

PRELIMINARY RESULTS 2013

YEAR ENDED 30 JUNE 2013



Performance ambition

Sustained top line growth

Expand operating margin

Enhanced financial strength

Double digit eps growth

Improve returns to shareholders

F13 delivery

5% organic net sales growth

0.8 ppt organic operating margin improvement

£1.5 billion free cash flow

eps pre-exceptional items up **11%**

Recommended **9%** increase in final dividend

- £0.5 billion additional net sales*
- An incremental 1 million cases of Johnnie Walker, now over 20 million cases
- Innovation was up nearly 30% this year contributing over 50% of our growth
- We fully integrated Mey İçki, Ypióca, Shuijingfang and Meta Abo

Year ended 30 June 2013. Organic growth.



BUCHANAN'S



SMIRNOFF



CÎROC

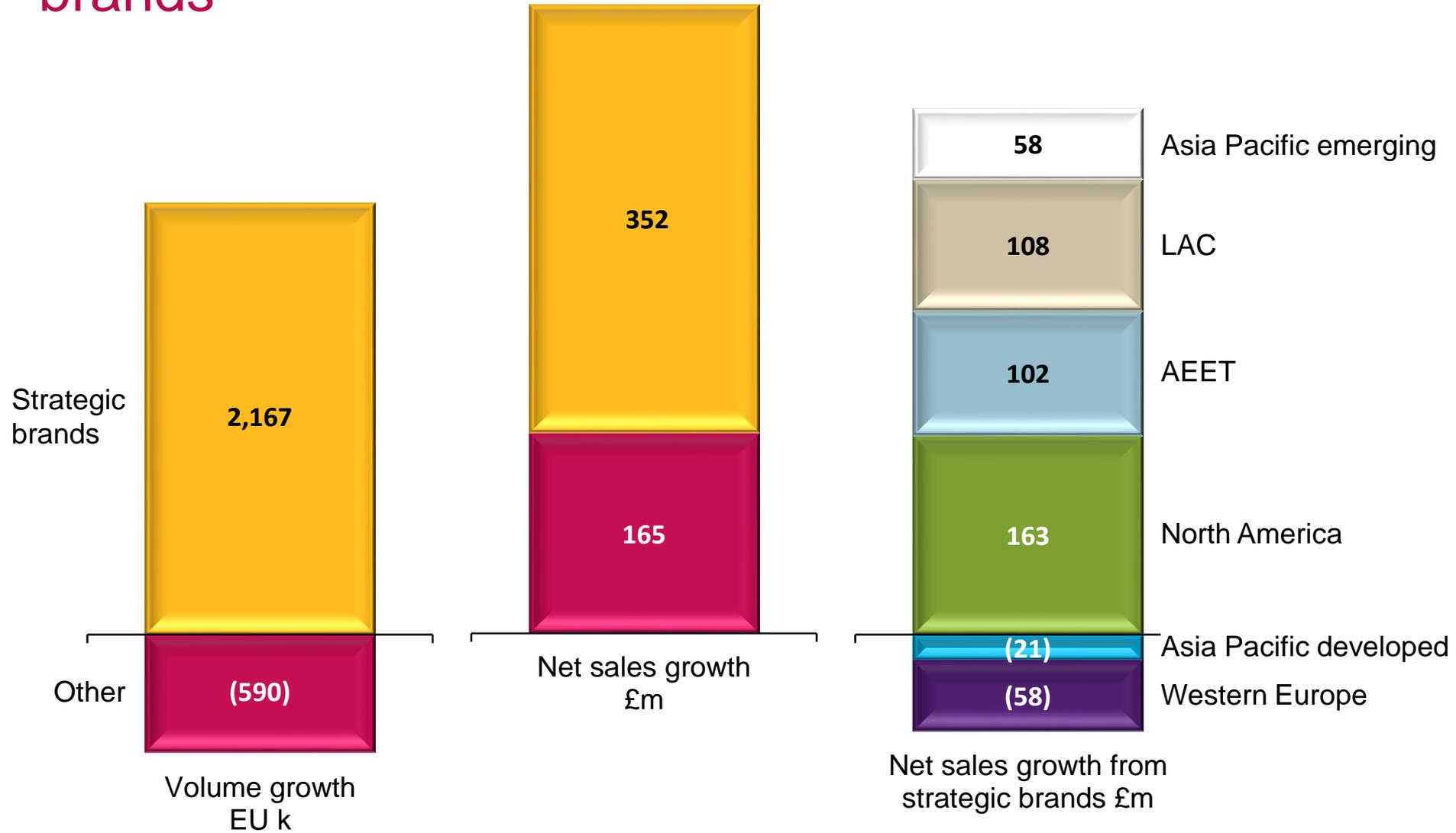
Captain Morgan



Our growth model

- Focus on strategic brands
- Scale in emerging markets is now also driving top line growth and margin expansion
- Leading position in US spirits, driving top line growth and margin expansion
- Our geographic breadth mitigates the impact of individual market challenges

Delivering efficient growth from our strategic brands



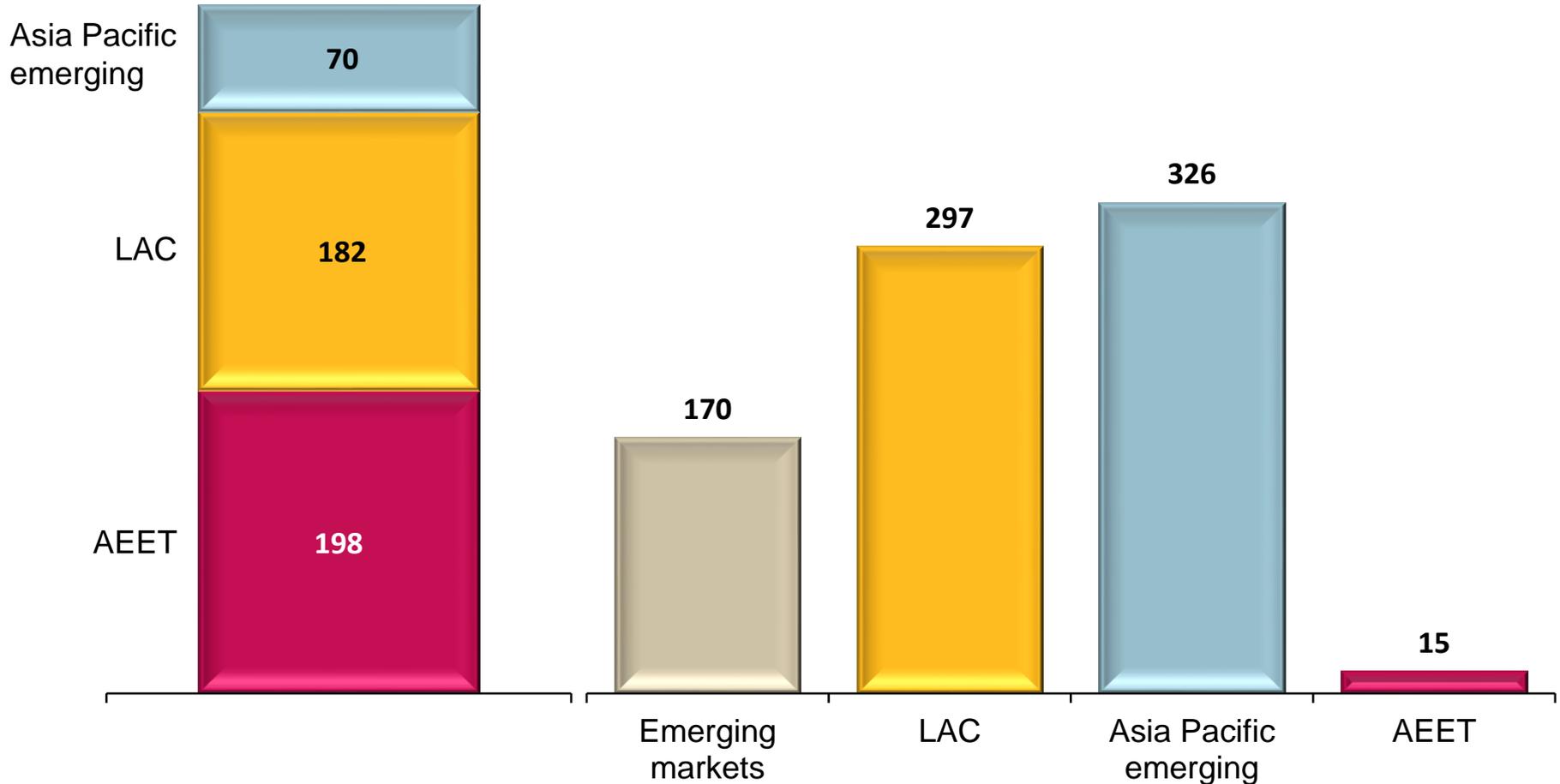
Year ended 30 June 2013. Organic growth.



