversary of the Erasmus
programme





Digital acceleration: a 360° approach



Smart Data

≈ +30% impact



Programmatic advertising

15-20%
of our online media
Which represent 30% of media



e-commerce

Fastest-growing channel

**We confirm with confidence
our ability to deliver our
mid-term objectives**



Mid-term objectives

Top Line Growth
+4 to +5%

PRO organic growth > Sales organic growth

Consolidated **financial statements**

at 30 June 2016



Thursday November 17th, 2016

GILLES BOGAERT

MANAGING DIRECTOR, FINANCE & OPERATIONS



◆ FY16

A solid and encouraging year

Delivery of quantitative objectives

- **Sales +2%**, improving vs. FY15 when restated for the French technical impact⁽¹⁾
- **Pricing improving: +1%** (vs. flat in FY15)
- **Profit from Recurring Operations (PRO) organic growth +2%, in line with guidance**
- **PRO margin improving +7bps**, thanks to tight management of resources and operational efficiency initiatives
- **Solid Net income from recurring operations +4%** (reported), at a historical high
- **Strong Free Cash Flow: €1,061m**, up +31%
- **Continued deleveraging: Net Debt down €0.3bn and Net debt/EBITDA ratio down to 3.4** (organic decrease of 0.3)

(1) Shipments brought forward from July to June 2015 ahead of back-office mutualisation between Ricard and Pernod on 1 July 2015

◆ FY16

A solid and encouraging year

Significant initiatives to deliver mid-term strategic roadmap

- **USA accelerating** and higher delivery of innovation
- **Organisational changes to drive stronger performance** (USA, Travel Retail, China, Korea...)
- **Implementation of operational efficiency roadmap** covering supply chain, manufacturing, procurement and A&P
- **Active portfolio and resource allocation management**, with targeted disposals of non-core assets (Paddy) and acquisition focus on fast-growing premium+ segments (Monkey 47)
- **Refinancing at excellent conditions and Moody's upgrade to Baa2/P2**

◆ Key figures

€ millions	FY16	FY16 VS FY15
Sales	8,682	+2% reported growth: +1%
<i>Mature markets</i>	5,409	+1%
<i>Emerging markets</i>	3,273	+3%
Profit from Recurring Operations (PRO)	2,277	+2% reported growth: +2%
PRO/sales	26.2%	+7bps
Net Profit from Recurring Operations ⁽¹⁾	1,381	reported growth +4%
Net Profit ⁽¹⁾	1,235	reported growth +43%
Free Cash Flow	1,061	reported growth +31%

(1) Group share

◆ FY16

Solid Sales in a contrasted environment

+2% Organic Sales growth

- Improvement driven by USA and Spain
 - **Americas: acceleration of growth +4% vs. +2% in FY15**, notably driven by USA (+4%)
 - **Asia-Rest of World: +1%** thanks to double-digit growth in India and Africa/Middle East but difficulties in China, Korea and Travel Retail
 - **Europe: improvement (+1% vs. stable in FY15)** driven by Spain, but a technical⁽¹⁾ decline in France.
- Stable Top 14 and good dynamism of Priority Premium Wines and Key Local Brands
 - **Strong performance of Jameson, Ballantine's, Perrier-Jouët and Indian whiskies**
 - **Difficulties for Chivas and Absolut** (but improving yoy underlying trends in USA)
 - **Priority Premium Wines: growth acceleration** driven by Campo Viejo
- Innovation driving growth
 - **Sustained A&P investment** driving encouraging results on innovation
 - Innovation driving **premiumisation**
 - **Successful launch of Jameson Caskmates, The Glenlivet Founder's Reserve and Chivas Extra**

(1) Shipments brought forward from July to June 2015 ahead of back-office mutualisation between Ricard and Pernod on 1 July 2015

◆ **Organisational changes to drive further growth, effective 1 July 2016**

- Simplification of Americas region
- Creation of 2 Management Entities in Mexico and Brazil
- Creation of Global Travel Retail, reporting directly to HQ
- Finalisation of transformation of Pernod Ricard USA
- Adjustment of organisation in China to new market context
- New leadership and commercial team in Korea

◆ Good progress made on implementation of FY16-20 Operational excellence roadmap

Global initiatives launched in 2015

- A&P effectiveness (digital media buying, POS/VAP⁽¹⁾, content production)
- Supply chain
 - Sales & Operations Planning
 - Reduce portfolio complexity (up to 30% reduction in number of SKUs)
 - Lead time reduction
 - Cost to Serve Optimisation
- Procurement
 - Indirect (T&E, IT, A&P)
 - Value engineering
- Manufacturing optimisation

Progress



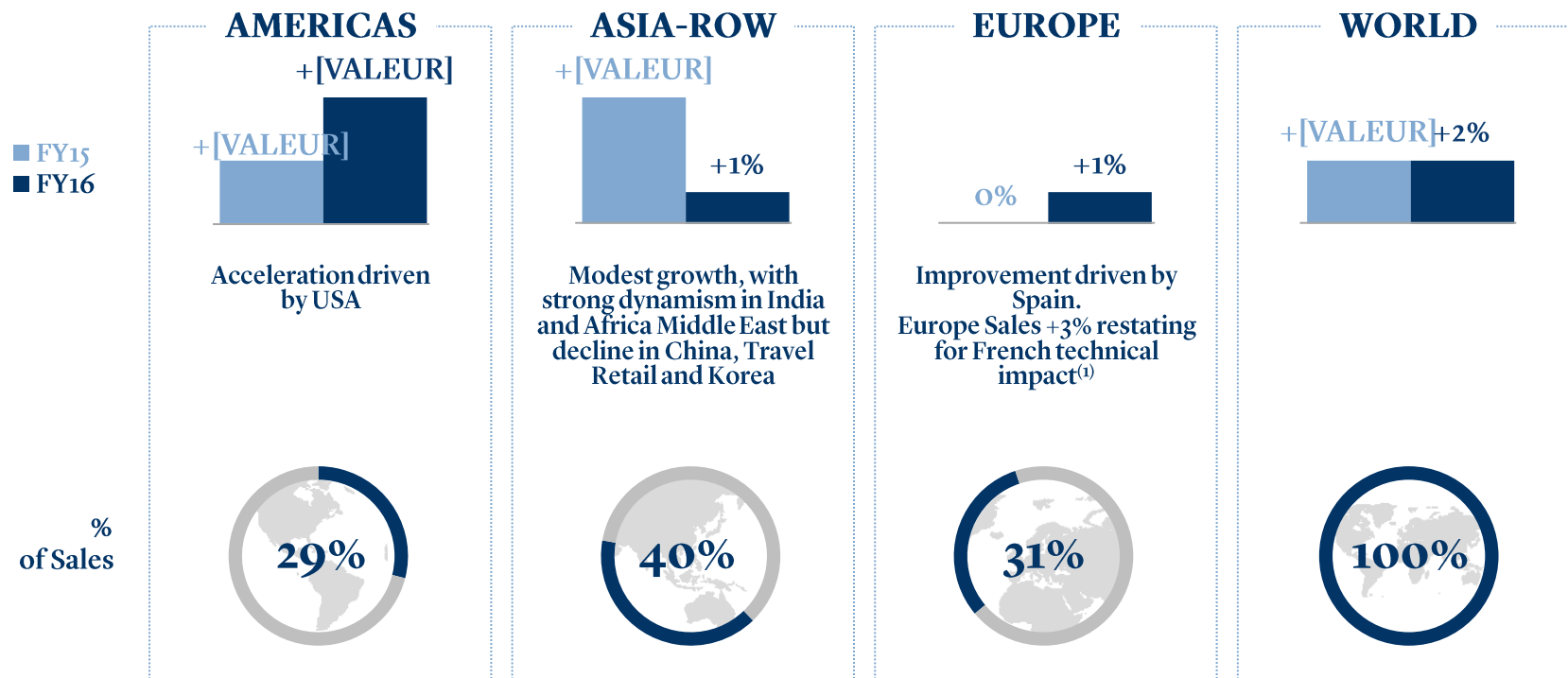
(1): Point of sale material / value added pack

