United States
Securities and Exchange Commission
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended January 31, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _______________ to _______________

Commission File No. **001-00123**

Brown-Forman Corporation
(Exact name of Registrant as specified in its Charter)

Delaware	**61-0143150**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
850 Dixie Highway Louisville, Kentucky	**40210**
(Address of principal executive offices)	(Zip Code)

(502) 585-1100
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock (voting), $0.15 par value	BFA	New York Stock Exchange
Class B Common Stock (nonvoting), $0.15 par value	BFB	New York Stock Exchange
1.200% Notes due 2026	BF26	New York Stock Exchange
2.600% Notes due 2028	BF28	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: February 28, 2026

Class A Common Stock (voting), $0.15 par value	168,441,239
Class B Common Stock (nonvoting), $0.15 par value	290,262,390

BROWN-FORMAN CORPORATION
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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

BROWN-FORMAN CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(Dollars in millions, except per share amounts)

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2025	2026	2025	2026
Sales	$ 1,348	$ 1,396	$ 3,935	$ 3,923
Excise taxes	313	340	854	907
Net sales	1,035	1,056	3,081	3,016
Cost of sales	416	416	1,251	1,209
Gross profit	619	640	1,830	1,807
Advertising expenses	125	120	377	366
Selling, general, and administrative expenses	178	184	551	548
Restructuring and other charges	31	3	33	19
Other expense (income), net	5	(7)	(33)	(31)
Operating income	280	340	902	905
Non-operating postretirement expense	3	3	4	25
Interest income	(5)	(4)	(12)	(11)
Interest expense	31	26	95	77
Equity method investment income and gain on sale	(81)	—	(83)	—
Income before income taxes	332	315	898	814
Income taxes	62	48	175	153
Net income	$ 270	$ 267	$ 723	$ 661
Earnings per share:				
Basic	$ 0.57	$ 0.58	$ 1.53	$ 1.41
Diluted	$ 0.57	$ 0.58	$ 1.53	$ 1.41

See notes to the condensed consolidated financial statements.

BROWN-FORMAN CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)
(Dollars in millions)

	Three Months Ended January 31,		Nine Months Ended January 31,	
	2025	2026	2025	2026
Net income	$ 270	$ 267	$ 723	$ 661
Other comprehensive income (loss), net of tax:				
Currency translation adjustments	(60)	86	(128)	120
Cash flow hedge adjustments	6	(9)	3	(5)
Postretirement benefits adjustments	2	5	3	17
Net other comprehensive income (loss)	(52)	82	(122)	132
Comprehensive income	$ 218	$ 349	$ 601	$ 793

See notes to the condensed consolidated financial statements.

BROWN-FORMAN CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollars in millions, except per share amounts)

	April 30, 2025	January 31, 2026
Assets		
Cash and cash equivalents	$ 444	$ 383
Accounts receivable, less allowance for doubtful accounts of $7 at April 30 and $5 at January 31	830	983
Inventories:		
Barreled whiskey	1,567	1,559
Finished goods	476	493
Work in process	378	413
Raw materials and supplies	90	95
Total inventories	2,511	2,560
Assets held for sale	121	—
Other current assets	289	308
Total current assets	4,195	4,234
Property, plant and equipment, net	1,095	1,111
Goodwill	1,505	1,536
Other intangible assets	981	1,088
Deferred tax assets	47	50
Other assets	263	283
Total assets	$ 8,086	$ 8,302
Liabilities		
Accounts payable and accrued expenses	$ 741	$ 834
Accrued income taxes	27	40
Short-term borrowings	312	300
Current portion of long-term debt	—	356
Total current liabilities	1,080	1,530
Long-term debt	2,421	2,089
Deferred tax liabilities	241	223
Accrued pension and other postretirement benefits	164	172
Other liabilities	187	206
Total liabilities	4,093	4,220
Commitments and contingencies		
Stockholders' Equity		
Common stock:		
Class A, voting, $0.15 par value (170,000,000 shares authorized; 170,000,000 shares issued)	25	25
Class B, nonvoting, $0.15 par value (400,000,000 shares authorized; 314,532,000 shares issued)	47	47
Additional paid-in capital	36	52
Retained earnings	4,710	5,050
Accumulated other comprehensive income (loss), net of tax	(220)	(88)
Treasury stock, at cost (11,863,000 and 25,833,000 shares at April 30 and January 31, respectively)	(605)	(1,004)
Total stockholders' equity	3,993	4,082
Total liabilities and stockholders' equity	$ 8,086	$ 8,302

See notes to the condensed consolidated financial statements.

BROWN-FORMAN CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in millions)

	Nine Months Ended January 31, 2025	Nine Months Ended January 31, 2026
Cash flows from operating activities:		
Net income	$ 723	$ 661
Adjustments to reconcile net income to net cash provided by operations:		
Equity method investment income and gain on sale	(83)	—
Depreciation and amortization	66	68
Stock-based compensation expense	20	22
Deferred income tax benefit	(43)	(29)
Change in fair value of contingent consideration	5	(1)
Other, net	(3)	(3)
Changes in assets and liabilities:		
Accounts receivable	(106)	(126)
Inventories	(61)	(24)
Other current assets	21	(17)
Accounts payable and accrued expenses	(64)	77
Accrued income taxes	(10)	15
Other operating assets and liabilities	(19)	66
Cash provided by operating activities	446	709
Cash flows from investing activities:		
Proceeds from sale of equity method investment	350	—
Additions to property, plant, and equipment	(117)	(81)
Proceeds from sale of cooperage assets	51	33
Cash provided by (used for) investing activities	284	(48)
Cash flows from financing activities:		
Net change in short term borrowings	(227)	(13)
Payments of withholding taxes related to stock-based awards	(2)	(1)
Acquisition of treasury stock	—	(400)
Dividends paid	(313)	(321)
Other, net	(4)	(2)
Cash used for financing activities	(546)	(737)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(20)	15
Net increase (decrease) in cash, cash equivalents, and restricted cash	164	(61)
Cash, cash equivalents, and restricted cash at beginning of period	456	463
Cash, cash equivalents, and restricted cash at end of period	620	402
Less: Restricted cash (included in other current assets) at end of period	(21)	(19)
Cash and cash equivalents at end of period	$ 599	$ 383
Supplemental information:		
Non-cash additions to property, plant and equipment	$ 7	$ 2
Right-of-use assets obtained in exchange for new lease obligations	$ 30	$ 22

See notes to the condensed consolidated financial statements.

BROWN-FORMAN CORPORATION AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

In these notes, “we,” “us,” “our,” “Brown-Forman,” and the “Company” refer to Brown-Forman Corporation and its consolidated subsidiaries, collectively.

1. Condensed Consolidated Financial Statements

We prepared the accompanying unaudited condensed consolidated financial statements pursuant to the rules and regulations of the U.S. Securities and Exchange Commission for interim financial information. In accordance with those rules and regulations, we condensed or omitted certain information and disclosures normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP). In our opinion, the accompanying financial statements include all adjustments, consisting only of normal recurring adjustments (unless otherwise indicated), necessary for a fair statement of our financial results for the periods presented in these financial statements. The results for interim periods are not necessarily indicative of future or annual results.

We suggest that you read these condensed financial statements together with the financial statements and footnotes included in our Annual Report on Form 10-K for the fiscal year ended April 30, 2025 (2025 Form 10-K). We prepared the accompanying financial statements on a basis that is substantially consistent with the accounting principles applied in our 2025 Form 10-K.

Accounting standards not yet adopted. In December 2023, the Financial Accounting Standards Board (FASB) issued an updated accounting standard requiring additional annual disclosures about income taxes, primarily related to the rate reconciliation and information about income taxes paid. We are required to adopt the new guidance for the annual period ending April 30, 2026. The update can be applied either prospectively or retrospectively. We are still finalizing our assessment of the additional disclosure requirements and do not expect the adoption to have a material impact on our financial position or results of operations.

In November 2024, the FASB issued an updated accounting standard requiring disaggregation, in the notes to the financial statements, of expense line items in the income statement that include certain categories of expenses. We are required to adopt the updated standard for annual disclosures for the period ending April 30, 2028, and for interim disclosures within fiscal 2029, with earlier adoption permitted. The update can be applied either prospectively or retrospectively. We are currently evaluating the impact that adopting this accounting standards update will have on our disclosures.

2. Earnings Per Share

We calculate basic earnings per share by dividing net income available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share further includes the dilutive effect of stock-based compensation awards. We calculate that dilutive effect using the “treasury stock method” (as defined by GAAP).

The following table presents information concerning basic and diluted earnings per share:

	Three Months Ended January 31,		Nine Months Ended January 31,	
(Dollars in millions, except per share amounts)	2025	2026	2025	2026
Net income available to common stockholders	$ 270	$ 267	$ 723	$ 661
Share data (in thousands):				
Basic average common shares outstanding	472,661	462,460	472,651	468,624
Dilutive effect of stock-based awards	225	397	309	328
Diluted average common shares outstanding	472,886	462,857	472,960	468,952
Basic earnings per share	$ 0.57	$ 0.58	$ 1.53	$ 1.41
Diluted earnings per share	$ 0.57	$ 0.58	$ 1.53	$ 1.41

We excluded common stock-based awards for approximately 3,378,000 shares and 5,179,000 shares from the calculation of diluted earnings per share for the three months ended January 31, 2025 and 2026, respectively. We excluded common stock-based awards for approximately 2,993,000 shares and 4,718,000 shares from the calculation of diluted earnings per share for the nine months ended January 31, 2025 and 2026, respectively. We excluded those awards because they were not dilutive for those periods under the treasury stock method.

3. **Inventories**

We value some of our consolidated inventories, including most of our U.S. inventories, at the lower of cost, using the last-in, first-out (LIFO) method, or market value. If the LIFO method had not been used, inventories at current cost would have been $600 million higher than reported as of April 30, 2025, and $684 million higher than reported as of January 31, 2026. Changes in the LIFO valuation reserve for interim periods are based on an allocation of the projected change for the entire fiscal year, recognized proportionately over the remainder of the fiscal year.

