

PRELIMINARY RESULTS 2012

YEAR ENDED 30 JUNE 2012

DIAGEO



Paul Walsh

CEO

DIAGEO





A strong business, getting stronger

- Strong top line growth
- Delivered efficient growth; operating margin expansion
- Increased our presence in the faster growing markets
- Announced investments to drive future growth
- Enhanced our leading brand positions
- Strengthened our routes to market
- Free cash flow of £1.6 billion; maintaining our balance sheet strength



Stronger platform drove 6% organic net sales growth

2% volume growth driven by:

- 4% growth of strategic brands
- 7% growth in emerging markets
- Innovation



£0.2bn

4ppts price/mix driven by:

- Scotch
- Emerging markets
- Premium plus



£0.4bn

2ppts driven by acquisitions:

- Mey İçki



£0.3bn

Organic

Reported



Stronger platform drove 6% organic net sales growth

2% volume growth driven by:

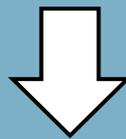
- 4% growth of strategic brands
- 7% growth in emerging markets
- Innovation



£0.2bn

4ppts price/mix driven by:

- Scotch
- Emerging markets
- Premium plus



£0.4bn

2ppts driven by acquisitions:

- Mey İçki



£0.3bn

Organic

Reported



Acquisitions drove a further 2% net sales growth

2% volume growth driven by:

- 4% growth of strategic brands
- 7% growth in emerging markets
- Innovation



£0.2bn

4ppts price/mix driven by:

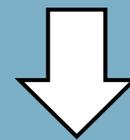
- Scotch
- Emerging markets
- Premium plus



£0.4bn

2ppts driven by acquisitions:

- Mey İçki



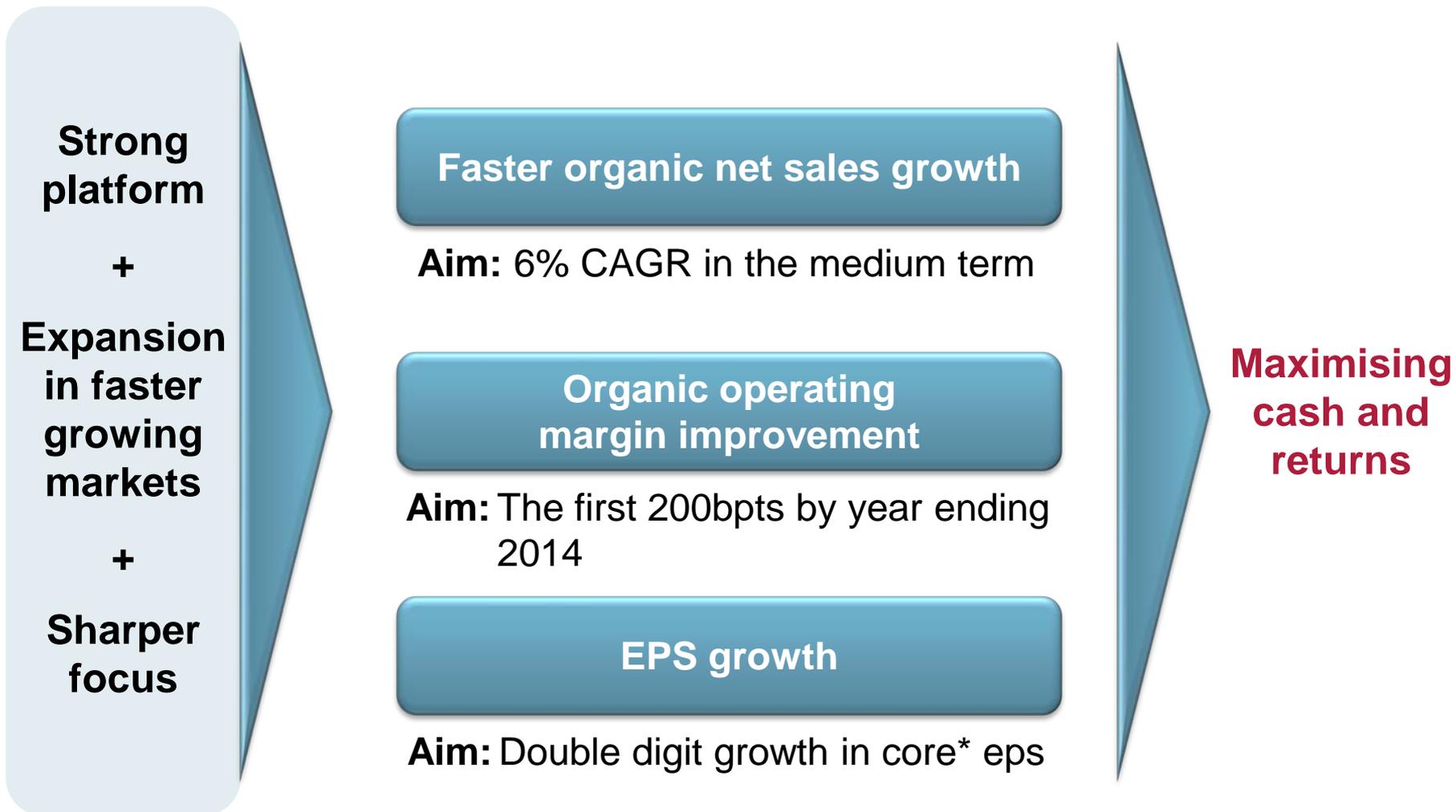
£0.3bn

Organic

Reported



On track to deliver our goals



* Excluding foreign exchange and exceptional items.



