

2005-2006 1st Quarter
Net Sales: +54.9%



Pernod Ricard

10 November 2005

2005-2006 1st quarter net sales

- ▶ Net sales growth: +54.9%
- ▶ Pernod Ricard historical key brands continue to enjoy dynamic growth

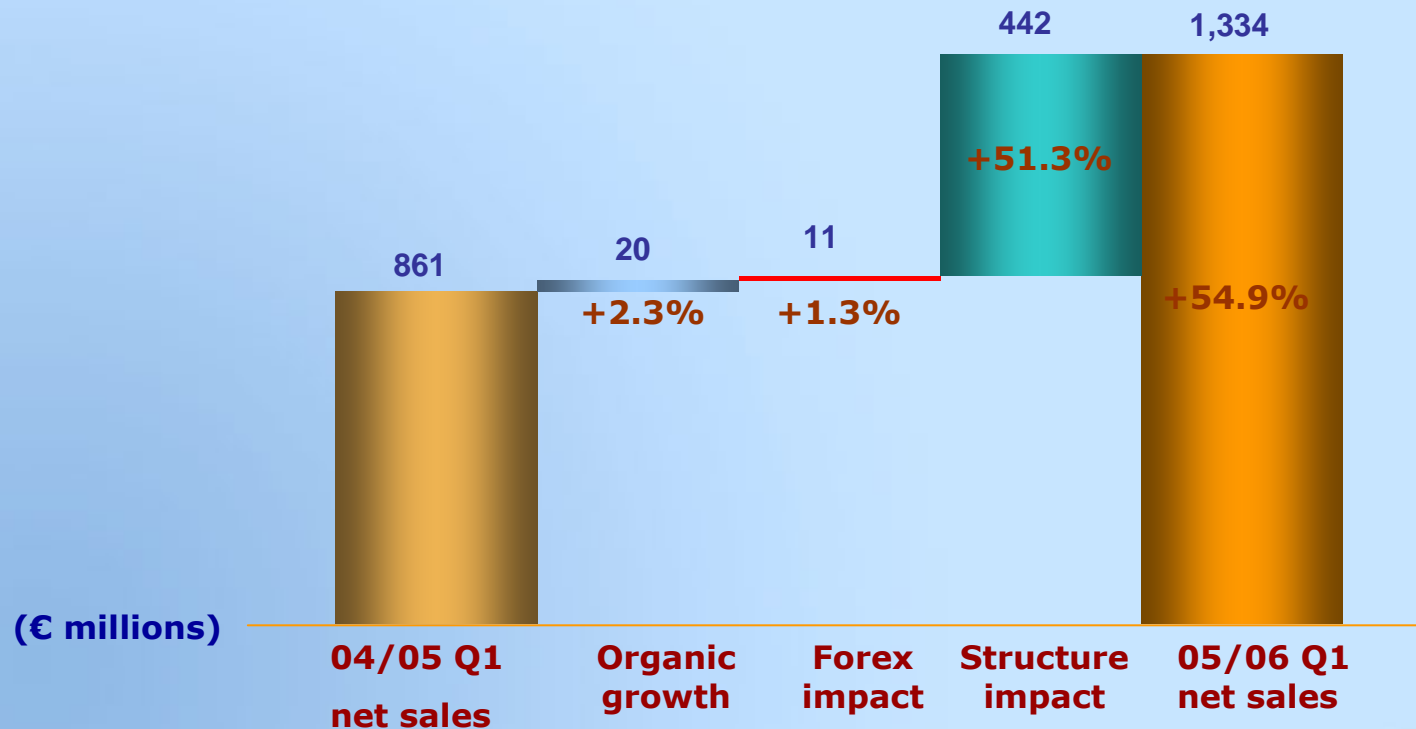
Top 12: +3% volume growth, +7% organic sales growth

- ▶ Allied Domecq integration pushed forward rapidly



2005-2006 1st quarter net sales

- ▶ Allied Domecq brands contribution to Pernod Ricard net sales: €459 million (from 26 July 2005 inclusive)
- ▶ Return to a favourable forex impact



- ▶ QSR net sales excluded (Assets in the process of disposal)