4. **Goodwill and Other Intangible Assets**

The following table shows the changes in goodwill (which includes no accumulated impairment losses) during the nine months ended January 31, 2026:

(Dollars in millions)	Goodwill
Balance at April 30, 2025	$ 1,505
Foreign currency translation adjustment	31
Balance at January 31, 2026	$ 1,536

The following table presents details of our other intangible assets as of April 30, 2025 and January 31, 2026, respectively:

	April 30, 2025			January 31, 2026		
(Dollars in millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Definite-lived intangible assets:						
Supply contract	$ —	$ —	$ —	$ 88	$ (6)	$ 82
Indefinite-lived intangible assets:						
Trademarks and brand names	981		981	1,006		1,006
Total other intangible assets	$ 981		$ 981	$ 1,094		$ 1,088

During the first quarter of fiscal 2026, we recognized a definite-lived supply contract intangible asset of $88 million. This amount relates to a barrel supply agreement and was obtained as partial consideration for the sale of the Brown-Forman Cooperage facility and related assets on May 1, 2025 (refer to Note 6). We determined the estimated fair value of the supply contract using a discounted cash flow model. This method requires the use of assumptions, such as projected future market prices and discount rates (refer to Note 14). Amortization related to the supply contract used in the production of barrels will be capitalized into inventories. The supply contract will be amortized based on the actual realization of the benefit over the term of the contract. We expect to realize the benefit over six years. There was $6 million of amortization capitalized into inventories during the three months and nine months ended January 31, 2026.

The increase in the indefinite-lived intangible assets from April 30, 2025 to January 31, 2026, was primarily driven by the impact of foreign exchange rates.

5. **Equity Method Investments**

On April 30, 2024, as partial consideration for the sale of the Sonoma-Cutrer wine business to The Duckhorn Portfolio, Inc. (Duckhorn), we obtained a 21.4% ownership interest in the common stock of Duckhorn. During the three months and nine months ended January 31, 2025, we recognized $3 million and $5 million, respectively, of equity method investment income for our share of Duckhorn's earnings.

Also, effective April 30, 2024, we entered into a transition services agreement (TSA) with Duckhorn related to the sale of the Sonoma-Cutrer wine business. Our cost of sales for the nine months ended January 31, 2025, included $24 million for Sonoma-Cuter products purchased from Duckhorn under the TSA. There was no impact to cost of sales for the three months ended January 31, 2025. Fees earned for transition services provided to Duckhorn under the TSA were immaterial. Services related to the TSA ended on or about August 31, 2024.

On October 6, 2024, Duckhorn entered into a definitive agreement pursuant to which Duckhorn would be acquired by private equity funds managed by Butterfly Equity. The transaction was completed on December 24, 2024. Upon completion of the transaction, we received cash of $350 million in exchange for our 21.4% ownership interest in Duckhorn. As a result of the transaction, we recognized a $78 million gain on sale of our investment in Duckhorn during the three months ended January 31, 2025.

Our other equity method investments, which are included in other assets in the accompanying condensed consolidated balance sheets, are immaterial.

6. **Restructuring and Other Charges**

On January 13, 2025, our Board of Directors approved a plan to reduce our structural cost base and realign resources toward future sources of growth (Restructuring Initiative). This included reducing our worldwide headcount by approximately 12% and closing our Louisville-based Brown-Forman Cooperage. These actions were substantially implemented in fiscal 2025, with the remainder to be completed by the end of fiscal 2026.

We expect to incur aggregate restructuring charges of approximately $67 to $70 million in connection with these actions, consisting primarily of approximately $31 to $32 million in severance and other employee-related costs and approximately $36 to $38 million in other restructuring costs, including costs related to the Louisville-based Brown-Forman Cooperage facility closure and consulting services associated with the restructuring actions. Through January 31, 2026, we recognized $67 million of restructuring and other charges associated with these actions, comprising $65 million in restructuring charges and $2 million in other charges for asset impairments. In fiscal 2025, we also recorded $12 million in other charges associated with a special, one-time early retirement benefit and $3 million in charges to adjust the carrying amount of certain Brown-Forman Cooperage inventory to the amount we expected to realize upon disposal (included in cost of sales in our consolidated statement of operations). As of January 31, 2026, $52 million of the charges to be settled in cash have been paid.

The following table summarizes the restructuring and other charges recognized during the three months and nine months ended January 31, 2025 and 2026, respectively.

	Three Months Ended January 31,		Nine Months Ended January 31,	
(Dollars in millions)	2025	2026	2025	2026
Restructuring charges:				
Severance and other employee-related costs	$ 19	$ 3	$ 19	$ 7
Other restructuring charges[1]	6	—	8	12
Restructuring charges	25	3	27	19
Other charges[2]	6	—	6	—
Total restructuring and other charges	$ 31	$ 3	$ 33	$ 19

[1]Primarily represents one-time costs related to the cooperage facility closure, consulting services, and other miscellaneous exit costs.

[2]Represents $4 million in costs associated with a special, one-time early retirement benefit to qualifying U.S. employees and $2 million in impairment charges on certain cooperage facility assets that were recognized during the three months ended January 31, 2025.

The charges we currently expect to incur in connection with the Restructuring Initiative are subject to a number of assumptions and risks, and actual results may differ materially. We may also incur other material charges not currently contemplated due to events that may occur as a result of, or in connection with, the Restructuring Initiative.

The following table summarizes the activity in our accrued restructuring costs:

(Dollars in millions)	Severance and Other Employee-Related Costs	Other Restructuring Charges	Total
Balance at April 30, 2025	$ 13	$ 6	$ 19
Costs incurred and charged to expense	7	12	19
Costs paid or otherwise settled	(18)	(7)	(25)
Balance at January 31, 2026	$ 2	$ 11	$ 13

Additionally, on May 1, 2025, we completed the sale of the Brown-Forman Cooperage facility and related assets for $33 million in cash and $88 million in non-cash consideration related to a supply contract with the sellers (refer to Note 4). The carrying amount of the assets included in the sale was $121 million, consisting of $33 million in property, plant, and equipment, net, and $88 million in inventories. As a result of the sale, we recognized an immaterial pre-tax gain during the first quarter of fiscal 2026.

7. **Contingencies**

We operate in a litigious environment, and we are sued in the normal course of business. Sometimes plaintiffs seek substantial damages. Significant judgment is required in predicting the outcome of these suits and claims, many of which take years to adjudicate. We accrue estimated costs for a contingency when we believe that a loss is probable and we can make a reasonable estimate of the loss, and then adjust the accrual as appropriate to reflect changes in facts and circumstances. We do not believe it is reasonably possible that these existing loss contingencies, individually or in the aggregate, would have a material adverse effect on our financial position, results of operations, or liquidity. No material accrued loss contingencies were recorded as of January 31, 2026.

8. **Debt**

Our long-term debt (net of unamortized discount and issuance costs) consisted of:

(Principal and carrying amounts in millions)	April 30, 2025	January 31, 2026
1.20% senior notes, €300 principal amount, due July 7, 2026	342	356
2.60% senior notes, £300 principal amount, due July 7, 2028	401	410
4.75% senior notes, $650 principal amount, due April 15, 2033	644	644
4.00% senior notes, $300 principal amount, due April 15, 2038	296	296
3.75% senior notes, $250 principal amount, due January 15, 2043	248	249
4.50% senior notes, $500 principal amount, due July 15, 2045	490	490
Total long-term debt (including current portion)	2,421	2,445
Less current portion	—	356
Total long-term debt	$ 2,421	$ 2,089

Our short-term borrowings consisted of borrowings under our commercial paper program, as follows:

(Dollars in millions)	April 30, 2025	January 31, 2026
Commercial paper (par amount)	$313	$301
Average interest rate	4.64%	3.86%
Average remaining days to maturity	12	13

9. **Stockholders' Equity**

The following table shows the changes in stockholders' equity by quarter during the nine months ended January 31, 2025:

(Dollars in millions)	Class A Common Stock	Class B Common Stock	Additional Paid-in Capital	Retained Earnings	AOCI	Treasury Stock	Total
Balance at April 30, 2024	$ 25	$ 47	$ 13	$ 4,261	$ (221)	$ (608)	$ 3,517
Net income				195			195
Net other comprehensive income (loss)					(43)		(43)
Declaration of cash dividends				(206)			(206)
Stock-based compensation expense			4				4
Stock issued under compensation plans						3	3
Loss on issuance of treasury stock issued under compensation plans			(5)				(5)
Balance at July 31, 2024	25	47	12	4,250	(264)	(605)	3,465
Net income				258			258
Net other comprehensive income (loss)					(27)		(27)
Stock-based compensation expense			9				9
Balance at October 31, 2024	25	47	21	4,508	(291)	(605)	3,705
Net income				270			270
Net other comprehensive income (loss)					(52)		(52)
Declaration of cash dividends				(107)			(107)
Stock-based compensation expense			7				7
Balance at January 31, 2025	$ 25	$ 47	$ 28	$ 4,671	$ (343)	$ (605)	$ 3,823

The following table shows the changes in stockholders' equity by quarter during the nine months ended January 31, 2026:

(Dollars in millions)	Class A Common Stock	Class B Common Stock	Additional Paid-in Capital	Retained Earnings	AOCI	Treasury Stock	Total
Balance at April 30, 2025	$ 25	$ 47	$ 36	$ 4,710	$ (220)	$ (605)	$ 3,993
Net income				170			170
Net other comprehensive income (loss)					36		36
Declaration of cash dividends				(214)			(214)
Stock-based compensation expense			4				4
Stock issued under compensation plans						5	5
Loss on issuance of treasury stock issued under compensation plans			(6)				(6)
Balance at July 31, 2025	25	47	34	4,666	(184)	(600)	3,988
Net income				224			224
Net other comprehensive income (loss)					14		14
Acquisition of treasury stock						(100)	(100)
Stock-based compensation expense			8				8
Balance at October 31, 2025	25	47	42	4,890	(170)	(700)	4,134
Net income				267			267
Net other comprehensive income (loss)					82		82
Declaration of cash dividends				(107)			(107)
Acquisition of treasury stock						(304)	(304)
Stock-based compensation expense			10				10
Balance at January 31, 2026	$ 25	$ 47	$ 52	$ 5,050	$ (88)	$ (1,004)	$ 4,082

The following table shows the change in each component of accumulated other comprehensive income (AOCI), net of tax, during the nine months ended January 31, 2026:

(Dollars in millions)	Currency Translation Adjustments	Cash Flow Hedge Adjustments	Postretirement Benefits Adjustments	Total AOCI
Balance at April 30, 2025	$ (92)	$ (5)	$ (123)	$ (220)
Net other comprehensive income (loss)	120	(5)	17	132
Balance at January 31, 2026	$ 28	$ (10)	$ (106)	$ (88)

The following table shows the cash dividends declared per share on our Class A and Class B common stock during the nine months ended January 31, 2026:

Declaration Date	Record Date	Payable Date	Amount per Share
May 22, 2025	June 9, 2025	July 1, 2025	$0.2265
July 24, 2025	September 3, 2025	October 1, 2025	$0.2265
November 19, 2025	December 5, 2025	January 2, 2026	$0.2310

On February 18, 2026, our Board of Directors declared a regular quarterly cash dividend on our Class A and Class B common stock of $0.2310 per share. The dividend is payable on April 1, 2026, to stockholders of record on March 9, 2026.

