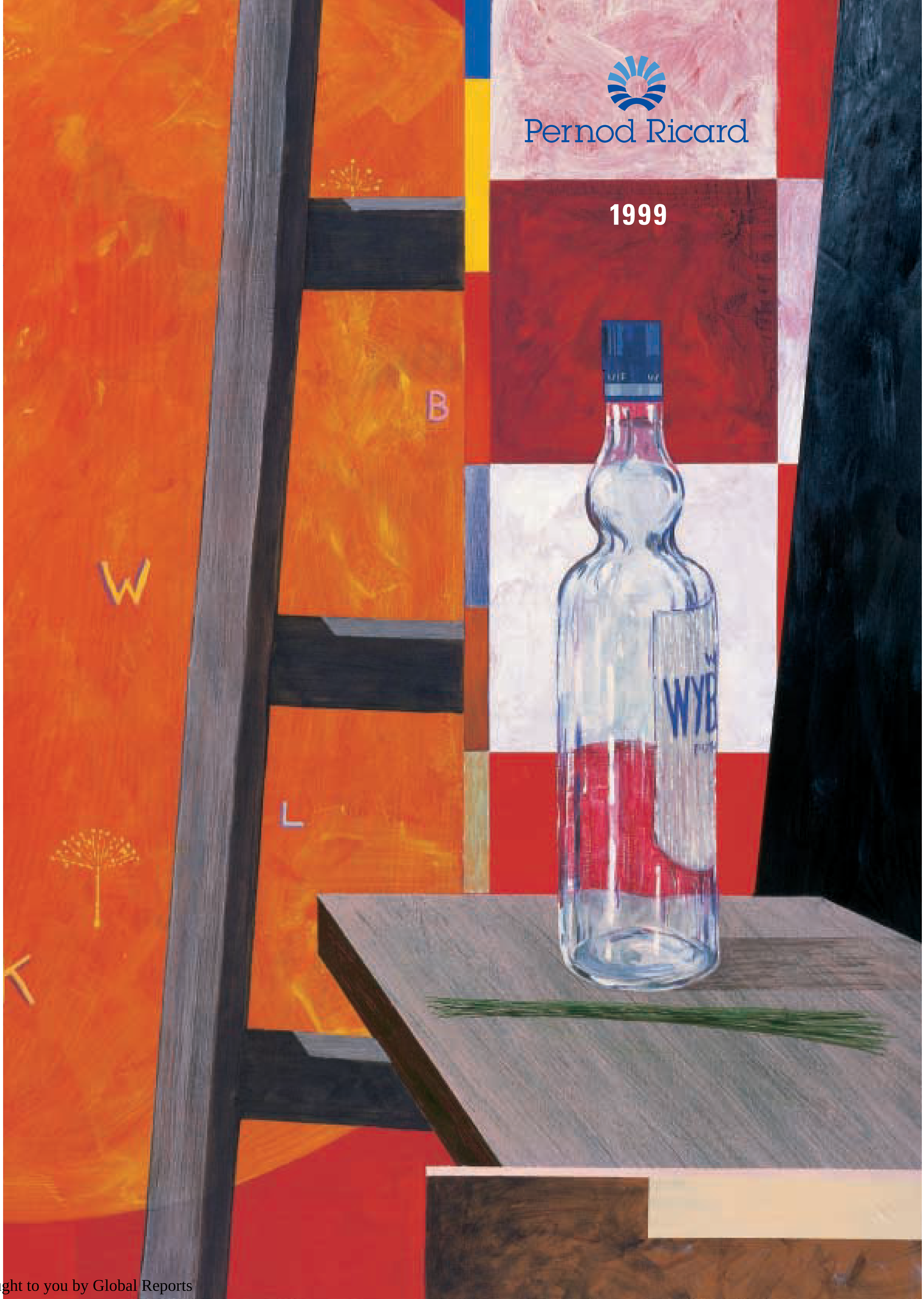
Pernod Ricard

1999



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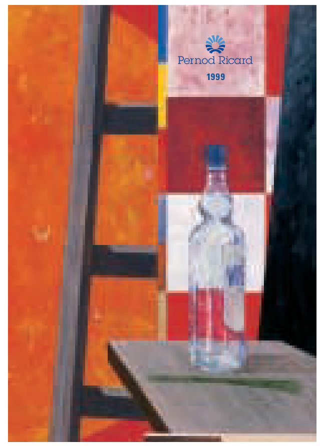


"BRONISLAW'S LADDER "
by Piotr Klemensiewicz

Acrylic on canvas, 81cm x 100 cm

Born 11th February 1956 to Polish parents, Piotr Klemensiewicz is a graduate of the Marseille School of Art, where he has taught since 1986. He exhibits in a number of galleries in New York, Paris, Seoul and Montreal and his works now feature in the largest public art collections (Ville de Paris, Caisse des Dépots, Fond National d'Art Contemporain, Centre International d'Art Contemporain de Montreal).
His pictorial writing describes, recites, and comes to life, in the same way as do the initial letters of Polish towns, letters scattered over a circular geometrical shape, represent a country, a star or the universe.
Profoundly linked to the works of Malevitch and to his affiliation to constructivism, he invents an iconographic language through the use of themes, such as a ladder, a draughtsboard, a circle, in a bid to portray his own questions about man's place in the world, in search of emotion coming to terms with life.

This painting, created for the Pernod Ricard Collection, celebrates Wyborowa vodka's entry into the Group's international brand portfolio.

Pernod Ricard

99

Turnover	+14.4%
Organic growth	+6.2%
Operating profit	+6.6%
Pre-tax profit	+8.3%
Shareholder value added	**54.7 M€**

Interview with Patrick Ricard, Chairman and Chief Executive Officer

As we enter the new millennium, what are your ambitions as the world's 5th largest operator in the wines and spirit ssector?

Our aim is to figure in the industry's leading group of companies, in terms of sales and profitability as well as through organic growth and acquisitions.

Our strategy is to expand our spirits portfolio by the addition of big brands with world-wide potential wherever possible whilst at the same time maintaining strong organic growth. We aim to be the best in the industry. We are also buying local brands which are well established in their own domestic markets, which help to build and then make profitable our own networks, country by country. As is often the case these brands also have regional potential which of course the Group is commited to developing. Furthermore we are also enjoying profit from two diversified activities which are growing rapidly and which are close to our core business: fruit preparations and soft drinks, as well as wholesale food distribution, both of which provide an exceptional return on our investment. These non-strategic assets help to create value for our shareholders whilst at the same time representing a significant capital reserve.

How do you view 1999?

First and foremost the year was characterised by a sizeable increase in our turnover (+14.4%) and in our profits. We are enjoying excellent health despite the effects of the Asian crisis, the unfavourable economic environment in South America and the termination of duty-free within the European Union. All in all, there are three activity sectors which all enjoy significant growth in 5 continents. Today our activities outside of France represent 70% of our turnover.

How do you explain the success of your wines and spirits in the face of such fierce competition?

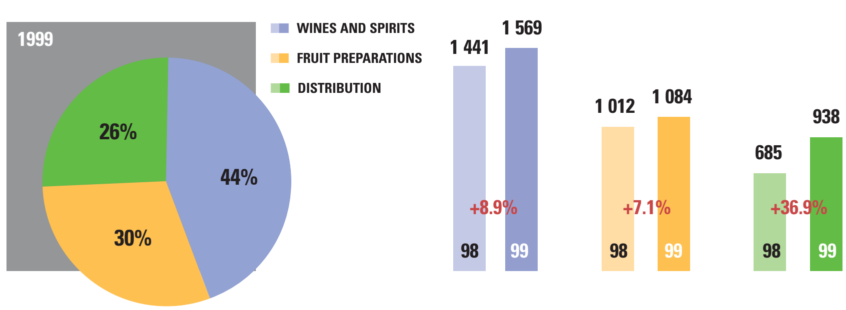
As a matter of fact our Group is progressing significantly on all continents. The progress is well founded: we boast the most diverse portfolio of brands and products in the industry which suits the tastes, the traditions and the demands of consumers the world over.

In addition, our sales network is growing year on year and today there are 3,200 people selling our products.

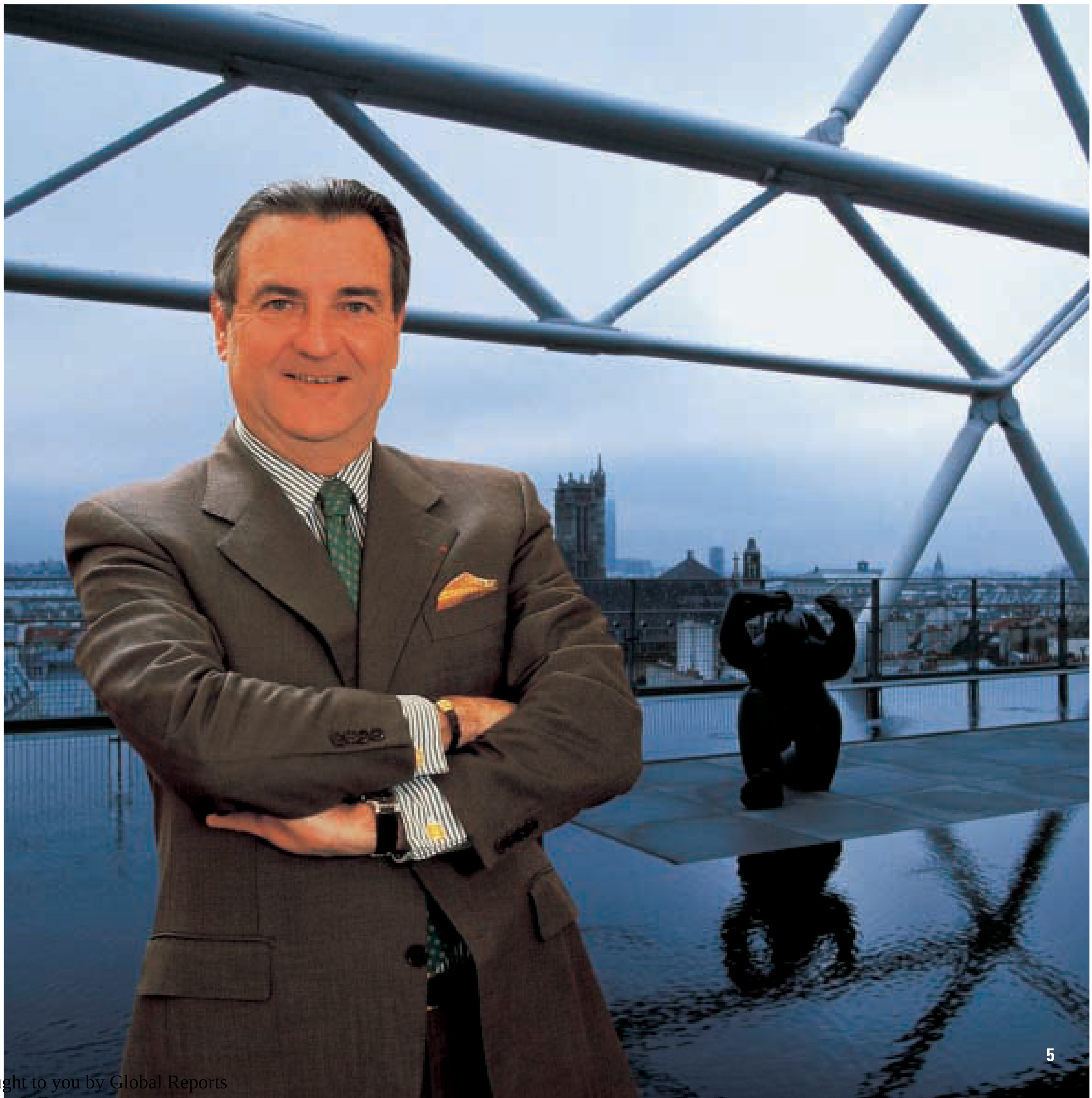
However, we will continue to concentrate 80% of our sales and advertising on the development of a small number of strategic brands. Seven of them now figure in the league of the world's "million-case brands".

Turnover excluding duties and taxes: 3 590 EUR million

BREAKDOWN OF TURNOVER BY SECTOR



“Healthy growth vindicates our strategy”



Interview with Patrick Ricard, Chairman and Chief Executive Officer

So does that mean that soon we will all be drinking the same brands, from one end of the planet to the other?

Consumer tastes are tightly linked to diversity of cultures and traditions.
Ricard and Pastis 51 in France, Pacharan Zoco in Spain, the bitter liqueurs Ramazzotti and Becherovka in Germany and Eastern Europe, are particularly popular. The Irish love our whiskeys (Jameson, Powers, Paddy or Bushmills).
The Americans are firmly attached to our Wild Turkey Bourbon and the Poles to Wyborowa vodka.
Our priority brands are all growing, in volume and market share as are our main local brands. Yet at the same time their international potential can be maximised by virtue of their belonging to the Group's world-wide network.
This was how the Spanish gin Larios became the Group's second largest selling brand and the leading gin in the Euro zone. Ramazzotti is the fastest growing spirit brand in Germany where it now sells more than it does in Italy. There are many examples of this vibrant regional activity.

What were the highlights of your "fruit processing" activities in 1999?

Fruit preparations and fruit juices now represent 30% of our turnover. This is a growing sector. Despite a difficult environment, particularly in Eastern Europe, SIAS-MPA, already the world's number one company in fruit preparations, enjoyed healthy increases in volume (+8%) through organic growth as well as through acquisitions made in 1998. We now have 22 industrial plants throughout the world. Our development in juices and drinks is a little more opportunistic and occurs one country at a time. We must however highlight Pampryl's historic record performance in France (+26%). In Argentina, Minerva is expanding fast despite an economic crisis which is having an impact on consumption levels. We will look to the Fortuna range of fruit juices, produced by Argos in Poland in the future.

Following several months of uncertainty the sale of Orangina was rejected by the public authorities. How do you see the future for the brand?

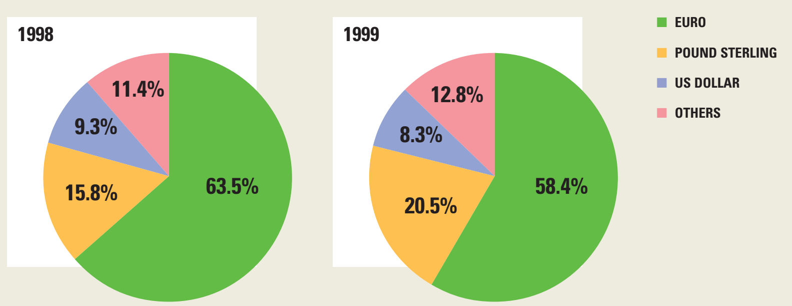
The company has just had its best year of the decade, despite all the uncertainties which undoubtedly affected its performance. They have thus proven their motivation to remain at the heart of our soft drinks operation as well as demonstrated their potential for growth. We will do everything we can to maximise Orangina's development in France and on the international market which now represents a third of our sales. We have also decided against the sale of Yoo-Hoo in the United States.

You have become a significant player in the British and Irish markets as a wholesale distributor. Is this a new departure for the Group?

Even though, when we first acquired BWG along with other assets of Irish Distillers it was only a marginal activity,

Turnover excluding duties and taxes: 3 590 EUR million

BREAKDOWN OF TURNOVER BY CURRENCY



distribution has become the Group's second key area of diversification. In 1999 this sector recorded a 37% increase in turnover, largely due to strong internal growth (+6.1%) as well as to the impact of acquisitions. We enjoy a 25% market share throughout the Republic and the North of Ireland but only a 5% share in Great Britain where the potential for growth through acquisition is significant. It is worth noting that BWG, our specialist subsidiary in this area provides one of the best returns on investment in the Group.

What do you think the year 2000 has in store?

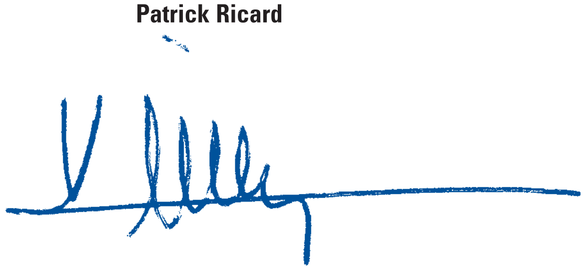
Thanks to the "millennium effect" our customer stocks at the end of the year were very low. This will have a favourable impact on figures for 2000. What's more, our networks are greatly looking forward to the arrival of new brands into our international portfolio. Finally, with the economic context looking rather favourable, I am very optimistic.

The performance of Pernod Ricard shares does not reflect your success or your optimism.

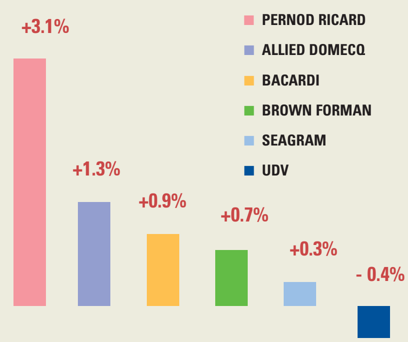
What is your reaction to the weak performance in 1999?

The performance of Pernod Ricard shares was indeed truly disappointing. Of course the uncertainties surrounding the sale of Orangina had an impact. Yet, like the rest of the drinks sector (and the agrifood sector), with whom we compare very favourably, we have suffered on account of the concentration of capital investment in technology-related stock. The fact is our wealth is not virtual: our solid industrial foundation, our capacity for innovation, our bank of of talent, our sales performances, our exceptional portfolio of brands and their potential, our profits - these are all very solid assets. Thus I am convinced that investors will return when they begin again to look for valuable shares which yield a reliable and regular performance.

Patrick Ricard



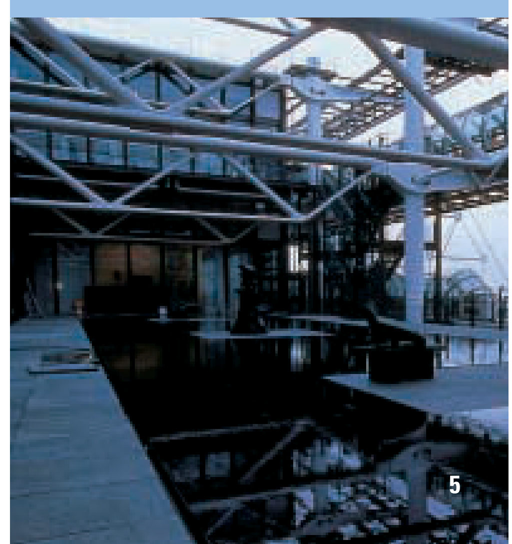
The best level of growth in terms of volumes (source Impact International)



ALL GROUP'S SPIRITS SHOWING GROWTH

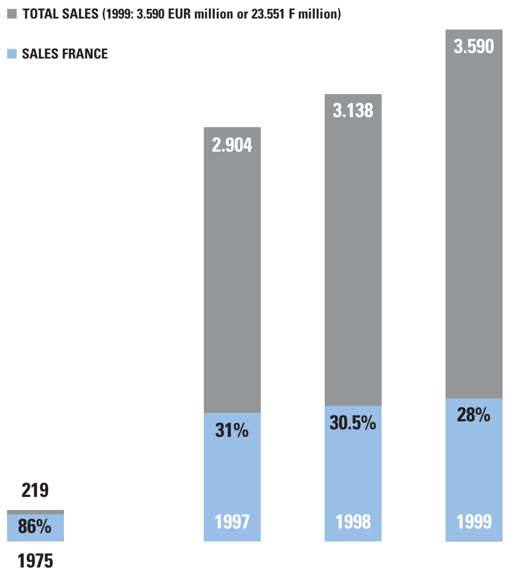
28 million-case brands

- Aniseed +1%
- Clear Spirits +9%
- Whiskey +3%
- Bitters +12%

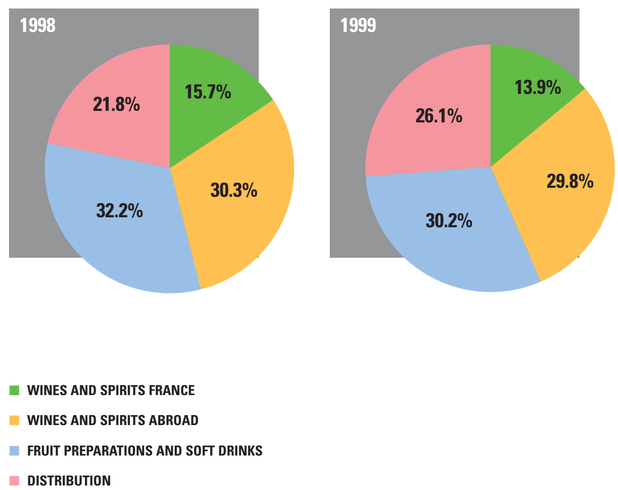


Key figures

Consolidated turnover (excluding duties and taxes, EUR million)

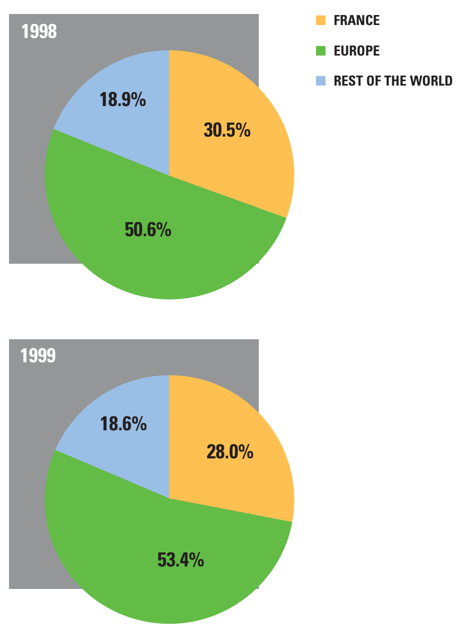


Breakdown of turnover by sector (excluding duties and taxes)

