
UDV (SJ) Limited
Annual Report and Financial Statements
30 June 2018

Registered number: 989164



UDV (SJ) Limited
Registered number: 989164
Year ended 30 June 2018

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UDV (SJ) Limited
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STRATEGIC REPORT

The directors present their strategic report for the year ended 30 June 2018.

Activities

The principal activity of the company is to act as an investment holding company of the Diageo group ("the group").

Business review

Development and performance of the business of the company during the financial year and position of the company as at 30 June 2018

Profit for the year ended 30 June 2018 increased by £ 182,000,000 to £355,000,000, mainly as a result of favourable foreign exchange movements. There were no dividends paid to shareholders in the year ended 30 June 2018 (2017 - £1,625,000,000).

Principal risks and uncertainties facing the company as at 30 June 2018

As the company forms part of the group's financial operations, the financial risk management measures used by management to analyse the development, performance and position of the company's business are mainly similar to those facing the group as a whole and are managed by the group's treasury department.

A company specific risk identified, is the recoverability of the company's investment in subsidiaries.

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STRATEGIC REPORT (continued)

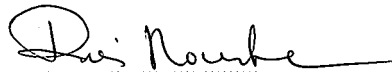
Financial risk management

The company's funding, liquidity and exposure to foreign exchange rate risk are similar to those facing the Diageo group as a whole and are managed by the group's treasury department. The treasury department uses a range of financial instruments to manage these underlying risks.

Currency risk

The company publishes its financial statements in sterling and conducts some of its business in foreign currencies. As a result, it is subject to foreign currency risk due to exchange rate movements, which will affect the company's transactions. To manage the currency risk the company uses certain financial instruments. Where hedge accounting is applied, hedges are documented and tested for effectiveness on an ongoing basis.

By order of the Board



M Pais
Director

Lakeside Drive
Park Royal
London
NW10 7HQ

13 December 2018

UDV (SJ) Limited
Registered number: 989164
Year ended 30 June 2018

DIRECTORS' REPORT

The directors are pleased to submit their annual report, together with the audited financial statements for the year ended 30 June 2018.

The company is incorporated and domiciled as a private limited company in the United Kingdom. The registered address is Lakeside Drive, Park Royal, London, NW10 7HQ.

Going concern

The company is expected to continue to generate profit on its own account and to remain in positive net asset position for the foreseeable future. The company participates in the group's centralised treasury arrangements and the parent and fellow group undertakings are expected to provide financial support for the foreseeable future. The company is not reliant on external third party financing. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern. On the basis of their assessment, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future as a fellow group undertaking has agreed to provide financial support for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial

The result for the year ended 30 June 2018 is shown on page 9.

The profit for the year transferred to reserves is £355 million (2017 - £173 million).

Dividends paid during the year ended 30 June 2018 and 30 June 2017 were £nil and £1,625 million respectively.

Directors

The directors who held office during the year were as follows:

J M C Edmunds (appointed 8 March 2018)

E McShane (resigned 31 August 2017)

J J Nicholls (resigned 9 March 2018)

M Pais

P Viswanathan (appointed 31 August 2017)

V Rao

The following director was appointed after the year end:

K E Major (appointed 1 August 2018)

The following director resigned after the year end:

D F Harlock (resigned 1 August 2018)

Directors' remuneration

None of the directors received any remuneration during the year in respect of their services as directors of the company (2017 - £nil).

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DIRECTORS' REPORT (continued)

Secretary

On 5 January 2018, C E Matthews resigned as secretary of the company.

On 5 January 2018, J M Guttridge was appointed, and on 20 April 2018 resigned, as secretary of the company.

Directors' indemnity

The Articles of Association permit qualifying third-party indemnities for the directors as defined by Section 234 of the Companies Act 2006. No such indemnity was in force during the last financial year, nor is any currently in force.

Internal control and risk management over financial reporting

The company operates under the financial reporting processes and controls of the group. Diageo Plc's internal control and risk management systems including its financial reporting process of Diageo plc, which include those of the company, are discussed in the Group's Annual Report 2018 on pages 66 to 67 at www.diageo.com, which does not form part of this report.

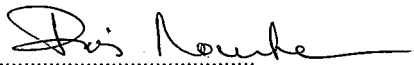
Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors, PricewaterhouseCoopers LLP, have been reappointed and will continue in office as auditors of the company.

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



M Pais
Director

Lakeside Drive
Park Royal
London
NW10 7HQ

13 December 2018

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Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of UDV (SJ) Limited

Report on the audit of the financial statements

Opinion

In our opinion, UDV (SJ) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2018; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' report for the year ended 30 June 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Christopher Richmond (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
13 December 2018

UDV (SJ) Limited
Registered number: 989164
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STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year ended 30 June 2018 £ m	Year ended 30 June 2017 £ m
Operating income/(costs)	2	195	(327)
Income from shares in group undertakings	3	292	576
Provision against subsidiary undertakings	6	<u>(32)</u>	<u>-</u>
Operating profit		455	249
Net finance charges	4	<u>(94)</u>	<u>(69)</u>
Profit before taxation on ordinary activities		361	180
Taxation on profit on ordinary activities	5	<u>(6)</u>	<u>(7)</u>
Profit for the financial year and total comprehensive income for the year		<u>355</u>	<u>173</u>

The accompanying notes are an integral part of these financial statements.

The company had no other comprehensive income or expense during the current and previous year.

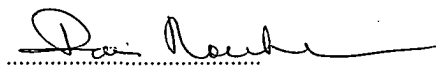
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BALANCE SHEET

	Notes	30 June 2018 £ m	30 June 2017 £ m
Non-current assets			
Investments in subsidiaries	6	47,075	47,107
Current assets			
Trade and other receivables	7	3,952	5,145
Other financial assets	8	-	4
Cash and cash equivalents		-	-
Total assets		<u>51,027</u>	<u>52,256</u>
Current liabilities			
Trade and other payables	10	(8,357)	(9,940)
Corporate tax payable		<u>(2)</u>	<u>(3)</u>
		<u>(8,359)</u>	<u>(9,943)</u>
Net assets		<u>42,668</u>	<u>42,313</u>
Equity			
Called up share capital	11	2,309	2,309
Share premium		6,908	6,908
Other reserves		27,865	27,865
Retained earnings		<u>5,586</u>	<u>5,231</u>
Total equity		<u>42,668</u>	<u>42,313</u>

The accounting policies and other notes on pages 12 to 43 form part of the financial statements.

These financial statements on pages 9 to 43 were approved by the Board on 13 December 2018 and were signed on its behalf by:



M Pais
Director

UDV (SJ) Limited
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STATEMENT OF CHANGES IN EQUITY

ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

	Called up share capital £ m	Share premium £ m	Other reserves £ m	Retained earnings £ m	Total £ m
Balance at 30 June 2016	2,309	6,908	27,865	6,683	43,765
Profit for the year	-	-	-	173	173
Dividends to shareholders	-	-	-	(1,625)	(1,625)
Balance at 30 June 2017	2,309	6,908	27,865	5,231	42,313
Profit for the year	-	-	-	355	355
Balance at 30 June 2018	2,309	6,908	27,865	5,586	42,668

Other reserves relate to the historical revaluation reserve prior to transition to FRS 101.

