

FY23 Sales and Results

31st August 2023



Pernod Ricard
Créateurs de convivialité

Growth data specified in this presentation refers to organic growth, unless otherwise stated.

Data may be subject to rounding.

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



A Very Strong FY23



Very strong FY23 performance in a normalising environment



A very strong and diversified performance

Leading premium portfolio delivering broad-based growth across regions & categories
Sustaining Gross Margin and expanding Operating Margin

Investing in our brands' sustainable growth and desirability

Record level of investments in A&P, Capex and Strategic Inventory
Active portfolio management focused on priority premium+ brands

Ongoing transformation momentum

Progressing toward our 2030 Sustainability and Responsibility targets
Continued deployment of our Conviviality Platform

Translating into long-term shareholder value

Superior TSR¹: +18% in FY23
Announcing a share buyback program of €500m to €800m in FY24

1. As at 30/06/2023, TSR spot method, with dividend re-invested



Excellent full year financial delivery

Organic Operating Margin expansion +32bps

Sales	Reported	+13%
€12,137m	Organic	+10%

PRO	Reported	+11%
€3,348m	Organic	+11%

Free Cash Flow		
€1,431m		-21%

Group Share of Net Profit	+13%
€2,262m	

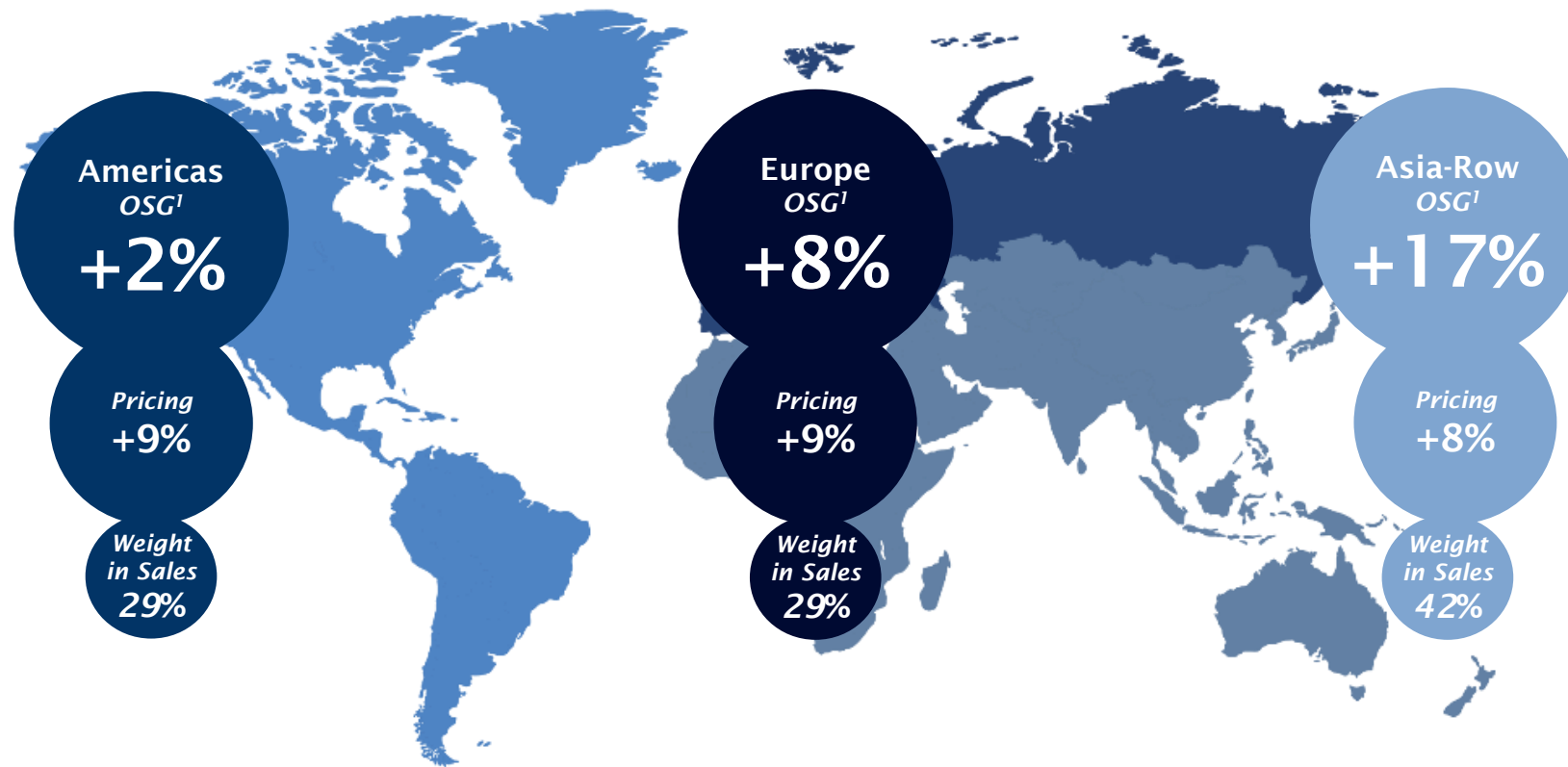
EPS	+11%
€9.11	

Net Debt / EBITDA	+0.3x
2.7x	

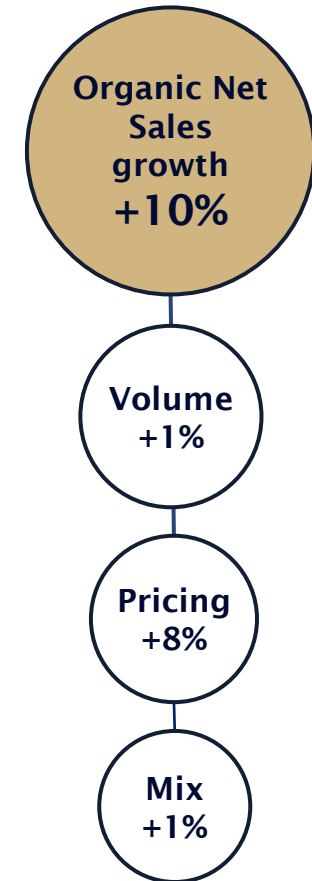


Broad-based growth across all regions, with strong pricing execution and resilient volumes

Gaining market share in most markets



Group





Strong, diversified growth across spirits categories

6 categories driving c. 85% of the growth

Premium+ brands driving c. 80% of the growth with Prestige growing at +15%

Scotch Whisky
22% / 34%¹

Organic Growth
+17%

Pricing²
LDD

Irish Whiskey
12% / 13%¹

+11%

LDD

Cognac & Brandies
16% / 17%¹

+11%

HSD

Vodka
8% / 8%¹

Organic Growth
+11%

Pricing²
HSD

Gin
5% / 4%¹

+8%

HSD

Indian Whiskies
9% / 10%¹

+11%

MSD

1. Weight in FY23 Net Sales / Net Sales Growth 2. LDD Low Double Digit, MSD Mid Single Digit, HSD High Single Digit

Consumer centricity fuelling innovation and driving consistent brand investments



Martell Noblige announces Eddie Peng as its new spokesperson



Raising the bar at home with Altos RTD Margarita Classic Lime



Absolut and Ocean Spray upcoming launch of Pernod Ricard's first co-branded RTD range

Group A&P ratio
consistent at
c.16% of Net Sales



Lillet Tonic & Lillet Berry widening consumer occasions with new Ready to Drink



Chivas 'I Rise, We Rise' manifesto campaign across LATAM celebrating different and innovative paths to success



The Glenlivet Twist & Mix Cocktails combine the flavors of the beloved classics with TGL Single Malt Scotch Whisky for the perfect pour

Accelerating in USA
with A&P / Net Sales
c. +130 bps year on year

Most active year of portfolio management in a decade

Over €1 bn invested to complement our portfolio in attractive categories in North America and continued focus on priority, premium+ brands

Sovereign Brands

Super premium brands including Bumbu Caribbean Rum and sparkling wine Luc Belaire



Partnership with the most innovative and creative beverage alcohol brand builders

