



*In our
own words*

First Quarter of Fiscal 2027

September 2, 2026



BROWN-FORMAN

Forward-Looking Statements

This presentation contains statements, estimates, and projections that are “forward-looking statements” as defined under U.S. federal securities laws. Words such as “aim,” “ambition,” “anticipate,” “aspire,” “believe,” “can,” “continue,” “could,” “envision,” “estimate,” “expect,” “expectation,” “intend,” “may,” “might,” “plan,” “potential,” “project,” “pursue,” “see,” “seek,” “should,” “will,” “would,” and similar words indicate forward-looking statements, which speak only as of the date we make them. Except as required by law, we do not intend to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. By their nature, forward-looking statements involve risks, uncertainties, and other factors (many beyond our control) that could cause our actual results to differ materially from those expressed in or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to:

- Our substantial dependence upon the continued growth of the Jack Daniel’s family of brands
- Substantial competition from new entrants, consolidations by competitors and retailers, and other competitive activities, such as pricing actions (including price reductions, promotions, discounting, couponing, or free goods), marketing, category expansion, product introductions, or entry or expansion in our geographic markets or distribution networks
- Disruption of our distribution network or inventory fluctuations in our products by distributors, wholesalers, or retailers
- Risks from changes to the trade policies, tariffs, and import and export regulations of the United States or foreign governments and the effectiveness of our actions to mitigate the negative impact on our margins, sales, and/or distributors
- Changes in consumer preferences, consumption, or purchase patterns – particularly away from larger producers in favor of small distilleries or local producers, or away from brown spirits, our premium products, or spirits generally, and our ability to anticipate or react to them; further legalization of marijuana; bar, restaurant, travel, or other on-premise declines; shifts in demographic or health and wellness trends; or unfavorable consumer reaction to new products, line extensions, package changes, product reformulations, or other product innovation
- Route-to-consumer changes that affect the timing of our sales, temporarily disrupt the marketing or sale of our products, or result in higher fixed costs
- Production facility, aging warehouse, or supply chain disruption
- Imprecision in supply/demand forecasting
- Higher costs, lower quality, or unavailability of energy, water, raw materials, product ingredients, or labor
- Risks associated with acquisitions, dispositions, business partnerships, or investments – such as acquisition integration, termination difficulties or costs, or impairment in recorded value
- Unfavorable global or regional economic conditions and related economic slowdowns or recessions, low consumer confidence, high unemployment, weak credit or capital markets, budget deficits, burdensome government debt, austerity measures, higher interest rates, higher taxes, political instability, higher inflation, deflation, lower returns on pension assets, or lower discount rates for pension obligations
- Negative publicity related to our company, products, brands, marketing, executive leadership, employees, Board of Directors, family stockholders, operations, business performance, or prospects, as such risks may be increased due to social media
- Product recalls or other product liability claims, product tampering, contamination, or quality issues
- Failure to attract or retain key executive or employee talent
- Impact of health epidemics and pandemics, and the risk of the resulting negative economic impacts and related governmental actions
- Risks associated with being a U.S.-based company with a global business, including commercial, political, and financial risks; local labor policies and conditions; compliance with local trade practices and other regulations; terrorism, kidnapping, extortion, or other types of violence; and health pandemics
- Failure to comply with anti-corruption laws, trade sanctions and restrictions, or similar laws or regulations
- Fluctuations in foreign currency exchange rates, particularly due to a stronger U.S. dollar
- A downgrade or potential downgrade of our credit ratings
- Changes in laws, regulatory measures, or governmental policies, especially those affecting production, importation, marketing, labeling, pricing, distribution, sale, or consumption of our beverage alcohol products
- Tax rate changes (including excise, corporate, sales or value-added taxes, property taxes, payroll taxes, import and export duties, and tariffs) or changes in related reserves, changes in tax rules or accounting standards, and the unpredictability and suddenness with which they can occur
- Decline in the social acceptability of beverage alcohol in significant markets
- Significant additional labeling or warning requirements or limitations on availability of our beverage alcohol products
- Counterfeiting and inadequate protection of our intellectual property rights
- Significant legal disputes and proceedings, or government investigations
- Cyberbreach or failure or corruption of our key information technology systems or those of our suppliers, customers, or direct and indirect business partners, or failure to comply with personal data protection laws
- Our status as a family “controlled company” under New York Stock Exchange rules, and our dual-class share structure

For further information on these and other risks, please see the risks and uncertainties described in Part I, Item 1A. Risk Factors of our 2026 Annual Report on Form 10-K, and those described from time to time in our reports on Form 10-Q filed with the SEC.