10. **Net Sales**

The following table shows our net sales by geography:

(Dollars in millions)	Three Months Ended January 31, 2025	Three Months Ended January 31, 2026	Nine Months Ended January 31, 2025	Nine Months Ended January 31, 2026
United States	$ 459	$ 427	$ 1,367	$ 1,257
Developed International[1]	298	307	867	851
Emerging[2]	220	276	647	748
Travel Retail[3]	35	39	121	131
Non-branded and bulk[4]	23	7	79	29
Total	$ 1,035	$ 1,056	$ 3,081	$ 3,016

[1]Represents net sales of branded products to "advanced economies" as defined by the International Monetary Fund (IMF), excluding the United States. Our top developed international markets are Germany, Australia, the United Kingdom, France, and Canada.

[2]Represents net sales of branded products to "emerging and developing economies" as defined by the IMF. Our top emerging markets are Mexico, Poland, Brazil, and Türkiye.

[3]Represents net sales of branded products to global duty-free customers, other travel retail customers, and the U.S. military, regardless of customer location.

[4]Includes net sales of used barrels, contract bottling services, and non-branded bulk whiskey, regardless of customer location.

The following table shows our net sales by product category:

(Dollars in millions)	Three Months Ended January 31, 2025	Three Months Ended January 31, 2026	Nine Months Ended January 31, 2025	Nine Months Ended January 31, 2026
Whiskey[1]	$ 749	$ 797	$ 2,177	$ 2,227
Ready-to-Drink[2]	126	146	380	412
Tequila[3]	68	60	202	189
Non-branded and bulk[4]	23	7	79	29
Rest of portfolio[5]	69	46	243	159
Total	$ 1,035	$ 1,056	$ 3,081	$ 3,016

[1]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 outlined below), the Woodford Reserve family of brands, the Old Forester family of brands, The GlenDronach, Benriach, Glenglassaugh, and Slane Irish Whiskey.

[2]Includes the Jack Daniel's ready-to-drink (RTD) and ready-to-pour (RTP) products, New Mix, and other RTD/RTP products.

[3]Includes el Jimador, the Herradura family of brands, and other tequilas.

[4]Includes net sales of used barrels, contract bottling services, and non-branded bulk whiskey.

[5]Includes Korbel California Champagnes and Korbel Brandy (the sales, marketing, and distribution relationship ended on June 30, 2025), Diplomático, Chambord, Gin Mare, Sonoma-Cutrer (which was divested on April 30, 2024), Finlandia Vodka (which was divested on November 1, 2023), Fords Gin, and other agency brands (brands we do not own, but sell in certain markets).

11. **Pension and Other Postretirement Benefits**

The following table shows the components of the net cost recognized for our U.S. pension and other postretirement benefit plans. Similar information for our international defined benefit plans is not presented due to immateriality.

	Three Months Ended January 31,		Nine Months Ended January 31,	
(Dollars in millions)	2025	2026	2025	2026
Pension Benefits:				
Service cost	$ 4	$ 3	$ 13	$ 10
Interest cost	9	8	27	23
Expected return on plan assets	(10)	(8)	(29)	(25)
Amortization of:				
Prior service cost	—	—	1	1
Net actuarial loss	1	1	1	3
Curtailment loss	1	—	1	—
Settlement charge	—	1	—	22
Net cost	$ 5	$ 5	$ 14	$ 34
Other Postretirement Benefits:				
Interest cost	$ —	$ —	$ 1	$ 1
Special termination benefits	1	—	1	—
Curtailment loss	1	—	1	—
Net cost	$ 2	$ —	$ 3	$ 1

During the three months and nine months ended January 31, 2026, we recognized pension settlement charges of $1 million and $22 million, respectively, triggered by fiscal year-to-date lump-sum payments under certain pension plans surpassing total annual service and interest cost for those plans.

12. **Income Taxes**

Our consolidated interim effective tax rate is based on our expected annual operating income, statutory tax rates, and income tax laws in the various jurisdictions where we operate. Significant or unusual items, including adjustments to accruals for tax uncertainties, are recognized in the fiscal quarter in which the related event or a change in judgment occurs. The effective tax rate on ordinary income for the full fiscal year is expected to be 20.8%, which is less than the U.S. federal statutory rate of 21.0%, due to the beneficial impact of the foreign-derived intangible income deduction and tax credits, mostly offset by state taxes and the tax effects of foreign operations.

The effective tax rate of 18.7% for the nine months ended January 31, 2026, was lower than the expected tax rate of 20.8% on ordinary income for the full fiscal year ending April 30, 2026, primarily due to the beneficial impact of prior fiscal year true-ups and tax rate changes in the current period. The effective tax rate of 18.7% for the nine months ended January 31, 2026, was lower than the effective tax rate of 19.5% for the same period last year. The decrease in our effective tax rate was driven primarily by the favorable year-over-year impact of tax rate changes, lower state taxes, tax credits and changes in valuation allowances, which were partially offset by the unfavorable year-over-year impact of prior fiscal year true-ups.

The Organization for Economic Co-operation and Development (OECD) 15% global minimum tax under the Pillar Two Model Rules, which is now effective in countries with enacted legislation, did not materially impact our financial results in the nine months ended January 31, 2026. We will continue to evaluate the impact in future periods as previously-enacting countries issue related guidance and additional countries consider adoption of the global minimum tax rules. On January 5, 2026, the OECD Inclusive Framework members approved changes to the model rules for the global minimum tax. We are monitoring the implementation of these rules into local laws; however, no material impact to the financial statements is expected for the fiscal year ending April 30, 2026.

On July 4, 2025, the One Big Beautiful Bill Act was signed into law in the United States, which encompasses a broad range of tax reform provisions. We do not expect this to have a material impact on our estimated annual effective tax rate for the fiscal year ending April 30, 2026.

13. **Derivative Financial Instruments and Hedging Activities**

We are subject to market risks, including the effect of fluctuations in foreign currency exchange rates, commodity prices, and interest rates. We use derivatives to help manage financial exposures that occur in the normal course of business. We formally document the purpose of each derivative contract, which includes linking the contract to the financial exposure it is designed to mitigate. We do not hold or issue derivatives for trading or speculative purposes.

We use currency derivative contracts to limit our exposure to the foreign currency exchange rate risk that we cannot mitigate internally by using netting strategies. We designate most of these contracts as cash flow hedges of forecasted transactions (expected to occur within two years). We record all changes in the fair value of cash flow hedges in AOCI until the underlying hedged transaction occurs, at which time we reclassify that amount to earnings.

Some of our currency derivatives are not designated as hedges because we use them to partially offset the immediate earnings impact of changes in foreign currency exchange rates on existing assets or liabilities. We immediately recognize the change in fair value of these contracts in earnings.

We had outstanding currency derivatives, related primarily to our euro, British pound, and Australian dollars with notional amounts for all hedged currencies totaling $463 million at April 30, 2025, and $502 million at January 31, 2026. The maximum term of outstanding derivative contracts was 24 months at both April 30, 2025 and January 31, 2026.

We also use foreign currency-denominated debt instruments to help manage our foreign currency exchange rate risk. We designate a portion of those debt instruments as net investment hedges, which are intended to mitigate foreign currency exposure related to non-U.S. dollar net investments in certain foreign subsidiaries. Any change in value of the designated portion of the hedging instruments is recorded in AOCI, offsetting the foreign currency translation adjustment of the related net investments that is also recorded in AOCI. The amount of foreign currency-denominated debt instruments designated as net investment hedges was $531 million at April 30, 2025, and $546 million at January 31, 2026.

At inception, we expect each financial instrument designated as a hedge to be highly effective in offsetting the financial exposure it is designed to mitigate. We assess the effectiveness of our hedges continually. If we determine that any financial instruments designated as hedges are no longer highly effective, we discontinue hedge accounting for those instruments.

We use forward purchase contracts with suppliers to protect against corn price volatility. We expect to take physical delivery of the corn underlying each contract and use it for production over a reasonable period of time. Accordingly, we account for these contracts as normal purchases rather than as derivative instruments.

The following table presents the pre-tax impact that changes in the fair value of our derivative instruments and non-derivative hedging instruments had on AOCI and earnings:

(Dollars in millions)	Classification	Three Months Ended January 31, 2025	2026
Derivative Instruments			
Currency derivatives designated as cash flow hedges:			
Net gain (loss) recognized in AOCI	n/a	$ 12	$ (15)
Net gain (loss) reclassified from AOCI into earnings	Sales	4	(3)
Currency derivatives not designated as hedging instruments:			
Net gain (loss) recognized in earnings	Sales	$ 6	$ (4)
Net gain (loss) recognized in earnings	Other income (expense), net	(1)	3
Non-Derivative Hedging Instruments			
Foreign currency-denominated debt designated as net investment hedge:			
Net gain (loss) recognized in AOCI	n/a	$ 22	$ (21)
Total amounts presented in the accompanying condensed consolidated statements of operations for line items affected by the net gains (losses) shown above:			
Sales		$ 1,348	$ 1,396
Other income (expense), net		(5)	7

(Dollars in millions)	Classification	Nine Months Ended January 31, 2025	2026
Derivative Instruments			
Currency derivatives designated as cash flow hedges:			
Net gain (loss) recognized in AOCI	n/a	$ 11	$ (16)
Net gain (loss) reclassified from AOCI into earnings	Sales	7	(10)
Currency derivatives not designated as hedging instruments:			
Net gain (loss) recognized in earnings	Sales	$ 6	$ (5)
Net gain (loss) recognized in earnings	Other income (expense), net	(6)	6
Non-Derivative Hedging Instruments			
Foreign currency-denominated debt designated as net investment hedge:			
Net gain (loss) recognized in AOCI	n/a	$ 7	$ (13)
Total amounts presented in the accompanying condensed consolidated statements of operations for line items affected by the net gains (losses) shown above:			
Sales		$ 3,935	$ 3,923
Other income (expense), net		33	31

We expect to reclassify $15 million of deferred net losses on cash flow hedges recorded in AOCI as of January 31, 2026 to earnings during the next 12 months. This reclassification would offset the anticipated earnings impact of the underlying hedged exposures. The actual amounts that we ultimately reclassify to earnings will depend on the exchange rates in effect when the underlying hedged transactions occur.

