



Very strong performance, above initial targets

Sales: +7%⁽¹⁾
Profit from recurring operations: +8%⁽¹⁾
Group share of net profit: +10%
Significant reduction in net debt to € 9 billion

- **Sales: € 7,643 million (+8%, organic growth +7%)**
- **Advertising & promotion expenditure: € 1,441 million, up 11%⁽¹⁾ to 18.9% of sales vs. 17.8% in 2009/10**
- **Profit from recurring operations: € 1,909 million (+6%, organic growth +8%)**
- **Group share of net profit from recurring operations: € 1,092 million (+9%)**
- **Group share of net profit: € 1,045 million (+10%), exceeding for the first time € 1,000 million**
- **Significant debt reduction, down € 1,546 million, to € 9,038 million**
- **Improvement in the Net Debt/EBITDA ratio⁽²⁾: 4.4 at 30 June 2011 vs. 4.9 at 30 June 2010**

Press Release - Paris, 1 September 2011

The Pernod Ricard Board of Directors' meeting of 31 August 2011, chaired by Patrick Ricard, approved the financial statements for the 2010/11 financial year ended 30 June 2011.

In 2010/11, against the backdrop of a recovery in consumer spending in its markets, Pernod Ricard demonstrated **the efficiency of its strategy**, which notably enabled the Group to **exceed its financial targets**, with:

- ✓ **dynamic sales, including an all-time volume record for the Top 14 and for 7 of its brands**
- ✓ **strong advertising and promotion support** and numerous initiatives in the field of **innovation**
- ✓ **acceleration of organic growth in profit from recurring operations of +8%** (+4% growth in 2009/10, initial target of +6% for 2010/11) with growth⁽¹⁾ in every region of the Group
- ✓ **continued debt reduction and refinancing**



Sales

➤ 2010/11 full-year and fourth quarter sales:

Full-year sales totalled € 7,643 million (excl. tax and duties), a **sustained growth of +8%**, resulting from:

- ✓ **organic growth of +7%**, with a recovery in **mature markets, which grew +1.5%⁽¹⁾** and the return to very strong growth in **emerging markets, up +17%⁽¹⁾**,
- ✓ a **favourable foreign exchange effect of € 277 million** for a **+4% positive effect** over the full financial year, which weakened however in the second half of the year, totalling € 325 million at the end of the first half,
- ✓ a **negative group structure effect of -2%**, primarily due to the disposal of certain Scandinavian, Spanish and New Zealand operations.

Consolidated **sales for the 4th quarter 2010/11** declined by a moderate **-1%** to **€ 1,741 million**, resulting from **+6%** organic growth, a negative **5%** foreign exchange effect and a negative **2%** Group structure effect. This 4th quarter was in line with the trend noted over the first nine months of the financial year, with sustained growth of the Top 14 (**+8%⁽¹⁾**), very strong development in emerging markets (**+20%⁽¹⁾**) and stable⁽¹⁾ sales in mature markets.

➤ Regions:

Growth in all regions:

- ✓ **Asia/Rest of the World**, with growth of **+19%** (organic growth of **+15%**), remained the driving force for Group growth, primarily due to Asia (particularly China, India, Vietnam, Taiwan and Duty Free markets). Growth was also very strong in Africa/ME and Turkey. Sales grew **+3%⁽¹⁾** during the financial year in Japan, with the impact of the tsunami having been less significant than anticipated (sales down **-7%⁽¹⁾** in the 4th quarter).
- ✓ **Americas** reported growth of **+8%** (organic growth of **+5%**). In the US, sales increased **+2%⁽¹⁾**, which included renewed growth by Absolut and the continued success of Jameson. Sales also grew in all other markets in the region, except in Venezuela. Brazil's sales grew **+12%⁽¹⁾**, driven by the Top 14 (**+41%⁽¹⁾**), particularly due to the success of Absolut and Scotch whiskies.
- ✓ **In Europe excluding France**, the trend improved markedly, with stable⁽¹⁾ sales over the full financial year (compared to a decline of **-5%** in 2009/10). This resulted from a robust recovery in Eastern and Central Europe (**+9%⁽¹⁾**) and a moderate decline in Western Europe (**-2%⁽¹⁾**) which was primarily related to two markets : Greece (**-33%⁽¹⁾**) and Spain (**-5%⁽¹⁾**). Nonetheless, sales in Western Europe clearly improved when compared to the previous financial year (**-5%⁽¹⁾**).
- ✓ **In France**, sales grew **+4%⁽¹⁾** due to the commercial performance of the Top 14 brands, especially Ricard, Ballantine's, Mumm, Chivas, Havana Club, Perrier-Jouët, Jameson and Absolut.