◆ **Good progress made on implementation of FY16-20 Operational excellence roadmap**

- Gross savings will impact mainly A&P (efficiency) and Gross margin, and to a lesser extent Structure costs
- Targeting total gross P&L savings of €200m over the period FY16 to FY20, of which around half will be reinvested in A&P
- Targeting total Working Capital savings over the period FY16 to FY20 of €200m, mainly related to supply chain improvements (stock reduction)

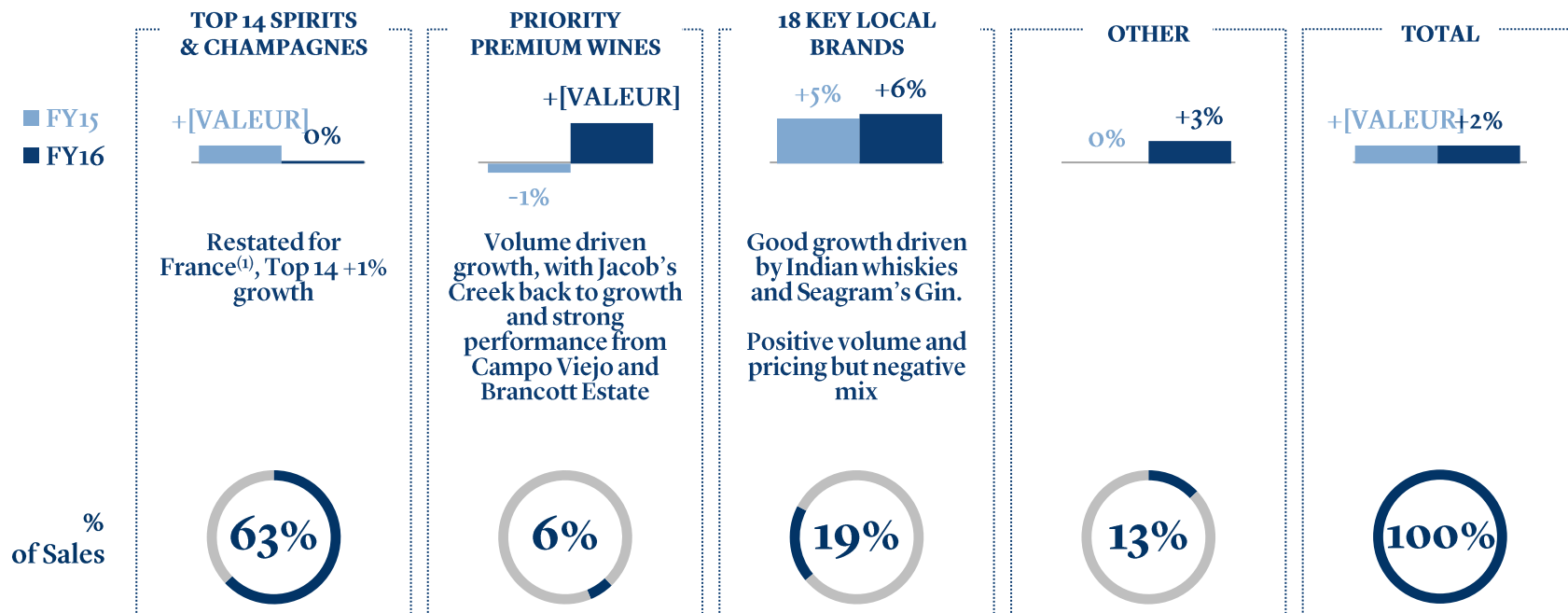
Initiatives will contribute to improving PRO margin medium-term

◆ Organic Sales growth by region



(1) Shipments brought forward from July to June 2015 ahead of back-office mutualisation between Ricard and Pernod on 1 July 2015

◆ Organic Sales growth by category



(1) Shipments brought forward from July to June 2015 ahead of back-office mutualisation between Ricard and Pernod on 1 July 2015

◆ Innovation delivering +1% incremental topline growth

Growth accelerating vs. FY15

Significant momentum behind Big bets such as Chivas Extra, Jameson Caskmates, premium tequilas (Olmeca Altos and Avión) and Elyx

Premiumising impact of innovation on overall portfolio

- Sales per case significantly above Group average

◆ Summary income statement

M€	FY15	FY16	REPORTED Δ	ORGANIC Δ
Sales	8,558	8,682	+1%	+2%
Gross margin after logistics costs (GM)	5,296	5,371	+1%	+2%
<i>GM/Sales</i>	61.9%	61.9%	-	-13pbs
Advertising & prom. expenditure (A&P)	(1,625)	(1,646)	+1%	+1%
<i>A&P / Sales</i>	19.0%	19.0%	-	-17pbs
Contribution after A&P expenditure (CAAP)	3,671	3,725	+1%	+2%
<i>CAAP / Sales</i>	42.9%	42.9%	-	+4pbs
Profit from Recurring Operations (PRO)	2,238	2,277	+2%	+2%
<i>PRO / Sales</i>	26.2%	26.2%	-	+7pbs

◆ Income statement key comments

Lower Gross Margin pressure: -13bps in FY16 vs. -105bps in FY15

- **Pricing** still challenging but **gradually improving**: +1%
- **Negative mix** driven by geography
- **Tight management of Cost Of Goods Sold** thanks to operational efficiency initiatives starting to deliver

