



Pernod Ricard
Créateurs de convivialité

H1 FY24

Sales and Results

15th February 2024



Robust performance, steering through spirits market normalization

Organic Sales -3% (reported -7%), Organic PRO -3% (reported -12%)¹

Lower H1 Sales on high comparable basis

End of post-Covid super cycle across geographies

Transition year in the USA with continued market normalization compounded by inventory adjustments

Weaker consumer sentiment in China from macroeconomic headwinds

Adverse phasing in Travel Retail

Good growth in India

Strong growth notably in Asia excluding China, Africa Middle East, Central and Eastern Europe², resilience in Western Europe

Sustaining Organic Operating Margin

Strong Gross Margin expansion thanks to superior Revenue Growth Management and operating cost efficiency

Strong activation of our portfolio in H1 with c. €1bn of A&P invested

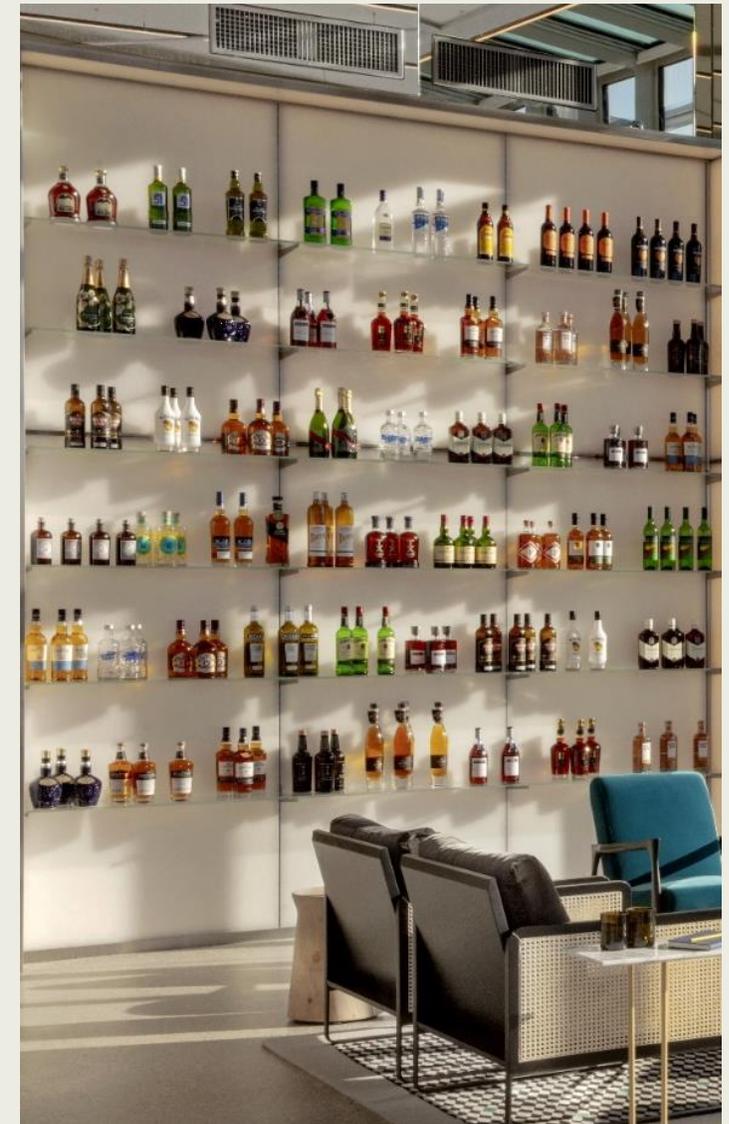
Strict control of structure costs

Accelerating strategic investments as planned for long term sustainable growth

Significant step-up in CAPEX behind dynamic Irish whiskeys, North American whiskies and Scotch categories

Securing future growth by maintaining investments in aged inventories

Free Cash Flow reflecting lower reported PRO and accelerated strategic investments





Robust financial performance in a context of markets' normalisation

Sales €6,590m	Organic	-3%
	Reported	-7%

PRO €2,144m	Organic	-3%
	Reported	-12%

Free Cash Flow €301 m		-68%
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Group Share of Net Profit €1,569m	-12%
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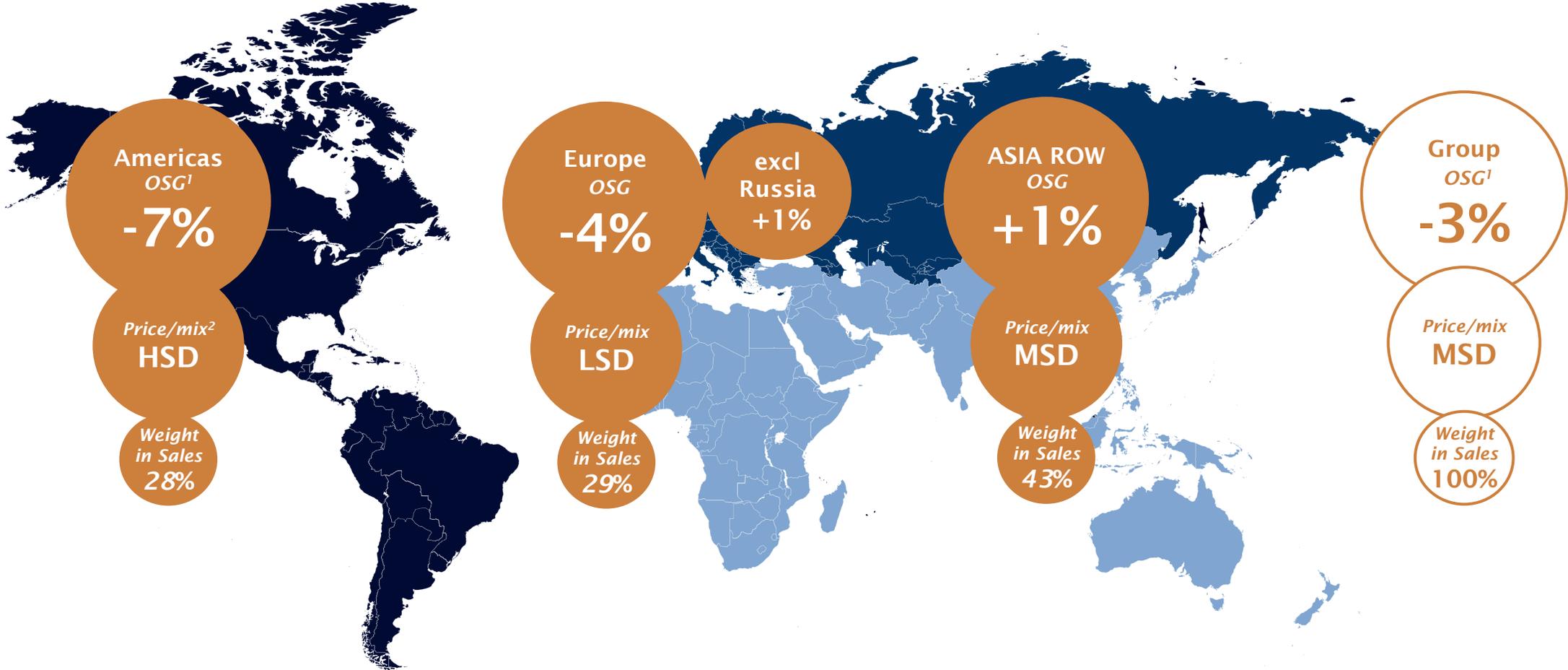
EPS €5.68	-16%
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Net Debt / EBITDA 3.3X	+0.7X
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Premium portfolio driving high-single digit pricing in all regions, offset by lower volumes and adverse market mix

