



Q1 2016/17 SALES

Press release - Paris, 20 October 2016

GOOD Q1 SALES, CONSISTENT WITH FY17 OUTLOOK GIVEN IN SEPTEMBER

**ORGANIC SALES GROWTH: +4%
(REPORTED GROWTH: +1%)**

**FY17 GUIDANCE¹ CONFIRMED:
ORGANIC GROWTH IN PRO² BETWEEN +2% AND +4%**

Sales for the first quarter of FY17 totalled € 2,248 million, with organic growth of +4%. Growth was +3% restated for the French technical impact³, with:

- ✓ **Dynamic Q1 in the Americas (+8%)** driven by continued strength in the USA
- ✓ **Stability for Asia-Rest of World** with China improving but Africa Middle East getting tougher
- ✓ **Solid growth in Europe (+6%)**, partly favoured by technical impacts³

Reported growth was +1% due to the unfavourable FX impact over the period.

The **Strategic International Brands (+3%)** were a key driver of overall Sales growth improvement. This was the result of the continued strong momentum on Jameson, good growth on Ballantine's and improvement on Absolut and Martell.

The **Strategic Local Brands grew +5%** thanks to Indian whiskies and Seagram's Gin in Europe but difficulties for Imperial in Korea.

Strategic Wines were down -1%, mainly due to shipment phasing.

As part of this communication, **Alexandre Ricard**, Chairman and Chief Executive Officer, stated,

"We have had a good start to the financial year, consistent with our full year guidance¹. Therefore, we confirm our FY17 guidance of organic growth in Profit from Recurring Operations of between +2% and +4%. We will continue to implement our long-term growth strategy, focusing investments behind our priority brands, markets and innovations and remaining disciplined on pricing and costs."

Note: All growth data specified in this press release refers to organic growth (at constant FX and Group structure), unless otherwise stated.

A detailed presentation of Sales for the first quarter of 2016/17 can be downloaded from our website: www.pernod-ricard.com

1 Guidance communicated 1 September 2016

2 PRO = Profit from Recurring Operations

3 Shipments brought forward from July to June 2015 ahead of back-office mutualisation between Ricard and Pernod on 1 July 2015



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Definitions and additional information related to the use of non-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.

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.

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.

About Pernod Ricard

Pernod Ricard is the world's n°2 in wines and spirits with consolidated Sales of € 8,682 million in FY16. 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&Sprit (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 and Malibu, Mumm and Perrier- Jouët champagnes, as well Jacob's Creek, Brancott Estate, Campo Viejo and Kenwood wines. Pernod Ricard employs a workforce of 18,500 people and operates through a decentralised organisation, with 6 "Brand Companies" and 85 "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 Euronext (Ticker: RI; ISIN code: FR0000120693) and is part of the CAC 40 index.

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Appendices

House of Brands effective at 1 July 2016

Strategic International Brands



Strategic Local Brands



Strategic Wines



As of 1 July 2016:

- (1) The above segmentation is used for Financial Communications. The same perimeter has been applied to FY16 for comparison purposes.
- (2) Bulk Spirits are allocated by Region according to the Regions' weight in the Group

Sales by Region

Net Sales (€ millions)	Q1 2015/16		Q1 2016/17		Change		Organic Growth		Group Structure		Forex Impact	
	€ millions	%	€ millions	%	€ millions	%	€ millions	%	€ millions	%	€ millions	%
Americas	627	28.2%	649	28.9%	22	3%	52	8%	(7)	-1%	(24)	-4%
Asia / Rest of the World	938	42.2%	917	40.8%	(21)	-2%	1	0%	(0)	0%	(21)	-2%
Europe	658	29.6%	682	30.3%	24	4%	38	6%	5	1%	(19)	-3%
World	2 223	100.0%	2 248	100.0%	24	1%	91	4%	(2)	0%	(64)	-3%

Foreign exchange impact on Q1 2016/17 Sales

Forex impact Q1 2016/17 (€ Million)		Average rates evolution			On Net Sales
		Q1 2015/16	Q1 2016/17	%	
US dollar	USD	1.11	1.12	0.4%	(2)
Chinese yuan	CNY	7.01	7.44	6.2%	(14)
Argentinian peso	ARS	10.28	16.68	62.3%	(19)
Pound sterling	GBP	0.72	0.85	18.4%	(21)
Other					(7)
Total					(64)