



Pernod Ricard

Créateurs de convivialité

SALES TO 31 MARCH 2015

23 April 2015



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*All growth data specified in this presentation refers to organic growth (constant FX and Group structure), unless otherwise stated.
Data may be subject to rounding.*

“CNY”: Chinese New Year

This presentation can be downloaded from our website: www.pernod-ricard.com



Executive summary



+7%

Q3

Organic Sales

+2%

YTD

Organic Sales

Confirmation of gradual Sales improvement, in line with objectives communicated in October 2014

Good Q3: +7% organically (+3% restated for later Chinese New Year⁽¹⁾), partially favoured by comparative basis

Solid YTD Sales +2% organically, broadly consistent with H1 trends

YTD reported sales +6%, favoured by a very positive forex impact



+2%

YTD

Organic Sales

Key figures

		<i>9M 2014/15 vs. 9M 2013/14</i>
Sales	€ 6,542 m	+2% <i>reported growth: +6%</i>
<i>Mature markets</i>	<i>€ 3,892 m</i>	<i>stable</i>
<i>Emerging markets</i>	<i>€ 2,650 m</i>	<i>+5%</i>
Top 14	€ 4,141 m	+2%
<i>Priority Premium Wines</i>	<i>€ 351 m</i>	<i>stable</i>
<i>Key Local Brands</i>	<i>€ 1,182 m</i>	<i>+5%</i>



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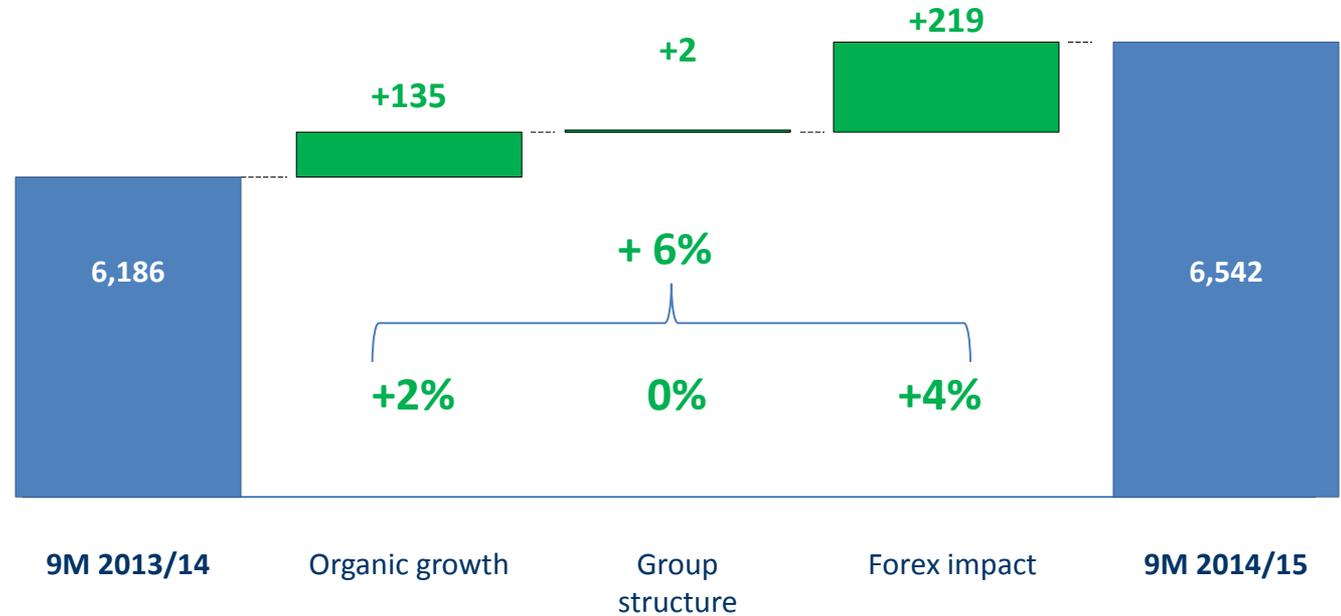
+2%