➤ Brands:

The **Top 14** (58% of group sales) **grew +6%** in volume and reached an **all-time record high** during the financial year, as did seven of its brands: **Absolut, Chivas, Jameson, Havana Club, Martell, Royal Salute** and **The Glenlivet**. The **Top 14 brands grew +10% in value⁽¹⁾**, and five of them reported double-digit growth⁽¹⁾: **Royal Salute (+27%), Martell (+22%), Jameson (+20%), Perrier Jouët (+17%)** and **The Glenlivet (+14%)**. Only **Kahlua** slipped back modestly **-1%⁽¹⁾** (launch of the new "Delicioso" advertising campaign during the financial year).



The **priority premium wine brands** grew +0.4%⁽¹⁾, with the confirmed growth of **Campo Viejo and Graffigna** offsetting the moderate decline of **Jacob's Creek** and **Brancott Estate**. The "value" strategy implemented for these brands generated a +6%⁽¹⁾ increase in their contribution after advertising and promotion during the financial year.

The **18 key local spirits brands** continued to grow and increased overall by +3% in value⁽¹⁾, driven by local whisky brands in India, which reported a +30%⁽¹⁾ rise. The overall performance was adversely affected however by the decline of **Seagram's Gin** in the US (-12%⁽¹⁾) and **100 Pipers** in Thailand (-13%⁽¹⁾).

Premium brands⁽³⁾ represented **71%** of Group sales during the 2010/11 financial year, a two-percentage point increase compared to the previous year.

Gross margin and advertising and promotion expenditure

Gross margin (after logistics costs) was **€ 4,610 million**, an increase of +8%⁽¹⁾, with a **gross margin to sales ratio** which substantially improved to **60.3%** in 2010/11, compared to 59.6% in the previous year (+75 bps). This was the result of a favourable mix effect relating to the percentage rise in total sales of the Top 14 brands and superior qualities particularly on Martell, Ballantine's and Chivas, price increases (+1.5% on average for the Top 14) and good control of COGS (+1.5% on average).

Advertising and promotion expenditure increased +11%⁽¹⁾ to € 1,441 million. As announced, Pernod Ricard significantly increased expenditure to support its brands **with an advertising and promotion expenditure to sales ratio of 18.9%**. 76% of investment focused on the **Top 14**, which benefited from a **24.7% advertising and promotion expenditure to sales ratio** in 2010/11, compared to 24.3% in the previous year. Expenditure priority was given to emerging markets, which attracted 54% of total expenditure growth.

Structure costs

Structure costs increased +5%⁽¹⁾ to € 1,260 million, growing more slowly than sales. This resulted from the allocation of resources based on potential for market growth. The distribution network has therefore been substantially reinforced in emerging markets: China (+24%⁽¹⁾), India (+29%⁽¹⁾), Russia (+23%⁽¹⁾), Brazil (+17%⁽¹⁾). Two subsidiaries were created in Vietnam and Sub-Saharan Africa. At the same time, structure costs moderately declined⁽¹⁾ in Western Europe. In total, the **structure costs to sales ratio was 16.5%** in the 2010/11 financial year, a decrease of 15 bps on a like-for-like basis and a reported increase of 10 bps due to the impact of disposals.