Highlights: First Quarter of Fiscal 2027

(1)% (-1% organic¹)

Net sales decline driven by the end of the Korbel relationship and the declines in used barrel sales, partially offset by the growth of Ready-to-Drink portfolio

60.2%

40 basis points of gross margin expansion

-3% (+4% organic¹)

Operating income decreased

+6%

Diluted earnings per share increased to \$0.38

Capital Allocation

Cash flows from operations grew **\$13M** to **\$173M** and free cash flow¹ increased by **\$32M** to **\$161M**.

Returned \$106M to stockholders through quarterly dividends.

¹See appendix for reconciliations from GAAP measures to most comparable Non-GAAP measures, definitions, and additional information.
Note: Results are on a reported basis and change is versus the prior-year period, unless otherwise noted. Totals may differ due to rounding.



Innovation

Continued launch of Jack Daniel's Tennessee Blackberry in international markets



Tailwinds

Strong double-digit growth of New Mix



Headwinds

The end of the Korbel relationship and lower used barrel sales



Geography

Net sales declines in Developed International markets and the United States were partially offset by growth in Emerging Markets

First Quarter of Fiscal 2027 Results

	Reported (\$ in millions, except per share amount)	Reported Change (%)	Acquisitions & Divestitures (+/-)	Other Items ¹ (+/-)	Foreign Exchange (+/-)	Organic Change ² (%)
Net Sales	\$911	(1)%	2%	(1)%	(1)%	(1)%
Gross Profit	\$549	(1)%	1%	—%	1%	1%
Advertising Expenses	\$114	(5)%	2%	—%	—%	(4)%
SG&A Expenses	\$185	4%	—%	1%	—%	5%
Operating Income	\$252	(3)%	3%	2%	2%	4%
Diluted EPS	\$0.38	6%				

¹Other items¹ includes "substitution drawback claims," "restructuring initiative," and "JDCC transition." See "Non-GAAP Financial Measures and Reconciliation" for additional details.

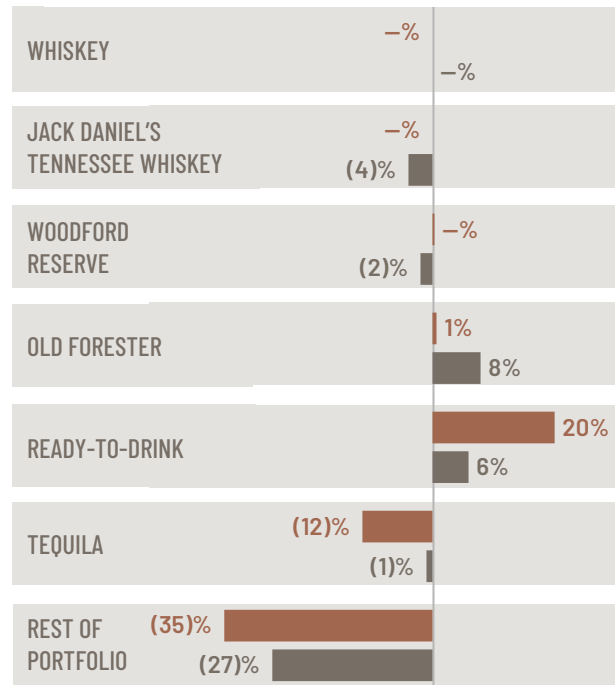
²See appendix for reconciliations from GAAP measures to most comparable Non-GAAP measures, definitions, and additional information.