The accompanying notes are an integral part of these financial statements.

UDV (SJ) Limited
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NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements are prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (IFRS), but makes amendments where necessary in order to comply with Companies Act 2006 and sets out below where the FRS 101 disclosure exemptions have been taken.

These financial statements are prepared on a going concern basis under the historical cost convention, except that certain financial instruments are stated at their fair value.

The company is a wholly owned subsidiary of Diageo plc and is included in the consolidated financial statements of Diageo plc which are publicly available.

The company has taken advantage of the following exemptions from the requirements of IFRS in the preparation of these financial statements, in accordance with FRS 101:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital;
- disclosures in respect of transactions with wholly owned subsidiaries;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Diageo plc include equivalent disclosures, the company has also utilised exemptions available under FRS 101 in respect of the following disclosures:

- the disclosures required by *IFRS 7 Financial Instruments Disclosures*;
- the disclosures required by *IFRS 13 Fair Value Measurement*.

The company has taken advantage of the exemption under IAS 27, 'Consolidated and separate financial statements', from the requirement to prepare consolidated financial statements as it and its subsidiaries are included in the consolidated financial statements of its ultimate parent, Diageo plc.

These financial statements are separate financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

New accounting policies

The following standard, issued by the IASB and endorsed by the EU, has been early adopted by the company from 1 July 2017:

- **IFRS 9 - Financial instruments replaces IAS 39** (Financial instruments - Recognition and measurement) and addresses the classification and measurement of financial instruments, introduces new principles for hedge accounting and a new forward-looking impairment model for financial assets. All classes of financial assets and financial liabilities had as at 1 July 2017 the same carrying values under IFRS 9 as they had under IAS 39. The new impairment model under IFRS 9 requires the recognition of allowances for doubtful debt based on expected credit losses (ECL), rather than incurred credit losses as under IAS 39. The adoption of the ECL approach did not result in any additional impairment loss for trade and other receivables as at 1 July 2017.

Functional and presentational currency

These financial statements are presented in sterling (£), which is the company's functional currency.

All financial information presented in sterling (£) has been rounded to the nearest million unless otherwise stated.

Finance costs

Finance costs are recognised in the statement of comprehensive income in the year in which they are incurred.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the financial year end exchange rates and these foreign exchange differences are recognised in the statement of comprehensive income.

Investments in subsidiaries

The investments in subsidiaries are stated at historical cost less impairment provisions for any permanent decrease in value. The carrying amounts of the company's investments are reviewed at each reporting date to determine whether there is an indication of impairment. If such an indication exists, then the asset's recoverable amount is estimated. Losses are recognised in the statement of comprehensive income and reflected in an allowance against the carrying value. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the statement of comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Financial assets and liabilities

Financial assets and liabilities are initially recorded at fair value including, where permitted by IFRS 9, any directly attributable transaction costs. For those financial assets that are not subsequently held at fair value, the company assesses whether there is evidence of impairment at each balance sheet date. The company classifies its financial assets and liabilities into the following categories: financial assets and liabilities at amortised cost, financial assets and liabilities at fair value through profit and loss and financial assets at fair value through other comprehensive income. Where financial assets or liabilities are eligible to be carried at either amortised cost or fair value the company does not apply the fair value option.

Trade and other receivables Amounts owed by other group companies are initially measured at fair value and are subsequently reported at amortised cost. Non-interest bearing trade receivables are stated at their nominal value as they are due on demand. Allowance for expected credit losses are made based on the risk of non-payment taking into account ageing, previous experience, economic conditions and forward looking data. Such allowance are measured as either 12-months expected credit losses or lifetime expected credit losses depending on changes in the credit quality of the counterparty.

Trade and other payables Amounts owed to other group companies are initially measured at fair value and are subsequently reported at amortised cost. Non-interest bearing trade payables are stated at their nominal value as they are due on demand.

Derivative financial instruments

Derivative financial instruments are carried at fair value using a discounted cash flow technique based on market data applied consistently for similar type of instruments. Gains and losses on derivatives that do not qualify for hedge accounting treatment are taken to the statement of comprehensive income as they arise.

Taxation

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax benefits are not recognised unless it is probable that the tax positions are sustainable. Once considered to be probable, tax benefits are reviewed each year to assess whether a provision should be taken against full recognition of the benefit on the basis of potential settlement through negotiation and/or litigation. Tax provisions are included in current liabilities. Penalties and interest on tax liabilities for the year ended 30 June 2018 are included in profit before taxation. In prior years penalties and interest on tax liabilities were provided for in the tax charge.

Full provision for deferred tax is made for temporary differences between the carrying value of assets and liabilities for financial reporting purposes and their value for tax purposes. The amount of deferred tax reflects the expected recoverable amount and is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the basis of taxation enacted or substantively enacted by the balance sheet date. Deferred tax assets are not recognised where it is more likely than not that the asset will not be realised in the future.

UDV (SJ) Limited
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NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Dividends paid and received

The interim dividend is included in the financial statements in the year in which they are approved by the directors, and the final dividend in the year in which it is approved by shareholders. Dividends received are included in the financial statements in the year in which they are receivable.

Judgements in applying accounting policies and key sources of estimation uncertainty

The directors make estimates and assumptions concerning the future of the company. The resulting accounting estimates will, by definition, seldom equate to actual results. The company's directors are of the opinion that there are no estimates and assumptions that have a significant risk of casting material adjustment to the carrying value of the assets and liabilities for the company within the next financial year due to the nature of the business.

Investment in subsidiaries: The critical accounting policy, which the directors consider is of greater complexity and particularly subject to the exercise of judgements, is set out in detail in the accounting policy for investments in subsidiaries. A critical accounting judgement, specific to the company, is the assessment that recoverable amount of the company's investment in subsidiaries is greater than the carrying amount.

2. OPERATING INCOME/(COSTS)

	Year ended 30 June 2018 £ m	Year ended 30 June 2017 £ m
Other operating income/(expenses)	<u>195</u>	<u>(327)</u>
	<u>195</u>	<u>(327)</u>
Comprising:		
Net foreign exchange gains/(losses)	195	(327)

Fees in respect of audit services provided by the auditors are: £9,000 (2017 - £9,000). There were no fees payable to the auditors in respect of non-audit services (2017 - £nil).

The company did not employ any staff during either the current or prior year.

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (2017 - £nil).

