Pernod Ricard

Press Release

2008/09 first quarter net sales: € 1,756 million (+13%)

- **Strong organic growth: +7%**
- **Confirmed profit growth guidance for 2008/09**

Press release - Paris, 30 October 2008

Pernod Ricard **consolidated net sales** (excluding duties and taxes) **for the 2008/09 first quarter** increased by **+13%** to **€ 1,756 million**.

Organic growth was +7%, driven by super premium spirits [(1)], emerging countries [(2)] and certain Western countries. The Group structure effect (+12%) primarily reflected the integration of Vin & Sprit from 23 July. The foreign exchange effect was unfavourable by -6% due to the US Dollar (average exchange rate lower than in the first quarter of last year), to the depreciation of the Pound Sterling, the Korean Won and the Indian Rupee.

The Spirits and Wines businesses posted organic growth of +6% and +8% respectively.

The **14 strategic brands** (excluding Absolut) recorded organic growth of **+7% in value** and **+2% in volume,** due to a strong mix/price effect. The best performing brands in value [(3)] were Perrier-Jouët (+29%), The Glenlivet (+27%), Jameson (+17%), Mumm (+16%), Montana (+15%), Chivas Regal (+11%), Havana Club (+9%) and Ballantine's (+9%).

Absolut reported a very good first quarter confirmed by Nielsen for the past 3 months that showed growth of +2% in the US, +42% in Brazil, +23% in France, +20% in Poland, +12% in Greece and +8% in Spain, etc. On a 12 sliding month basis to end of June 2008, Absolut's local sales were estimated at 10.9 million cases, an increase of +9% compared to the previous period.

Aside from strategic brands, leading local brands continued their satisfactory development: Amaro Ramazzotti in Germany, Wisers in Canada, Royal Stag in India, Ararat in Russia, Something Special in Venezuela and Ecuador, Passport in Brazil and Mexico and Wyborowa in Poland. Conditions were more difficult for Imperial in South Korea and 100 Pipers in Thailand, due to the situation in these two countries.

All regions contributed to sales growth

- **Asia / Rest of World: € 498 million (stable, with organic growth of +7%)**
  - Asia

- The region's emerging countries [(2)] reported growth [(3)] of +13%, primarily from India and Duty Free. China also reported satisfactory growth, benefiting from the strong positive effect of price increases in the previous year.
- Sales declined in South Korea and Japan.

  - Pacific

- Australia performed well, driven by the 2007/08 price increases.
- Sales growth was strong in New Zealand, due in particular to Montana and Jacob's Creek.

- **Americas: € 467 million (+19%, with organic growth of +9%)**
  - North America

- The US recorded slight growth [(3)] due to dynamic Duty Free sales and strong brands (Jameson, The Glenlivet, Wild Turkey, Perrier-Jouët, Mumm Napa and Campo Viejo), in spite of the brands more sensitive to the economic situation (Kahlúa, Beefeater).
- In Canada and Mexico, sales of both international and local brands increased.

  - Central and South America

Strategic brands experienced sharp growth [(3)], as well as other Scotch brands (Something Special, 100 Pipers and Passport).

- **Europe: € 630 million (+24%, with organic growth of +7%)**
  - Eastern Europe and Central Europe

Eastern Europe and Central Europe continued to report strong double-digit growth[(3)], driven by Russia, Ukraine, Poland, Bulgaria and Romania.

  - Western Europe

Western Europe recorded moderate and varying growth [(3)] depending on the countries. Germany, Scandinavia and Switzerland sales increased, whereas the United Kingdom and Ireland declined. Spain was almost stable at -0.5%.

- **France: € 161 million (+2%, with organic growth of +1%)**

The French market performed well in the first quarter.
Overall, whiskies performed well (Ballantine's, Jameson, Clan Campbell and Long John) despite the decline of Chivas Regal due to the strong promotional activities carried out in the first quarter of 2007/08, which were not repeated this year. Growth was also driven by Havana Club and the Mumm and Perrier-Jouët champagnes whereas Ricard sales remained stable.

Conclusion and outlook

The satisfactory performance recorded by the Group in the first quarter 2008/09, the power of its commercial network and its portfolio of major brands as well as the strength of its decentralised business model ensuring high responsiveness, enable us to confirm our 2008/09 full-year guidance, in spite of the overall economic slowdown:

- **organic growth in profit from recurring operations of about +8%,** for Pernod Ricard's original Group structure,
- **strong growth by Absolut**, and **accelerated realisation of synergies,**
- **double-digit growth [4] in Group net profit from recurring operations** for the 2008/09 financial year.