Holding or gaining share in many markets



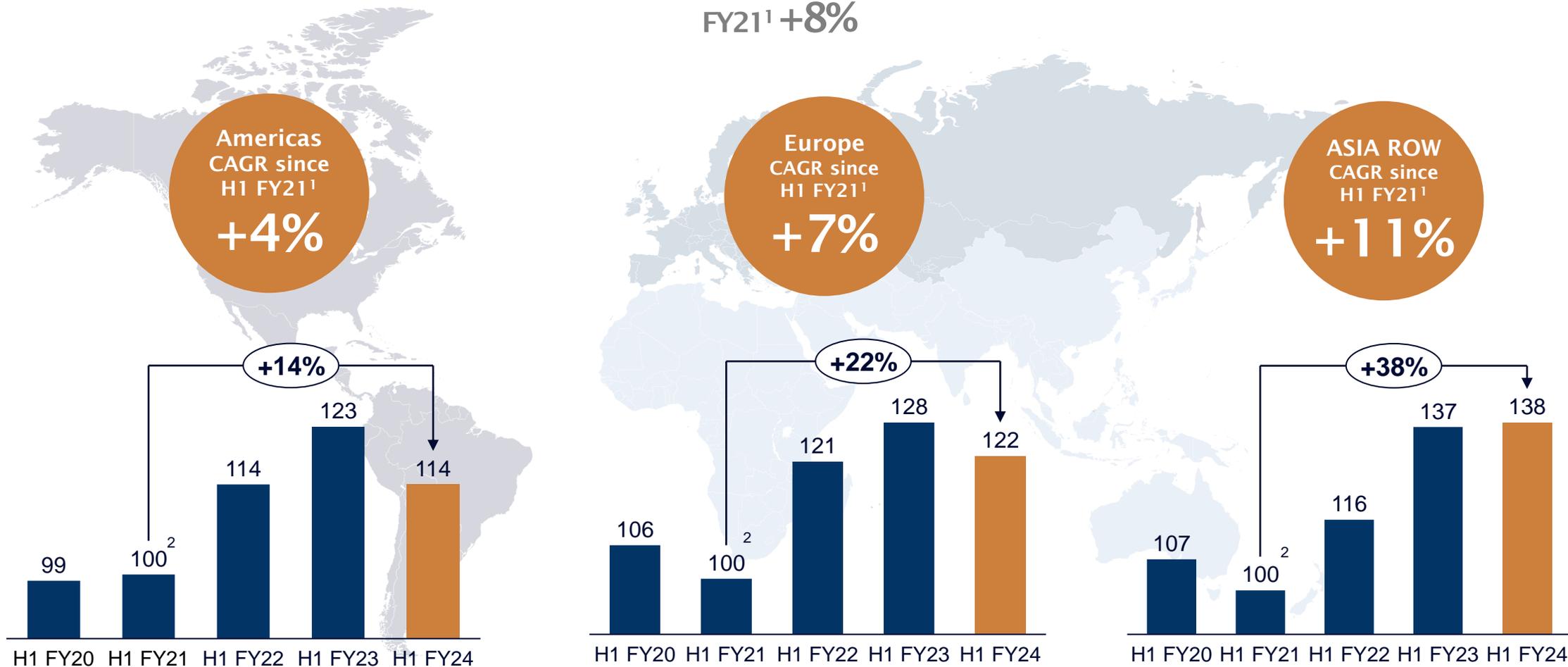
1. Organic Net Sales Growth, Including Travel Retail

2. LSD Low Single Digit, HSD High Single Digit, MSD Mid Single Digit



Robust performance in H1 FY24, following two years of outstanding growth, with markets normalizing

Group Net Sales CAGR since H1 FY21¹ +8%





Consumer centricity fueling innovation and consistent brand investments



PERRIER-JOUET's 'Fill your world with wonder', starring Mélanie Laurent



'Must be a JAMESON' introduces the Jameson family



'Stir Up!' KAHLUA campaign featuring Salma Hayek



MARTELL 'Soar beyond the expected' celebrates the iconic Martell XXO



21-Year-Old ROYAL SALUTE Richard Quinn Edition II shines on display at Seoul Incheon airport



Launching Beefeater Black in Spain



Investing in our future - The Chuan 叠川

Pure malt Whisky rooted in Chinese terroir and culture

Leading the development of malt whisky in China

First whisky distillery in China invested in by an international spirits group

Driving the trend of China pride

A world class destination for local Whisky by local distillers using local elements

Burgeoning enthusiasm and diversified demand of chinese consumers

Chinese whisky an exciting and growing opportunity

Unique, ownable product story

Harnessing the exceptional terroir of Emei Mountain and fusing it with Chinese characteristics to create a rich and layered whisky

Driving demand through scarcity and word of mouth

Prestige pricing with strict allocation of product and visitor center driving advocacy



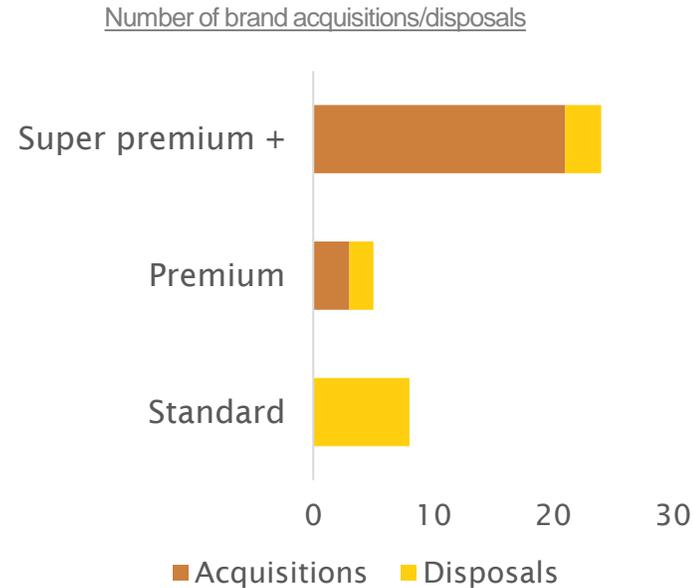


Actively strengthening our portfolio with disposal of two local brands in the first half

