

DESNOES & GEDDES LIMITED
AUDITED OPERATING RESULTS
FOR THE PERIOD ENDED JUNE 30, 2015

The Directors of Desnoes & Geddes Limited (D&G), producers of Jamaica's Red Stripe Beer, and distributors of leading international beer and spirits brands Guinness, Heineken, Smirnoff & Johnnie Walker, are pleased to present the audited results of the Company for the year ended June 30, 2015 and the fourth quarter results for the period to June 30, 2015.

(Results in J\$ millions)	Profit and Loss Summary					
	12 months ended June 30			3 months ended June 30		
	FY15	FY14	% change	FY15	FY14	change
	J\$m	J\$m	%	J\$m	J\$m	%
Net sales value	13,086	11,497	14 %	3,466	3,080	13 %
Trading profit	2,988	2,725	10 %	919	913	1 %
Profit before tax - inorganic	2,834	3,677	(23)%	817	928	(12)%
Profit before tax - organic	2,834	2,703	5 %	817	928	(12)%
Profit after tax - inorganic	2,334	3,153	(26)%	815	1,011	(19)%
Profit after tax - organic	2,334	2,179	7 %	815	1,011	(19)%
Earnings per stock unit - inorganic (cents)	83.07	112.25	(26)%	29.03	35.97	(19)%
Earnings per stock unit - organic (cents)	83.07	77.58	7 %	29.03	35.97	(19)%

Note: FY15 financial statements are of the Company following the winding up of dormant subsidiaries in FY14. The FY14 comparison represents the Group financial statements.

Performance Highlights

Revenue increased by 14% for the year to \$13,086 million. Revenue from our domestic portfolio of brewed beverages grew by 14% driven by a combination of sales volumes, mix and prices. Export sales revenue also improved by 15%. Trading profit for the year increased 10%, as a result of the strong performance in both segments. Organic profit after tax, which excludes the FY14 profit on sale of investments of \$974 million, grew by 7%. Revenues for the fourth quarter grew by 13%.

Domestic Performance

Investment in brands, a top strategic priority, grew by 37% to \$1,370 million. Red Stripe continued to grow as the brand renewed its sponsorship of the Red Stripe Premier League. Increased marketing investment also supported the launch of two new Red Stripe flavours, "Sorrel", which continues to deliver after a strong performance over the key Christmas period and "Lemon Paradise", which is doing well as the new flavour of summer. These and similar investments are targeted at recruiting new consumers through product innovation. Both Heineken and Guinness received packaging renovations and Dragon Stout continued to deliver significant growth. Competition in the vodka category remained robust but Smirnoff maintained its market leadership position, supported by new commercial programs implemented in the second and third quarter. Revenue from domestic sales grew by 10% for the fourth quarter.

Export Performance

Export revenue increased by 15% due to the expansion of our distribution footprint into a number of new markets along with portfolio growth in existing markets. The primary licensed brewery markets of Great Britain and the USA delivered improved performance at single digit revenue growth.

Profit

Quarter on quarter trading profit improvement by 1% driven by top line growth and cost savings from the brewery consolidation projects. Increase in cost of sales per case was kept below inflation despite the rise in cost of imported goods resulting from the Jamaican Dollar depreciation. Operating profit year on year grew by 10%, driven mainly by the strong top line growth of domestic and export sales.

Our closing cash balance of \$1,367 million reflects an improved organic performance as well as residual gains from investment disposals. Over the financial year, the business invested \$2,050 million in strategic capital projects and also paid dividends amounting to \$1,124 million (40 cents per share).

Transformational Agenda

Sustainability and Corporate Responsibility are central to Red Stripe's core business and our commitment to responsible socio-economic development. Our approach seeks to ensure that the Company's overall contribution in Jamaica is positive. Through our position in the alcohol industry, we take a full value chain perspective, always considering responsible drinking, conservation of water and the environment, our communities, our people, governance & ethics.

In order to create a sustainable business for the future, we continued to make significant investments in the business to transform our operations. This year we embarked on the second phase of the brewery consolidation project. This project reconfigures the brewery and process layout to afford more cost-effective production. We expect to finalize the current brewery consolidation in the FY16 fiscal year.

In the past financial year, Red Stripe demonstrated its commitment to community development and social responsibility through its continued focus on adult education and the promotion of responsible alcohol consumption. Through the Diageo Learning for Life programme, almost 300 lives were impacted, as we provided skills training in cassava cultivation, entrepreneurship and bartending. The pioneering Learning for Life programme, Project Grow, which trains person in the best practices of cassava cultivation, also ensures employment for all participants on Red Stripe's cassava farm and factory.

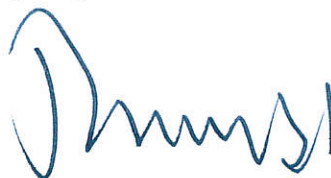
Our Responsible Drinking programme, "Drink Right" is in its second year. Along with the awareness campaign, Drink Right partnered with retail customers to launch the WE ID programme, which requires consumers to present a valid ID when purchasing alcohol. The campaign also had increased presence during the peak periods of Christmas and Easter Holidays, reminding persons to drink and party safely.



Cedric Blair

Managing Director

August 21, 2015



Richard Byles

Chairman

August 21, 2015