Brown-Forman
Analyst Day – 75th Anniversary of the Repeal of Prohibition

December 5, 2008



BROWN-FORMAN

Agenda

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Welcome	**Ben Marmor** *AVP, Director of Investor Relations*
Strategy and Performance	**Paul Varga** *Chairman & Chief Executive Officer*
Opportunities and Resource Allocation	**Don Berg** *EVP, Chief Financial Officer*
Route-to-Consumer Strategy	**Jim Bareuther** *EVP, Chief Operating Officer*
Building Strong Consumer Franchises	**Mark McCallum** *EVP, Chief Brands Officer*
Wrap-Up	**Paul Varga** *Chairman & Chief Executive Officer*

Our Mission

BROWN-FORMAN

Enrich the experience of life, in our way,
by responsibly building beverage alcohol brands
that thrive and endure for generations.

Forward-Looking Statements

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This presentation contains statements, estimates, or projections that constitute "forward-looking statements" as defined under U.S. federal securities laws. Generally, the words "expect," "believe," "intend," "estimate," "will," "anticipate," and "project," and similar expressions identify a forward-looking statement, which speaks only as of the date the statement is made. Except as required by law, we do not intend to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. We believe that the expectations and assumptions with respect to our forward-looking statements are reasonable. But by their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that in some cases are out of our control. These factors could cause our actual results to differ materially from Brown-Forman's historical experience or our present expectations or projections, including but not limited to the risks listed below and the risk factors described in the company's Annual Report on Form 10K for its fiscal year ended April 30, 2008, and the company's Quarterly Reports on Form 10Q and Current Reports on Form 8-K filed since then.

- Limitations and restrictions on distribution marketing our products, including advertising and promotion, from stricter governmental policies in the U. S. or our other major markets
- Changes in consumer preferences, societal attitudes or cultural trends that results in the reduced consumption of our premium spirits brands or our ready-to-drink products
- Changes in distribution or agency arrangements in major markets that temporarily disrupt our business, reduce our sales, limit our ability to market or sell our products, or entail exit costs
- Adverse impacts as a consequence of our acquisitions, acquisition strategies, integration of acquired businesses, or conforming them to the company's trade practice standards, financial controls environment and U.S. public company requirements