**Organic
Sales YTD**

+6%

**Reported
Sales YTD**

YTD Sales growth



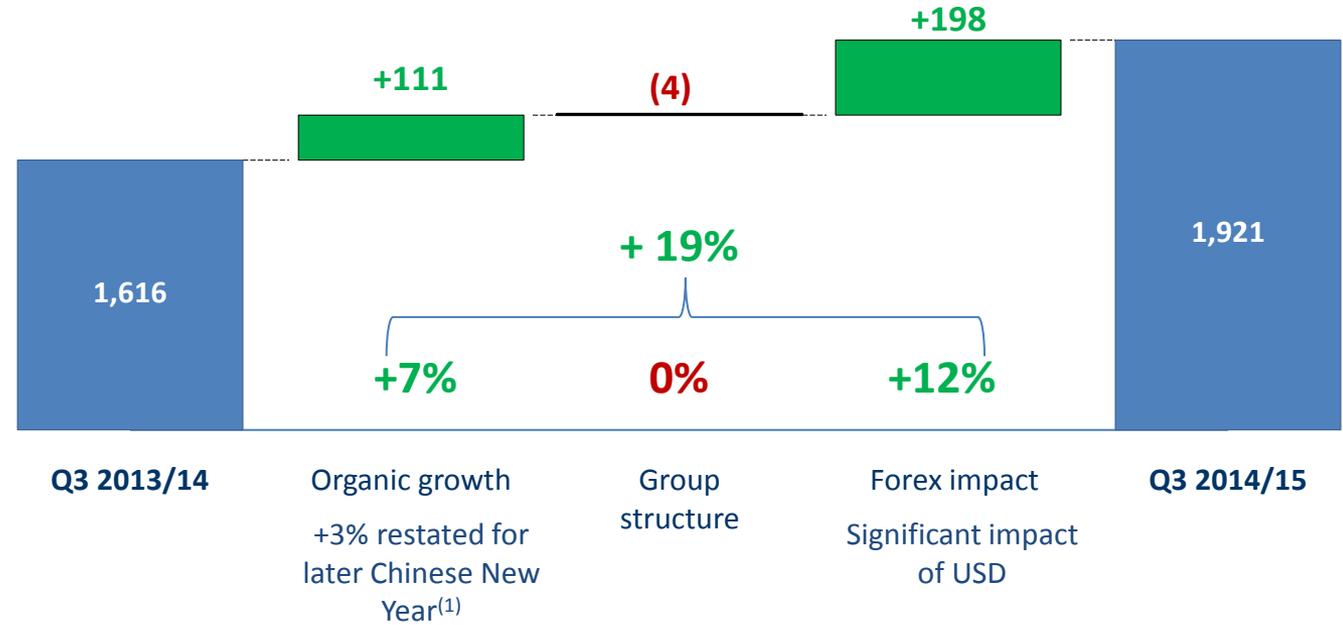
**Significant impact of strengthening US Dollar,
average rate 1.23 vs. 1.35 for the same period last year**



+7%

Organic Q3 Sales

Q3 Sales growth



Reported Q3 Sales boosted by very favourable FX

*(1) 3-week difference in timing of Chinese New Year (CNY): 19 February 2015 vs. 31 January 2014
Restatement of Q3 for 19 days fewer shipments*

Sales analysis

by region

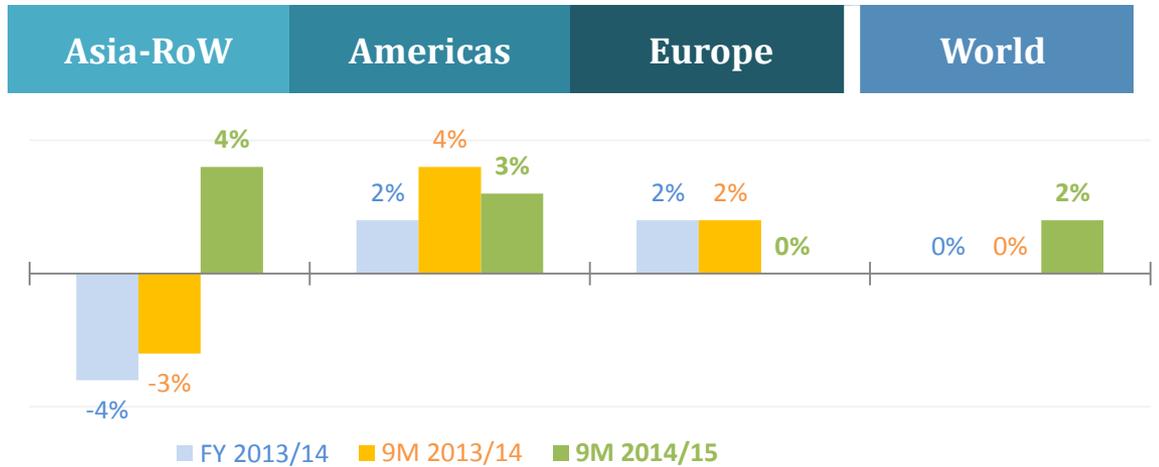


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Organic Sales growth by region

