



Q1 FY27 Sales

Press Release – Paris, 15 October 2026 at 7.30am

SEQUENTIAL IMPROVEMENT IN Q1, IN A CONTRASTED ENVIRONMENT

Q1 ORGANIC NET SALES -0.9% AND REPORTED -6.3%

Net Sales for Q1 FY27 totalled €2,234m. Perimeter impact of -€127m mainly linked to the disposal of Imperial Blue and Wines, and Foreign Exchange impact of -€3m mainly linked to INR and TRY¹.

Sales in the US declined by -10% and in China by -25%, with both markets being impacted by inventory adjustments, as expected.

Underlying depletions in China returned to growth, confirming the cautious trade optimism ahead of the Mid-Autumn Festival, as flagged at the full year results.

When excluding the US and China, sales in the Rest of the World are growing at +4%, with strong performance notably in markets in the Asia-Rest of the World region and with softer results in Europe and in Latin America.

The global environment remains volatile and uncertain, notably with ongoing conflicts in Europe and in the Middle East, and with cost-of-living pressures in some markets. Momentum and sales growth is improving in a number of key markets, demonstrating the benefit of our diversified premium brand portfolio, our balanced and broad geographic footprint and our ability to adapt quickly to changing market conditions.

Volumes in Q1 returned to growth at +6%, with Strategic International Brand volumes growing +2%.

By regions, including Must Win markets:

- **Americas -9%,**
 - **USA -10%,**
 - Total Spirits² market down c.-2% and Bottled Spirits c.-4%, with slightly improving underlying trends over the summer
 - Pernod Ricard's Sell-out gap-to-market³ slightly improved compared to Q4 FY26 to c.-2 points
 - Sales were impacted by some inventory adjustments, as expected
 - Jameson and Kahlúa sell-out performance ahead of their respective competitive sets, and marked improvement in Skrewball's performance, and a strong rebound for Malibu
 - Latest innovations include Malibu Pink, Skrewball Peanut Butter & Jelly flavoured whiskey in small format, and extending the range of Jameson Irish whiskey portfolio with Jameson Distiller's Batch
 - **Canada:** modest decline with continued but slower RTDs momentum, not fully offsetting pressure on Spirits
 - **Brazil:** declined, largely due to phasing
 - **Mexico:** declined sharply, due to continuing weak consumer demand

¹ Indian Rupee and Turkish Lira

² Value

³ To Bottled Spirits



- **Asia-RoW +9%,**
 - **India +19%,**
 - Market continues to enjoy dynamic consumer fundamentals, and sales driven by strong demand and continuing premiumisation
 - Growth is broad-based across the portfolio, with Imported spirits in very strong double-digits growth, including Jameson, Absolut and Ballantine's, and with strong double-digit growth from Seagram's whiskies Royal Stag and Blenders Pride
 - Continuing positive momentum from the launch of the new "Xclamat!on" range of spirits
 - Strong underlying sales growth with benefit from lapping last year's excise policy changes in Maharashtra state
 - The company is taking preparatory steps for a potential IPO, which is leading to a favourable pipe-fill effect that is further benefitting sales in Q1
 - The decision to proceed to an IPO remains subject to board approval
 - **China -25%,**
 - Sales contracted, in a challenging macroeconomic environment, due to trade inventory adjustments
 - Cautious trade optimism ahead of Mid-Autumn Festival is confirmed and reflected in the back to growth underlying depletions, marking a significant improvement from last year's sharp decline
 - Martell's Off-trade depletions returned to growth thanks to a successful Mid-Autumn Festival campaign, while the On-trade, though benefitting from the lapping effect, continues to be pressured by the regulatory crack-down
 - Underlying trends for the rest of the portfolio are resilient overall, notably supported by strong performances including on The Glenlivet, Royal Salute, Jameson and Olmeca
 - Continued dynamic growth in **Japan**, return to growth in **South Korea** and **Taiwan market**
 - Strong results in Africa and Middle East, led by **Türkiye** and with a resilient performance in **South Africa**
- **Europe -6%,**
 - Soft start to the year, impacted by phasing in some markets and continuing pressure in the On-trade
 - Modest declines in some Western markets, while Germany's sharper decline persists
 - In Eastern Europe, Poland impacted by ongoing customer negotiations
- **Global Travel Retail -4%,**
 - Sales are impacted by the ongoing Middle East conflict, disproportionately affecting the Asian TR markets, while noting a strong Mid-Autumn Festival promotional program supporting Martell sales
 - Elsewhere, sales in the Americas are negatively impacted by phasing, while sales in Europe are strong, supported by high traveller numbers

