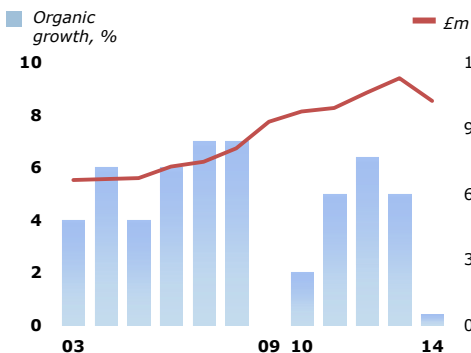


"I WANT TO CREATE ONE OF THE BEST PERFORMING, MOST TRUSTED AND RESPECTED CONSUMER PRODUCTS COMPANIES IN THE WORLD"

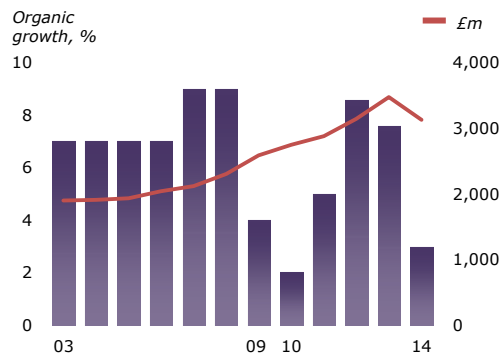
IVAN MENEZES, CEO

Sustained performance

Net sales* increased from £6,636m in F03 to £10,258m in F14



Operating profit increased from £1,902m in F03 to £3,134m in F14



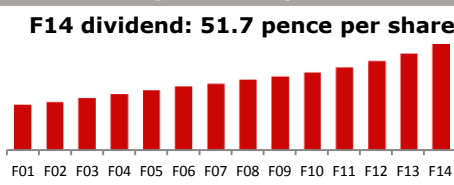
Financial strength

F14 reported figures	Organic movement	Key Metrics
Volume 156mEU	(2)%	Free cash flow £1.2bn
Net sales £10.3bn	0%	
Marketing spend £1.6bn	(1)%	Reported operating margin* 31%
Operating profit* £3.1bn	3%	
Dividend per share 51.7 pence	9%	Net debt / EBIT* ratio 2.4x
Eps* 95.5 pence	(7)%	

Diageo and Responsible drinking

- We focus on three areas where we believe our contribution has the most impact:
- #1 Set high company and industry standards in responsible marketing and provide consumer information about our brands.
 - #2 Implement initiatives designed to raise awareness and work with others to seek to change attitudes and behaviour to minimise alcohol misuse.
 - #3 Promote effective and targeted alcohol policies and foster balanced debate and stakeholder dialogue at the global, regional and country levels.

Growing dividend per share



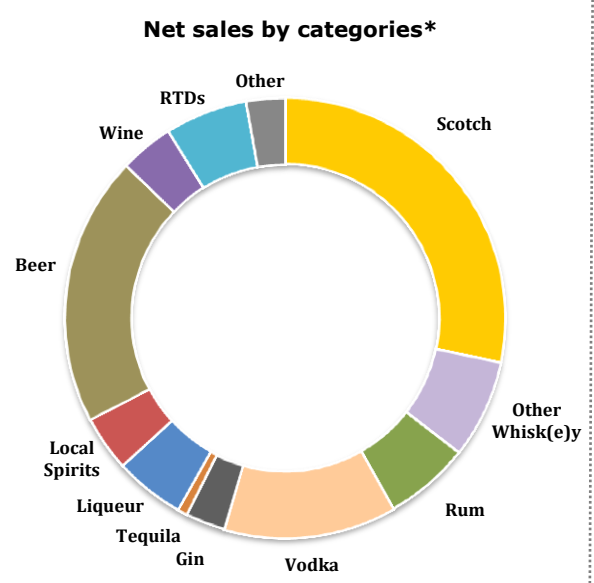
Year ended 30 June. Percentage increases are organic growth movements before exceptional items and have not been restated for accounting changes. *Net sales is after deducting excise duties. 2003-2004 as reported under UK GAAP. 2005 restated for IFRS. 2009 restated for IFRS. 2012-2013 restated for IAS19 and IFRS11.