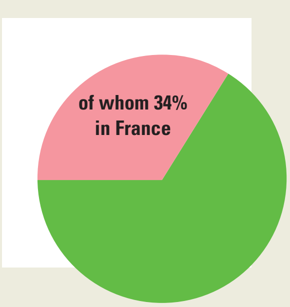


Breakdown of turnover by geographic area

(excluding duties and taxes)

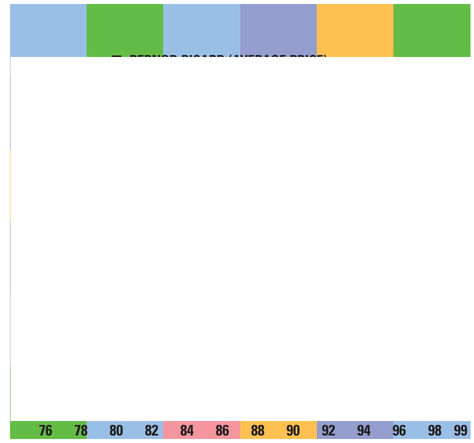


Workforce in 1999: 14.077



Share price (in EUR)

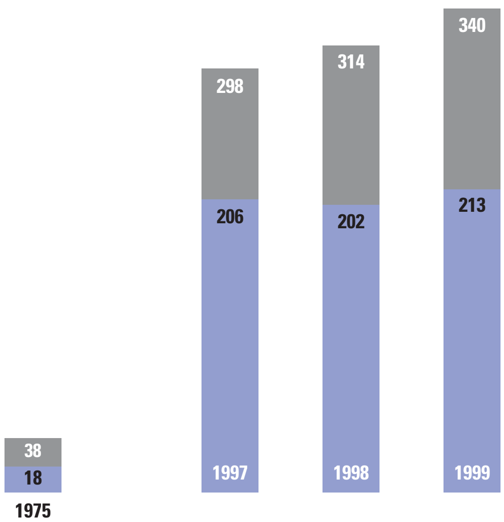
STOCK MARKET CAPITALISATION ON 12.31.99: 3.203 MEUR (21.009 MF)



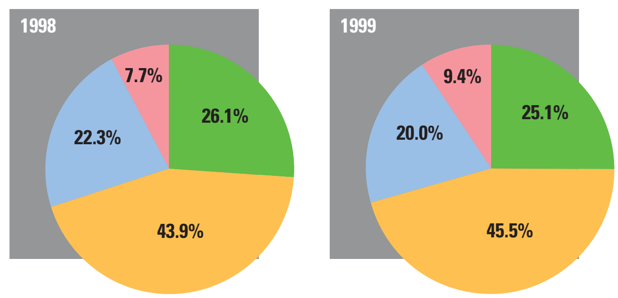
Consolidated profit (EUR million)

■ CONSOLIDATED PRE-TAX PROFIT (1999: 340 MEUR or 2.231 MF)

■ CONSOLIDATED GROUP SHARE NET PROFIT (1999: 213 MEUR or 1.399 MF)



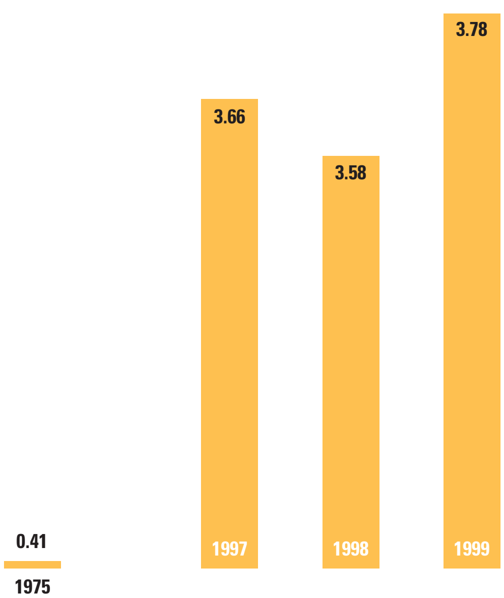
Operating profit by sector



■ WINES AND SPIRITS FRANCE
■ WINES AND SPIRITS ABROAD
■ FRUIT PREPARATIONS AND SOFT DRINKS
■ DISTRIBUTION

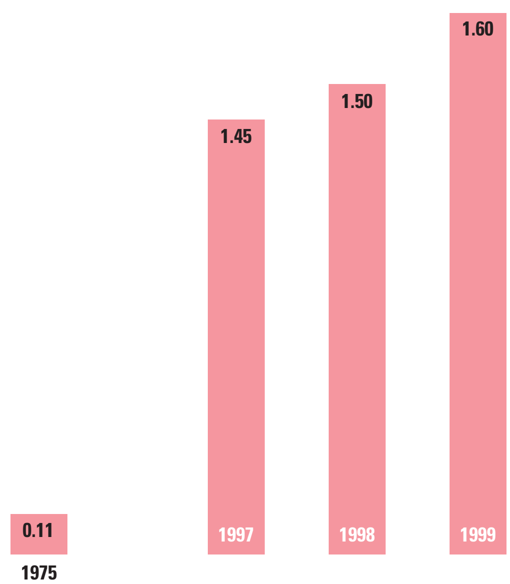
Group share net profit per share (EUR)

1999: 3.78 EUR (or 24.81 F)



Net dividend payment per share (EUR)

1999: 1.60 EUR (or 10.49 F)



The Brands

• **ANISEED BASED SPIRITS**: Ricard*, Pastis 51*, Pernod, Mini, 8 Hermanos, Alaska, Sambucca Ramazzotti.

• **WHISKEYS**: Clan Campbell*, Jameson*, Wild Turkey, Aberlour, White Heather, Edradour, House of Lords, Bushmills, Paddy, John Power, Royal Canadian.

• **EAUX DE VIE**: Cognac Bisquit, Renault, Calvados Busnel, Armagnac Marquis de Montesquiou, Eaux-de-vie Cusenier et la Duchesse, Brandy Dorville, Ararat (brandy arménien).

• **WHITE SPIRITS**: Rhum Havana Club*, Gin Larios*, Vodka Altaï, Cork Dry Gin, Zubrowka, Wyborowa*, Tequila Viuda de Romero.

• **BITTER LIQUEURS**: Suze*, Amaro Ramazzotti, Becherovka*.

• **LIQUEURS**: Soho, Royal Dutch Advocaat, Liqueurs Cusenier, Eoliki, Zoco, Dita.

* *One of the 9 Group million-case brands.*

• **WINE-BASED APERITIFS AND SWEET NATURAL WINES**: Dubonnet, Ambassadeur, Cinzano**, Byrrh, Américano, Vabé, Bartissol, Porto Cintra, Kuei Hua Chen Chiew.

• **WORLD WINES**: Australia (Jacob's Creek, Wyndham Estate), Argentina (Etchart, Rio de plata), Chili (Terra Andina), China (Dragon Seal), South Africa (Long Mountain), France (Alexis I, Fontenoy, Premier de Lichine), Spain (Palacio de la Vega).

• **SPARKLING WINES**: Canei, Café de Paris, Maison, Carrington, Chamei.

• **LOW ALCOHOL DRINKS**: Pernod Hex, Suze Tonic, Two Dogs, Wild Turkey and Cola, West Coast Cooler.

• **CIDERS**: Loïc Raison, La Cidraie, Duché de Longueville, Flagger, Dagan, E 33.

• **SOFT DRINKS**: Pampryl, Yoo-Hoo, Orangina, Brut de Pomme, Ricqlès, Pacific, Pam Pam, Banga, Champomy, Minerva, Agruma.

*** In France.*

Interview with Thierry Jacquillat, President of the Group

Pre-tax profits up 8.3%, operating profits up 6.6%, net profits up 5.5%: this is one of the best growth performances in the industry. Surely 1999 must be seen as a success across the board?

We owe these results to our capacity to create value, to the remarkable potential of our brands and to the motivation of our teams both within the core area of business and our diversification activities. Behind our operational success you will notice, however, the consistency in our strategic line, a consistency which continues to bear fruit.

Within our core business, wines and spirits, this strategy is made up, on one hand, of pushing for the best organic growth (+5.9% this year) and on the other hand of expanding through acquisition, through the integration of new organisations and new brands. These provide our networks with strong local brands (representing the basis of new profitability), which enable us to penetrate new markets with our strategic brands.

You will see that in 1999 the profitability of this sector rose steeply (+7.4%, including excellent internal growth amounting to 5.9%), particularly in exports (+10.3%) which now represents 45.5% of our consolidated operating profit. In total wines and spirits represent 44% of our activities and 71% of our profits.

Among the year's major success stories, we must not forget the role played by the distribution sector which now represents 26% of our turnover and whose contribution to the operating profit increased by 30.6% largely due to acquisitions made in Great Britain.

On the other hand our fruit processing activity (30% of turnover) suffered a decline in operating profits, due to the rising cost of raw materials in the fruit preparation sector, increases which we were unable to pass on. However, the rise in sales is satisfactory and the operating profit of fruit juices and drinks climbed by 11.7%, of which 10.2% was due to organic growth.

You announced several acquisitions in the wines and spirits sector, most notably in Eastern Europe.

We have indeed strengthened our portfolio of big brands by taking operating control of the Polish company Agros which itself is owner of the vodkas Wyborowa and Zubrowka on the international market. We will introduce these prestigious brands into our network throughout the course of the year 2000 and we will put in an application to acquire new production and distribution facilities in Poland when the authorities have launched their privatisation programme.

Our development in Eastern Europe also depends on Becherovka, a bitter Czech liqueur, produced by Jan Becher.

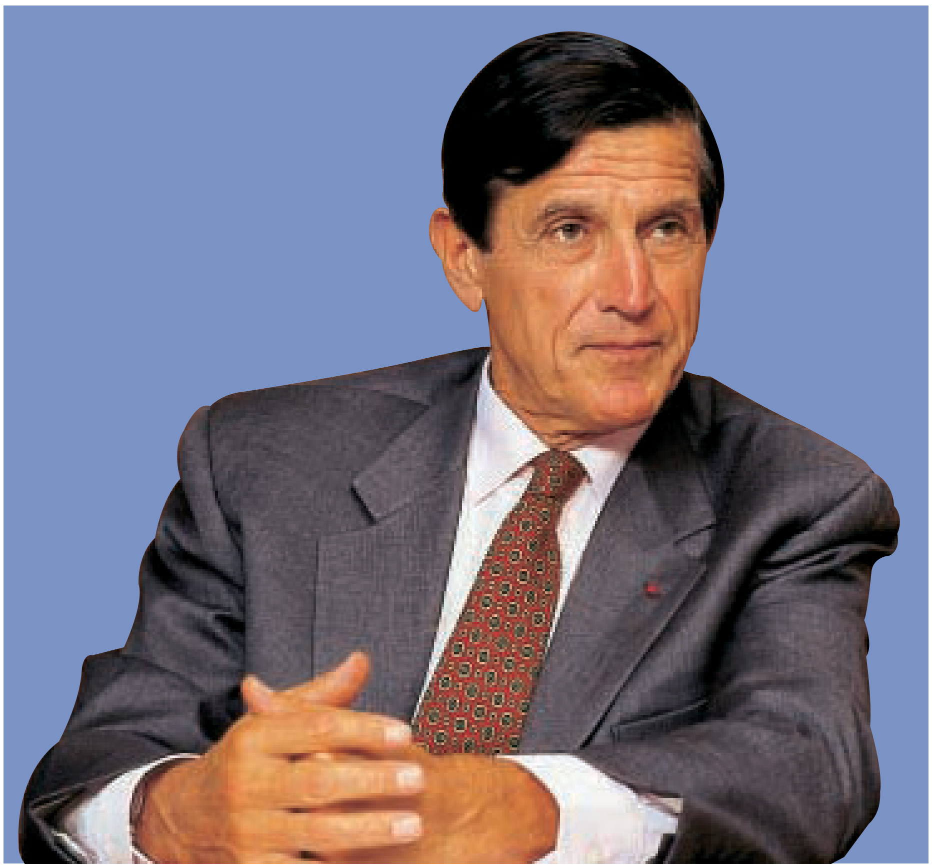
In 1999 we united the brand in an international sense by buying the rights in Germany and a number of other countries. The final phase in Jan Becher's privatisation will take place shortly. We are also very optimistic concerning the Armenian brandies.

Ararat and Nairi which we have just relaunched in Russia, the Ukraine and Byelorussia, having confirmed with the Armenian government our option to buy the Yerevan Brandy Company. In the same region we have also acquired GWS, the leading producer and exporter of Georgian wines. With both of these initiatives we are keen to strengthen our position in the Russian market where Armenian brandies and Georgian wines are particularly popular.

However, we are not confining ourselves to Europe, and in Mexico we have just acquired a tequila, previously a gap in our portfolio: Viuda de Romero. We hope to double volumes in the first year.

And finally we have commenced in India the production of western-style spirits, notably rum and whisky, and have established subsidiaries in the Baltic countries and Africa.

“To seize every development opportunity”



In addition to their impact on our portfolio of prestigious brands, these acquisitions enable us either to gain a foothold or to strengthen our presence in these countries. This is essential for the development of our major international brands.

And what about wholesale distribution?

In this sector, our subsidiary BWG employs a very specialised form of expertise, particularly in the marketing of retail names, in the development of franchise holders and in purchasing power. This enables the company to achieve much better results than its competitors. We supply a network of franchise holders and independent retailers, mainly local cornershops and convenience stores, a thriving sector in Ireland and the UK, which meets the needs of modern urban life very well.

Although we are already a major operator in both Northern and Southern Ireland we are continuing to explore opportunities for growth in Great Britain. Thus in 1999 we acquired three new subsidiaries in England, one of which is a drinks wholesaler.

What work are you doing in the field of innovation?

Every year we invest approximately

CASH FLOW/INDUSTRIAL AND FINANCIAL INVESTMENTS (in EUR Million)

	1999	1998	1997
Cash Flow (CAF)	303.2	315.7	287.7
Industrial and financial investments	252.9	242.2	221.5
	1.20	1.30	1.30

NET DEBTS/SHAREHOLDERS’ EQUITY (in EUR Million)

	1999	1998	1997
Net debts	758.0	677.0	573.2
Shareholders’ Equity	2 119.2	1 879.0	1 823.6
	35.8%	36.0%	31.4%

Interview with Thierry Jacquillat, President of the Group

1% of our turnover in research and development, a field in which we are industry leaders. Amongst the most recent innovations is the creation of Soho (Dita), the technical process which applies high pressure to refrigerated fruits (Pampryl's "freshly squeezed") and indeed "PAN" (a registered Pernod Ricard patent), an ultra-light new material which has the properties of glass.

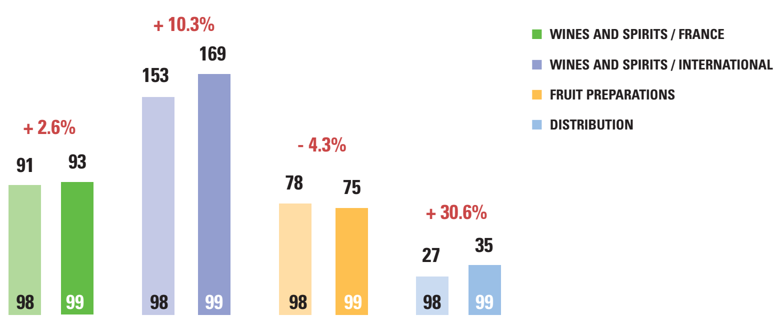
70% of Pernod Ricard's activities are now carried out outside of France. Does this substantial change run the risk of unsettling the Group's values?

Becoming a worldwide group does not mean you have to lose your identity. Today our international activities account for 3/4 of our business and we are directly involved in more than 70 countries with sixty or so production centres outside of France. ■

■ VALUE ADDED WITHIN THE GROUP (in EUR million)

	1998	1999	Variation
Operating profit after taxes	275.9	285.2	9.3
Average employed capital	2 765.6	3 033.9	
• Capital costs	223.9	230.5	6.6
• Rate	8.1%	7.6%	
Value added	52.0	54.7	2.7

Operating profit: 372 EUR million



■ ACQUISITIONS AND NEWLY CREATED SUBSIDIARIES IN 1999

- Acquisition of 37% of the capital ofthe Polish company Agros, the main operator in the country' s food sector and holder of the international rights for the major Polish vodkas, including the famousWyborowa and Zubrowka, the vodka flavoured with bison grass.
- The brand Becherovka is united within the Jan Becher company, due to the acquisition of rights in several countries, particularly Germany. Now the famed Czech bitters is sold exclusively throughout the world by Pernod Ricard.
- The confirmation of the option to buy The Yerevan Brandy Company. This Armenian company produces a wide range of brandies and has its sights set on 80% of the Russian market.
- Acquisition in England of Saxton (wholesale), Bargain Booze (drinks wholesaler) and T & A Symonds (wholesale).
- Some Mexican sunshine for the Group which acquires the tequila Viuda de Romero, an "appelation controllée" eau-de-vie made from the finest blue agaves, in the village of Tequila.
- Arrival in the Group of GWS, a Georgian wine company and of GPR Eesti. Also establishment of PR Latvia in the Baltic countries, acquisition of United Agencies in India, establishment of PR South Africa (Zimbabwe and Mozambique) and establishment of PR Chile.

- Conflict on the ownership of the Havana Club trademark in the USA. The European Union is referring to the World Trade Organization to declare section 211 null and void ; this American Law prevents Courts from protecting a trademark originally owned by Cuban exiles, even if this trademark no longer exists.

Pernod Ricard Worldwide

No. 1 wines and spirits company in the Euro zone, world leader in fruit preparations, Group Pernod Ricard now carries out two thirds of its activities outside of France. Europe moved into a dominant position in 1999, due largely to the growth in the distribution sector.

The Group's 14,000 employees work within a decentralised organisition of which each component lives and operates in harmony with its own market. The main production companies (Irish Distillers, Ricard, Pernord, CSR- Pampryl, Campbell Distillers, Orlando Wyndham, Austin Nichols) as well as Pernod Ricard Europe, Pernod Ricard Americas, Pernod Ricard Asia and Pacific report directly to the holding company. They manage their own network of subsidiaries and their own brand strategies throughout the world. Sias-MPA, world leader in its market, has subsidiaries and production centres in every continent.

BWG concentrates its wholesale distribution activities in Ireland (25% market share) and in the UK.