+2%

Gradual YTD Sales improvement



Confirmed improvement after stable Chinese New Year	Performance improving in Q3	Overall stability
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% of Sales





Asia-Rest of the World

*Confirmed improvement after stable
Chinese New Year: +4% YTD*



-3%

China
YTD Sales

Asia-Rest of the World

China: confirmed gradual improvement

Market

- **Improving volumes**, despite macroeconomic slowdown and continuation of anti-extravaganza campaign

<u>Market (Volumes)⁽¹⁾</u>	<u>FY 13/14</u> (July - June)	<u>CNY 14/15</u> (Dec - Feb)	<u>YTD 14/15</u> (July - Feb)
Cognac	-22%	+7%	-1%
Whisky	-13%	-11%	-11%

Pernod Ricard China

- **Good Chinese New Year depletions performance with market share gains:**

<u>Pernod Ricard China Depletions (Volumes)⁽²⁾</u>	<u>CNY 14/15</u> (Dec - Feb)	<u>YTD 14/15</u> (July - Mar)
Martell	+13%	+5%
Whisky	-6%	-8%

- **Moderate decline in YTD Sales: -3%**
 - Shipment volumes up +4%
 - **Significant negative price/mix of -7%**, still largely driven by Martell and channel mix

NB: Q3 2014/15 positively impacted by later Chinese New Year (19/02/15 vs. 31/01/14)

(1) Tier 1 wholesaler panel

(2) Tier 1 + Tier 2 depletions



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+6%

Asia ROW
YTD Sales
excl. China

Asia-Rest of the World Other markets

India: +19% YTD

- **Continued very strong dynamism**, driven by volume growth of Indian whiskies, Scotch (Chivas and The Glenlivet) and Absolut
- Challenging regulatory environment with excise hikes and resistance to price increases

Africa and Middle East: +12% YTD

- **Continued development** of new affiliates in a difficult political and sanitary environment
- **Very strong growth of South Africa**, driven by Jameson
- Growth outside South Africa driven by Top 14, notably Martell and Scotch

Travel Retail Asia

- Modest decline

Korea

- **Persistent difficulties** on Imperial and the traditional on-trade



Americas

Performance improving in Q3



-1%

US
YTD sales

Americas United States

Market: early improving trends

- **Greater spirits consumption** in the context of an improved macroeconomic environment and better consumer sentiment
- **Volume improvement in Q3:** Nielsen⁽¹⁾ 13-week +3.3% vs. +1.1% YTD
- **Premiumisation remains the principal growth driver:** Nielsen⁽¹⁾ 6-month value +4.8% vs. volume +2.0%

Pernod Ricard USA: stronger Sales in Q3

- **Q3 Sales +2%**, partly favoured by an easier basis of comparison
- **Nielsen 6-month value now at +2.3%**⁽¹⁾ vs. +1.1% at end H1⁽²⁾

New commercial organisation in place

- **New ways of working** being implemented by **dedicated sales representatives**
- Commercial benefit expected to come through in FY 2015/16

Underlying performance by brand YTD⁽¹⁾

Nielsen value	Absolut	Jameson	Malibu	The Glenlivet	Martell	Avion
	-5%	+15%	+2%	+8%	+34%	+36%
	vodka category remains very competitive, particularly for Flavours	continued very strong growth	outperformed its category (-1%)	good price/mix	outpaced its category	strong development of the brand

(1) Nielsen ending March 28, 2015

(2) Nielsen ending January 3, 2015



+7%

Americas
YTD Sales
excl. US

Americas Other markets

Brazil

- **Continued double-digit growth**, despite more moderate growth in Q3
- Ongoing premiumisation
- **Market share gains⁽¹⁾** in a less dynamic spirits market
 - Absolut +20% (vs. vodka +10%)
 - Chivas +31%, Ballantine's Finest +35% (vs. whisky +13%)

Mexico

- **Ongoing growth**
- Excellent development of **Passport**
- Closing of sale of Caribe Cooler

Travel Retail

- **Very strong growth** enhanced by a favourable basis of comparison
- Growth driven by Martell and the Scotch whisky portfolio
- Very competitive environment due to strengthening USD

Canada

- Solid growth



Europe

Overall stability



0%

Stable
YTD Sales in
Western
Europe

Europe

Western Europe

France

- **Broadly stable performance**, driven notably by good performance of Ballantine's, Aberlour, Havana Club and champagnes, despite the decline of Ricard and Pastis 51