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Net Sales Across Categories

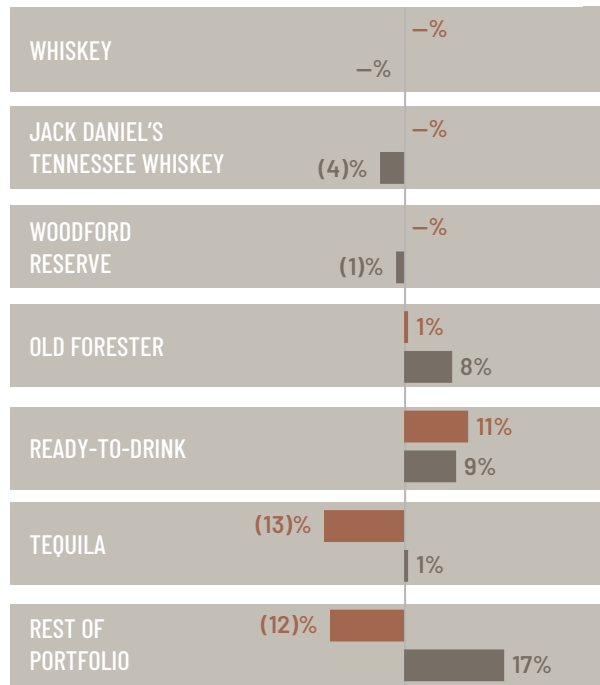
Reported

■ Q1 F27 ■ Q1 F26



Organic¹

■ Q1 F27 ■ Q1 F26



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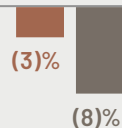
Net Sales Across Geographic Aggregations

■ Q1 F27 ■ Q1 F26



U.S.

REPORTED CHANGE



ORGANIC CHANGE¹

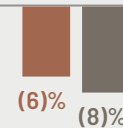


■ Q1 F27 ■ Q1 F26

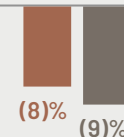


Developed International

REPORTED CHANGE

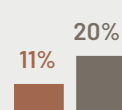


ORGANIC CHANGE¹

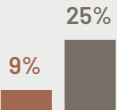


Emerging

REPORTED CHANGE

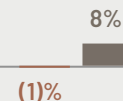


ORGANIC CHANGE¹

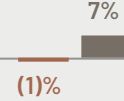


Travel Retail

REPORTED CHANGE



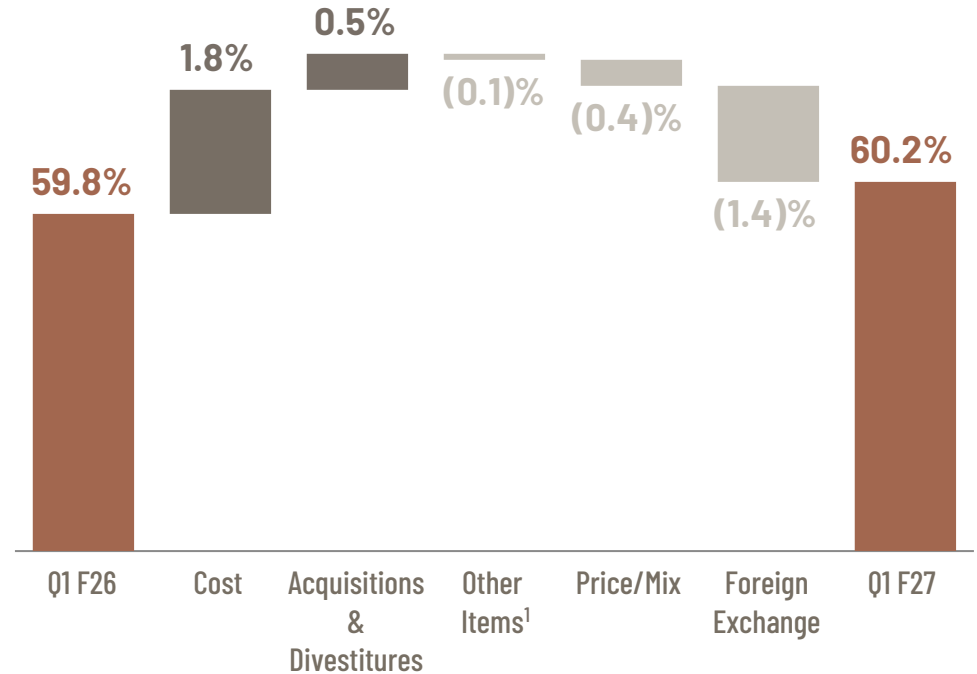
ORGANIC CHANGE¹



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Gross Margin Expansion of 40 Basis Points

Largely driven by timing of lower costs



¹"Other items" includes "JDCC transition." See "Non-GAAP Financial Measures and Reconciliation" for additional details.

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BROWN-FORMAN

In our own words

*Fiscal
2027
Outlook*

Organic¹ net sales

to be approximately flat.

Organic¹ operating income

to decline in the 3% to 5% range.

Effective tax rate

in the range of 20% to 22%.

Capital expenditures

in the \$60 to \$70 million range.

¹See appendix for Non-GAAP measure definitions and additional information.

Appendix

Definitions

The following definitions include aggregations and other metrics used throughout this presentation.