Strategy and Performance

Paul Varga
Chairman & Chief Executive Officer

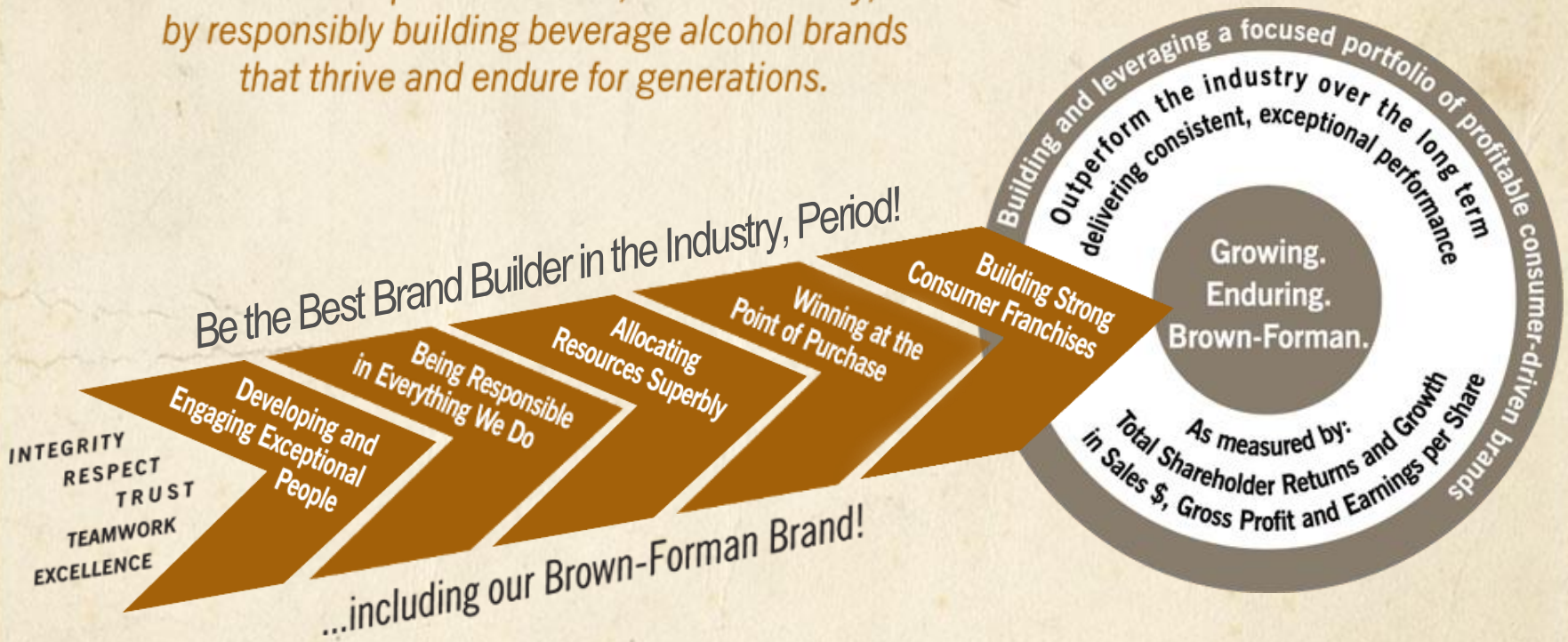


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The B-F Arrow

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Enrich the experience of life, in our own way, by responsibly building beverage alcohol brands that thrive and endure for generations.



Be the Best Brand Builder in the Industry, Period!

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SUSTAINABLE GROWTH	VALUE CREATION	INDEPENDENCE
Gross Profit Operating Income Earnings Per Share	Total Shareholder Return	The advantage of our long-term view perpetuated through family control

"Our End Game is Ensuring that the Game Never Ends"

Top 10 U.S. Suppliers – 1950s to Today

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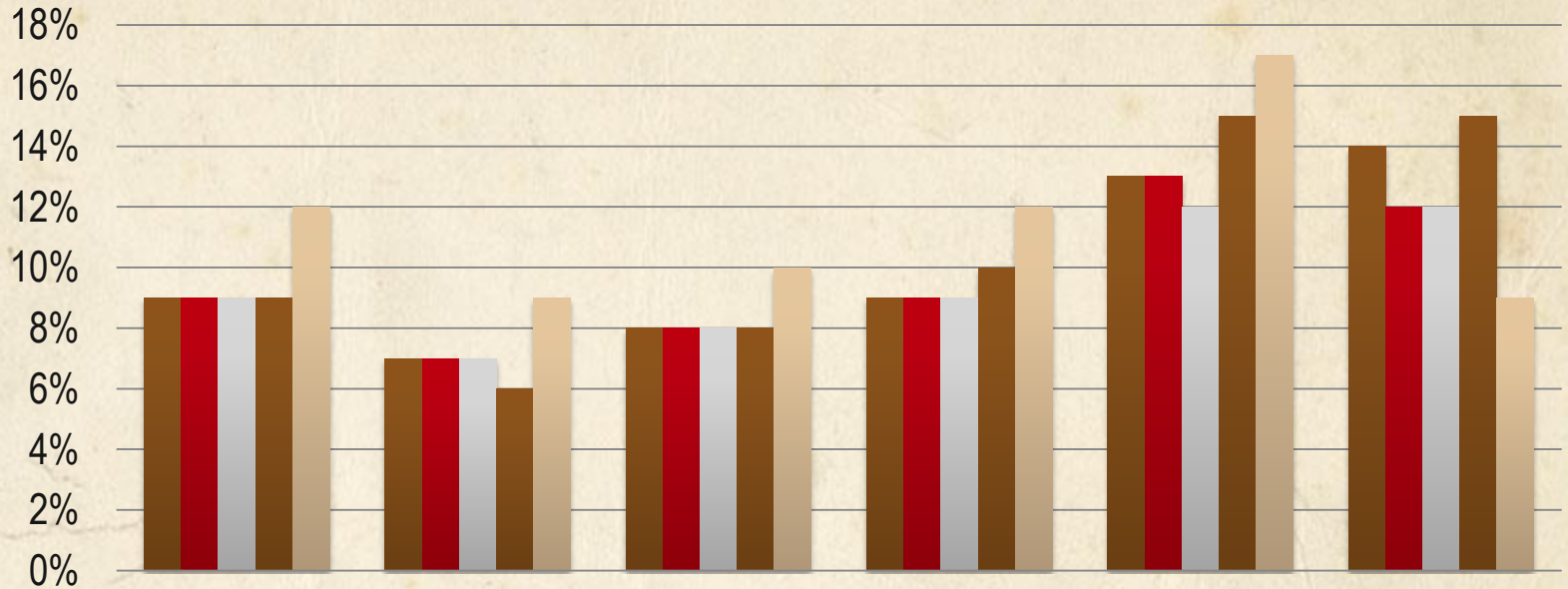
1950's Top U.S. Suppliers	
1.	Seagram's
2.	Schenley
3.	National
4.	Hiram Walker
5.	Publicker
6.	American
7.	Pack & Tilford
8.	Glenmore
9.	**BROWN-FORMAN**

