



Press Release - Paris, 20 October 2011
1st quarter 2011/12 sales and 2011/12 guidance

Excellent 1st quarter 2011/12:
11% organic sales growth to € 1,987 million

2011/12 guidance:
Organic growth in profit from recurring operations
close to 6%,
Net Debt⁽¹⁾ / EBITDA⁽¹⁾ ratio close to 4

In summary :

A very good start to the year confirmed the major trends of 2010/11, with:

- ✓ strong growth in emerging markets⁽²⁾ (+20%⁽³⁾),
- ✓ moderate growth in mature markets (+5%⁽³⁾),
- ✓ growth driven by the Top 14 (+14%⁽³⁾) with a continued very favourable price/mix effect.

The achievement of an “*Investment Grade*” rating from both Moody’s and Standard & Poor’s is a favourable reflection of the Group’s financial strategy.

On this occasion, Pierre Pringuet, Chief Executive Officer of Pernod Ricard, declared that:

“The start of the 2011/12 financial year confirms the solidity of our markets. Our outlook assumes a macro-economic scenario featuring strong dynamism in emerging markets and slow growth in mature markets. Against this backdrop, our guidance for the 2011/12 financial year is for organic growth in profit from recurring operations close to 6% and continued debt reduction, with a Net Debt⁽¹⁾ / EBITDA⁽¹⁾ ratio close to 4 at 30 June 2012.”



Detailed analysis:

Pernod Ricard's consolidated **net sales** (excluding tax and duties) totalled **€ 1,987 million** for the **1st quarter of 2011/12** (from 1 July to 30 September 2011), compared to € 1,879 million in the 1st quarter of 2010/11, a face-value increase of +6%. This excellent start to the year was due to:

- an organic growth of +11%, driven by the Top 14 (+14%⁽³⁾), strong dynamism in emerging markets⁽²⁾ (+20%⁽³⁾) and the good recovery of mature markets (+5%⁽³⁾),
- a 4% negative foreign exchange effect, relating to the USD and the currencies of certain emerging countries (Indian Rupee, Chinese Yuan),
- a minor 1% negative group structure effect.

Brand review

◆ **The 14 strategic spirits and champagne brands (Top 14)** (62% of Group sales) recorded 6% volume growth and organic sales growth of 14%, which testifies to a continued very favourable price/mix effect.

Against this backdrop:

- Eight brands enjoyed double-digit organic sales growth: The Glenlivet (+42%), Jameson (+29%), Royal Salute (+29%), Martell (+25%), Chivas Regal (+18%), Malibu (+17%), Perrier-Jouët (+17%) and Mumm (+12%).
- Absolut (+4%⁽³⁾) remained stable in the US but grew 6% in volume outside the US, thanks to Duty Free, Brazil, South Korea, Russia and Germany.
- Chivas Regal (+18%⁽³⁾) continued its Premiumisation, with Chivas 18 years old (+36%⁽³⁾) and Chivas 25 years old (+43%⁽³⁾).

◆ **The 4 Priority Premium Wine brands** (5% of Group sales) grew 3% in volume and 8%⁽³⁾ in value. This very good first quarter illustrated the efficiency of our Premiumisation strategy.

◆ **The 18 key local spirits brands** (16% of Group sales) continued to grow in value (+7%⁽³⁾), driven by the strong development of Indian whiskies (+29%⁽³⁾), offset by the decline of Wyborowa (-21%⁽³⁾), 100 Pipers in Thailand (-32%⁽³⁾) and Imperial in South Korea (-16%⁽³⁾).

Premium brands⁽⁴⁾ represented 74% of sales in the 1st quarter of 2011/12, compared to 72% in the 1st quarter of 2010/11.



Review by geographic region

◆ **Asia – Rest of the World: continued very strong growth of Martell, Scotch and Indian whiskies. Sales: € 794 million (organic growth: +16%)**

- **Asia:** Almost all markets continued to enjoy strong growth.
 - China: +25%⁽³⁾, driven by Martell, Scotch whiskies and Jacob's Creek.
 - India: +29%⁽³⁾, due to the performance of local whiskies and the Top 14 (+20%⁽³⁾).
 - Japan: +10%⁽³⁾, in a normalising market.
 - Vietnam, Indonesia, Taiwan, Duty Free: double-digit growth⁽³⁾.
 - Thailand and South Korea: markets in decline⁽³⁾, primarily affected by the performance of local brands.
- **Pacific:** In Australia, the business is recovering with strong growth⁽³⁾ for wines and Chivas Regal.