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NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	Year ended 30 June 2018 £ m	Year ended 30 June 2017 £ m
Dividend income from shares in group undertakings		
Diageo Financing Turkey Limited	-	40
Diageo Finance US Limited	108	95
Diageo Hungary Marketing Services Limited Liability Company	184	116
Diageo Investment Holdings Limited	-	325
	<u>292</u>	<u>576</u>

4. NET FINANCE CHARGES

	Year ended 30 June 2018 £ m	Year ended 30 June 2017 £ m
Net interest		
Interest income from fellow group undertakings		
Diageo Finance plc	25	18
Diageo Investment Holdings Limited	<u>24</u>	<u>20</u>
Total interest income	49	38
Interest charge to fellow group undertakings		
Diageo Finance plc	<u>(143)</u>	<u>(107)</u>
Total interest charges	<u>(143)</u>	<u>(107)</u>
Net finance charges	<u>(94)</u>	<u>(69)</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)

5. TAXATION

	Year ended 30 June 2018 £ m	Year ended 30 June 2017 £ m
(a) Analysis of taxation charge for the year		
Current tax		
UK corporation tax	(6)	(7)
Current tax	(6)	(7)
Deferred tax	-	-
Taxation on profit on ordinary activities	(6)	(7)
	Year ended 30 June 2018 £ m	Year ended 30 June 2017 £ m
(b) Factors affecting total tax charge for the year		
Profit on ordinary activities before taxation	361	180
Taxation on profit on ordinary activities at UK corporation tax rate of 19% (2017 - 19.75%)	(69)	(35)
Items not chargeable for tax purposes	92	114
Items not deductible for tax purposes	(6)	(65)
Group relief surrendered for nil consideration	(17)	(14)
Foreign income subject to UK tax	(6)	(7)
Total tax charge for the year	(6)	(7)

The UK tax rate is 19% effective from 1 April 2017, which is applied for year ended 30 June 2018. A further reduction to 17% (effective from 1 April 2020) was enacted in September 2016.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES

Shares in group undertakings

	Subsidiaries £ m
Cost	
At 30 June 2017	<u>47,107</u>
At 30 June 2018	<u>47,107</u>
Provisions	
At 30 June 2017	-
Provided	<u>32</u>
At 30 June 2018	<u>32</u>
Carrying amount	
At 30 June 2018	<u>47,075</u>
At 30 June 2017	<u>47,107</u>

In the year ended 30 June 2018 an impairment of £32 million was charged to provisions against subsidiary undertakings in respect of the company's investment in Diageo Financing Turkey Limited, since the recoverable amount of the investment has become lower than the carrying value held by UDV (SJ) Limited.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows. Unless otherwise stated the percentage of shares held are in respect of ordinary share capital.

Name of investment	Notes	Registered office address	Proportion of ownership interest %
Direct holdings			
<i>Subsidiary undertakings</i>			
DIAGEO Hungary Marketing Services Limited Liability Company		1132 Budapest, Vaci ut 20-26, Hungary	100%
Diageo Ireland Finance 1 Unlimited Company		St. James's Gate, Dublin 8, Republic of Ireland	100%
Diageo Ireland Finance 2 Unlimited Company		St. James's Gate, Dublin 8, Republic of Ireland	100%
Diageo Financing Turkey Limited		Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo Investment Holdings Limited		Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo Finance US Limited		Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
ULM Holdings Inc.	(i)	15th Floor, W-fifth Building, 5th Avenue, Bonifacio Global City, Taguig City, Philippines	40%
RUM CREATION & PRODUCTS, INC.	(iv, vi)	OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands	50%
Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
<i>Subsidiary undertakings</i>			
1759 Property Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Agropecuarias Las Marias I C.A.		Carretera Nacional Acarigua-Barquisimeto Casa Agropecuaria Las Marias I C.A.S-N Sector los Guayones La Miel, Lara, Venezuela	100%
AGS Employee Shares Nominees (Ireland) Designated Activity Company		St. James's Gate, Dublin 8, Republic of Ireland	100%
Allsopp (East Africa) Limited	(i)	Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	48.52%
ANEJOS DE ALTURA, SOCIEDAD ANONIMA	(vi)	0 calle 8-19 zona 9, Quetzaltenango, Quetzaltenango, Guatemala	50%
Anyslam Investments		Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Arran Tradings, C.A.		Calle 1 con calle Calle 1 Este; Edificio y Galpon BTP, Zona Industrial La Caracarita; Municipio Los Guayos; estado Carabobo, Venezuela	100%
Arthur Guinness Son & Company (Dublin)	(i)	St. James's Gate, Dublin 8, Republic of Ireland	100%
Atalantaf Limited		Canon's Court 22 Victoria Street Hamilton HM12, Bermuda	100%
Ballroom Acquisition, Inc.		801 Main Avenue - Norwalk, CT 06851, United States	100%
Brandhouse Beverages (Pty) Limited	(i)	Building 3, Maxwell Office Park, Magwa Crescent West, Waterfall City, Midrand, 2090	100%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Bundaberg Distilling Company Pty. Limited	(iv)	Whitted Street, Bundaberg, QLD 4670, Australia	100%
Bundaberg Distilling Investments Pty Ltd	(ii)	Level 1, 162 Blues Point Road, McMahon's Point, NSW 2060, Australia	100%
California Simulcast Inc	(i, vi)	801 Main Avenue - Norwalk, CT 06851, United States	80%
Carillon U.K. Limited	(i)	Edinburgh Park, 5 Lochside Way, Edinburgh, EH12 9DT, United Kingdom	100%
D Distribution Joint-Stock Company		Kaspiyskaya Street, 22, main bld. 1, bld. 5, floor 3, apartment VII, room 31a, 115304, Moscow, Russia	100%
Casamigos Spirits Company LLC		1209 N Orange Street, Wilmington, DE 19801, USA	100%
Casamigos Tequila LLC		1209 N Orange Street, Wilmington, DE 19801, USA	100%
Chengdu Jianghai Trade Development Co. Limited		No. 9, Quanxing Road, Jinniu District, 610036 Chengdu, China	39.71%
Chengdu Jiayuan Jiuye Marketing Co. Limited		No. 9, Quanxing Road, Jinniu District, 610036 Chengdu, China	39.71%
Chengdu Rongshangfang Marketing Co. Limited		China, No. 9 Quanxing Road, Jinniu District, 610036, Chengdu City	39.71%
Chengdu Ruijin Trade Co. Limited		China, No. 9 Quanxing Road, Jinniu District, 610036, Chengdu City	39.71%
Chengdu Shuijingfang Jiuye Co. Limited		China, No. 9 Quanxing Road, Jinniu District, 610036, Chengdu City	39.71%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Chengdu Shuijingfang Marketing Co. Limited		China, No. 9 Quanxing Road, Jinniu District, 610036, Chengdu City	39.71%
Chengdu Tengyuan Jiuye Marketing Co. Limited		No. 9, Quanxing Road, Jinniu District, 610036 Chengdu, China	39.71%
CJSC IDV Selviac	(ix)	7 Gasheka ulitsa, Moscow 123056, Russia	100%
Crescendo Australia Pty Ltd	(ii)	Level 1, 162 Blues Point Road, McMahon's Point, NSW 2060, Australia	100%
Cupar Trading, C.A.	(iv)	Av. Circunvalacion Norte (Jose Asuncion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	100%
D/CE Holdings LLC	(vi)	801 Main Avenue - Norwalk, CT 06851, United States	50%
DC Brands B.V.	(ii, vi)	Molenwerf 12, 1014 BG Amsterdam, The Netherlands	50%
Deasy & Co. Unlimited Company	(i)	St. James's Gate, Dublin 8, Republic of Ireland	100%
DEF Investments Limited		Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo (Shanghai) Limited		No.28 Jiafeng Road, 2502, 5, Pudong District, 200137, Shanghai, China	100%
Diageo Americas Supply Quebec Distribution Inc.		Canada, Boul Henri-Bourassa E., 9225, Local A, Quebec, H1E 1P6, Montreal	100%
Diageo Americas Supply, Inc.		801 Main Avenue - Norwalk, CT 06851, United States	100%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Diageo Americas, Inc.		801 Main Avenue - Norwalk, CT 06851, United States	100%
Diageo Asia Pacific Shared Services Centre Limited, Inc.		Lower G/F, Unit A Eight West Campus Le Grand Avenue, Mckinley West Fort Bonifacio, Taguig City , NCR Fourth District, Philippines, 1630	100%
Diageo Atlantic B.V.		Molenwerf 12, 1014 BG Amsterdam, The Netherlands	100%
Diageo Australia Limited	(ii)	Level 1, 162 Blues Point Road, McMahon's Point, NSW 2060, Australia	100%
Diageo Austria GmbH		Teinfaltstrasse 8, 1010 Wien, Austria	100%
Diageo Beer Company USA		801 Main Avenue - Norwalk, CT 06851, United States	100%
Diageo Belgium N.V.		Z.3 Doornveld 150 ; 1731 Zellik ; Belgium	100%
Diageo Brands B.V.		Molenwerf 12, 1014 BG Amsterdam, The Netherlands	100%
Diageo Brands Distributors LLC		115034 Moscow, Kaspiyskaya st. 22/1 , building 5, floor 3, Russia	100%
Diageo Brands Nigeria Ltd		24 Oba Akran Avenue, PMB 21071, Ikeja, Lagos, Nigeria	100%
Diageo Brasil Ltda		Rua Olimpíadas, 205, 14th and 15th floor, Vila Olímpia, São Paulo/SP, CEP 04551-000, Brazil	100%
Diageo Bulgaria Ltd		7 Iskarsko Shose Blvd., Trade Center Europe, building 12, floor 2, Sofia 1528, Bulgaria	100%