Profit from recurring operations

Profit from recurring operations grew +8%⁽¹⁾ to **€ 1,909 million**, which is double the growth rate in 2009/10 (+4%⁽¹⁾) and higher than the +6%⁽¹⁾ growth target announced at the beginning of the financial year. **Operating margin was 25.0%**, a rise of 28 bps compared to the previous year (on a like-for-like basis), despite the strong rise in the advertising and promotion expenditure to sales ratio.

Over the full financial year 2010/11, the **foreign exchange effect** on the 2010/11 profit from recurring operations was a positive **€ 25 million**, including a favourable effect of € 98 million in the first half and an unfavourable effect of € 73 million in the second half. **The negative € 49 million group structure effect on 2010/11 profit from recurring operations** was particularly related to the disposal of operations in Spain, Scandinavia and New Zealand.



All regions contributed to organic growth in profit from recurring operations, including +20%⁽¹⁾ in Asia/Rest of the World, +3%⁽¹⁾ in the Americas, +2%⁽¹⁾ in Europe excluding France and +2%⁽¹⁾ in France.

Emerging countries are increasingly powerful growth drivers for the Pernod Ricard Group. **Their share in the Group's profit from recurring operations was 38%** in the 2010/11 financial year, compared to 33% in 2009/10.

Net profit from recurring operations

Net financial expenses from recurring operations totalled € 469 million, composed of stable debt-related financial expenses of € 446 million and other net financial expenses from recurring operations of € 23 million, which decreased compared to the previous year, primarily due to the decline in net financial expenses related to retirement benefits.

The **average cost of debt** came to **4.7% over the full 2010/11 financial year**, a moderate increase compared to the 4.3% noted over the previous financial year. Based on current interest rates, **our 2011/12 target** is to maintain the average cost of borrowing **close to 5%**.

Corporate income tax on items from recurring operations was a charge of € 317 million, an effective tax rate of 22% on items from recurring operations, a moderate increase compared to 2009/10 (20.9%). Finally, minority interests and other amounted to € 31 million.

Overall, the **Group share of net profit from recurring operations reached € 1,092 million**, an increase of +9% compared to the 2009/10 financial year; **diluted net earnings per share from recurring operations** also increased +9% to € 4.12 per share.

Net profit

Other operating income and expenses from non-recurring operations were a net expense of € 56 million, including net capital gains of € 19 million on disposals (certain Scandinavian and Spanish operations, Suntory equity investment, etc.), intangible asset impairment of € 42 million (primarily relating to Polish vodkas), restructuring costs of € 17 million and other non-recurring charges totalling € 16 million. Non-recurring financial items was composed of € 11 million of net income. Lastly, **income tax on non-recurring items** was a net charge limited to **€ 1 million**.

Therefore, **the Group share of net profit reached € 1,045 million, a +10% increase** compared to the 2009/10 financial year, and exceeded for the first time € 1,000 million.



Debt

Net debt at 30 June 2011 was € 9,038 million, which was a very substantial reported decrease of € 1,546 million, due to strong cash generation and a very favourable translation adjustment (EUR/USD rate of 1.45 at 30 June 2011 vs. 1.23 at 30 June 2010).

The **Net Debt to EBITDA ratio⁽²⁾** (average EUR/USD rate of 1.36) decreased significantly to **4.4 at 30 June 2011**, compared to 4.9 at 30 June 2010. The Group confirms its target for a Net Debt to EBITDA ratio⁽²⁾ close to 4 at 30 June 2012.

Note that the Group successfully continued to refinance its debt with attractive conditions in 2010/11, with two bilateral financing packages of **€ 150 million** and **USD 201 million** in December 2010 and two bond issues:

- ✓ **EUR 1 billion** in March 2011
- ✓ **USD 1 billion** (inaugural issue in the US) in April 2011

As a result, at 30 June 2011:

- ✓ bond debt represented 48% of gross debt, ahead of the plan to achieve the announced target of 50%
- ✓ the success of the inaugural issue in the US market has broadened the investor base and made future refinancing maturities more secure
- ✓ the weighted maturity of the debt was extended by 3 years and 7 months, with a more even future repayment profile

Dividend: € 1.44 per share

A dividend of € 1.44 for the 2010/11 financial year (a 7.5% increase over the last fiscal year) will be subject to approval by the Annual General Meeting of 15 November 2011. This dividend is in line with the usual policy of distribution in cash of about 1/3 of net profit from recurring operations.

