



Pernod Ricard Asia

Créateurs de convivialité

ASIA CONFERENCE

ANALYST & INVESTOR CALL



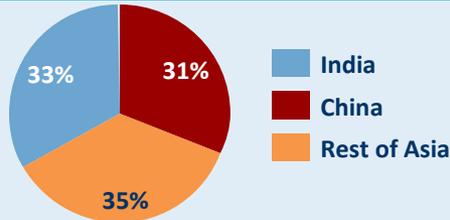
15th May 2017



ASIA: Stable performance

ASIA
9M SALES

Flat



CHINA
Stable
Stabilization confirmed by Chinese New Year performance

INDIA
+1%
Temporary slowdown (demonetization) impacting local Whiskies

SINGAPORE & THAILAND
Slight decline driven by Singapore and Thailand

VIETNAM
Solid growth with good performance of Whisky

JAPAN
Good growth from Champagne and Whisky

SOUTH KOREA
Strong decline, turnaround plan in implementation phase

TAIWAN
In slight decline due to tough competition in Whisky

HK & MACAU
Modest decline in HK, stable performance in Macau



ASIA: Dynamic growth on Martell offset by Whiskies

Martell

Back to growth in China



9M Sales

+4%

#1

Cognac
in China¹

Seagram's Whiskies

Modest growth due to market conditions in India



9M Sales

+1%

#1

In Premium+
WSS¹

Whiskies

China bearing on decline



9M Sales

Scotch
-7%

Growth relays
+ 26%

Innovation

Big bets in solid double-digit growth



9M Sales

+31%

Luxury brands

Good growth driven by Martell



9M Sales

+4%

#1

A CLEAR VALUE LEADER IN IMPORTED SPIRITS



GEOGRAPHIC
EXPANSION



MIDDLE-CLASS
RECRUITMENT



NEW OCCASIONS
(INCL MEAL)