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6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment	Registered office address	Proportion of ownership interest %
Indirect holdings		
Diageo Business Services India Private Limited	Kempapura Main Road, Opp Nagawara Lake, Karle SEZ Tower 2nd floor, Karnataka 560045, Bengaluru, India	100%
DIAGEO Business Services Limited	1132 Budapest, Vaci ut 20-26, Hungary	100%
Diageo Canada Holdings Inc.	134 Peter Street, Suite 1501, Toronto, ON M5V 2H2, Canada	100%
Diageo Canada Inc.	134 Peter Street, Suite 1501, Toronto, ON M5V 2H2, Canada	100%
Diageo Chile Limitada	Cerro El Plomo 5630 Piso 13 Las Condes, Chile	100%
Diageo China Limited	China, No.209 Gonghe Road, Tower 2, Enterprise Centre, 2101, 21, Jing'an District, 200070, Shanghai	100%
Diageo Colombia S.A.	100 street No.13 21 Office 502. Bogota, Colombia	100%
Diageo Costa Rica S.A.	Llorente de Tibas, 1Km este del Periodico La Nacion. San Jose, Costa Rica	100%
Diageo Croatia d.o.o.za usluge	Hektoroviceva ulica 2 10000 Zagreb, Croatia	100%
Diageo Czech Marketing Services LLC	Prague, Na Pankráci 1724/129, Postal code 140 00, Czech Republic	100%
Diageo de Argentina S.A.	Italia 415- 3rd Floor, B1638BMC Vicente Lopez, Buenos Aires, Argentina	100%
Diageo Del Peru S.A.	Ciudadela Zofratacna Mz. D Lt. 8,9,10,15,16 y 17 Carretera Panamericana Sur Km 13, Tacna, Peru	100%
Diageo Denmark AS	Sundkrogsgade 21, st.; 2100 Copenhagen, Denmark	100%

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6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Diageo Distilleries Private Limited	(v)	1st Floor, D-2, Southern Park, Saket Place, New Delhi-110017, India	100%
Diageo Dominicana S.R.L		Dominican Republic, A J Aybar 204 SD,N/,Santo Domingo	100%
Diageo Eire Finance & Co		Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo Employee Ownership Program Organization		1132 Budapest, Vaci ut 20-26, Hungary	100%
Diageo Espana S.A.		Avda. de la Victoria 32, 28023 Madrid, Spain	100%
Diageo Europe Holdings Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%
Diageo Export SR Inc.	(i)	15th Floor, W-fifth Building, 5th Avenue, Bonifacio Global City, Taguig City, Philippines	100%
Diageo France Holdings S.A.S.		73, Rue de Provence 75009 Paris, France	100%
Diageo France Investments S.A.S.		73, Rue de Provence 75009 Paris, France	100%
Diageo France S.A.S.		73, Rue de Provence 75009 Paris, France	100%
Diageo Germany GmbH		Reeperbahn 1 20359 Hamburg, Germany	100%
Diageo Global Supply IBC Limited		3rd Floor Capital House, 3 Upper Queen Street, Belfast, United Kingdom	100%
Diageo GTME Pte Ltd		112 Robinson Road #05-01, Singapore 068902, Singapore	100%
Diageo Hellas S.A.		27, Agiou Thoma street, Marousi, 151 24, Athens, Greece	100%
Diageo Highlands Holding B.V.		Molenwerf 12, 1014 BG Amsterdam, The Netherlands	100%