1970's Top U.S. Suppliers	
1.	Seagram's
2.	National
3.	Hiram Walker
4.	Heublein
5.	Schenley
6.	**BROWN-FORMAN**
7.	Renfield
8.	Bacardi
9.	Fleischmann

Today's Top U.S. Suppliers	
1.	Diageo
2.	Beam Global W & S
3.	Bacardi USA
4.	Pernod Ricard USA
5.	**BROWN-FORMAN**
6.	Constellation Brands
7.	Moet Hennessy USA
8.	Heaven Hill
9.	Skyy Spirits USA
10.	Sidney Frank

Strong, Consistent Earnings from Consistent Investment

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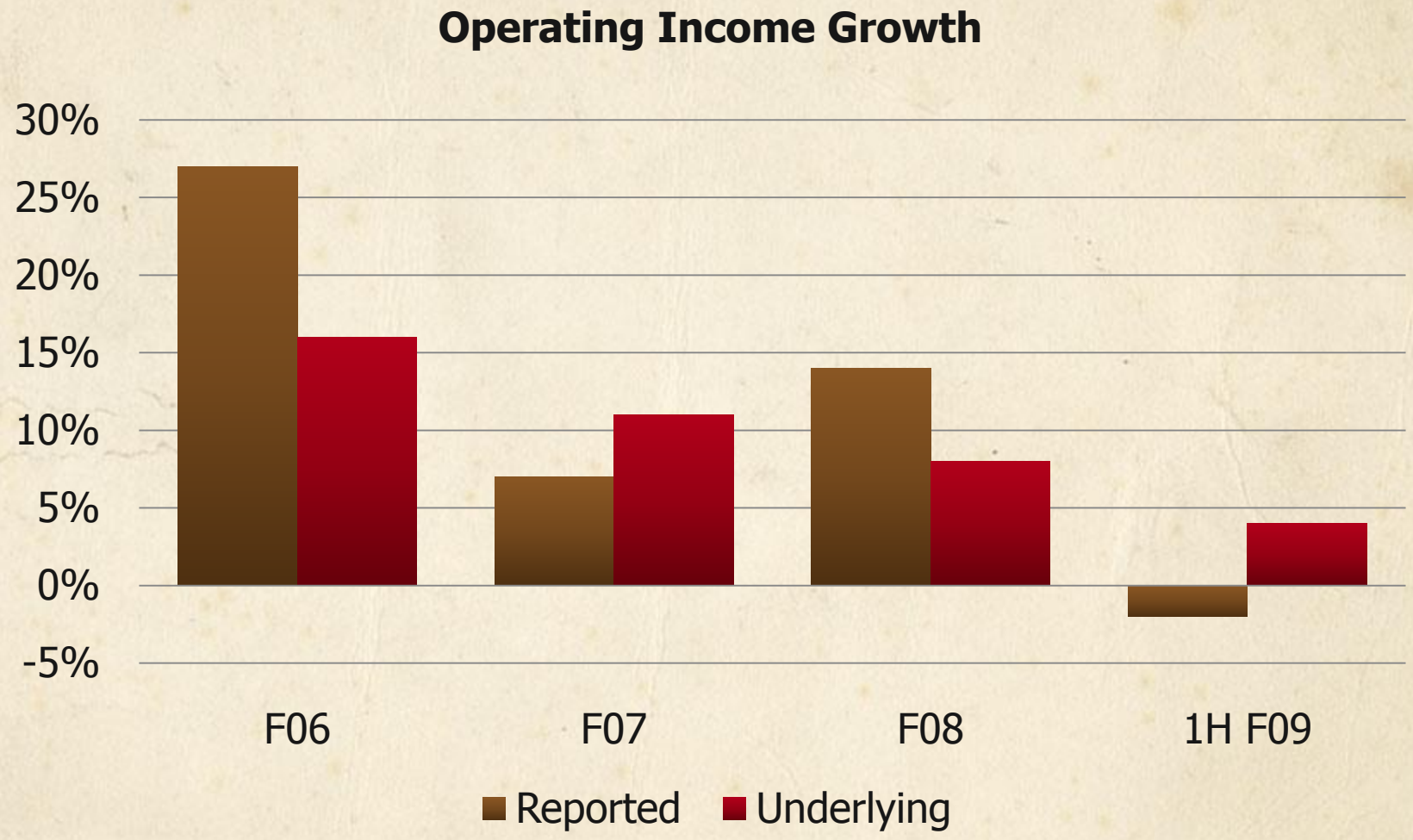


