

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Instruments are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Instruments or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Instruments or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Instruments has led to the conclusion that: (i) the target market for the Instruments is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Instruments to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Instruments (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Instruments (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Final Terms dated 10 April 2019

DIAGEO plc

Legal Entity Identifier (LEI): 213800ZVIELEA55JMJ32

*(Incorporated with limited liability in England and Wales with registered number 23307)
as Issuer and Guarantor*

DIAGEO FINANCE plc

Legal Entity Identifier (LEI): BPF79TJMIH3DK8XCKI50

*(Incorporated with limited liability in England and Wales with registered number 213393)
as Issuer*

Programme for the
Issuance of Debt Instruments

EUR 600,000,000 0.125 per cent. Instruments due 12 October 2023

Series No: 2019/1

Guaranteed by DIAGEO plc

under the **Programme for Issuance of Debt Instruments**

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 10 August 2018 and the supplemental Prospectus dated 4 April 2019 which together constitute a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU (the "**2010 PD Amending Directive**") to the extent that such amendments have been implemented in a Member State of the European Economic Area) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Instruments described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the Guarantor and the offer of the Instruments is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at <https://www.londonstockexchange.com/exchange/news/market-news/market-news-detail/DGE/13674512.html> and during normal business hours at Lakeside Drive, Park Royal, London NW10 7HQ.

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|----|------|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. | (i) | Issuer: | Diageo Finance plc |
| | (ii) | Guarantor: | Diageo plc |
| 2. | (i) | Series Number: | 2019/1 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Euro (" EUR ") |
| 4. | | Aggregate Nominal Amount of Instruments: | |
| | (i) | Series: | EUR 600,000,000 |
| | (ii) | Tranche: | EUR 600,000,000 |
| 5. | | Issue Price: | 99.557 per cent. of the Aggregate Nominal Amount |
| 6. | (i) | Specified Denominations: | EUR 100,000 and integral multiples of EUR 1,000 in excess thereof up to and including EUR 199,000. No notes in definitive form will be issued with a denomination above EUR 199,000. |
| | (ii) | Calculation Amount: | EUR 1,000 |
| 7. | (i) | Issue Date: | 12 April 2019 |
| | (ii) | Interest Commencement Date: | Issue Date |
| 8. | | Maturity Date: | 12 October 2023 |
| 9. | | Interest Basis: | 0.125 per cent. Fixed Rate |

10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest or Redemption Payment Basis:	Not Applicable
12.	Put/Call Options:	Issuer Call
13.	Date approval for issuance of Instruments and Guarantee obtained:	Issuer: 4 April 2019 Guarantor: 4 April 2019

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Instrument Provisions	Applicable
	(i) Rate of Interest:	0.125 per cent. per annum payable annually in arrear on each Interest Payment Date
	(ii) Interest Payment Date(s):	12 October in each year commencing on 12 October 2019 (short first coupon)
	(iii) Fixed Coupon Amount(s):	EUR 1.25 per Calculation Amount, subject to paragraph 14(iv)
	(iv) Broken Amount(s):	EUR 0.63 per Calculation Amount payable on the Interest Payment Date falling on 12 October 2019
	(v) Day Count Fraction:	Actual/Actual – ICMA
	(vi) Determination Dates:	12 October in each year
	(vii) Relevant Currency	EUR
15.	Floating Rate Instrument Provisions	Not Applicable
16.	Zero Coupon Instrument Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

17.	Call Option	Applicable
	(i) Optional Redemption Date(s):	Any Business Day from and including 12 September 2023 to but excluding the Maturity Date
	(ii) Optional Redemption Amount(s) of each Instrument and method, if	EUR 1,000 per Calculation Amount

any, of calculation of such amount(s):

- (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: Not Applicable
 - (b) Maximum Redemption Amount: Not Applicable
- (iv) Notice period: As set out in the Conditions
- 18. **Put Option** Not Applicable
- 19. **Final Redemption Amount of each Instrument** EUR 1,000 per Calculation Amount
- 20. **Early Redemption Amount**
Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption: EUR 1,000 per Calculation Amount

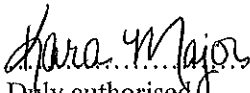
GENERAL PROVISIONS APPLICABLE TO THE INSTRUMENTS

- 21. **Form of Instruments** **Bearer Instruments**
Temporary Global Instrument exchangeable for a Permanent Global Instrument which is exchangeable for Definitive Instruments in the limited circumstances specified in the Permanent Global Instrument
- 22. New Global Note: Yes
- 23. Financial Centre(s) or other special provisions relating to payment dates: London, in addition to TARGET Settlement Day
- 24. Calculation Agent: Not Applicable
- 25. Talons for future Coupons to be attached to Definitive Instruments (and dates on which such Talons mature): No
- 26. Exchange Date: Not Applicable

DISTRIBUTION

- | | | |
|-----|-----------------------------------------------|---------------------------------------|
| 27. | U.S. Selling Restrictions: | Reg. S Compliance Category 2; TEFRA D |
| 28. | Prohibition of Sales to EEA Retail Investors: | Applicable |

Signed on behalf of Diageo Finance plc:

By: 
Duly authorised

Signed on behalf of Diageo plc:

By: 
Duly authorised

PART B - OTHER INFORMATION

1. LISTING

- | | | |
|-------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) | Listing: | London |
| (ii) | Admission to trading: | Application is expected to be made by the Issuer (or on its behalf) for the Instruments to be admitted to trading on the London Stock Exchange plc's Regulated Market with effect from the Issue Date. |
| (iii) | Estimate of total expenses related to admission to trading: | GBP 4,560 |

2. RATINGS

- | | |
|----------|----------------------------------------------------|
| Ratings: | The Instruments to be issued are expected to rated |
| | S&P Global Ratings Europe Limited: A – (stable) |
| | Moody's Investors Service Limited: A3 (stable) |
| | Fitch Ratings Limited: A – (stable) |

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to Banco Santander, S.A., Barclays Bank PLC, Goldman Sachs International and Merrill Lynch International as active joint lead managers and to RBC Europe Limited, Standard Chartered Bank and UBS AG London Branch as passive joint lead managers (together, the "**Joint Lead Managers**"), so far as the Issuer is aware, no person involved in the issue of the Instruments has an interest material to the offer.

The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuers and their affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

Not Applicable

5. YIELD

Indication of yield: 0.224 per cent. per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

6. HISTORIC INTEREST RATES

Not Applicable

7. OPERATIONAL INFORMATION

ISIN Code: XS1982107903

Common Code: 198210790

CFI: See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

FISN: See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: Yes