The following table presents the fair values of our derivative instruments:

		April 30, 2025		January 31, 2026	
(Dollars in millions)	Classification	Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities
Designated as cash flow hedges:					
Currency derivatives	Accrued expenses	$ 2	$ (11)	$ —	$ (18)
Currency derivatives	Other liabilities	—	(3)	—	(3)
Not designated as hedges:					
Currency derivatives	Other current assets	2	—	1	—

The fair values reflected in the above table are presented on a gross basis. However, as discussed further below, the fair values of those instruments subject to net settlement agreements are presented on a net basis in our balance sheets.

In our statements of cash flows, we classify cash flows related to cash flow hedges in the same category as the cash flows from the hedged items.

Credit risk. We are exposed to credit-related losses if the counterparties to our derivative contracts default. This credit risk is limited to the fair value of the contracts. To manage this risk, we contract only with major financial institutions that have investment-grade credit ratings and with whom we have standard International Swaps and Derivatives Association (ISDA) agreements that allow for net settlement of the derivative contracts. Also, we have established counterparty credit guidelines that we monitor regularly, and we monetize contracts when we believe it is warranted. Because of these safeguards, we believe we have no derivative positions that warrant credit valuation adjustments.

Our derivative instruments require us to maintain a specific level of creditworthiness, which we have maintained. If our creditworthiness were to fall below that level, then the counterparties to our derivative instruments could request immediate payment or collateralization for derivative instruments in net liability positions. The aggregate fair value of our derivatives with creditworthiness requirements that were in a net liability position was $12 million at April 30, 2025, and $21 million at January 31, 2026.

Offsetting. As noted above, our derivative contracts are governed by ISDA agreements that allow for net settlement of derivative contracts with the same counterparty. It is our policy to present the fair values of current derivatives (that is, those with a remaining term of 12 months or less) with the same counterparty on a net basis in our balance sheets. Similarly, we present the fair values of noncurrent derivatives with the same counterparty on a net basis. We do not net current derivatives with noncurrent derivatives in our balance sheets.

The following table summarizes the gross and net amounts of our derivative contracts:

(Dollars in millions)	Gross Amounts of Recognized Assets (Liabilities)	Gross Amounts Offset in Balance Sheet	Net Amounts Presented in Balance Sheet	Gross Amounts Not Offset in Balance Sheet	Net Amounts
April 30, 2025					
Derivative assets	$ 4	$ (2)	$ 2	$ —	$ 2
Derivative liabilities	(14)	2	(12)	—	(12)
January 31, 2026					
Derivative assets	1	—	1	—	1
Derivative liabilities	(21)	—	(21)	—	(21)

No cash collateral was received or pledged related to our derivative contracts as of April 30, 2025, or January 31, 2026.

14. Fair Value Measurements

The following table summarizes the assets and liabilities measured or disclosed at fair value on a recurring basis:

	April 30, 2025		January 31, 2026	
(Dollars in millions)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets				
Cash and cash equivalents	$ 444	$ 444	$ 383	$ 383
Currency derivatives, net	2	2	1	1
Liabilities				
Currency derivatives, net	12	12	21	21
Contingent consideration	31	31	31	31
Short-term borrowings	312	312	300	300
Long-term debt (including current portion)	2,421	2,255	2,445	2,318

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. We categorize the fair values of assets and liabilities into three levels based on the assumptions (inputs) used to determine those values. Level 1 provides the most reliable measure of fair value, while Level 3 generally requires significant management judgment. The three levels are:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Observable inputs other than those included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; or other inputs that are observable or can be derived from or corroborated by observable market data.
- Level 3 – Unobservable inputs supported by little or no market activity.

We determine the fair values of our currency derivatives (forward contracts) using standard valuation models. The significant inputs used in these models, which are readily available in public markets or can be derived from observable market transactions, include the applicable spot exchange rates, forward exchange rates, and interest rates. These fair value measurements are categorized as Level 2 within the valuation hierarchy.

We determine the fair value of long-term debt primarily based on the prices at which identical or similar debt has recently traded in the market and also considering the overall market conditions on the date of valuation. These fair value measurements are categorized as Level 2 within the valuation hierarchy.

The fair values of cash, cash equivalents, and short-term borrowings approximate the carrying amounts due to the short maturities of these instruments.

The contingent consideration liability reflects the estimated fair value of the contingent future cash payments of up to €90 million to the sellers of the Gin Mare brand under an "earn-out" provision of the acquisition agreement (Gin Mare was acquired on November 3, 2022). Any contingent consideration earned by the sellers will become payable in cash upon exercise by the sellers of the right to receive the payment, which can occur no later than July 2027. The amount payable will depend on the achievement of net sales targets for Gin Mare for the latest fiscal year completed prior to the date of exercise by the sellers. The possible payments range from zero to €90 million.

We determine the fair value of our contingent consideration liability using a Monte Carlo simulation model, which requires the use of Level 3 inputs, such as projected future net sales, discount rates, and volatility rates. Changes in any of these Level 3 inputs could result in material changes to the fair value of the contingent consideration and could materially impact the amount of noncash expense (or income) recorded each reporting period.

The following table shows the changes in our contingent consideration liability during the nine months ended January 31, 2026:

(Dollars in millions)		
Balance at April 30, 2025	$	31
Change in fair value[1]		(1)
Foreign currency translation adjustment		1
Balance at January 31, 2026	$	31

[1]Classified as "other expense (income), net" in the accompanying condensed consolidated statement of operations.

We measure some assets and liabilities at fair value on a nonrecurring basis. That is, we do not measure them at fair value on an ongoing basis, but we do adjust them to fair value in some circumstances (for example, when we determine that an asset is impaired). During the first quarter of fiscal 2026, we recognized a supply contract intangible asset of $88 million, obtained as partial consideration for the sale of the Brown-Forman Cooperage facility and related assets on May 1, 2025 (refer to Note 6). We used the discounted cash flow model to determine the fair value of the supply contract as of the transaction date. The fair value measurement determined using this model is categorized as Level 3 within the valuation hierarchy. No other material nonrecurring fair value measurements were required during the periods presented in these financial statements.

15. **Other Comprehensive Income**

The following table shows the components of net other comprehensive income (loss):

	Three Months Ended January 31, 2025			Three Months Ended January 31, 2026		
(Dollars in millions)	Pre-Tax	Tax	Net	Pre-Tax	Tax	Net
Currency translation adjustments:						
Net gain (loss) on currency translation	$ (55)	$ (5)	$ (60)	$ 80	$ 6	$ 86
Reclassification to earnings	—	—	—	—	—	—
Other comprehensive income (loss), net	(55)	(5)	(60)	80	6	86
Cash flow hedge adjustments:						
Net gain (loss) on hedging instruments	12	(3)	9	(15)	3	(12)
Reclassification to earnings[1]	(4)	1	(3)	3	—	3
Other comprehensive income (loss), net	8	(2)	6	(12)	3	(9)
Postretirement benefits adjustments:						
Net actuarial gain (loss) and prior service cost	1	—	1	6	(2)	4
Reclassification to earnings[2]	1	—	1	2	(1)	1
Other comprehensive income (loss), net	2	—	2	8	(3)	5
Total other comprehensive income (loss), net	$ (45)	$ (7)	$ (52)	$ 76	$ 6	$ 82

	Nine Months Ended January 31, 2025			Nine Months Ended January 31, 2026		
(Dollars in millions)	Pre-Tax	Tax	Net	Pre-Tax	Tax	Net
Currency translation adjustments:						
Net gain (loss) on currency translation	$ (126)	$ (2)	$ (128)	$ 117	$ 3	$ 120
Reclassification to earnings	—	—	—	—	—	—
Other comprehensive income (loss), net	(126)	(2)	(128)	117	3	120
Cash flow hedge adjustments:						
Net gain (loss) on hedging instruments	11	(3)	8	(16)	3	(13)
Reclassification to earnings[1]	(7)	2	(5)	10	(2)	8
Other comprehensive income (loss), net	4	(1)	3	(6)	1	(5)
Postretirement benefits adjustments:						
Net actuarial gain (loss) and prior service cost	1	—	1	(3)	—	(3)
Reclassification to earnings[2]	2	—	2	26	(6)	20
Other comprehensive income (loss), net	3	—	3	23	(6)	17
Total other comprehensive income (loss), net	$ (119)	$ (3)	$ (122)	$ 134	$ (2)	$ 132

[1]Pre-tax amount for each period is classified as sales in the accompanying condensed consolidated statements of operations.
[2]Pre-tax amount for each period is classified as non-operating postretirement expense in the accompanying condensed consolidated statements of operations.

16. **Segment Information**

Our business constitutes a single operating segment, which derives its revenues predominantly from global sales of beverage alcohol consumer products.

Our Chief Executive Officer is our chief operating decision maker, who manages business operations, evaluates performance, and allocates resources based on segment metrics such as net sales, gross profit, operating income, and net income. Significant segment expenses include cost of sales, advertising expenses, and selling, general, and administrative expenses. Other segment items include (when applicable): restructuring and other charges; other expense (income), net; non-operating postretirement expense; interest income; interest expense; equity method investment income and gain on sale; and income taxes. The amount of each of these segment measures is the same as the consolidated amount presented in the accompanying condensed consolidated statements of operations.

The segment's assets, expenditures for additions to long-lived assets, and depreciation and amortization are the same as the consolidated amounts presented in the accompanying condensed consolidated balance sheets and condensed consolidated statements of cash flows.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis in conjunction with both our unaudited Condensed Consolidated Financial Statements and related notes included in Part I, Item 1 of this Quarterly Report and our Annual Report on Form 10-K for the fiscal year ended April 30, 2025 (2025 Form 10-K). Note that the results of operations for the nine months ended January 31, 2026, are not necessarily indicative of future or annual results. In this Item, "we," "us," "our," "Brown-Forman," and the "Company" refer to Brown-Forman Corporation and its consolidated subsidiaries, collectively.