INVESTMENT IN
GROWTH RELAYS

DEVELOPMENT OF
SOUTH-EAST ASIA

SUCCESSFUL
INNOVATION

ACTIVE PORTFOLIO
MANAGEMENT

RECRUITMENT OF NEW
ASIAN TALENT

SCALE DIGITAL
ACTIVATIONS

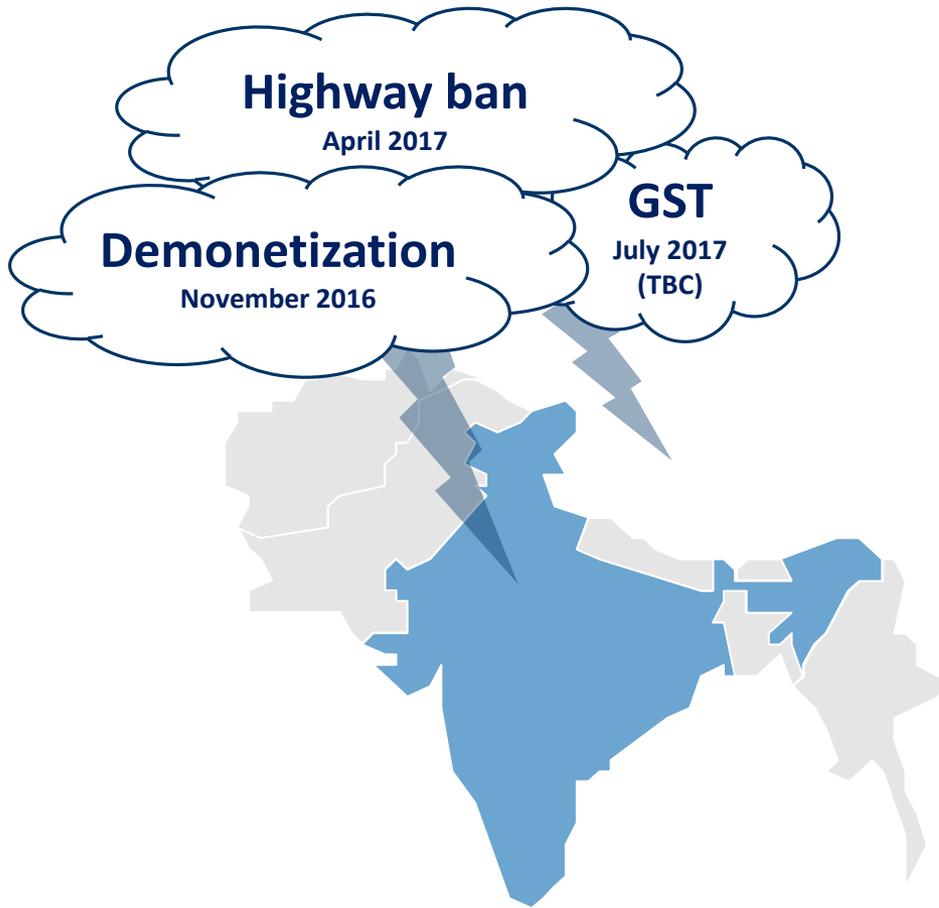
A MODEL WITH STRONGER DIVERSITY FOR BETTER AGILITY



INDIA: A year of regulatory changes resulting in a temporary slowdown, yet long-term potential remains very strong



Pernod Ricard Asia



STRONG BUSINESS FUNDAMENTALS



UNIQUE & RESILIENT BUS. MODEL



RAPID EVOLUTION OF MIDDLE AND AFFLUENT CLASS POPULATION



LEADING LOCAL BRANDS GETTING STRONGER



DYNAMIC INTERNATIONAL BRANDS



PERNOD RICARD INDIA fundamentals remain strong (1/3)

Focus on local brands



LEADING BRAND BUILDING CAPABILITIES



PREMIUMIZATION



Blender's Pride
Reserve Collection Restage



Barrel Select by Royal Stag
Packaging Restage & ATL



INNOVATION

- Clear #1 with **over 45%*** market share
- Best suited to tap into large premiumization potential

Royal Stag
Ltd Edition pack



Imperial Black



Something Special



*Domestic Whisky Premium+ Western Style Spirits (>5 € AVE PRICE). Value Share estimate based on Statutory reports, IWSR and local market intelligence



PERNOD RICARD INDIA fundamentals remain strong (2/3)

Focus on International Strategic brands

INTERNATIONAL STRATEGIC BRANDS

9M Sales

+13%

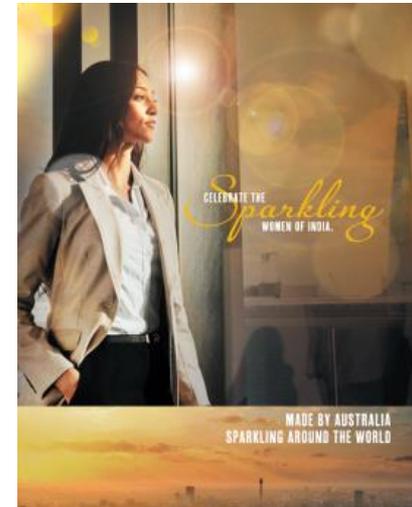
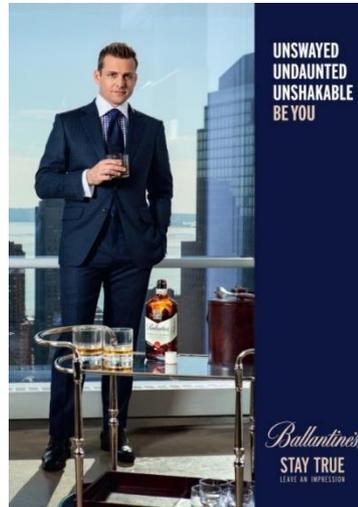


KEY ACTIVATIONS

Absolut EVC Music festival



Chivas Real Success – local campaign



Local campaigns : Ballantine' featuring Gabriel Macht & Jacob's Creek Sparkling brand building efforts