Código 1530 Tequila

Ultra Premium and Prestige Tequilas



Broadening our agave portfolio in the US market across price bands and occasions

Skrewball

Super Premium flavored whiskey



Flavored whiskey - second fastest growing category in the US

ACE Beverages

Ready to Drink



Acquiring scale in the fast-growing Canadian spirits Ready-to-Drink (RTD) market

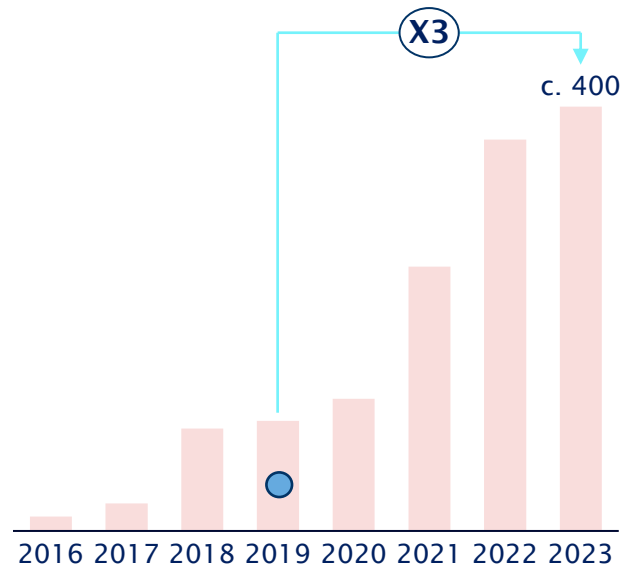


Demonstrated ability to rapidly scale acquired brands

Malfy's very strong profitable growth illustrates how efficiently we integrate new brands into our ecosystem



K 9L cases



PR acquisition in 2019

Numbers of key markets above 10K 9L

2020

4

2023

12

Gross margin rate improvement
2023 vs. 2020

+10
pts

Spreading La Dolce Vita with the
Malfy Famiglia



Expanding range with move into
RTD



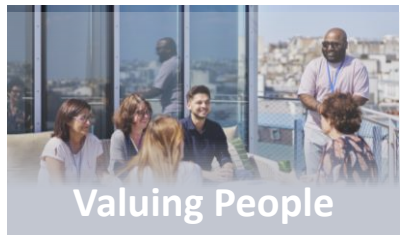
Sustainability & Responsibility amplifying performance and strengthening business resilience



Nurturing Terroir

Seven regenerative viticulture initiatives underway

82% direct affiliates with strategic regenerative agriculture or biodiversity project



Valuing People

36% women in top management

Gender pay equity



Circular Making

-12% scope 1+2 carbon emissions³ (absolute)

-18% scope 3 carbon emissions³ (intensity)



Responsible Hosting

94% of markets with one global/local responsible drinking initiative

12,300 bartenders trained on “The Bar World of Tomorrow”

FY23
Progress

2030 Goals



88%

8¹



82%

100%



90%

40-60%



99%

Equity²



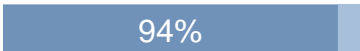
22%

-54%



36%

-50%



94%

100%¹



100%

100%

Progress made to FY23

Gap to 2030 Goal

1. By 2025 2.By 2022 3. FY18 baseline

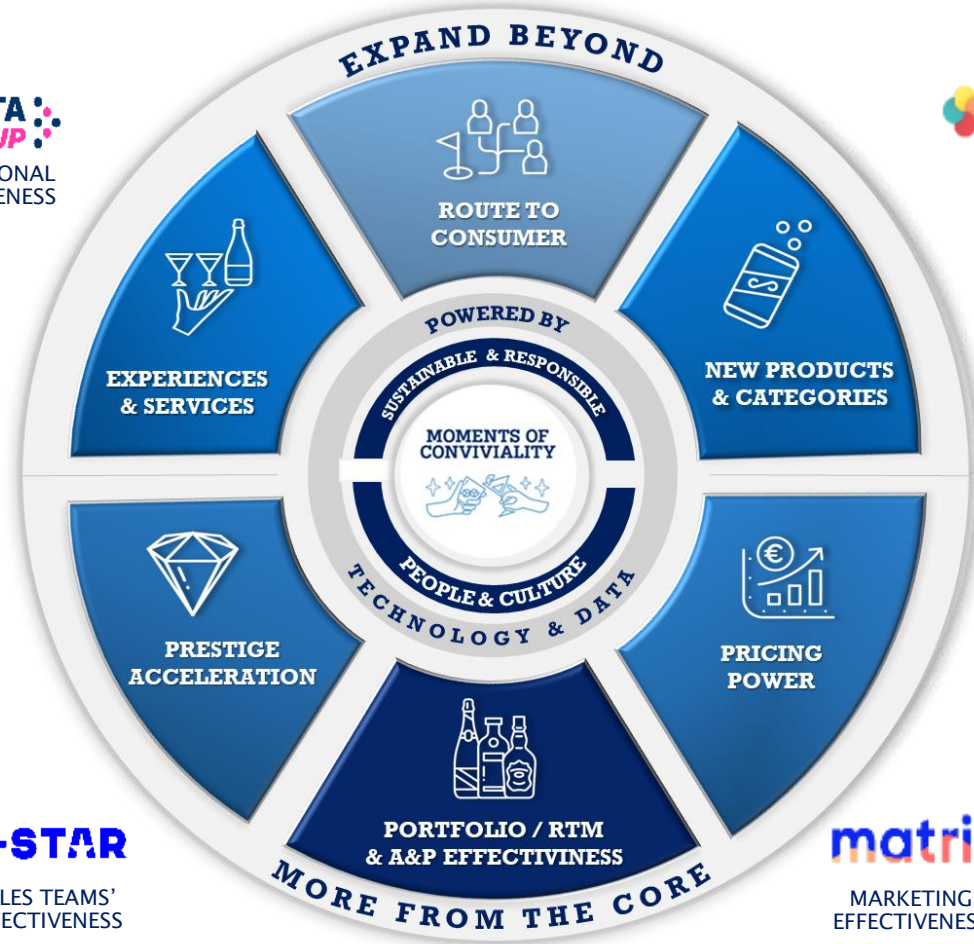


Delivering sustainable and stretched profitable growth



Our performance builds on our strengths and our growth model, enhanced by tech and data

Increasing our market capabilities from activating 6-8 brands to 15-20 brands



Ongoing transformation momentum

Driving precision at scale and improving return on investments



RELAX %	REFRESH %	INDULGE %	DISCERN & IMPRESS %	BOND & CONNECT %	RELEASE %

China

A granular understanding of consumer demand, to manage a wider portfolio



Germany

Reducing # of touchpoints while increasing spend in the selected ones to boost effectiveness of spend on core brands



