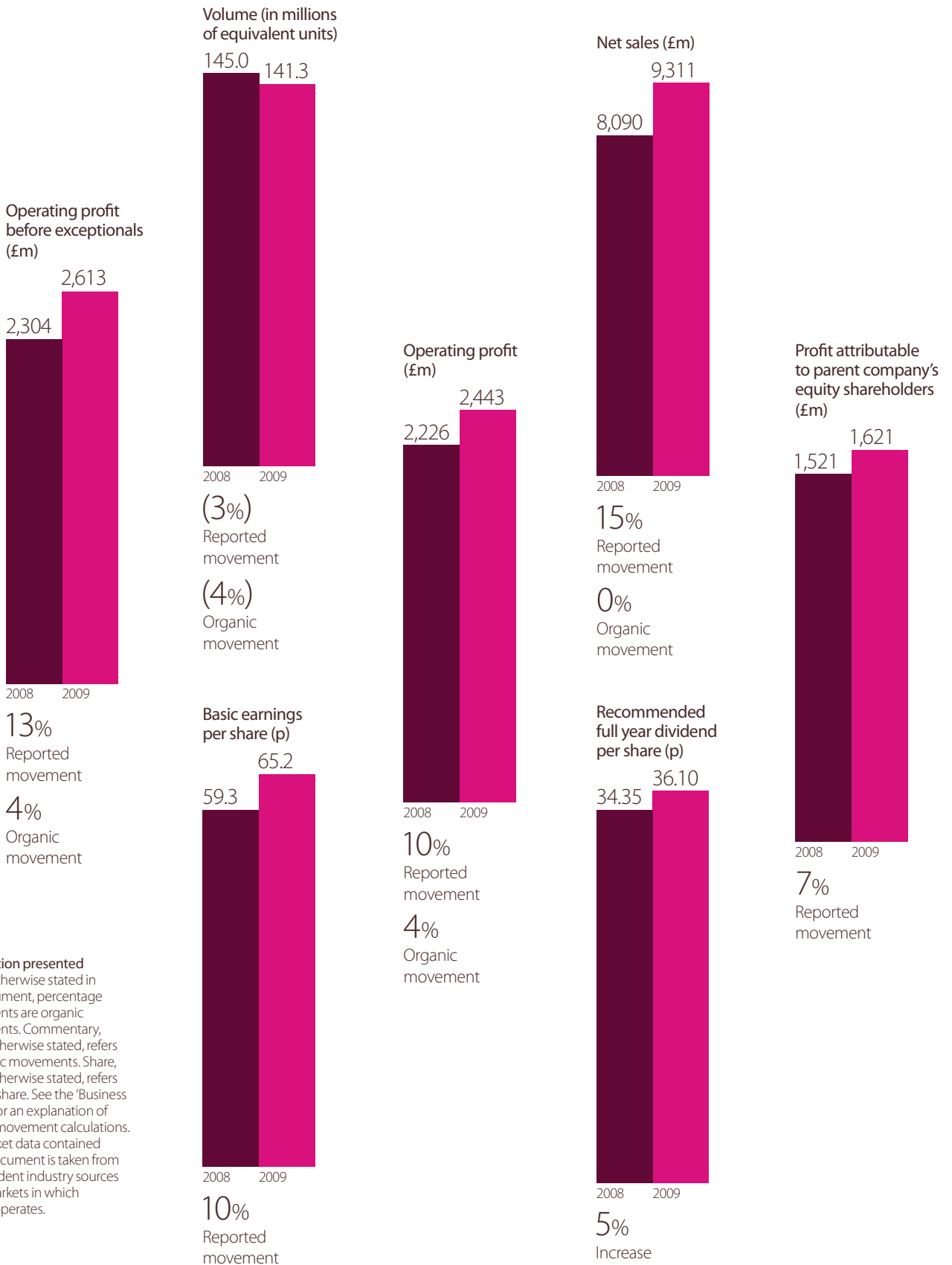


# Performance overview



**Information presented**  
 Unless otherwise stated in this document, percentage movements are organic movements. Commentary, unless otherwise stated, refers to organic movements. Share, unless otherwise stated, refers to value share. See the 'Business review' for an explanation of organic movement calculations. The market data contained in this document is taken from independent industry sources in the markets in which Diageo operates.