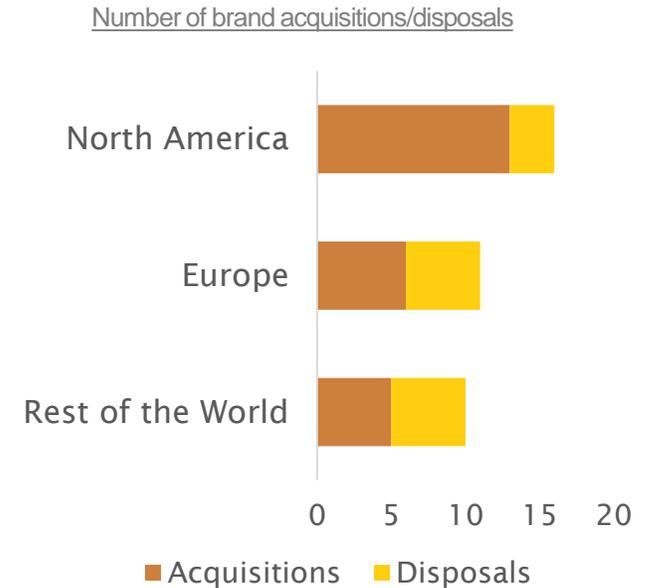
FY24 disposals of Clan Campbell and Becherovka¹



Reinforcing premium credentials



Strengthening key geographies



24 brand acquisitions and 13 brand disposals since 2015

1. Becherovka closing expected to occur before the end of June 2024.



Confidently investing in the future growth of our superior aged spirits portfolio

Sustainably investing in production capacity

Ireland



Doubling capacity in Midleton behind Jameson and turning the distillery into the biggest one in the world, to meet rising global demand

Scotland



Investing behind significant growth potential of Single Malts across all regions and in particular in Asia

USA



Expanding our distillation footprint in Kentucky, to deliver on a strong ambition behind American whiskies and drive margin accretion

Sustainably investing in strategic inventories





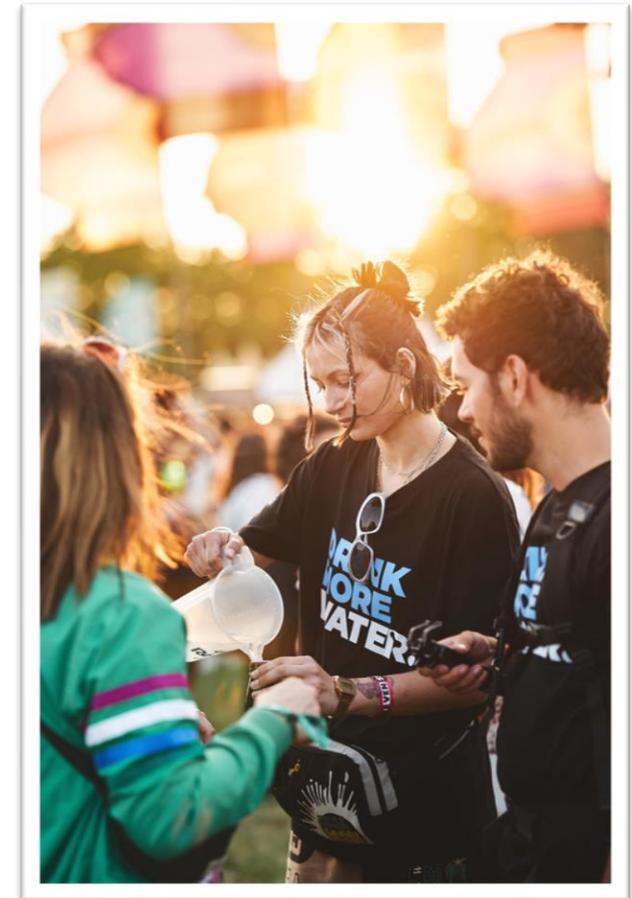
Growing sustainably from grain to glass: sharing, deploying and scaling solutions



Sharing our insights & technology



Deploying our solutions & new models



Scaling our responsible drinking initiatives



2024 H1 Sales



Must Win Markets

USA

Weight in Net Sales 19%



- Consumer demand resilient as spirits market continues to normalize
- Net Sales -7% with value depletions c.-6%, due to high comparison basis and compounded by inventory adjustments c. 3pts
- Share gains on Jameson Original, Malibu, Kahlua, The Glenlivet, Código and Jefferson's
- Significant investments behind our brands with A&P at c. 20% of Net Sales in H1 FY24
- Improvement expected in H2, with strong brand activations, despite further inventory adjustments following softer than expected OND season

China

Weight in Net Sales 11%



- Softened consumer demand in a challenging macro environment
- Dynamism of international premium spirits notably strong growth of Absolut, Jameson, tequila and gin
- Martell Noblige resilient, Premium and Super premium whiskies performance including Chivas Regal in growth
- Cautious trade sentiment ahead of CNY



Must Win Markets

India

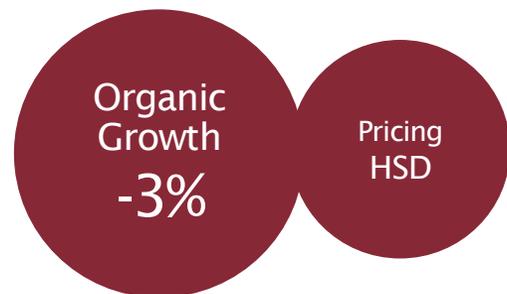
Weight in Net Sales 11%



- Strong market demand for spirits
- Acceleration in Q2 Net Sales against easing comparables
- Strategic International Brands in very strong growth notably Jameson, Absolut and The Glenlivet
- Good growth on Seagram’s whiskies
- Strong growth expected in H2

Global Travel Retail

Weight in Net Sales 6%



- Ongoing normalization of passenger traffic, now at c. 95% vs pre-covid, with Chinese travel recovery lagging
- Net Sales impacted by phasing in H1 with strong growth expected in H2



Regions

Growth in Asia-Row and Europe excluding Russia, offset by decline in Americas

Europe

Weight in Net Sales 29%



- Net Sales excluding Russia +1% with overall resilience in the region
- Strong growth² in Central and Eastern Europe led by Poland
- Resilience in Western Europe led by Germany and offsetting softer performance in France, UK, and normalization in Spain
- Gaining share in premium+ category in many markets

Americas

Weight in Net Sales 28%



- Canada Sales decline with adverse phasing last year
- LATAM high comparison basis in Brazil and Mexico, improvement expected in H2 and easing comparables

Asia-ROW

Weight in Net Sales 43%



- Good growth in Japan, Taiwan market, Travel Retail and Australia
- Africa Middle East in very sharp growth driven by Turkey acceleration and Nigeria.



