

16 October 2018

Diageo launches and prices three-tranche €2 billion of fixed rate Euro denominated bonds

Diageo, a global leader in beverage alcohol, has launched and priced €2 billion of fixed rate Euro denominated bonds under its *European Debt Issuance Programme*. The issuer of the bonds will be Diageo Finance plc, with payment of principal and interest fully guaranteed by Diageo plc.

The issue consists of €900 million bonds due October 2021 with a coupon of 0.250%; €600 million bonds due April 2025 with a coupon of 1.000%; and €500 million bonds due October 2027 with a coupon of 1.500%. Proceeds from this issuance will be used for general corporate purposes.

Citigroup Global Markets Limited, Deutsche Bank AG, London Branch, HSBC Bank plc, Morgan Stanley & Co. International plc and NatWest Markets Plc are joint book-running managers.

This announcement is for information purposes only and does not constitute a prospectus or offering memorandum or an offer to acquire any securities and is not intended to provide the basis for any credit or any other third party evaluation of the securities (the "Securities") or the transaction (the "Transaction") and should not be considered as a recommendation that any investor should subscribe for or purchase any of the Securities. Neither this announcement nor any other documentation or information (or any part thereof) delivered or supplied under or in relation to the Transaction or the Securities shall be deemed to constitute an offer of or an invitation to purchase or subscribe the Securities. This announcement does not constitute an offer to sell, exchange or transfer any securities and is not soliciting an offer to purchase, exchange or transfer any securities in any jurisdiction where such offer, sale, exchange or transfer is not permitted or is unlawful.

Any investor who acquires the Securities must rely solely on the final prospectus and Final Terms published by Diageo plc ("the Company") in connection with the Transaction, on the basis of which alone, purchases of or subscription for the Securities may be made.

The securities have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and no securities shall be offered or sold in the United States or to U.S. persons (as those terms are defined in Regulation S under the Securities Act) unless an exemption from the registration requirements of the Securities Act is available.

Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in EEA.

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About Diageo

Diageo is a global leader in beverage alcohol with an outstanding collection of brands across spirits and beer categories. These brands include Johnnie Walker, Crown Royal, J&B, Buchanan's and Windsor whiskies, Smirnoff, Cîroc and Ketel One vodkas, Captain Morgan, Baileys, Don Julio, Tanqueray and Guinness.

Diageo is a global company, and our products are sold in more than 180 countries around the world. The company is listed on both the London Stock Exchange (DGE) and the New York Stock Exchange (DEO).

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