

FINANCIAL RESULTS – F15 FULL YEAR

Reported net sales up 5%, with full consolidation of United Spirits

Free cash flow of £2 billion. Up £0.7 billion

Shipment volume down 1%; depletion volume is estimated to be up 1%

Productivity gains will release a further £500 million of cost to invest in growth and improve margin over a three year period from F17. There is no exceptional cost associated with this

eps before exceptional items 88.8 pence: due to adverse exchange and associates, offset by underlying improvements

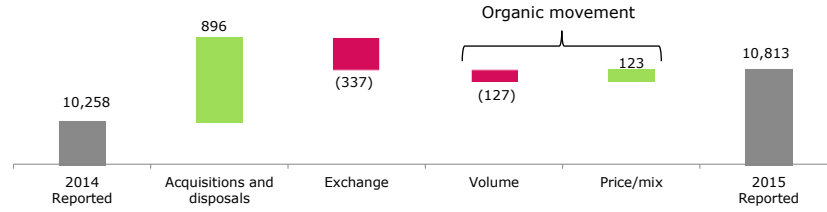
9% final dividend increase to give recommended full year dividend of 56.4 pence

Organic net sales flat; organic operating margin up 24bps

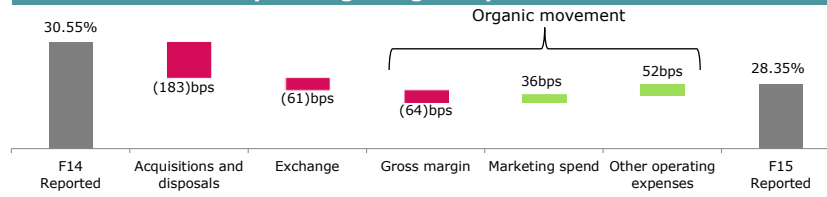
KEY FINANCIAL INFORMATION

	2015 FY	2014 FY	Organic growth %	Reported growth %	2014 FY	2013 FY	Organic growth %	Reported growth %
Volume	EUm 246.2	156.1	(1)	58	156.1	164.2	(2)	(5)
Net sales	£m 10,813	10,258	-	5	10,258	11,303	-	(9)
Marketing spend	£m 1,629	1,620	(1)	1	1,620	1,769	(1)	(8)
Operating profit before exc. items	£m 3,066	3,134	1	(2)	3,134	3,479	3	(10)
Operating margin expansion	bps 24	77			77	78		
Operating profit	£m 2,797	2,707		3	2,707	3,380		(20)
Profit attributable to parent company's shareholders	£m 2,381	2,248		6	2,248	2,452		(8)
Basic eps	pence 95	89.7		6	89.7	98.0		(8)
Eps pre exceptionals	pence 88.8	95.5		(7)	95.5	103.1		(7)
Reported tax rate	% 15.9	16.5		(4)	16.5	16.6		(1)
Tax rate before exceptional items	% 18.3	18.2		1	18.2	17.4		
Free cash flow	£m 1,963	1,235			1,235	1,452		
ROIC	% 12.3	14.1			13.7	16.0		
Net debt	£m (9,527)	(8,850)			(8,850)	(8,403)		5

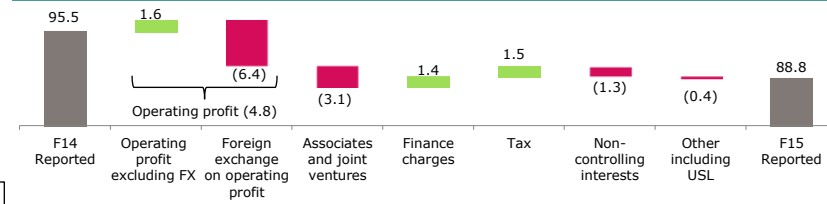
Net sales growth (£ million)



Operating margin improvement



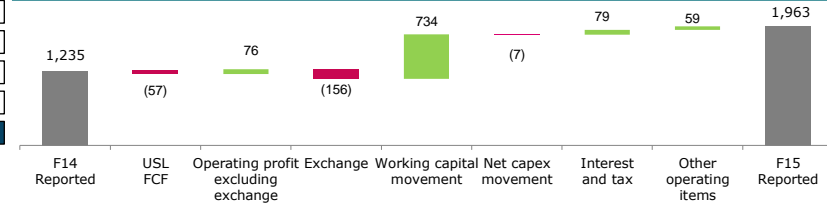
Earnings per share before exceptional items (pence)