House of Brands

Jameson continuing its international expansion, Absolut in dynamic growth in Asia-RoW and Europe

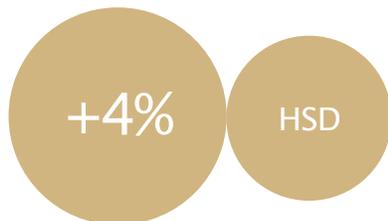
Strategic International Brands

Weight in Net Sales 64%



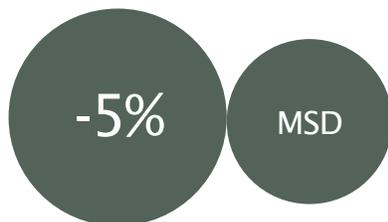
Strategic Local Brands

Weight in Net Sales 17%



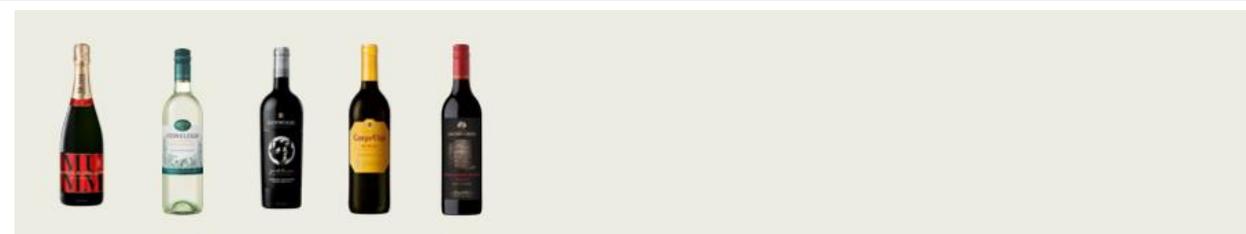
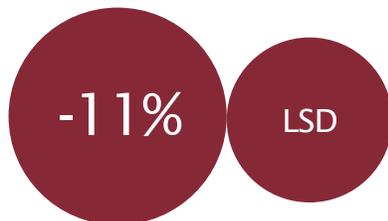
Specialty Brands

Weight in Net Sales 7%



Strategic Wines

Weight in Net Sales 4%





2024 H1 Financials





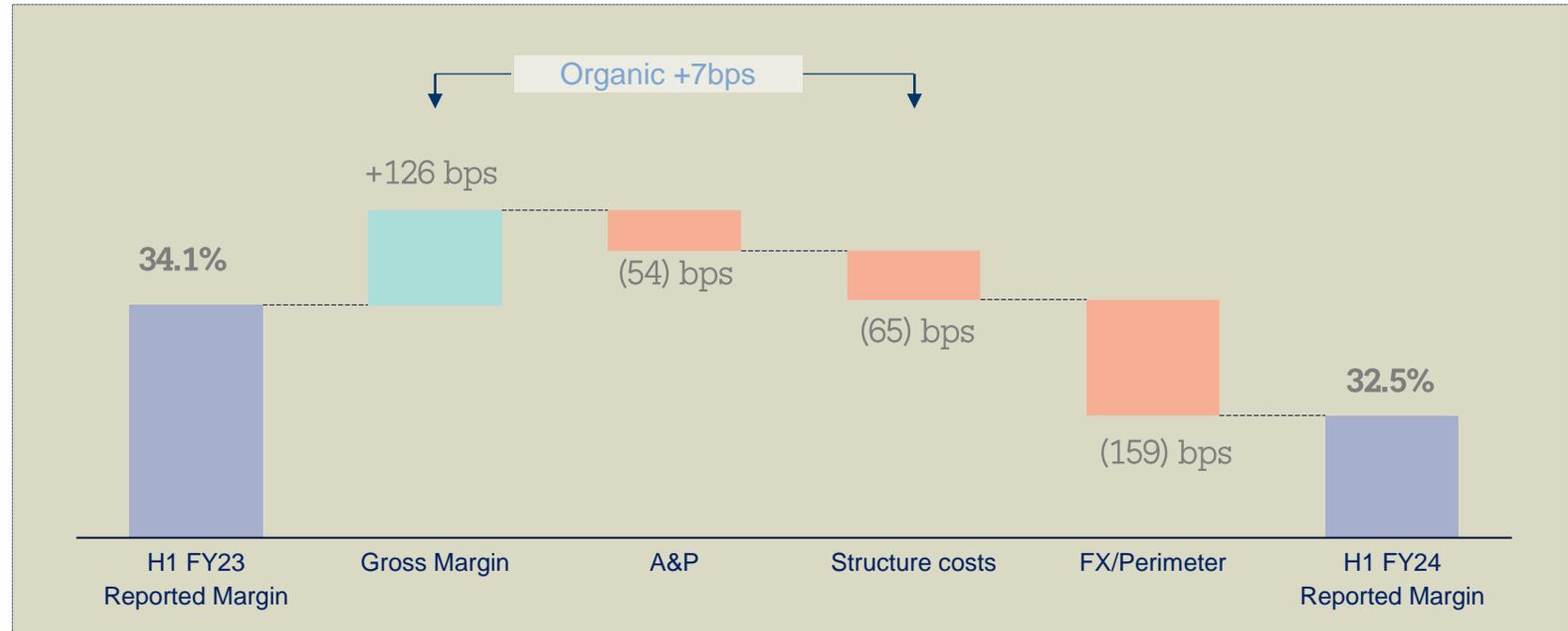
Strong Gross Margin expansion thanks to pricing and tight cost control, sustaining organic operating margin

Organic PRO¹

-3%

Reported PRO

-12%



- Gross Margin expanding significantly as pricing offset easing COGS inflation and adverse market mix
- Strong portfolio activation with A&P at c.€1 bn
- Very strict discipline on Structure costs
- Reported Operating Margin down -152 bps with an overall unfavourable FX impact of €(311)m²
- Perimeter impact +€100m²



EPS decline due to softer Profit from Recurring Operations and higher financial expenses



	H1 FY23	H1 FY24	Reported Δ
Profit from Recurring Operations	2,423	2,144	-12%
Financial Expenses from Recurring Operations	(134)	(200)	+49%
Income tax on Recurring Operations	(521)	(475)	-9%
Minority interests and other	(25)	(30)	
Group share of Net Profit from Recurring Operations	1,743	1,439	-17%
Number of shares for diluted EPS (millions)	257.4	253.4	
Earnings per share ¹	6.77	5.68	-16%

- Increase of recurring financial expenses with an average cost of debt at 3.1%, following significant increase of interest rates
- Lower Income tax on Recurring Operations amount in line with Profit from Recurring Operations decline



Decline in Group Share of Net Profit fully driven by decrease in Profit from Recurring Operations



€ millions	H1 FY23	H1 FY24	Reported Δ
Group share in Profit from Recurring Operations	2,423	2,144	-12%
Non-Recurring Operating income (expense)	86	142	
Non-Recurring Financial income (expense)	(5)	(18)	
Non-Recurring Corporate income tax	(32)	9	
Non-Recurring minority interests and other	0	(2)	
Group share of Net Profit	1,792	1,569	-12%

Group share of Net Profit decreasing €(224)m :

- Non-Recurring Operating income mainly driven by asset disposal
- Non-Recurring Financial expense from unrealized FX loss on intercompany loans



Free Cash Flow decline driven by lower profit and accelerating as planned our investments to fuel future growth

c. 80% of Recurring Free Cash Flow decrease driven by reported PRO decline and increase in CAPEX



€ millions	H1 FY23	H1 FY24	Reported Δ	% Δ
Profit from Recurring Operations	2,423	2,144	(279)	-12%
Amortisation, depreciation, provision movements and other	192	220	28	
Self-financing capacity from recurring operations	2,615	2,364	(251)	-10%
Decrease (increase) in operating Working Capital Requirement	(914)	(947)	(33)	
Decrease (increase) in strategic inventories	(146)	(221)	(75)	
Capital expenditure	(175)	(391)	(216)	
Recurring Operating Cashflow	1,380	805	(575)	-42%
Financial income (expense) and taxes	(382)	(417)	(35)	
Recurring Free Cash Flow	999	389	(610)	-61%
Non-recurring items	(45)	(88)	(43)	
Free Cash Flow	954	301	(653)	-68%