◆ **Americas: very strong growth. Sales: €508 million (organic growth: +14%)**

- In the US, the market trend remained rather positive in the 1st quarter, with Nielsen up 2% for the 3 months ending September and NABCA up 2% for the 2 months ending August. Group organic sales growth was 15% and 16% for the Top 14. This was due to the continued success of Jameson (+53%⁽³⁾), the revitalisation of Malibu and the strong performance of The Glenlivet, Chivas Regal and Martell.
- Canada reported growth, thanks to the Top 14 (+5%⁽³⁾) and despite the decline of Jacob's Creek.
- Mexico experienced a decline in sales but according to Nielsen data, Pernod Ricard posted strong consumer depletions for Chivas Regal (+12%) and Absolut (+20%).
- Brazil reported strong growth (+17%⁽³⁾) driven by the Top 14 (+30%⁽³⁾), particularly Absolut and Chivas Regal and by Passport.
- Most other markets saw an increase in sales: Argentina, Central America and a recovery in Venezuela.

◆ **Europe: good performance. Sales: € 524 million (organic growth: +3%)**

- Europe's performance improved (+3%⁽³⁾ vs stability⁽³⁾ over the full 2010/11 financial year) with diverse situations:
 - Western Europe remained stable (+0.4%⁽³⁾), which was an improvement compared to last fiscal year (-2%⁽³⁾).
 - Germany achieved a strong performance (+3%⁽³⁾) driven by Absolut, Chivas Regal, The Glenlivet and Ramazzotti.
 - Greece benefited from a technical recovery (+15%⁽³⁾) on a favourable base.
 - In Spain and Italy, the environment remained difficult.
 - The UK (-4%⁽³⁾) declined due to Jacob's Creek and Martell.
 - In Ireland, the situation improved (good performance of Absolut).
 - Central and Eastern Europe continued to grow (+16%⁽³⁾) on the back of a very strong performance of the Top 14 (+30%⁽³⁾).
 - Russia (+26%⁽³⁾) was the main contributor to growth, due to the Top 14 (+37%⁽³⁾), particularly Jameson, Chivas Regal and Ballantine's.
 - Ukraine reported strong business growth (+31%⁽³⁾).
 - Poland experienced strong growth by the Top 14 (+13%⁽³⁾) but a decline of Wyborowa.



Pernod Ricard

Créateurs de convivialité

◆ **France: moderate decline in the 1st quarter. Sales: € 162 million (organic decline: -1%)**

France had a difficult start to the financial year, primarily due to unfavourable summer weather for aniseed. The decline of Ricard (-7%⁽³⁾) was partly offset by the strong performance of Chivas Regal (+7%⁽³⁾), Absolut (+7%⁽³⁾) and Havana Club (+17%⁽³⁾). Champagne reported very strong growth, with a favourable price/mix effect.

Refinancing

The Group is working with several banks on the refinancing of its bank debt, including the possibility of one or more bond issuances, subject to market conditions.

(1) Converted at average rates for the financial year, syndicated credit method

(2) Annual GNP per capita < USD 10,000

(3) Organic growth

(4) Retail prices in the US >= USD 17 for spirits and > USD 5 for wine

Pernod Ricard financial calendar

- | | |
|--------------------|---|
| - 15 November 2011 | Annual General Meeting for the 2010/11 financial year |
| - 16 February 2012 | 2011/12 half-year sales and results |
| - 26 April 2012 | 2011/12 third quarter sales |

About Pernod Ricard

Pernod Ricard is the world's co-leader in wines and spirits with consolidated sales of € 7,643 million in 2010/11.

Created in 1975 by the merger of Ricard and Pernod, the Group has undergone sustained development, based on both organic growth and acquisitions: Seagram (2001), Allied Domecq (2005) and Vin & Spirit (2008). Pernod Ricard holds one of the most prestigious brand portfolios in the sector: 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, Kahlúa and Malibu liqueurs, Mumm and Perrier-Jouët champagnes, as well Jacob's Creek, Brancott Estate, Campo Viejo and Graffigna wines.

Pernod Ricard employs a workforce of nearly 18,000 people and operates through a decentralised organisation, with 6 "Brand Companies" and 70 "Market Companies" established in each key market. Pernod Ricard is strongly committed to a sustainable development policy and encourages responsible consumption. Pernod Ricard's strategy and ambition are based on 3 key values that guide its expansion: entrepreneurial spirit, mutual trust and a strong sense of ethics.