By brands:

- **Strategic International Brands -1%**, with strong momentum for Jameson, Ballantine's, Malibu and Perrier-Jouët, and more modest growth on Chivas Regal and Royal Salute offset by declines on Absolut and Martell, which is notably impacted by inventory adjustments
- **Strategic Local Brands +6%**, largely driven by Royal Stag and Blenders Pride, and solid momentum for Olmeca
- **Specialty Brands -5%**, largely driven by the USA market performance, though with good results from Código and Monkey 47



FY27 OUTLOOK

We are expecting organic Net Sales broadly stable for the full year, in a contrasted and uncertain environment, with:

- Declines in the US and China, impacted by inventory adjustments as from Q1, and with underlying trends expected to improve in China, and
- Continued positive momentum in Rest of World, with ongoing strong growth notably in India.

A&P/Net Sales investment will be maintained at c.16%.

We will strongly defend Organic Operating Margin supported by strict cost control and accelerating the implementation of our Operational Efficiency initiatives whilst investing in digital transformation.

We expect strategic investments at c.€700m, strong operating working capital management, with cash conversion expected to continue at c.90%.

MEDIUM TERM FY27-29

Noting the current softness in the US market, we are projecting Organic Net Sales growth, aiming to be, on average, close to the lower end of the +3% to +6% range over FY27 to FY29.

We expect Organic Operating Margin expansion, supported by accelerated operational efficiencies of €1bn from FY26 to FY28, while maintaining consistent investments behind our brands with c.16% A&P/Net Sales.

We expect strengthened cash generation, aiming for c.90% cash conversion to fund our financial policy priorities, with strategic investments normalizing to no more than c. €700m.

We are targeting Net Debt / EBITDA ratio below 3x by FY29.

We are adapting our strategy to capture growth opportunities, and our operating model to meet changing circumstances including through our ongoing digital transformation to unlock further efficiencies.

We are confident in the continued engagement of our teams and we remain focused to deliver sustainable value growth over time.



Pernod Ricard
Créateurs de convivialité

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

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, 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 and adding the year-on-year variance in the reported transaction impact between the current year and the previous year.
- 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 calculations of the current year only from the anniversary date of the acquisition.
- The impact of hyperinflation on Profit from Recurring Operations in Türkiye and Argentina is excluded from organic growth calculations by capping local unit price/cost increases to a maximum of +26% per year, equivalent to +100% over three years.
- Where a business, brand, brand distribution right or agency agreement was disposed of or terminated in the prior year, the Group excludes the results for that business from the prior year in the organic movement calculations. 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.
- This measure enables users to compare the Group's performance on a like-for-like basis, focusing on areas that local management is most directly able to influence.

Profit from recurring operations

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

Cash Conversion

Cash conversion is calculated by dividing the Recurring Operating Cash Flow by the Profit from recurring operations. The Recurring Operating Cash Flow is calculated as the Self-financing capacity from Recurring Operations + Change in Recurring Operating Working Capital needs, Change in Strategic inventories and Cash Capex.

Net Debt / EBITDA

Net debt corresponds to gross financial debt, including IFRS 16 lease liabilities, less cash and cash equivalents. EBITDA corresponds to Profit from recurring operations excluding depreciation, and amortisation on fixed assets. The Net Debt / EBITDA ratio is calculated using EBITDA on a last-twelve-months basis and using Net Debt translated at last-twelve-months average exchange rates.