IFRS results



Pernod Ricard historical group structure



Pernod Ricard historical group structure

- ▶ Continued dynamic growth of Top 12 ...
 - Volume: +3%
 - Net sales: +7% (organic growth)
- ▶ ...driven by premium brands
- ▶ Organic net sales growth: +2.3% - unfavourable technical effects notably in Europe and for certain local brands (Thailand, Brazil)



Top 12 enjoys dynamic growth

▶ **Chivas** Volume: +7% Net sales*: +12%

*Organic growth



- ▶ Brand continues its dynamic growth in Asia with a remarkable 'Mid-Autumn Festival' in China
- ▶ After a very strong previous quarter, decline of the brand in the USA, but 12-month growth remains positive (depletions: +3%)
- ▶ In Europe, good progression in Greece, France and Russia, but more difficult quarter in Spain
- ▶ Successful relaunch of Chivas 18 years old (doubling of volume)



Top 12 enjoys dynamic growth

▶ **Martell** Volume: +6% Net sales*: +16%

*Organic growth



- ▶ Continued premiumisation of the range, success of Cordon Bleu and New XO
- ▶ Very good performance in Asia (+13%), driven by China (+24%)
- ▶ Confirmation of positive trend in the USA: 12-month depletions growth: +5%
- ▶ Strong growth in Russia, with a slight decline in the UK



Top 12 enjoys dynamic growth

▶ **Havana Club** Volume: +23% Net sales*: +16%

*Organic growth



- ▶ Growth for the whole range with particular dynamism for Añejo Blanco
- ▶ Remarkable growth of the brand in numerous markets in Europe and the Americas

Spain: +14%,
France: +11%,

Germany: +29%
Mexico: +56%



Top 12 enjoys dynamic growth

▶ **Jameson** Volume +13% Net sales*: +15%

*Organic growth

- ▶ The brand continues its 'success story'
- ▶ Growth in all regions:

France: +22%

USA: +20%

Europe: +9%

South Africa: +75%

UK: +10%

Russia: +75%



Top 12 enjoys dynamic growth

▶ **The Glenlivet** Volume +14% Net sales*: +21%

*Organic growth



- ▶ Success of the new 12-15-18 years old range
- ▶ Acceleration of brand growth
- ▶ Very strong growth in the USA as well as in Europe (France, UK) and in Asia-Pacific (Taiwan, Australia)



Contrasting evolution for local brands

▶ Significant decreases...

- Ararat (-65%): launch of new range in October
- Montilla (-26%): timing effect on sales, return to growth forecast for Q2
- Wyborowa (-12%): continued decline on Polish market
- Master Blend (-55%): more difficult situation for Thai market

▶ ...but some very good performances

- Royal Stag: +16%, continued strong growth in India
- Olmeca: +16%, progression in Russia, France, UK
- Ruavieja: +15%



Allied Domecq



Pernod Ricard

Allied Domecq key brands

- ▶ After a technical adjustment in August...
- ▶ ... return to a favourable trend in September

	August 2005	Sept. 2005
Ballantine's	-30%	+2%
Beefeater	-31%	+3%
Kahlua	-24%	-8%
Malibu	+7%	+6%
Stolichnaya	+7%	+21%

- ▶ August 2004: Allied Domecq fiscal year end month
⇒ high sales that were not repeated in August 2005
- ▶ August 2005: recovery month and the beginning of destocking



Review of Regions:

Continued growth

Asia – Rest of World

Americas



Asia – Rest of World

(€ millions)	04/05 Q1	05/06 Q1	Organic growth	Forex impact	Structure impact
Net sales	242	388	+12%	+3.2%	+45.3%

► Dynamic growth in Asia

- Outstanding growth in China, driven by Chivas Regal, Martell and Royal Salute
- Strong dynamism in India, Hong Kong and Singapore
- Slowdown in Thailand and Taiwan

► Australia – New Zealand: continued turnaround of wines

IFRS results



Americas

(€ millions)	04/05 Q1	05/06 Q1	Organic growth	Forex impact	Structure impact
Net sales	179	368	+3.7%	+1.8%	+100.2%

▶ USA: continuing favourable trends

- After a 2005 1st half year marked by strong growth (+6%), continued growth at a more moderate pace (+3.4%)
- Jameson, Wild Turkey, The Glenlivet continue their very strong growth
- Seagram's Gin stable on the quarter
- More difficult quarter for Chivas and Martell, but 12-month trends remain positive