USA

Optimising promotion calendar to drive improved ROI



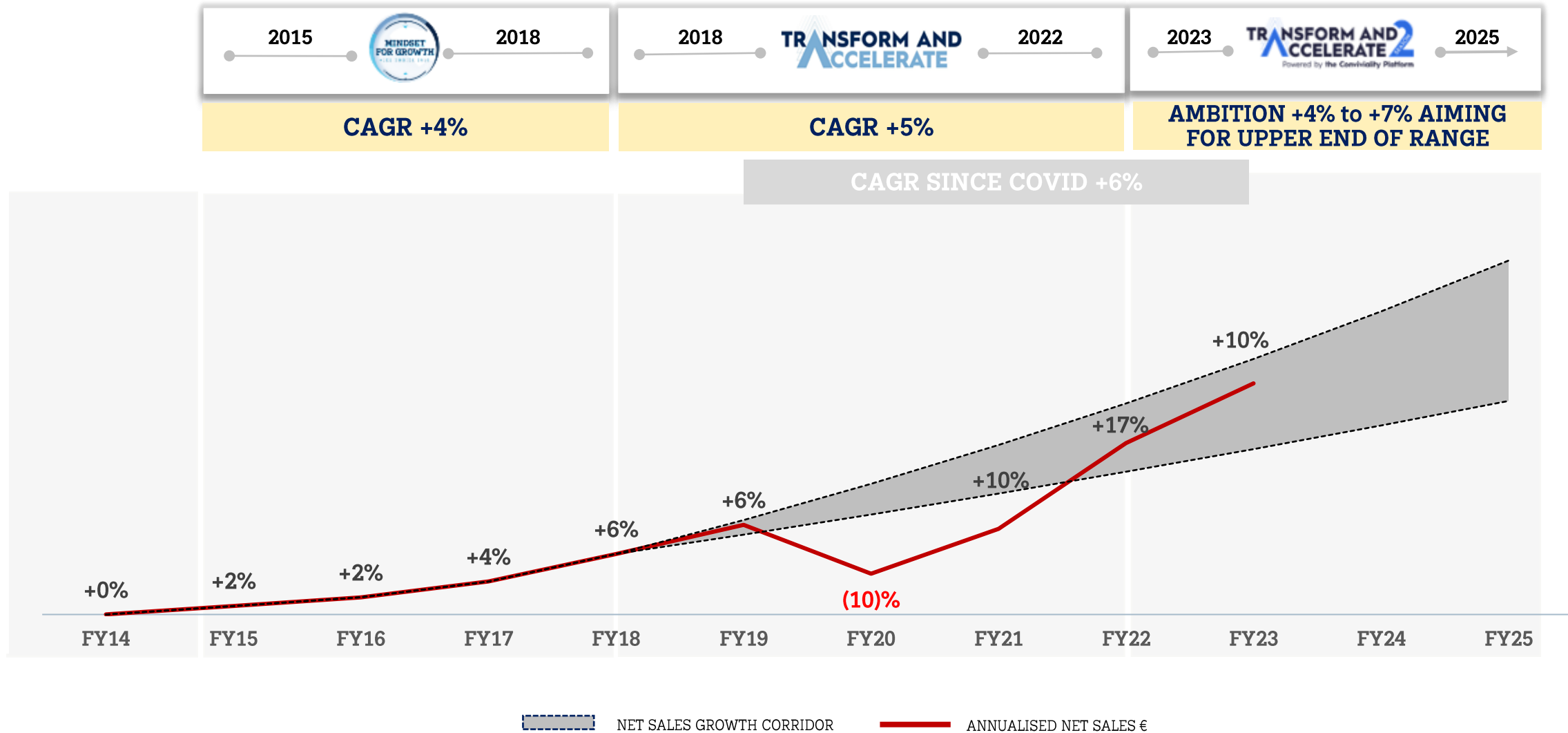
India

Expanding penetration of international brands by identifying opportunity for format range extensions

The right brand, at the right time, at the right place, at the right price, with the right message

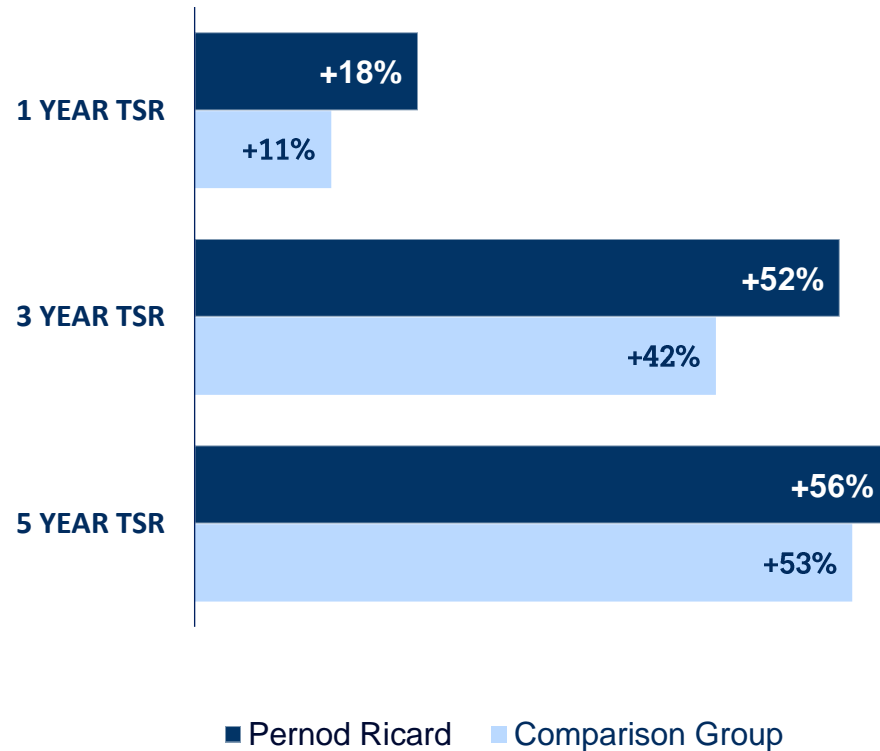


Delivering a strong track record of performance



Creating sustainable long-term value for all our stakeholders

Superior Total Shareholder Return¹



S&R and Employee recognition



1. As at 30/06/2023, TSR spot method, with dividend reinvested. Comparison Group as reported in the Universal Registration Document

Evolving our operating model to fuel our future growth

A new Executive Committee leading our ambition



Alexandre Ricard
Chairman & CEO



Hélène de Tissot
EVP Finance & IT



Philippe Guettat
EVP Global Brands



Gilles Bogaert
EVP Global Markets



Ann Mukherjee
CEO of North America



Maria Pia De Caro
EVP Operations



Cedric Ramat
EVP Human Ressources

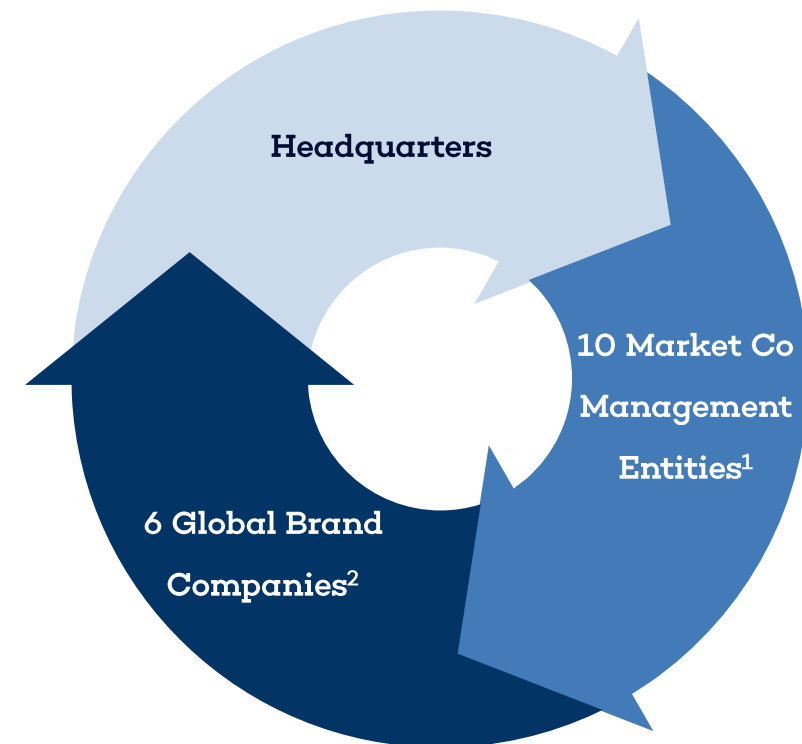


Anne-Marie Poliquin
General Counsel & Chief Compliance Officer



Conor McQuaid
EVP Corporate Communication S&R & Public Affairs

Agile Operating model empowering teams



1. Management Entities: North America, LATAM, Northern Europe, Southern Europe, Africa & Middle East, India, China, APAC, Eastern Europe, Travel Retail
2. Global Brand Companies: Chivas Brothers, Irish Distillers, Martell Mumm Perrier Jouët, The Absolut Group, Pernod Ricard Winemakers, Havana Club International



Driving long-term sustainable value creation

FY23 to FY25 mid-term financial framework¹

- +4% to +7% annual top line growth, aiming for the upper end of the range
- Focus on Revenue Growth Management, enhanced by our proprietary digital predictive tools (Key Digital Programs)
- Continuous improvement in operational efficiency, building on our culture of excellence
- Significant A&P investments, maintained at c.16% of Net Sales, with higher ROI leveraging Key Digital Programs
- Discipline on Structure costs, investing in priorities while maintaining an agile organisation, aiming at rate of cost increase below top line
- Operating leverage of +50/+60 bps, provided top line within range +4% to +7%

1. As disclosed to market at Capital Market Day in June 2022



2023 Sales



USA¹ 0%

Stable Sales within a normalizing market and with underlying Spirits value depletions at c.+2% with consumer resilience

- Good depletions value growth on Jameson, Kahlua, Malibu, Redbreast, Jeffersons, Altos and Del Maguey, with modest decline on Absolut
- Very strong price effect at High Single Digit
- Share gains in Irish/North American whiskeys, Single Malts and with Malibu and Kahlua
- RTD portfolio enjoyed very strong double-digit growth
- Successful integration of Código and Skrewball
- Agility in inventory management
- Declining Sales expected in Q1, on high comparison basis, with positive outlook for the full year



China¹ +6%

Strong performance in FY23 in a very contrasted year

- Year started with a very good Mid Autumn Festival performance
- Environment became more challenging with soft Chinese New Year season, followed by a strong rebound in Q4 with resumption of consumer activity, amplified by low comparison basis
- Very healthy level of inventories at year end
- High-single digit price effect and new price increases taken in May
- Growth driven by Martell and with strong momentum for Absolut and Jameson
- Strong value leadership maintained
- Challenging macroeconomic environment leading to declining Net Sales in Q1, with high comparison basis expected to ease from Q2