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6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment	Registered office address	Proportion of ownership interest %
Indirect holdings		
Diageo Holdings Netherlands B.V.	Molenwerf 12, 1014 BG Amsterdam, The Netherlands	100%
DIAGEO HUNGARY FINANCE Limited Liability Company	1132 Budapest, Vaci ut 20-26, Hungary	100%
Diageo Inc.	801 Main Avenue - Norwalk, CT 06851, United States	100%
Diageo India Private Limited	4th Floor, Piramal Towers, Peninsula Corporate Park, Lower Parel, Mumbai - 400 013, India	100%
Diageo Investment Corporation	801 Main Avenue - Norwalk, CT 06851, United States	100%
Diageo Ireland	St. James's Gate, Dublin 8, Republic of Ireland	100%
Diageo Ireland Finance 3 Unlimited Company	St. James's Gate, Dublin 8, Republic of Ireland	100%
Diageo Ireland Finance Unlimited Company	St. James's Gate, Dublin 8, Republic of Ireland	100%
Diageo Ireland Holdings Unlimited Company	St. James's Gate, Dublin 8, Republic of Ireland	100%
Diageo Ireland Pension Trustee Designated Activity Company	St. James's Gate, Dublin 8, Republic of Ireland	100%
Diageo Ireland Quebec Distribution Inc.	Canada, Boul Henri-Bourassa E., 9225, Local B, Quebec, H1E 1P6, Montreal	100%
Diageo Italia S.p.A.	Via Ernesto Lugaro 15 - 10126 - Torino, Italy	100%
Diageo Jamaica Limited	214 Spanish Town Road, P.O. Box 190, Kingston 11, Jamaica	100%
Diageo Japan K.K.	Nakano-ku 4-10-2, Nakano Central Park South, 17, Tokyo 164-0001 Japan	100%
Diageo Kazakhstan LLP.	Almaty city, Bostandik district, 050040, Timiryazev street 28 V, Kazakhstan	100%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment	Registered office address	Proportion of ownership interest %
Indirect holdings		
Diageo Kenya Limited	2ND FLOOR, APOLLO CENTRE, RING ROAD PARKLANDS, WESTLANDS, P O BOX 764 00606 NAIROBI, Kenya	100%
Diageo Korea Company Limited	46 Dumujae-ro, Bubal-eup, Icheon-shi, Gyeonggi-do, 17317, South Korea	100%
Diageo Latin America & Caribbean LLC	801 Main Avenue - Norwalk, CT 06851, United States	100%
Diageo Lebanon Holding SAL	Uthman Arakji & Associates, Ibiza Building, Verdun Str., PO Box 113-5631, Beirut, Lebanon	100%
Diageo Lebanon SAL	Sin El Fil - Beirut Symposium Bldg., 10th Floor.POBx 113-5250, Beirut, Lebanon	84.99%
Diageo LENA Offshore SAL	Lebanon, Verdun Street, Ibiza Building, Beirut, PO Box 113-5631	100%
Diageo Mexico Comercializadora S.A. de C.V.	Ejercito Nacional 843-B Piso 2, Torre Paseo, Acceso B, Colonia Granada C.P. 11520 Mexico D.F., Mexico	100%
Diageo Mexico II SA de CV Sociedad Financiera de Objeto Multiple	Ejercito Nacional 843-B Piso 2, Torre Paseo, Acceso B, Colonia Granada C.P. 11520 Mexico D.F., Mexico	100%
Diageo Mexico SA de CV	Ejercito Nacional 843-B Piso 2, Torre Paseo, Acceso B, Colonia Granada C.P. 11520 Mexico D.F., Mexico	100%
Diageo Mozambique Lda.	Avenida Marginal parcela 141 2do Andar - Predio da Global Alliance Caixa Postal 96 Maputo, Mozambique	100%
Diageo Nederland B.V.	Molenwerf 12, 1014 BG Amsterdam, The Netherlands	100%

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6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Diageo North America Foundation, Inc.		801 Main Avenue - Norwalk, CT 06851, United States	100%
Diageo North America, Inc.	(iv, x)	801 Main Avenue - Norwalk, CT 06851, United States	100%
Diageo Norway AS		Karenslyst Alle 11, 0278 Oslo, Norway	100%
Diageo Nueva Esparta, C.A.		Av. Circunvalacion Norte (Jose Asunsion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	100%
Diageo Operations Italy S.p.A.		Strada Statale 63 - 12069 Santa Vittoria d'Alba - CUNEO, Italy	100%
Diageo Overseas B.V.		Molenwerf 12, 1014 BG Amsterdam, The Netherlands	100%
Diageo Overseas Holdings Limited	(v)	Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo Panama S.A.		Avenida la Rotonda Business Park, Torre V Piso 15, Costa del Este, Ciudad de Panama, Panama	100%
Diageo Paraguay S.R.L.		Avda Aviadores del Chaco 2050. Edificio World trade center. Torre 3 piso 11, Paraguay	100%
Diageo Peru S.A.		Calle Las Begonias 415 Piso 03 Of. 301, San Isidro, Lima, Peru	100%
Diageo Philippines Free Port Inc	(i)	15th Floor, W-fifth Building, 5th Avenue, Bonifacio Global City, Taguig City, Philippines	100%
Diageo Philippines, Inc		15th Floor, W-fifth Building, 5th Avenue, Bonifacio Global City, Taguig City, Philippines	100%
Diageo Polska Sp. z o.o.		Warsaw, Przyokopowa Str. 31, PL 01 – 208 Warsaw, Poland	100%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Diageo Portugal - Distribuidora de Bebidas, Unipessoal, Lda		Edificio Arts Avenida D. Joao II, No 49 Torre A, 10o Piso 1990-085 Lisboa, Portugal	100%
Diageo Reunion 2 SAS	(i)	14, rue Jules Thirel A30 97460 Saint Paul, La Reunion	100%
Diageo Reunion SA		14, rue Jules Thirel A30 97460 Saint Paul, La Reunion	100%
Diageo RTD Hong Kong Limited		China, 11 Hoi Shing Road, 11 Hoi Shing Road, Room 7, 18, Tsuen Wan, New Territories, 999077, Hong Kong	100%
Diageo Singapore Pte Ltd.		112 Robinson Road #05-01, Singapore 068902, Singapore	100%
Diageo Singapore Supply Pte. Ltd.		112 Robinson Road #05-01, Singapore 068902, Singapore	100%
Diageo South Africa Empowerment Trust		17 Greenhills Road, Elandsfontein, Germiston, 1601	100%
Diageo South Africa (Pty) Limited	(vi)	Building 3, Maxwell Office Park, Magwa Crescent West, Waterfall City, Midrand, 2090, South Africa	49%
Diageo Suisse S.A.		Rue du Grand-Pre 2 b CH-1007 Lausanne, Switzerland	54.87%
Diageo Supply Marracuene Lda.		Estrada Nacional numero 1, Micanhine, Marracuene, Mozambique	100%
Diageo Sweden AB		Gavlegatan street 22/C Stockholm 11330, Sweden	100%
Diageo Taiwan Inc.		Panama, West Boulevard, PH ARIFA, 9th and 10th, Santa Maria Business, Panama	100%
Diageo Treasury Australia LLP		Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo Turkey Holdings Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%