Scale in the emerging markets drives top line growth and margin expansion

Net sales growth £m

Operating margin expansion bpts



Year ended 30 June 2013. Organic growth.



Enhancing our position as the **#1 spirits company** in North America

Increasing our presence in the **emerging markets** of the world

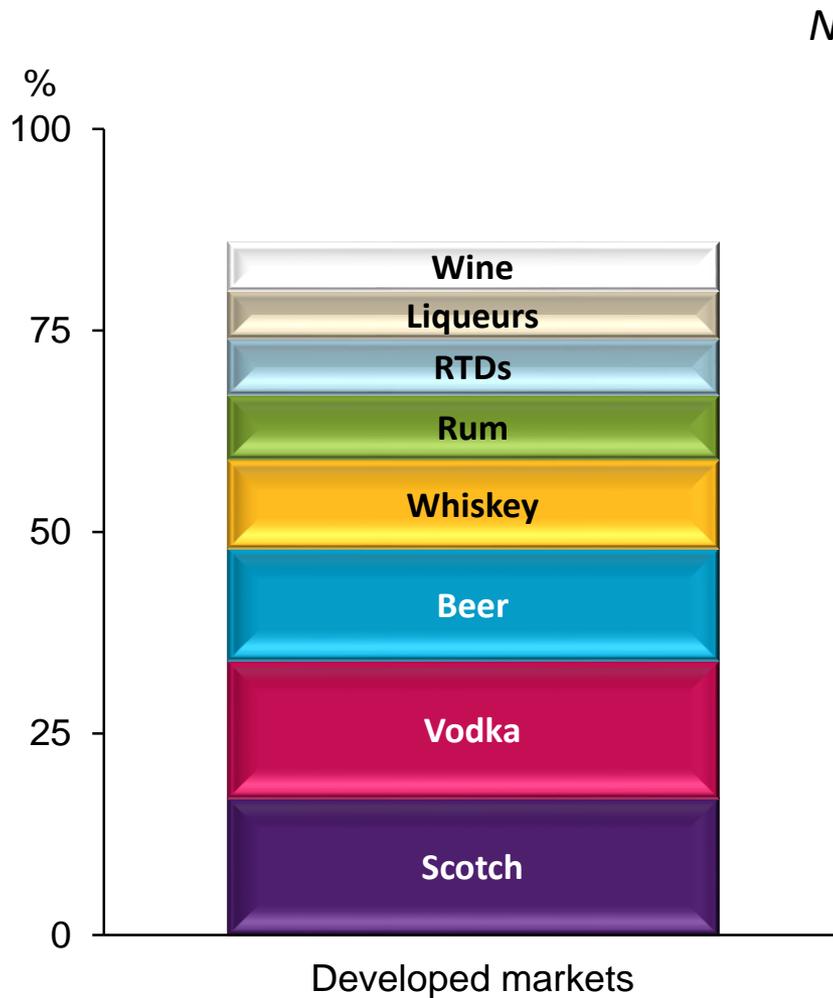
Leading brands across categories and global reach

