

# STATUTORY AUDITORS' REPORT ON THE ISSUE OF ORDINARY SHARES AND/OR VARIOUS SECURITIES WITH RETENTION AND/OR CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS

COMBINED (ORDINARY AND EXTRAORDINARY) SHAREHOLDERS' MEETING  
OF 9 NOVEMBER 2017

## 14<sup>th</sup>, 15<sup>th</sup>, 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup> and 19<sup>th</sup> resolutions

To the Pernod Ricard Shareholders' Meeting,

As Statutory Auditors of your company (hereinafter the "Company") and pursuant to the engagement set forth in Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de Commerce*), we hereby present our report on the proposed delegations of authority to the Board of Directors to issue ordinary shares and/or securities, transactions that you are being asked to approve.

Based on its report, the Board of Directors asks that you delegate to it, with the option of sub-delegation, for a period of 26 months commencing the date of this Shareholders' Meeting, the authority to decide the following transactions, set the definitive issue terms and conditions and, where necessary, cancel your preferential subscription rights:

- issues of ordinary shares of the Company and/or securities granting immediate or future access to the Company's share capital, with retention of preferential subscription rights (14<sup>th</sup> resolution);
- issues of ordinary shares of the Company and/or securities granting access to the Company's share capital, with cancellation of preferential subscription rights, as part of a public offer (15<sup>th</sup> resolution);
- issues of ordinary shares of the Company and/or securities granting immediate or future access to the Company's share capital, with cancellation of preferential subscription rights (17<sup>th</sup> resolution), as part of offers referred to in Article L. 411-2 II of the French Monetary and Financial Code (*Code monétaire et financier*), within the limit of 20% of the share capital per year;
- issues of ordinary shares or various securities granting immediate or future access to the Company's share capital (18<sup>th</sup> resolution), within the limit of 10% of the share capital at the time of issue, in exchange for contributions in kind to the Company comprising shares or securities granting access to the share capital of other companies, where the provisions of Article L. 225-148 of the French Commercial Code are not applicable;

- issues of ordinary shares and/or various securities granting immediate and/or future access to the Company's share capital (19<sup>th</sup> resolution), within the limit of 10% of the share capital at the time of issue, in exchange for shares contributed to (i) a public exchange offer initiated by the Company on the securities of another company admitted for trading on one of the regulated markets specified in Article L. 225-148 of the French Commercial Code, or (ii) any other transaction having the same impact as a public exchange offer initiated by the Company on the securities of another company whose shares are admitted for trading on a regulated market governed by a foreign law.

The overall par value amount of share capital increases that may be carried out, immediately or in the future, pursuant to the 14<sup>th</sup>, 15<sup>th</sup>, 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> resolutions presented to the Shareholders' Meeting, may not, according to the 14<sup>th</sup> resolution, exceed €135 million, it being specified that the total par value amount of share capital increases that may be carried out immediately or in the future may not exceed:

- €135 million if performed pursuant to the 14<sup>th</sup> resolution;
- €41 million if performed pursuant to the 15<sup>th</sup> resolution, with this ceiling also applicable jointly to the 16<sup>th</sup>, 17<sup>th</sup>, 18<sup>th</sup>, 19<sup>th</sup> and 21<sup>st</sup> resolutions presented to the Shareholders' Meeting;
- €41 million if performed pursuant to either the 17<sup>th</sup>, 18<sup>th</sup> or 19<sup>th</sup> resolutions presented to the Shareholders' Meeting.

The overall nominal amount of debt securities that may be issued pursuant to the 14<sup>th</sup>, 15<sup>th</sup> and 17<sup>th</sup> resolutions presented to the Shareholders' Meeting, may not, according to the 14<sup>th</sup> resolution, exceed €10 billion.

These ceilings take into account the additional number of securities to be created by virtue of the delegations set forth in the 14<sup>th</sup>, 15<sup>th</sup> and 17<sup>th</sup> resolutions, under the terms and conditions stipulated in Article L. 225-135-1 of the French Commercial Code, should you adopt the 16<sup>th</sup> resolution.

*This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.*

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code. Our role is to express an opinion on the fair presentation of the quantified financial information extracted from the accounts, on the proposal to cancel preferential subscription rights and on certain other information concerning these transactions, as set out in this report.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement. These procedures consisted in verifying the content of the Board of Directors' report on these transactions and the process for determining the issue price of the future securities.

Subject to reviewing at a future date the terms and conditions of any issues that may be decided, we have no comments to make on the process for determining the issue price of the future securities, as set out in the Board of Directors' report in respect of the 15<sup>th</sup> and 17<sup>th</sup> resolutions.

In addition, as this report does not specify the methods of determining the issue price of future securities issued pursuant to the 14<sup>th</sup>, 18<sup>th</sup> and 19<sup>th</sup> resolutions, we cannot express our opinions on the items used to calculate this issue price.

As the definitive terms and conditions of the issues have not been set, we do not express an opinion thereon and, as such, on the proposed cancellation of preferential subscription rights on which you are asked to decide in the 15<sup>th</sup> and 17<sup>th</sup> resolutions.

Pursuant to Article R. 225-116 of the French Commercial Code, we will prepare an additional report, as required, when the Board of Directors makes use of these authorisations, in the event of the issue of securities granting access to other equity securities or entitlement to the grant of debt securities, the issue of securities granting access to future equity securities, or the issue of shares with cancellation of preferential subscription rights.

Paris La Défense and Neuilly-sur-Seine, 20 September 2017

KPMG Audit  
Division of KPMG S.A.

Eric Ropert  
*Partner*

Deloitte & Associés

David Dupont-Noel  
*Partner*