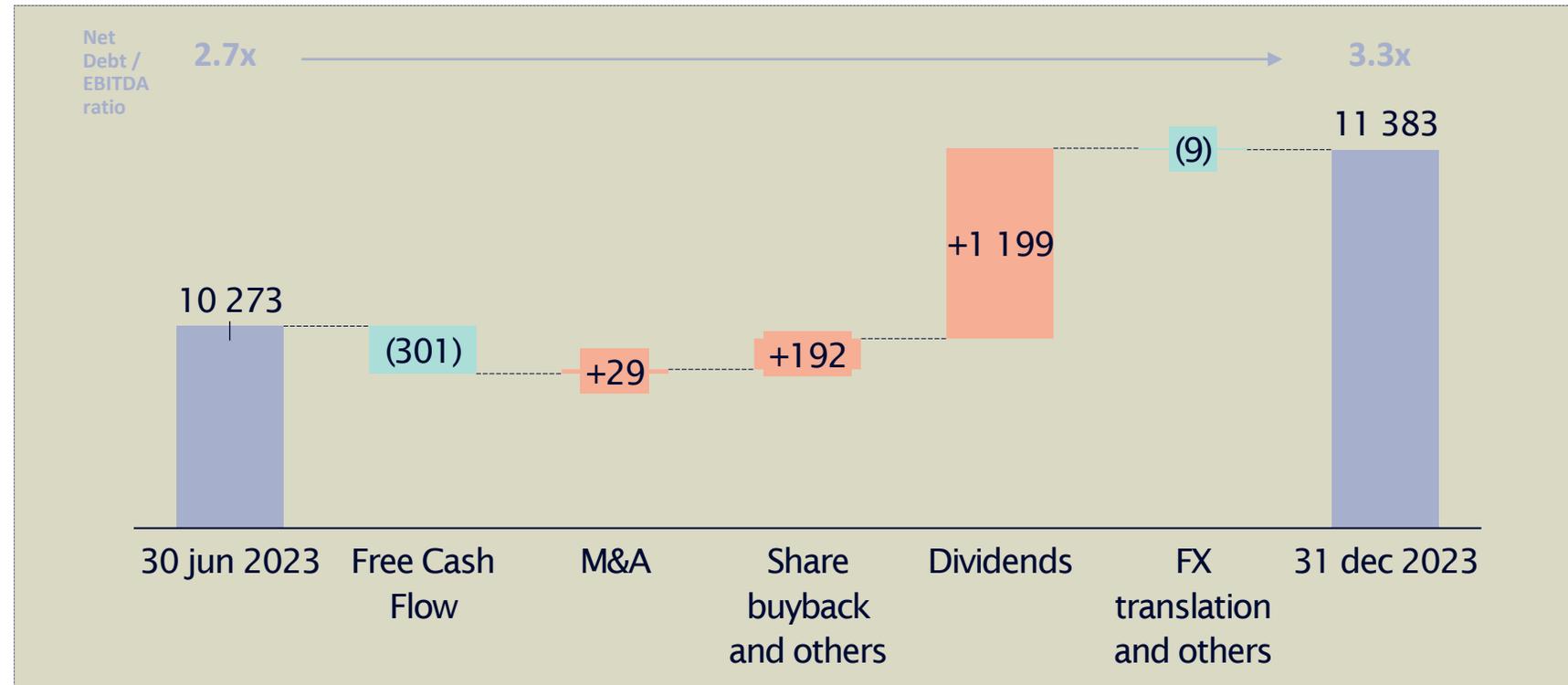
- Operating working capital outflows broadly stable compared to H1 FY23
- CAPEX increase driven by capacity expansion with new distilleries in Ireland and US and maturation warehouses
- Maintaining investment in strategic inventories to secure long term growth of aged portfolio
- Adverse FX impact of €(311)m on Profit from Recurring Operations impacting Free Cash Flow



Deploying capital with discipline

Higher Net Debt/ EBITDA ratio reflecting lower year on year reported PRO and higher net debt

Net Debt / EBITDA
3.3x¹



- Sustained strong balance sheet consistent with our solid investment grade rating
- Leverage ratio to improve as reported PRO growth normalizes



Outlook

Building on a very strong FY23 and a robust performance in H1 FY24, we are confident in our medium-term financial framework of +4% to +7% top line growth, aiming for the upper end of the range, with Organic Operating leverage of +50/+60 bps.

In a challenging environment, we expect for FY24:

- Dynamic H2 Net Sales, improving versus H1, and leading to broadly stable organic Net Sales in full year
- Continued focus on Revenue Growth Management and operational efficiencies
- A&P ratio at c. 16% of Net Sales and very strict control of Structure Costs
- Organic Operating Margin expansion, with Organic Operating Profit growing **low-single digit**
- Negative FX impact partially offset by perimeter effect
- Investments in strategic inventories at a similar level to FY23, and increase in Capex to c. €800m
- Free Cash Flow reflecting lower reported PRO and increase in strategic investments
- c. €300m share buyback for the year, with c.€150m completed in H1



2024 H1 Appendix



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
20 th February 2024	CAGNY
28 th March 2024	US Market Webcast
25 th April 2024	Q3 Sales
16 th May 2024	S&R Webcast



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	Myanmar	Chile	Bosnia
Congo	Namibia	Colombia	Bulgaria
Egypt	Nepal	Costa Rica	Croatia
Ethiopia	Nigeria	Cuba	Georgia
Gabon	Persian Gulf	Dominican Republic	Hungary
Ghana	Philippines	Ecuador	Kazakhstan
India	Senegal	Guatemala	Kosovo
Indonesia	South Africa	Honduras	Latvia
Iraq	Sri Lanka	Mexico	Lithuania
Ivory Coast	Syria	Panama	Macedonia
Jordan	Tanzania	Paraguay	Moldova
Kenya	Thailand	Peru	Montenegro
Laos	Tunisia	Puerto Rico	Poland
Lebanon	Turkey	Uruguay	Romania
Madagascar	Uganda	Venezuela	Russia
	Vietnam		Serbia
	Zambia		Ukraine



Strategic International Brands' organic Sales growth

	Volumes H1 FY24 (in 9Lcs millions)	Organic Net Sales growth H1 FY24	of which Volume	of which Price/mix
Absolut	6.7	(2)%	(10)%	+7%
Chivas Regal	2.7	(7)%	(15)%	+8%
Ballantine's	4.7	(8)%	(11)%	+4%
Ricard	2.4	(1)%	(6)%	+5%
Jameson	6.0	(1)%	(7)%	+6%
Havana Club	2.0	+3%	(19)%	+22%
Malibu	2.2	(5)%	(10)%	+5%
Beefeater	1.8	(8)%	(13)%	+6%
Martell	1.3	(8)%	(11)%	+4%
The Glenlivet	0.8	(5)%	(14)%	+10%
Royal Salute	0.1	+8%	(9)%	+17%
Mumm	0.4	(9)%	(14)%	+5%
Perrier-Jouët	0.2	+4%	(5)%	+8%
Strategic International Brands	31.3	(4)%	(11)%	+6%