Earning **trust** and **respect** for our actions and performance

Capturing **efficient growth**

Industry leading brands across categories

DIAGEO



Tequila, gin, flavoured and local spirits not included



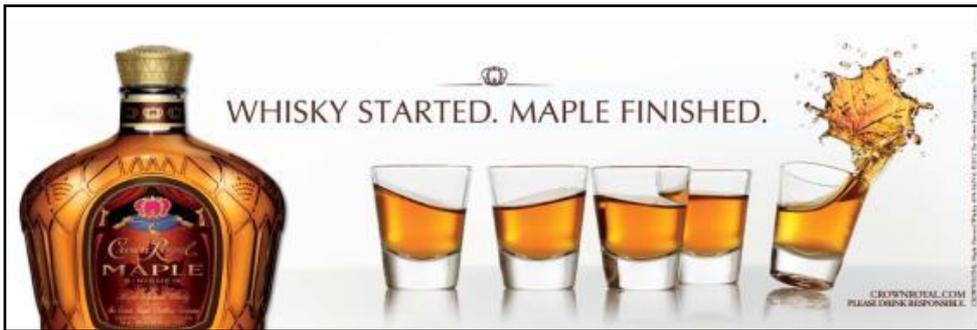
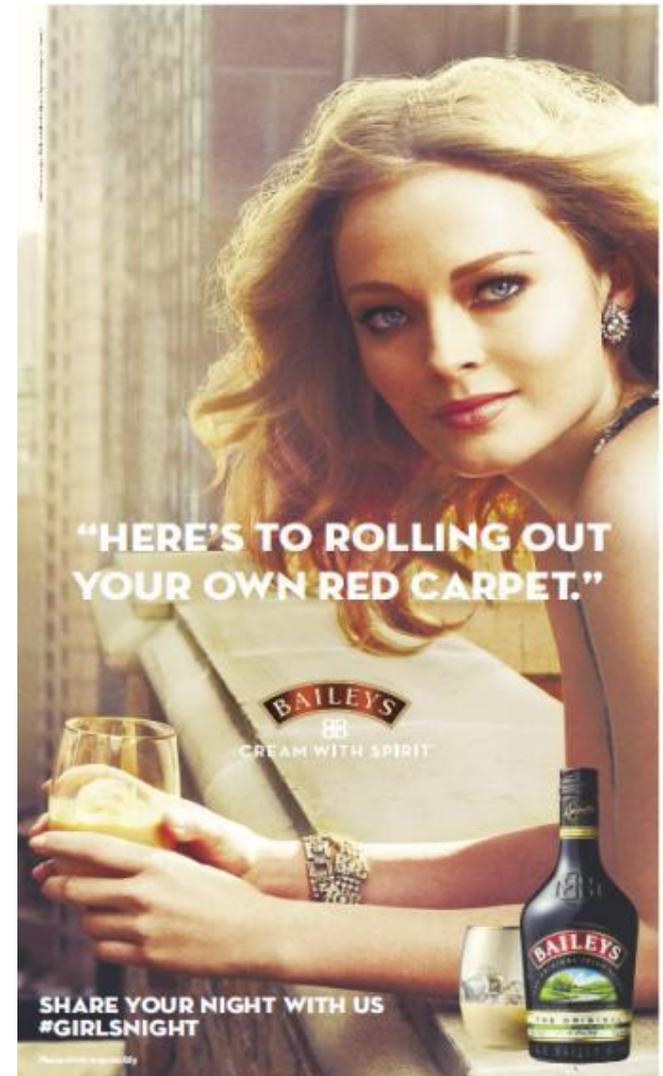
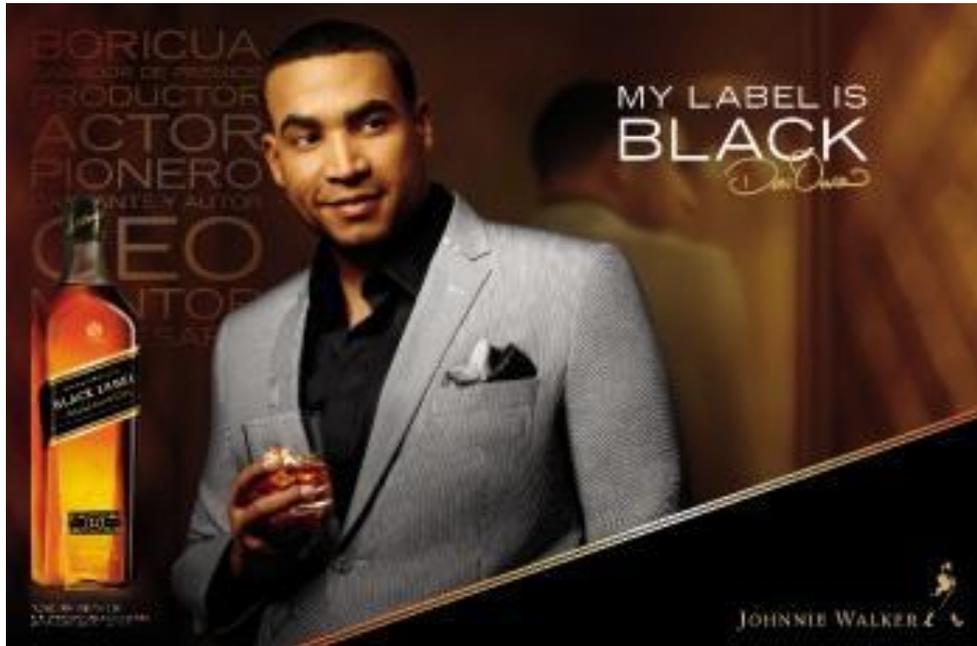
Liqueurs, rum, wine, gin, whiskey, tequila and flavoured spirits not included Vodka includes Smirnoff ready to drink