Considering the € 0.67 per share interim dividend paid on 6 July 2011, this implies a final dividend of € 0.77 per share. The ex-date for this final dividend will be Thursday 17 November and with payment on Tuesday 22 November 2011.



Conclusion and outlook

In 2010/11, Pernod Ricard successfully:

- ✓ strengthened its market positions, particularly in emerging markets, which returned to very strong growth
- ✓ continued to implement its strategy of innovation and premiumisation, thanks to substantial, targeted investment
- ✓ increased its gross margin rate
- ✓ accelerated the pace of its organic growth in profit from recurring operations to +8% (+4% in 2009/10, compared to an initial target of +6% for 2010/11)
- ✓ continued its debt reduction and increased the share of its bond financing (EUR & USD)

According to Pierre Pringuet, Chief Executive Officer of the Group: **“Our remarkable performance over the 2010/11 financial year demonstrated the relevance of our strategy and of our decentralised model. For 2011/12 the beginning of the financial year confirms the resilience of our markets. We will continue to grow, by capitalising on the strength of our portfolio of brands, the quality of our distribution network and the powerful leverage of emerging markets.”** After reiterating the target for a net debt to EBITDA ratio⁽²⁾ close to 4 at 30 June 2012, he added: **“We will pursue the reduction of our debt.”**

In line with its standard practice, Pernod Ricard will communicate its **earnings targets for the current financial year as part of its communication on 1st quarter sales on 20 October 2011.**

(1) Organic growth

(2) Net debt calculated by translating the non EU-denominated portion at average forex rates for the financial year

(3) Retail price > 17 USD for spirits and > 5 USD for wine



Pernod Ricard

Créateurs de convivialité

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 & 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, Kahlúa and Malibu liqueurs, Mumm and Perrier-Jouët champagnes, as well Jacob's Creek, Brancott Estate (formerly Montana), 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.

Audit procedures have been carried out. The Statutory Auditors' report will be issued following their review of the management report.

The regulated information related to this press is available on our website: www.pernod-ricard.com

Contacts Pernod Ricard

Denis FIEVET / Financial Communication – Investor Relations VP
Stéphanie SCHROEDER / External Communications Deputy Director
Alison DONOHOE / Investor Relations
Florence TARON / Press Relations Manager

Tel: +33 (0)1 41 00 41 71
Tel: +33 (0)1 41 00 42 74
Tel: +33 (0)1 41 00 42 14
Tel: +33 (0)1 41 00 40 88



Pernod Ricard

Créateurs de convivialité

BRANDS ORGANIC GROWTH

	Volumes FY 2009/10 (Million of 9 litre cases)	Volumes FY 2010/11 (Million of 9 litre cases)	Volume growth	Net Sales organic growth	Price/mix effect
Absolut*	10.4	11.0	6%	6%	0%
Chivas Regal*	4.3	4.6	7%	9%	2%
Ballantine's	5.9	6.3	7%	8%	1%
Ricard	5.4	5.4	-1%	3%	4%
Jameson*	2.9	3.4	17%	20%	3%
Malibu	3.3	3.5	6%	3%	-3%
Beefeater	2.3	2.4	3%	4%	1%
Kahlua	1.8	1.7	-1%	-1%	0%
Havana Club*	3.5	3.8	10%	8%	-2%
Martell*	1.6	1.8	11%	22%	11%
The Glenlivet*	0.6	0.7	13%	14%	1%
Royal Salute*	0.1	0.2	24%	27%	4%
Mumm	0.6	0.6	6%	7%	1%
Perrier-Jouët	0.2	0.2	14%	17%	3%
Top 14*	42.9	45.6	6%	10%	4%
Jacob's Creek	7.1	6.8	-3%	-1%	3%
Brancott Estate	1.3	1.3	2%	-3%	-5%
Campo Viejo	1.5	1.6	6%	8%	3%
Graffigna	0.3	0.3	3%	6%	3%
Priority Premium Wines	10.2	10.1	-1%	0%	1%