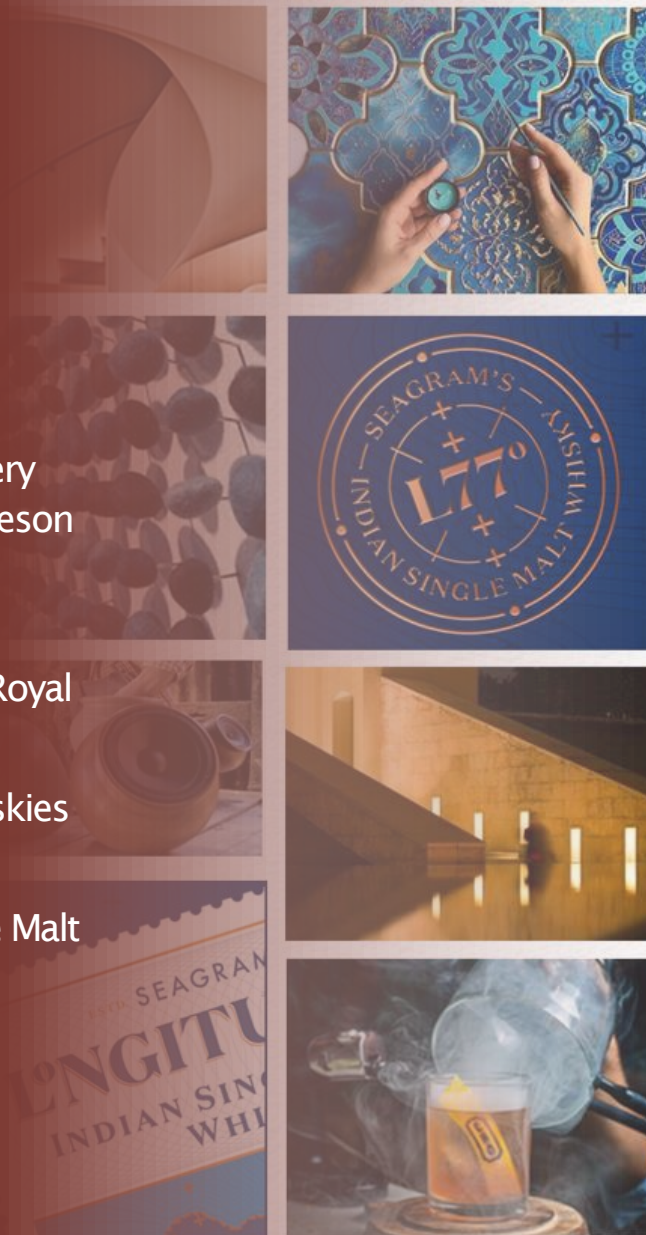


India¹ +13%

Excellent growth with continued premiumization momentum

- Growth led by both Price and Mix
- Strategic International Brands continuing to enjoy very strong momentum, notably on Scotch portfolio, Jameson and Absolut
- Strategic Local Brands continue to premiumise with strong performance notably on Blender's Pride and Royal Stag
- Strong market leadership position in Seagram's Whiskies and share gains in Strategic International Brands
- Launch of Longitude 77 in the dynamic Indian Single Malt category

1. Domestic Market



LONGITUDE 77



FY23 Sales analysis

Global Travel Retail +40%

Strong recovery as passenger traffic resumes in Asia

- Passenger numbers at c. 90% of pre-covid levels
- Double Digit price effect and favourable mix as result of progressive resumption of travel in Asia
- Strong performance notably on Scotch, Martell and Absolut
- Value leadership maintained
- Solid start of the year with continued recovery in Asia





Europe¹ +8%

Resilient volumes across the region,
with a high-single-digit price effect

- Spain: double-digit sales growth with On-trade recovery completed and with performance notably driven by gin portfolio, Ballantine's and Absolut
- Germany: +8% with good growth across channels with performance driven by Lillet, RTD's with share gains across portfolio and Jameson
- UK: +2% with dynamic double-digit sales from Jameson, Absolut, Malibu and Kahlua. Share gains notably in On-trade
- France: modest growth of Ricard while sales overall were flat amidst a challenging environment and with modest price effect. Market share gains
- Dynamic performance in Eastern Europe, notably in Poland

1. Including Travel Retail



Americas¹ +2%

- Canada: +3% good overall sales result, notably on Absolut, Jameson, TGL and Specialty Brands and a very dynamic RTD performance. Share gains
- Brazil: +1% growth, with a slow down in H2
- Mexico: +12% growth driven by Absolut and Chivas Regal

Asia-RoW¹ +17%

- Japan: +21% with dynamic performance on Champagne and Scotch Portfolio
- Korea: +19% with very dynamic growth on Ballantine's, Royal Salute and Jameson. Share gains
- Taiwan market and South East Asia: very dynamic growth of Cognac and Scotch whiskies supported by resumption of travellers
- Turkey²: +44% with growth led by Chivas Regal and share gains
- Africa: +15% with very dynamic performance in South Africa, Nigeria and Kenya with Jameson, Chivas Regal and Martell

1. Including Travel Retail, Americas including USA and Asia-RoW including China and India 2. Turkey excl. hyperinflation impact



Strong brand momentum driving spirits' very dynamic growth



**Strategic
International Brands**
63% / 70%¹

Organic
Growth
+11%

Pricing²
LDD



Strategic Local Brands
18% / 18%

+10%

HSD



Specialty Brands
6% / 5%

+8%

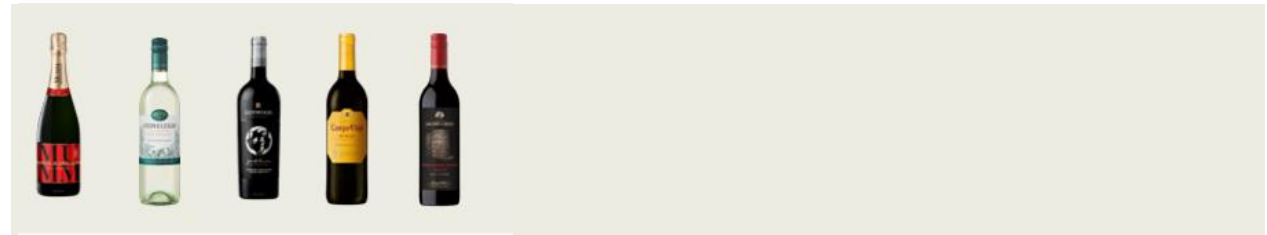
MSD



Strategic Wines
4% / -1%

-2%

MSD



1. Weight in FY23 Net Sales / Net Sales Growth

2. Pricing Effect: LDD Low Double Digit, HSD High Single Digit, MSD Mid Single Digit

Jameson +10%

Strong growth across Europe and Asia

- Volume continues to grow in FY23, further building on last year's 10M cases milestone
- Very strong pricing
- US enjoyed mid-single digit depletions value growth with very strong double-digit growth on Jameson Orange
- Continuing internationalization of Jameson, with strong growth outside the US at +22%, notably in South Africa +23%, India +51% and GTR +27%



Scotch +17%

Double digit pricing building on the strong global demand for Scotch

Chivas Regal +25%

- Breaking the 5M cases milestone and the leading contributor to group growth in FY23 with notable performance in India, Turkey, Japan, Travel Retail and Spain
- Exceptional growth on higher styles

Ballantine's +13%

- Strong international growth notably in Korea, India, Japan, Spain, Turkey and Brazil

Royal Salute +32%

- Excellent growth driven by very strong recovery in Travel Retail and Taiwan market, Korea and India

The Glenlivet +9%

- Growth led by higher styles, notably in the US, Taiwan market and India



Absolut +10%

Continued strong broad-based net sales growth despite high comparison basis with all key markets growing

- Volume continues to grow in FY23, further building on last year's 12M cases milestone
- Strong pricing
- Western Europe in double-digit growth led by Spain, UK, Ireland and Italy
- Continued strong international development notably in China, India, Mexico and Australia. Absolut outside USA growing +13%
- Very strong rebound in Travel Retail across Europe and APAC
- Modest decline in US depletions value



Martell +10%

Strong sales performance in Asia and GTR

- Very strong price effect in line with value strategy
- Favourable mix, offsetting slight volume decline
- Strong Mid Autumn Festival and rebound in China since March, with new price increase in May, and healthy year-end trade inventory
- Soft year in the USA
- Continued very strong development in Africa and Middle East, notably in Nigeria