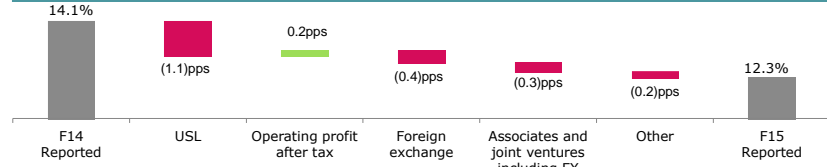
BUSINESS REVIEW

	FY F15		FY F14		Quarterly growth %*			
	%*	EUm	%*	EUm	Q1	Q2	Q3	Q4
VOLUME	(3)	47.3	(1)	49.3	0.1	(0.2)	0.9	(5.6)
NORTH AMERICA	(3)	47.3	(1)	49.3	0.1	(0.2)	0.9	(5.6)
EUROPE	-	44.1	(1)	44.6	(1.4)	0.4	(1.3)	1.8
AFRICA	7	26.2	(6)	24.4	-	9.4	8.2	7.0
LATIN AMERICA & CARIBBEAN	(7)	21.6	(1)	23.0	(4)	0.5	(10.2)	5.6
ASIA PACIFIC	(3)	107.0	(5)	14.8	(7.4)	(4.0)	(6)	7.0
CORPORATE	-	-	-	-	4.3	11.8	(12.5)	-
DIAGEO	(1)	246.2	(2)	156.1	(1.7)	0.8	(0.7)	0.7
NET SALES	(1)	10,813	-	10,258	(1.7)	0.8	(0.7)	0.7
NORTH AMERICA	(1)	10,813	-	10,258	(1.7)	0.8	(0.7)	0.7
EUROPE	(1)	10,813	-	10,258	(1.7)	0.8	(0.7)	0.7
AFRICA	(1)	10,813	-	10,258	(1.7)	0.8	(0.7)	0.7
LATIN AMERICA & CARIBBEAN	(1)	10,813	-	10,258	(1.7)	0.8	(0.7)	0.7
ASIA PACIFIC	(1)	10,813	-	10,258	(1.7)	0.8	(0.7)	0.7
CORPORATE	(1)	10,813	-	10,258	(1.7)	0.8	(0.7)	0.7
DIAGEO	(1)	10,813	-	10,258	(1.7)	0.8	(0.7)	0.7
OPERATING PROFIT	1	3,066	3	3,134	1	3	3	3
NORTH AMERICA	1	3,066	3	3,134	1	3	3	3
EUROPE	1	3,066	3	3,134	1	3	3	3
AFRICA	1	3,066	3	3,134	1	3	3	3
LATIN AMERICA & CARIBBEAN	1	3,066	3	3,134	1	3	3	3
ASIA PACIFIC	1	3,066	3	3,134	1	3	3	3
CORPORATE	1	3,066	3	3,134	1	3	3	3
DIAGEO	1	3,066	3	3,134	1	3	3	3

Free cash flow (£ million)



Return on average invested capital (ROIC)



*Organic



STRATEGIC MARKETS PERFORMANCE (growth %)

	VOLUME*		NET SALES*		NET SALES**	
	F15 FY	F14 FY	F15 FY	F14 FY	F15 FY	F14 FY
NORTH AMERICA	(3)	(1)	(1)	3	-	(7)
US Spirits and wines	(3)	(1)	(2)	5	1	(7)
DGUSA	(3)	(5)	(1)	(7)	3	(11)
Canada	3	(2)	2	1	(4)	(17)
EUROPE	-	(1)	-	1	(7)	(3)
Western Europe	1	-	1	-	(5)	(2)
Russia and Eastern Europe	(8)	(1)	(9)	2	(26)	(7)
Turkey	-	(3)	3	5	(5)	(12)
AFRICA	7	(6)	6	-	(1)	(9)
Nigeria	13	(9)	6	(9)	(3)	(14)
East Africa	7	(12)	9	2	6	(2)
Africa Regional Markets	14	(3)	15	2	1	(8)
South Africa	(2)	4	(7)	12	(12)	(9)
LATIN AMERICA AND CARIBBEAN	(7)	(1)	(1)	2	(10)	(21)
PUB	(8)	9	(2)	10	(12)	(4)
Venezuela	(38)	(17)	41	78	(60)	(71)
Colombia	10	5	10	8	(2)	(7)
Mexico	14	(1)	13	(4)	19	(10)
West Lac	(5)	(9)	(9)	(8)	(12)	(15)
ASIA PACIFIC	(3)	(5)	(2)	(7)	64	(14)
South East Asia	(24)	(25)	(28)	(19)	(28)	(25)
Greater China	3	(20)	15	(31)	17	(33)
India	5	22	3	42	1,732	8
Global Travel Asia & Middle East	5	18	4	19	3	15
Australia	1	(2)	2	(3)	(5)	(17)
North Asia	1	2	1	4	(1)	(2)
DIAGEO	(1)	(2)	-	-	5	(9)