Sales Analysis by Period and Region

Net Sales (€ millions)	Q1 FY23		Q1 FY24		Change		Organic growth		Group Structure		Forex Impact	
Americas	957	28.9%	858	28.2%	(100)	(10)%	(88)	(10)%	+78	+8%	(89)	(9)%
Asia / Rest of World	1,488	45.0%	1,329	43.7%	(159)	(11)%	+0	+0%	+45	+3%	(204)	(14)%
Europe	863	26.1%	855	28.1%	(8)	(1)%	+9	+1%	+7	+1%	(24)	(3)%
Group	3,308	100.0%	3,042	100.0%	(266)	(8)%	(79)	(2)%	+130	+4%	(317)	(10)%

Net Sales (€ millions)	Q2 FY23		Q2 FY24		Change		Organic growth		Group Structure		Forex Impact	
Americas	1,048	27.5%	1,003	28.3%	(45)	(4)%	(56)	(5)%	+95	+9%	(84)	(8)%
Asia / Rest of World	1,634	42.9%	1,520	42.8%	(114)	(7)%	+15	+1%	+34	+2%	(162)	(10)%
Europe	1,125	29.6%	1,025	28.9%	(101)	(9)%	(93)	(8)%	+5	+0%	(13)	(1)%
Group	3,808	100.0%	3,548	100.0%	(260)	(7)%	(134)	(4)%	+134	+4%	(259)	(7)%

Net Sales (€ millions)	H1 FY23		H1 FY24		Change		Organic growth		Group Structure		Forex Impact	
Americas	2,005	28.2%	1,860	28.2%	(145)	(7)%	(145)	(7)%	+173	+9%	(173)	(9)%
Asia / Rest of World	3,122	43.9%	2,850	43.2%	(272)	(9)%	+16	+1%	+79	+3%	(366)	(12)%
Europe	1,989	27.9%	1,880	28.5%	(108)	(5)%	(84)	(4)%	+12	+1%	(37)	(2)%
Group	7,116	100.0%	6,590	100.0%	(525)	(7)%	(213)	(3)%	+264	+4%	(576)	(8)%



Summary Consolidated Income Statement

(€ millions)	H1 FY23	H1 FY24	Change
Net sales	7,116	6,590	(7)%
Gross Margin	4,368	4,081	(7)%
Advertising and promotions spend	(994)	(980)	(1)%
Contribution after A&P spend	3,375	3,101	(8)%
Structure costs	(951)	(958)	+1%
Profit from recurring operations	2,423	2,144	(12)%
Financial income/(expense) from recurring operations	(134)	(200)	+49%
Corporate income tax on items from recurring operations	(521)	(475)	(9)%
Net profit from discontinued operations, non-controlling interests and share of net income from associates	(25)	(30)	+21%
Group share of net profit from recurring operations	1,743	1,439	(17)%
Profit from Non Recurring Operations	86	142	NA
Financial income/(expense) from non-recurring operations	(5)	(18)	NA
Corporate income tax on items from non recurring operations	(32)	9	(128)%
Non controlling interests (non-recurring)	0	(2)	NA
Group share of net profit	1,792	1,569	(12)%
Non-controlling interests	21	30	+44%
Net profit	1,813	1,599	(12)%



Profit from Recurring Operations by Region (1/2)

World

(€ millions)	H1 FY23		H1 FY24		Change		Organic Growth		Group Structure		Forex impact	
Net Sales	7,116	100.0%	6,590	100.0%	(525)	(7)%	(213)	(3)%	+264	+4%	(576)	(8)%
Gross margin	4,368	61.4%	4,081	61.9%	(287)	(7)%	(46)	(1)%	+176	+4%	(416)	(10)%
Advertising & promotional spend	(994)	14.0%	(980)	14.9%	+14	(1)%	(6)	+1%	(41)	+4%	+61	(6)%
Contribution after A&P spend	3,375	47.4%	3,101	47.1%	(273)	(8)%	(53)	(2)%	+135	+4%	(355)	(11)%
Profit from recurring operations	2,423	34.1%	2,144	32.5%	(279)	(12)%	(69)	(3)%	+100	+4%	(311)	(13)%

Americas

(€ millions)	H1 FY23		H1 FY24		Change		Organic Growth		Group Structure		Forex impact	
Net Sales	2,005	100.0%	1,860	100.0%	(145)	(7)%	(145)	(7)%	+173	+9%	(173)	(9)%
Gross margin	1,314	65.5%	1,232	66.2%	(82)	(6)%	(41)	(3)%	+86	+7%	(127)	(10)%
Advertising & promotional spend	(349)	17.4%	(374)	20.1%	(25)	+7%	(13)	+4%	(35)	+10%	+23	(7)%
Contribution after A&P spend	965	48.1%	858	46.1%	(107)	(11)%	(54)	(6)%	+51	+5%	(104)	(11)%
Profit from recurring operations	697	34.7%	555	29.8%	(142)	(20)%	(84)	(12)%	+27	+4%	(85)	(12)%

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)	H1 FY23		H1 FY24		Change		Organic Growth		Group Structure		Forex impact	
Net Sales	3,122	100.0%	2,850	100.0%	(272)	(9)%	+16	+1%	+79	+3%	(366)	(12)%
Gross margin	1,827	58.5%	1,699	59.6%	(128)	(7)%	+62	+3%	+89	+5%	(279)	(15)%
Advertising & promotional spend	(400)	12.8%	(357)	12.5%	+43	(11)%	+7	(2)%	(2)	+1%	+37	(9)%
Contribution after A&P spend	1,427	45.7%	1,342	47.1%	(86)	(6)%	+69	+5%	+87	+6%	(242)	(17)%
Profit from recurring operations	1,074	34.4%	997	35.0%	(77)	(7)%	+60	+6%	+81	+8%	(218)	(20)%

Europe

(€ millions)	H1 FY23		H1 FY24		Change		Organic Growth		Group Structure		Forex impact	
Net Sales	1,989	100.0%	1,880	100.0%	(108)	(5)%	(84)	(4)%	+12	+1%	(37)	(2)%
Gross margin	1,227	61.7%	1,150	61.2%	(77)	(6)%	(67)	(5)%	+1	+0%	(10)	(1)%
Advertising & promotional spend	(245)	12.3%	(248)	13.2%	(4)	+1%	(1)	+0%	(3)	+1%	+1	(0)%
Contribution after A&P spend	982	49.4%	902	48.0%	(80)	(8)%	(68)	(7)%	(3)	(0)%	(10)	(1)%
Profit from recurring operations	652	32.8%	591	31.5%	(61)	(9)%	(45)	(7)%	(9)	(1)%	(7)	(1)%