Strong business: leading brands, geographic breadth and agility

	Scotch	Whiskey	Vodka	Rum	Liqueur	Tequila	Gin	Local spirits	Beer
Ultra premium	 			 	 				
Super premium	 								Premium
Premium									Mainstream
Popular/value									Value



Getting stronger: increasing presence in the faster growing markets

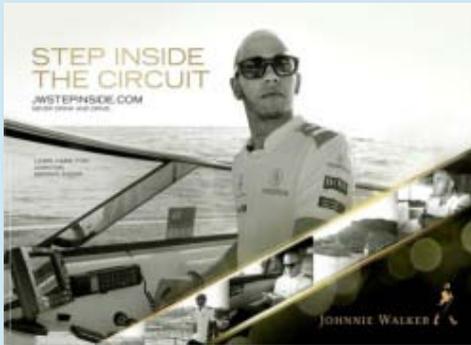
- Now almost 40% of our net sales
- Organic performance in emerging markets
 - 15% net sales growth
 - 23% operating profit growth





Getting stronger: brand building through leading marketing

Marketing innovation



New consumer groups



Emerging middle class consumers



Range of price points





Getting stronger: building even stronger brands through innovation

Premiumising our brands



Unlocking growth in developed markets



The female consumer

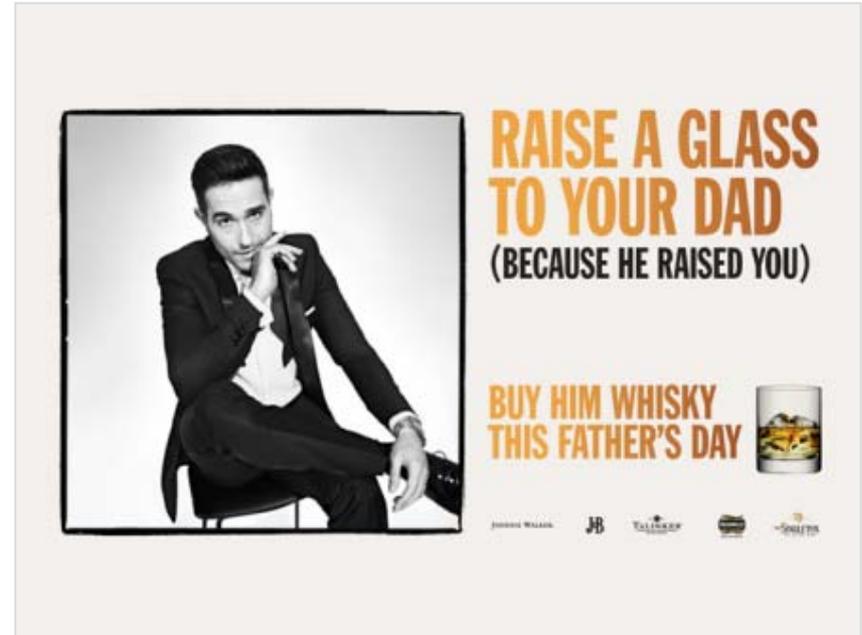


Emerging middle class consumers





Getting stronger: enhancing our routes to market





Sustainability and responsibility

**SOY LAS RISAS
DE MIS AMIGOS,
SOY LA SUMA
DE TODOS.**

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SHARE YOURSELF[®]**



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Delivered efficient growth

- Increased our presence in the faster growing markets
- Enhanced our leading brand positions
- Strengthened our routes to market
- Confidence in our medium term guidance
- Global economic environment likely to remain challenging
- Strong business, getting stronger

Questions

DIAGEO



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- Diageo's ability to complete existing or future business combinations, restructuring programmes, acquisitions and disposals;
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- 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;
- developments in the Colombian litigation, Korean customs dispute, thalidomide litigation or any similar proceedings;
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- changes in the cost or supply of raw materials, labour, energy and/or water;
- 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;
- levels of marketing, promotional and innovation expenditure by Diageo and its competitors;
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- termination of or failure to renegotiate existing distribution or licence manufacturing rights on agency brands;
- 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;
- technological developments that may affect the distribution of products or impede Diageo's ability to protect its intellectual property rights; and
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