PERNOD RICARD INDIA fundamentals remain strong (3/3)

Focus on enablers



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COMMERCIAL EXCELLENCE

Visibility at point-of-sale



OPERATIONAL EFFICIENCY

Asset-light production footprint



CONTRIBUTION TO THE COMMUNITY

Medical support through dispensaries



Hawk Eye

Display & competitor activity monitoring



Start the day by marking attendance



Take Signage photos/size including competitor



Tracking availability of our brands as well as competitor key brands

Multiple national awards



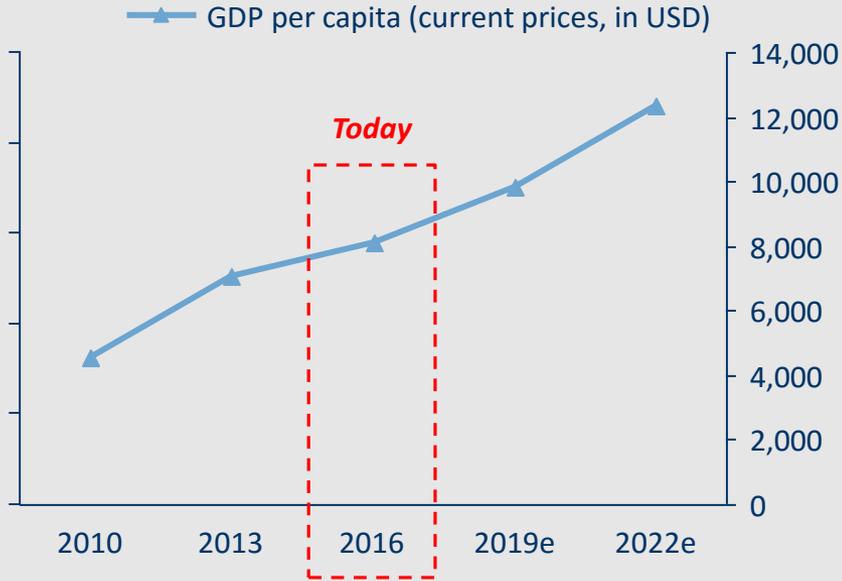
Cool Teens – Anti-Underage Drinking Program





CHINA: Long-term macro-trends remain positive

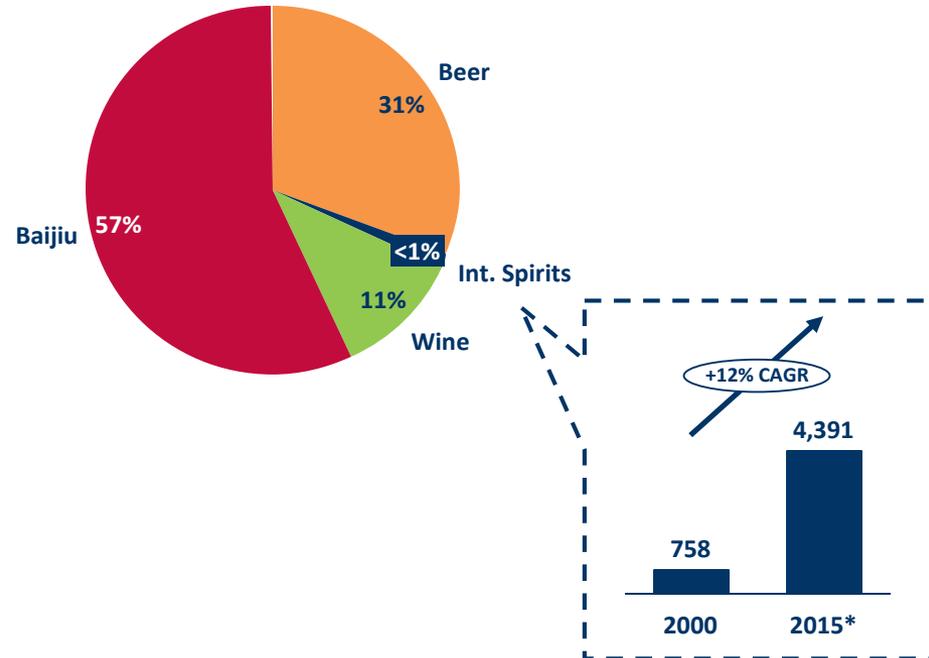
CONTINUED INCREASE OF PURCHASING POWER



- Continued growth of GDP/capita, +50% expected by 2022
- Growth model based on increase of private vs. public spend, forecast to have positive impact on personal consumption