* All-time record volumes

**SUMMARY CONSOLIDATED INCOME STATEMENT**

(€ millions)	30/06/2010	30/06/2011	Change
Net sales	7,081	7,643	8%
Gross Margin after logistics costs	4,218	4,610	9%
A&P expenditure	(1,262)	(1,441)	14%
Contribution after A&P expenditure	2,956	3,169	7%
Structure costs	(1,160)	(1,260)	9%
Profit from recurring operations	1,795	1,909	6%
Financial income/(expense) from recurring operations	(497)	(469)	-6%
Corporate income tax on items from recurring operations	(271)	(317)	17%
Net profit from discontinued operations, minority interests and share of net income from associates	(26)	(31)	19%
Group share of net profit from recurring operations	1,001	1,092	9%
Other operating income & expenses	(88)	(56)	-36%
Non-recurring financial items	(10)	11	NA
Corporate income tax on items from non recurring operations	48	(1)	NA
Group share of net profit	951	1,045	10%
Minority interests	27	32	19%
Net profit	978	1,077	10%



FOREIGN EXCHANGE EFFECT

Forex impact FY 2010/11 (€ millions)		Average rates evolution			On Net Sales	On Profit from Recurring Operation
		2009/10	2010/11	%		
US dollar	USD	1.39	1.36	-2.0%	31	22
Chinese yuan	CNY	9.50	9.03	-4.9%	33	17
Indian rupee	INR	64.93	61.80	-4.8%	20	6
Korean won	KRW	1.64	1.54	-6.2%	17	6
Japanese yen	JPY	127.38	113.22	-11.1%	14	6
Russian rouble	RUB	42.05	40.39	-3.9%	7	4
Canadian dollar	CAD	1.47	1.36	-7.1%	16	4
Malaysian ringgit	MYR	4.71	4.20	-10.8%	6	4
Mexican peso	MXN	17.98	16.68	-7.2%	16	4
Bresilian real	BRL	2.50	2.28	-8.7%	16	4
South african rand	ZAR	10.56	9.55	-9.5%	7	3
Thai baht	THB	46.14	41.73	-9.6%	14	3
Taiwan dollar	TWD	44.85	40.93	-8.7%	6	3
Singapourian dollar	SGD	1.96	1.76	-9.9%	6	2
Pound sterling	GBP	0.88	0.86	-2.5%	9	(7)
Australian Dollar	AUD	1.58	1.38	-12.6%	28	(10)
Swedish Krona	SEK	10.09	9.12	-9.6%	7	(18)
Currency translation variance / FX hedging						(36)
Other currencies						25
Total						277
						25

GROUP STRUCTURE EFFECT

Group structure FY 2010/11 (€ millions)	On Net Sales	On Profit from Recurring Operations
Scandinavian assets	(72)	(20)
New Zealand assets	(25)	(6)
Spanish assets	(19)	(6)
Other	(58)	(17)
Total Group Structure	(175)	(49)



CONSOLIDATED BALANCE SHEET

Assets (€ millions)	30/06/2010	30/06/2011
(Net book value)		
Non-current assets		
Intangible assets and goodwill	17,757	16,332
Property, plant and equipment and investments	2,083	2,156
Deferred tax assets	1,307	1,459
Total non-current assets	21,148	19,947
Current assets		
Inventories	4,007	3,875
Work-in-progress	3,170	3,150
Receivables	944	904
Other trade receivables	218	136
Other current assets	49	59
Cash and cash equivalents	701	774
Total current assets	5,918	5,748
Assets held for sale	42	4
Total assets	27,107	25,699