Presentation Basis

Non-GAAP Financial Measures

We report our financial results in accordance with U.S. generally accepted accounting principles (GAAP). Additionally, we use some financial measures in this report 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 selling, general, and administrative (SG&A) expenses; (f) organic other expense (income), net; (g) organic operating expenses[1]; 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 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, second, and third quarters of fiscal 2026, we had the following acquisitions and divestitures adjustments:

  During fiscal 2023, we acquired Gin Mare Brand, S.L.U. and Mareliquid Vantguard, S.L.U., which owned the Gin Mare brand (Gin Mare). This adjustment removes the fair value adjustments to Gin Mare's contingent consideration liability that is payable in cash no later than July 2027 from our other expense (income), net and operating income.

  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, operating expenses, and operating income recognized pursuant to the TSAs related to distribution services in certain markets for the non-comparable period, which is activity from the first, second, and third quarters 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 Champagne Cellars (Korbel relationship), effective June 30, 2025. This adjustment removes the net sales, cost of sales, operating expenses, and operating income for the non-comparable period, which is July through January of fiscal 2025 and fiscal 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 nine months of fiscal 2026, we incurred

[1]Operating expenses include advertising expense, SG&A expense, restructuring and other charges, and other expense (income), net.

$19 million in restructuring and other charges associated with this initiative and completed the sale of the Brown-Forman Cooperage facility and related assets. Comparatively, we incurred $33 million in related restructuring and other charges in the second and third quarters of fiscal 2025. This adjustment removes the restructuring initiative impact from our operating expenses and operating income for the second and third quarters of fiscal 2025 and the first nine months of fiscal 2026. See Note 6 to the Condensed Consolidated Financial Statements for more information.

"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.

- *"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 report, "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.

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 provide reconciliations of the "organic change" in certain line items of the statements of operations to their nearest GAAP measures in the tables under "Results of Operations - Fiscal 2026 Year-to-Date Highlights" and "Results of Operations - Year-Over-Year Period Comparisons." 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.

Definitions

Aggregations.

From time to time, to explain our results of operations or to highlight trends and uncertainties affecting our business, we aggregate markets according to stage of economic development as defined by the International Monetary Fund (IMF), and we aggregate brands by beverage alcohol category. Below, we define the geographic and brand aggregations used in this report.

Geographic Aggregations.

In "Results of Operations - Fiscal 2026 Year-to-Date Highlights," we provide supplemental information for our top markets ranked by percentage of net sales. In addition to markets listed by country name, we include the following aggregations:

- *"Developed International"* markets are "advanced economies" as defined by the IMF, excluding the United States. Our top developed international markets were Germany, Australia, the United Kingdom, France, and Canada. This aggregation represents our net sales of branded products to these markets.
- *"Emerging"* markets are "emerging and developing economies" as defined by the IMF. Our top emerging markets 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.

In "Results of Operations - Fiscal 2026 Year-to-Date Highlights," we provide supplemental information for our top brands ranked by percentage of net sales. In addition to brands listed by name, we include the following aggregations outlined below.

- *"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 all ready-to-drink (RTD) and ready-to-pour (RTP) products. The brands included in this category are Jack Daniel's RTD and RTP products (JD RTD/RTP), New Mix, and other RTD/RTP products.
    - *"Jack Daniel's RTD/RTP"* products include 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)[1], 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 Korbel California Champagnes[2], Diplomático, Chambord, Gin Mare, Sonoma-Cutrer (which was divested on April 30, 2024), Finlandia Vodka (which was divested on November 1, 2023), Korbel Brandy[2], Fords Gin, and other agency brands (brands we do not own, but sell in certain markets).
- *"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 Tennessee Whiskey, Jack Daniel's Sinatra Select, Jack Daniel's Bonded Rye Tennessee Whiskey, Jack Daniel's American Single Malt, Jack Daniel's Triple Mash Blended Straight Whiskey, Jack Daniel's 10 Year Old, Jack Daniel's 14 Year Old, Jack Daniel's 12 Year Old, and other Jack Daniel's expressions.

<u>Other Metrics</u>.

- *"Shipments."* 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.
- *"Depletions."* 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.
- *"Consumer takeaway."* 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

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[1]As announced on March 2, 2026, we agreed to conclude our relationship with Pabst Brewing Company for flavored malt beverages within the United States. We will assume management of the supply, sales, marketing, and distribution of JDCC, effective July 7, 2026.
[2]Ended the Korbel relationship effective June 30, 2025.

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.

- *"Estimated net change in distributor inventories."* 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.

Important Information on Forward-Looking Statements:

This report 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 U.S. 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 cannabis, hemp-derived products or other similar products; 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

- Impact of health epidemics and pandemics, and the risk of the resulting negative economic impacts and related governmental actions
- Product recalls or other product liability claims, product tampering, contamination, or quality issues
- Negative publicity related to our company, products, brands, marketing, executive leadership, employees, Board of Directors, family stockholders, operations, business performance, or prospects
- Failure to attract or retain key executive or employee talent
- 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
- 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
- Cyber breach 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 2025 Form 10-K, and those described from time to time in our reports on Form 10-Q filed with the SEC.

Overview

Unless otherwise indicated, all related commentary is on a reported basis and is for the nine months ended January 31, 2026, compared to the same period last year.

Divestitures

During the fourth quarter of fiscal 2024, we sold the Sonoma-Cutrer wine business and entered into a TSA, which ended in August 2024. The absence of this brand negatively impacted our net sales and operating income, though positively impacted our gross margin for the nine months ended January 31, 2026.

During the first quarter of fiscal 2026, we ended the Korbel relationship, effective June 30, 2025. The absence of this brand negatively impacted our net sales and operating income, though positively impacted our gross margin for the three months and nine months ended January 31, 2026.

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 nine months of fiscal 2026, we incurred additional restructuring charges associated with this initiative and completed the sale of the Brown-Forman Cooperage facility and related assets. While these actions negatively impacted our operating expenses and operating income for the three months and nine months ended January 31, 2026, we benefitted from lower restructuring costs when compared to the same prior-year period. See Note 6 to the Condensed Consolidated Financial Statements for more information.

United States Distributor Evolution

During the first half of fiscal 2026, we transitioned our portfolio distribution in the state of California, effective May 1, 2025, and in 13 additional markets across the United States, effective August 1, 2025. In the third quarter of fiscal 2026, net sales were positively impacted by the timing of distributor ordering patterns in our transition markets. Additionally, our net sales for the three and nine months ended January 31, 2026, benefited from higher net pricing across the portfolio as a result of changes to our distributor relationship terms.

Fiscal 2026 Year-to-Date Highlights

During the nine months ended January 31, 2026, the operating environment remained challenging due to ongoing macroeconomic and geopolitical uncertainties, which we believe negatively impacted consumer confidence and reduced discretionary spending in many of our top markets.

- We delivered net sales of $3.0 billion for the nine months ended January 31, 2026, a decrease of 2%. The decrease was driven by the negative effect of acquisitions and divestitures and unfavorable portfolio mix, partially offset by higher volumes and the positive effect of foreign exchange.
    - From a brand perspective, net sales declines were driven by the end of the Korbel relationship and the absence of the Sonoma-Cutrer prior-year TSA, as well as lower sales of used barrels and JDTW, partially offset by the launch of JDTB and growth of New Mix.
    - From a geographic perspective, the declines in net sales in the United States and developed international markets were partially offset by growth in emerging markets and Travel Retail.
- We delivered gross profit of $1.8 billion for the nine months ended January 31, 2026, a decrease of 1%. Gross margin increased 0.5 percentage points to 59.9% from 59.4% in the same period last year. The increase in gross margin was driven by the positive effect of acquisitions and divestitures and the positive effect of foreign exchange, partially offset by higher costs and unfavorable price/mix.
- We delivered operating income of $905 million for the nine months ended January 31, 2026. Operating margin increased 0.7 percentage points to 30.0% from 29.3% in the same period last year. The increase was driven by (a) the benefit of the substitution drawback claims, (b) the impact of lower restructuring initiative costs, (c) lower SG&A and advertising expenses, (d) the positive effect of acquisitions and divestitures, and (e) the positive effect of foreign exchange. These increases were partially offset by the decline in gross profit and the absence of the prior-year franchise tax refund.

- We delivered diluted earnings per share of $1.41 for the nine months ended January 31, 2026, a decrease of 8% from the $1.53 reported for the same period last year, driven by the absence of gain on sale of our investment in Duckhorn and an increase in non-operating postretirement expense, partially offset by lower interest expense, net.

Summary of Operating Performance

(Dollars in millions)	Three Months Ended January 31, 2025	Three Months Ended January 31, 2026	Reported Change	Organic Change[1]	Nine Months Ended January 31, 2025	Nine Months Ended January 31, 2026	Reported Change	Organic Change[1]
Net sales	$ 1,035	$ 1,056	2%	1%	$ 3,081	$ 3,016	(2%)	—%
Cost of sales	416	416	—%	3%	1,251	1,209	(3%)	3%
Gross profit	619	640	4%	(1%)	1,830	1,807	(1%)	(2%)
Advertising	125	120	(4%)	(5%)	377	366	(3%)	(2%)
SG&A	178	184	3%	—%	551	548	(1%)	(2%)
Restructuring and other charges	31	3	(91%)	nm[4]	33	19	(45%)	nm[4]
Other expense (income), net	5	(7)	nm[4]	nm[4]	(33)	(31)	nm[4]	nm[4]
Operating income	280	340	21%	—%	902	905	—%	(3%)
Total operating expenses[2]	*$ 339*	*$ 300*	*(11%)*	*(2%)*	*$ 928*	*$ 902*	*(3%)*	*(2%)*
As a percentage of net sales[3]								
Gross profit	*59.8 %*	*60.6 %*	*0.9 pp*		*59.4 %*	*59.9 %*	*0.5 pp*	
Operating income	*27.1 %*	*32.1 %*	*5.0 pp*		*29.3 %*	*30.0 %*	*0.7 pp*	
Non-operating postretirement expense	$ 3	$ 3	nm[4]		$ 4	$ 25	nm[4]	
Interest expense, net	$ 26	$ 22	(14%)		$ 83	$ 66	(21%)	
Effective tax rate	*18.7 %*	*14.9 %*	*(3.8) pp*		19.5 %	*18.7 %*	*(0.8) pp*	
Diluted earnings per share	$ 0.57	$ 0.58	1%		$ 1.53	$ 1.41	(8%)	

Note: Totals may differ due to rounding

[1]See "Non-GAAP Financial Measures" above for details on our use of "organic change," including how we calculate these measures and why we believe this information is useful to readers.
[2]Operating expenses include advertising expense, SG&A expense, restructuring and other charges, and other expense (income), net.
[3]Year-over-year changes in percentages are reported in percentage points (pp).
[4]Percentage change is not meaningful.