A&P +1% with quasi stability in ratio at 19% of Sales

- Increase in support for **key innovation projects**
- **Focus on key must-win markets**, USA in particular
- Numerous initiatives to **drive stronger A&P efficiency**

Structure costs⁽¹⁾ very tightly managed

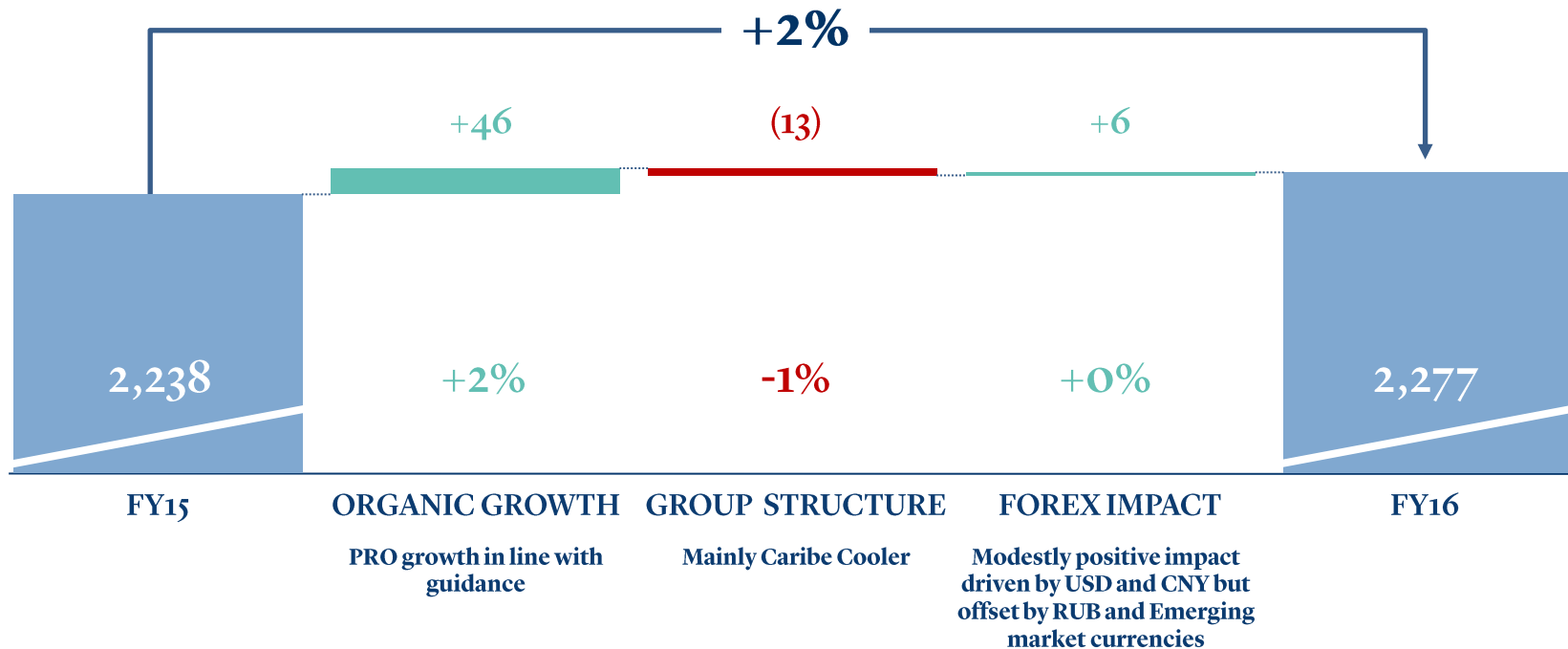
- **Growing c. 2%**, in line with Sales
- **Allegro⁽²⁾ savings** delivered to plan

Slight improvement in PRO margin: +7bps while increasing A&P

(1) Structure costs = Selling expenses + General expenses + Other income and expenses from recurring operations (2) Operational efficiency programme launched in 2014

◆ Change in PRO

€ millions



◆ Financial income (expense) from recurring operations

€ millions	FY15	FY16	Reported Δ
Financial income (expense) from recurring operations	(457)	(422)	+35
<i>Cost of debt</i>	4.4%	4.1%	-

Significant reduction in Financial expenses from recurring operations: +€35m

- Reduction in cost of debt from 4.4% to 4.1% thanks to cost of bond decrease
- Improved cashflow
- Negative FX impact versus FY15: (19 M€), due to 61% of the gross debt being in USD

Expect cost of debt to further decline to c. 3.8% in FY17

◆ Group share of Net Profit from Recurring Operations

€ millions

	FY15	FY16	Reported Δ
Profit from Recurring Operations	2,238	2,277	+2%
Financial income (expense) from recurring operations	(457)	(422)	-8%
Income tax on recurring operations	(434)	(455)	+5%
Minority interests and other	(18)	(20)	-
Group share of Net Profit from Recurring Operations	1,329	1,381	+4%
Number of shares used in diluted EPS calculation ('000)	266,230	265,633	-
Diluted net earnings per share from recurring operations "EPS" (€/share)	4.99	5.20	+4%

- Increase of +4% in Net Profit from Recurring Operations and EPS, due to PRO organic growth and a reduction in financial expenses
- Group share of Net PRO at a historical high