Geographic Aggregations	Aggregated markets as defined by the International Monetary Fund (IMF)
Developed International	Markets that are “advanced economies” as defined by the IMF, excluding the United States. Our top developed international markets for the fiscal year ended April 30, 2026 were Germany, Australia, the United Kingdom, France, and Spain. This aggregation represents our net sales of branded products to these markets.
Spain	Includes Spain and certain other surrounding territories.
Emerging	Markets that are “emerging and developing economies” as defined by the IMF. Our top emerging markets for the fiscal year ended April 30, 2026 were Mexico, Poland, Brazil, and Türkiye. This aggregation represents our net sales of branded products to these markets.
Brazil	Includes Brazil, Paraguay, Uruguay, and certain other surrounding territories.
Travel Retail	Represents our net sales of branded products to global duty-free customers, other travel retail customers, and the U.S. military, regardless of customer location.
Non-branded and bulk	Includes net sales of used barrels, contract bottling services, and non-branded bulk whiskey, regardless of customer location.

Brand Aggregations	Aggregated brands by product category
Whiskey	Includes all whiskey spirits and whiskey-based flavored liqueurs. The brands included in this category are the Jack Daniel’s family of brands (excluding the “Ready-to-Drink” products defined below), the Woodford Reserve family of brands (Woodford Reserve), the Old Forester family of brands (Old Forester), The Glendronach, Benriach, Glenglassaugh, and Slane Irish Whiskey.
American whiskey	Includes the Jack Daniel’s family of brands (excluding the “Ready-to-Drink” products defined below), Woodford Reserve, and Old Forester.
Super-premium American whiskey	Includes Woodford Reserve, Gentleman Jack, and other super-premium Jack Daniel’s expressions.
Ready-to-Drink	Includes the Jack Daniel’s ready-to-drink (RTD) and ready-to-pour (RTP) products, New Mix, and other RTD/RTP products.
Jack Daniel’s RTD/RTP (JD RTD/RTP)	Includes all RTD line extensions of Jack Daniel’s, such as Jack Daniel’s & Coca-Cola RTD, Jack Daniel’s & Cola, Jack Daniel’s Double Jack, Jack Daniel’s Country Cocktails (JDCC), and other malt- and spirit-based Jack Daniel’s RTDs, along with Jack Daniel’s Winter Jack RTP.
Jack Daniel’s & Coca-Cola RTD	Includes all Jack Daniel’s & Coca-Cola RTD products and Jack Daniel’s bulk whiskey shipments for the production of these products.
Tequila	Includes el Jimador, the Herradura family of brands (Herradura), and other tequilas.
Rest of Portfolio	Includes Diplomático, Gin Mare, Chambord, other agency brands (brands we do not own, but sell in certain markets), Korbel California Champagnes and Korbel Brandy (the Korbel relationship ended on June 30, 2025), and Fords Gin.
Non-branded and bulk	Includes net sales of used barrels, contract bottling services, and non-branded bulk whiskey.
Jack Daniel’s family of brands	Includes Jack Daniel’s Tennessee Whiskey (JDTW), JD RTD/RTP, Jack Daniel’s Tennessee Honey (JDTH), Gentleman Jack, Jack Daniel’s Tennessee Apple (JDTA), Jack Daniel’s Tennessee Blackberry (JDTB), Jack Daniel’s Tennessee Fire (JDTF), Jack Daniel’s Single Barrel Collection (JDSB), Jack Daniel’s Bonded Series, Jack Daniel’s Sinatra Select, Jack Daniel’s 10-Year-Old Tennessee Whiskey, Jack Daniel’s American Single Malt, Jack Daniel’s 14-Year-Old Tennessee Whiskey, Jack Daniel’s 12-Year-Old Tennessee Whiskey, and other Jack Daniel’s expressions.

Definitions (cont.)