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6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment	Registered office address	Proportion of ownership interest %
Indirect holdings		
Diageo UK Turkey Finance Limited	Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo UK Turkey Holdings Limited (v)	Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo UK Turkey Limited	Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo Ukraine LLC	Ukraine, 02152, Kyiv, 1v Pavla Tychyny avenue, office V704, Ukraine	100%
Diageo Uruguay SA	Av. Luis A. de Herrera, 1.248, WTC- Torre II - office 1074, Montevideo, Uruguay	100%
Diageo US Holdings	Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo US Investments	Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Diageo US Turkey LLC	United States, 801 Main Ave, Tax Dept, CT, 06851, Norwalk	100%
Diageo USVI, Inc	1131 King Street, Christiansted, St. Croix, U.S. Virgin Islands 00820-4971, United States	100%
Diageo Venezuela C.A	Ave. San Felipe Urbanización La Castellana, Edificio Centro Coinasa, Piso 6. Caracas, 1060, Venezuela	100%
Diageo Vietnam	No. 157, 21/8 Street, Phuoc My Ward, Phan Rang - Thap Cham City, Ninh Thuan Province, Vietnam	100%
Don Julio Agavera S.A. de C.V.	Porfirio Diaz # 17, Atotonilco el Alto, 47750 Jalisco, Mexico	100%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Don Julio Agricultura y Servicios S.A. de C.V.		Porfirio Diaz # 17, Atotonilco el Alto, 47750 Jalisco, Mexico	100%
DV Paraguana, C.A.		Av Intercomunal Ali Primera, Los Taques, Estado Falcón, Venezuela	100%
DV Release, C.A.		Calle 1 con calle Calle 1 Este; Edificio y Galpon BTP, Zona Industrial La Caracarita; Municipio Los Guayos; estado Carabobo, Venezuela	100%
DV Trading, C.A.	(iv)	Av. Circunvalacion Norte (Jose Asunsion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	100%
E. Smithwick & Sons Limited	(i)	St. James's Gate, Dublin 8,	100%
EABL (Tanzania) Limited	(i, vi)	2nd Floor, East Wing TDFL Building, Ohio street. P.O. Box 32840 Dar es Salaam, Tanzania	50.03%
EABL International Limited	(i, vi)	Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	50.03%
East African Beverages (Southern Sudan) Limited	(vi)	Southern Sudan African Park Hotel, Juba Town, South Sudan	49.53%
East African Breweries Limited	(vi)	Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	50.03%
East African Breweries Rwanda Limited		Kimihurura, Gasabo, Umujyi was Kigali, RWANDA, 7130 Port Bell Luzira Rwanda	50.03%
East African Maltings (Uganda) Limited		Plot 3-17 Port Bell Road Luzira Kampala P.O. Box 7130 Kampala, Uganda	50.03%
East African Maltings Limited		Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	50.03%
Gilbey Canada Investments Limited		134 Peter Street, Suite 1501, Toronto, ON M5V 2H2, Canada	100%

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6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment	Registered office address	Proportion of ownership interest %
Indirect holdings		
Gilbeys New Zealand Limited	80 Queen Street, Auckland, 1010 , New Zealand	100%
Gilbeys of Ireland (R&D) Unlimited Company	Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
Gilbeys of Ireland Unlimited Company	Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
Global Farming Initiative B.V.	Molenwerf 12, 1014 BG Amsterdam, The Netherlands	100%
Guinness Canada Limited	Labatt House, Suite 299, 207 Queen's Quay West, Toronto ON, M5J 1A7, Canada	51%
Guinness France Holdings S.A.S	73, Rue de Provence 75009 Paris, France	100%
Guinness Ghana Breweries Limited	Guinness Brewery, Plot 1 Block L, Industrial Area, Kaasi, P. O. Box 1536, Kumasi, Ghana	80.39%
Guinness Nigeria plc (vi)	24 Oba Akran Avenue, PMB 21071, Ikeja, Lagos, Nigeria	58.02%
Guinness Overseas Limited	Lakeside Drive, Park Royal, London, NW10 7HQ, United Kingdom	100%
Guinness Storehouse Ireland Pension Trustees Designated Activity Company	St. James's Gate, Dublin 8, Republic of Ireland	100%
Guinness Storehouse Limited	St. James's Gate, Dublin 8, Republic of Ireland	100%
Guinness UDV Korea Limited (i)	32nd Fl., Star Tower 737, Yuksam-dong, Kangnam-gu, 6236 Seoul, South Korea	100%
Harp Ireland Limited (i)	St. James's Gate, Dublin 8, Republic of Ireland	100%

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6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Industrias Pampero C.A.	(ii)	Ave. San Felipe Urbanización La Castellana, Edificio Centro Coinasa, Piso 6. Caracas, 1060, Venezuela	96.8%
International Distillers - Zimbabwe (Private) Limited	(i)	48 Midlothian Avenue, Eastlea, Harare, Zimbabwe	100%
International Distillers Uganda Limited		Plot No 1 Malt Road, Portbell Luzira P.O. Box 3221 Kampala, Uganda	50.03%
Irish Ale Breweries Unlimited Company		St. James's Gate, Dublin 8, Republic of Ireland	100%
Irish Ale Breweries Holdings Unlimited Company	(ii)	St. James's Gate, Dublin 8, Republic of Ireland	100%
Islay Trading, C.A.		Calle 1 con calle Calle 1 Este; Edificio y Galpon BTP, Zona Industrial La Caracarita; Municipio Los Guayos; estado Carabobo, Venezuela	100%
Johnnie Walker House Beijing Co. Ltd.		China, Office 781,7/F, Office Tower 2, Sun Dong An Plaza No. 138 Wangfujing Avenue Dongcheng District , 100006, Beijing	100%
Joseph E. Seagram & Sons Limited	(i, ii)	134 Peter Street, Suite 1501, Toronto, ON M5V 2H2, Canada	100%
Kenya Breweries Limited		Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	50.03%
Ketel One Worldwide B.V.	(iii, vi)	Molenwerf 12, 1014 BG Amsterdam, The Netherlands	50%
L4L Trading, C.A.		Calle 1 con calle Calle 1 Este; Edificio y Galpon BTP, Zona Industrial La Caracarita; Municipio Los Guayos; estado Carabobo, Venezuela	100%