◆ Group share of Net Profit

€ millions

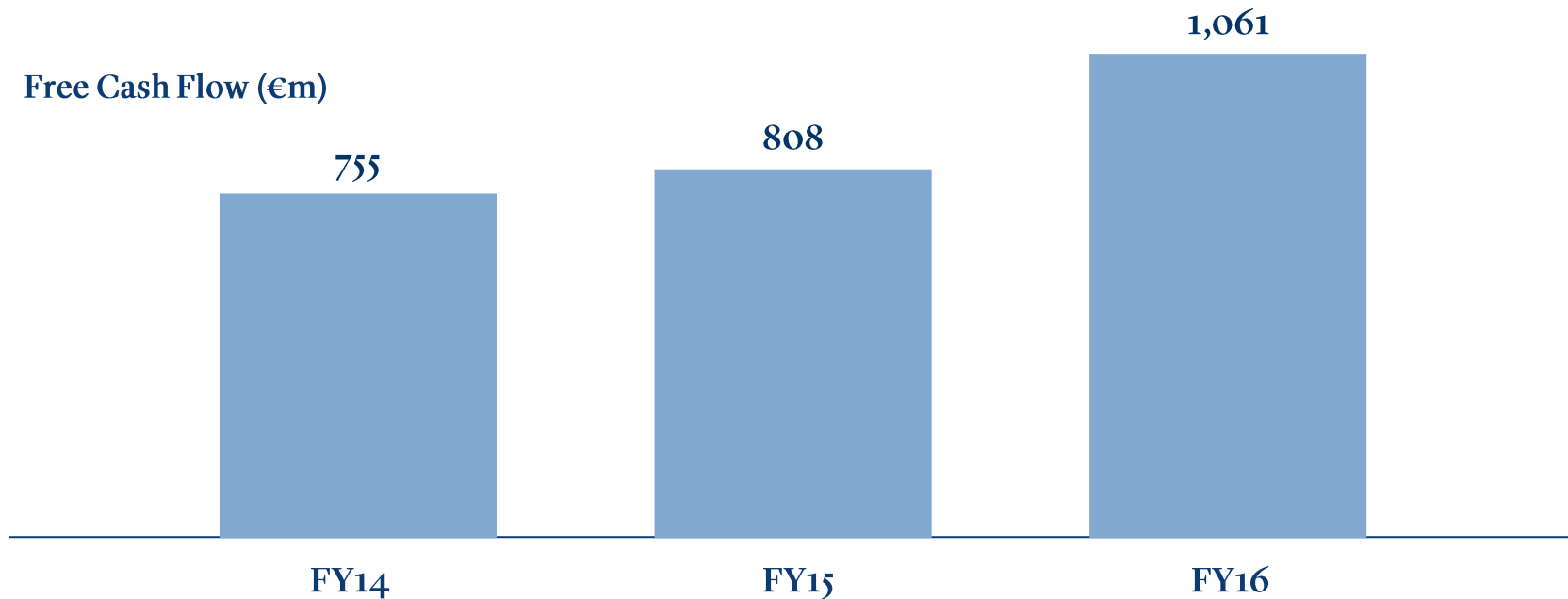
	FY15	FY16	Reported Δ
Profit from Recurring Operations	2,238	2,277	+2%
Non-recurring operating income and expenses	(649)	(182)	-
Operating profit	1,590	2,095	+32%
Financial income (expense) from recurring operations	(457)	(422)	-
Non-recurring financial items	(32)	(10)	-
Corporate income tax	(221)	(408)	-
Non-controlling interests and other	(18)	(20)	-
Group share of net profit	861	1,235	+43%

- Strong increase in Group share of net profit, due to significant reduction in non-recurring expenses

◆ Strong increase in Free Cash Flow:

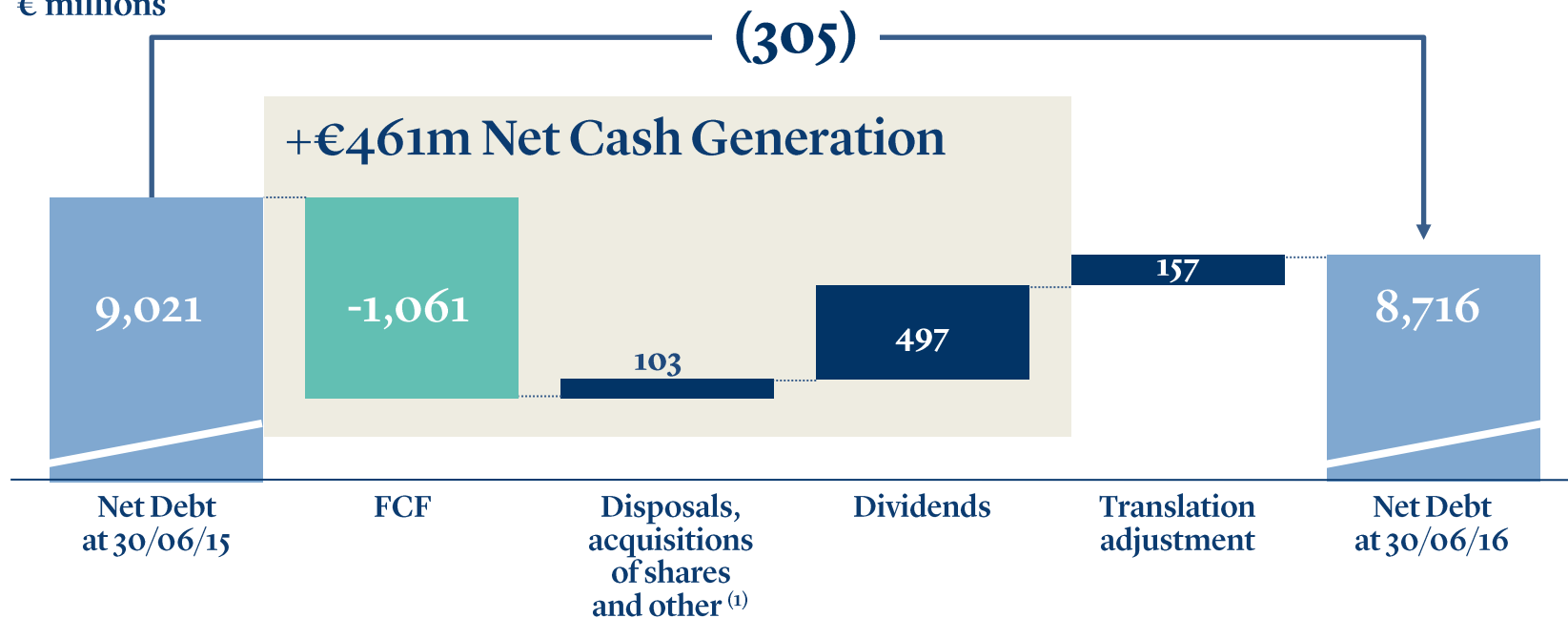
+31% vs FY15

Free Cash Flow (€m)



◆ Net Cash Generation +56% with resulting reduction in Net Debt

€ millions



⁽¹⁾ Includes contributions to Allied Domecq pension plans of (€43m)

◆ Leverage ratio reduced to 3.4

€ millions

Average rate

EUR/ USD FY15 -> FY16

1.20 -> 1.11

Ratio at 30/06/2015

<3.5⁽¹⁾

EBITDA and cash generation
excl structure and FX impacts

(0,3)

Structure and FX impacts

0.2

Ratio at 30/06/2016

3.4

**Significant improvement in organic deleveraging to 0.3
but negative FX impact linked to emerging market currencies**

(1) Syndicated credit spreads et covenants based on same ratio at average rates

◆ **Debt profile / rating**

- Upgrade from Moody's to Baa2/P2 in May 2016
- Debt profile actively managed: opportunistic bond issuances to partially cover €1.8bn bonds maturing in FY17
 - 10-year €600m bond with 1.5% coupon issued in May 2016
 - 10-year \$600m bond with 3.25% coupon issued in June 2016
- Average debt maturity at 30/06/16 of 6 years and 8 months, with an evenly spread across the coming years