*Pre exceptional items

World leading brands

Johnnie Walker is the No.1 Scotch whisky in the world*	Baileys is the No.1 Liqueur in the world**	Crown Royal is the No.1 Canadian whisky in the world**
Smirnoff is the No.1 Premium vodka in the world**	Guinness is the No.1 Stout in the world*****	J&B is the No.5 Scotch whisky in the world*
Captain Morgan is the No.2 Brand in the rum category in the world**	Ciroc is the No.2 Ultra premium vodka in the United States***	Buchanan's is the No.3 Premium Scotch whisky in Latin America and Caribbean*
Tanqueray is the No.1 Imported gin in the United States****	Windsor is the No.2 Super premium Scotch whisky in Asia Pacific*	Bulleit is the No.1 Rye whiskey in the world*****
Bushmills is the No.3 Irish whiskey in the world*	Ketel One is the No.2 Super premium Tequila in the United States***	Don Julio is the No.1 Super premium Tequila in the world*

Category depth



Step up our operational focus – The six key performance drivers

- Strengthen and accelerate our premium core brands**
Premium core brands are profitable, high return brands which make up 60% of Diageo and they should all consistently build brand equity, grow share and take price
- Win in reserve in every market**
In the last 5 years we doubled net sales in reserve, which is now 13% of Diageo, growing double digit even in markets with tough economic environment like Western Europe
- Innovate at scale to meet new consumer needs**
For each of the last 5 years innovation has accounted for at least half of Diageo's net sales growth. We want to have fewer, bigger and more scalable ideas
- Build and then constantly extend our advantage in route to consumer**
Increase sales forces, optimize outlet coverage, improve growth driver activation and drive efficiencies in distributor and wholesaler terms and in our logistics
- Drive out costs to invest in growth**
Initiative announced in January 2014 to save £200 million by the end of fiscal 17 which we will use to fund ongoing change programmes, invest in growth and improve margin
- Ensure we have the talent to deliver our performance ambition**
Unleashing new behaviours
- Act as an owner**
- Be agile**
- Be bold in execution**
- Everyone sells or helps to sell**

*IWSR; **Impact Databank; ***IRI; ****Beverage Information Group; *****Plato Logic; *****Internal estimation

*Year ended 30 June 2014



	North America	Western Europe	Africa, Eastern Europe and Turkey	Latin America and Caribbean	Asia Pacific
% of net sales	34%	21%	20%	11%	13%
markets					
categories					
price segments					
Net sales movement*	3%	0%	1%	2%	(7)%
Operating profit movement*	8%	0%	0%	3%	(13)%
Highlights	<p>Diageo's biggest and most profitable region with positive demographic trends</p> <p>Unique distributor model</p> <p>Top line growth and margin expansion in fiscal 14</p> <p>Double digit growth in reserve and continued growth from innovation</p> <p>Further strengthened route to consumer</p>	<p>Large and profitable business, 270m legal purchase age consumers</p> <p>Business has stabilised, though challenges remain in some of the economies</p> <p>Strong innovation with pan-regional launches and reserve up 15%</p> <p>Strengthening our route to consumer in key markets with positive early results</p>	<p>Unique business platform in Africa with beer and spirits</p> <p>Leading scotch business in Russia and Eastern Europe</p> <p>Leading spirits business in Turkey</p> <p>Nigeria weakness in beer and duty increase on Senator in Kenya impacted beer performance</p> <p>Continued strong reserve growth and innovation</p>	<p>Largest international spirits company in the region, strengthening our route to consumer</p> <p>Mixed macroeconomic environment but strong underlying fundamentals</p> <p>Slower top line growth due to West Lac destocking</p> <p>Scotch is core to the business, but we are expanding into other categories to reach the growing and affluent middle class</p>	<p>Scotch is the largest international spirits category in the region and Diageo leads, extending our leadership this year</p> <p>Growing emerging middle class providing opportunities for growth</p> <p>Top line declined due to destocking in SEA and weakness in China</p> <p>Successful premium and ultra premium innovation</p>

* Organic growth year ended 30 June 2014