Strategic Investments

Strategic (ageing) Inventories plus Capex

About Pernod Ricard

Pernod Ricard is a worldwide leader in the spirits and champagne industry, blending traditional craftsmanship, state-of-the-art brand-building, and global distribution technologies. Our prestigious portfolio of premium to luxury brands includes Absolut vodka, Ricard pastis, Ballantine's, Chivas Regal, Royal Salute, and The Glenlivet Scotch whiskies, Jameson Irish whiskey, Martell cognac, Havana Club rum, Beefeater gin, Malibu liqueur and Mumm and Perrier-Jouët champagnes. Our mission is to ensure the long-term development of our brands with full respect for people and the environment, while empowering our employees around the world to be ambassadors of our purposeful, inclusive and responsible culture of authentic conviviality. Pernod Ricard's consolidated sales amounted to €9,404 million in FY26.

Pernod Ricard is listed on Euronext (Ticker: RI; ISIN Code: FR0000120693) and is part of the CAC 40 index.

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Appendices

Bridge from organic to reported Net Sales

(€ millions except %)	FY26 Group Sales	Organic growth		Forex Impact		Group Structure		Change		FY27 Group Sales
Q1	2,384	(21)	-1%	(3)	0%	(127)	-5%	(151)	-6%	2,234

Q1 FY27 Net Sales by Region

Net Sales (€ millions)	Q1 FY26		Q1 FY27		Change		Organic growth		Group Structure		Forex Impact	
Americas	641	27%	573	26%	(68)	-11%	(58)	-9%	(21)	-3%	+11	2%
Asia / Rest of World	991	42%	976	44%	(15)	-2%	+80	9%	(79)	-8%	(16)	-2%
Europe	752	32%	685	31%	(68)	-9%	(43)	-6%	(26)	-4%	+2	0%
Group	2,384	100%	2,234	100%	(151)	-6%	(21)	-1%	(127)	-5%	(3)	0%

Note: Bulk Spirits are allocated by region according to the Region's weight in the Group

Q1 FY27 Foreign exchange impact on Net Sales

FX impact — Q1 FY27 vs Q1 FY26 (€ millions)			Average rates evolution			On Net Sales
			Q1 FY26	Q1 FY27	FX change vs Q1 FY26	
US Dollar	USD		1.17	1.15	1.5%	8
Chinese Yuan	CNY		8.36	7.76	7.2%	12
Indian Rupee	INR		102.02	109.99	-7.8%	-22
British Pound	GBP		0.87	0.86	1.2%	1
Canadian Dollar	CAD		1.61	1.61	-0.1%	0
Australian Dollar	AUD		1.79	1.63	8.8%	3
Japanese Yen	JPY		172.29	183.23	-6.3%	-4
Turkish Lira	TRY		47.66	55.10	-15.6%	-13
Singaporean Dollar	SGD		1.50	1.47	1.8%	0
Polish Zloty	PLN		4.26	4.32	-1.5%	0
South Korean Won	KRW		1,620.16	1,630.83	-0.7%	0
South African Rand	ZAR		20.62	18.73	9.1%	3
Taiwan Dollar	TWD		35.00	36.79	-5.1%	-1
New Zealand Dollar	NZD		1.97	1.98	-0.4%	0
Mexican Peso	MXN		21.77	19.86	8.8%	1
Hong Kong Dollar	HKD		9.13	9.02	1.2%	0
Argentinean Peso	ARS		1,555.38	1,725.88	-11.0%	-1
Nigerian Naira	NGN		1,777.03	1,552.92	12.6%	2
Other Currencies						8
Total FX impact						-3



Sensitivity of full year profit to main exchange rates against EUR

Currency	FY PRO sensitivity to 1% currency appreciation vs EUR (M€)
US Dollar	+12
Chinese Yuan	+3
Indian Rupee	+4
Turkish Lira	+3

Upcoming Communications

Date (subject to change)	Event
20 th November 2026	Annual General Meeting
18 th February 2027	H1 FY27 Sales and Results
15 th April 2027	Q3 FY27 Sales

Login details for the Q1 conference-call on October 15, 2026

Available in the media section of the Pernod Ricard website