PERNOD RICARD IN EUROPE

- **No. 1 producer of wines and spirits and of fruit preparations**
- **No. 1 producer in France, Ireland, Spain, Armenia, Georgia**
- **No. 1 exporter of polish vodkas**

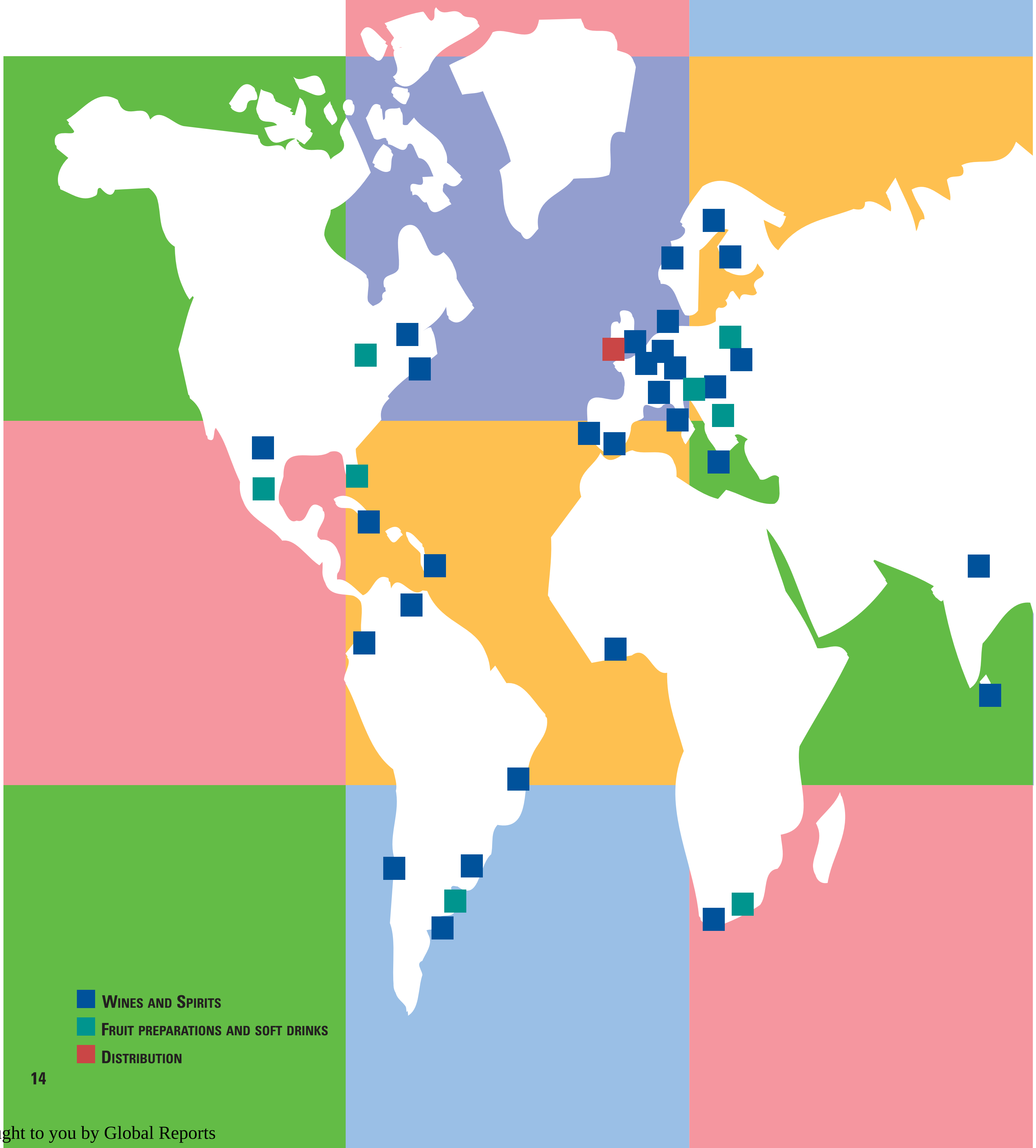
PERNOD RICARD IN AUSTRALASIA

- **Wines: No. 1 Australian brand**
- **Wine producer in China**
- **Dita: the best level of growth of imported wines and spirits in Japan**

PERNOD RICARD IN AMERICA

- **Fruit preparations: No. 1**
- **Cuban rum: No. 1**
- **Bourbon premium: No. 1**
- **Chocolate based drink: No. 1 in the USA**
- **Producer of Tequila in Mexico**
- **…one of the leading producers of spirits, wines and non alcoholic drinks in Argentina**

The World



Wines and Spirits

Fruit preparations and soft drinks

Distribution

PERNOD RICARD AMERICAS	**100%**
PR Argentina (Argentina)	100%
El Muco Bebidas (Venezuela)	100%
PR Canada (Canada)	100%
PR Chile (Chile)	100%
PRC Diffusion (Caribbean)	100%
PR Mexico (Mexico)	100%
Pramsur (Uruguay)	100%
PR Colombia	100%
PR Brasil (Brazil)	100%
AUSTIN NICHOLS (USA)	**100%**
Boulevard Distillers (USA)	70%
Yoo-Hoo Industries (USA)	100%
HAVANA CLUB INTERNATIONAL	**50%**
WORLD BRANDS DUTY FREE (GREAT-BRITAIN)	**100%**
CAMPBELL DISTILLERS (GREAT-BRITAIN)	**100%**
Caxton Wines (G.B.)	100%
IRISH DISTILLERS GROUP (Ireland)	**100%**
Pernod Ricard South Africa (South Africa)	100%
BWG (Ireland)	100%
PERNOD	**100%**
Cusenier/Crus et Domaines de France	100%
RICARD	**100%**
Galibert & Varon	99.9%
Renault Bisquit	100%
PERNOD RICARD EUROPE WINES & SPIRITS	**100%**
Brand Partners (Norway)	50%
Epom (Greece)	95%
IGM Deutschland (Germany)	100%
Perau Associates (Sweden)	100%
Perisem (Switzerland)	100%
PR Austria (Austria)	100%
PR Belux (Belgium)	100%
PR Larios (Spain)	100%
PR Nederland/Cooymans (Netherlands)	100%
PR Rouss (Russia)*	100%
Ramazzotti (Italy)	100%
Somagnum (Portugal)	95.5%
World Brands Denmark (Denmark)	100%
World Brands Finland (Finland)	100%
Alvita (Czech Republic)	100%
PR Africa - Middle East (Ivory Coast, Cameroon)	100%

PERNOD RICARD AUSTRALIA (AUSTRALIA)	**100%**
Orlando Wyndham	97.9%
Two Dogs	100%
Orlando Wyndham New Zealand	100%
PERNOD RICARD ASIA	**100%**
Beijing Pernod Ricard Winery (China)	65%
Casella Far East (Hong Kong)	100%
Casella Taïwan (Republic of China)	100%
Dragon Seal (China)	53%
Perising (Singapore)	100%
Perithaï (Thaïland)	100%
Pernod Ricard Japan (Japan)	100%
PRK Distribution (Korea)	100%
UNITED AGENCIES LTD (INDIA)*	**74%**
PERICEYL (SRI LANKA)*	**50%**
YEREVAN BRANDY COMPANY (ARMENIA)*	**100%**
AGROS (POLAND)*	**37%**
SIAS-MPA	**100%**
Flavors From Florida (USA)	100%
Ramsey Laboratories (USA)	100%
SIAS Regional (Argentina)	67%
SIAS Mex (Mexico)	100%
SIAS Port (Mexico)	100%
SIAS-MPA	**100%**
DSF (Germany)	60%
San Giorgio Flavors (Italy)	100%
SIAS Bohemia (Czech Republic)	100%
SIAS Foods UK (Great-Britain)	100%
SIAS Polska (Poland)	93.1%
YB SIAS (Austria)	50%
Italcanditi (Italy)	54.3%
Sias Flavo Foods (South Africa)	75%
SIAS-MPA	**100%**
SIAS-France	100%
SIAS-MPA	**100%**
SIAS Australia (Australia)	100%
SIAS-MPA	**100%**
SIAS Korea (Korea)	95.6%
South Pacific Foods (Fidji)	100%
SIAS (Dachang-China)	70%
CSR PAMPRYL	**99.2%**
CFP ORANGINA	**100%**

* NOT CONSOLIDATED IN 1999


RICARD
70 cl
45 % vol
Pastis de Marseille

Wines and Spirits

In the small circle of drinks which are popular all over the world, vodka, whisk(e)y, rum, gin, aniseed and wine spring to mind. In each of these great categories Pernod Ricard boasts brands with worldwide potential whose strong personalities win over consumers in their millions. In addition, its 7 "million-case brands" (without taking into consideration the non-consolidated Becherovka and Wyborowa) represent two-thirds of the Group's wines and spirits turnover. The Group's 20 main brands in this field are experiencing the fastest rate of growth in terms of volumes in the industry, +4%.

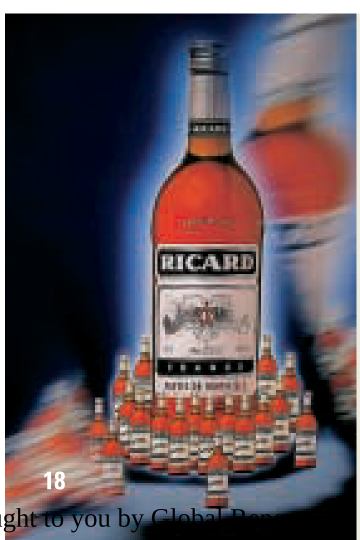
It is therefore clear that Pernod Ricard's core business is truly on a roll, forging ahead in every corner of the world.

The strength of aniseed: Ricard up 140,000 cases during 1999

While continuing to enjoy a period of ascendancy in their traditional markets, the aniseed-based spirits are witnessing ever-increasing resonance in exports. Today they represent 38% of Pernod Ricard's spirits sales despite the Group's rapid growth in other categories. Ricard remains firmly in position as the third largest selling brand in the world and is the market leader in all categories in France, Belgium, Luxembourg and Switzerland. As for France's second biggest selling spirit, well that too is an aniseed brand belonging to the Group. Pastis 51 is among the top 40 best selling spirits in the world. Pernod, the oldest aniseed-based spirit in the Group, is now sold in 150 countries. In Greece, Mini Ouzo, distilled on the island of Lesbos, has become the leading brand in the domestic market. Ramazzotti Sambuca is also very popular in Italy, in Canada, as is 8 Hermanos in Argentina.

The aniseed-based spirits, particularly Ricard, 51 and Pernod are in good shape. The traditional fans of these drinks in Southern Europe, Belgium and Africa love to drink them mixed with a splash of ice cold water, at any time of day, and they are becoming more and more popular as an evening drink. Throughout the rest of the world they are served as long drinks with soda, fruit juice or even in cocktails. They have also become popular drinks for a good night out in Great Britain, Germany and Canada.

In France, whilst the market in general is growing very gently, Pernod Ricard is enjoying a faster rate of growth and Group brands account for 55% of sales in this segment. Consumers favour brands which have never let them down, yet which still have the ability to surprise - brands of irreproachable and constant quality. ■



■ **ANISEED-BASED SPIRITS ARE GROWING IN FRANCE AND IN EXPORT**

RICARD: +2%
- **No. 1 brand in France, Belgium and Luxembourg**
- **Increase in sales of 140,000 cases, 50% of which were in France**

PASTIS 51: stable
- **Second biggest French brand (2.3 million cases)**


PERNOD
PERNOD
ANISE
PERNOD FILS
100cl

Whiskeys: the stamp of authenticity

Whether we are talking about Scotch (Malt or Blended), Irish Whiskey or Bourbon - all the Group's whiskeys have been enjoying great success. This reflects a basic trend, all over the world, for brands which put quality, authenticity and diversity before anything else. In France, one of the major whisky consuming countries, the Group holds a 10% market share, and 25% share for specialities (Malts, Irish and Bourbon).

The Scotch tradition: Clan Campbell up 8%

Sales of Clan Campbell, Pernod Ricard's flagship brand, are up by 8%: the world's best rate of growth for whisky for three years. It has become No. 1 in France, thanks to its solid presence in the bars and restaurants sector. Aberlour, the quality Malt is up 7% overall, making it the fastest growing Malt in the world. It has become the No. 1 Malt Whisky in France. It stands to reason when you realise that Aberlour 10 years old has been voted as the best whisky in the world by an international jury.

"What's the rush?" Irish whiskey up 15% in France.

Irish whiskey has been on a roll for several years now. It is up by 15% in the French market. Jameson alone represents 50% of sales in this market and other Group brands: 30%. Jameson is up by 10% around the world in general, notably in the USA. This is a remarkable achievement especially considering thatin the European Union duty-free was abolished taking 120 000 cases of Jameson with it: 10% of its sales. The leading Irish single malt, Bushmills, made in the oldest licenced whiskey distillery in the world, has a unique personality and it is this distinctiveness which is seducing consumers in ever-increasing numbers- 500,000 cases were sold in 1999. Paddy, the whiskey of choice for young adults in Ireland, has also seen significant growth and now represents sales of 270,000 cases.

Bourbon is back with a bang: +10% in the USA.

Wild Turkey, the bourbon from Kentucky, is enjoying marked success following the integration of its distribution into the Groupe's own network in the States and Japan. The brand increased sales in these two countries. On a worldwide scale sales are up by 3%, despite the abolition of duty-free in Europe which cost the brand a significant loss in sales.

SUCCESS FOR GROUP WHISKEYS IN FRANCE

- 10% of the market,
- 25% of the "Malts, Irish and Bourbon" segment
- Irish Whiskeys, best growth rate in the market

JAMESON: +10% (EXCLUDING DUTY-FREE)

- Europe: +10%
- America: +12%
- Rest of the world: +7%

WILD TURKEY: +3%

- Number 1 premium Bourbon in the world
- Takeover of distribution in the USA (+10%) and Japan (steady growth)

CLAN CAMPBELL: +8%

- Best growth rate of any whisky in the world for 3 years

ABERLOUR: +7%

- Best growth rate in the Malt segment
- Became No. 1 in the French market

White spirits are the toast of 1999

Havana Club, “el ron de Cuba”, has been enjoying the fastest average rate of growth of any other spirit for four years. With Wyborowa the Group now occupies a strong position on the vodka market. The leading gin in continental Europe, Larios from Spain enjoys a strong position on its home market and now has its sights set on world markets.

Runaway success for Havana Club: +35% in Europe

Havana Club is developing extremely quickly in the four corners of the world. With its strong Cuban identity, “el ron” is expanding first and firemost at home, since Cubans, like visitors to the island, never seem to tire of its unique, dry and delicate taste. Also growing in number are the Europeans who seek out the only rum which is 100% Cuban: Havana Club sales are up by 35% throughout Europe. It has made a spectacular entrance onto the Italian market where it is now the market leader. Sales have quadrupled in two years. On the American continent (excluding the USA because of the trade embargo) growth is at 14%, notably in Mexico. In other regions the brand is up by 100%.

Larios, an international dimension and an increase of 80,000 cases.

The Group’s second largest selling brand, at 2.83 million cases, Larios gin is now acquiring international status thanks to its integration into the Pernod Ricard network. Honoured by a number of competiton juries, especially British, for its fine flavour, Larios achieved an 80,000 cases increase in sales in 1999. In its domestic market, Spain, the brand has re-established growth. It is up by 32% on export markets and is in fourth position in Italy and France, where it represents 10% of its sector.

Vodka, a prestigious portfolio

Wyborowa, one of the world’s great vodkas, and Zubrowka vodka made with bison grass, are the two best-known Polish vodkas. They are now part of Pernod Ricard’s portfolio in international markets, following the takeover of the company Agros. This acquisition gives the Group an enviable position in the vodka market, now one of the most widely consumed spirits in the world with a total market estimated at 2.7 billion litres. Queen in its own country, Wyborowa is particularly popular in

HAVANA CLUB: +25%

- Fastest rate of growth in the world for four years
- Europe: +35%
- Brand leader in Italy: volumes multiplied by 4 in two years
- Americas (excluding USA): +14%
- Other regions: +100%

Italy, Mexico, Germany, Switzerland, Canada, the USA as well as France. These well-known brands now join Altai, a vodka produced in Siberia and renowned for its purity. It is an extremely popular brand in Russia, the biggest vodka market in the world, and is now available in Europe through the Pernod Ricard network.

Waiting for Tequila

At the beginning of 2000 the acquisition of the Mexican distillery Viuda de Romero was completed, a distillery producing several top quality tequilas. The main ingredient, blue agave, is a cactus which lends all its bite to a brand which already enjoys great popularity in the USA and Chile and in the near future, in Europe.

LARIOS: +80,000 CASES

- **+3% Group's second biggest brand in terms of volumes**
- **+32% in export**
- **Successful launch in Italy and France (4th gin with a 10% stake of the market)**
- **The brand is acquiring truly international status**

Local brands

These brands, firmly established in their home markets, are all striving to seduce consumers in their neighbouring countries. Ramazzotti is extremely popular with the Germans, Becherovka is winning fans all over central Europe and Suze is once again packing a punch abroad.

Ramazzotti is the best known Italian bitter in Germany where more of is consumed than in Italy: in 1999 sales were up 32%, the best the market saw. Its success is due to its unique taste which marries sweetness with bitterness and its "oh so" Italian pedigree promising hints of "la Dolce Vita". In total, sales of Ramazzotti increased by 130 000 cases.

The emblematic bitter of the Czech Republic, Becherovka has crossed the border, to the delight of its fans in Poland, Hungary, Slovakia, Germany and Austria. 1.3 million cases were sold in 1999, marking an increase of 29%. During the course of the year Pernod Ricard revitalised the brand by acquiring the rights for a number of autonomous markets with the aim of promoting the internationalism of this fine Czech drink.

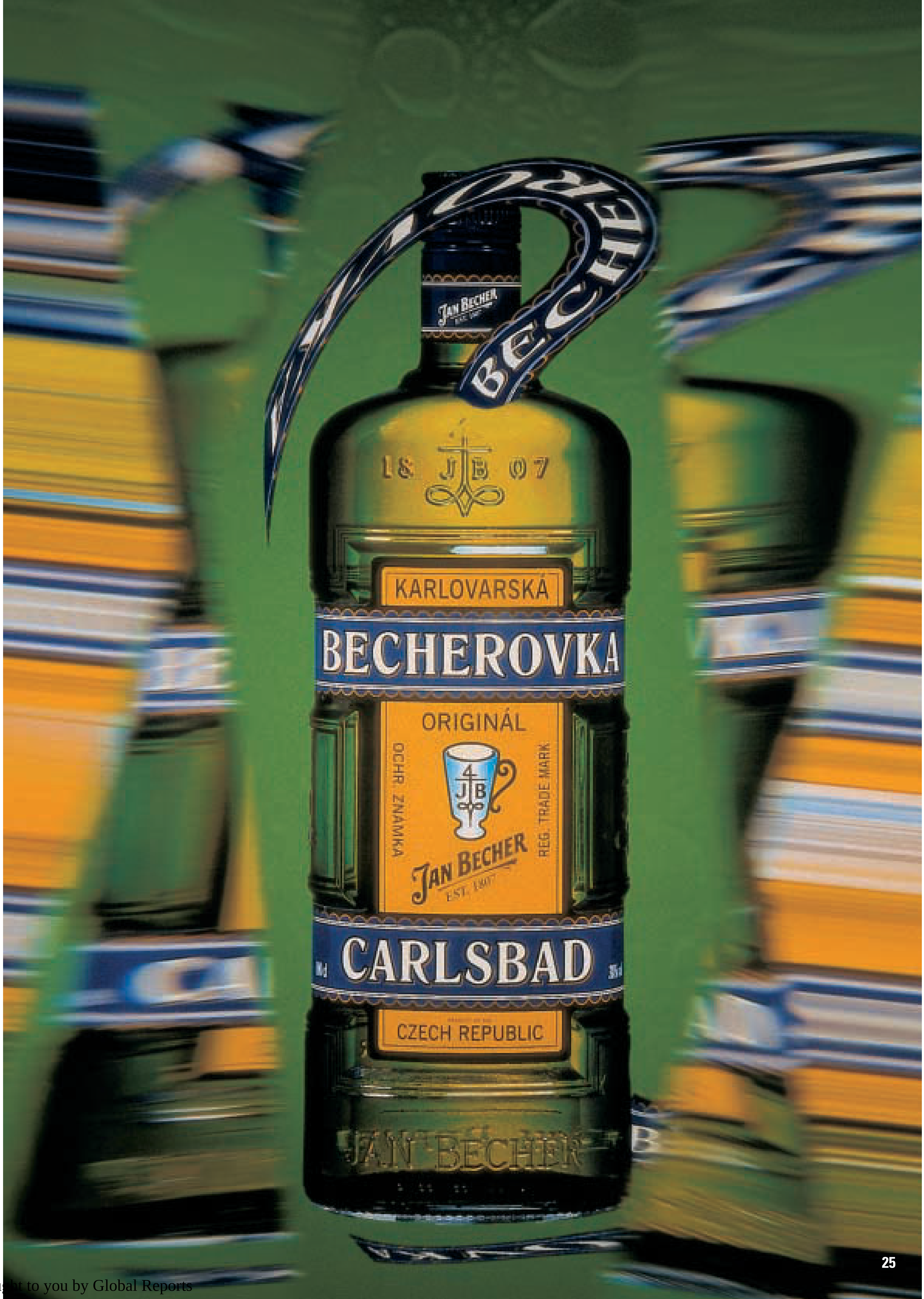
"Every time it appears, Suze makes its mark…" so says a campaign run throughout France in 1999. And the Group's golden bitter is back in fine form. The gentian flavoured liqueur, so popular with the French and the Swiss and occupying 81st position in the world league of premium spirits, is enjoying a new lease of life.

And there was double success for the liqueur which has two names - Soho in France (1 million litres) and Dita in Japan. This cocktail liqueur is delicately flavoured with lychees. In 1999 it enjoyed growth of 35%, results which will lead to wider distribution for a brand which is particularly popular in nightclubs.

Russians have a passion for Armenian brandy. In April 1999 the Yerevan Brandy Company officially joined the Group. The company produces the most prestigious brands, namely Ararat and Nairi, sold mainly on the Russian market.

RAMAZZOTTI: +130,000 CASES

- +16% in Europe
- +32% in Germany
- Best growth of the market


18 JB 07
KARLOVARSKÁ
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OCHR. ZNÁMKA
REG. TRADE MARK
JAN BECHER
EST. 1807
CARLSBAD
CZECH REPUBLIC
JAN BECHER

Winners with New World Wines

Today Pernod Ricard is a major player in the wine sector. A success story which began in Australia in 1989 with the acquisition of Jacob's Creek, then pursued in Argentina, next Chile and then furthered in South Africa and China. Pernod Ricard's World Wines saga is being lived out on all five continents.

Jacob's Creek, the Australian pioneer, has increased its volumes six-fold

Every year the number one Australian wine opens up new territories. It registered growth of 25% in 1999 and is reporting a six-fold increase in its sales since its acquistion by the Group, ten years ago. It is the number 1 and most widely exported Australian brand. In the UK its success is turning into infatuation, reflected in a 54% increase in sales and the launch of a top quality sparkling Chardonnay.

The USA and Japan welcomed the brand with open arms, and recorded growth of 26% and 25% respectively. It is becoming more and more prestigious having won more than 70 awards at international exhibitions and competitions. Over 3 million cases of Jacob's Creek have been sold during the year.

World Wines

Taking inspiration from the Australian example, new wines have been created on every continent, all adhering to the same golden rule: high quality grape varieties, easy to drink yet complex and fine, and consistent value for money. Each and every one of these "new world wines" fiercely retains the individuality of its native country.

In Argentina, Etchart, with a rich fruit aroma intensely coloured, is currently experiencing a calm period in its domestic market. However, it is enjoying huge sucess in Europe, North America and particularly Asia. In Chile, Terra Andina left the high plateaux far behind and has set off to conquer Asia. Long Mountain is very popular on its home ground in South Africa and is also winning over consumers in export markets. Dragon Seal is developing steadily on the Chinese market, where wine drinkers are becoming familiar with the brand, yet it is also gaining popularity in Asian restaurants the world over. A top quality range which is converting new regions all over the world to the pleasures of good wine.

