DIAGEO PLC

TRANSACTIONS IN OWN SECURITIES

Diageo plc ("**Diageo**") announces today that it has purchased the following number of its ordinary shares of 28 101/108 pence each on the London Stock Exchange and Multilateral Trading Facilities from Morgan Stanley & Co. International Plc. Such purchase was effected pursuant to instructions issued by Diageo on 7th September 2017, as announced on 8th September 2017:

Ordinary Shares

Date of purchase: 12 January 2018

Number of ordinary shares purchased: 380,997

Volume weighted average price paid per share: 2,653.57p

Highest price paid per share: 2,665.00p

Lowest price paid per share: 2,641.00p

Diageo intends to cancel the purchased shares.

A full breakdown of the individual trades is attached to this announcement.

This announcement does not constitute, or form part of, an offer or any solicitation of an offer for securities in any jurisdiction.

Diageo's LEI code is 213800ZVIELEA55JMJ32