Other Metrics	
<i>Shipments</i>	We generally record revenues when we ship or deliver our products to our customers. In this report, unless otherwise specified, we refer to shipments when discussing volume. Volume is measured on a nine-liter equivalent unit basis (9-Liter cases).
<i>Depletions</i>	This metric is commonly used in the beverage alcohol industry to describe volume. Depending on the context, depletions usually means either (a) where Brown-Forman is the distributor, shipments directly to retail or wholesale customers or (b) where Brown-Forman is not the distributor, shipments from distributor customers to retailers and wholesalers. We believe that depletions measure volume in a way that more closely reflects consumer demand than our shipments to distributor customers do.
<i>Consumer takeaway</i>	When discussing trends in the market, we refer to consumer takeaway, a term commonly used in the beverage alcohol industry that refers to the purchase of product by consumers from retail outlets, including products purchased through e-commerce channels, as measured by volume or retail sales value. This information is provided by outside parties, such as Nielsen and the National Alcohol Beverage Control Association (NABCA). Our estimates of market share or changes in market share are derived from consumer takeaway data using the retail sales value metric. We believe consumer takeaway is a leading indicator of consumer demand trends.
<i>Estimated net change in distributor inventories</i>	We generally recognize revenue when our products are shipped or delivered to customers. In the United States and certain other markets, our customers are distributors that sell downstream to retailers and consumers. We believe that our distributors' downstream sales more closely reflect actual consumer demand than do our shipments to distributors. Our shipments increase distributors' inventories, while distributors' depletions (as described above) reduce their inventories. Therefore, it is possible that our shipments do not coincide with distributors' downstream depletions and merely reflect changes in distributors' inventories. Because changes in distributors' inventories could affect our trends, we believe it is useful for investors to understand those changes in the context of our operating results. We perform the following calculation to determine the "estimated net change in distributor inventories": - For both the current-year period and the comparable prior-year period, we calculate a "depletion-based" amount by (a) dividing the organic dollar amount (e.g. organic net sales) by the corresponding shipment volumes to arrive at a shipment per case amount, and (b) multiplying the resulting shipment per case amount by the corresponding depletion volumes. We subtract the year-over-year percentage change of the "depletion-based" amount from the year-over-year percentage change of the organic amount to calculate the "estimated net change in distributor inventories." - A positive difference is interpreted as a net increase in distributors' inventories, which implies that organic trends could decrease as distributors reduce inventories; whereas, a negative difference is interpreted as a net decrease in distributors' inventories, which implies that organic trends could increase as distributors rebuild inventories.

Terms and Abbreviations

<i>Korbel relationship</i>	During the first quarter of fiscal 2026, we ended our sales, marketing, and distribution relationship with Korbel Champagne Cellars, effective June 30, 2025.
<i>SG&A</i>	Selling, general, and administrative
<i>GAAP</i>	Accounting principles generally accepted in the United States
<i>Restructuring initiative</i>	During the third quarter of fiscal 2025, our Board of Directors approved a plan to reduce our structural cost base and realign resources toward future sources of growth. This included reducing our workforce by approximately 12% and closing the Louisville-based Brown-Forman Cooperage. We also offered a special, one-time early retirement benefit to qualifying U.S. employees.

Non-GAAP Financial Measures and Reconciliation: Q1 F27 vs. Q1 F26

Use of Non-GAAP Financial Information. We report our financial results in accordance with GAAP. Additionally, we use some financial measures in this presentation that are not measures of financial performance under GAAP. These non-GAAP measures, defined below, should be viewed as supplements to (not substitutes for) our results of operations and other measures reported under GAAP. Other companies may define or calculate these non-GAAP measures differently.

"Organic change" in measures of statements of operations. We present changes in certain measures, or line items, of the statements of operations that are adjusted to an "organic" basis. We use "organic change" for the following measures: (a) organic net sales; (b) organic cost of sales; (c) organic gross profit; (d) organic advertising expenses; (e) organic SG&A expenses; (f) organic other expense (income), net; (g) organic operating expenses*; and (h) organic operating income. To calculate these measures, we adjust, as applicable, for (1) acquisitions and divestitures, (2) other items, and (3) foreign exchange. We explain these adjustments below.

- "Acquisitions and divestitures." This adjustment removes (a) the gain or loss recognized on the sale of divested brands and certain assets, (b) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction, transition, and integration costs), (c) the effects of operating activity related to acquired and divested brands, including certain divested agency brands, for periods not comparable year over year (non-comparable periods), and (d) fair value changes to contingent consideration liabilities. Excluding non-comparable periods allows us to include the effects of acquired and divested brands only to the extent that results are comparable year over year. For the first quarter of fiscal 2027, we had the following acquisitions and divestitures adjustments:

During fiscal 2023, we acquired the Gin Mare brand. The purchase price consisted of cash paid at the acquisition date plus contingent consideration that is payable in cash upon exercise by the sellers no later than July 2027. This adjustment removes the fair value impact from our other expense (income), net and operating income for the first quarter of fiscal 2026 and fiscal 2027.

During the first quarter of fiscal 2026, we ended our Korbel relationship. This adjustment removes the net sales, cost of sales, operating expenses, and operating income for the non-comparable period, which is activity from May through June of fiscal 2026.