And to this range the Group is now adding its Spanish wines (Palacio de la Vega), as well as distributing an impressive selection of French wines (Cruse, Alexis Lichine). The latter are making a successful impact in Asia.

JACOB'S CREEK: +25%

- Six-fold increase since acquisition
- +54% in the UK
- +26% in North America
- +25% in Japan
- Successful launch of a top quality Jacob's Creek sparkling (UK and Australia)


ORANGINA
OD NARANCINE PULPE
Z DELCI POMARANCE
POMUCKAJTE ME!
PRETRESITE ME!

Processed fruit

Good sales results despite rather unfavourable conditions - this is the overview for Pernod Ricard's fruit preparations and soft drinks for 1999. This sector represents 30% of Group activities.

Fruit preparations and soft drinks

Growth for Orangina despite disappointment on sale

In 1999 Orangina achieved excellent volumes, in fact the best of the decade, (excluding 1991). The brand grew by 2% in France and Europe and the “Givres” range was successfully launched. The results were deemed all the better considering the uncertainties which hung over the company all year long. Today Orangina has resumed its place at the heart of the Group’s soft drinks portfolio a unique place for a very significant brand.

Fruit drinks - recognised quality

Quality pays, as the success of the Group’s brands in Europe, Africa and America proves.

The proof is the irrepressible rise of Pampryl (+26%). Its fruit juices, a marriage of technology and quality, represent true innovation. The latest to date, PAN (a Pernod Ricard trademark) is a new material which offers the same physical and aesthetic qualities as glass.

Champomy, the cult birthday drink, is up 11%. This sparkling children’s drink is now even sold at McDonald's and has embarked successfully on an international career.

Minerva, the “jugo di limon” or lemon juice drink so popular with Argentinians, enjoyed increased sales in 1999, despite the economic crisis in that part of the world.

Yoo-Hoo completed the restructuring of its range in the USA, now opting for high added-value packaging. Young Americans adore this chocolate drink, 95% of sales being in the USA.

Fruit preparations: world-wide coverage

The world leader in fruit preparations for the dairy industry, SIAS-MPA is up by 8% and is firmly consolidating its market position.

In 1998 the acquisition of the Italian company Italcanditi, of the South African company Flavo Foods and the setting up of Sias-Regional all added further weight to SIAS-MPA’s presence worldwide. The new production sites in Argentina enable the Group to develop furher on the South American market, which, together with Australasia, offers great potential for Sias-MPA. The company now has a very significant industrial base with 22 plants spread over five continents.

PAMPRYL (France)
- Becomes No. 3
- +26%
- Historical record for the range

CHAMPOMY (Europe)
- +11%
- Listed at McDonald's
- Successful start launch

100,000 tonnes of apples, and 10,000 tonnes of pressed tomatoes pass every year through Pampryl's production plants.

100 million litres of grape juice bought from French grape growers: CSR Pampryl is an important partner in the agricultural world.

OTHER BRANDS: AN OPPORTUNIST APPROACH

- **POLAND**: potential synergies
- **MINERVA**: +12% despite unfavourable economic conditions in Argentina
- **YOO-HOO**: margins increase due to the product range repositioning

Distribution: the third axis

Today, distribution represents 26% of the Group's activities. It is a rapidly developing sector in the British and Irish markets.

BWG: wholesale distribution experts

The Group's specialist subsidiary in the Distribution sector, BWG, achieved a turnover amounting to 940 million euros in 1999, excluding duties and taxes. This figure represents an increase of 37% over figures for the previous year, 6.1% of which is organic growth. The company has developed a specific brand of expertise in the field of delivering to small retailers, particularly convenience stores. The company serves more than 12,500 retail outlets, both franchisees of the company and independent retailers. The turnover can be broken down into "delivered business" (shop deliveries) which represents 45% of business, Cash & Carry 31%, central billing 23%, and retail (1%).

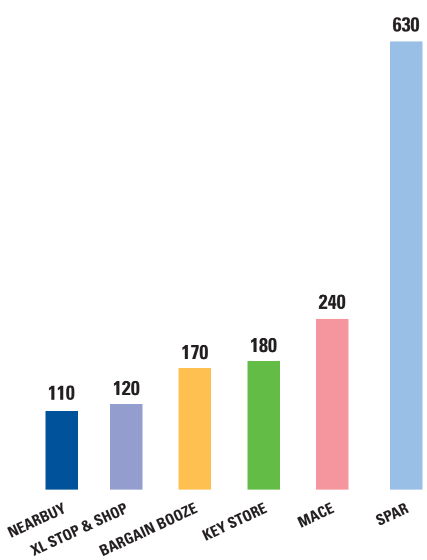
Under the control of Irish Distillers, BWG has, over the past five years, expanded the field of its activities as well as its geographic presence through a number of high value-added acquisitions. Today the company holds a 23% share of the market in the Republic of Ireland, 25% in Northern Ireland, yet only 5% in the UK where new opportunities for external growth are currently being researched. BWG's expertise covers logistics, marketing and upgrading of symbol stores with a special focus on advice to retailers.

Moreover the company is developing an advanced programme of e-commerce targeted not only at suppliers and customers (business to business) but also consumers.

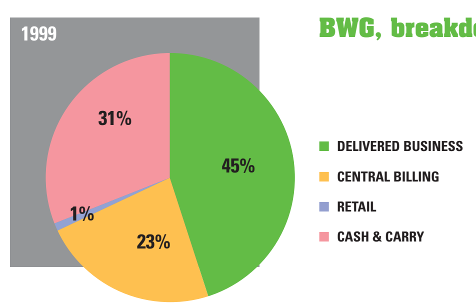
Despite the weak profit margins achieved in this sector compared to other Group activities, BWG gives Pernod Ricard one of the highest levels of profitability on capital invested. Over the past five years, average growth in sales has been 27% and growth in operating profit, 37%. In 1999 asset creation for the Group and its shareholders in this sector rose by 70%.

Symbols' Portfolio

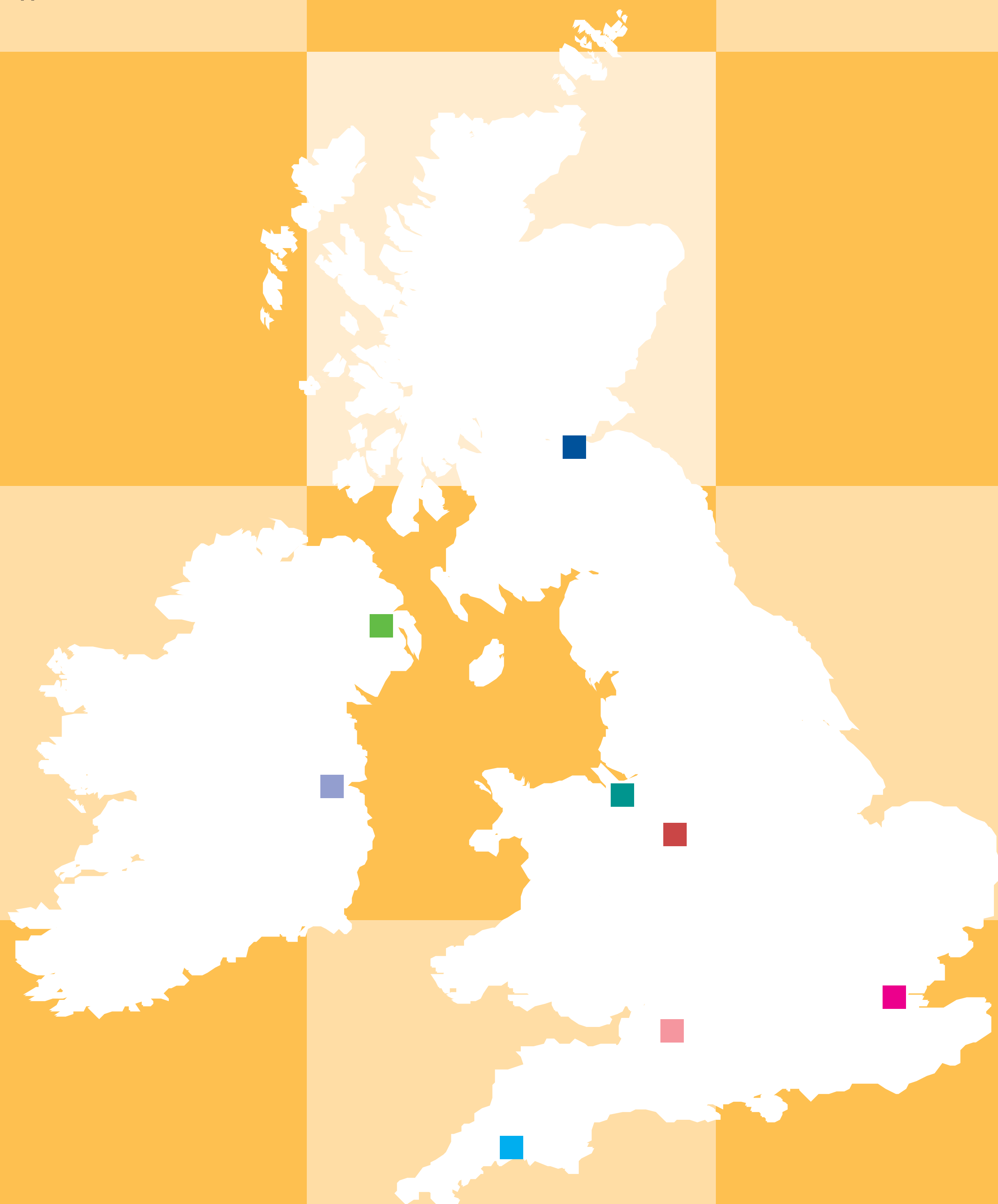
NUMBER OF OUTLETS



BWG, breakdown of activity



- J&J Haslett / Wholesale deliveries / MACE / NEARBUY / XL / Cash & Carry
- Knox. Barrs / Cash & Carry
- BWG Foods / Wholesale deliveries / SPAR / MACE / NEARBY / XL / Cash & Carry
- Bellevue / Rentons / Cash & Carry
- Bargain Booze (12/99) / Wholesale deliveries / 160 shops, Turnover: £ 80 millions (acquired in 1999)
- T & A Symonds / Wholesale deliveries / KEY (acquired in 1999)
- Goodwins / Rounds / Wholesale deliveries / KEY
- EV Saxton (08/99) / Wholesale deliveries / KEY (acquired in 1999)
- Appleby Westward / SPAR



During 1999 France became the premier financial market in the Euro zone. In fact it was an exceptional year for Paris with the CAC 40 up by more than 51%. It was also an excellent year for all other markets, although it must be said that the remarkable performances are mainly due to the telecommunications and new technology sectors (TMT).
New York was the driving force behind the rise, with Nasdaq climbing steeply towards the end of the year. In Europe circumstances created a truly buoyant market: periodic reviews of growth, confirmed reduction in unemployment, monetary policy of the central banks, high levels of financial transactions and corporate mergers.
In this euphoric climate Pernod Ricard shares experienced a year which was comparable to the performances of others in the sector, that is to say, mediocre. The failed sale of Orangina was an added disappointment.

A look back on an unruly year

January: A poor beginning to the year for the shares which as the markets opened, as down 6%, hitting its lowest levels for the year on 13th January at 49.5 euros. With the announcement of 1998 turnover with operating profits which were up by 8%, the shares reestablished their opening level in a market which itself was up 7.8%.

February: The announcement of a mandate entrusted to a commercial bank to oversee the quest for a buyer for Yoo-Hoo as well as the announcement of the transfer deadline for Orangina are both seen as confirmation of the Group's restructuring within the spirits sector. The share price rose 6.5%.

March: With growth at 9.2% in a market limited to 2.6%, Pernod Ricard is performing better than the index. At the end of the month the performance of the shares is in line with the CAC 40. There is talk of a possible merger with a competitor.

April: Heavy speculation on the shares from the 12th (+14%). Rumours stem from the arrival of a number of reputable investors. At the same time the Group confirms European expansion towards the east: the creation of a joint venture with the Polish company Agros and the consolidation of rights for the Czech brand Becherovka.

May: The shares climb 4.7% on the day of the AGM and confirmation is given of a new deal for the take-over bid on Orangina. The report of events in Setember, following the referral of the case by Bercy to the Monopolies Commission, tempers enthusiasm. The acquisition of the Yerevan Brandy Company in Armenia is confirmed.
At the end of the month the shares close at 66.7 euros, up 20% on the beginning of the year, and twice as high an increase as that of the index.

June: The shares are active and rumours of a merger with a competitor are revived. Duty-free within Europe is abolished.

July: The shares keep in line with the market and close to a level which is 12.9% higher than that at the beginning of the year. The market is up 11.1% for the same period. The increasing power of various Franco-American businesses worries the market as a whole.

August: Speculation over Pernod Ricard. The shares climb 16% closing at a high for the year of 72.6 euros.

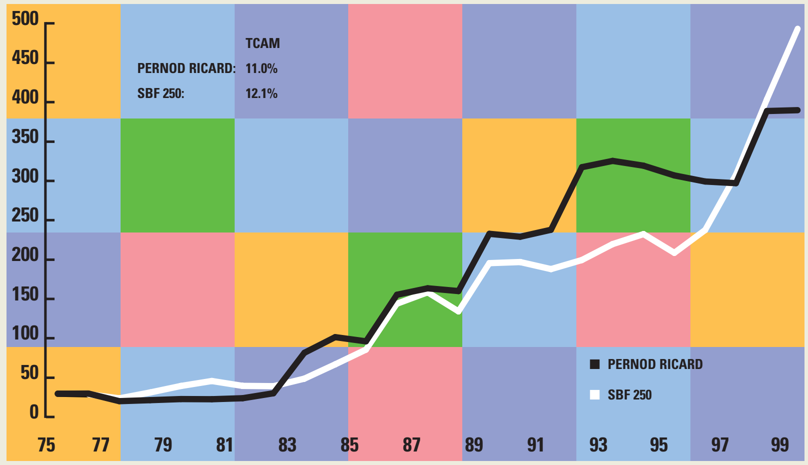
September: Enthusiasm declines with the agrifood sector being shaken by the announcement of mergers within the distribution sector. The market doubts a favourable outcome following the ruling on Orangina.

October: The market is stable as it waits for tangible signs that progress is being made on Orangina. On the 20th the share price exactly matches the market (+17%). It's the beginning of its counter-performance linked to enthusiasm on the CAC 40 and to the new ruling on Orangina.

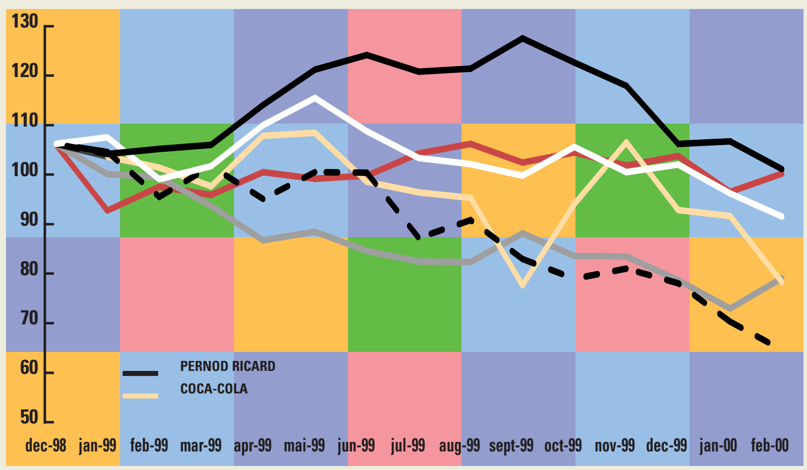
November: Publication of the half yearly results in which attention is focused on Orangina. A leak announcing stalemate leads to a correction in the share price. Then the official announcement of the rejection of the transfer leads to a fall of almost 3% in the capital. The shares experience a turnaround of 21%, losing 12 points in a euphoric market which is up 9.3%. The month closes at 56.6 euros.

December: Shares fall to their lowest level on December 23, at 53 euros indicating at that point a net loss for the year. A slight recovery at the end of the year allows the shares to close on a slightly positive note at 56.8 euros (+2.6%) and to join its main competitors in the index. ■

Pernod Ricard in 1999



Pernod Ricard vs/agriculture and food segment



Volumes and share prices over 18 months (in EUR)

	VOLUMES NUMBER OF SHARES (in thousands)	CAPITAL VOLUMES (in million)	AVERAGE PRICE	HIGH	LOW	END OF MONTH SHARE PRICE
OCTOBER 1998	1 950	108	55.50	61.74	50.77	56.41
NOVEMBER 1998	1 757	102	58.03	60.98	54.88	56.42
DECEMBER 1998	1 515	82	54.44	57.21	49.85	55.34
JANUARY 1999	1 805	98	54.12	59.80	49.53	55.40
FEBRUARY 1999	2 201	121	54.78	58.60	52.25	53.90
MARCH 1999	2 588	143	55.25	61.50	52.80	58.85
APRIL 1999	6 405	383	59.72	68.00	56.00	63.85
MAY 1999	3 144	199	63.40	67.75	58.90	66.70
JUNE 1999	2 479	161	65.03	67.50	62.60	65.00
JULY 1999	2 209	140	63.22	66.55	60.15	62.45
AUGUST 1999	1 924	122	63.59	72.60	59.90	72.60
SEPTEMBER 1999	1 720	115	66.90	71.90	63.10	63.10
OCTOBER 1999	2 378	153	64.24	66.45	62.20	64.20
NOVEMBER 1999	2 993	185	61.72	65.30	56.30	56.60
DECEMBER 1999	2 651	147	55.32	58.25	53.00	56.80
JANUARY 2000	2 498	139	55.60	58.90	54.25	55.60
FEBRUARY 2000	1 956	103	52.57	56.70	47.00	52.50
MARCH 2000	3 757	184	49.06	53.60	43.30	50.25

Employees: one third in France, one third in the rest of Europe, one third throughout the rest of the world

The number of Pernod Ricard employees exceeds 14,000. Increasingly international, well trained, young teams contribute, on a daily basis, to the Group's performance around the world.

A growing workforce

Pernod Ricard entered the new millennium with a workforce totalling 14,077 (as at 31 December 1999). This figure includes the six new subsidiaries which have been consolidated into the accounts: Italcanditi in Italy, Sias Flavo Foods in South Africa, The Yerevan Brandy Company in Armenia, Havana Club International in Cuba, Sias-Regional in Argentina and PR Malaisie in Malaysia. The number of Group employees shows an overall increase of 9.8% compared to figures for 1998. On a like-for-like basis this growth amounts to 2.6%. The split between France (33.9%) and abroad (66.1%) is widening considerably, reflecting the growing base of the Group's international activities.

Workforce strengthened in Europe and America

In France the number of employees has stabilised following two consecutive years of increased recruitment (+1.4% in 1999 and +3% in 1998), linked to the Robien and Aubry I reports. These agreements, aimed at reducing time spent in the work place, were signed before the publication of the Aubry II report. They will continue to take effect in the coming years.

The increases in employee numbers are more pronounced in the rest of Europe, particularly with the growth of distribution activities (BWG in Ireland), on the American continent with the integration of Havana Club and Sias-Regional and in Australia with expanding teams at Orlando Wyndham. In Asia, after the steep fall experienced in 1998 (-21.4%) because of the crisis, the healthy rise in employee numbers in Korea in 1999 (+21.2%) and Japan) +44.7%) compensated for the decline in numbers witnessed in other countries in the Asian region and has had a certain stabilising effect.

Numbers of short-term contracts stable

The large majority (89.6%) of Group employees enjoy long term contracts (CDIs in France). However, a great difference in the type of contracts persists in France where 96.4% are long term, and the rest of the world where 87% are long term. Of course the strong seasonal nature of the Group's activities in Latin America and Eastern Europe means that the subsidiaries in these areas need to employ more people on short term rather than than long term contracts.

However, on a like-for-like basis the number of short term contracts throughout the Group stabilised. In France, part-time contracts fell by 3.4% compared to 1998, although numbers were already low. Yet throughout the rest of Europe they are on the up, 9.5%, and are also experiencing steady increases in America and Australia.

In 1999 the breakdown by category as well as by sector remained identical in percentage terms to those of 1998. However, of relevance is the increase in the manual workers category (up by 13.9%) which grew thanks to the consolidation into the accounts of two new sub-sidiaries, both of which have large manual production operations (The Yerevan Brandy Company and Italcanditi).

Increases in recruitment

The Group has re-established its consistent levels of recruitment with an increase in long term contract hiring of 7.3%. This follows a slight reduction in recruitment numbers experienced in 1998. Thus in Europe a total of 1,329 new employees were recruited on long term contracts, mainly within the distribution and fruit preparation sectors, with BWG (545) and Sias France (94). In Australia the growth of Orlando Wyndham has led to 138 new recruits being taken on in their teams (+34% compared to figures for 1998). Also worthy of note is the fact that the number of people leaving the Group continues to fall (-8.74% between 1998 and 1999, -14.9% between 1997 and 1998).

A younger workforce

The average age of Group employees remains stable: the Pernod Ricard employee is 38 years and 8 months old, compared to 38 years and 4 months old in 1998. The age pyramid is thus well balanced. The average length of service is also stable at 10 years and 5 months in 1999 and 10 years and 5 months in 1998.