LOW BUT INCREASING INTERNATIONAL SPIRITS PENETRATION

TOTAL ALCOHOL ~2.2B 9L Cs 40% ABV Eq



Confirmed - very strong potential for future growth on International Spirits

#1 in Cognac, most comprehensive portfolio and strongest RTM

EXPAND MARTELL SUCCESS

Solid performance in volume and value in all channels

- Best positioned to capture market growth with clear category leadership position
- Consumer education and recruitment through Distinction and Noblige



REIGNITE CHIVAS REGAL

Some market share erosion

- Chivas equity still #1 in Whisky
- Action plan to improve performance in the works



ACCELERATE GROWTH RELAYS

Commercial & Marketing focus/amplification of Premium portfolio

- Fit-for-purpose organization and route-to-market efficiencies
- New commercial talent pool





CHINA: Martell's continued strong performance thanks to meal focus



PREMIUMIZATION & INNOVATION

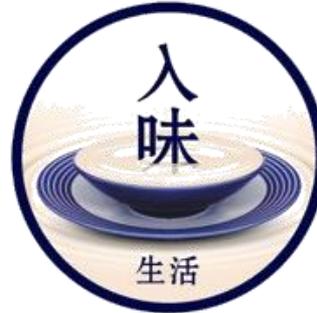


MEAL FOCUS



DIGITAL ACCELERATION

"Be Curious"
TVC



Martell Chanteloup Perspective ATL



Martell Meal Portfolio

COMING SOON

Dining Temptation

500M views
10M social buzz



Gourmet Inspector

48K engagement
63M impression





CHINA: A new organization implemented in July 2016 to accelerate growth relays

**HNWI & AFFLUENT CLASS
PORTFOLIO**

**MIDDLE CLASS
PORTFOLIO**



PROMPTING AN EVOLUTION OF OUR AFFILIATE



-  ACCESSIBLE RSPs FOR MIDDLE-CLASS
-  LARGER OUTLET UNIVERSE
-  LOWER COST OF OPERATIONS
-  LIGHTER ACTIVATION INVESTMENT



SOUTH KOREA: Strong decline, turnaround plan in implementation phase



ORGANIZATIONAL CHANGES

- New team in place with key appointments in management and commercial roles
- Reorganisation of sales department to better leverage resources
- Inspire a new mindset and foster operational efficiency

KEY INITIATIVES



35 by Imperial

- Lower-ABV (35%)
 - Launched Dec. 16
- Strong initial response and share gain in Busan region*



- Webtoons comms
650 K unique views



- 375ml mix education and recruitment tool (Oct'16)
 - Digital loyalty platform 'ABSOLUT ME' mobile app
- Distribution drive in BMOT targeting beer drinkers*