Results of Operations – Fiscal 2026 Year-to-Date Highlights

Market Highlights

The following table provides supplemental information for our largest markets. We discuss results of the markets most affecting our performance below the table. Unless otherwise indicated, all related commentary is on a reported basis and is for the nine months ended January 31, 2026, compared to the same period last year.

Top Markets

Nine months ended January 31, 2026	Net Sales % Change vs. Prior Year Period			
Geographic area[1]	**Reported**	**Acquisitions and Divestitures**	**Foreign Exchange**	**Organic**[2]
United States	**(8%)**	**7%**	**—%**	**(1%)**
Developed International	**(2%)**	**—%**	**(4%)**	**(6%)**
Germany	(1%)	—%	(6%)	(7%)
Australia	(2%)	—%	1%	(1%)
United Kingdom	(6%)	—%	(4%)	(10%)
France	(1%)	—%	(6%)	(7%)
Canada	(60%)	1%	—%	(59%)
Rest of Developed International	8%	—%	(5%)	3%
Emerging	**16%**	**1%**	**(2%)**	**15%**
Mexico	19%	—%	(4%)	15%
Poland	9%	6%	(11%)	4%
Brazil	23%	—%	(2%)	22%
Türkiye	(7%)	—%	24%	18%
Rest of Emerging	18%	1%	(3%)	16%
Travel Retail	**9%**	**—%**	**(2%)**	**7%**
Non-branded and bulk	**(64%)**	**—%**	**—%**	**(64%)**
Total	**(2%)**	**4%**	**(2%)**	**—%**

Note: Results may differ due to rounding

[1]See "Definitions" above for definitions of market aggregations presented here.

[2]See "Non-GAAP Financial Measures" above for details on our use of "organic change" in net sales, including how we calculate this measure and why we believe this information is useful to readers.

The **United States'** net sales declined 8% driven by the end of the Korbel relationship and the absence of the Sonoma-Cutrer prior-year TSA, as well as lower volumes, led by JDTW, Herradura, and JDTH. These declines were partially offset by (a) new product launches, including JDTB, Jack Daniel's Single Barrel Heritage Barrel, and New Mix, (b) higher net pricing across the portfolio as a result of changes to our distributor relationship terms, and (c) higher volumes of Woodford Reserve due to timing of distributor ordering patterns in our transition markets.

Developed International

- In a challenging economic environment, **Germany's** net sales declined 1% driven by lower volumes of JDTW, unfavorable timing of retailer ordering patterns, and lower net pricing of JD RTD/RTP products. These declines were partially offset by the positive effect of foreign exchange and the launch of JDTB.
- **Australia's** net sales declined 2% driven by the negative effect of foreign exchange and lower volumes of JD RTD/RTP products.
- The **United Kingdom's** net sales declined 6% led by JDTW and JDTH declines reflecting soft consumer demand for the whiskey category impacted by macroeconomic and geopolitical uncertainty, as well as the absence of wholesaler and retailer purchases from the prior-year period. These declines were partially offset by the positive effect of foreign exchange and the launch of JDTB.

- **France's** net sales declined 1% driven by lower volumes of JDTW and Diplomático, partially offset by the positive effect of foreign exchange and the launch of JDTB.
- **Canada's** net sales declined 60% driven by volumetric declines of our American whiskey portfolio and JD RTD/RTP products due to the continued absence of American-made beverage alcohol from retail shelves in most of its provinces.
- Net sales in the **Rest of Developed International** increased 8% driven by the positive effect of foreign exchange, growth in Italy due to the transition to owned distribution, and the distribution of new agency brands in Japan. These increases were partially offset by lower volumes of JDTW in the rest of Europe.

Emerging

- **Mexico's** net sales increased 19% driven by higher volumes and prices of New Mix, the positive effect of foreign exchange, and the distribution of new agency brands.
- **Poland's** net sales increased 9% driven by the positive effect of foreign exchange, growth of JDTW due to increased consumer-led demand, and the launch of JDTB. This growth was partially offset by the absence of the Finlandia prior-year TSA.
- **Brazil's** net sales increased 23% driven by higher volumes of JDTA and JDTW, reflecting continued distribution expansion and favorable timing of retailer ordering patterns.
- **Türkiye's** net sales declined 7% driven by the negative effect of foreign exchange, partially offset by higher prices in response to inflation and volumetric gains of JDTW.
- Net sales in the **Rest of Emerging** increased 18%, due to broad-based volume gains of the Jack Daniel's family of brands, led by the rest of Latin America and the United Arab Emirates, reflecting an estimated net increase in distributor inventories, as well as the positive effect of foreign exchange.

Travel Retail's net sales increased 9% due to higher volumes of JDTW, the favorable timing of ordering patterns, and the positive effect of foreign exchange.

Non-branded and bulk's net sales decreased 64% driven by the decline of used barrel sales as demand and pricing adjusted to levels that reflect the current challenging and uncertain operating environment for our industry.

Brand Highlights

The following table provides supplemental information for our largest brands. We discuss results of the brands most affecting our performance below the table. Unless otherwise indicated, all related commentary is on a reported basis and is for the nine months ended January 31, 2026, compared to the same period last year.

Major Brands
Nine months ended January 31, 2026

	Net Sales % Change vs. Prior Year Period			
Product category / brand family / brand[1]	**Reported**	**Acquisitions and Divestitures**	**Foreign Exchange**	**Organic**[2]
Whiskey	**2%**	**—%**	**(1%)**	**1%**
JDTW	(2%)	—%	(2%)	(3%)
JDTH	(3%)	—%	(2%)	(5%)
Gentleman Jack	1%	—%	(1%)	—%
JDTA	18%	—%	(3%)	15%
JDTF	(7%)	—%	(1%)	(8%)
Woodford Reserve	3%	—%	—%	2%
Old Forester	2%	—%	—%	2%
Rest of Whiskey	53%	—%	(1%)	51%
Ready-to-Drink	**8%**	**—%**	**(2%)**	**6%**
JD RTD/RTP	(3%)	—%	(2%)	(5%)
New Mix	37%	—%	(4%)	34%
Tequila	**(6%)**	**—%**	**(1%)**	**(7%)**
el Jimador	(3%)	—%	(1%)	(4%)
Herradura	(11%)	—%	(1%)	(12%)
Rest of Portfolio	**(34%)**	**55%**	**(4%)**	**16%**
Non-branded and bulk	**(64%)**	**—%**	**—%**	**(64%)**

Note: Results may differ due to rounding

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[1]See "Definitions" above for definitions of brand aggregations presented here.

[2]See "Non-GAAP Financial Measures" above for details on our use of "organic change" in net sales, including how we calculate this measure and why we believe this information is useful to readers.

Whiskey

- Net sales for **JDTW** declined 2% driven by lower volumes in our developed international markets, led by Germany and Canada, as well as the United States. These declines were partially offset by broad-based growth across our emerging markets, led by Türkiye and Brazil, as well as the positive effect of foreign exchange. An estimated net increase in distributor inventories in our emerging markets, led by the United Arab Emirates, positively impacted net sales.

- Net sales for **JDTH** declined 3% driven by lower volumes in the United States, partially offset by the positive effect of foreign exchange.

- Net sales for **Gentleman Jack** increased 1% driven by the positive effect of foreign exchange. In addition, lower volumes in the United States were offset by higher volumes in Poland.

- Net sales for **JDTA** increased 18% driven by growth in Brazil due to the continued distribution expansion and favorable timing of retailer ordering patterns, as well as the positive effect of foreign exchange.

- Net sales for **JDTF** declined 7% driven by lower volumes in the United States, partially offset by the positive effect of foreign exchange.

- **Woodford Reserve's** net sales increased 3% driven by the United States, which benefited from higher net pricing related to the distributor transitions and an estimated net increase in distributor inventories, partially offset by the continued absence of American-made beverage alcohol from retail shelves in most Canadian provinces.
- **Old Forester's** net sales increased 2% driven by the United States due to timing of the distributor ordering patterns in our transition markets.
- Net sales for **Rest of Whiskey** increased 53% driven by new products launches, including JDTB, which benefited from an estimated net increase in distributor inventories, and Jack Daniel's Single Barrel Heritage Barrel in the United States. Growth of The GlenDronach in our developed international markets also contributed to the increase. These gains were partially offset by lower volumes of the rest of other super-premium Jack Daniel's expressions and Glenglassaugh.

Ready-to-Drink

- Net sales for the **JD RTD/RTP** brands declined 3% driven by lower volumes in Canada due to the continued absence of American-made beverage alcohol from retail shelves in most of its provinces, lower volumes in the United States, and declines in Germany. These declines were partially offset by the positive effect of foreign exchange.
- **New Mix's** net sales increased 37% driven by strong growth in Mexico with market share gains in a growing category.

Tequila

- **el Jimador's** net sales decreased 3% driven by declines in the United States and Mexico, partially offset by higher volumes in the rest of Latin America and the positive effect of foreign exchange. An estimated net increase in distributor inventories, led by the United States, positively impacted net sales.
- **Herradura's** net sales declined 11% driven by lower volumes in the United States.

Net sales for **Rest of Portfolio** declined 34% driven by the end of the Korbel relationship and the absence of Sonoma-Cutrer and Finlandia prior-year TSAs. These declines were partially offset by the distribution of new agency brands in Japan and Mexico, growth of Gin Mare and Diplomático in Italy, and the positive effect of foreign exchange.

Non-branded and bulk's net sales decreased 64% driven by the decline of used barrel sales as demand and pricing adjusted to levels that reflect the current challenging and uncertain operating environment for our industry.