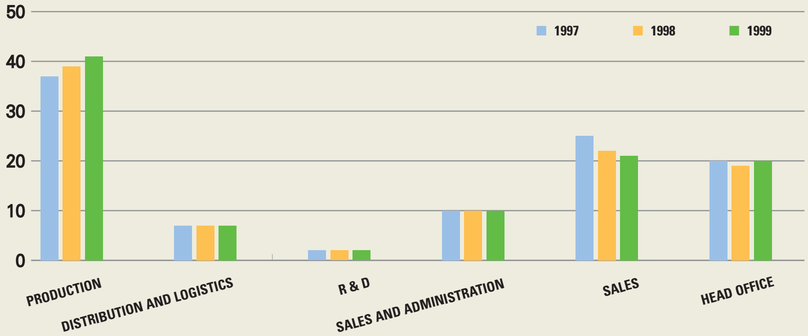
Payrolls stable

The average overall annual salary has also remained stable, up by 0.76% in 1999. France is still in the midst of implementing the Aubry/Robien laws, leading to moderation in terms of salary increases. In France profit sharing and share participation represent 5.04% and 4.86% respectively of the payroll numbers in 1999.

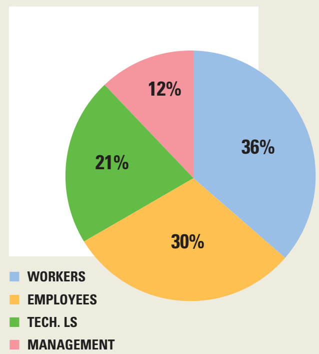
Increased numbers enjoy the benefits of training

The spend on training (2.15% of the total payroll) remained stable compared to figures for 1998. It did however increase significantly in France where in 1999 it represented 3.24% of the total salary (marking an increase of 4.18% over

Breakdown by function

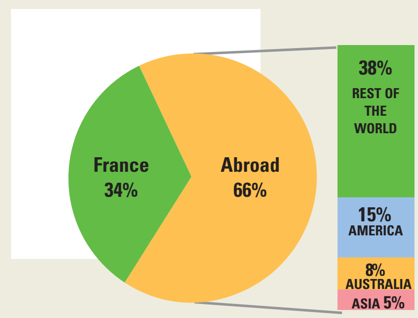


Breakdown by category



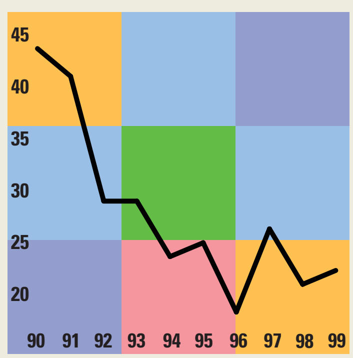
Geographical breakdown

OF WORKFORCE



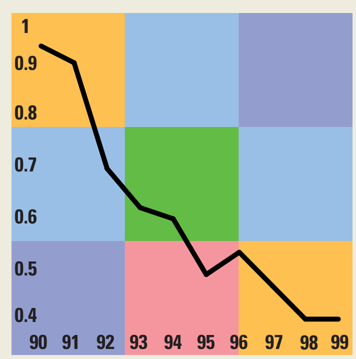
Accident frequency

(NUMBER OF ACCIDENTS WITH LEAVE/1 000 000 HOURS WORKED)

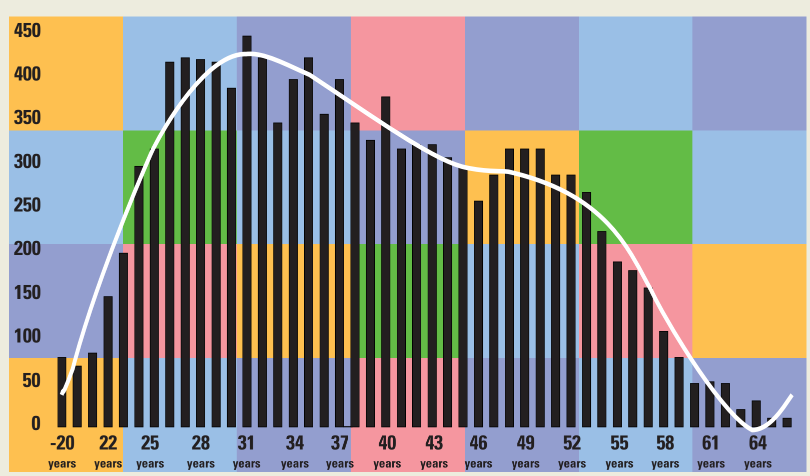


Accident severity

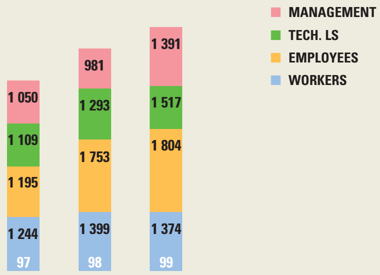
(NUMBER OF DAYS LOST/1 000 HOURS WORKED)



Average age: 38 years and 8 months old



Training: beneficiaries



PROFIT SHARING AND EMPLOYEE SHARE PARTICIPATION SCHEMES

	1997	1998	1999
Profit sharing (EUR Million)	7 452.6	7 573.4	6 785.0
% of total salaries	5.68	5.37	5.04
Share participation (EUR Million)	10 443.2	6 509.9	6 745.6
% of total salaries	7.81	4.61	4.86

1998). On the other hand spending fell steeply in America where figures are down -30.5% compared to 1998.

In France it is mainly CSR-Pampryl (Agent de Maitrise management courses) and Pernod (sales rep. training) who have benefited from an increase in training levels. In America the decline stems largely from PR Canada (-50%) and Cusenier Saic (-63.6%), companies which both undertook extensive training in 1998 which were not sustained in 1999. Overall the number of employees enjoying the benefits of training continued to rise throughout the Group (+12.16% in 1999, +18% in 1998).

Absenteeism and accidents in the workplace

An increase in levels of absenteeism were noted in 1999. They have risen from 3.25% in 1998 to 3.55% in 1999: an increase linked to the rise in sick leave recorded in 1999. The overall picture for accidents in the workplace is mixed.

Frequency levels are slightly up rising from 24.67 in 1998 to 25.71 in 1999 (+4.21%) whilst severity levels remained more or less stable at 0.43.

The first steps of the European Committee

As a consequence of the Group's growing importance in Europe and of a Directive from the European community, Pernod Ricard's European Committee has been established in a bid to institute a social dialogue suitable for its new scale of business. Representatives from the 14 countries in the European Community, in line with the social chapter of the Maastricht treaty in which the Group is present, met in Paris on the 28th and 29th September to outline ways in which this new body will operate. After two days of debate, held simultaneously in French and English, the Special Negotiation Group, made up of representatives from personnel departments and unions in each country, unanimously signed an agreement which set up the Pernod Ricard European Committee. This committee will meet once a year and will enable the representatives of some 9,000 Group employees in Europe to benefit from a wider information source. Europe is thus a concrete reality for all Group employees.

Careers on the Internet

Reply to a job offer in Europe from Australia or send your spur-of-the-moment application for a position in a subsidiary in Asia from America - this is all possible since March 2000. Log on to the Pernod Ricard internet site (or that of a subsidiary of a Group brand). The human resources department is investing in the net and this is where they now publish a constantly updated list of positions available. The system is fast, reactive and clear. Exclusive to internal candidates, the vacancies are first of all offered within the Group before being posted on the web. Temporary, short-term and long-term positions and work experience courses are offered over the world to surfing job seekers. As of today, applications placed through Group Pernod Ricard's site are redirected through the net, (in keeping with the wishes of the candidate), to the subsidiary which will then deal with the application. Through the intranet set up by Directors of the Group's Human Resources department in all four corners of the world, the successful applicants will become part of a rich communal data base, which creates an international pool of skills and abilities.

www.pernod-ricard.fr

The Pernod Ricard Training Centre

1999 was a year of great activity for the Pernod Ricard training centre with 23 organised sessions for a record total of 301 executives. The majority of the top level courses are now held in three languages French, English and Spanish, as 45% of the delegates come from our international subsidiaries. The catalogue of courses on offer was enhanced with double the number of marketing related courses, featuring an initiation

Pernod Ricard

ANNUAL GENERAL MEETING OF SHAREHOLDERS
MAY 2, 2000
FOR THE 1999 FISCAL YEAR

CONTENTS

Pernod Ricard

Limited company with capital of FF 1,127,733,200

Head office: 142, bd Haussmann, 75008 Paris
Tél: (33-1) 40.76.77.78 Fax: (33-1) 42.25.95.66
R.C.S. Paris B 582041 943 (58B4194)

BOARD OF DIRECTORS

	Mandate Since	Until (7)
Chairman		
Mr. Patrick Ricard	15.06.1978	2003
Directors		
Mr. Jean-Claude Beton (1)	11.06.1987	2004
Mr. Jean-Dominique Comolli (6)	06.05.1997	2002
Mr. Pierre Faurre (6)	04.05.1999	2004
Mr. Jean-René Fourtou (6)	06.05.1997	2002
Mr. François Gérard (2)	10.12.1974	1999
Mr. Rafaël Gonzales Gallarza (3)	17.07.1997	2001
Mrs. Françoise Hémard (1)	09.06.1983	2001
Mr. Thierry Jacquillat (1)	10.05.1989	2003
Mrs. Danièle Ricard (1) (5)	16.06.1969	2004
Mr. Gérard Théry (1) (6)	04.05.1999	2004
Société Paul Ricard - Permanent Representative: Mrs. Béatrice Baudinet (4)	09.06.1983	2002

(1) These directors do not retain any other responsibilities as directors in companies of any significant size.
(2) Mr. François GÉRARD is chairman and CEO of SIAS-MPA.
(3) Mr. Rafaël GONZALES GALLARZA is chairman and CEO of PR Larios.
(4) Mrs. Béatrice BAUDINET is general manager of SA Paul RICARD.
(5) Mrs. Danièle RICARD is chairman and CEO of SA Paul RICARD.
(6) Independent Member of the Board of Directors.
(7) Mandate renewed for a term of office that will expire at the end of the shareholders' meeting that examines the accounts of above mentionned fiscal year.

Mr. Patrick RICARD is a Member of the Board of Directors of Société Générale and of the following companies: Eridania Béghin-Say and SA Paul Ricard.
Mr. Jean-Dominique COMOLLI is co-chairman and CEO of ALTADIS.
Mr. Pierre FAURRE is chairman and CEO of SA Sagem, and is a Member of the Board of Directors of Saint-Gobain, Suez Lyonnaise des Eaux and Société Générale.
Mr. Jean-René FOURTOU is Vice chairman of AVENTIS, Vice Chairman of the AXA supervisory board, sits on the boards of Schneider and Compagnie Financière Paribas.

The Board of Directors held 7 meetings during 1999.

GENERAL MANAGEMENT

Chairman and Chief Executive Officer

Mr. Patrick Ricard 15.06.1978

President

Mr. Thierry Jacquillat 15.06.1978

AUDITORS

C. C. C. Jean Delquié (*)
84, Boulevard de Reuilly - 75012 PARIS
Mr. Jean DELQUIÉ

Société d'Expertise Comptable A. & L. Genot (*)
99, Boulevard Sakakini - 13352 MARSEILLE
Mr. Alain, Mr. Louis GENOT

Cabinet Mazars & Guérard (**)
125, rue de Montreuil 75011 PARIS
Mr. Frédéric ALLILAIRE
Mr. Xavier CHARTON

Alternate Auditors:
Société Salustro Reydel (**)
Mr. José MARETTE (**)

KEY DATES

1974 and 1975:
- Creation of the PERNOD RICARD GROUP, headed by Jean HÉMARD.

1976:
- Absorption of CDC (DUBONNET, CINZANO, BYRRH) and CUSENIER.

1980:
- Acquisition of the US company AUSTIN NICHOLS.

1981:
- Acquisition of the ORANGINA brand for international distribution.

1982:
- Takeover of SIAS-MPA, the world's leading producer of fruit preparations.

1983-1995:
- International expansion of SIAS-MPA.

1984:
- Takeover of CFPO (Compagnie Financière des Produits Orangina), followed by the takeover of the main French bottling companies of the same brand.

1985:
- First Asian branch established in Singapore.

1985-1995:
- Expansion of the European network.

1988:
- Takeover of IRISH DISTILLERS following a friendly takeover bid.
- Acquisition of YOO-HOO INDUSTRIES (USA).

1989:
- Acquisition of ORLANDO WINES (Australia).

1990-1994:
- Expansion of the Asian network.

1993:
- Cooperation agreement with Cuba for the sale of HAVANA CLUB rum.

1995:
- Acquisition of SOMAGNUM (Portugal).
- Creation of PR Belux (Belgium and Luxembourg), WORLD BRANDS FINLAND and WORLD BRANDS DENMARK.

1997:
- Acquisition of LARIOS (Spain), EPOM (Greece), APPLEBY WESTWARD (U.K.) and TWO DOGS (Australia).
- Investment in Czech company JAN BECHER.

1998:
- Acquisition by BWG of six wholesale distribution companies in Ireland and UK.
- Acquisition by SIAS MPA of ITALCANDITI (Italy) and of two companies in South Africa and Argentina.

1999:
- Acquisition of AGROS in Poland, YEREVAN BRANDY COMPANY (Armenia), VIUDA DE ROMERO (Mexico).
- Creation of the companies THE UNITED AGENCIES in India, of GPR EAST and PR LATVIA in the Baltic States, and of PR Chile.
- Acquisition of the Georgian wine company GWS.

INFORMATION

Alain-Serge Delaitte,
Vice President, Communications
142, bld Haussmann - 75379 PARIS CEDEX 08
Telephone: (33) 1 40 76 77 12
Fax: (33) 1 45 62 59 40

(*) Mandate renewed in 1999.
(**) Mandate renewed in 1998.

Management Report

In accordance with the applicable legal provisions and our bylaws, we have convened this Annual General Shareholders' Meeting to report to you on the activity of your Company and its subsidiaries during the year 1999 and to submit for your approval the financial statements for the year ending December 31, 1999.

There was overall growth in the world economy in 1999 and particularly in our key markets of Western Europe, the United States and Australia, with higher consumer spending and lower unemployment. The emerging economies of Asia, and to a lesser extent of South America, also followed this trend.

As expected, the arrival of the euro on January 1, 1999 reduced average financing costs in Europe, despite an increase in interest rates toward the end of the year, in a context of low inflation. The major currencies rose against the euro, with the US dollar increasing by 4.4% on average, the English pound 1.9%, and the Australian dollar 6.4%.

In its core business of Wines and Spirits, the PERNOD RICARD Group achieved one of the highest volume increases in the industry, due to the strong growth of its strategic brands.

This market was stable in 1999, due to the combined effects of the recovery in Asia, the continued improvement in the US market and the relatively minor "Millenium effect", despite a sharp decline in duty free sales in Europe after July 1.

Clear spirits confirmed their strength by increasing their market share, while the market for Scotch whisky remained stable. Brandies fell considerably due to the combined impact of lower consumption in Asia and difficult conditions in the traditional markets of Spain and Mexico.

The Fruit Preparations and Soft Drinks business (which includes fruit juices, drinks and preparations) also performed very well, while the Distribution segment's sales also increased substantially through both organic growth and the acquisition of new companies in the United Kingdom.

PERNOD RICARD thus booked sales of 3,590 million euros in 1999, a 14.4% increase over the previous year.

Pretax profit before exceptional items rose 8.3% to 340 million euros. Sales growth at constant exchange rates and consolidation scope accounted for 5.5% of this figure, despite the lower profitability of the Fruit Preparations and Soft Drinks business which was due in part to a general decline in the market.

The Group's share in net income increased 5.5% in 1999, to 213 million euros.

This good performance confirms that the strategy of focusing on the core business of wines and spirits and leveraging the portfolio of high-potential strategic brands to strengthen the Group's position as a global market leader, is creating value.

In 1999 the Group continued to make acquisitions in each business segment. These included:

- Acquisition of 37% of the share capital and 74% of the voting rights in AGROS, one of Poland's top food companies which owns the international rights to several brands of Polish vodka, including Wyborowa and Zubrowka.
- Acquisition of the Mexican company "TEQUILA VIUDA DE ROMERO", one of Mexico's oldest distilleries. This will enable PERNOD RICARD to consolidate its presence in the Mexican market and promote its international brands there.
- Exercise of the share purchase option gained in 1998 when Armenia called for a tender to privatize the YEREVAN BRANDY Company.
- Uniting of all international rights to the Becherovka brand, which in some countries, such as Germany, were previously held by the UNDERBERG Group. These rights were sold to the Czech company JAN BECHER, in which PERNOD RICARD Group owns shares along with various Czech investors, via the SALB holding company.
- Continued strengthening of distribution networks in the United Kingdom, by acquiring BARGAIN BOOZE, SYMONDS and SAXTONS.

The plan to sell the Orangina brand and all associated operating assets to THE COCA COLA Company for 4.7 billion francs was once again refused by the French government on November 24, 1999, even though the offer had been amended to take account of the requirements expressed by the Ministry of the Economy, Finance and Industry in its decision to refuse this acquisition on September 17, 1998. One such requirement was that the purchaser abandoned distributing Orangina in France in the "on-trade" market for 10 years.

THE PERNOD RICARD GROUP

Commercial results

Wines and Spirits

PERNOD RICARD's core business of wines and spirits accounted for 44% of its sales in 1999. Sales for this business increased 8.9%, and 7.6% at constant exchange rates and consolidation scope.

PERNOD RICARD's strategic brands continued to expand, with overall growth of 4% by volume. The Group increased its sales in 1999 in all regions of the world.

In France, Ricard sales by volume continued to increase, Clan Campbell became the top selling Scotch and Aberlour the leading malted whisky. Irish whiskeys posted the strongest growth in the whisky segment, with Jameson accounting for 50% of volumes. Larios is already number four in the gin market with 10% market share. In the liqueur sector, Soho exceeded the one million liter mark for the first time. Havana Club continued its rapid growth.

Although intra-Community duty-free sales were abolished in Europe, the Group's main brands continued to grow in terms of volume and market share. Havana Club increased its sales by 35% on the Continent and became the best-selling rum in Italy where volume sales have quadrupled in two years. Ramazzotti continues to post its strongest growth in the German market at 32%. Larios' volume sales are growing once again in its home market and Mini ouzo has become the top-selling anis liquor in Greece. In the wines segment, Jacob's Creek took off spectacularly in the United Kingdom, its main market, with a 54% increase in sales.

Wines and spirits also performed well elsewhere in the world, despite a less favorable economic environment, both in Asia and in South America. Havana Club (with overall volume sales growth of over 26%) continues to be the world's fastest growing spirit over the past four years. After the Group took over distribution of Wild Turkey in the United States and Japan, sales of this brand increased 8.5%, with excellent performance in the U.S. and in Asia, particularly Korea. Jacob's Creek, which posted overall growth of 31%, continues to grow in all markets and is driving the entire "World wines" segment and particularly Etchart, which pursues its expansion outside of Argentina. The major brands are confirming their potential in Australia, a relatively new market for PERNOD RICARD spirits.

Fruit Preparations and Soft Drinks

Fruit drinks and juices performed well in 1999, despite a generally unfavorable environment. Orangina sales grew 2%, achieving the highest volumes of the decade, except for 1991, despite the climate of uncertainty in which employees worked throughout the year. Orangina expanded not only in France but also in all of its European markets. The successful launch of the "les Givrés" product line affirms the ORANGINA company's growth potential. The Pampryl product line also showed strong sales growth in 1999. Champomy, which is still as popular as ever with young consumers, has just been launched for export. In Argentina, Minerva is continuing its volume growth, despite the economic crisis which is affecting the region. In the United States, Yoo-Hoo is completing the restructuring of its product line toward high-value-added formats to the detriment of total volume.

Fruit preparation sales grew 8% by volume in an often difficult economic climate, particularly in Eastern Europe. This business was also penalized by the sharp rise in the prices of ingredients.

Distribution

The Group's distribution business continued to grow rapidly, both organically (6.2%) and through acquisitions. Total sales for this business increased by 36.9%.

Analysis of the consolidated income statement

The consolidation of BARGAIN BOOZE and SAXTONS increased the number of consolidated subsidiaries in 1999.

The 1999 accounts were also impacted by the consolidation of SIAS MPA subsidiaries ITALCANDITI and FLAVO FOODS as from July 1, 1998 and of BWG's subsidiaries BELLEVUE, KNOX, RENTONS, GOODWINS and SYMONDS, which were consolidated in 1998.

Net sales excluding taxes and duties in 1999 totaled 3,590 million euros, a 14.4% increase over 1998. Excluding foreign exchange effects (1.2%) and changes in consolidated subsidiaries (7.0%) organic sales growth was 6.2%.

This substantial increase in consolidated sales reflects the uniform and sustained growth of the Group's business, Wines & Spirits (with organic growth of 7.6%), Distribution (6.2%) and Fruit Preparations and Soft Drinks (4.2%).

The Group obtained 81% of its sales in Europe in 1999, and 28% in France, a 5.7% increase on a like-for-like basis. Sales grew organically by 6.3% in the rest of the Continent, which accounted for 53% of consolidated sales.

Business elsewhere in the world (mainly the United States, Australia and South America) accounted for 19% of consolidated sales, and grew 6.9% at constant exchange rates and consolidation scope.