Year ended 30 June 2013.



Enhancing our position as the #1 spirits company in North America

DIAGEO



Increasing our presence in the emerging markets of the world

DIAGEO



- Improving performance in Western Europe
- Premiumising, especially in scotch
- Managing costs to invest in growth

Earning trust for actions and performance DIAGEO



LEARNING
FOR LIFE™
DIAGEO



DRINKiQ.com



BUCHANAN'S



CÎROC



Making a strong business even stronger



Questions



Cautionary statement concerning forward-looking statements

This presentation contains ‘forward-looking’ statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. In particular, forward-looking statements include all statements that express forecasts, expectations, plans, outlook and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability or cost of financing to Diageo, anticipated cost savings or synergies, the completion of Diageo’s strategic transactions and restructuring programmes, anticipated tax rates, expected cash payments, outcomes of litigation, anticipated deficit reductions in relation to pension schemes, general economic conditions and all statements on the slide “outlook statements”. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including factors that are outside Diageo’s control.

These factors include, but are not limited to:

- changes in political or economic conditions in countries and markets in which Diageo operates, including changes in levels of consumer spending, failure of customer, supplier and financial counterparties or imposition of import, investment or currency restrictions;
- changes in consumer preferences and tastes, demographic trends or perceptions about health related issues, or contamination, counterfeiting or other circumstances which could harm the integrity or sales of Diageo’s brands;
- developments in any litigation or other similar proceedings (including with tax, customs and other regulatory authorities) directed at the drinks and spirits industry generally or at Diageo in particular, or the impact of a product recall or product liability claim on Diageo’s profitability or reputation;
- the effects of climate change and regulations and other measures to address climate change including any resulting impact on the cost and supply of water;
- changes in the cost or supply of raw materials, labour and/or energy;
- legal and regulatory developments, including changes in regulations regarding production, product liability, distribution, importation, labelling, packaging, consumption or advertising; changes in tax law, rates or requirements (including with respect to the impact of excise tax increases) or accounting standards; and changes in environmental laws, health regulations and the laws governing labour and pensions;
- the costs associated with monitoring and maintaining compliance with anti-corruption and other laws and regulations, and the costs associated with investigating alleged breaches of internal policies, laws or regulations, whether initiated internally or by external regulators, and any penalties or fines imposed as a result of any breaches;
- ability to maintain Diageo’s brand image and corporate reputation, and exposure to adverse publicity, whether or not justified, and any resulting impacts on Diageo’s reputation and the likelihood that consumers choose products offered by Diageo’s competitors;
- increased competitive product and pricing pressures and unanticipated actions by competitors that could impact Diageo’s market share, increase expenses and hinder growth potential;
- the effects of Diageo’s strategic focus on premium drinks, the effects of business combinations, partnerships, acquisitions or disposals, existing or future, and the ability to realise expected synergies and/or costs savings;
- Diageo’s ability to complete existing or future business combinations, restructuring programmes, acquisitions and disposals;
- contamination, counterfeiting or other events that could adversely affect the perception of Diageo’s brands;
- increased costs or shortages of talent;
- disruption to production facilities or business service centres, and systems change programmes, existing or future, and the ability to derive expected benefits from such programmes;
- changes in financial and equity markets, including significant interest rate and foreign currency exchange rate fluctuations and changes in the cost of capital, which may reduce or eliminate Diageo’s access to or increase the cost of financing or which may affect Diageo’s financial results and movements to the value of Diageo’s pension funds;
- renewal of supply, distribution, manufacturing or licence agreements (or related rights) and licenses on favourable terms when they expire; and
- technological developments that may affect the distribution of products or impede Diageo’s ability to protect its intellectual property rights.

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