- "Other items." Other items include the additional items outlined below.

"Restructuring initiative." During the first quarter of fiscal 2026, we incurred \$12 million in restructuring and other charges associated with the restructuring initiative and completed the sale of Brown-Forman Cooperage facility and related assets. The actions associated with this initiative were substantially completed during fiscal 2026. This adjustment removes the restructuring initiative impact from our operating expenses and operating income for the first quarter of fiscal 2026.

- "Substitution drawback claims." During the first quarter of fiscal 2026, we recognized a net benefit of \$18 million related to the collection of substitution drawback claims filed with the U.S. Government between fiscal 2016 and 2019. As of the end of the first quarter of fiscal 2026, all claims had been collected. This adjustment removes the benefit from our other expense (income), net and operating income.

"Jack Daniel's Country Cocktails business model change (JDCC transition)." During fiscal 2026, we agreed to conclude our relationship with Pabst Brewing Company for flavored malt beverages within the United States. We began transitioning the management of JDCC's supply, sales, marketing, and distribution in the first quarter of fiscal 2027. This adjustment removes the non-comparable operating activity related to JDCC products for the first quarter of fiscal 2026 and fiscal 2027.

- "Foreign exchange." We calculate the percentage change in certain line items of the statements of operations in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, "dollar" means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove transactional and hedging foreign exchange gains and losses from current- and prior-year periods.

*Organic operating expenses include advertising expense, SG&A expense, restructuring and other charges, and other expense (income), net

Non-GAAP Financial Measures and Reconciliation: Q1 F27 vs. Q1 F26 (cont.)

We use the non-GAAP measure “organic change,” along with other metrics, to: (a) understand our performance from period to period on a consistent basis; (b) compare our performance to that of our competitors; (c) calculate components of management incentive compensation; (d) plan and forecast; and (e) communicate our financial performance to the Board of Directors, stockholders, and investment community. We have consistently applied the adjustments within our reconciliations in arriving at each non-GAAP measure. We believe these non-GAAP

measures are useful to readers and investors because they enhance the understanding of our historical financial performance and comparability between periods. When we provide guidance for organic change in certain measures of the statements of operations we do not provide guidance for the corresponding GAAP change, as the GAAP measure will include items that are difficult to quantify or predict with reasonable certainty, such as foreign exchange, which could have a significant impact to our GAAP income statement measures.

In addition to the non-GAAP financial measures presented, we believe that our results are affected by changes in distributor inventories, particularly in our largest market, the United States, where the spirits industry is subject to regulations that essentially mandate a so-called “three-tier system,” with a value chain that includes suppliers, distributors, and retailers. Accordingly, we also provide information concerning estimated fluctuations in distributor inventories. We believe such information is useful in understanding our performance and trends as it provides relevant information regarding customers’ demand for our products.

“Free cash flow.” Free cash flow is a liquidity measure that represents cash provided by operating activities less additions to property, plant, and equipment. In the Appendix, we provide this calculation for the relevant periods. We believe this non-GAAP measure provides useful information to investors about the amount of cash generated from our business operations. We use free cash flow primarily to meet current obligations, make appropriate capital and strategic investments, and return cash to our stockholders through regular dividends and, from time to time, through share repurchases and special dividends. Free cash flow is not a measure of cash available for discretionary expenditures since we have certain non-discretionary obligations, such as debt service, that are not deducted from this measure. Free cash flow should be considered in addition to, rather than as a substitute for, cash provided by operating activities reported under GAAP.

Non-GAAP Financial Measures and Reconciliation: Q1 F26 vs. Q1 F25

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- *"Acquisitions and divestitures."* This adjustment removes (a) the gain or loss recognized on sale of divested brands and certain assets, (b) any non-recurring effects related to our acquisitions and divestitures (e.g., transaction, transition, and integration costs), (c) the effects of operating activity related to acquired and divested brands, including certain divested agency brands, for periods not comparable year over year (non-comparable periods), and (d) fair value changes to contingent consideration liabilities. Excluding non-comparable periods allows us to include the effects of acquired and divested brands only to the extent that results are comparable year over year. For the first quarter of fiscal 2026, we had the following acquisitions and divestitures adjustments:

During fiscal 2023, we acquired the Gin Mare brand. This adjustment removes the fair value adjustments to Gin Mare's contingent consideration liability that is payable in cash no later than July 2027.