Spain: +2% YTD

- **Confirmation of recovery**, driven by very good performance of gins

Germany

- **Return to growth** after a good Q3, following the resolution of commercial conflicts in H1

UK: +4% YTD

- **Market share gains**
- Good performance of Mumm, Absolut, Jameson and Campo Viejo

Travel Retail

- Double-digit decline
- Difficulties linked to the Russian situation and a challenging commercial environment



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+2%

**Sales growth
in Eastern
Europe YTD**

Europe Eastern Europe

Russia: +1% YTD

- YTD broadly stable after significant Q3 decline due to destocking following H1 sell-in and steep price increases on 1 February
- Spirits market turned negative in Q3
- Market share gains

Poland

- Decline in sales YTD but strong Q3 on easing comparatives
- Competitive landscape remains aggressive



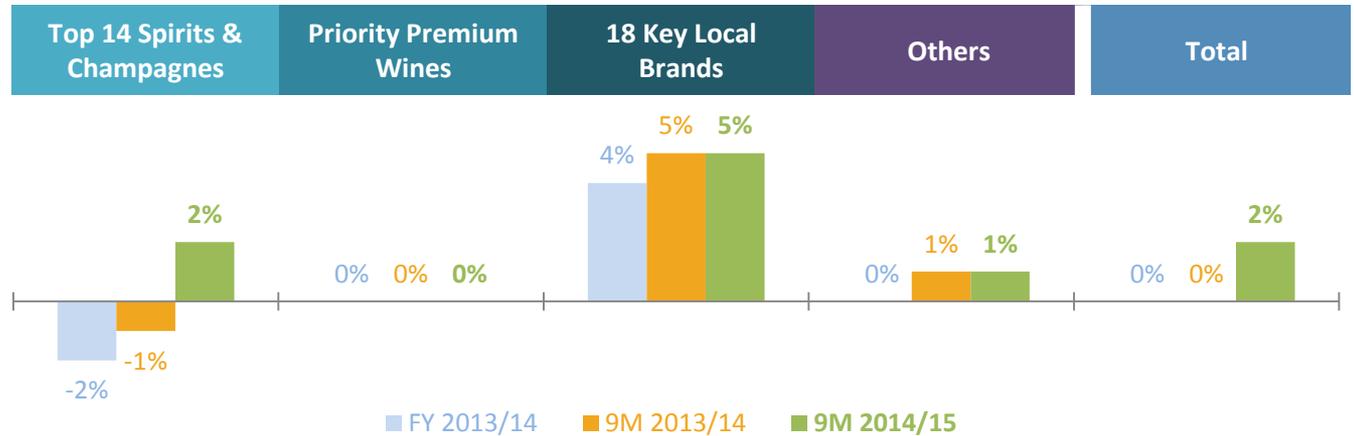
Sales analysis

by brand

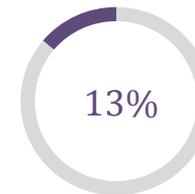


Sales growth by category

+2%
Gradual
YTD Sales
improvement



Confirmed return to growth, driven by volumes at +2%	Stable	Growth driven by Indian whiskies
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% of Sales

Premium brands⁽¹⁾: 76% of Sales

(1) RSP in the US >= USD 17 for spirits and > USD 5 for wines



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+2%

YTD Sales

**Confirmed
return to
growth driven
by volumes**

Top 14 Spirits & Champagnes

	Organic growth	Volumes	Price/mix
Absolut	-1%	0%	-1%
Chivas Regal	0%	0%	0%
Ballantine's	4%	5%	-2%
Ricard	-3%	-3%	0%
Jameson	9%	8%	2%
Havana Club	-1%	1%	-1%
Malibu	-6%	-5%	0%
Beefeater	4%	2%	2%
Kahlua	2%	0%	1%
Martell	1%	7%	-6%
The Glenlivet	14%	12%	3%
Royal Salute	-5%	-6%	1%
Mumm	9%	15%	-6%
Perrier-Jouët	8%	12%	-3%
Top 14	2%	2%	0%

Neutral price/mix



+2%

YTD Sales

Confirmed
return to
growth driven
by volumes

Top 14 Spirits & Champagnes

Martell: back to growth (+1%)

- Continued strong growth of Noblige
- Good international development (outside China: +5% YTD vs. +3% in H1)

Jameson: continued very strong performance (+9%)

- Ongoing double-digit growth in the US and promising development in several other markets