Pernod Ricard is listed on the NYSE Euronext exchange (Ticker: RI; ISIN code: FR0000120693) and is a member of the CAC 40 index.

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APPENDICES 1ST QUARTER 2011/12

Analysis of sales by region

| Net Sales (€ millions) | Q1 2010/11 | | Q1 2011/12 | | Change | | Organic Growth | | Group Structure | | Forex impact | |
|---------------------------|--------------|---------------|--------------|---------------|------------|-----------|----------------|------------|-----------------|------------|--------------|------------|
| France | 164 | 8.7% | 162 | 8.1% | (2) | -1% | (2) | -1% | (0) | 0% | 0 | 0% |
| Europe excl. France | 517 | 27.5% | 524 | 26.4% | 7 | 1% | 17 | 3% | (4) | -1% | (6) | -1% |
| Americas | 482 | 25.7% | 508 | 25.6% | 26 | 5% | 66 | 14% | 1 | 0% | (41) | -8% |
| Asia / Rest of the World | 715 | 38.1% | 794 | 39.9% | 79 | 11% | 116 | 16% | (7) | -1% | (30) | -4% |
| World | 1,879 | 100.0% | 1,987 | 100.0% | 108 | 6% | 196 | 11% | (10) | -1% | (77) | -4% |

Volume and organic sales growth of strategic brands

| | Volume growth | Net Sales organic growth | Price/mix |
|-------------------------------|---------------|-----------------------------|------------|
| Absolut | 4% | 4% | 0% |
| Chivas Regal | 15% | 18% | 3% |
| Ballantine's | -2% | 3% | 5% |
| Ricard | -7% | -5% | 2% |
| Jameson | 23% | 29% | 7% |
| Malibu | 18% | 17% | -1% |
| Beefeater | 8% | 8% | -1% |
| Kahlua | 3% | 4% | 2% |
| Havana Club | 1% | -2% | -3% |
| Martell | 10% | 25% | 16% |
| The Glenlivet | 35% | 42% | 7% |
| Royal Salute | 25% | 29% | 5% |
| Mumm | 11% | 12% | 2% |
| Perrier-Jouët | 12% | 17% | 5% |
| Top 14 | 6% | 14% | 8% |
| Jacob's Creek | -3% | 2% | 6% |
| Brancott Estate | 17% | 17% | 1% |
| Campo Viejo | 17% | 20% | 3% |
| Graffigna | 11% | 49% | 38% |
| Priority Premium Wines | 3% | 8% | 5% |



Foreign Exchange effect

| Forex impact Q1 2011/12 (€ millions) | | Average rates evolution | | | On Net Sales |
|--|-----|-------------------------|----------|--------|--------------|
| | | 2010/11 | 2011/12 | % | |
| US dollar | USD | 1.29 | 1.41 | 9.4% | (40) |
| Indian rupee | INR | 59.98 | 64.67 | 7.8% | (9) |
| Chinese yuan | CNY | 8.74 | 9.07 | 3.7% | (9) |
| Hong Kong dollar | HKD | 10.03 | 11.01 | 9.7% | (1) |
| Pound sterling | GBP | 0.83 | 0.88 | 5.4% | (5) |
| Argentinian peso | ARS | 5.09 | 5.88 | 15.5% | (4) |
| Turkish lira | TRL | 1.96 | 2.45 | 25.3% | (2) |
| Mexican peso | MXN | 16.52 | 17.38 | 5.2% | (2) |
| Russian rouble | RUB | 39.53 | 41.15 | 4.1% | (2) |
| Canadian dollar | CAD | 1.34 | 1.38 | 3.1% | (2) |
| Belorussian rouble | BYR | 3 885.00 | 7 229.60 | 86.1% | (1) |
| South african rand | ZAR | 9.46 | 10.08 | 6.6% | (1) |
| Swiss franc | CHF | 1.33 | 1.17 | -12.5% | 1 |
| New Zealand dollar | NZD | 1.80 | 1.70 | -5.6% | 1 |
| Australian Dollar | AUD | 1.43 | 1.35 | -5.9% | 3 |
| Currency translation variance/FX hedging | | | | | |
| Other currencies | | | | | (4) |
| Total | | | | | (77) |

Group structure effect

| Group structure Q1 2011/12 (€ millions) | On Net Sales |
|--|--------------|
| Total Group Structure | (10) |