Financial statements

Pernod Ricard SA

At 30 June 2016



Thursday November 17th, 2016

◆ Financial statements Pernod Ricard SA

M€	FY14	FY15	FY16
Operating profit	(120)	(113)	(71)
Financial income (expense)	465	1,601	696
Non-recurring items	(50)	(16)	(22)
Income tax	168	143	160
Résultat de l'exercice	463	1,615	764

Profit of €764m below that of the previous year which was boosted by an exceptional financial result

◆ Proposed dividend: € 1.88 per share

€	FY12	FY13	FY14	FY15	FY16 ⁽¹⁾
Dividend	1.58	1.64	1.64	1.80	1.88

Proposed dividend increase: +4% vs. FY15

- Compared to the previous financial year

Pay-out ratio of 36%

- In line with the customary policy of cash distribution of approximately one-third of Group net profit from recurring operations

(1) The FY16 dividend will be submitted for approval to the Annual General Meeting of 17 November 2016

First quarter FY17



Thursday November 17th, 2016

◆ Executive Summary

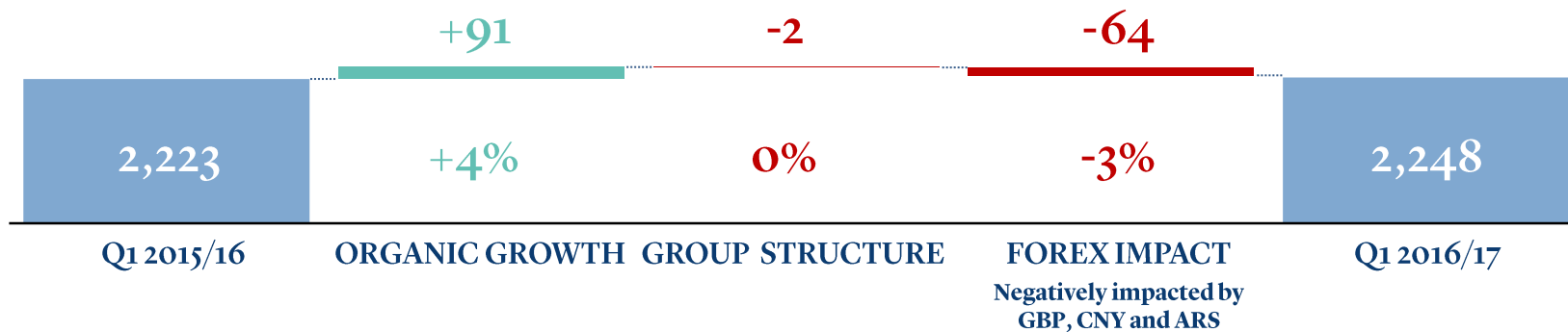
Good Q1 Sales (+4%), consistent with FY17 outlook given in September

- Sales +3% when restated for French technical impact⁽¹⁾
- **Dynamic Q1 in the Americas (+8%)** driven by continued strength in the USA
 - Good Q1 in the USA consistent with FY16 performance
 - Improving trends in Travel Retail Americas
 - Decline in Brazil due to difficult context but very strong growth in rest of Latin America
- **Stability in Asia-Rest of World** with China improving but Africa Middle East getting tougher
 - Early signs of recovery in China
 - Africa Middle East negatively impacted by the tough geopolitical and macroeconomic conditions
 - Continuation of good growth in India and of difficulties in Korea and Travel Retail Asia
- **Solid growth in Europe (+6%),** partly favoured by technical impacts
 - **Restated for French technical impact⁽¹⁾ growth at +2%**
 - Continued strong growth from Germany, Spain and UK
 - Russia in good growth in a soft market

(1) Shipments brought forward from July to June 2015 ahead of back-office mutualisation between Ricard and Pernod on 1 July 2015

◆ Key figures

M€	Q1 16/17	Q1 16/17 vs. Q1 15/16
Sales	2,248	+4% <i>Reported growth: +1%</i>
<i>Mature markets</i>	<i>1,383</i>	<i>+3%</i>
<i>Emerging markets</i>	<i>865</i>	<i>+6%</i>



Outlook



Thursday November 17th, 2016

ALEXANDRE RICARD

CHAIRMAN & CHIEF EXECUTIVE OFFICER



◆ Outlook for FY17

For FY17, Pernod Ricard aims to:

- Continue good Sales growth in USA, India, Jameson and innovation
- Improve Sales vs. FY16 in China, Absolut and Chivas
- Continue focusing on the operational efficiency roadmap and priority brands and innovations
- Continue reducing debt and generating strong cash flow

Q1 consistent with FY17 Outlook



Confirmation of FY17 Guidance:
Organic growth in Profit from
Recurring Operations between +2% and +4%

Board of Directors **&** **Committees**



Thursday 17 November 2016

◆ The Board of Directors



ALEXANDRE RICARD
CHAIRMAN & CEO



PIERRE PRINGUET
VICE-CHAIRMAN OF THE BOARD



NICOLE BOUTON



WOLFGANG COLBERG



IAN GALLIENNE



CÉSAR GIRON



MARTINA
GONZALEZ-GALLARZA



ANNE LANGE



PAUL-CHARLES RICARD
PERMANENT REPRESENTATIVE
OF SOCI TE PAUL RICARD



GILLES SAMYN



KORY SORENSON



VERONICA VARGAS



SYLVAIN CARR 
DIRECTORS REPRESENTING THE EMPLOYEES

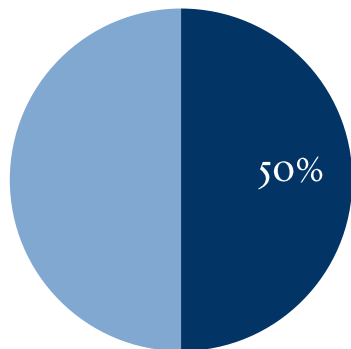


MANOUSOS CHARKOFTAKIS

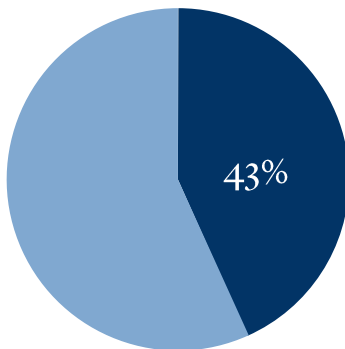
◆ The Board of Directors

Composition : 14 members
(including 2 Directors representing the employees)