Dynamic performance on other Strategic International Brands



Beehive | +10%¹ with very dynamic US performance



Ricard | +1%



Prestige portfolio | +15%



Havana Club | +6% with growth driven by LATAM



Malibu | +4% with H2 rebound in the US and strong full-year growth in Asia



GH Mumm & Perrier-Jouët | +1% with very strong H2 rebound in Japan



Profit



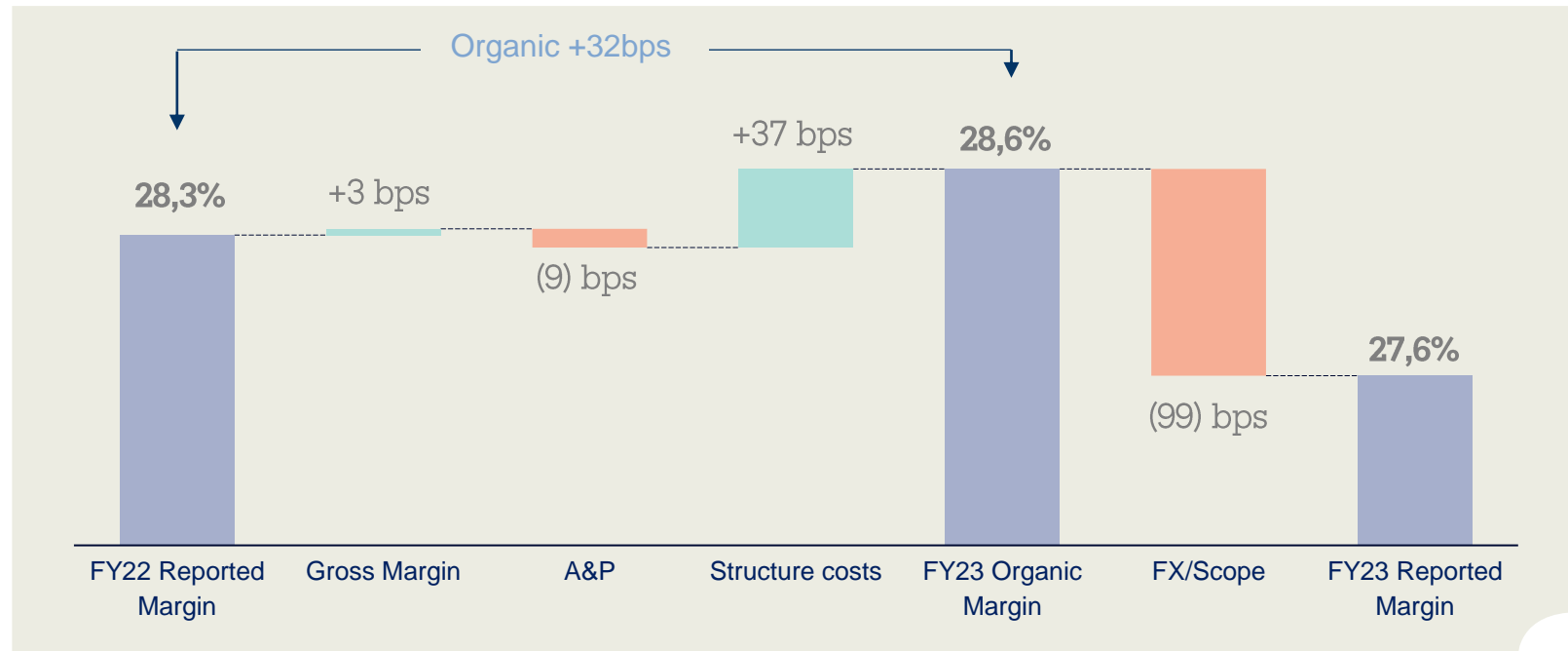
Sustaining Gross Margin and expanding Organic Operating Margin thanks to leading premium portfolio, excellent RGM and operational efficiencies

Organic PRO¹

+11%

Reported PRO

+11%



- Gross Margin protected as price and mix offset COGS inflation
- A&P consistent at c.16% of Net Sales
- Discipline on Structure costs (growing +8% organically)

- Reported Operating Margin down 68 bps with an overall unfavourable FX impact of €(70)m²
- Perimeter impact +€60m²

Strong EPS growth at +11%



	FY22	FY23	Reported Δ
Profit from Recurring Operations	3,024	3,348	+11%
Financial Expenses from Recurring Operations	(215)	(291)	+36%
Income tax on Recurring Operations	(651)	(691)	+6%
Minority interests and other	(34)	(25)	
Group share of Net Profit from Recurring Operations	2,124	2,340	+10%
Number of shares for diluted EPS (millions)	259.7	256.9	
Earnings per share ¹	8.18	9.11	+11%

- Increase of Recurring Financial Expenses due to higher financing rates with average cost of debt at 2.6%
- Tax on recurring items at 22.6%
- Accretive impact of share buyback program with c.€750m executed in FY23

1. Diluted Net Earnings per Share from Recurring Operations (€/share)

Increase in Group Share of Net Profit +13%



€ millions	FY22	FY23	Reported Δ
	Total	Total	
Group share in Profit from Recurring Operations	2,124	2,340	+10%
Non-Recurring Operating income (expense)	(62)	(83)	
Non-Recurring Financial income (expense)	(45)	(35)	
Non-Recurring Corporate income tax	(26)	40	
Non-Recurring minority interests and other	4	1	
Group share of Net Profit	1,996	2,262	+13%

Group share of Net Profit increases by €266m

- Non-recurring expenses driven by restructuring costs and benefitting from asset disposals
- Non-recurring Corporate income tax driven by non-taxable non-recurring income

Cash Flow & Debt





Leveraging strong cash generation to accelerate investments in future organic growth



€ millions	FY22	FY23	Reported Δ	% Δ
Profit from Recurring Operations	3,024	3,348	324	+11%
Amortisation, depreciation, provision movements and other	441	406	(34)	
Self-financing capacity from recurring operations	3,465	3,754	290	+8%
Decrease (increase) in operating Working Capital Requirement	2	(78)	(80)	
Decrease (increase) in strategic inventories	(264)	(508)	(244)	
Capital expenditure ¹	(485)	(610)	(124)	
Recurring Operating Cashflow	2,717	2,558	(159)	-6%
Financial income (expense) and taxes	(792)	(905)	(113)	
Recurring Free Cash Flow	1,926	1,653	(272)	-14%
Non-recurring items	(113)	(222)	(109)	
Free Cash Flow	1,813	1,431	(381)	-21%

Recurring Free Cash Flow

c. €1.7bn

- Modest working capital increase
- Significant increase in strategic inventories and Capex to support future growth of aged portfolio, with Gross Capex spend at c.6% of Net Sales
- Increase in financial expenses, due to higher financing rate environment
- Non-recurring items due to restructuring and M&A

1. Net of Disposals, Gross Capex at 6% of Net Sales

Increasing investments in Capex and strategic inventories to support future growth of very dynamic aged spirits' category