Year-Over-Year Period Comparisons

Net Sales

Percentage change versus the prior year period ended January 31	**3 Months**			**9 Months**		
	Volume	**Price/mix**	**Total**	**Volume**	**Price/mix**	**Total**
Change in reported net sales	3%	(1%)	2%	2%	(4%)	(2%)
Acquisitions and divestitures	3%	—%	3%	3%	—%	4%
Foreign exchange	—%	(4%)	(4%)	—%	(2%)	(2%)
Change in organic net sales	6%	(5%)	1%	5%	(5%)	—%

Note: Results may differ due to rounding

For the three months ended January 31, 2026, net sales were $1.1 billion, an increase of $21 million, or 2%, driven by higher volumes, partially offset by unfavorable price/mix. Volume increased 3% driven by New Mix, the launch of JDTB, and JDTW, due in part to a net increase in distributor inventories in the United States, partially offset by the end of the Korbel relationship and lower volumes of JD RTD/RTP. Price/mix declined 1% driven by unfavorable portfolio mix from New Mix and lower sales of used barrels, partially offset by the positive effect of foreign exchange and the favorable portfolio mix impact from JD RTD/RTP.

For the nine months ended January 31, 2026, net sales were $3.0 billion, a decrease of $65 million, or 2%, driven by unfavorable price/mix, partially offset by higher volumes. Volume increased 2% driven by higher volumes of New Mix and the launch of JDTB, due in part to a net increase in distributor inventories in the United States, partially offset by the end of the Korbel relationship and the Sonoma-Cutrer prior-year TSA, as well as lower volumes of JD RTD/RTP and JDTW. Price/mix declined 4% driven by unfavorable portfolio mix from New Mix and lower sales of used barrels, partially offset by the positive effect of foreign exchange and the positive portfolio mix impact from JDTB and JD RTD/RTP. See "Results of Operations - Fiscal 2026 Year-to-Date Highlights" above for further details on net sales for the nine months ended January 31, 2026.

Cost of Sales

Percentage change versus the prior year period ended January 31	**3 Months**			**9 Months**		
	Volume	**Cost/mix**	**Total**	**Volume**	**Cost/mix**	**Total**
Change in reported cost of sales	3%	(4%)	—%	2%	(5%)	(3%)
Acquisitions and divestitures	3%	2%	5%	3%	4%	8%
Foreign exchange	—%	(2%)	(2%)	—%	(1%)	(1%)
Change in organic cost of sales	6%	(3%)	3%	5%	(2%)	3%

Note: Results may differ due to rounding

For the three months ended January 31, 2026, cost of sales were $416 million, a decrease of $1 million, or flat, as favorable cost/mix was offset by higher volumes. Volume increased 3% driven by New Mix, the launch of JDTB, and JDTW, due in part to a net increase in distributor inventories in the United States, partially offset by the end of the Korbel relationship and lower volumes of JD RTD/RTP. Cost/mix declined 4% driven by the end of the Korbel relationship, favorable portfolio mix from New Mix, and lower agave costs. The decline was partially offset by unfavorable fixed cost absorption related to decreased production of our full-strength portfolio, inflation on our input costs, and the negative effect of foreign exchange.

For the nine months ended January 31, 2026, cost of sales were $1.2 billion, a decrease of $42 million, or 3%, driven by favorable cost/mix, partially offset by higher volumes. Volume increased 2% driven by New Mix and the launch of JDTB, due in part to a net increase in distributor inventories in the United States, partially offset by the end of the Korbel relationship and the Sonoma-Cutrer prior-year TSA, as well as lower volumes of JD RTD/RTP and JDTW. Cost/mix declined 5% driven by the end of the Korbel relationship, the absence of the Sonoma-Cutrer prior-year TSA, favorable portfolio mix from New Mix, as well as lower agave costs. These declines were partially offset by unfavorable fixed cost absorption related to decreased production of our full-strength portfolio, inflation on our input costs, timing of cost fluctuations, and the negative effect of foreign exchange.

Gross Profit

Percentage change versus the prior year period ended January 31	**3 Months**	**9 Months**
Change in reported gross profit	4%	(1%)
Acquisitions and divestitures	1%	1%
Foreign exchange	(5%)	(2%)
Change in organic gross profit	(1%)	(2%)

Note: Results may differ due to rounding

Gross Margin

For the period ended January 31	**3 Months**	**9 Months**
Prior year gross margin	59.8%	59.4%
Price/mix	(0.5)%	(0.4)%
Cost	(0.3)%	(0.9)%
Acquisitions and divestitures	0.9%	1.6%
Foreign exchange	0.8%	0.3%
Change in gross margin	0.9%	0.5%
Current year gross margin	60.6%	59.9%

Note: Results may differ due to rounding

For the three months ended January 31, 2026, gross profit totaled $640 million, an increase of $22 million, or 4%. Gross margin increased to 60.6% from 59.8% in the same period last year. The increase in gross margin was driven by the positive effect of acquisitions and divestitures and the positive effect of foreign exchange, partially offset by unfavorable price/mix and higher costs.

For the nine months ended January 31, 2026, gross profit totaled $1.8 billion, a decrease of $23 million, or 1%. Gross margin increased to 59.9% from 59.4% in the same period last year. The increase in gross margin was driven by the positive effect of acquisitions and divestitures and the positive effect of foreign exchange, partially offset by higher costs and unfavorable price/mix.

Operating Expenses

Percentage change versus the prior year period ended January 31

3 Months	Reported	Acquisitions and Divestitures	Other Items[1]	Foreign Exchange	Organic
Advertising	(4%)	3%	—%	(4%)	(5%)
SG&A	3%	—%	—%	(3%)	—%
Total operating expenses[2]	**(11%)**	**2%**	**10%**	**(2%)**	**(2%)**
9 Months					
Advertising	(3%)	3%	—%	(2%)	(2%)
SG&A	(1%)	—%	—%	(2%)	(2%)
Total operating expenses[2]	**(3%)**	**—%**	**2%**	**(1%)**	**(2%)**

Note: Results may differ due to rounding

[1]"Other items" includes "substitution drawback claims," "franchise tax refund," and "restructuring initiative." See "Non-GAAP Financial Measures" above for additional details.

[2]Total operating expenses include advertising expense, SG&A expense, restructuring and other charges, and other expense (income), net.

For the three months ended January 31, 2026, operating expenses totaled $300 million, a decrease of $39 million, or 11%, compared to the same period last year. The decrease in operating expenses was driven by the impact of lower restructuring initiative costs as compared to the same prior-year period, and lower advertising expense. These decreases were partially offset by the negative effect of foreign exchange.

- Advertising expense decreased 4% for the three months ended January 31, 2026, driven by lower JDTW and other super-premium Jack Daniel's expressions spend, as well as the end of the Korbel relationship. These decreases were partially offset by the negative effect of foreign exchange and the increased investment for the launch of JDTB.
- SG&A expense increased 3% for the three months ended January 31, 2026, driven by the negative effect of foreign exchange and higher costs in Italy related to the transition to owned distribution, partially offset by lower compensation-and-benefit-related expenses.

For the nine months ended January 31, 2026, operating expenses totaled $902 million, a decrease of $26 million, or 3%. The decrease in operating expenses was driven by the benefit of the substitution drawback claims, lower SG&A and advertising expenses, and the impact of lower restructuring initiative costs as compared to the same prior-year period. These decreases were partially offset by the absences of the prior-year franchise tax refund and gain on the sale of the Alabama cooperage, as well as the negative effect of foreign exchange.

- Advertising expense decreased 3% for the nine months ended January 31, 2026, driven by the end of the Korbel relationship and lower spend across the other super-premium Jack Daniel's expressions, JDTA, and JDTH. These decreases were partially offset by the launch of JDTB and the negative effect of foreign exchange.
- SG&A expense decreased 1% for the nine months ended January 31, 2026, driven by lower compensation-and-benefit-related expenses following our restructuring initiative, partially offset by the negative effect of foreign exchange.

Operating Income

Percentage change versus the prior year period ended January 31	**3 Months**	**9 Months**
Change in reported operating income	21%	—%
Acquisitions and divestitures	1%	2%
Other items[1]	(11%)	(2%)
Foreign exchange	(10%)	(3%)
Change in organic operating income	—%	(3%)

Note: Results may differ due to rounding

[1]"Other items" includes "substitution drawback claims," "franchise tax refund," and "restructuring initiative." See "Non-GAAP Financial Measures" above for additional details.

For the three months ended January 31, 2026, operating income totaled $340 million, an increase of $60 million, or 21%, compared to the same period last year. Operating margin increased 5.0 percentage points to 32.1% from 27.1% in the same period last year driven by the impact of lower restructuring initiative costs, the positive effect of foreign exchange, the positive effect of acquisitions and divestitures, and lower advertising expense. These increases were partially offset by the decline in gross profit.

For the nine months ended January 31, 2026, operating income totaled $905 million, an increase of $3 million, or flat. Operating margin increased 0.7 percentage points to 30.0% from 29.3% in the same period last year driven by (a) the benefit of the substitution drawback claims, (b) the impact of lower restructuring initiative costs, (c) lower SG&A and advertising expenses, (d) the positive effect of acquisitions and divestitures, and (e) the positive effect of foreign exchange. These increases were partially offset by the decline in gross profit and the absence of the prior-year franchise tax refund.

The **effective tax rate** for the three months ended January 31, 2026 was 14.9% compared to 18.7% for the same period last year. The decrease in our effective tax rate was driven primarily by the favorable year-over-year impacts of tax rate changes, tax credits, lower state taxes, the effects of foreign taxes and changes in unrecognized tax benefits, which were partially offset by the unfavorable year-over-year impact of prior fiscal year true-ups.

The effective tax rate for the nine months ended January 31, 2026 was 18.7% compared to 19.5% for the same period last year. The decrease in our effective tax rate was driven primarily by the favorable year-over-year impacts of tax rate changes, lower state taxes, tax credits and changes in valuation allowances, which were partially offset by the unfavorable year-over-year impact of prior fiscal year true-ups.

Diluted earnings per share of $0.58 for the three months ended January 31, 2026, increased 1% compared to the $0.57 reported for the same period last year, as the increase in operating income, the benefit of lower effective tax rate, and lower interest expense, net was partially offset by the absence of gain on sale of our investment in Duckhorn. Diluted earnings per share of $1.41 for the nine months ended January 31, 2026, decreased 8% from the $1.53 reported for the same period last year, driven by the absence of gain on sale of our investment in Duckhorn and an increase in non-operating postretirement expense, partially offset by lower interest expense, net.

Fiscal 2026 Outlook

Below we discuss our outlook for fiscal 2026, which reflects the trends, developments, and uncertainties (including those described above) that we expect to affect our business.