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



Foreign Exchange Impact / translation

PRO impacted mostly by translation impact

Forex impact H1 FY24 (€ millions)		Average rates evolution vs EUR			On Net Sales	On Profit from Recurring Operations
		H1 FY23	H1 FY24	%		
US dollar	USD	1.01	1.08	(7)%	(107)	(58)
Chinese yuan	CNY	7.08	7.83	(11)%	(81)	(51)
Indian rupee	INR	82.11	89.78	(9)%	(68)	(23)
Pound sterling	GBP	0.86	0.86	(0)%	(0)	+0
Canadian Dollar	CAD	1.35	1.46	(8)%	(14)	(4)
Australian Dollar	AUD	1.51	1.66	(9)%	(14)	(4)
Japanese yen	JPY	141.70	158.12	(12)%	(13)	(8)
Turkish Lira	TRY	18.54	29.96	(62)%	(90)	(82)
Singapourian Dollar	SGD	1.41	1.46	(3)%	(3)	(2)
Polish Zloty	PLN	4.74	4.46	+6%	+7	+3
Korean won TC	KRW	1,368.23	1,425.10	(4)%	(3)	(2)
South african rand TC	ZAR	17.57	20.23	(15)%	(12)	(6)
Taiwan Dollar	TWD	31.28	34.35	(10)%	(8)	(5)
New Zealand dollar TC	NZD	1.67	1.79	(7)%	(4)	(1)
Mexican peso	MXN	20.23	18.72	+7%	+6	(3)
Hong Kong Dollar	HKD	7.94	8.46	(7)%	(5)	(4)
Malaysian Ringitt	MYR	4.59	5.05	(10)%	(6)	(4)
Argentinian peso	ARS	151.27	411.59	(172)%	(73)	(32)
Nigerian Naira	NGN	437.03	851.18	(95)%	(31)	(20)
Swedish Krone	SEK	10.78	11.61	(8)%	(2)	+7
Ukrainian Hryvnia	UAH	36.38	39.74	(9)%	(3)	(2)
Belarusian Ruble	BYN	2.57	3.13	(22)%	(3)	(2)
Other					(49)	(8)
Total FX impact					(576)	(311)
of which Translation					(576)	(339)
of which Transaction						+29



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	+30

(1) Full-year effect



Balance Sheet: Assets

Assets (€ millions)	30/06/2023	31/12/2023
(Net book value)		
Non-current assets		
Intangible assets and goodwill	19,000	18,875
Tangible assets and other assets	4,798	5,027
Deferred tax assets	1,870	1,851
Total non-current assets	25,667	25,754
Current assets		
Inventories	8,104	8,252
<i>aged work-in-progress</i>	6,267	6,513
<i>non-aged work-in-progress</i>	151	151
<i>other inventories</i>	1,685	1,587
Receivables (*)	1,814	2,458
<i>Trade receivables</i>	1,401	2,398
<i>Other receivables</i>	413	60
Other current assets	435	456
<i>Other operating current assets</i>	427	411
<i>Other current assets related to fixed assets and other</i>	8	44
Tax receivable	31	110
Cash and cash equivalents and current derivatives	1,624	1,648
Total current assets	12,008	12,923
Assets held for sale	1	60
Total assets	37,676	38,737
(*) after disposals of receivables of:	749	1,203



Balance Sheet: Liabilities and Shareholder's Equity

Liabilities and shareholders' equity (€ millions)	30/06/2023	31/12/2023
Group Shareholders' equity	15,717	16,193
Non-controlling interests	998	1,016
<i>of which profit attributable to non-controlling interests</i>	<i>21</i>	<i>30</i>
Total Shareholders' equity	16,715	17,209
Non-current provisions and deferred tax liabilities	3,777	3,887
Bonds non-current	9,678	10,318
Lease liabilities - non current	384	396
Non-current financial liabilities and derivative instruments	187	138
Total non-current liabilities	14,026	14,738
Current provisions	164	148
Operating payables	3,461	3,068
Other operating payables	1,556	1,041
<i>of which other operating payables</i>	<i>859</i>	<i>931</i>
<i>of which tangible/intangible current payables</i>	<i>698</i>	<i>110</i>
Tax payable	113	320
Bonds - current	580	739
Lease liabilities - current	99	97
Current financial liabilities and derivatives	962	1,359
Total current liabilities	6,935	6,772
Liabilities held for sale	0	17
Total liabilities and shareholders' equity	37,676	38,737



Analysis of Working Capital Requirement

(€ millions)	June 2022	December 2022	June 2023	December 2023	H1 FY23 WC change*	H1 FY24 WC change*	
Aged work in progress	5,732	5,873	6,267	6,513	239	278	
Advances to suppliers for wine and ageing spirits	8	19	12	19	10	7	
Payables on wine and ageing spirits	(115)	(238)	(182)	(245)	(103)	(64)	
Net aged work in progress	5,626	5,653	6,098	6,287	146	221	
Trade receivables before factoring/securitization	1,922	3,419	2,151	3,601	1,599	1,506	
Advances from customers	(34)	(31)	(34)	(32)	2	2	
Other receivables & operating current assets	487	480	824	453	4	(368)	
Other inventories	1,546	1,572	1,685	1,587	(13)	(73)	
Non-aged work in progress	91	122	151	151	34	3	
Trade payables and other	(3,669)	(3,842)	(4,106)	(3,723)	(277)	338	
Gross operating working capital	343	1,719	671	2,037	1,324	1,409	
Factoring/Securitization impact	(602)	(1,031)	(749)	(1,203)	(445)	(460)	
Net Operating Working Capital	(259)	688	(78)	834	878	949	
Net Working Capital	5,366	6,341	6,019	7,121	1,024	1,169	
* at average rates							
					Of which recurring variation	1,060	1,167
					Of which non recurring variation	(36)	2



Net Debt

(€ millions)	30/06/2023			31/12/2023		
	Current	Non-current	Total	Current	Non-current	Total
Bonds	580	9,678	10,258	739	10,318	11,057
Commercial paper	801	-	801	1,160	-	1,160
Other loans and long-term debts	155	173	328	181	128	310
Other financial liabilities	956	173	1,129	1,341	128	1,470
Gross Financial debt	1,536	9,851	11,387	2,080	10,446	12,526
Fair value hedge derivatives – assets	-	-	-	-	-	-
Fair value hedge derivatives – liabilities	-	14	14	-	10	10
Fair value hedge derivatives	-	14	14	-	10	10
Net investment hedge derivatives – assets	-	(3)	(3)	-	(7)	(7)
Net investment hedge derivatives – liabilities	-	-	-	-	-	-
Net investment hedge derivatives	-	(3)	(3)	-	(7)	(7)
FINANCIAL DEBT AFTER HEDGING	1,536	9,862	11,398	2,080	10,449	12,529
Cash and cash equivalents	(1,609)	-	(1,609)	(1,639)	-	(1,639)
NET FINANCIAL DEBT EXCLUDING LEASE DEBT	(73)	9,862	9,789	441	10,449	10,890
Lease Debt	99	384	484	97	396	493
NET FINANCIAL DEBT	26	10,246	10,273	539	10,844	11,383



