

Paris, 24 April 2014

Performance for the first 9 months in line with H1

Confirmation of FY 2013/14 guidance: **Organic growth in Profit from Recurring Operations** **between +1% and +3%**

Sales for the **first nine months** of the 2013/14 financial year totalled **€6,186 million**. In line with the first half-year, sales were **stable excluding foreign exchange and Group structure effects**. The reported decline was -7% due to a highly unfavourable foreign exchange effect.

In **Asia/Rest of World (-3%)**, sales were impacted primarily by China where the decline was exacerbated by destocking in the third quarter as anticipated. Excluding China, sales growth was +5% over the nine months compared to +2% in the half-year. Of particular note was the very good performance in India and Travel Retail. The situation remained difficult in Korea and Thailand.

In the **Americas (+4%)**, organic growth improved slightly compared with the half-year due in particular to the good performance in Brazil. Good growth in the US (+4%) continued to be driven by excellent price/mix but slowed down slightly compared with the half-year.

In **Europe (+2%)**, Western Europe was stable whilst Eastern Europe posted growth of +9%. The third quarter was largely impacted by unfavourable technical effects (later Easter, excise duty increases, price increases, phasing of promotions, etc.).

The **portfolio dynamics** were similar to that of the half-year:

- ✓ **Top 14** was virtually stable **(-1%)**, with the return to growth of Scotch whiskies in the third quarter
- ✓ **Priority Premium Wines** were stable
- ✓ **Key Local Brands (+5%)** posted strong growth

Emerging markets (-1%), excluding China, remained dynamic (+7%). **Mature markets (+1%)** followed the same trend as in the half-year.

Several **highlights** of the third quarter can be noted:

- ✓ The **Group's operational efficiency programme**, the **Allegro project**, is being gradually implemented, in line with the set objectives of simplification, prioritisation and mutualisation
- ✓ **New distribution agreements** were negotiated in April 2014 with **Pernod Ricard USA's** largest distributors (Southern Wine & Spirits and Republic National Distributing Co.)
- ✓ Pernod Ricard made a **tactical acquisition of a premium California wine (Kenwood)** to achieve critical size in wine in the US, a key market for the development of this category
- ✓ In March 2014 the Group successfully issued a 6-year bond of € 850 million at highly favourable terms. The 2% coupon was the lowest ever achieved for this maturity by a BBB-rated company

Pierre Pringuet, Chief Executive Officer of Pernod Ricard, took this opportunity to comment: *"In an environment that remains challenging, our performance over the nine months was in line with the half-year and with our annual guidance. I am pleased with the acquisition of Kenwood and with the strengthening of our partnerships with our two largest US distributors, which reinforce the Group's portfolio and execution capability in the US."*

A detailed presentation of sales for the first nine months of 2013/14 can be downloaded from our website: www.pernod-ricard.com

Note: All growth data specified in this press release refers to organic growth, unless otherwise stated.

About Pernod Ricard

Pernod Ricard is the world's co-leader in wines and spirits with consolidated sales of € 8,575 million in 2012/13. Created in 1975 by the merger of Ricard and Pernod, the Group has undergone sustained development, based on both organic growth and acquisitions: Seagram (2001), Allied Domecq (2005) and Vin & Sprit (2008). Pernod Ricard holds one of the most prestigious brand portfolios in the sector: Absolut Vodka, Ricard pastis, Ballantine's, Chivas Regal, Royal Salute and The Glenlivet Scotch whiskies, Jameson Irish whiskey, Martell cognac, Havana Club rum, Beefeater gin, Kahlúa and Malibu liqueurs, Mumm and Perrier-Jouët champagnes, as well Jacob's Creek, Brancott Estate, Campo Viejo and Graffigna wines. Pernod Ricard employs a workforce of nearly 19,000 people and operates through a decentralised organisation, with 6 "Brand Companies" and 80 "Market Companies" established in each key market. Pernod Ricard is strongly committed to a sustainable development policy and encourages responsible consumption. Pernod Ricard's strategy and ambition are based on 3 key values that guide its expansion: entrepreneurial spirit, mutual trust and a strong sense of ethics.

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

Sales analysis by region

Net Sales (€ millions)	HY1 2012/13		HY1 2013/14		Change		Organic Growth		Group Structure		Forex impact	
Europe	1,619	33.0%	1,612	35.3%	(7)	0%	59	4%	(33)	-2%	(33)	-2%
Americas	1,282	26.1%	1,209	26.5%	(73)	-6%	41	3%	(2)	0%	(112)	-9%
Asia / Rest of the World	2,005	40.9%	1,749	38.3%	(256)	-13%	(82)	-4%	(12)	-1%	(162)	-8%
World	4,907	100.0%	4,570	100.0%	(336)	-7%	18	0%	(48)	-1%	(306)	-6%

Net Sales (€ millions)	Q3 2012/13		Q3 2013/14		Change		Organic Growth		Group Structure		Forex impact	
Europe	561	32.2%	523	32.4%	(39)	-7%	(19)	-3%	(8)	-1%	(12)	-2%
Americas	425	24.4%	403	25.0%	(22)	-5%	23	5%	(1)	0%	(44)	-10%
Asia / Rest of the World	756	43.4%	690	42.7%	(67)	-9%	(10)	-1%	(1)	0%	(56)	-7%
World	1,743	100.0%	1,616	100.0%	(127)	-7%	(6)	0%	(10)	-1%	(112)	-6%

Net Sales (€ millions)	YTD March 2012/13		YTD March 2013/14		Change		Organic Growth		Group Structure		Forex impact	
Europe	2,180	32.8%	2,135	34.5%	(46)	-2%	41	2%	(41)	-2%	(45)	-2%
Americas	1,708	25.7%	1,613	26.1%	(95)	-6%	63	4%	(3)	0%	(156)	-9%
Asia / Rest of the World	2,762	41.5%	2,439	39.4%	(323)	-12%	(92)	-3%	(13)	0%	(218)	-8%
World	6,650	100.0%	6,186	100.0%	(464)	-7%	12	0%	(57)	-1%	(419)	-6%