(*) after disposals of receivables of:

435	425
-----	-----

Liabilities and shareholders' equity (€ millions)	30/06/2010	30/06/2011
Shareholders' equity	9,122	9,284
Minority interests	216	190
of which profit attributable to minority interests	27	32
Shareholders' equity – attributable to equity holders of the parent	9,337	9,474
Non-current provisions and deferred tax liabilities	3,599	3,612
Bonds	2,893	4,657
Non-current financial liabilities and derivative instruments	7,300	5,004
Total non-current liabilities	13,792	13,272
Current provisions	312	265
Operating payables	1,871	1,884
Other operating payables	25	23
Other current liabilities	303	361
Bonds	934	82
Current financial liabilities and derivatives	529	337
Total current liabilities	3,975	2,953
Liabilities held for sale	2	-
Total equity and liabilities	27,107	25,699



CHANGE IN NET DEBT

(€ millions)	30/06/2010	30/06/2011
Self-financing capacity	1,893	1,916
Decrease (increase) in working capital requirements	(48)	32
Financial result and tax cash	(573)	(734)
Net acquisitions of non financial assets	(163)	(213)
Free Cash Flow	1,110	1,001
Disposals/acquisitions assets and others	91	3
Change in Group structure	12	
Dividends, purchase of treasury shares and others	(123)	(389)
Decrease (increase) in net debt (before currency translation adjustments)	1,090	614
Foreign currency translation adjustment	(786)	932
Decrease (increase) in net debt (after currency translation adjustments)	304	1,546
Initial debt	(10,888)	(10,584)
Final debt	(10,584)	(9,038)



SALES ANALYSIS BY REGION

Net Sales (€ millions)	FY 2009/10		FY 2010/11		Change		Organic Growth		Group Structure		Forex impact	
France	721	10.2%	750	9.8%	30	4%	30	4%	(0)	0%	0	0%
Europe excl. France	2,176	30.7%	2,114	27.7%	(63)	-3%	5	0%	(101)	-5%	33	2%
Americas	1,911	27.0%	2,068	27.1%	157	8%	87	5%	(6)	0%	76	4%
Asia / Rest of the World	2,273	32.1%	2,711	35.5%	438	19%	337	15%	(67)	-3%	168	7%
World	7,081	100.0%	7,643	100.0%	562	8%	459	7%	(175)	-2%	277	4%

Net Sales (€ millions)	Q4 2009/10		Q4 2010/11		Change		Organic Growth		Group Structure		Forex impact	
France	195	11.1%	202	11.6%	6	3%	7	3%	(0)	0%	(0)	0%
Europe excl. France	490	27.9%	480	27.6%	(10)	-2%	6	1%	(13)	-3%	(4)	-1%
Americas	543	30.9%	504	29.0%	(39)	-7%	9	2%	(2)	0%	(46)	-8%
Asia / Rest of the World	527	30.0%	555	31.9%	29	5%	87	17%	(17)	-3%	(41)	-8%
World	1,755	100.0%	1,741	100.0%	(13)	-1%	109	6%	(32)	-2%	(91)	-5%

Net Sales (€ millions)	HY2 2009/10		HY2 2010/11		Change		Organic Growth		Group Structure		Forex impact	
France	324	9.8%	335	10.0%	11	4%	11	4%	(0)	0%	(0)	0%
Europe excl. France	929	28.2%	879	26.2%	(51)	-5%	(19)	-2%	(34)	-4%	2	0%
Americas	911	27.7%	917	27.3%	6	1%	49	5%	(3)	0%	(40)	-4%
Asia / Rest of the World	1,128	34.3%	1,230	36.6%	102	9%	146	13%	(34)	-3%	(10)	-1%
World	3,292	100.0%	3,361	100.0%	69	2%	187	6%	(71)	-2%	(48)	-1%