Elevated investments expected for the next two years

Sustainably investing in production capacity to support future growth



Ireland



Scotland



USA

Sustainably investing in strategic inventories



FY24 guidance

Capex c. €0.8bn - €1.0bn

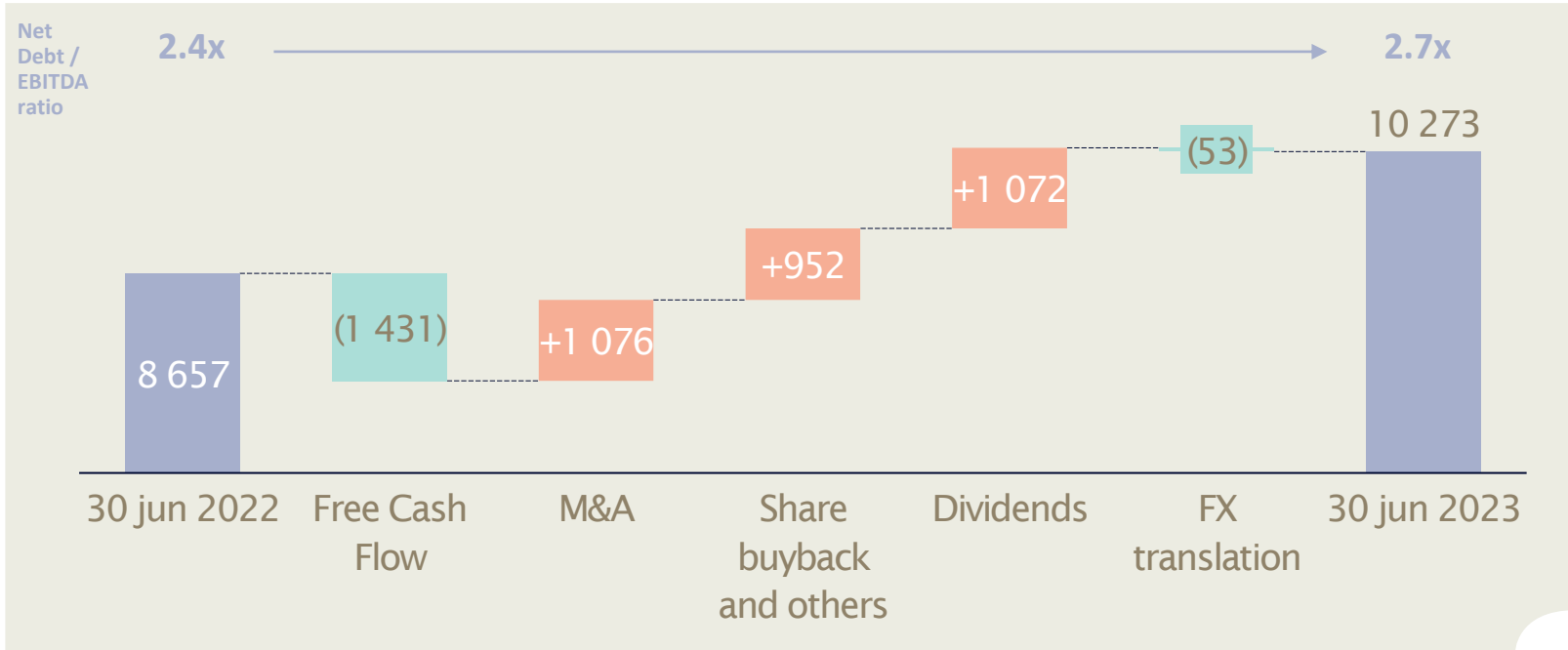
Strategic inventories:
investment levels similar to
FY23



Strong balance sheet supporting a dynamic financial policy



Net Debt / EBITDA
2.7x¹



- Significant M&A activity, notably Sovereign Brands, Código and Skrewball
- Share buyback c.€750m in FY23
- Positive FX impact on Net Debt (USD/EUR)

1. Based on average EUR/USD rates: 1.05



Accelerating returns to shareholders

Proposed dividend¹ of €4.70 per share, +14% vs FY22
FY24 Share buyback program of €500m to €800m



Financial Policy

While maintaining investment grade rating

- Investing in future organic growth, in particular through Strategic Inventories and Capital Expenditure
- Continued active portfolio management, including value creating M&A
- Dividend distribution at c.50% of Net Profit from Recurring Operations, aiming at consistently growing dividends
- Share buyback

1. Subject to shareholder approval at AGM on 10th November 2023



Outlook

Outlook

Building on our very strong FY23 performance, we confidently reiterate our FY23 to FY25 mid-term financial framework of aiming for the upper end of +4% to +7% Net Sales growth and +50/+60bps operating margin

In a challenging environment, we anticipate for FY24:

- Broad-based and diversified Net Sales growth for the full year, with soft start in Q1 amplified by high comparison basis
- Adapting to easing inflationary pressures
- Continued focus on Revenue Growth Management and operational efficiencies
- Consistent A&P ratio at c. 16% of Net Sales, dynamically optimized through KDPs¹
- Disciplined investments in structure
- All leading to organic Operating Margin expansion
- Significant investments in Capex of c. €800m - €1bn range and strategic inventories with a similar level to FY23 to sustainably support future growth
- Share buyback of €500m to €800m
- Negative FX impact



Appendices

Definitions and reconciliation of non-IFRS measures to IFRS measures

Pernod Ricard's management process is based on the following non-IFRS measures which are chosen for planning and reporting. The Group's management believes these measures provide valuable additional information for users of the financial statements in understanding the Group's performance. These non-IFRS measures should be considered as complementary to the comparable IFRS measures and reported movements therein.

Organic growth

Organic growth is calculated after excluding the impacts of exchange rate movements and acquisitions and disposals, changes in applicable accounting principles and hyperinflation.

Exchange rates impact is calculated by translating the current year results at the prior year's exchange rates.

For acquisitions in the current year, the post-acquisition results are excluded from the organic movement calculations. For acquisitions in the prior year, post-acquisition results are included in the prior year but are included in the organic movement calculation from the anniversary of the acquisition date in the current year.

Where a business, brand, brand distribution right or agency agreement was disposed of, or terminated, in the prior year, the Group, in the organic movement calculations, excludes the results for that business from the prior year. For disposals or terminations in the current year, the Group excludes the results for that business from the prior year from the date of the disposal or termination.

The impact of hyperinflation on Net Sales and PRO in Turkey is excluded from P&L organic growth calculations by capping unit local price/cost increases to a maximum of +26% per year, equivalent to +100% over 3 years.

This measure enables to focus on the performance of the business which is common to both years and which represents those measures that local managers are most directly able to influence.

Profit from recurring operations

Profit from recurring operations corresponds to the operating profit excluding other non-current operating income and expenses.





Upcoming Communications

Date (subject to change)	Event
19 October 2023	Q1 FY24 Sales
10 November 2023	Annual General Meeting
15 February 2024	H1 FY24 Sales and Results



Emerging Markets

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



Strategic International Brands' organic Sales growth

	Volumes FY23 (in 9Lcs millions)	Organic Net Sales growth FY23	Volumes	Price/mix
Absolut	12.7	+10%	+2%	+8%
Chivas Regal	5.1	+25%	+10%	+15%
Ballantine's	8.8	+13%	(4)%	+17%
Ricard	4.4	+1%	(1)%	+2%
Jameson	10.7	+10%	+2%	+8%
Havana Club	4.3	+6%	(6)%	+12%
Malibu	4.7	+4%	(5)%	+9%
Beefeater	3.7	+10%	+2%	+7%
Martell	2.4	+10%	(3)%	+12%
The Glenlivet	1.6	+9%	(3)%	+12%
Royal Salute	0.3	+32%	+17%	+15%
Mumm	0.6	(5)%	(16)%	+11%
Perrier-Jouët	0.3	+6%	(7)%	+12%
Strategic International Brands	59.5	+11%	(0)%	+11%



Sales Analysis by Period and Region

Net Sales (€ millions)	FY22		FY23		Change		Organic Growth		Group Structure		Forex Impact	
Americas	3,133	29.3%	3,481	28.7%	+348	+11%	+62	+2%	+108	+3%	+178	+6%
Asia / Rest of World	4,438	41.5%	5,191	42.8%	+753	+17%	+755	+17%	+84	+2%	(86)	(2)%
Europe	3,130	29.2%	3,465	28.5%	+335	+11%	+251	+8%	+57	+2%	+27	+1%
Group	10,701	100.0%	12,137	100.0%	1,436	+13%	1,068	+10%	248	+2%	120	+1%

Net Sales (€ millions)	Q4 FY22		Q4 FY23		Change		Organic Growth		Group Structure		Forex Impact	
Americas	708	30.9%	728	27.7%	+20	+3%	+20	+3%	+45	+6%	(45)	(6)%
Asia / Rest of World	857	37.4%	1,073	40.8%	+216	+25%	+311	+36%	+23	+3%	(118)	(14)%
Europe	729	31.8%	829	31.5%	+100	+14%	+103	+14%	+9	+1%	(13)	(2)%
Group	2,295	100.0%	2,630	100.0%	336	+15%	434	+19%	78	+3%	(176)	(8)%

Net Sales (€ millions)	H2 FY22		H2 FY23		Change		Organic Growth		Group Structure		Forex Impact	
Americas	1,495	31.5%	1,476	28.9%	(19)	(1)%	(56)	(4)%	+78	+5%	(42)	(3)%
Asia / Rest of World	1,914	40.4%	2,069	42.7%	+155	+8%	+295	+15%	+36	+2%	(175)	(9)%
Europe	1,333	28.1%	1,476	28.4%	+144	+11%	+143	+11%	+18	+1%	(18)	(1)%
Group	4,742	100.0%	5,022	100.0%	280	+6%	381	+8%	133	+3%	(235)	(5)%



