

Pernod Ricard posts positive South African results

Pernod Ricard has announced its first-half earnings, reporting high single digit volume growth for the first six months in South Africa, with the second highest overall share growth versus key competitors in the spirits & champagne category.



Levoqd via [Fxabay](#)

According to the Aztec Market read, the company reported great share gains in whisky (+2.6%), led by Jameson and Ballantine's Finest. In addition, Jameson was ranked the #3 brand by value in the South African spirits market. The company also saw a strong share gain in vodka (+1.4%), driven by Absolut, with Absolut Blue becoming the leading vodka premium brand in value and volume in the last six months.

Paul Scanlon, MD of Pernod Ricard South Africa, says, "We've seen good growth over the past six months, with our brands rapidly growing in value and volume, especially over the festive season. The December Aztec results showed an impressive increase in market share gains. Our strategy is to continue to overinvest in our brands in order to grow long-term sustainable equity in South Africa."

Globally, Pernod Ricard saw sales of Jameson whiskey surged 20% and sales in Asia rebounded. Profit from recurring operations rose 4% on an organic basis to 1.5 billion euros (\$1.6 billion) in the six months through December. Sales in Asia and the rest-of-world region rose 5% in the second quarter excluding acquisitions and currency shifts, returning to growth.

CEO Alexandre Ricard has sought to modernise the company's brand roster by acquiring fast-growing spirits including Smooth Ambler bourbon and Monkey 47 gin. He has also divested liquors that are not central to its business, such as the Domecq line of brandies, to focus on the surge in US demand for cognac and Irish whiskey that is buoying sales of its Martell and Jameson brands. Pernod repeated its forecast for earnings to rise 2% to 4% in 2017.

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