Scotch whiskies: return to growth (+2%)

- Good performances of The Glenlivet and Ballantine's Finest (+6%), in particular in emerging markets
- Chivas: stability overall, with mixed performance

White spirits

- Absolut in decline in US but promising development of Elyx; good growth excl. US driven by Brazil, UK, India, Africa/Middle East Travel Retail and Thailand
- Malibu negatively impacted by unfavourable phasing of shipments/depletions in US and cycling innovation; good performance of mother brand in US

Champagne

- High single-digit growth, boosted by international development





0%

Stable YTD
Sales

Priority Premium Wines

Volumes **+1%**

Sales **0%**

% of Group sales:

5%

Good performance of Campo Viejo and Brancott Estate

- Continued growth of Campo Viejo, particularly in the UK
- Very strong performance of Brancott Estate in Australia

Decline of Jacob's Creek

- Highly competitive UK wine market
- Improvement in China (positive Chinese New Year performance)





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+5%

Dynamic

Sales growth
YTD

18 Key Local Brands

Volumes +12%

Sales +5%

% of Group sales:

18%

Indian whiskies: +19%

- Continued strong double-digit growth

Passport

- Rapid development in Latin America (Brazil and Mexico), Russia and Sub-Saharan Africa

100 Pipers

- Strong development in India and rebound in Thailand (very favourable comparatives)

Imperial

- Decline in a contracting Korean market



Conclusion



Conclusion

**Solid YTD Sales at +2% after a good Q3
(+7% / +3% restated for later Chinese New Year)**

**Gradual improvement in Sales confirmed,
in an environment that remains challenging**

Confirmation of FY 2014/15 guidance:

**Organic growth in Profit from Recurring Operations
between +1% and +3%**

**Positive FX impact of c.€180m⁽¹⁾ now expected on
FY 2014/15 Profit from Recurring Operations**



Upcoming communications

DATE ⁽¹⁾	EVENT
Tuesday 30 June 2015	Europe Conference call
Thursday 27 August 2015	FY 2014/15 Sales and results

(1) The above dates are indicative and are liable to change

Appendices



Sales Analysis by Region

Net Sales (€ millions)	H1 2013/14		H1 2014/15		Change		Organic Growth		Group Structure		Forex impact	
Asia / Rest of the World	1,749	38.3%	1,801	39.0%	52	3%	(4)	0%	(2)	0%	58	3%
Americas	1,209	26.5%	1,242	26.9%	32	3%	21	2%	15	1%	(4)	0%
Europe	1,612	35.3%	1,579	34.2%	(33)	-2%	7	0%	(7)	0%	(33)	-2%
World	4,570	100.0%	4,621	100.0%	51	1%	24	1%	6	0%	21	0%

Net Sales (€ millions)	Q3 2013/14		Q3 2014/15		Change		Organic Growth		Group Structure		Forex impact	
Asia / Rest of the World	690	42.7%	913	47.5%	223	32%	94	14%	(2)	0%	131	19%
Americas	403	25.0%	503	26.2%	100	25%	21	5%	0	0%	79	20%
Europe	523	32.4%	505	26.3%	(18)	-3%	(4)	-1%	(2)	0%	(12)	-2%
World	1,616	100.0%	1,921	100.0%	305	19%	111	7%	(4)	0%	198	12%

Net Sales (€ millions)	YTD March 2013/14		YTD March 2014/15		Change		Organic Growth		Group Structure		Forex impact	
Asia / Rest of the World	2,439	39.4%	2,714	41.5%	275	11%	90	4%	(4)	0%	189	8%
Americas	1,613	26.1%	1,745	26.7%	132	8%	42	3%	15	1%	76	5%
Europe	2,135	34.5%	2,083	31.8%	(52)	-2%	3	0%	(9)	0%	(46)	-2%
World	6,186	100.0%	6,542	100.0%	356	6%	135	2%	2	0%	219	4%



Forex impact 9M 2014/15 (€ millions)		Average rates evolution			On Net Sales
		2013/14	2014/15	%	
US dollar	USD	1.35	1.23	-8.7%	132
Chinese yuan	CNY	8.25	7.63	-7.6%	52
Indian rupee	INR	83.82	75.95	-9.4%	51
Pound sterling	GBP	0.84	0.78	-7.8%	25
Korean won	KRW	1.46	1.32	-9.6%	18
Venezuelan bolivar	VEF	17.55	61.68	251.5%	(18)
Russian rouble	RUB	45.28	59.69	31.8%	(49)
Other currencies					8
Total					219



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