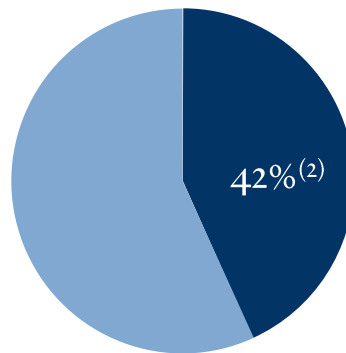
Independence rate⁽¹⁾



Internationalisation rate



Gender ratio⁽¹⁾

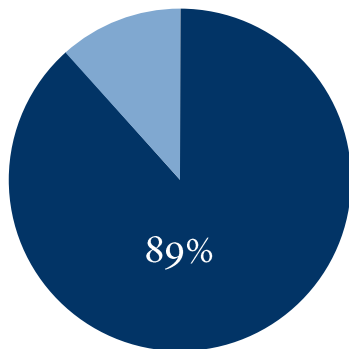


⁽¹⁾ Employee Directors are not taken into account

⁽²⁾ Subject to the 10th resolution (2016 Shareholders' Meeting)

◆ The Board of Directors

Attendance rate



Main roles

- Drawing up of the annual and half-year financial statements
- Review of the budget
- Review and validation of the Group strategy
- Authorisation of all significant financing and M&A transactions
- Preparation of the Annual Shareholders' Meeting
- Appointment of the Chairman & CEO
- Review and validation of the Committees' works
- Review of the operational directions and affiliates' presentations made to the Board

◆ The Board of Directors

4 Dedicated Committees

- Audit Committee
- Nominations, Governance and CSR Committee
- Compensation Committee
- Strategic Committee

◆ The Audit Committee



GILLES SAMYN



WOLFGANG COLBERG
CHAIRMAN

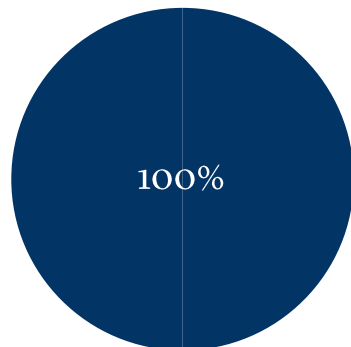


KORY SORENSON

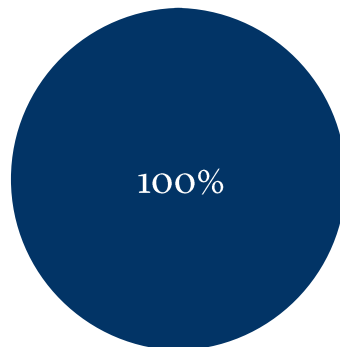
◆ The Audit Committee

Main roles

Independence rate



Attendance rate



- Review of the Group's draft annual and half-year statements
- Follow up on the Treasury and Group debt
- Review of all significant risks and assessment of risk management by the Group
- Assessment of the internal controls systems and review of the internal audit plans and actions

◆ The Nominations, Governance and CSR Committee



WOLFGANG COLBERG



NICOLE BOUTON
CHAIRWOMAN

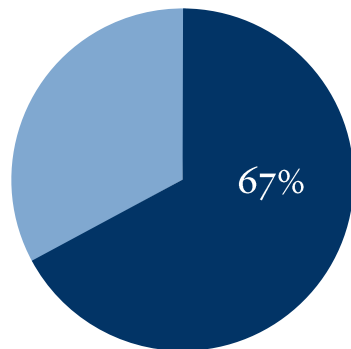


CÉSAR GIRON

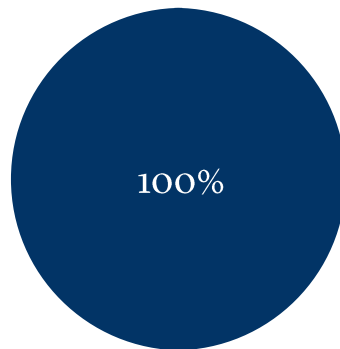
◆ The Nominations, Governance and CSR Committee

Main roles

Independence rate



Attendance rate



- Selection of new Directors
- Review of Board composition and independence of Directors
- Evaluation of Board functioning
- Review of Top management succession plan
- Review of CSR issues and performance

◆ The Compensation Committee



IAN GALLIENNE



PIERRE PRINGUET



NICOLE BOUTON
CHAIRWOMAN



KORY SORENSON



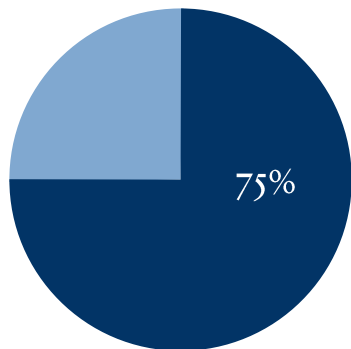
MANOUSOS CHARKOFTAKIS

DIRECTOR REPRESENTING THE EMPLOYEES

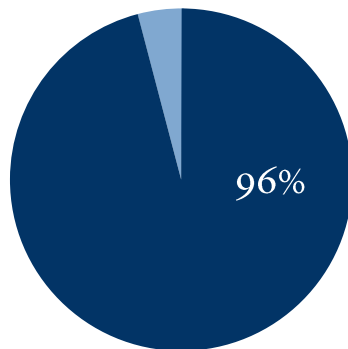
◆ The Compensation Committee

Main roles

Independence rate



Attendance rate



- Review and proposal of the CEO's compensation and of the Directors' fees
- Proposal of general long term compensation policy

◆ The Strategic Committee



WOLFGANG COLBERG



IAN GALLIENNE



ALEXANDRE RICARD
CHAIRMAN



PIERRE PRINGUET



CÉSAR GIRON

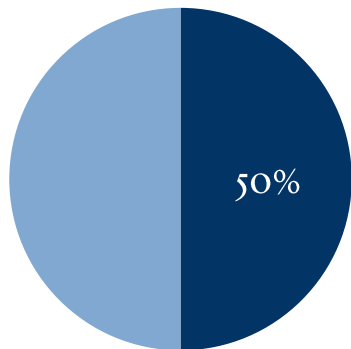


ANNE LANGE

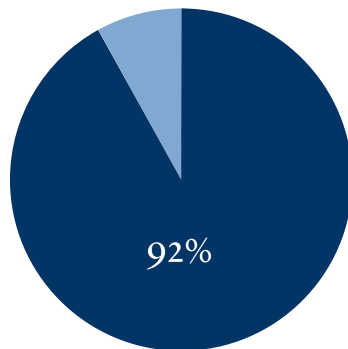
◆ The Strategic Committee

Created in February 2015

Independence rate



Attendance rate



Main roles

- Review of the key strategic issues of the Group
- Dealing with any strategic issues affecting the Group
- Drawing up and opinion on all significant acquisitions, sales or partnership transactions

Executive Director's compensation policy



Thursday 17 November 2016

NICOLE BOUTON

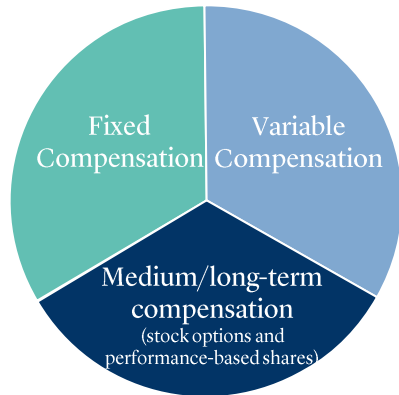
CHAIRWOMAN OF THE COMPENSATION COMMITTEE



◆ Executive Director's Compensation Policy

Compensation principles for the Executive Director

Global compensation structure: three thirds



Deferred Commitments

- Non-compete clause
- Imposed departure clause (*since 11 February 2015*)
- Defined-benefit collective pension scheme
- Collective healthcare and welfare schemes

◆ Executive Director's Compensation Policy

Compensation principles for the Executive Director

Annual variable compensation structure

From 0% to 110% if quantitative and qualitative objectives are achieved (target level) and a maximum of 180% if quantitative targets are significantly exceeded.