We continue to anticipate the operating environment for fiscal 2026 to be challenging, with low visibility due to macroeconomic and geopolitical volatility as we face headwinds from consumer uncertainty and lower non-branded sales of used barrels. We remain focused on building our business for the long term and navigating the current environment at pace with strategic initiatives in fiscal 2026 that we believe will unlock future growth led by the significant evolution of our U.S. distribution, the restructuring initiative, and meaningful new product innovation.

Accordingly, we reiterate the following expectation for fiscal 2026:

- Organic net sales decline in the low-single digit range.
- Organic operating income decline in the low-single digit range.
- Capital expenditures planned to be in the range of $110 to $120 million.

The forecasted effective tax rate range has been updated to approximately 19% to 21% from 21% to 23%.

Liquidity and Financial Condition

Liquidity. We generate strong cash flows from operations, which enable us to meet current obligations, fund capital expenditures, and return cash to our stockholders through regular dividends and, from time to time, through share repurchases and special dividends. We believe our investment-grade credit ratings (A2 by Moody's and A- by Standard & Poor's) provide us with financial flexibility when accessing global debt capital markets and allow us to reserve adequate debt capacity for investment opportunities and unforeseen events.

Our cash flows from operations are supplemented by our cash and cash equivalent balances, as well as access to other liquidity sources. Cash and cash equivalents were $444 million at April 30, 2025, and $383 million at January 31, 2026. As of January 31, 2026, approximately 48% of our cash and cash equivalents were held by our foreign subsidiaries whose earnings we expect to reinvest indefinitely outside of the United States. We continue to evaluate our future cash requirements and may decide to repatriate additional cash held by our foreign subsidiaries, which may require us to provide for and pay additional taxes.

We have a $900 million commercial paper program that we use, together with our cash flows from operations, to fund our short-term operational needs. See Note 8 to the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report for outstanding commercial paper balances, interest rates, and days to maturity at April 30, 2025, and January 31, 2026. The average balances, interest rates, and original maturities during the periods ended January 31, 2025 and 2026, are presented below.

	Three Months Average January 31,		Nine Months Average January 31,	
(Dollars in millions)	2025	2026	2025	2026
Average commercial paper (par amount)	$422	$315	$463	$285
Average interest rate	4.80%	3.99%	5.16%	4.32%
Average days to maturity at issuance	56	32	42	29

Our commercial paper program is supported by available commitments under our $900 million bank credit facility that expires on May 26, 2029. Although unlikely, under extreme market conditions, one or more participating banks may not be able to fund its commitments under our credit facility. To manage this counterparty credit risk, we partner with banks that have investment grade credit ratings, limit the amount of exposure we have with each bank, and monitor each bank's financial condition.

Our most significant short-term cash requirements relate primarily to funding our operations (such as expenditures for raw materials, production and distribution, advertising and promotion, and current taxes), repayment of our notes maturing in July 2026, dividend payments, share repurchases, and capital investments. We expect to meet our planned short-term liquidity needs through cash generated from operations and borrowings under our commercial paper program. If we have additional liquidity needs, we believe that we could access financing in the capital markets. Our most significant longer-term cash requirements primarily include payments related to our long-term debt, employee benefit obligations, and deferred tax liabilities.

We believe our current liquidity position, supplemented by our ability to generate positive cash flows from operations in the future, and our ample debt capacity enabled by our strong short-term and long-term credit ratings, will be sufficient to meet all of our expected future short- and long-term financial commitments.

Cash flows. Cash provided by operating activities of $709 million during the nine months ended January 31, 2026, increased $263 million from the same period last year, reflecting lower working capital requirements, partially offset by lower earnings.

Cash used for investing activities was $48 million during the nine months ended January 31, 2026, compared to $284 million in cash provided by investing activities during the same period last year. The $332 million decrease largely reflects (a) the absence of $350 million in proceeds from the sale of our equity method investment in Duckhorn in December 2024 and (b) an $18 million decrease in proceeds from cooperage asset sales ($51 million from the sale of our Alabama cooperage assets in May 2024; $33 million from the sale of our Brown-Forman Cooperage assets in May 2025), partially offset by (c) a $36 million decline in capital expenditures.

Cash used for financing activities was $737 million during the nine months ended January 31, 2026, compared to $546 million in cash used for financing activities during the same prior-year period. The $191 million increase largely reflects a $400 million increase in share repurchases and an $8 million increase in dividend payments, partially offset by a $214 million decrease in net repayments of short-term borrowings.

Dividends. See Note 9 to the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report for information about cash dividends declared per share on our Class A and Class B common stock during fiscal 2026.

Share repurchases. On October 1, 2025, the Board of Directors authorized the repurchase of up to $400 million (excluding brokerage fees and excise taxes) of outstanding shares of Class A and Class B common stock from October 1, 2025, through October 1, 2026 (the Repurchase Program), subject to market and other conditions. Under the Repurchase Program, we could repurchase shares of Class A and Class B common stock for cash in open market purchases, block transactions, purchases made in accordance with Rule 10b5-1 under the Exchange Act, and privately negotiated transactions, in accordance with applicable laws and regulations. The Repurchase Program did not obligate us to repurchase a minimum number of shares of common stock and prior to its completion, could be modified, suspended, or terminated by us at any time without prior notice.

Under the Repurchase Program, we repurchased 705,139 Class A shares at an average price of $28.10 per share and 13,348,510 Class B shares at an average price of $28.48 per share, for a total cost (excluding brokerage fees and excise taxes) of $400 million. The program was completed in December 2025.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We face market risks arising from changes in foreign currency exchange rates, commodity prices, and interest rates. Foreign currency fluctuations affect our net investments in foreign subsidiaries and foreign currency-denominated cash flows. Commodity price changes can affect our production and supply chain costs. Interest rate changes affect (a) the fair value of our fixed-rate debt and (b) cash flows and earnings related to our variable-rate debt and interest-bearing investments. We manage market risks through procurement strategies as well as the use of derivative and other financial instruments. Our risk management program is governed by policies that authorize and control the nature and scope of transactions that we use to mitigate market risks. Since April 30, 2025, there have been no material changes to the market risks faced by us or to our risk management program as disclosed in our 2025 Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. Our management, with the participation of our Chief Executive Officer (CEO) and Chief Financial Officer (CFO) (our principal executive and principal financial officers), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (Exchange Act)), as of the end of the period covered by this report. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures: (a) are effective to ensure that information required to be disclosed by the Company in the reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms; and (b) include controls and procedures designed to ensure that information required to be disclosed by the Company in such reports is accumulated and communicated to the Company’s management, including the CEO and the CFO, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting. There has been no change in our internal control over financial reporting during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We operate in a litigious environment and we are sued in the normal course of business. We do not anticipate that any pending legal proceedings will have, individually or in the aggregate, a material adverse effect on our financial position, results of operations, or liquidity.

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the risks and uncertainties discussed in Part I, Item 1A. Risk Factors in our 2025 Form 10-K, which could materially adversely affect our business, financial condition, or future results. There have been no material changes to the risk factors disclosed in our 2025 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

As announced on October 2, 2025, the Board of Directors authorized the Repurchase Program described above, under "Liquidity and Financial Condition."

The following table provides information about shares of our common stock (Class A and Class B, in total) that we acquired as part of the Repurchase Program during the quarter ended January 31, 2026:

Period	Total Number of Class A Shares Purchased(1)	Total Number of Class B Shares Purchased(1)	Average Price Paid per Class A Share(2)	Average Price Paid per Class B Share(2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased under the Plans or Programs(2)
November 1 – November 30, 2025	302,431	5,721,293	$ 27.50	$ 27.74	6,023,724	$ 134,200,000
December 1 – December 31, 2025	176,108	4,334,311	$ 29.44	$ 29.76	4,510,419	$ —
January 1 – January 31, 2026	—	—	$ —	$ —	—	$ —
Total	478,539	10,055,604	$ 28.21	$ 28.61	10,534,143	$ —

(1) All shares in this column were repurchased under the program announced on October 2, 2025, under which the Board of Directors authorized the repurchase of up to $400 million (excluding brokerage fees and excise taxes) of outstanding shares of Class A and Class B common stock between October 1, 2025 and October 1, 2026. The program was completed in December 2025.

(2) Our share repurchases in excess of issuances are subject to 1% excise tax enacted by the Inflation Reduction Act. The amounts reflected in this table exclude related fees, costs, commissions, and any excise tax incurred in connection with the share repurchases.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended January 31, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

The following documents are filed with this report:

Exhibit Index

31.1	CEO Certification pursuant to Section 302 of Sarbanes-Oxley Act of 2002.
31.2	CFO Certification pursuant to Section 302 of Sarbanes-Oxley Act of 2002.
32	CEO and CFO Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (not considered to be filed).
101	The following materials from Brown-Forman Corporation's Quarterly Report on Form 10-Q for the quarter ended January 31, 2026, in Inline XBRL (eXtensible Business Reporting Language) format: (a) Condensed Consolidated Statements of Operations, (b) Condensed Consolidated Statements of Comprehensive Income, (c) Condensed Consolidated Balance Sheets, (d) Condensed Consolidated Statements of Cash Flows, and (e) Notes to the Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File in Inline XBRL format (included in Exhibit 101).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BROWN-FORMAN CORPORATION
(Registrant)

Date:	March 4, 2026	By:	/s/ Leanne D. Cunningham
			Leanne D. Cunningham Executive Vice President and Chief Financial Officer (On behalf of the Registrant and as Principal Financial Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF SARBANES-OXLEY ACT OF 2002

I, Lawson E. Whiting, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Brown-Forman Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 4, 2026

By: /s/ Lawson E. Whiting
Lawson E. Whiting
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF SARBANES-OXLEY ACT OF 2002

I, Leanne D. Cunningham, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Brown-Forman Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: March 4, 2026

By: /s/ Leanne D. Cunningham
Leanne D. Cunningham
Executive Vice President and Chief Financial Officer

Exhibit 32

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Brown-Forman Corporation ("the Company") on Form 10-Q for the period ended January 31, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in the capacity as an officer of the Company, that:

(1) The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 4, 2026

By: /s/ Lawson E. Whiting
Lawson E. Whiting
President and Chief Executive Officer

By: /s/ Leanne D. Cunningham
Leanne D. Cunningham
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

This certificate is being furnished solely for purposes of Section 906 and is not being filed as part of the Report.