Summary Consolidated Income Statement

(€ millions)	FY22	FY23	Change
Net sales	10,701	12,137	+13%
Gross Margin	6,473	7,246	+12%
Advertising and promotions spend	(1,698)	(1,939)	+14%
Contribution after A&P spend	4,775	5,307	+11%
Structure costs	(1,751)	(1,959)	+12%
Profit from Recurring Operations	3,024	3,348	+11%
Financial income/(expense) from recurring operations	(215)	(291)	+36%
Corporate income tax on items from recurring operations	(651)	(691)	+6%
Net profit from discontinued operations, non-controlling interests and share of net income from associates	(34)	(25)	(26)%
Group share of net profit from Recurring Operations	2,124	2,340	+10%
Profit from Non Recurring Operations	(62)	(83)	+35%
Financial income/(expense) from non-recurring operations	(45)	(35)	(22)%
Corporate income tax on items from non recurring operations	(26)	40	(256)%
Non controlling interests (non-recurring)	4	1	(79)%
Group share of net profit	1,996	2,262	+13%
Non-controlling interests	35	21	(40)%
Net profit	2,031	2,283	+12%



Profit from Recurring Operations by Region (1/2)

World

(€ millions)	FY22		FY23		Change		Organic Growth		Group Structure		Forex impact	
Net sales (Excl. T&D)	10,701	100.0%	12,137	100.0%	1,436	+13%	1,068	+10%	248	+2%	120	+1%
Gross margin after logistics costs	6,473	60.5%	7,246	59.7%	773	+12%	646	+10%	142	+2%	(15)	(0)%
Advertising & promotion	(1,698)	15.9%	(1,939)	16.0%	(242)	+14%	(180)	+11%	(31)	+2%	(31)	+2%
Contribution after A&P	4,775	44.6%	5,307	43.7%	531	+11%	466	+10%	111	+2%	(46)	(1)%
Profit from recurring operations	3,024	28.3%	3,348	27.6%	324	+11%	334	+11%	60	+2%	(70)	(2)%

Americas

(€ millions)	FY22		FY23		Change		Organic Growth		Group Structure		Forex impact	
Net sales (Excl. T&D)	3,133	100.0%	3,481	100.0%	348	+11%	62	+2%	108	+3%	178	+6%
Gross margin after logistics costs	2,059	65.7%	2,220	63.8%	161	+8%	10	+0%	51	+2%	100	+5%
Advertising & promotion spend	(568)	18.1%	(686)	19.7%	(117)	+21%	(57)	+10%	(23)	+4%	(38)	+7%
Contribution after A&P spend	1,491	47.6%	1,534	44.1%	43	+3%	(47)	(3)%	28	+2%	62	+4%
Profit from recurring operations	1,014	32.4%	965	27.7%	(49)	(5)%	(87)	(9)%	(6)	(1)%	45	+4%

Bulk Spirits are allocated by Region according to the Regions' weight in the Group

Profit from Recurring Operations by Region (2/2)

Asia / Rest of the World

(€ millions)	FY22		FY23		Change		Organic Growth		Group Structure		Forex impact	
Net sales (Excl. T&D)	4,438	100.0%	5,191	100.0%	753	+17%	755	+17%	84	+2%	(86)	(2)%
Gross margin after logistics costs	2,496	56.2%	2,969	57.2%	473	+19%	501	+20%	74	+3%	(102)	(4)%
Advertising & promotion	(633)	14.3%	(740)	14.3%	(107)	+17%	(111)	+18%	(4)	+1%	7	(1)%
Contribution after A&P	1,862	42.0%	2,229	42.9%	366	+20%	390	+21%	70	+4%	(95)	(5)%
Profit from recurring operations	1,220	27.5%	1,516	29.2%	296	+24%	325	+27%	64	+5%	(93)	(8)%

Europe

(€ millions)	FY22		FY23		Change		Organic Growth		Group Structure		Forex impact	
Net sales (Excl. T&D)	3,130	100.0%	3,465	100.0%	335	+11%	251	+8%	57	+2%	27	+1%
Gross margin after logistics costs	1,918	61.3%	2,057	59.4%	139	+7%	135	+7%	17	+1%	(13)	(1)%
Advertising & promotion	(496)	15.9%	(513)	14.8%	(17)	+3%	(13)	+3%	(4)	+1%	(0)	+0%
Contribution after A&P	1,422	45.4%	1,544	44.6%	122	+9%	122	+9%	13	+1%	(13)	(1)%
Profit from recurring operations	790	25.2%	867	25.0%	77	+10%	96	+12%	2	+0%	(22)	(3)%

Bulk Spirits are allocated by Region according to the Regions' weight in the Group



Foreign Exchange Impact

Forex impact FY23 (€ millions)		Average rates evolution			On Net Sales	On Profit from Recurring Operations
		FY22	FY23	%		
US dollar	USD	1.13	1.05	7.7%	221	118
Turkish Lira	TRY	13.83	20.04	-31.0%	(84)	(73)
Indian rupee	INR	84.93	85.49	-0.7%	(9)	(3)
Chinese yuan	CNY	7.28	7.28	-0.1%	(1)	(1)
Pound sterling	GBP	0.85	0.87	-2.6%	(13)	15
Bresilian real	BRL	5.91	5.41	9.4%	18	6
Argentinian peso	ARS	118.70	190.42	-37.7%	(48)	(17)
Japanese yen	JPY	132.09	143.70	-8.1%	(20)	(11)
Mexican peso	MXN	22.92	19.95	14.9%	15	(11)
Other					41	(93)
Total					120	(70)

Sensitivity of profit and debt to EUR/USD exchange rate

Estimated impact of a 1% appreciation of the USD

Impact on the income statement ⁽¹⁾	(€ millions)
Profit from recurring operations	+15
Financial result	(1)
Pre-tax profit from recurring operations	+14

Impact on the balance sheet	(€ millions)
Increase/(decrease) in net debt	+31

(1) Full-year effect

Balance Sheet: Assets

Assets (€ millions)	30/06/2022	30/06/2023
(Net book value)		
Non-current assets		
Intangible assets and goodwill	17,657	19,000
Tangible assets and other assets	4,600	4,798
Deferred tax assets	1,844	1,870
Total non-current assets	24,100	25,667
Current assets		
Inventories	7,369	8,104
<i>aged work-in-progress</i>	5,732	6,267
<i>non-aged work-in-progress</i>	91	151
<i>other inventories</i>	1,546	1,685
Receivables (*)	1,388	1,814
<i>Trade receivables</i>	1,320	1,401
<i>Other trade receivables</i>	68	413
Other current assets	435	435
<i>Other operating current assets</i>	430	427
<i>Tangible/intangible current assets</i>	6	8
Tax receivable	145	31
Cash and cash equivalents and current derivatives	2,559	1,624
Total current assets	11,896	12,008
Assets held for sale	15	1
Total assets	36,012	37,676
 (*) after disposals of receivables of:	 602	 749

Balance Sheet: Liabilities and Shareholder's Equity

Liabilities and shareholders' equity (€ millions)	30/06/2022	30/06/2023
Group Shareholders' equity	15,944	15,717
Non-controlling interests	309	998
<i>of which profit attributable to non-controlling interests</i>	35	21
Total Shareholders' equity	16,253	16,715
Non-current provisions and deferred tax liabilities	3,818	3,777
Bonds non-current	9,238	9,678
Lease liabilities - non current	400	384
Non-current financial liabilities and derivative instruments	197	187
Total non-current liabilities	13,653	14,026
Current provisions	150	164
Trade payables	3,019	3,461
Other current liabilities	1,311	1,556
<i>Other operating current liabilities</i>	799	859
<i>Tangible/intangible current liabilities</i>	513	698
Tax payable	263	113
Bonds - current	842	580
Lease liabilities - current	107	99
Current financial liabilities and derivatives	415	962
Total current liabilities	6,107	6,935
Liabilities held for sale	0	0
Total liabilities and shareholders' equity	36,012	37,676

Analysis of Working Capital Requirement

(€ millions)	June 2021	June 2022	June 2023	FY22 WC change*	FY23 WC change*
Aged work in progress	5,373	5,732	6,267	287	(555)
Advances to suppliers for wine and ageing spirits	9	8	12	(1)	(2)
Payables on wine and ageing spirits	(93)	(115)	(182)	(21)	61
Net aged work in progress	5,289	5,626	6,098	265	(497)
				0	
Trade receivables before factoring/securitization	1,672	1,922	2,151	163	(307)
Advances from customers	(21)	(34)	(34)	(9)	3
Other receivables	445	487	824	9	(356)
Other inventories	1,098	1,546	1,685	342	(141)
Non-aged work in progress	84	91	151	3	(51)
Trade payables and other	(2,946)	(3,669)	(4,106)	(534)	626
Gross operating working capital	331	343	671	(25)	(228)
Factoring/Securitization impact	(592)	(602)	(749)	12	156
Net Operating Working Capital	(261)	(259)	(78)	(13)	(71)
Net Working Capital	5,028	5,366	6,019	252	(568)
* at average rates					
				Of which recurring variation	262 (586)
				Of which non recurring variation	(10) 19