During fiscal 2024, we sold our Finlandia vodka and Sonoma-Cutrer wine businesses and entered into related transition services agreements (TSAs) for these businesses. This adjustment removes the net sales, cost of sales, and operating expenses recognized pursuant to the TSAs related to distribution services in certain markets for the non-comparable period, which is activity from the first quarter of fiscal 2025.

During the first quarter of fiscal 2025, we recognized a gain of \$12 million on the sale of the Alabama cooperage. This adjustment removes the gain from our other expense (income), net and operating income.

During the first quarter of fiscal 2026, we ended our sales, marketing, and distribution relationship with Korbel relationship, effective June 30, 2025. This adjustment removes the transaction costs related to ending the relationship and the operating activity for the non-comparable period, which is the month of July of fiscal 2025 and 2026.

- *"Other items."* Other items include the additional items outlined below.

"Franchise tax refund." During the first quarter of fiscal 2025, we recognized a \$13 million franchise tax refund due to a change in franchise tax calculation methodology for the state of Tennessee. This modification lowered our annual franchise tax obligation and was retroactively applied to franchise taxes paid during fiscal 2020 through fiscal 2023. This adjustment removes the franchise tax refund from our other expense (income), net and operating income.

"Restructuring initiative." During the third quarter of fiscal 2025, our Board of Directors approved a plan to reduce our structural cost base and realign resources toward future sources of growth. This included reducing our workforce by approximately 12% and closing the Louisville-based Brown-Forman Cooperage. We also offered a special, one-time early retirement benefit to qualifying U.S. employees. During the first quarter of fiscal 2026, we incurred \$12 million in restructuring and other charges associated with this initiative and completed the sale of the Brown-Forman Cooperage facility and related assets. This adjustment removes the restructuring initiative impact from our operating expenses and operating income for the first quarter of fiscal 2026.

"Substitution drawback claims." During the first quarter of fiscal 2026, we recognized a net benefit of \$18 million related to the collection of substitution drawback claims filed with the U.S. Government between fiscal 2016 and 2019. As of the first quarter of fiscal 2026, all claims have been collected. This adjustment removes the benefit from our other expense (income), net and operating income.

*Operating expenses include advertising expense, SG&A expense, restructuring and other charges, and other expense (income), net

Non-GAAP Financial Measures and Reconciliation: Q1 F26 vs. Q1 F25 (cont.)

- “Foreign exchange.” We calculate the percentage change in certain line items of the statements of operations in accordance with GAAP and adjust to exclude the cost or benefit of currency fluctuations. Adjusting for foreign exchange allows us to understand our business on a constant-dollar basis, as fluctuations in exchange rates can distort the organic trend both positively and negatively. (In this presentation, “dollar” means the U.S. dollar unless stated otherwise.) To eliminate the effect of foreign exchange fluctuations when comparing across periods, we translate current-year results at prior-year rates and remove transactional and hedging foreign exchange gains and losses from current- and prior-year periods.

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In addition to the non-GAAP financial measures presented, we believe that our results are affected by changes in distributor inventories, particularly in our largest market, the United States, where the spirits industry is subject to regulations that essentially mandate a so-called “three-tier system,” with a value chain that includes suppliers, distributors, and retailers. Accordingly, we also provide information concerning estimated fluctuations in distributor inventories. We believe such information is useful in understanding our performance and trends as it provides relevant information regarding customers’ demand for our products.

“Free cash flow.” Free cash flow is a liquidity measure that represents cash provided by operating activities less additions to property, plant, and equipment. In the Appendix, we provide this calculation for the relevant periods. We believe this non-GAAP measure provides useful information to investors about the amount of cash generated from our business operations. We use free cash flow primarily to meet current obligations, make appropriate capital and strategic investments, and return cash to our stockholders through regular dividends and, from time to time, through share repurchases and special dividends. Free cash flow is not a measure of cash available for discretionary expenditures since we have certain non-discretionary obligations, such as debt service, that are not deducted from this measure. Free cash flow should be considered in addition to, rather than as a substitute for, cash provided by operating activities reported under GAAP.