The consolidated gross margin in 1999 was 1,798 million euros, an increase of 5.8% at constant structure and exchange rate basis, which is comparable to organic sales growth. The decrease in the gross profit margin rate from 52.6% in 1998 to 50.1% in 1999 is mainly due to the change in our business mix and particularly to the substantial increase in distribution business.

Production costs and overheads are under control, increasing only 2.3% on a like-for-like basis.

Marketing and distribution costs which include advertising, promotional, sales network and logistics expenses increased 9.6% on a like-for-like basis, due mostly to the 12.7% increase in advertising and promotional expenditures in respect of the Group's strategic brands.

Operating profit thus grew 6.6% to 372.3 million euros, compared with 349.4 million in 1998.

Analysis by business segment shows:

- A sharp increase of 10.3% in Wine & Spirits International operating profit to 169.2 million euros, which accounts for 45.5% of consolidated operating profit.

  This growth was 8.1% excluding the effects of exchange rate and consolidation differences but including the impact of the abolition of duty-free sales within Europe. This demonstrates the potential to create value with our portfolio of strategic brands.

- Wines & Spirits France posted 2.6% growth in operating profit, due to the development of the portfolio of brands owned by PERNOD and RICARD.

- Distribution operating profit grew substantially by 30.6% in 1999, through acquisitions during the year and also through organic growth, despite a difficult market in Northern Ireland.

- The 4.3% drop in operating profit for the Fruit Preparations and Soft Drinks segment is due mainly to the decline in SIAS' operating profit. Although volumes of sales grew, profits were hurt by the increase in ingredient prices and efforts to improve the quality of fruit preparations.

Net financial expenses decreased 8.9% to 32.1 million euros, from 35.3 million euros in 1998, due to the small increase in the Group's average net debt resulting from investments made during the year, which was more than offset by the decrease in average financing cost and in the working capital requirement.

Pretax profit before exceptional items for the year was therefore 340.2 million euros, up 8.3% from 1998. At constant exchange rates and consolidation scope, organic growth in profit before exceptional items was 5.5%.

Exceptional items amounted to a net charge of 8.2 million euros, compared with a charge of 12.4 million in 1998. Major exceptional items included capital gains on the sale of shares in SOCIÉTÉ GÉNÉRALE and of an office building in Brentford, UK and restructuring charges for our cognac business and operations in China.

Corporate income tax increased 18.1%, due to the increase in pretax profit before exceptional items and in taxable exceptional profits.

Income from equity affiliates increased significantly to 2.3 million euros in 1999, compared with 0.9 million the previous year, due to the turnaround of HEUBLEIN DO BRAZIL.

Goodwill amortization expenses increased to 21.1 million euros in 1999, compared with 14.5 million in 1998. They include the exceptional amortization of goodwill in EL MUCO BEBIDAS (Venezuela) and CASELLA FAR EAST (China), recorded to take account of the lower profit outlook for these two companies.

The Group's share in net income in 1999 was therefore 213.2 million euros, a 5.5% increase over 1998.

Human Resources

As of December 31, 1999, employees of the PERNOD RICARD Group numbered 14,077 persons, 9,309 of them outside France.

In accordance with the authorization given by the Special Shareholders' meeting of May 5, 1998, the Board of Directors of PERNOD RICARD instituted a stock option plan for upper level executives within the Group.

This plan covered 266,842 shares granted as options on January 27, 2000 to 180 beneficiaries at the price of 59.90 euros per share.

The average purchase price of these shares was 63 euros. Brokerage fees were 33,622 euros.

During 1999, 65,816 shares, 86,175 shares, 37,600 shares and 4,311 shares were acquired under the provisions of stock option plans set up in 1999, 1994, 1996 and 1997. There were no options exercised under the plans set up in 1999.

Management of Financial Risks

In 1999, the policy for management of financial risks continued to adhere to the previously introduced rules of prudence. The Group has deemed it essential to hedge its exposure to interest rate, exchange rate, and liquidity risks by taking strong positions strictly based on its own anticipated activity.

Research and Development

The Group continued its R&D efforts in 1999, in its research laboratories and in various subsidiary projects. It allocated approximately 1% of its consolidated annual sales to R&D. The total number of employees involved in this activity is approximately 250.

The funds and numbers of employees allocated to research and development have remained stable over the past three fiscal years.

Future Prospects

The French government's decision to refuse the sale of ORANGINA to THE COCA-COLA Company, for the second time, does not mean that PERNOD RICARD will modify its growth objectives, but the methods for implementing this strategy will be reconsidered.

The Group's objective is the same as in 1997: to double in size in seven years to become a world leader in Wines & Spirits while maintaining the same level of profitability.

To achieve this goal the PERNOD RICARD Group now has its own well performing distribution network in all growth markets and a portfolio of high-potential global brands on which it may base its organic growth strategy.

PERNOD RICARD also has considerable financial resources to make new acquisitions.

The Group expects to pursue its growth in 2000 by increasing sales and productivity and making new acquisitions.

THE PERNOD RICARD COMPANY

The main role of PERNOD RICARD, the parent company of the Group, is to handle matters of general interest and coordination in the areas of strategy, financial control of subsidiaries, external growth, marketing, development, research, human resources, and communications. In addition, PERNOD RICARD is authorized by its French subsidiaries to carry out, on their behalf, the purchase of media space.

Finally, PERNOD RICARD has turned over to some of its subsidiaries the use of brands of which it is the owner.

Operating income, which includes royalties for brands belonging to PERNOD RICARD, totalled FF 409 million (62.3 MEUR), a 5.1% increase from 1998. Operating expenses rose 13.6% to 389 million francs (EUR 59.4 million).

Given this increase, operating profit fell from 46.3 million francs (EUR 7.1 million) to 19.4 million francs (EUR 3.0 million).

Financial income was 847 million francs (EUR 129.1 million), compared with 1,068 million francs (EUR 162.8 million) in 1998, due to the decrease in dividend income from subsidiaries, which was partially offset by the decrease in financial expenses resulting from lower interest rates.

Net income after taxes in 1999 was 878.2 million francs (EUR 133.9 million) compared with 1,158.7 (EUR 176.6 million) in 1998, a decrease of 24.2%.

Appropriation of Net Income

The 1999 statements are attached to this report, and we hereby submit them for your approval.

We propose that you set the dividend at 1.6 Euro per share.

We therefore submit to you the following income allocation:

Net income for the year:	FF	878,156,022.53
Retained earnings:	FF	2,660,244,101.54
Distributable earnings:	**FF**	**3,538,400,124.07**

And decides to distribute these funds in the following manner:		
Sum necessary to pay shareholders, as a primary dividend, a sum equal to 6% of equity, or FF 1.20 per share:	FF	67,663,992.00
Sum necessary to pay shareholders, as a supplementary dividend, at FF 9.2953 per share:	FF	524,131,597.34
Additional tax on distribution	FF	96,365,000.00
The remainder allocated to retained earnings:	FF	2,850,239,534.73
Total amount allocated:	**FF**	**3,538,400,124.07**

At the time of payment, dividends accruing to shares held by the Company will be deducted from the total dividends and will be allocated to the "retained earnings" account. The difference between the additional tax on distribution forcast and tax paid will also be allocated to retained earnings.

If you approve of this appropriation plan, the overall dividend for one share will be 2.40 euros based on a 50% tax credit.

Distributed dividend	1.60 euro
Tax already paid to the French Treasury	0.80 euro

We request that you set the date of May 10, 2000, for payment of the dividend, after deduction of the payment of an interim dividend of 0.75 euro on January 12, 2000.

In accordance with the provisions of Article 243 bis of the General Tax Code, it is stated that the amounts of dividends distributed for the three previous years and of the corresponding tax credits were as follows:

	Shares outstanding	Net amount (in FF)	Tax credit (In FF)	Total revenue (in FF)
1996	56,386,660	8.40	4.20	12.60
1997	56,386,660	9.50	4.75	14.25
1998	56,386,660	9.84	4.92	14.76
		(1.50 EUR)	(0.75 EUR)	(2.25 EUR)

Additional Information

We ask you to grant your Board of Directors discharge for their management in 1999.

We propose that you re-elect Mr. François GERARD whose term as director ends with this meeting.

Your Board proposes to increase directors' fees to FF 2,160,000 to FF 2,225,000 at the beginning of 2000 accounting year, an increase of 3%, it being understood that this additional expense will probably not be deductible for corporate income tax purposes.

We also propose that you authorize your Company to repurchase its own shares up to a limit of 10% of its share capital, or 5,638,666 shares based on the number of shares existing on 31 December 1999 for a period of eighteen months starting from the day of the present Shareholders' Meeting for the following purposes:

- to grant shares to its own employees or to employees of its group, either through stock options, through a profit-sharing plan or through any other means allowed by law to promote employee savings in the company,
- to regulate share price,
- to cancel shares if necessary to optimize earnings per share and return on equity, provided that the Special Shareholders' Meeting approves the resolution that authorizes this share cancellation,
- to sell, exchange or transfer the shares purchased using any means, depending on the opportunities available.

The Company currently owns 808,087 of its own shares, purchased in the share repurchase program authorized by the Annual Shareholders Meeting of May 4, 1999.

Lastly, we inform you that PAUL RICARD and SIFA both held 10% or more of PERNOD RICARD voting rights on December 31, 1999.

The personnel of PERNOD RICARD and its subsidiairies hold 3.3% of the voting rights.

We ask that you adopt the draft resolutions to be submitted for your approval.

Consolidated Balance Sheet

Assets

EUR million	31/12/1999 Gross value	31/12/1999 Amortization and provisions	31/12/1999 Net value	31/12/1998 Net value	31/12/1997 Net value
Fixed assets					
Intangible assets	615.7	67.0	548.7	531.4	527.0
Property, plant and equipment	1,446.3	761.1	685.2	592.7	574.4
Goodwill	503.6	135.7	367.9	325.9	289.8
Investments	321.7	8.6	313.1	237.8	233.9
Total fixed assets	**2,887.3**	**972.4**	**1,914.9**	**1,687.9**	**1,625.1**
Current assets					
Inventories	1,015.2	18.8	996.4	890.3	855.8
Current receivables	1,147.1	58.6	1,088.5	897.9	742.3
Marketable securities	154.0	3.9	150.1	120.9	112.7
Cash	277.0	0.0	277.0	295.0	336.3
Total current assets	**2,593.3**	**81.3**	**2,512.0**	**2,204.1**	**2,047.1**
Prepaid expenses	**47.9**	**3.1**	**44.8**	**39.3**	**36.4**
Currency translation adjustment	**0.5**		**0.5**	**0.8**	**0.5**
Total assets	**5,529.0**	**1,056.8**	**4,472.2**	**3,932.1**	**3,709,1**

Capital and liabilities

EUR million	31/12/1999	31/12/1998	31/12/1997
Shareholders' Equity	**2,061.4**	**1,828.2**	**1,766.6**
including Net Income	213.2	202.2	206.5
Minority Interest's Equity	**57.8**	**50.8**	**57.0**
including minority interest income	7.1	7.3	5.7
Provisions for contingencies	85.0	75.0	76.7
Deferred income taxes	16.8	11.4	18.1
Liabilities			
Long-term debt	1,185.0	1,092.9	1,022.3
Returnable containers	10.9	11.4	13.7
Trade and other accounts payable	974.6	749.6	645.8
Other liabilities	77.0	108.4	104.3
Total Liabilities	**2,247.4**	**1,962.3**	**1,786.1**
Adjustments Liabilities	**3.9**	**4.4**	**4.6**
Total Capital and Liabilities	**4,472.2**	**3,932.1**	**3,709.1**

Consolidated Income Statement

EUR million	1999	1998	1997	1999/1998 %
Net sales excluding taxes and duties	3,590.3	3,137.7	2,904.0	14.4%
Cost of goods sold	(1,792.8)	(1,486.8)	(1,348.4)	20.6%
Gross margin	**1,797.5**	**1,650.9**	**1,555.6**	**8.9%**
Marketing and distribution costs	(863.8)	(767.4)	(706.9)	12.6%
Production costs and overheads	(561.4)	(534.1)	(524.7)	5.1%
Operating profit	**372.3**	**349.4**	**323.9**	**6.6%**
Net interest expense	(32.1)	(35.3)	(25.7)	-8.9%
Pretax profit before exceptional items	**340.2**	**314.1**	**298.2**	**8.3%**
Exceptional items	(8.2)	(12.4)	6.6	-34.1%
Income taxes	(92.8)	(78.6)	(84.1)	18.1%
Interest in earnings of equity companies	2.3	0.9	6.3	163.3%
Net income before amortization of goodwill	**241.5**	**224.0**	**226.9**	**7.8%**
Amortization of goodwill	(21.1)	(14.5)	(14.7)	45.8%
Net income before minority interests	**220.3**	**209.5**	**212.2**	**5.2%**
Minority interests	7.1	7.3	5.7	-3.4%
Net income	**213.2**	**202.2**	**206.5**	**5.5%**
Earnings per share* (EUR)				
Pretax profit	6.03	5.57	5.29	8.3%
Net earnings (Group share)	3.78	3.58	3.66	5.5%
Net pre-tax earnings				
Total (MEUR)	313.1	288.1	296.3	8.7%
Per share (EUR)	5.55	5.11	5.25	8.7%

*Number of shares in 1997, 1998 and 1999 : 56,386,660

Consolidated statement of changes in shareholders' equity

EUR million	Group shareholders' equity
SHAREHOLDERS' EQUITY AT DECEMBER 31, 1996	**1,597.1**
Dividends paid	(70.0)
Change in currency translation adjustment	33.0
Net income	206.5
SHAREHOLDERS' EQUITY AT DECEMBER 31, 1997	**1,766.6**
Dividends paid	(79.1)
Change in currency translation adjustment	(61.5)
Net income	202.2
SHAREHOLDERS' EQUITY AT DECEMBER 31, 1998	**1,828.2**
Dividends paid	(81.9)
Additional tax on distribution	(4.1)
Change in currency translation adjustment	106.0
Net income	213.2
SHAREHOLDERS' EQUITY AT DECEMBER 31, 1999	**2,061.4**

Consolidated Cash-Flow Statement

EUR million	1999	1998	1997
Net income	213.2	202.2	206.5
Minority interests	7.1	7.3	5.7
Interest in earnings of equity companies (net of dividends)	(0.5)	6.6	2.0
Depreciation of fixed assets	86.3	78.7	78.7
Amortization of goodwill	20.9	14.2	14.6
Change in provisions and deferred taxes	14.2	0.6	12.3
Gains on disposals of fixed assets	(38.0)	6.3	(32.2)
Cash flow	**303.2**	**315.7**	**287.7**
Change in working capital need	25.0	(119.1)	(48.6)
Cash provided by operating activities	**328.2**	**196.7**	**239.0**
Acquisition of property, plant and equipment (net of disposals)	(112.1)	(119.2)	(70.9)
Acquisition of financial assets (net of disposals)	(62.7)	(29.1)	79.7
Effect of change in scope of consolidation	(53.1)	(95.1)	(230.4)
Net change in receivables and payables on assets	(25.2)	1.2	0.0
Cash used in investment activities	**(252.9)**	**(242.2)**	**(221.5)**
Increase in capital	-	-	-
Dividends paid	(92.5)	(82.9)	(71.0)
Cash used in financing activities	**(92.5)**	**(82.9)**	**(71.0)**
Currency translation adjustment	(63.7)	24.7	(13.0)
Change in net debt	**(81.0)**	**(103.8)**	**(66.5)**
Net debt at the beginning of the year	(677.0)	(573.2)	(506.7)
Net debt at the end of the year	(758.0)	(677.0)	(573,2)

Notice on the presentation of the Cash-Flow Statement: The change in net debt consists of the change in loans, long-term debt and cash. The net debt consists of:

EUR million	01/01/00	01/01/99	01/01/98
Loans and long-term debt	(1,185.0)	(1,092.9)	(1,022.3)
Marketable securities	150.0	121.0	112.7
Cash	277.0	294.8	336.5
Opening net debt	**(758.0)**	**(677.0)**	**(573.2)**

to the Consolidated Financial Statements

NOTE 1 - ACCOUNTING PRINCIPLES

1.1. Principles of consolidation

The Group's consolidated financial statements have been prepared in compliance with French legal requirements as set forth in Law No. 85-11 of January 3, 1985 and the related Application Decree No. 86-221 of February 17, 1986.

The financial statements of significant subsidiaries which are over 50%-owned or effectively controlled are included in the consolidated financial statements.

Companies over which the Group exercises joint control with another partner are consolidated using the equity method.

All intercompany and intra-Group transactions have been eliminated.

A list of the consolidated companies is provided in Note 18. For purposes of simplification and to avoid any serious prejudice to the Group, only the names and addresses of the main companies included in the scope of consolidation are listed.

1.2. Foreign currency translation

Financial statements prepared in foreign currencies have been translated according to the following principles:

- Balance sheets have been translated at official year-end rates.
- Statements of income have been translated using the average yearly rate for each currency.
- Differences in currency translation resulting from the effect of fluctuations in the year-end to year-end exchange rate on opening shareholders' equity and from the use of different rates in translating the balance sheet and the statement of income have been included in consolidated reserves.

Foreign currency transactions are translated at the exchange rate prevailing at the transaction date. Gains and losses resulting from foreign currency translation up until December 31, 1999 are recorded in the statement of income.

1.3. Intangible assets

Intangible assets are valued at original cost; they are amortized when their market value falls below cost.

For brands, the inventory value is determined based on their future profits

In compliance with the Law of January 3, 1985 concerning French companies' consolidated financial statements, goodwill arising from mergers prior to 1987 was fully amortized that year by a direct charge to shareholders' equity.

1.4. Property, plant and equipment

Property, plant and equipment are valued at cost or when applicable, at a revalued cost in compliance with legal requirements.

Depreciation is calculated according to the straight-line method or, when applicable, according to the declining-balance method over the estimated useful life of the underlying asset.

Average periods of depreciation for these assets are as follows:

Buildings	15 to 50 years
Machinery and equipment	5 to 15 years
Other fixed assets	3 to 5 years

Real estate of significant value which is acquired through leasing contracts is capitalized and depreciated over the estimated useful life of the asset.

Buildings under sale and leaseback agreements are subject to a similar restatement. Any resulting capital gains are eliminated from the year's income.

Returnable containers are valued at cost. Based on statistics provided by each company, this item is restated to adjust the asset value of the containers to reflect losses from breakages and to recognize unrealized income from non-returns. In the case of changes in deposit rates, the debt corresponding to non-returned containers is valued at the new rates, with possible losses charged to expenses.

Obsolescence is reflected in the depreciation calculations.

1.5. Investments

Equity investments in non-consolidated companies are valued at acquisition cost. A provision for depreciation is made if the market value falls below cost.

This inventory value is equal to the current value, which can generally be estimated based on the market price, or which may correspond to the company's portion of shareholders' equity represented by these securities.

1.6. Goodwill

Since January 1, 1986, goodwill on acquisition has been reflected in assets and assigned by brand name if appropriate.

Goodwill is amortized on a straight-line basis over a period appropriate to the acquisition but not exceeding 40 years. Regarding strategic investments, notably the acquisitions of IRISH DISTILLERS Group and ORLANDO WYNDHAM, goodwill on acquisition is amortized over a 40-year period and represents about 44% of the net amount of the goodwill at december 31, 1999, compared to 48% at december 31, 1998.

Goodwill on recent acquisitions is amortized over a period not exceding 20 years.

At the end of every accounting period, the acquisition variances are analyzed in terms of the development of the company and may be depreciated if necessary.

1.7. Inventories

Inventories are valued at the lower of cost or market value, mainly using average weighted costs. A depreciation reserve is set up when the inventory value is less than the net book value.

The cost of long-term inventories is uniformly determined to include distilling and aging costs but excludes interest expense. These inventories are classified in current assets according to prevailing business practices, although a large part remains in inventory for over one year before being sold.

1.8. Marketable securities

Marketable securities are recorded on the balance sheet at their original value. When the market value of these securities at the close of the fiscal period is less than their original value, a depreciation reserve is set up.

1.9. Borrowings denominated in Irish Pounds

The effects of variations in exchange rates on repayments on the maturity dates of borrowings in Irish pounds contracted for the acquisition of the IRISH DISTILLERS Group have been eliminated by the constitution of a deposit in the same currency and of an amount identical to that of the debt.

1.10. Provisions for contingencies

This item records all provisions for contingencies made by Group companies, notably provisions for retirement benefits, excluding related social charges.

The Group's foreign companies provide for their retirement-related commitments in compliance with local practice and legislation. The Group's French companies record retirement benefits accrued at year-end for those employees 45 years of age and older, and who have been employed by the company for more than ten years.

This provision is computed by discounting future commitments.

1.11. Income taxes

Since January 1, 1977, Groupe PERNOD RICARD's tax liability has been determined according to the regulations governing tax consolidation of French companies more than 95% owned.

Deferred tax credits or liabilities resulting from timing differences between taxable income and accounting income are accounted for by the accrual method. These concern primarily timing differences, cancellations of regulated provisions and restatements on consolidation. Deferred income taxes as tax losses carried forward and long-term capital losses have been recorded only if there is a high probability of charging them in the short term to taxable profits.

Both long term and short term deferred tax expenses are recorded as deferred tax liability.

Deferred taxes in France have been revalued to reflect the additional contribution based on the due date.

The impact of a re-evaluation of all deferred taxes in France would have been negligible.