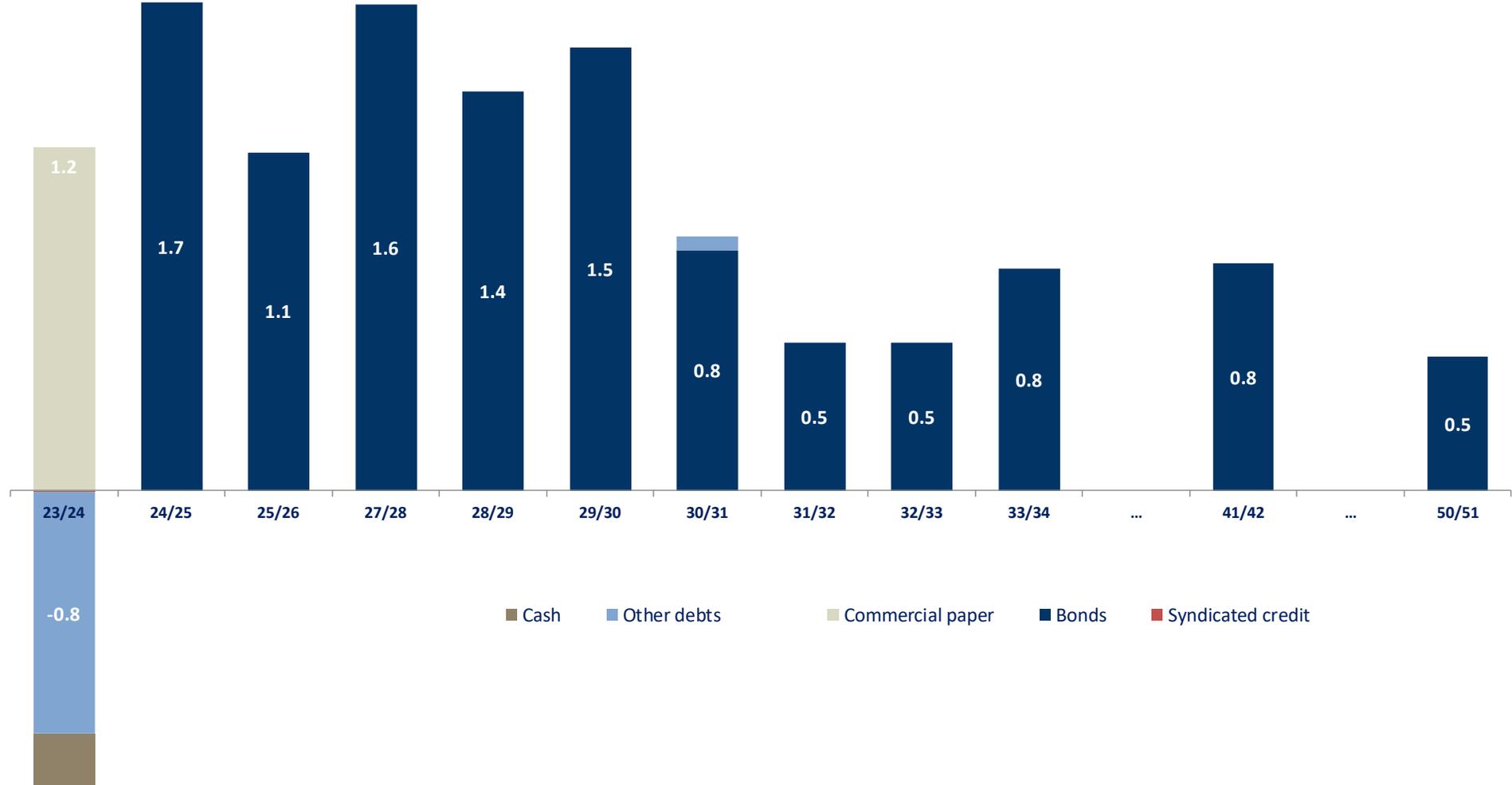
Change in Net Debt

(€ millions)	30/06/2023	31/12/2023
Operating profit	3,265	2,285
Depreciation and amortisation	417	217
Net change in impairment of goodwill, PPE and intangible assets	52	14
Net change in provisions	(74)	(42)
Changes in fair value on commercial derivatives, biological assets and investments	(87)	3
Net (gain)/loss on disposal of assets	(74)	(213)
Share-based payments	44	26
Self-financing capacity before interest and tax	3,543	2,291
Decrease / (increase) in working capital requirements	(568)	(1,169)
Net interest and tax payments	(942)	(430)
Net acquisitions of non financial assets and others	(602)	(391)
Free Cash Flow	1,431	301
<i>of which recurring Free Cash Flow</i>	<i>1,653</i>	<i>389</i>
Net acquisitions of financial assets and activities and others	(1,129)	(18)
Dividends paid	(1,072)	(1,199)
(Acquisition) / Disposal of treasury shares and others	(786)	(184)
Decrease / (increase) in net debt (before currency translation adjustments)	(1,556)	(1,101)
Foreign currency translation adjustment	53	71
Non cash impact on lease liabilities	(112)	(80)
Decrease / (increase) in net debt (after currency translation adjustments and IFRS 16 non cash impacts)	(1,615)	(1,110)
Initial net debt	(8,657)	(10,273)
Final net debt	(10,273)	(11,383)



Net Debt Maturity profile as at 31 December 2023

€bn





Bond Details

Currency	Par value	Coupon	Issue date	Maturity date
EUR	€ 1,000 m o/w: € 500 m	0.500%	24/10/2019	24/10/2027
	€ 500 m	0.875%		24/10/2031
	€ 650 m	2.125%	09/29/2014	09/27/2024
	€ 1,500 m o/w: € 750 m	1.125%	04/01/2020	04/07/2025
	€ 750 m	1.750%		04/08/2030
	€ 500 m o/w: € 250 m	1.125%	04/27/2020	04/07/2025
	€ 250 m	1.750%		04/08/2030
	€ 600 m	1.500%	05/17/2016	05/18/2026
	€ 750 m	1.375%	04/07/2022	04/07/2029
	€ 500 m	0.125%	10/04/2021	10/04/2029
	€1 100 m o/w: € 500 m	3.750%	11/02/2022	11/02/2032
	€ 600 m	3.250%		11/02/2028
	€ 1,350 m o/w: € 600 m	3.750%	09/15/2023	09/15/2027
€ 750 m	3.750%		09/15/2033	
USD	\$ 850 m	5.500%	01/12/2012	01/15/2042
	\$ 600 m	3.250%	06/08/2016	06/08/2026
	\$ 2,000 m o/w: \$ 600 m	1.250%		04/01/2028
	\$ 900 m	1.625%	10/01/2020	04/01/2031
	\$ 500 m	2.750%		10/01/2050



Net debt / EBITDA evolution

	Closing rate	Average rate ⁽¹⁾
<i>EUR/USD rate 30/06/2023 -> 31/12/2023</i>	1.09 -> 1.11	1.05-> 1.08
Ratio at 30/06/2023	2.7	2.7
EBITDA & cash generation excl. Group structure effect and forex impacts	0.4	0.4
Group structure and forex impacts	0.2	0.2
Ratio at 31/12/2023	3.2	3.3

(1) Last-twelve-month rate



Net Diluted EPS

(x 1,000)	HY FY23	HY FY24
Number of shares in issue at end of period	257,947	255,632
Weighted average number of shares in issue (pro rata temporis)	257,947	255,632
Weighted average number of treasury shares (pro rata temporis)	(1,311)	(2,839)
Dilutive impact of stock options and performance shares	733	597
Number of shares used in diluted EPS calculation	257,369	253,390

(€ millions and €/share)	HY FY23	HY FY24	reported △
Group share of net profit from recurring operations	1,743	1,439	-17.4%
Diluted net earnings per share from recurring operations	6.77	5.68	-16.1%