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6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Liquor Investment Llc.		801 Main Avenue - Norwalk, CT 06851, United States	100%
Lismore Trading, C.A.		Calle 1 con calle Calle 1 Este; Edificio y Galpon BTP, Zona Industrial La Caracarita; Municipio Los Guayos; estado Carabobo, Venezuela	100%
Macardle Moore & Company Unlimited Company	(i)	St. James's Gate, Dublin 8, Republic of Ireland	100%
Masterplan (Kenya) Limited	(i)	Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	50.03%
Mey Alkollu Ickiler Sanayi ve Ticaret A.S		Büyükdere Cad. Bahar Sok. No:13 River Plaza Kat:25-29 34394 Beşikli/İstanbul, Turkey	100%
Mey Icki Sanayi ve Ticaret A.S.		Büyükdere Cad. Bahar Sok. No:13 River Plaza Kat:25-29 34394 Beşikli/İstanbul, Turkey	100%
Mull Trading, C.A.		Av La Hormiga con Intersección de la Carretera via Payara, C.C. Tierra Buena. Acarigua. Estado Portuguesa, Venezuela	100%
National Sorghum Breweries Properties Proprietary Limited	(i)	Gallagher House, Gallagher Estate, Richards Drive, Midrand 1685, South Africa	100%
Newshelf 1167 Proprietary Limited	(iv)	Gallagher House, Gallagher Estate, Richards Drive, Midrand 1685, South Africa	100%
Nicholas Doyle (New Ross) Unlimited Company	(i)	Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
North Island United Enterprise Holdings Inc	(i)	15th Floor, W-fifth Building, 5th Avenue, Bonifacio Global City, Taguig City, Philippines	100%
Phenix Gabon SARL	(ix)	c/o SOBRAGA, P O Box 487, Libreville, Gabon	99.75%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Powtom 11 Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%
Powtom 12 Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%
Powtom 13 Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%
Powtom 14 Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%
Powtom 16 Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%
Powtom 17 Limited		St. James's Gate, Dublin 8, Republic of Ireland	100%
Powtom 18 Unlimited Company		St. James's Gate, Dublin 8, Republic of Ireland	100%
PT Gitaswara Indonesia	(vi)	Sudirman Plaza, Plaza Marein 15th floor, Jl. Jend Sudirman Kav.76-78, Jakarta 12910, Indonesia	100%
PT Langgeng Kreasi Jayaprima		Indonesia, Jalan Jend. Sudirman Kav. 29-31, Gedung World Trade Center I, 16th Floor, Setiabudi, South Jakarta, 12920, Jakarta, Indonesia	80%
R & A Bailey & Co		Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
R&A Bailey Pension Trustee Company Designated Activity Company		St. James's Gate, Dublin 8, Republic of Ireland	100%
Reldann Investments No. 12 Proprietary Limited	(i)	Gallagher House, Gallagher Estate, Richards Drive, Midrand 1685, South Africa	100%
Salopia Limited	(i)	Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	50.03%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Selviac Nederland B.V.		Molenwerf 12, 1014 BG Amsterdam, The Netherlands	100%
Serengeti Breweries Limited		Plot 117/2, Access Road, Nelson Mandela Expressway, Chang'Ombe Industrial Area, P.O. Box 41080, Dar es Salaam, Tanzania	25.52%
Servicios Agavera, S.A.de C.V.		Porfirio Diaz # 17, 47750 Atotonilco el Alto, Jalisco, Mexico	100%
Seychelles Breweries Limited	(vi)	O'Brien House, PO Box 273, Le Roucher, Mahe, Seychelles	54.4%
Sichuan Chengdu Shuijingfang Group Co., Ltd	(i)	No. 9, Quanxing Road, Jinniu District, 610036 Chengdu, China	100%
Sichuan Shuijingfang Jiuye Co. Limited	(i, vi)	China No. 9 Quanxing Road, Jinniu District 610036 Chengdu	39.71%
Sichuan Swellfun Co., Ltd		No. 9, Quanxing Road, Jinniu District, 610036 Chengdu, China	39.71%
Skye Trading, C.A.		Calle 1 con calle Calle 1 Este; Edificio y Galpon BTP, Zona Industrial La Caracarita; Municipio Los Guayos; estado Carabobo, Venezuela	100%
St. James's Gate Trading Unlimited Company	(i)	St. James's Gate, Dublin 8, Republic of Ireland	100%
Streetcar Investment Holding Pte. Ltd.		112 Robinson Road #05-01, Singapore 068902, Singapore	100%
Sumagro Limited	(i)	CRB Africa Legal Attorneys, Plot 60, Ursino Street P.O. Box 32840, Dar es Salaam, Tanzania	100%
Tembo Properties Limited	(ii)	Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	50.03%
Tequila Don Julio Servicios, S.A.de C.V.		Porfirio Diaz # 17, 47750 Atotonilco el Alto, Jalisco, Mexico	100%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
The Bulleit Distillery, Inc.		United States, 801 Main Ave, Tax Dept, CT, 06851, Norwalk	100%
The Connacht Mineral Water Unlimited Company	(i)	St. James's Gate, Dublin 8, Republic of Ireland	100%
Türk Alkollu İcki ve Sarap Endustri Ltd.		Turkish Republic of North Cyprus, Şehit Mehmet Cetin Sokak, Kucuk Sanayi Bölgesi 48 99450 Gazi Magusa	66%
Tusker Football Club		Tusker House, Ruaraka, PO BOX 30161, 00100 NAIROBI GPO, Kenya	50.03%
UDV Ireland Group (Trustees) Designated Activity Company		Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
UDV Ireland Group Unlimited Company		Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
UDV Operations Ireland Unlimited Company	(i)	Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
Uganda Breweries Limited		Plot 3-17 Port Bell Road Luzira Kampala P.O. Box 7130 Kampala, Uganda	49.03%
United Beverages Pension Trustees Company Limited by Guarantee		Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
United Beverages Sales Unlimited Company	(i)	Nangor House, Western Estate, Nangor Road, DUBLIN, 12, Republic of Ireland	100%
United Distillers Canada Inc.		225 Avenue Lafleur, LaSalle, QC H8R 3H2, Canada	100%
United National Breweries (SA) Proprietary Limited	(i)	Gallagher House, Gallagher Estate, Richards Drive, Midrand 1685, South Africa	100%
Vast Fund Limited		3/F, 21 Li Yuen Street West Central, Hong Kong	100%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Vietnam Spirits and Wine LTD	(vi)	621 Pham Van Chi Street, District 6, Ho Chi Minh City, Vietnam	55%
Vignobles Internationaux S.A.S.		178, Rue Achard 33300 Bordeaux, France	100%
Ypioca Agricola LTDA		Fazenda Santa Eliza, s/n, Bairro Zona Rural, Paraipaba/CE, CEP 62685-000, Brazil	100%
Ypioca industrial de Bebidas S.A.		Av. Washington Soares, 1280 Fortaleza Messejana CEP 60810-350 Ceara, Brazil	100%
Zeta Importers, C.A.	(iv)	Av. Circunvalacion Norte (Jose Asunsion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	100%
<i>Associates undertakings</i>			
Canbrew B.V.	(iii)	Ceresstraat 1, 4811 CA Breda, The Netherlands	28.16%
Compania Cervecera De Canarias, S.A.		carrtera La Cuesta Taco Km 0.5. La Laguna, Santa Crus De Tenerife, Spain	20%
Hanoi Liquor Joint Stock Company (Halico)		94 Lo Duc Street, Pham Dinh Ho Ward, Hai Ba Trung District, Ha Noi City, Vietnam	45.57%
International Brand Developers N.V.	(ii)	Citco Curacao, Schottegatweg Oost 44, Willemstad, Curacao	25%
Modern Spirits, Llc		2459 E 8th Street; Los Angeles, California 90021, United States	20%
Moet Hennessy International		24/32 rue Jean Goujon – 75008 Paris, France	34%
Moet Hennessy, SAS		24/32 rue Jean Goujon – 75008 Paris, France	34%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
Soh Spirits Llc		222 Cliffwood Avenue, Los Angeles, CA 90049, United States	20%
The Pierre Smimoff Company Limited	(iv)	801 Main Avenue - Norwalk, CT 06851, United States	25%
Zwack Unicum plc		26 Soroksari ut, Budapest, 1095, Hungary	26%
<i>Joint ventures undertakings</i>			
Diageo Angola Limitada		Rua Fernao de Sousa, Condominio Bengo, Letter A, 11.s floor, Fraction A37, neighbourhood Vila Alice, Municipality of Luanda, Province of Luanda, Angola	50%
Diageo Southern Africa Markets (Pty) Ltd		Building 3, Maxwell Office Park, Magwa Crescent West, Waterfall City, Midrand, 2090, South Africa	50%
<i>Joint operations undertakings</i>			
Diageo Kirin Company Limited		4-10-2 Nakano, Nakano-ku, 164-0001Tokyo, Japan	51%
Diageo Moet Hennessy (Thailand) Limited	(viii)	17-18/F, Park Wing, Empire Tower, 1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120, Thailand	63.02%
Diageo-Moet Hennessy B.V.	(iii)	Molenwerf 12, 1014 BG Amsterdam, The Netherlands	67%
Gist Dominicana S.A.	(ix)	Independencia Street, No. 129, Santiago, Dominican Republic	60.9%
HA&COM Bebidas del Mundo, SA		Llorente de Tibas, 1Km este del Periodico La Nacion. San Jose, Costa Rica	50%
Industria de Licores Internacionales S.A.	(ix)	Segunda (2da) Street, Los Platanitos, Santiago, Dominican Republic	59.71%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment		Registered office address	Proportion of ownership interest %
Indirect holdings			
MHD Moët Hennessy Diageo K.K.	(vii)	Jinbocho Mitsui Bldg, Chiyodaku, Kandajinbocho, Tokyo, Japan	67%
Moët Hennessy Diageo (China) Co Ltd	(vii)	702A, Taiping Finance Tower, 488 Middle Yincheng Road, China (Shanghai) Pilot Free Trade Zone, China	67%
Moët Hennessy Diageo Hong Kong Limited	(vii)	Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong	67%
Moët Hennessy Diageo Macau Limited	(vii)	Unit 43 & 45, Level 20, AIA Tower, Nos 251A - 301 Avenida Comercial de Macau, Macau	67%
Moët Hennessy Diageo Malaysia Sdn Bhd.	(vii)	Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia	67%
Moët Hennessy Diageo Singapore Pte. Ltd	(vii)	83 Clemenceau Ave, #09-01 UE Square, Singapore 239920, Singapore	67%
Seagram Dominicana S.A.	(ix)	Salvador Sturla Street, Ensanche Naco, Santo Domingo, Dominican Republic	60.9%
Seagram Ukraine Limited		Chervonoarmiyska Street, bld. 9/2, apt. 70, Kyiv, Ukraine	60.9%