'This has been a very challenging year. We took action quickly to manage these difficult times, maximising the benefit of our brand range, reducing our cost base and refocusing marketing spend as consumer trends changed. Overall our results this year demonstrate the resilience of our business.'

Paul Walsh  
Chief executive

## Key figures

£1,204m

Strong free cash flow

36.10p

Recommended  
full year dividend  
per share

+5%

£1.2bn

Returned to  
shareholders

£870m  
in dividends

£352m  
in share buybacks

(9%)

Marketing spend  
organic decrease

A refocusing of spend as consumer trends changed, together with a greater reduction in spend on ready to drink and benefits from savings in media rate deflation, saw a reduction in marketing spend in the year.

## Brand performance overview

|                              | Organic<br>volume<br>movement<br>% | Organic<br>net sales<br>movement<br>% | Reported<br>volume<br>movement<br>% | Reported<br>net sales<br>movement<br>% |
|------------------------------|------------------------------------|---------------------------------------|-------------------------------------|--|
| Global priority brands       | (5)                                | (2)                                   | (5)                                 | 11                                     |
| Local priority brands*       | (1)                                | 1                                     | 5                                   | 24                                     |
| Category brands*             | (2)                                | 4                                     | (1)                                 | 17                                     |
| <b>Total</b>                 | <b>(4)</b>                         | <b>-</b>                              | <b>(3)</b>                          | <b>15</b>                              |
| Spirits**                    | (4)                                | -                                     | (3)                                 | 16                                     |
| Beer                         | -                                  | 5                                     | -                                   | 16                                     |
| Wine                         | 1                                  | (5)                                   | 2                                   | 12                                     |
| Ready to drink               | (11)                               | (8)                                   | (11)                                | 5                                      |
| <b>Key spirits brands:**</b> |                                    |                                       |                                     |  |
| Smirnoff                     | (2)                                | 2                                     | (2)                                 | 17                                     |
| Johnnie Walker               | (11)                               | (6)                                   | (11)                                | 4                                      |
| Captain Morgan               | 3                                  | 7                                     | 3                                   | 29                                     |
| Baileys                      | (10)                               | (9)                                   | (10)                                | 3                                      |
| J&B                          | (13)                               | (12)                                  | (13)                                | -                                      |
| José Cuervo                  | 2                                  | 3                                     | 2                                   | 27                                     |
| Tanqueray                    | (10)                               | (8)                                   | (10)                                | 12                                     |
| Crown Royal – North America  | (1)                                | (1)                                   | (1)                                 | 23                                     |
| Buchanan's – International   | (15)                               | 2                                     | (15)                                | 18                                     |
| Windsor – Asia Pacific       | 3                                  | 22                                    | 3                                   | 17                                     |
| Guinness                     | (3)                                | 4                                     | (3)                                 | 16                                     |

\* Brand additions in the year ended 30 June 2008 Ketel One vodka and Rosenblum Cellars wine are included in local priority brands in North America and in category brands in other regions while Zacapa rum is reported in category brands globally.

\*\* Spirits brands excluding ready to drink.



Smirnoff



**In-depth customer and consumer understanding**  
See how Smirnoff is reacting to the new media age in its new campaign

2%

Net sales increase

➤ [www.diageoreports.com](http://www.diageoreports.com)



Captain Morgan



**Outstanding collection of brands**  
See how innovation is helping drive growth behind the world's number 2 rum

7%

Net sales increase

➤ [www.diageoreports.com](http://www.diageoreports.com)