Net Debt



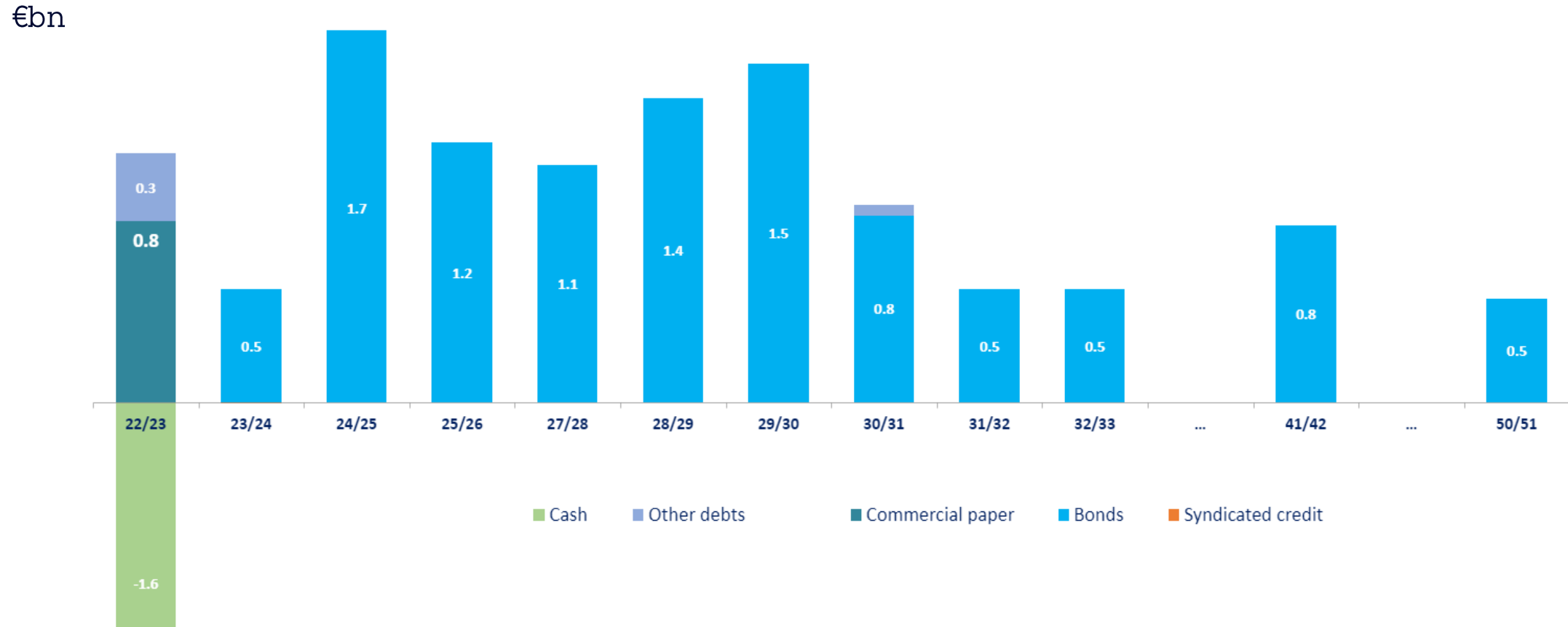
(€ millions)	30/06/2022			30/06/2023		
	Current	Non-current	Total	Current	Non-current	Total
Bonds	842	9,238	10,079	580	9,678	10,258
Commercial paper	180	-	180	801	-	801
Other loans and long-term debts	226	179	405	155	173	328
Other financial liabilities	406	179	585	956	173	1 129
Gross Financial debt	1,248	9,417	10,664	1 536	9 851	11 387
Fair value hedge derivatives – assets	(5)	-	(5)	-	-	-
Fair value hedge derivatives – liabilities	-	9	9	-	14	14
Fair value hedge derivatives	(5)	9	3	-	14	14
Net investment hedge derivatives – assets	-	-	-	-	(3)	(3)
Net investment hedge derivatives – liabilities	-	9	9	-	-	-
Net investment hedge derivatives	-	9	9	-	(3)	(3)
FINANCIAL DEBT AFTER HEDGING	1,242	9,435	10,677	1,536	9 862	11 398
Cash and cash equivalents	(2,527)	-	(2,527)	(1,609)	-	(1 609)
NET FINANCIAL DEBT EXCLUDING LEASE DEBT	(1,284)	9,435	8,150	(73)	9,862	9 789
Lease Debt	107	400	507	99	384	484
NET FINANCIAL DEBT	(1,177)	9,835	8,657	26	10 246	10 273

Change in Net Debt

(€ millions)	30/06/2022	30/06/2023
Operating profit	2,963	3,265
Depreciation and amortisation	381	417
Net change in impairment of goodwill, PPE and intangible assets	10	52
Net change in provisions	7	(74)
Changes in fair value on commercial derivatives and biological assets	(2)	(87)
Net (gain)/loss on disposal of assets	(5)	(74)
Share-based payments	40	44
Self-financing capacity before interest and tax	3,392	3,543
Decrease / (increase) in working capital requirements	(252)	(568)
Net interest and tax payments	(846)	(942)
Net acquisitions of non financial assets and others	(481)	(602)
Free Cash Flow	1,813	1,431
<i>of which recurring Free Cash Flow</i>	<i>1,926</i>	<i>1,653</i>
Net acquisitions of financial assets and activities and others	(723)	(1,129)
Dividends paid	(826)	(1,072)
(Acquisition) / Disposal of treasury shares and others	(813)	(786)
Decrease / (increase) in net debt (before currency translation adjustments)	(549)	(1,556)
Foreign currency translation adjustment	(562)	53
Non cash impact on lease liabilities	(95)	(112)
Decrease / (increase) in net debt (after currency translation adjustments and IFRS 16 non cash impacts)	(1,205)	(1,615)
Initial net debt	(7,452)	(8,657)
Final net debt	(8,657)	(10,273)



Net Debt Maturity profile as at 30 June 2023



Bond Details



Currency	Par value	Coupon	Issue date	Maturity date
EUR	€ 1,500 m o/w: € 500 m € 500 m € 500 m	0.000% 0.500% 0.875%	24/10/2019	24/10/2023 24/10/2027 24/10/2031
	€ 650 m	2.125%	29/09/2014	27/09/2024
	€ 1,500 m o/w: € 750 m € 750 m	1.125% 1.750%	01/04/2020	07/04/2025 08/04/2030
	€ 500 m o/w: € 250 m € 250 m	1.125% 1.750%	27/04/2020	07/04/2025 08/04/2030
	€ 600 m	1.500%	17/05/2016	18/05/2026
	€ 750 m	1.375%	07/04/2022	07/04/2029
	€ 500 m	0.125%	04/10/2021	04/10/2029
	€ 1 100 m o/w: € 500 m € 600 m	3.750% 3.250%	02/11/2022	02/11/2032 02/11/2028
	\$ 850 m	5.500%	12/01/2012	15/01/2042
	\$ 600 m	3.250%	08/06/2016	08/06/2026
USD	\$ 2,000 m o/w: \$ 600 m \$ 900 m \$ 500 m	1.250% 1.625% 2.750%	01/10/2020	01/04/2028 01/04/2031 01/10/2050

Net debt / EBITDA evolution

		Closing rate	Average rate ⁽¹⁾
EUR/USD rate Jun FY22 -> Jun FY23		1.04 -> 1.09	1.13 -> 1.05
Ratio at 30/06/2022		2.5	2.4
EBITDA & cash generation excl. Group structure effect and forex impacts		(0.1)	(0.1)
Group structure and forex impacts		0.3	0.4
Ratio at 30/06/2023		2.7	2.7

(1) Last-twelve-month rate

Net Diluted EPS

(x 1,000)	FY22	FY23
Number of shares in issue at end of period	257,947	255,632
Weighted average number of shares in issue (pro rata temporis)	261,190	257,537
Weighted average number of treasury shares (pro rata temporis)	(2,158)	(1,488)
Dilutive impact of stock options and performance shares	688	830
Number of shares used in diluted EPS calculation	259,719	256,879

(€ millions and €/share)	FY22	FY23	reported △
Group share of net profit from recurring operations	2,124	2,340	10.2%
Diluted net earnings per share from recurring operations	8.18	9.11	11.4%