Profit from Recurring Operations

30%

Group share of net Profit from Recurring Operations

20%

Net Debt/EBITDA ratio

30%

Qualitative objectives

30%

Target variable
compensation
=
110 % of
fixed compensation

◆ Executive Director's Compensation Policy

2015/16 Items of compensation of Executive Director

Chairman & CEO : Mr Alexandre Ricard

- Fixed remuneration: 950,000€
- Variable remuneration: 913,900€
- No Directors' fees
- Stock-options: 20,700 options subject to an external performance condition
- Performance-based shares:
 - 3,000 shares subject to an internal performance condition
 - 5,500 shares subject to a double performance condition, internal and external

◆ Executive Director's Compensation Policy

Indemnity for termination of service

Chairman & CEO : Mr Alexandre Ricard

- One-year non-compete clause corresponding to 12 months of compensation (fixed + variable)
- Imposed departure clause corresponding to a maximum of 12 months of compensation (fixed + variable) subject to performance conditions (over the term(s) of office):
 - 1st criterion: annual bonus achievement rate
 - 2nd criterion: Profit from Recurring Operations growth
 - 3rd criterion: average Sales growth
- In accordance with the AFEP-MEDEF Code, the overall amount of the non-compete clause and the imposed departure clause is capped at 24 months' compensation (fixed + variable).

◆ Executive Director's Compensation Policy

Supplementary Pension Scheme

Chairman & CEO : Mr Alexandre Ricard

- The Board of Directors' meeting held on 31 August 2016 has removed the advantage of the defined-benefit supplementary scheme for Alexandre Ricard.
- Alternative scheme proposed:
 - Exceptional component in compensation of past rights: allocation of 26,968 free shares, subject to presence condition, that will vest in installments over a period of three years with a holding period of two years.
 - Annual component amounting to 10% of his annual fixed and variable compensation, with effect from 2017:
 - 5% in performance-based shares
 - 5% in cash

Statutory Auditors' reports



Thursday 17 November 2016

DAVID DUPONT-NOEL

DELOITTE



◆ Report on the consolidated financial statements and Report on the annual financial statements

Pages 187 and 211 of the Registration Document

- Objective: obtain reasonable assurance that the financial statements do not contain any material misstatements and give a true and fair view of the assets and liabilities and the financial position and of the results of operations for the year then ended.
- ➔ Unqualified opinion with no observations on both the group consolidated financial statements (IFRS) and the parent company financial statements (French GAAP)
- No observations on the Group and parent company management reports
- Attestation of the accuracy and fair presentation of disclosures on compensation and benefits paid to corporate officers

◆ Special report on regulated agreements and commitments

Pages 212 and 213 of the Registration Document

- No new regulated agreements or commitments authorized during the year
- Regulated agreements and commitments authorized by the Board of Directors since the year end:
 - Renewal of commitments concerning Mr. Alexandre Ricard, Chairman and Chief Executive Officer (non-compete clause, forced departure clause subject to performance conditions, benefit of collective healthcare and welfare schemes)
 - Cancellation of membership of the supplementary defined-benefit pension scheme for Mr. Alexandre Ricard
- Continuation of agreements and commitments previously approved by Shareholders' Meeting
 - Loan agreement with a bank pool, loan to Havana Club Holding

◆ Report on the report prepared by the Chairman of the Board of Directors on internal control and risk management

Page 47 of the Registration Document

- No observation on the information contained in the Chairman's report on internal control and risk management procedures with respect to the preparation and processing of financial and accounting information
- Attestation that the report includes all the disclosures required by Article L. 225-37 of the French Commercial Code (*Code de commerce*).

◆ Special reports concerning the Extraordinary Shareholders' Meeting

Pages 231 and 232 of the Registration Document

- Report on the authorisation to grant free shares (existing or to be issued) to certain Executive Committee members and the Executive Corporate Officer (16th resolution)
- Report on the issue of shares or securities granting access to the share capital, reserved for members of company savings plans (17th resolution)

➡ Neither report contains observations, it being noted that:

- The proposed transactions comply with the provision set out by law
- All necessary disclosures to enable you to assess the proposed cancellation of shareholder preferential subscription rights have been brought to your attention

Presentation of the resolutions



Thursday 17 November 2016

IAN FITZSIMONS

GROUP GENERAL COUNSEL



◆ Ordinary resolutions

First resolution

Financial statements for the financial year ended 30 June 2016

The purpose of this resolution is to approve the financial statements for the financial year ended 30 June 2016, which show a net profit of €764 078 429,13.

◆ Ordinary resolutions

Second resolution

Consolidated financial statements for the financial year ended 30 June 2016

The purpose of this resolution is to approve the consolidated financial statements for the financial year ended 30 June 2016.

◆ Ordinary resolutions

Third resolution

Allocation of the net result for the financial year ended 30 June 2016 and setting of the dividend

The purpose of this resolution is to allocate the results for the financial year ended 30 June 2016.

It is proposed to set the dividend at €1.88 per share. An interim dividend payment of €0.90 having been paid on 8 July 2016, the balance amounting to €0.98 per share would be detached on 28 November 2016 and paid on 30 November 2016.

◆ Ordinary resolutions

Fourth resolution

Approval of regulated agreements and commitments referred to in articles L.225-38 *et seq.* of the French Commercial Code

The purpose of this resolution is for you to approve the regulated agreements and commitments described in the Statutory Auditors' special report.

◆ Ordinary resolutions

Fifth resolution

Approval of regulated commitments referred to in article L.225-42-1 of the French Commercial Code

The purpose of this resolution is for you to approve the regulated commitments relating to Mr Alexandre Ricard, Chairman & CEO.