First Quarter of Fiscal 2027 and Fiscal 2026 Reconciliation

Three months ended July 31, 2026	Reported	Acquisitions & Divestitures (+/-)	Other Items ¹ (+/-)	Foreign Exchange (+/-)	Organic
Net Sales	(1)%	2%	(1)%	(1)%	(1)%
Cost of Sales	(2)%	3%	(1)%	(4)%	(5)%
Gross Profit	(1)%	1%	—%	1%	1%
Operating Expenses ²	2%	(1)%	(2)%	1%	(1)%
Advertising Expenses	(5)%	2%	—%	—%	(4)%
SG&A Expenses	4%	—%	1%	—%	5%
Operating Income	(3)%	3%	2%	2%	4%

Three months ended July 31, 2025	Reported	Acquisitions & Divestitures (+/-)	Other Items ¹ (+/-)	Foreign Exchange (+/-)	Organic
Net Sales	(3)%	3%	—%	—%	1%
Cost of Sales	(4)%	9%	—%	(1)%	5%
Gross Profit	(2)%	(1)%	—%	1%	(2)%
Operating Expenses ²	3%	(3)%	(3)%	(2)%	(5)%
Advertising Expenses	(4)%	2%	—%	(1)%	(3)%
SG&A Expenses	(6)%	—%	(1)%	(1)%	(7)%
Operating Income	(7)%	2%	3%	5%	2%

¹“Other items” includes “substitution drawback claims,” “restructuring initiative,” and “JDCC transition.” See “Non-GAAP Financial Measures and Reconciliation” for additional details.

²See appendix for Non-GAAP measure definitions and additional information.

Note: Results are on a reported basis and change is versus the prior-year period, unless otherwise noted. Totals may differ due to rounding.

Brand Reconciliation First Quarter of Fiscal 2027 and Fiscal 2026 Net Sales Growth

Three months ended July 31, 2026	Reported	Acquisitions & Divestitures (+/-)	Other Items ¹ (+/-)	Foreign Exchange (+/-)	Organic
Whiskey	—%	—%	—%	—%	—%
Jack Daniel's Tennessee Whiskey	—%	—%	—%	—%	—%
Woodford Reserve	—%	—%	—%	—%	—%
Old Forester	1%	—%	—%	—%	1%
Ready-to-Drink	20%	—%	(4)%	(6)%	11%
Tequila	(12)%	—%	—%	(1)%	(13)%
Rest of Portfolio	(35)%	22%	—%	—%	(12)%
Total Portfolio	(1)%	2%	(1)%	(1)%	(1)%

Three months ended July 31, 2025	Reported	Acquisitions & Divestitures (+/-)	Other Items ¹ (+/-)	Foreign Exchange (+/-)	Organic
Whiskey	—%	—%	—%	—%	—%
Jack Daniel's Tennessee Whiskey	(4)%	—%	—%	—%	(4)%
Woodford Reserve	(2)%	—%	—%	—%	(1)%
Old Forester	8%	—%	—%	—%	8%
Ready-to-Drink	6%	—%	—%	3%	9%
Tequila	(1)%	—%	—%	1%	1%
Rest of Portfolio	(27)%	44%	—%	—%	17%
Total Portfolio	(3)%	3%	—%	—%	1%

¹"Other items" includes "JDCC transition." See "Non-GAAP Financial Measures and Reconciliation" for additional details.

Note: Results are on a reported basis and change is versus the prior-year period, unless otherwise noted. Totals may differ due to rounding.

Geographic Reconciliation First Quarter of Fiscal 2027 and Fiscal 2026 Net Sales Growth

Three months ended July 31, 2026	Reported	Acquisitions & Divestitures (+/-)	Other Items ¹ (+/-)	Foreign Exchange (+/-)	Organic
United States	(3)%	4%	(1)%	—%	—%
Developed International	(6)%	—%	—%	(1)%	(8)%
Emerging	11%	—%	—%	(2)%	9%
Travel Retail	(1)%	—%	—%	—%	(1)%

Three months ended July 31, 2025	Reported	Acquisitions & Divestitures (+/-)	Other Items ¹ (+/-)	Foreign Exchange (+/-)	Organic
United States	(8)%	6%	—%	—%	(2)%
Developed International	(8)%	1%	—%	(1)%	(9)%
Emerging	20%	1%	—%	3%	25%
Travel Retail	8%	—%	—%	(2)%	7%

¹“Other items” includes “JDCC transition.” See “Non-GAAP Financial Measures and Reconciliation” for additional details.

Note: Results are on a reported basis and change is versus the prior-year period, unless otherwise noted. Totals may differ due to rounding.

Supplemental Free Cash Flow Information

For the Three Months Ended July 31,	2025	2026
Cash provided by operating activities	\$160	\$173
Additions to property, plant, and equipment	(31)	(12)
Free cash flow ¹	129	161

\$ in millions

¹See "Non-GAAP Financial Measures and Reconciliation" for additional details.





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