- (i) Dormant company.
- (ii) Ownership held in class of A shares.
- (iii) Ownership held in class of B shares.
- (iv) Ownership held in class of A shares and B shares.
- (v) Ownership held in equity shares and preference shares.
- (vi) Companies controlled by the group based on management's assessment.
- (vii) Operation is managed by Moët Hennessy.
- (viii) Operation is managed by Diageo.
- (ix) In liquidation.
- (x) Strike-off listed.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

The investments in subsidiaries are held at cost less, where appropriate, provision for impairment in value.

In the opinion of the directors, the investment in the company's subsidiary undertakings are worth at least the amount at which they are stated in the financial statements.

7. TRADE AND OTHER RECEIVABLES

	30 June 2018 £ m	30 June 2017 £ m
Amounts owed by fellow group undertakings		
Diageo Finance plc	2,689	3,906
Diageo Investment Holdings Limited	1,263	1,239
	<u>3,952</u>	<u>5,145</u>

The amounts owed by Diageo Finance plc and Diageo Investment Holdings Limited are loans which are unsecured, repayable on demand and bear interest at a floating rate.

8. OTHER FINANCIAL ASSETS

	Assets due after one year £ m	Assets due within one year £ m
2017		
Intra-group derivative assets		
Not designated in a hedge relationship	<u>-</u>	<u>4</u>

In the year ended 30 June 2018 the balance of other financial assets is nil.

UDV (SJ) Limited
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NOTES TO THE FINANCIAL STATEMENTS (continued)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Currency risk

The company presents its financial statements in sterling (which is the functional currency of the entity) and conducts business in many currencies. As a result, it is subject to foreign currency risk due to exchange rate movements. As the company forms part of the group's financial operations this financial risk is managed by the treasury department on group level.

(b) Fair value measurements

Fair value measurements of financial instruments are presented through the use of a three-level fair value hierarchy that prioritises the valuation techniques used in fair value calculations.

The group maintains policies and procedures to value instruments using the most relevant data available. If multiple inputs that fall into different levels of the hierarchy are used in the valuation of an instrument, the instrument is categorised on the basis of the most subjective input.

Foreign currency forwards and swaps are valued using discounted cash flow techniques. These techniques incorporate inputs at levels 1 and 2, such as foreign exchange rates and interest rates. These market inputs are used in the discounted cash flow calculation incorporating the instrument's term, notional amount and discount rate, and taking credit risk into account. As significant inputs to the valuation are observable in active markets, these instruments are categorised as level 2 in the hierarchy.

The company's financial assets measured at fair value are categorised as follows:

	30 June 2018	30 June 2017
	£ m	£ m
Derivative assets	-	4
Valuation techniques based on observable market input	-	4

There were no transfers between levels during the two years ended 30 June 2018 and 30 June 2017.

10. TRADE AND OTHER PAYABLES

	30 June 2018	30 June 2017
	£ m	£ m
Amounts owed to fellow group undertakings		
Diageo Finance plc	8,340	9,930
Diageo Investment Holdings Limited	17	10
	8,357	9,940

The amount owed to Diageo Finance plc is a loan which is unsecured, repayable on demand and bears interest at a floating rate.

The amount owed to Diageo Investment Holdings Limited is tax paid on behalf of the company.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

11. SHARE CAPITAL

Allotted, called up and fully paid:

	30 June 2018
	£ m
4,617,540,617 (2017 - 4,617,540,617) ordinary shares of 50p each	<u>2,309</u>

12. CONTINGENT LIABILITIES

In October 2017, the European Commission opened a state aid investigation into the Group Financing Exemption in the UK controlled foreign company rules. The Group Financing Exemption was introduced in legislation by the UK government in 2013. In common with other UK-based international companies whose arrangements are in line with current UK CFC legislation, the company may be affected by the outcome of this investigation. The company is monitoring developments. If the preliminary findings of the European Commission's investigation into the UK legislation are upheld, the company calculates its maximum potential liability to be approximately £110 million. Based on its current assessment, the company believes that no provision is required in respect of this issue.

13. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking of the company is Grand Metropolitan International Holdings Limited, a company incorporated and registered in England.

The ultimate parent undertaking of the company is Diageo plc which is the ultimate controlling party of the group. Diageo plc is incorporated and registered in England. The consolidated financial statements of Diageo plc can be obtained from the registered office at Diageo, Lakeside Drive, Park Royal, London, NW10 7HQ.