1.12. Management of financial risks and interest rate hedging instruments

In 1999, the policy of managing financial risks continued to respect the previously introduced rules of prudence. The PERNOD RICARD Group has deemed it essential to hedge its exposure to risks of interest rates, exchange rates and liquidity strictly based on its own anticipated operations. In particular, the practice of management of exchange rate risks and the realization of multilateral clearing of intercompany flows (netting) has had the effect of significantly reducing the Company's exposure to exchange rate risks. As a result, the residual exposure to exchange rate is low.

Income and expenses relating to contractual guarantees entered into are recorded in the PERNOD RICARD Group income statement on a prorata basis over the life of the contract:

- Premiums paid are spread, for accounting purposes, over the duration of the contract.
- Interest rate differentials received or paid from time to time are accounted for in the year earned or incurred.

NOTE 2 - SCOPE OF CONSOLIDATION

Consolidation scope was modified by the consolidation of the BARGAIN BOOZE and SAXTON distribution companies that BWG acquired during the year.

Companies in which the group PERNOD RICARD took recently a stake (AGROS, VIUDA DE ROMERO) are not consolidated as at december 31, 1999.

The impact of the consolidation of these companies would not affect significantly the consolidated result of PERNOD RICARD for 1999.

NOTE 3 - NET FINANCIAL ITEMS

EUR million	1999	1998	1997
Net interest expense	(46.4)	(46.5)	(46.3)
Investment income	9.3	7.7	12.8
Other	5.0	3.5	7.8
Total	**(32.1)**	**(35.3)**	**(25.7)**

NOTE 4 - NET EXTRAORDINARY ITEMS

EUR million	1999	1998	1997
Net capital gains on assets and securities disposals	31.8	4.0	28.5
Restructuring charges	(23.1)	(9.9)	(5.3)
Other	(16.9)	(6.5)	(16.6)
Total	**(8.2)**	**(12.4)**	**6,6**

Restructuring charges in 1998 include the cost of streamlining manufacturing and administration during that year.

Exceptional items in 1999 mainly consisted of restructuring charges and provisions against various fixed assets which were offset by gains on the disposal of various operating and financial assets: Société Générale and Campbell Distillers' head office.

NOTE 5 - INTANGIBLE ASSETS AND GOODWILL

The intangible assets recorded at year-end mainly consist of trademarks.

The value of acquired trademarks is determined according to the Company's sector of activity and the importance of their international distribution.

The inventory value is estimated based on future profits which may be generated by the brand in question.

The change in intangible assets and goodwill from 1998 to 1999 may be explained primarily by various external growth transactions during the year, particularly, the acquisitions of BARGAIN BOOZE and SAXTON (by BWG).

The group does not depend on any specific patent or license.

NOTE 6 - AMORTIZATION OF GOODWILL

EUR million	1999	1998	1997
Amortization of goodwill	(21,1)	(14,5)	(14,7)

The increase in the goodwill amortization charge is due mainly to the exceptional amortization of goodwill on EL MUCO BEBIDAS (Venezuela) and CASELLA FAR EAST (China), and to the effect of consolidating the BWG acquisitions.

NOTE 7 - PROPERTY, PLANT AND EQUIPMENT

EUR million	1999			1998	1997
	Gross value	Deprecia-tions and provisions	Net value	Net value	Net value
Land	61.8	2.8	59.0	55.0	59.1
Buildings	422.6	183.3	239.3	214.7	221.8
Machinery and equipment	735.6	452.6	283.0	227.6	209.2
Other	194.4	122.4	72.0	67.4	65.7
Work in progress	30.1	0.0	30.1	27.1	17.2
Advances	1.8	0.0	1.8	0.9	1.4
Total	**1,446.3**	**(761.1)**	**685.2**	**592.7**	**574,4**

Investments in 1999 totaled about MEUR 146 million (EUR 112 million net of disposals). They may be broken down as follows by business segment.

Wines and spirits France	8.5%
Wines and spirits International	50.8 %
Fruit preparations and soft drinks	28.3%
Distribution	12.4 %

NOTE 8- INVESTMENTS

EUR million	1999			1998	1997
	Gross value	Provisions	Net value	Net value	Net value
Shareholdings accounted for by the equity method	42.4	-	42.4	42.4	48.8
Other equity investments	224.0	(7.8)	216.2	143.5	143.3
Receivables on investments	38.8	(0.4)	38.5	20.7	18.3
Other	16.5	(0.4)	16.1	31.3	23.5
Total	**321.7**	**(8.6)**	**313.1**	**237.8**	**233.9**

Companies accounted for by the equity method include HEUBLEIN DO BRAZIL, L'IGLOO, BEIJING PERNOD RICARD WINERY, DRAGON SEAL, SIMEON WINES, EIGHT TO TWELVE.

Other equity investments include SOCIÉTÉ GÉNÉRALE shares (EUR 87.5 million, 1.23% of capital), Financière Saresco (EUR 13.6 million, 35% of capital), SIFA (EUR 6.2 million, 44.85% of capital). These investments are valued at the historic cost. On 31s December 1999 their market value is higher than their book value.

NOTE 9 - INVENTORIES AND WORK IN PROCESS

Inventories and work in process at 1999, 1998, and 1997 year ends were as follows:

EUR million	1999	1998	1997
Raw materials	137.5	131.7	154.7
Work in process	556.0	504.8	480.4
Goods in inventory	179.1	91.0	110.8
Finished products	123.8	162.8	109.9
Total	**996.4**	**890.3**	**855,8**

PERNOD RICARD does not have any significant dependence on its suppliers.

NOTE 10 - PROVISIONS FOR CONTINGENCIES

EUR million	1999	1998	1997
Provisions for retirement benefits	30.8	24.1	22.7
Provisions for risks	54.2	50.9	54.0
Total	**85.0**	**75.0**	**76.7**

Provisions for risks correspond mainly to reserves for taxes and benefits in the amount of EUR 15.9 million, reserves for disputes with third parties, in the amount of EUR 8.1 million, reserves for currency risks in the amount of EUR 0.2 million, with the remainder consisting mainly of reserves for restructuring activities or various risks.

To our knowledge, there are no facts or disputes which could significantly affect the results, financial position, or assets of the Group.

NOTE 11 - INCOME TAXES

EUR million	1999	1998	1997
Taxes payable	(87.5)	(85.3)	(74.7)
Deferred taxes	(5.3)	6.7	(9.4)
Total	**(92.8)**	**(78.6)**	**(84.1)**

Deferred taxes are calculated according to the accrual method. They are broken down as follows on the balance sheet:

EUR million	1999	1998	1997
Deferred tax credit	(52.3)	(47.6)	(47.1)
Deferred tax liability	69.1	59.0	65.2
Net deferred tax liability	**16.8**	**11.4**	**18.1**

Deferred tax assets recorded on 31/12/99 on tax losses (which are recorded only if there appears to be a high probability of applying to future taxable profits) total EUR 0.6 million.

The CECO company in France enjoys a special tax status.

NOTE 12 - LONG-TERM DEBT

The breakdown of long-term debt by maturity date is as follows:

EUR million	1999	1998	1997
Short term (less than one year)	1,070.6	774.0	677.2
including bank loans	*885.7*	*679.3*	*568.0*
Medium term (from one to five years)	105.7	297.6	318.3
Long term (over five years)	8.7	21.3	26.8
Total	**1,185.0**	**1,092.9**	**1,022.3**

- ·Around 42% of PERNOD RICARD's debt is denominated in non-euro currencies.
- On March 20, 1992, PERNOD RICARD issued, outside of France, bonds in the form of Perpetual Subordinated Notes for a total nominal amount of EUR 61.0 million.

The perpetual subordinated notes are considered to be a "repackaged" debt arrangement, arising from an agreement with a third-party special vehicle company at the time of issuance. The EUR 30.3 million of net indebtedness at December 31, 1999 was booked as "long-term debt". This amount is equal to the issue's face value minus a payment initially made and capitalized during the issuance.

Borrowings resulted in no guarantees or mortgages other than the guarantees provided by PERNOD RICARD SA, listed in Note 14.

NOTE 13 - EURO

The change in currency translation adjustment recorded in shareholders' equity related to euro zone currencies is a negative amount of EUR 39.0 million. These unrealized gains or losses mainly regard the Irish Punt, the Spanish Peseta and the Italian lira.

Costs related to the implementation of the Euro and to the year 2000 have a insignificant impact on fiscal year 1999.

NOTE 14 - FINANCIAL COMMITMENTS

EUR million	1999	1998	1997
COMMITMENTS GIVEN			
Leasing	18.2	13.4	11.7
Bank guarantees	176.5	166.0	148.9
Purchasing commitments	23.0	18.4	13.0

The guarantee given to SOCIÉTÉ GÉNÉRALE by PERNOD RICARD in order to counter-guarantee the loan notes issued for the partial financing of the IRISH DISTILLERS GROUP was reduced to EUR 0.09 million as of December 31, 1999 compared with EUR 1.2 and 0.6 million respectively as of December 31, 1997 and 1998.

In 1994, PERNOD RICARD provided guarantees of up to £ 40 million for amounts which may be owed by the BWG Foods and the BWG NI companies in the form of a loan and swap contracts taken out by these companies. As of December 31, 1999, the balance remaining due and which is guaranteed by PERNOD RICARD totals £ 28.8 million.

In 1998 PERNOD RICARD guaranteed various loans contracted by its subsidiaries, including a EUR 45.7 million loan to SANTA LINA and EUR 30.5 million loan to PR FINANCE S.A.

Pursuant to the provisions of section 17, Companies (Amendment) Act, 1986 (Republic of Ireland) PERNOD RICARD has guaranteed for the fiscal years 1997 to 1999, the liabilities of the following subsidiaries : Comrie Ltd., Irish Distillers Group Ltd, Irish Distillers Ltd., The West Coast Cooler Co. Ltd., Watercourse Distillery Ltd., Fitzgerald & Co. Ltd., Ermine Ltd., Gallwey Liqueurs Ltd., Smithfield Holdings Ltd., Irish Distillers Holdings Ltd.

NOTE 15 - GUARANTEED RATE CONTRACTS

As mentioned in Note 1.12, the PERNOD RICARD Group has a portfolio of rate guarantee contracts which represented, on December 31, 1999, a total sum of EUR 234.8 million, as follows:

Company	Contract	Maturity	Basis	Guarantees
PR Finance	Fixed rate swap	Dec. 2001	FF 300 million	3.5%
Orlando	Fixed rate swap	Nov. 2000	80 M AUD	6.58%
PR Finance	Fixed rate swap	Jan. 2000	FF 200 million	3.8%
PR Finance	Fixed rate swap	May. 2000	FF 400 million	3.5%
PR Finance	Fixed rate swap	Jan. 2003	FF 300 million	5.0%

The variable-rate portion of Pernod Ricard's long-term debt, after hedging, accounts for approximately 65% of the total.

NOTE 16 - AVERAGE NUMBER OF EMPLOYEES AND PAYROLL EXPENSES

The average number of employees in 1999 was 13,855, compared with 12,995 in 1998 and 12,057 in 1997. These figures are calculated on an average annual basis and include temporary personnel.

Payroll expenses totaled EUR 518.2 million in 1999 compared with EUR 472.9 million in 1998, and EUR 461.8 million in 1997. These figures include employee profit-sharing and payroll taxes in addition to temporary personnel costs.

NOTE 17 - BUSINESS SEGMENT INFORMATION

WINES AND SPIRITS FRANCE

	1999	1998	1997
Volumes sold millions of liters	**100**	**99**	**90**
Employees	**2,357**	**2,358**	**2,216**

12 production facilities in France :

- Bessan,
- Bordeaux,
- Cormeilles,
- Créteil,
- Cubzac,
- Dijon,
- Eauze,
- Lille,
- Lignières,
- Marseille,
- Thuir,
- Rennes.

Major trademarks:

- Ricard, Pastis 51, Pernod.
- Suze.
- Ambassadeur, Dubonnet, Cinzano, Byrrh, Americano 505, Vabé, Bartissol.
- Scotch Whiskies Clan Campbell, White Heather, Aberlour, Cutty Sark (*).
- Irish Whiskeys Jameson, Bushmills, Power, Paddy.
- Whisky canadien Royal Canadian.
- Bourbon Wild Turkey.
- Vodkas Karinskaya, Altaï, Stolichnaya (*).
- Calvados Busnel, Lancelot.
- Cognacs Bisquit, Renault, Armagnac Marquis de Montesquiou.
- Rhum Havana Club.
- Portos Cintra, Warre, Feist.
- Liqueurs Soho, Janeiro, Alaska, Cusenier, eaux de vie la Duchesse.
- Gins Larios, Black Jack, Hastings.
- Vins Alexis Lichine, Cruse, Victor Bérard, Pasquier Desvignes.
- Café de Paris, Blancs de fruits.

(*) licensed
(These franchised brands account for a negligible portion of the group's activity.)

Companies operating in the segment:

- Ricard and its subsidiaries: Renault Bisquit, Galibert & Varon.
- Pernod and its subsidiary: Cusenier.
- CSR Pampryl.

The principal clients in this sector are mass distribution companies in France and wholesalers as well as cafés, hotels and restaurants.

Wines and Spirits France

EUR million	1999	1998	1997	Change 1999/1998
Net sales excluding taxes and duties	**500.4**	**492.5**	**446.1**	**1.6%**
Cost of goods sold	(86.4)	(94.1)	(87.8)	- 8.2%
Gross margin	**414.0**	**398.4**	**358.3**	**3.9%**
Production and overheads expenses	(233.1)	(215.7)	(182.9)	8.1%
Marketing and distribution expenses	(87.5)	(91.6)	(87.5)	- 4.5%
Operating profit	**93.4**	**91.1**	**87.8**	**2.6%**

WINES AND SPIRITS INTERNATIONAL

	1999	1998	1997
Volumes sold millions of liters	**276**	**268**	**259**
Employees	**4,414**	**4,359**	**4,306**

25 production and bottling facilities:

- United States: Lawrenceburg.
- Great Britain: Aberlour, Kilwinning, Glenalachie.
- Ireland: Bushmills, Fox and Geese, Cork, Midleton.
- Australia: Rowland Flat, Griffith, Hunter Estate.
- Spain: Dicastillo, Manzanares, Malaga.
- Switzerland: Geneva.
- Argentina: Capilla, Mendoza, Cafayate, Carupan.
- Italy: Canelli.
- Netherlands:Tilburg.
- Greece: Palini, Mytilene.
- Czech Rep. : Karlovy-Vary, Bohatice.

Major trademarks:

- Ricard, Pastis 51, Pernod, Mini.
- Suze.
- Dubonnet.
- Scotch Whiskies Clan Campbell, Aberlour, White Heather, House of Lords, Glenforres.
- Irish Whiskeys Jameson, Bushmills, Paddy, Power.
- Bourbon Wild Turkey.
- Whisky canadien Royal Canadian.
- Cognacs Bisquit, Renault.
- Armagnac Marquis de Montesquiou, Calvados Busnel, Brandies Dorville.
- Rhum Havana Club.
- Liqueurs Zoco, Amaro Ramazzotti, Sambuca, Fior di Vite, Mariposa, Ocho Hermanos, Millwood, Eoliki.
- Gin Larios, Cork Dry Gin, Genièvre Legner, vodkas Huzzar, Altaï, Petroff.
- Vins Cruse, Alexis Lichine, Victor Bérard, Pasquier Desvignes.
- Jacob's Creek, Wyndham, Richmond Grove, Etchart, Palacio de la Vega, Long Mountain, Dragon Seal, Terra Andina.
- Canei, Carrington, Café de Paris, Carlton.

Companies operating in the segment:

- Pernod Ricard Europe Wines & Spirits and its subsidiaries: PR Larios (Spain) and its subsidiary Palacio de la Vega, Périsem and B&C Trading (Switzerland), Ramazzoti (Italy), IGM Deutschland (Germany), PR Austria (Austria), PR Nederland BV and its subsidiary Kerstens (Netherlands), Epom (Greece), Somagnum (Portugal), Perau Associates (Sweden), Brand Partners (Norway), World Brands Denmark, World Brands Finland, Alvita (Czech Rep.), PR Belux (Belgium), .
- PR Asia and its subsidiaries: Casella Far East (Hong Kong), Perising (Singapore), Pernod Ricard Japan (Japan), Casella Taiwan (Taiwan), Perithaï (Thaïland), PRK Distribution Ltd (Korea).
- Irish Distillers Group Plc and its subsidiaries Irish Distillers Ltd (Ireland), Old Bushmills Distillery Ltd (Northern Ireland), Fitzgerald (Ireland), PR South Africa (South Africa).
- Campbell Distillers and its subsidiary Caxton Tower Wines,
- PR Americas and its subsidiaries : Austin Nichols and its subsidiary Boulevard Distillers, PR Canada,, PR Argentina, PRC Distribution(Caribbean), PR Mexico, El Muco (Venezuela), PR Columbia.
- Orlando Wyndham and its subsidiary Two Dogs.
- Ricard and its subsidiaries.
- Pernod and its subsidiaries : Cusenier, Crus et Domaines de France
- CSR Pampryl.
- World Brands Duty Free and its subsidiary, World Brands Duty Free Inc (USA),

The major clients of this division are mass distribution companies, wholesalers, bars, hotels and restaurants and specialty stores.

Wines and Spirits International

EUR million	1999	1998	1997	Change 1999/1998	Excluding currency effect
Net sales excluding taxes and duties	**1,068.3**	**948.7**	**932.8**	**12.6%**	**10.2%**
Cost of goods sold	(377.2)	(318.4)	(315.1)	18.5%	
Gross margin	**691.1**	**630.3**	**617.7**	**9.7%**	
Marketing and distribution expenses	(334.9)	(289.0)	(275.8)	15.9%	
Production and overheads expenses	(187.0)	(187.9)	(199.1)	- 0.4%	
Operating profit	**169.2**	**153.4**	**142.8**	**10.3%**	**8.1%**

The currency effect corresponds to the effect of currency variations on the conversion of foreign subsidiary accounts.

FRUIT PREPARATIONS AND SOFT DRINKS(*)

	1999	1998	1997
Volumes sold millions of liters *	**714**	**704**	**737**
Employees	**5,181**	**4,773**	**4,128**

(*) Excluding flavors and fruit preparations.

14 production facilities in France

- Anneville s/Scie,
- Domagné,
- Fegersheim,
- La Courneuve,
- Le Theil,
- Mâcon,
- Marmande,
- Meyzieux,
- Mitry Mory,
- Nuits Saint Georges,
- Rivesaltes,
- Signes,
- Valence,
- Vigneux s/Seine

23 production and bottling facilities overseas:

- Germany : Constance, Nauen.
- UK : Corby.
- Australia : Sydney Mangrove Mountain.
- USA : Anna Botkins (Ohio), Winter Haven (Florida), Fort Worth (Texas), Carlstadt (New Jersey), Hieleah (Florida), Opelousas (Louisiana).
- South Africa : Cape Town.
- Mexico : Jacona.
- Italy : Turin, Bergame.
- Greece : The Piraeus
- Czech Rep. : Kaplice, Otavice.
- Korea : Séoul.
- Austria : Kröllendorf.
- Poland : Ostrolenka, Bielsk Podlaski.
- Argentina : Corronda.
- Fidji : Fidji.

Major trademarks:

- Orangina.
- Ricqlès.
- Banga.
- Ciders La Cidraie, Loïc Raison, Duché de Longueville, Flagger, E33.
- Brut de Pomme.
- Champomy.
- Pacific.
- Pampryl. Pam-Pam.
- Agruma.
- Sirops Cusenier.
- Pepsi-Cola,(1).
- Yoo-Hoo
- Minerva

(1) "on trade" Distribution Agreement.

Companies operating in the segment:

- Ricard.
- Cusenier.
- PR Americas and its subsidiaries PR Argentina and Yoo-Hoo Industries.
- SIAS-MPA and its subsidiaries : SIAS France, DSF (Germany), Ramsey and Flavors from Florida (USA), SIAS Foods UK, San Giorgio Flavors (Italy), SIAS Australia, SIAS Mex and SIAS Port (Mexico), SIAS Korea, YB SIAS (Austria), SIAS Polska (Poland), SIAS Bohemia (Czech Rep.), Italcanditi (Italy), Sias Flavo Foods (South Africa), Sias Regional (Argentina), South Pacific Foods (Fidji Islands).
- CSR Pampryl.
- CFPO and its subsidiaries.
- Orlando Wyndham.

The major clients of this division are mass distribution companies, wholesalers, bars, hotels and restaurants and specialty stores.

The Fruit Preparations activity mainly consists of food industry groups.

Fruit preparations and soft drinks

EUR million	1999	1998	1997	Change 1999/1998	Excluding currency effect
Net sales excluding taxes and duties	**1,084.0**	**1,011.7**	**954.0**	**7.1%**	**6.1%**
Cost of goods sold	(515.1)	(481.8)	(452.6)	6.9%	
Gross margin	**568.9**	**529.9**	**501.4**	**7.4%**	
Marketing and distribution expenses	(231.4)	(212.6)	(202.7)	8.8%	
Production and overheads expenses	(262.8)	(239.2)	(225.9)	9.9%	
Operating profit	**74.7**	**78.1**	**72.7**	**- 4.3%**	**- 5.2%**

The currency effect corresponds to the effect of currency variations on the conversion of foreign subsidiary accounts.

(*)This business segment combines the activities classified in 1997 as "Alcohol-free drinks and products - France" and "Alcohol-free drinks and products - export and international". The distribution activity is not included, being treated as a wholly separate activity.