JAPAN: Good growth thanks to Perrier-Jouët, Ballantine's and Chivas Regal

KEY INITIATIVES – SCOTCH WHISKY



Chivas Mizunara
ATL & Activation



BALLANTINE'S – Sampling, ATL & NPD



KEY INITIATIVES – PERRIER-JOUËT



Perrier -Jouët
Grand Brut
Expansion

Digital Loyalty
Platform



L'Eden
Luxury
Events &
PR Vehicle

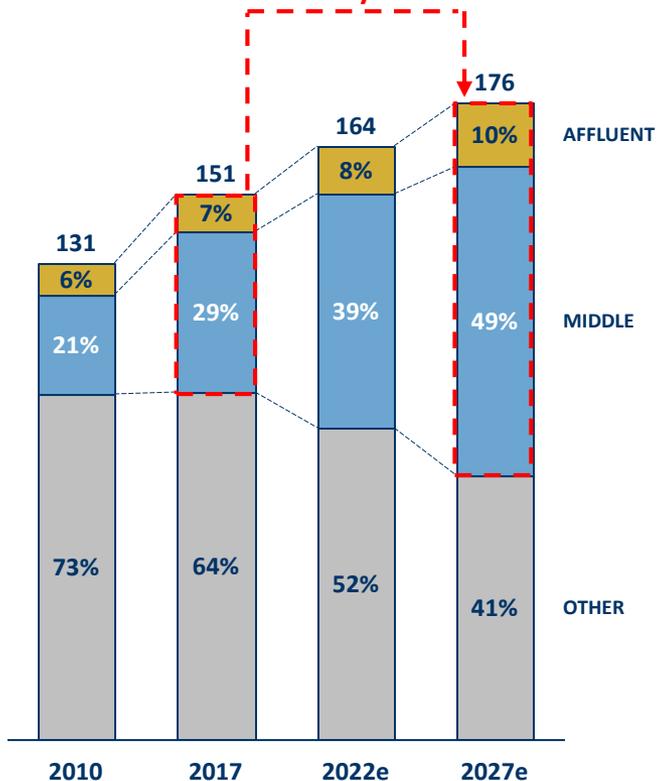


SOUTH-EAST ASIA: An established stronghold for Martell, a growing pool of potential consumers

STRONG FUTURE POOL OF MIDDLE AND AFFLUENT CLASS CONSUMERS

No. of Households* (Mn)

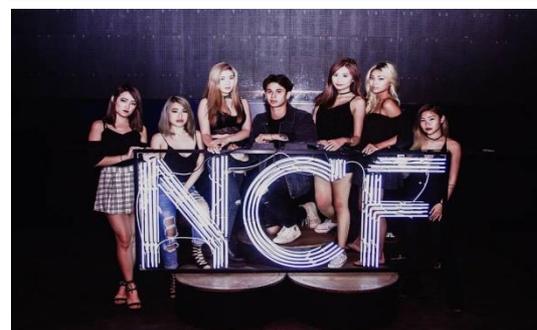
+48M MAC households in 10 years



MARTELL STRONGHOLD



MARTELL NCF launch in key markets



* Source: IHS Global insights, MAR 2017 (2005 USD Constant FX)
Scope: Philippines, Singapore, Malaysia, Vietnam, Indonesia, Thailand
MAC: Millions household income PPP, Affluents > \$80K USD, Middle Class: \$20k-80k USD, Others: <\$20k USD



SOUTH EAST ASIA: A growth relay for Whiskies



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VIETNAM

Strong retail presence in HCMC and Hanoi



MALAYSIA
Chivas 'The Venture' and 'The Blend' Mentoring.



THAILAND
Extensive festive activation around Chivas



The Glenlivet mentoring & education with key customers



PHILIPPINES
Developing new channels with Jameson



Chivas Blue Signature events and advocacy drive.



SINGAPORE
The Glenlivet presence and recruitment in modern on-trade



CONCLUSION: PERNOD RICARD ASIA uniquely positioned to capture future growth across the region

- ✓ **Overall FY17 a year of stability**
 - Temporary slowdown in India due to very adverse market conditions
 - Confirmation of China's recent stabilization and positive outlook for Martell

- ✓ **Promising regional outlook**
 - Dynamic macro-economic and demographic trends
 - Rise of the middle-class
 - Imported spirits penetration growing with purchasing power

- ✓ **An agile platform to recruit consumers and transform future opportunities**
 - Portfolio breadth: robust stronghold in Super Premium+, promising deployment of growth relays in Premium-
 - Marketing power: expertise in brand building, focus on innovation
 - Commercial excellence: widespread routes-to-market, activation know-how