Sales analysis by region (former operating segments)

Net Sales (€ millions)	HY1 2012/13		HY1 2013/14		Change	Organic Growth	Group Structure	Forex impact
France	374	7.6%	397	8.7%	23 6%	24 6%	(1) 0%	0 0%
Europe excl. France	1,245	25.4%	1,215	26.6%	(30) -2%	35 3%	(32) -3%	(33) -3%
Americas	1,282	26.1%	1,209	26.5%	(73) -6%	41 3%	(2) 0%	(112) -9%
Asia / Rest of World	2,005	40.9%	1,749	38.3%	(256) -13%	(82) -4%	(12) -1%	(162) -8%
World	4,907	100.0%	4,570	100.0%	(336) -7%	18 0%	(48) -1%	(306) -6%

Net Sales (€ millions)	Q3 2012/13		Q3 2013/14		Change	Organic Growth	Group Structure	Forex impact
France	144	8.3%	133	8.3%	(11) -8%	(10) -7%	(1) -1%	0 0%
Europe excl. France	417	23.9%	389	24.1%	(28) -7%	(9) -2%	(7) -2%	(12) -3%
Americas	425	24.4%	403	25.0%	(22) -5%	23 5%	(1) 0%	(44) -10%
Asia / Rest of World	756	43.4%	690	42.7%	(67) -9%	(10) -1%	(1) 0%	(56) -7%
World	1,743	100.0%	1,616	100.0%	(127) -7%	(6) 0%	(10) -1%	(112) -6%

Net Sales (€ millions)	YTD March 2012/13		YTD March 2013/14		Change	Organic Growth	Group Structure	Forex impact
France	518	7.8%	530	8.6%	12 2%	14 3%	(2) 0%	0 0%
Europe excl. France	1,662	25.0%	1,604	25.9%	(58) -3%	26 2%	(39) -2%	(45) -3%
Americas	1,708	25.7%	1,613	26.1%	(95) -6%	63 4%	(3) 0%	(156) -9%
Asia / Rest of World	2,762	41.5%	2,439	39.4%	(323) -12%	(92) -3%	(13) 0%	(218) -8%
World	6,650	100.0%	6,186	100.0%	(464) -7%	12 0%	(57) -1%	(419) -6%

France is now included in the Europe operating segment

Top 14 brands organic sales growth – 9 months

Top 14	Net Sales	Volumes	Price/mix
Absolut	0%	-3%	3%
Chivas Regal	-2%	-6%	4%
Ballantine's	-4%	1%	-5%
Ricard	5%	4%	1%
Jameson	13%	10%	3%
Havana Club	3%	1%	2%
Malibu	-3%	-4%	1%
Beefeater	1%	2%	0%
Kahlua	-1%	-1%	0%
Martell	-9%	-7%	-2%
The Glenlivet	9%	1%	9%
Royal Salute	-9%	-9%	0%
Mumm	-1%	-2%	1%
Perrier-Jouët	17%	8%	9%
Top 14	-1%	0%	-1%

Foreign exchange impact (sales)

Forex impact YTD March 2013/14 (€ millions)		Average rates evolution ⁽¹⁾			On Net Sales
		2012/13	2013/14	%	
Indian rupee	INR	70.27	83.82	19.3%	(80)
US dollar	USD	1.29	1.35	4.8%	(67)
Australian dollar	AUD	1.24	1.48	19.3%	(30)
Argentinian peso	ARS	6.20	8.69	40.2%	(28)
Russian rouble	RUB	40.15	45.28	12.8%	(26)
Japanese yen	JPY	108.48	136.16	25.5%	(24)
Venezuelan bolivar	VEF	10.93	17.55	60.5%	(22)
Brazilian real	BRL	2.61	3.12	19.5%	(21)
Other currencies					(121)
Total					(419)

(1) Average rates vs. EUR

Foreign exchange impact for the financial year 2013/14 (profit from recurring operations)

Over the full 2013/14 financial year, the forex impact on profit from recurring operations is estimated at approximately € (200) million, based on exchange rates at 15 April 2014, particularly EUR/USD = 1.36

Group structure effect

Group structure YTD March 2013/14 (€ millions)	On Net Sales
Scandinavian activities	(23)
Spanish activities	(18)
Australian activities	(5)
Other	(11)



Pernod Ricard

Créateurs de convivialité

Emerging markets

Asia-Rest of World		Americas	Europe
Algeria	Malaysia	Argentina	Albania
Angola	Morocco	Bolivia	Armenia
Cambodia	Mozambique	Brazil	Azerbaijan
Cameroon	Namibia	Caribbean	Belarus
China	Nigeria	Chile	Bosnia
Congo	Persian Gulf	Colombia	Bulgaria
Egypt	Philippines	Costa Rica	Croatia
Ethiopia	Senegal	Cuba	Georgia
Gabon	South Africa	Dominican Republic	Hungary
Ghana	Sri Lanka	Ecuador	Kazakhstan
India	Syria	Guatemala	Kosovo
Indonesia	Tanzania	Honduras	Latvia
Iraq	Thailand	Mexico	Lithuania
Ivory Coast	Tunisia	Panama	Macedonia
Jordan	Turkey	Paraguay	Moldova
Kenya	Uganda	Peru	Montenegro
Laos	Vietnam	Puerto Rico	Poland
Lebanon	Zambia	Uruguay	Romania
Madagascar		Venezuela	Russia
			Serbia
			Ukraine