[1] *Brands >= Chivas Regal 12 year old or Martell VS*
[2] *GDP/capita < US$ 10,000*
[3] *Organic growth*
[4] *At current foreign exchange and interest rates*

About Pernod Ricard
Created by the merger of Pernod and Ricard (1975), the Group has undergone sustained development, based on both organic growth and acquisitions. The purchase of part of Seagram (2001), the acquisitions of Allied Domecq (2005) and recently of Vin & Sprit (2008) have made Pernod Ricard the world's co-leader in wines and spirits with consolidated sales of € 6,589 million in 2007/08.
Pernod Ricard holds one of the most prestigious brand portfolios in the sector: ABSOLUT Premium Vodka, Ricard pastis, Ballantine's, Chivas Regal and The Glenlivet Scotch whiskies, Jameson's Irish Whiskey, Martell cognac, Havana Club rum, Beefeater gin, Kahlúa and Malibu liqueurs, Mumm and Perrier-Jouët champagnes, as well Jacob's Creek and Montana wines.
The Group favours a decentralised organisation, with 7 Brand Owners and 70 Distribution Companies established in each key market, and employs a workforce of more than 19,300 people.
Pernod Ricard is strongly committed to a sustainable development policy and encourages responsible consumption.
Pernod Ricard is listed on the NYSE Euronext exchange (Ticker: RI; ISIN code: FR0000120693) and is a member of the CAC 40 index.

Shareholders' agenda: Combined General Meeting - Wednesday 5 November 2008

Access the slides of the first quarter 2008/09 presentation on www.pernod-ricard.com

Contacts Pernod Ricard
Francisco de la VEGA / Communication VP — Tel: +33 (0)1 41 00 40 96
Denis FIEVET / Financial Communication - Investor Relations VP — Tel: +33 (0)1 41 00 41 71
Florence TARON / Press Relations Manager — Tel: +33 (0)1 41 00 40 88

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Appendices Q1 2008/09

Sales by region

€ million	Q1 2007/08		Q1 2008/09		*Change*		Organic Growth		*Group Structure*		*Forex impact*	
Wines & Spirits France	157	*10%*	161	*9%*	4	*2%*	2	*1%*	1	*1%*	0	*0%*
Wines & Spirits Europe excl. France	508	*33%*	630	*36%*	122	*24%*	32	*7%*	103	*20%*	(13)	*-3%*
Wines & Spirits Americas	393	*25%*	467	*27%*	74	*19%*	31	*9%*	72	*18%*	(29)	*-7%*
Wines & Spirits Asia / Rest of the World	499	*32%*	498	*28%*	(0)	*0%*	36	*7%*	12	*2%*	(48)	*-10%*
Wines & Spirits World	**1,557**	***100%***	**1,756**	***100%***	**199**	***13%***	**101**	***7%***	**188**	***12%***	**(89)**	***-6%***

Volume and organic growth of strategic brands

Q1 2008/09	Volume growth	Net Sales organic growth
Chivas Regal	10%	11%
Ballantine's	6%	9%
Ricard	-2%	-2%
Martell	-14%	5%
Malibu	-11%	-9%
Kahlua	-13%	-15%
Jameson	10%	17%
Beefeater	1%	6%
Havana Club	11%	9%
The Glenlivet	20%	27%
Jacob's Creek	0%	1%
Mumm	7%	16%
Perrier Jouet	24%	29%
Montana	15%	15%
14 Strategic Brands	**2%**	**7%**

Forex impact

		Forex impact Q1 (€ million)	% of total forex impact
US Dollar	USD	(24.3)	27.2%
British Pound	GBP	(19.1)	21.4%
Korean Won	KRW	(15.1)	16.9%
Indian Rupee	INR	(9.6)	10.7%
Thai Baht	THB	(4.8)	5.3%
Canadian Dollar	CAD	(4.4)	5.0%
New Zealand Dollar	NZD	(3.9)	4.4%
Australian Dollar	AUD	(2.6)	3.0%
South African Rand	ZAR	(2.6)	3.0%
Venezuelan Bolivar	VEB	(2.2)	2.5%
Russian Rouble	RUB	(1.7)	1.9%
Brazilian Real	BRL	1.3	-1.4%
Polish Zloty	PLN	2.5	-2.7%
Other		(2.5)	
Total		**(89.3)**	**100%**

Group structure

	€ million
V&S acquisition	213.5
Other	(25.6)
Total Group Structure	**187.8**