◆ Ordinary resolutions

Sixth resolution

Renewal of the directorship of Mr Alexandre Ricard

It is proposed that, by voting on this resolution, you renew the directorship of Mr Alexandre Ricard for a term of 4 years.

◆ Ordinary resolutions

Seventh resolution

Renewal of the directorship of Mr Pierre Pringuet

It is proposed that, by voting on this resolution, you renew the directorship of Mr Pierre Pringuet for a term of 4 years.

◆ Ordinary resolutions

Eighth resolution

Renewal of the directorship of Mr César Giron

It is proposed that, by voting on this resolution, you renew the directorship of Mr César Giron for a term of 4 years.

◆ Ordinary resolutions

Ninth resolution

Renewal of the directorship of Mr Wolfgang Colberg

It is proposed that, by voting on this resolution, you renew the directorship of Mr Wolfgang Colberg for a term of 4 years.

◆ Ordinary resolutions

Tenth resolution

Ratification of the co-option of Ms Anne Lange as a Director

The purpose of this resolution is for you to ratify the co-option of Ms Anne Lange as a Director, as decided by the Board of Directors held on 20 July 2016, following Mr Laurent Burelle's resignation from his functions as Director.

Ms Anne Lange would be appointed for the remainder of Mr Laurent Burelle's term of office, namely until the close of the Shareholders' Meeting to be held in 2017.

◆ Ordinary resolutions

Eleventh resolution

Appointment of KPMG SA as principal Statutory Auditor

The purpose of this resolution is to appoint KPMG SA, as principal Statutory Auditor to replace Mazars.

KPMG SA's term of office would be granted for a period of six financial years, namely until the close of the Shareholders' Meeting to be held in 2022.

◆ Ordinary resolutions

Twelfth resolution

Appointment of SALUSTRO REYDEL as alternate Statutory Auditor

The purpose of this resolution is to appoint SALUSTRO REYDEL, as alternate Statutory Auditor to replace CBA.

SALUSTRO REYDEL's term of office would be granted for a period of six financial years, namely until the close of the Shareholders' Meeting to be held in 2022.

◆ Ordinary resolutions

Thirteenth resolution

Setting of the annual amount of Directors' fees

The purpose of this resolution is to set the aggregate annual amount of the Directors' fees allocated to the Board of Directors for the current financial year at €970,000.

◆ Ordinary resolutions

Fourteenth resolution

Advisory vote on the elements of compensation due or granted for the 2015/2016 financial year to Mr Alexandre Ricard

By voting on this resolution, you are called upon to give a favourable opinion on the elements of compensation due or granted for the 2015/2016 financial year to Mr Alexandre Ricard, Chairman & CEO, as described in pages 219 to 222 of the registration document.

◆ Ordinary resolutions

Fifteenth resolution

Autorisation to be granted to the Board of Directors to repurchase the shares of the Company

The purpose of this resolution is to allow the Company to trade in its own shares:

- Period of validity: 18 months
- Maximum purchase price per share: €150
- Maximum holding: 10% of the share capital

◆ Extraordinary resolutions

Sixteenth resolution

Autorisation to be granted to allocate free shares, whether existing or to be issued to some of the members of the Executive Committee and the Executive Director within the limit of 0,035% of the share capital

The purpose of this resolution is to authorise the Board of Directors to grant shares, whether existing or to be issued, to some of the members of the Executive Committee and the Executive Director, to partially compensate the loss of the benefit of the defined-benefit supplementary pension scheme:

- Overall limit: 0.035% of the share capital
- Sub-limit for the Company's Executive Director: 0,02% of the share capital
- Period of validity: 24 months

◆ Extraordinary resolutions

Seventeenth resolution

Share capital increase with cancellation of preferential subscription rights, within the limit of 2% of the share capital, reserved for members of the Company savings plans

The purpose of this resolution is to authorise such share capital increase:

- Maximum amount: 2% of the share capital
- Period of validity: 26 months

◆ Extraordinary resolutions

Eighteenth resolution

Powers to carry out the necessary legal formalities

The purpose of this resolution is to authorise the Board of Directors to carry out the required legal formalities that follow the decisions of the Shareholders' Meeting.

Questions from shareholders



Thursday 17 November 2016

Vote **on resolutions**



Thursday 17 November 2016

Vote **on resolutions**



Thursday 17 November 2016

◆ Ordinary resolutions

First resolution

Financial statements for the financial year ended 30 June 2016

◆ Ordinary resolutions

Second resolution

Consolidated financial statements for the financial year ended 30 June 2016

◆ Ordinary resolutions

Third resolution

Allocation of the net result for the financial year ended 30 June 2016 and setting of the dividend

◆ Ordinary resolutions

Fourth resolution

Approval of regulated agreements and commitments referred to in articles L.225-38 *et seq.* of the French Commercial Code

◆ Ordinary resolutions

Fifth resolution

Approval of regulated commitments referred to in article L.225-42-1 of the French Commercial Code

◆ Ordinary resolutions

Sixth resolution

Renewal of the directorship of Mr Alexandre Ricard

◆ Ordinary resolutions

Seventh resolution

Renewal of the directorship of Mr Pierre Pringuet

◆ Ordinary resolutions

Eighth resolution

Renewal of the directorship of Mr César Giron

◆ Ordinary resolutions

Ninth resolution

Renewal of the directorship of Mr Wolfgang Colberg

It is proposed that, by voting on this resolution, you renew the directorship of Mr Wolfgang Colberg for a term of 4 years.

◆ Ordinary resolutions

Tenth resolution

Ratification of the co-option of Ms Anne Lange as a Director

◆ Ordinary resolutions

Eleventh resolution

Appointment of KPMG SA as principal Statutory Auditor

◆ Ordinary resolutions

Twelfth resolution

Appointment of SALUSTRO REYDEL as alternate Statutory Auditor

◆ Ordinary resolutions

Thirteenth resolution

Setting of the annual amount of Directors' fees

◆ Ordinary resolutions

Fourteenth resolution

Advisory vote on the elements of compensation due or granted for the 2015/2016 financial year to Mr Alexandre Ricard

◆ Ordinary resolutions

Fifteenth resolution

Autorisation to be granted to the Board of Directors to repurchase the shares of the Company

◆ Extraordinary resolutions

Sixteenth resolution

Autorisation to be granted to allocate free shares, whether existing or to be issued to some of the members of the Executive Committee and the Executive Director within the limit of 0,035% of the share capital

◆ Extraordinary resolutions

Seventeenth resolution

Share capital increase with cancellation of preferential subscription rights, within the limit of 2% of the share capital, reserved for members of the Company savings plans

◆ **Extraordinary resolutions**

Eighteenth resolution

Powers to carry out the necessary legal formalities

Closing of the shareholders' meeting



Thursday 17 November 2016



Pernod Ricard

Créateurs de convivialité