DISTRIBUTION(*)

	1999	1998	1997
Employees	**1,903**	**1,505**	**1,407**

Companies operating in the segment:

- B.W.G. and its subsidiaries J&J Haslett and Appleby and Bargain Booze.

Distribution

EUR million	1999	1998	1997	Change 1999/1998	Excluding currency effect
Net sales excluding taxes and duties	**937.6**	**684.9**	**571.1**	**36.9%**	**36.4%**
Cost of goods sold	(814.5)	(592.6)	(492.9)	37.5%	
Gross margin	**123.1**	**92.4**	**78.2**	**33.3%**	
Marketing and distribution expenses	(64.5)	(50.1)	(45.4)	28.8%	
Production and overheads expenses	(23.5)	(15.4)	(12.2)	52.7%	
Operating profit	**35.0**	**26.8**	**20.6**	**30.6%**	**30.3%**

The currency effect corresponds to the effect of currency variations on the conversion of foreign subsidiary accounts.
(*)This activity was classified in 1997 in the "Alcohol-free drinks and products - export and international"

NOTE 18 - PRINCIPAL CONSOLIDATED COMPANIES

Company	Head Office	% interest 1999	% interest 1998	Consolidation method	Register
Pernod Ricard	142, boulevard Haussmann, 75379 Paris Cedex 08	Head office			582,041,943
PR Finance	142, boulevard Haussmann, 75379 Paris Cedex 08	100	100	Full	349,785,238
Ricard	4 et 6, rue Berthelot, 13014 Marseille	100	100	Full	303,656,375
- Renault Bisquit	Domaine de Lignères, 16170 Rouillac	100	100	Full	905,420,170
- Galibert & Varon	Lignères, 16170 Rouillac	99.98	99.3	Full	457,208,437
Pernod	120, avenue du Maréchal Foch, 94015 Créteil	100	100	Full	302,208,301
- Cusenier	142, boulevard Haussmann, 75008 Paris	100	100	Full	308,198,670
- Crus et Domaines de France	23, parvis des Chartrons, 33074 Bordeaux	100	100	Full	384,093,290
Pernod Ricard Europe Wines & Spirits	2 rue de Solférino, 75340 Paris Cedex 07	100	100	Full	302,453,592
- Alvita (The Czech Republic)	Kancelar Praha, AMERICKA 11, 120 00 Praha 2	100	100	Full	
-PR Larios (Spain)	Calle César Vallejo, 24 (Poligono Industrial del Guadalhorce), 29004 Malaga	100	100	Full	
- Perisem (Switzerland)	44, route de St-Julien, 1227 Carouge, Genève	100	100	Full	
- Ramazzotti (Italy)	Corso Buenos Aires, 54, 20124 Milano	100	100	Full	
- Somagnum (Portugal)	Avenida de Foste 4, 2795 Carnaxide	95.5	75	Full	
- IGM Deutschland (Germany)	Schloss Strasse 18-20, 56068 Koblenz	100	100	Full	
- PR Austria (Austria)	Bruennerstrasse 73, 1210 Wien	100	100	Full	
- PR Nederland (Netherlands)	De Kroonstraat 1, 5048 AP Tilburg	100	100	Full	
- Epom (Greece)	L, Anthousas av., 15344 Pallini, ATTIKI	95	95	Full	
- PR Belux (Belgium)	104/106 rue Emile Delvastraat, 1020 Bruxelles	100	67	Full	
- Perau Associates AS (Swenden)	Box 6703, Ynglingagatan 18, Box 2752, 11385 Stockholm	100	100	Full	
- Brand Partners A/S (Norway)	PO Box 2752, Meltzersgt 4, 0204 Oslo	50	50	Full	
- World Brands Denmark A/S (Denmark)	Homemansgate 36 A, PO Box 861, 2100 Copenhagen 0	100	100	Full	
- World Brands Finland O/Y (Finland)	Salomonkatu 17 A 3 rd Floor, 00100 Helsinki	100	100	Full	
PR Asia	142, boulevard Haussmann, 75379 Paris Cedex 08	100	100	Full	410,241,814
- Pernod Ricard Japan K.K. (Japan)	5F Sumitomo Fudosan Idabashi Bldg, 2-3-21Koraku, Bunkyo-ku, Tokyo 112-0004 Japan	100	100	Full	
- Casella Far East Ltd. (Hong Kong)	1007-8 New Kowloon Plaza - 38 Tai Kok Tsui Road, Kowloon, Hong Kong	100	100	Full	
- Beijing Pernod Ricard Winery (China)	N°2 Yu Quan Road, Western Suburb, Beijing 100039	65	65	Equity	
- Dragon Seal (China)	N°2 Yu Quan Road, Western Suburb, Beijing 100039	53	53	Equity	
- Casella Taïwan (Republic of China)	10F -2 No 191, Fu Hsin North Road, Taipei, Taiwan ROC	100	100	Full	
- Perithaï (Thailand)	2533 Sukhumvit Rd, Bangchack Praekhanong, Bangkok 10250	100	100	Full	
- PRK Distribution Ltd (Koreav)	18 F Samjung Building, 701-2 Yeoksam-dong, Kangnam-ku, Seoul, Korea 135-080	100	97.7	Full	
- Perising Pte Ltd (Singapore)	60B, Martin Road, # 05-07/08 Trade Mart, Singapour	100	100	Full	
PR Americas	142, boulevard Haussmann, 75379 Paris Cedex 08	100	100	Full	410,239,792
- PR Argentina (Argentina)	Lima 229 - 4e - 1073 Buenos Aires	100	100	Full	
- PR Brasil (Brazil)	Rua Iguatemi, 192-14 Andar, Conj 144, 01451-010, Sao Paulo-SP, Brazil	100	-	Full	
- Pramsur (Uruguay)	Rua Iguatemi, 192-14 Andar, Conj 144, 01451-010, Sao Paulo-SP, Brazil	100	100	Full	
- PRC Diffusion (Caribbean)	Z.I. Californie, Immeuble Synergie, Centre d'affaires, 97232 Le Lamentin	100	100	Full	390,984,912
- PR Canada (Canada)	2155 Onesime Gagnon, Lachine, Québec H8T3M7	100	100	Full	
- PR Colombia (Colombia)	Avenida 13, 100-34 Of 503, 1012 Santa Fe de Bogota	100	100	Full	
- El Muco Bebidas (Venezuela)	Apartado postal 62249, Avenida Principal los Cortijos de Lourdes, Caracas, Venezuela	100	100	Full	
- PR Mexico (Mexico)	Homero 440, despacho 401, Col. Polanco, C.P. 11560 Mexico DF	100	100	Full	
- PR Chile (Chile)	Las Urbinas 81, Oficina 1 A, Providencia, Santiago, Chile	100	100	Full	

Company	Head Office	% interest 1999	% interest 1998	Consolidation method	Register
- United Distillers &Vintners Brasil (Brazil)	Rua Anaporé, 655 - Jd.Guedala, 05608-001, Sao Paulo, Brasil	30	30	Equity	
- Austin Nichols (USA)	156, East, 46th Street, New York N.Y. 10017	100	100	Full	
- Boulevard Distillers (USA)	156, East, 46th Street, New York N.Y. 10017	70	70	Full	
- Yoo-Hoo Industries (USA)	156, East, 46th Street, New York N.Y. 10017	100	100	Full	
World Brands Duty Free (UK)	924, Great West Road, Brentford, Middlesex TW8-9DY	100	100	Full	
CSR	160 avenue Paul Vaillant Couturier, 93126 La Courneuve Cedex	99.2	99.2	Full	552,024,275
- JFA Pampryl	160 avenue Paul Vaillant Couturier, 93126 La Courneuve Cedex	99.2	99.2	Full	035,680,016
- CSR Pampryl	160 avenue Paul Vaillant Couturier, 93126 La Courneuve Cedex	99.2	99.2	Full	321,875,007
- Ulti	rue de la Longueraie, 91270 Vigneux-sur-Seine	94.8	94.8	Full	
Campbell Distillers (UK)	West Byrehill, Kilwinning, Ayrshire KA 136 LE	100	100	Full	
- White Heather Distillers (UK)	West Byrehill, Kilwinning, Ayrshire KA 136 LE	100	100	Full	
- Aberlour Glenlivet Distillery (UK)	West Byrehill, Kilwinning, Ayrshire KA 136 LE	100	100	Full	
- Caxton Tower (UK)	4 Harlequin Ave., Brentford, Middlesex TW8 9EW	100	100	Full	
Santa Lina	2, rue de Solférino, 75007 Paris	100	100	Full	045,920,105
SIAS-MPA	142, boulevard Haussmann, 75379 Paris Cedex 08	100	100	Full	436,380,521
- SIAS-France	17, avenue du 8-mai-1945, 77295 Mitry-Mory	100	100	Full	341,826,006
- Ramsey Laboratories (USA)	6850 Southpointe Parteway, Brecksville, Ohio 44141	100	100	Full	
- Flavors From Florida (USA)	203 Bartow Municipal Airport, Bartow, Florida 33830-9599	100	100	Full	
- DSF Gmbh (Germany)	Lilienthalstrasse 1, D.78467 Konstanz	60	60	Full	
- SIAS Port (Mexico)	Martinez de Navarrete 83B, Col. Francisco Villa, 59845 Jacona, Michoacan	100	100	Full	
- SIAS Mex (Mexico)	Martinez de Navarrete 83B, Col. Francisco Villa, 59845 Jacona, Michoacan	100	100	Full	
- SIAS Australia (Australia)	CNR George Downs Drive & Wisemans Ferry Road, Central Mangrove, NSW 2250	100	100	Full	
- SIAS Korea (Korea)	77-1 Kanak-Dong, Songpa-Ku, Séoul	95.6	95.6	Full	
- SIAS Foods UK Ltd (UK)	Oakley Hay Lodge, Great Fold Road, Corby NN 18 AS	100	100	Full	
- SIAS (Dachang) Foods Ingredient co.Ltd	1707 Room, AMEC Plaza, No.2 Dong San Huan Nan Road, Chao Yang District, P.C 100022, Beijing, Rep.of china	70	-	Full	
- YB SIAS GmbH (Austria)	A-3363 Kröllendorf	50	50	Full	
- SIAS Polska (Poland)	UL. Lawska 2, 07-410 Ostroeka	93.1	93.1	Full	
- SIAS Regional (Argentina)	Lima 229, 3° Piso, (CP 1073) Capital Federal, Buenos Aires	67	67	Full	
- SIAS Bohemia (The Czeck Republic)	Pohorska 290, Kaplice, République Tchèque	100	100	Full	
- South Pacific Foods (Fidji)	POB 80, Nayama Road, Sigatoka, Fidji Islands	100	100	Full	
- SIAS Flavo Food (South Africa)	10 Brigid Road, Diep River, 7945 Cape Town	75	75	Full	
- Italcanditi (Italy)	Via Cavour, 10, 24066 Pedrengo (BG)	54.3	54.3	Full	
- San Giorgio Flavors (Italy)	Via Fossata 114, 10147 Torino	100	100	Full	
Compagnie Financière des Produits Orangina	595, rue Pierre Berthier, Domaine de St Hilaire,	100	100	Full	56,801,254
- Centre d'Elaboration des concentrés Orangina	13855 Aix en Provence Cedex 3 Parc d'activités du plateau de Signes, 83870 Signes	100	100	Full	382,255,016
- Orangina France	595, rue Pierre Berthier, Domaine de St Hilaire, 13855 Aix en Provence Cedex 3	95.4	95.4	Full	056,807,076
- L'Igloo	7, Première Avenue, 13127 Vitrolles	50	47.7	Equity	085,720,217
- The New Drinks Company	595, rue Pierre Berthier, Domaine de St Hilaire, 13855 Aix en Provence Cedex 3	100	100	Full	
Comrie Plc (Irland)	61 Fitzwilliam Square, Dublin 2 (siège statutaire)	100	100	Full	
Irish Distillers Group Ltd (Irland)	Bow Street Distillery, Smithfield, Dublin 7	100	100	Full	
- Irish Distillers Limited (Irland)	Bow Street Distillery, Smithfield, Dublin 7	100	100	Full	
- Old Bushmills Distillery Co Ltd (North of Irland)	Distillery Road, Bushmills, Co Antrim BT57 BXH	100	100	Full	
- Fitzgerald & Co. Ltd (Irland)	11-12 Bow Street, Dublin 7	100	100	Full	
- Dillon Bass Limited (North of Irland)	Distillery Road, Bushmills, Co Antrim BT57 BXH	63	63	Full	
-Watercourse Distillery Ltd (Irland)	Bow Street Distillery, Smithfield, Dublin 7	100	100	Full	
-BWG Limited (Irland)	Bow Street Distillery, Smithfield, Dublin 7	100	100	Full	
- BWG Foods Limited (Irland)	Greenhills Road, Walkinstown, Dublin 12	100	100	Full	
-BWG (NI) Limited (North of Irland)	20, The Cutts, Derriaghy, Dunmurry, Belfast, BT 17 9HR	100	100	Full	
- J&J Haslett Ltd (North of Irland)	20, The Cutts, Derriaghy, Dunmurry, Belfast, BT 17 9HR	100	100	Full	
- Lurgan Cash & Carry Ltd (North of Irland)	20, The Cutts, Derriaghy, Dunmurry, Belfast, BT 17 9HR	100	100	Full	
- W.G. Windrum Son & Co Ltd (North of Irland)	20, The Cutts, Derriaghy, Dunmurry, Belfast, BT 17 9HR	100	100	Full	
- Appleby Westward Group Plc (UK)	Bridge House, 48-52 Balddwin Street, Bristol	100	100	Full	
- Bellevue Cash & Carry Ltd (UK)	30 Mc Donald Place, Edinburgh EH7 4NH, Scotland	100	100	Full	
- Goodwins of Hanley Ltd (UK)	Speedwell Road, Parkhouse East, Newcastle-under-Lyme, Staffordshire ST5 7RG	100	100	Full	
- T&A Symonds Ltd (UK)	Mead Avenue, Houndstone Business Park, Yeovil, Somerset BA22 8RT	100	100	Full	
-E.V Saxton & Sons Ltd (UK)	Victor House, Bay Manor Lane, West Thurrock, Essex RM20 3LL	100	-	Full	
-Bargain Booze Ltd	Millauck Way, Sandbach, Chehire CW11 3YA	100	-	Full	
- Pernod Ricard South Africa Ldt (South Africa))	19 Herold Street, Stellenbosch 7600	100	100	Full	
Pernod Ricard Australia (Australia)	33 Exeter Terrace, Devon Park SA 5008, Australia	100	100	Full	
- Orlando Wyndham Group Pty Limited	33 Exeter Terrace, Devon Park SA 5008, Australia	97.9	97.9	Full	
- Two Dogs	9b Glen Osmond Road, Eastwood, Australia	100	100	Full	
- Simeon Wines*	170 Greenhill Road Parkside SA 5063, Australia	13.08	15.8	Equity	
- Orlando Wyndham New Zealand Limited	11 Anzac Street, Takapuna, Auckland, New Zealand	100	-	Full	

** The Simeon Wines company is listed on the Sydney Stock Exchange*

Auditors' report

Consolidated Statements for the Year Ended December 31, 1999

Ladies and Gentlemen

In conformity with the mission assigned to us by your General Shareholders Meetings, we have conducted an audit of the consolidated statements (established in French Francs) of the Pernod Ricard company for the fiscal year ended December 31, 1999, as appended to this report.

The consolidated statements were approved by the Board of Directors. Based on our audit, we hereby express our opinion regarding these statements.

Our audit was conducted in accordance with professional standards. These standards require the utmost diligence in order to ensure that the consolidated statements do not include any significant errors or inconsistencies. An audit involves the use of sampling to examine the underlying information justifying the data contained in these statements. It also involves an assessment of the accounting principles followed as well as the resulting calculations and the overall presentation. We believe that our audit provides a reasonable basis for the opinion expressed below.

We hereby certify that the consolidated statements are in order and present an accurate picture of the assets and the financial position, as well as the overall results of Pernod Ricard and its consolidated companies.

Furthermore, we have also audited the data pertaining to the Group provided in the Management Report. We have no comment to make on the sincerity of the information given in the Management Report or on the consistency of this information with the consolidated financial statements.

Paris, March 16, 2000

The Statutory Auditors

CCC-JD
M. Jean DELQUIÉ

Société d'Expertise Comptable A & L GENOT
Alain et Louis GENOT

Cabinet MAZARS & GUERARD
Frédéric ALLILAIRE
Xavier CHARTON

Shareholder Information

HOW TO PARTICIPATE IN THE MEETINGS

Shareholders are informed of the meetings by means of notices published in the Bulletin des Annonces Légales Obligatoires (BALO) [Bulletin of Mandatory Legal Notices] and in a publication authorized to receive legal notices for the district in which the Head Office is located. Notices are also published in economic and financial publications with nationwide coverage.

Registered shareholders (those who have owned shares for at least a month as of the date of publication of the notice) are invited to all meetings by ordinary letter.

The owners of bearer shares wishing to be represented or to vote by correspondence must first convert their shares by five full days before the meetings, at the Société PERNOD RICARD, 142 Boulevard Haussmann, 75008 Paris or at one of the institutions below (*).

Registered shareholders who have held their shares for at least five days prior to the meeting dates may attend, delegate a representative, or vote by correspondence with no formalities required.

The forms required for voting by correspondence may be obtained at the Company's Head Office.

Votes by correspondence are only accepted for forms reaching SOCIETE GENERALE or the Head Office of the Société PERNOD RICARD at least three days before the meetings.

Admission cards for the meetings will be sent to all shareholders requesting them at the Company's Head Office at 142 Boulevard Haussmann, 75008 Paris or at one of the following(*) banking institutions. The holders of bearer shares must provide a statement attesting to the conversion of the shares in accordance with the terms above.

The holders of pure registered shares can issue their buy or sell orders directly to SOCIETE GENERALE. with whom preferential brokerage fees have been arranged.

For information and to obtain order forms, please contact:

- PERNOD RICARD, Direction Financière [Financial Division]: Antoine PERNOD Tel: (33)1 40 76 77 78 - Fax: (33)1 45 62 22 75
- SOCIETE GENERALE, Département des Titres [Securities Department]32, avenue du Champ de Tir 44024 NANTES Cedex 01.

A TOLL FREE NUMBER FOR HOLDERS OF PURE REGISTERED SHARES : 0800 11 97 57

INTERNET : (http//www.pernod-ricard.fr)

Annual statements as well as up-to-the-minute information on company stock can be downloaded.

(*) SOCIETE GENERALE, 29 Boulevard Haussmann, 75009 PARIS; BANQUE NATIONALE DE PARIS, 16, Boulevard des Italiens 75009 PARIS; CREDIT LYONNAIS, 19, Boulevard des Italiens 75002 PARIS; CREDIT DU NORD, 6 and 8 Boulevard Haussmann 75009 PARIS; CREDIT COMMERCIAL DE FRANCE, 103 Av. Champs-Elysées 75008 PARIS; SOCIETE MARSEILLAISE DE CREDIT, 75, rue de Paradis, 13006 MARSEILLE; CREDIT AGRICOLE INDOSUEZ, 96 Boulevard Haussmann 75008 PARIS; CAISSE DES DEPOTS ET CONSIGNATIONS, 56, rue de Lille 75007 PARIS; CAISSE NATIONALE DE CREDIT AGRICOLE, 91-93 Bld Pasteur 75015 PARIS; BANQUE PARIBAS, 3, rue d'Antin, 75002 PARIS or at any of the Paris or provincial offices of these institutions or at the financial institution holding the shares.

This document is the translation of extracts from a reference document registered with the Paris Stock Exchange Regulatory Authority (Commission des Opérations de Bourse) on April 17 , 2000 under number R.00-154

1	2	3	4	5	6
7	8	9	10	11	12

Board of Directors

Chairman

1/ Patrick Ricard

Directors

2/ Françoise Hémard

3/ Danièle Ricard

4/ Jean-Claude Beton

5/ Jean-Dominique Comolli

6/ Pierre Faurre

7/ Jean-René Fourtou

8/ François Gérard

9/ Rafaël Gonzalez Gallarza

10/ Thierry Jacquillat,

11/ Gérard Théry

Société Paul Ricard,
permanent representive:

12/ Béatrice Baudinet

Strategic Committee

(6 meetings in 1999)

Patrick Ricard

Danièle Ricard

François Gérard

Rafaël Gonzalez Gallarza

Chairmen and Chief Executive Officers

Chairmen and Chief Executive Officers

Thierry Billot	PERNOD
Michel Bord	PR AMERICAS & AUSTIN NICHOLS
Christian Porta	ORLANDO WYNDHAM
Richard Burrows	IRISH DISTILLERS
Gilles Cambournac	CAMPBELL DISTILLERS
Alain Chamla	CSR PAMPRYL
François Gérard	SIAS MPA
Philippe Dréano	PR ASIA
Gilles Cambournac	WORLD BRANDS DUTY FREE
Georges Nectoux	RICARD
Jacques Pfister	CFP ORANGINA
Pierre Pringuet	PR EUROPE

Holding Company

General Management

Patrick Ricard	Chairman and Chief Executive Officer
Thierry Jacquillat	President

Vice Presidents

Jacques Bricout	Research Centre
Bernard Cazals	Human Resources
Pierre-Marie Châteauneuf	Administration and Legal Affairs
Alain-Serge Delaitte	Communications
Patrice Robichon	Industrial Operations
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