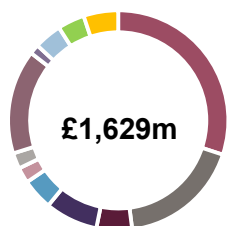
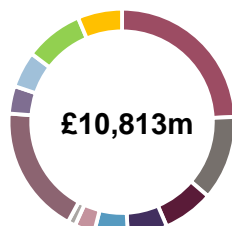
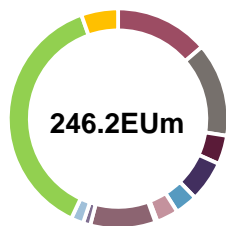
CATEGORY AND BRAND PERFORMANCE (growth %)

	VOLUME*		NET SALES*		NET SALES**	
	F15 FY	F14 FY	F15 FY	F14 FY	F15 FY	F14 FY
SPIRITS	(2)	(1)	(1)	-	10	(10)
SCOTCH	(4)	(5)	(5)	(1)	(9)	(10)
NORTH AMERICAN WHISKEY	10	-	12	5	15	-
VODKA	-	(1)	1	-	1	(5)
RUM	(3)	9	(3)	7	(6)	(4)
LIQUEURS	(1)	(2)	(4)	-	(8)	(7)
TEQUILA	10	43	14	34	38	(71)
GIN	4	3	5	3	3	(1)
BEER	3	(11)	4	(3)	(2)	(8)
WINE	(1)	(4)	(1)	1	(1)	(6)
READY TO DRINK	(11)	8	(4)	4	(13)	(11)
DIAGEO	(1)	(2)	-	-	5	(9)
GLOBAL GIANTS						
Johnnie Walker	(6)	(6)	(9)	(4)	(12)	(9)
Smirnoff	(1)	(1)	(2)	(2)	(3)	(7)
Captain Morgan	(4)	6	(6)	6	(7)	1
Baileys	(4)	(2)	(4)	1	(8)	(3)
Tanqueray	6	4	5	6	5	3
Guinness	(2)	(5)	-	(1)	(5)	(5)
LOCAL STARS						
Crown Royal	13	(4)	12	1	15	(3)
Yeni Raki	(4)	(6)	4	2	(6)	(14)
JeB	(2)	(7)	(4)	(8)	(9)	(11)
Buchanan's	(9)	(13)	(3)	6	(12)	(24)
Windsor	(10)	(5)	(10)	1	(8)	1
Old Parr	(13)	(12)	(14)	(5)	(24)	(27)
Bundaberg	(5)	(8)	(7)	(7)	(13)	(19)
Bell's	(3)	(6)	(5)	(7)	(14)	(16)
White Horse	(5)	15	(7)	9	(26)	(3)
Ypioca	(5)	12	(3)	21	(14)	4
Cacique	(37)	-	3	16	(32)	(49)
Shui Jing Fang	268	(73)	235	(81)	241	(81)
RESERVE						
Scotch Malts	11	12	16	18	12	16
Ciroc	6	2	6	2	9	(2)
Ketel One Vodka	(3)	3	(2)	6	1	2
Don Julio	8	27	12	27	43	22
Bulleit	34	66	38	69	42	62

VOLUME

NET SALES

MARKETING SPEND



- Scotch
- Vodka
- North American whiskey
- Rum
- Liqueurs
- Gin
- Tequila
- Beer
- Wine
- Ready to drink
- IMFL
- Other

*Organic, **Reported