PROFIT FROM RECURRING OPERATIONS BY REGION

World

(€ millions)	FY 2009/10	FY 2010/11	Change	Organic Growth	Group Structure	Forex impact
Net sales (Excl. T&D)	7,081 100.0%	7,643 100.0%	562 8%	459 7%	(175) -2%	277 4%
Gross margin after logistics costs	4,218 59.6%	4,610 60.3%	392 9%	338 8%	(56) -1%	111 3%
Advertising & promotion	(1,262) 17.8%	(1,441) 18.9%	(179) 14%	(136) 11%	7 -1%	(50) 4%
Contribution after A&P	2,956 41.7%	3,169 41.5%	213 7%	201 7%	(49) -2%	61 2%
Profit from recurring operations	1,795 25.4%	1,909 25.0%	113 6%	138 8%	(49) -3%	25 1%

Asia / Rest of the World

(€ millions)	FY 2009/10	FY 2009/10	Change	Organic Growth	Group Structure	Forex impact
Net sales (Excl. T&D)	2,273 100.0%	2,711 100.0%	438 19%	337 15%	(67) -3%	168 7%
Gross margin after logistics costs	1,263 55.6%	1,559 57.5%	296 23%	240 19%	(20) -2%	76 6%
Advertising & promotion	(424) 18.7%	(531) 19.6%	(106) 25%	(79) 19%	2 0%	(30) 7%
Contribution after A&P	839 36.9%	1,029 37.9%	189 23%	161 20%	(18) -2%	47 6%
Profit from recurring operations	566 24.9%	684 25.2%	118 21%	107 20%	(18) -3%	28 5%

Americas

(€ millions)	FY 2009/10	FY 2009/10	Change	Organic Growth	Group Structure	Forex impact
Net sales (Excl. T&D)	1,911 100.0%	2,068 100.0%	157 8%	87 5%	(6) 0%	76 4%
Gross margin after logistics costs	1,193 62.4%	1,277 61.7%	84 7%	59 5%	(4) 0%	29 2%
Advertising & promotion	(332) 17.4%	(379) 18.3%	(47) 14%	(33) 10%	0 0%	(14) 4%
Contribution after A&P	861 45.1%	898 43.4%	37 4%	26 3%	(4) 0%	15 2%
Profit from recurring operations	541 28.3%	558 27.0%	16 3%	15 3%	(4) -1%	5 1%



PROFIT FROM RECURRING OPERATIONS BY REGION

Europe excluding France

(€ millions)	FY 2009/10	FY 2009/10	Change	Organic Growth	Group Structure	Forex impact
Net sales (Excl. T&D)	2,176 100.0%	2,114 100.0%	(63) -3%	5 0%	(101) -5%	33 2%
Gross margin after logistics costs	1,234 56.7%	1,228 58.1%	(6) 0%	20 2%	(32) -3%	6 0%
Advertising & promotion	(337) 15.5%	(343) 16.2%	(6) 2%	(5) 2%	5 -1%	(6) 2%
Contribution after A&P	898 41.2%	886 41.9%	(12) -1%	14 2%	(27) -3%	0 0%
Profit from recurring operations	501 23.0%	479 22.7%	(23) -5%	11 2%	(27) -5%	(7) -1%

France

(€ millions)	FY 2009/10	FY 2009/10	Change	Organic Growth	Group Structure	Forex impact
Net sales (Excl. T&D)	721 100.0%	750 100.0%	30 4%	30 4%	(0) 0%	0 0%
Gross margin after logistics costs	528 73.2%	546 72.7%	18 3%	19 4%	(0) 0%	(1) 0%
Advertising & promotion	(170) 23.6%	(189) 25.2%	(19) 11%	(19) 11%	0 0%	(0) 0%
Contribution after A&P	358 49.6%	356 47.5%	(1) 0%	(0) 0%	(0) 0%	(1) 0%
Profit from recurring operations	187 25.9%	189 25.1%	2 1%	3 2%	(0) 0%	(1) -1%