▶ South America: net sales up +4.7%

- Continued growth in Venezuela thanks to Something Special, Blender's Pride
- Difficult quarter for Brazil, with a very strong decrease for Montilla (-26%) (turnaround anticipated for Q2 05/06)

IFRS results



Europe

(€ millions)	04/05 Q1	05/06 Q1	Organic growth	Forex impact	Structure impact
Net sales	300	436	-3.7%	+0.1%	+49.3%

- ▶ After an excellent 2005 1st half year (organic growth ex-bulk: +6.3%), drop in net sales activity in 05/06 Q1 largely attributable to technical effects
 - Russia: significant drop in Ararat shipments (-77%) before the launch of the new range
 - Germany: quarterly decline in volumes for Ramazzotti (-13%), as a result of 2005 Q2 forward buying
- ⇒ Excluding these items, stability of sales activity in Europe
- ▶ Good quarter for Spain (Havana Club, Ruavieja) and Greece (Chivas, Jameson)
- ▶ Difficult quarter for Italy, Poland and the United Kingdom



France

(€ millions)	04/05 Q1	05/06 Q1	Organic growth	Forex impact	Structure impact
Net sales	124	142	-3.8%	-	+17.8%

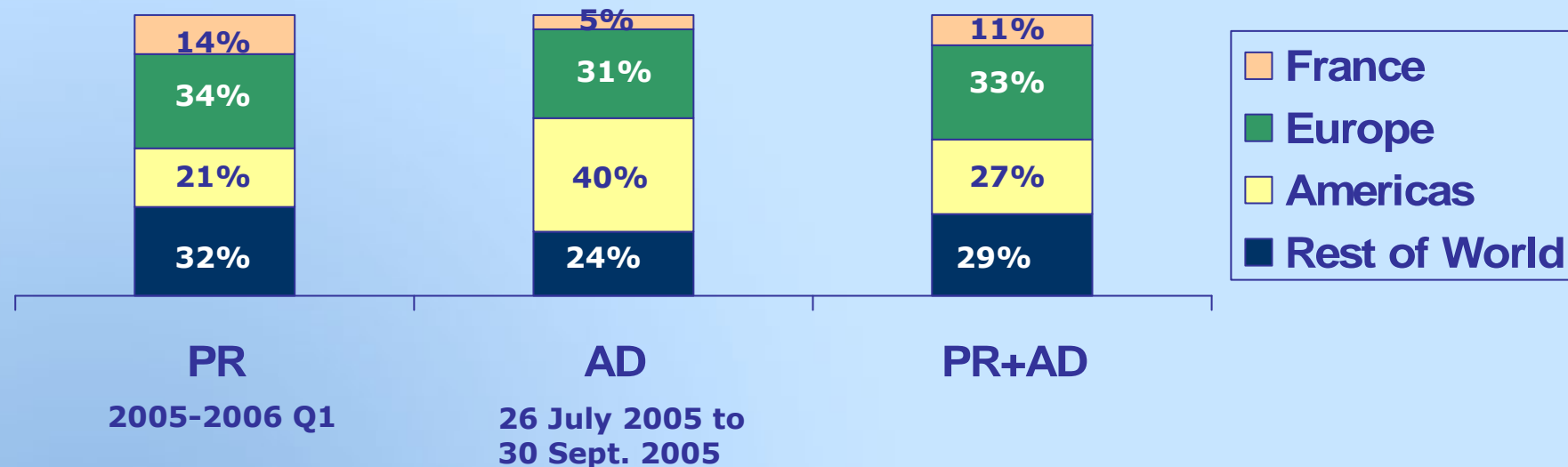
- ▶ Persistence of difficult situation for aniseed
 - 12-month IRI Panel: -3.8%
- ▶ Continuation of very good performances for whiskies, rums, vodkas

Clan Campbell: +7% Havana Club: +11%
 Jameson: +22% Wyborowa: +35%
 Chivas: +23%



Breakdown of Pernod Ricard net sales by Region: increasing importance of Americas-Asia/Rest of World

- ▶ New breakdown of net sales by geographical region



- ▶ Decreased importance of France (to nearly 10% of Group net sales)
- ▶ Increased importance of Americas and Asia/Rest of World to 56% of Group net sales



Allied Domecq integration continues in a very satisfactory manner



Allied Domecq brands

- ▶ After a significant decline in August following destocking in many markets, return to a favourable trend in September
- ▶ High stock levels in a very limited number of markets...
 - Mexico
 - Spain
- ▶ ...and for the following brands: (latest estimate)

	<u>K 9L cases</u>	<u>Month of sales</u>
• Ballantine's	200-250	1-2
• Beefeater	100-150	1-2
• Mexican brandies	500-600	3-4



Allied Domecq brands

▶ **Montana: purchase option not exercised by Diageo**

⇒ **Excellent news for Pernod Ricard**

⇒ **Montana brand and overall New Zealand wines enjoying very strong growth**

- **Montana** Δ 05/04
 - **Volume** +46%
 - **Contribution of the brand** +48%
- **New Zealand wines**
 - **Volume** +9%
 - **Contribution of the activity** +18%

⇒ **Montana joins our portfolio of priority brands: the Jacob's Creek/Montana tandem gives us a strong leadership position in Oceania wines**



Integration process

- ▶ The integration of Allied Domecq brands within Pernod Ricard is being conducted more rapidly than anticipated
 - ⇒ At the end of November 2005, some 40% of Allied Domecq's Wine & Spirits activity will be integrated
 - virtually all of Europe (excluding France and Italy)
 - Asia (excluding South Korea)
 - South America

January end 2006 objective: 80% integration
March end 2006 objective: 100% integration



Disposals in progress

- ▶ **QSR: finalisation expected for the start of 2006**
- ▶ **Glen Grant, Old Smuggler: disposal process under way**
- ▶ **Fortune Brands assets: Courvoisier, Larios, Maker's Mark already transferred**

Note:

- **Bushmills sold to Diageo in August 2005**



Conclusion and Outlook

- ▶ Pernod Ricard key brands maintain their dynamism
- ▶ Integration is proceeding in a very satisfactory manner
 - Quicker than forecast implementation
 - Confidence in achieving the target of € 300 million in synergies
 - Synergies extraction costs less than forecast
 - Disposals well under way
 - ⇒ Significant reduction in indebtedness from the first year

Outlook will be communicated on 9 February 2006 (presentation of 2005-2006 interim net sales)





Appendices



2005-2006 1st quarter net sales

Wine & Spirits sales split as at 30 september 2005 (€ millions)

	Q1 04/05		Q1 05/06		Change		Organic growth		Forex impact		Perimeter impact	
	Value	%	Value	%	Value	%	Value	%	Value	%	Value	%
Wine & Spirits France	124.4	15%	141.9	11%	17.5	14.0%	-4.7	-3.8%	0.0	0.0%	22.2	17.8%
Wine & Spirits Europe	299.5	35%	436.2	33%	136.7	45.6%	-11.1	-3.7%	0.2	0.1%	147.6	49.3%
Wine & Spirits Americas	179.1	21%	368.4	28%	189.4	105.7%	6.7	3.7%	3.2	1.8%	179.5	100.2%
Wine & Spirits Asia/ROW	241.7	29%	387.8	29%	146.1	60.5%	28.9	12.0%	7.6	3.2%	109.5	45.3%
Total Wine & Spirits	844.7	98%	1,334.2	100%	489.6	58.0%	19.8	2.3%	11.0	1.3%	458.8	54.3%



2005-2006 1st quarter net sales

Volumes 2005/2004	Δ	MAT
Havana Club	+23%	+16%
The Glenlivet	+14%	+10%
Jameson	+13%	+11%
Chivas	+7%	+13%
Clan Campbell	+7%	+2%
Wild Turkey	+7%	+5%
Martell	+6%	+5%
Seagram's Gin	+2%	+0%
Jacob's Creek	+0%	+5%
Ricard	-1%	-3%
Amaro Ramazzotti	-10%	+8%
Pastis 51	-14%	-6%
TOTAL 12 Key Brands	+3%	+4%



2005-2006 1st quarter net sales

Volume Growth by AD key brands

	August 2004 / August 2005	September 2004 / September 2005
Ballantine's	-30%	2%
Beefeater	-31%	3%
Kalhua	-24%	-8%
Malibu	7%	6%
Mumm	5%	-9%
Perrier Jouet	-1%	9%
Stolichnaya	7%	21%