	35 yr CAGR since 1973	25 yr CAGR since 1983	15 yr CAGR since 1993	10 yr CAGR since 1998	5 yr CAGR since 2003	3 yr CAGR since 2005
Gross Profit	9%	7%	8%	9%	13%	14%
Advertising	9%	7%	8%	9%	13%	12%
SG&A	9%	7%	8%	9%	12%	12%
Operating Inc	9%	6%	8%	10%	15%	15%
EPS	12%	9%	10%	12%	17%	9%

Results as of Fiscal 2008. Restated growth for continuing operations only

Measuring Performance

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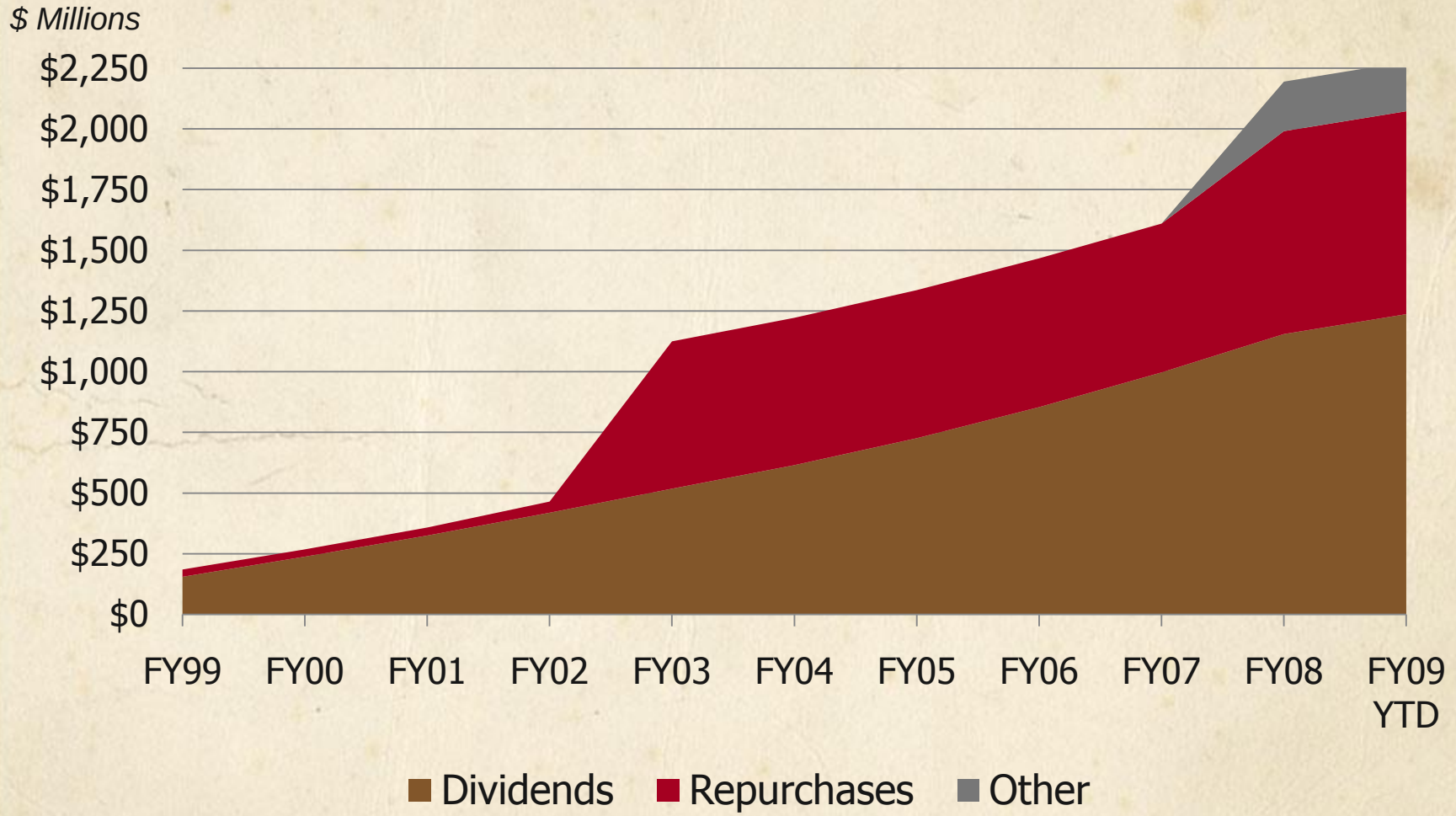
Healthy Balance Sheet

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Cumulative Cash to Shareholders Since FY1998

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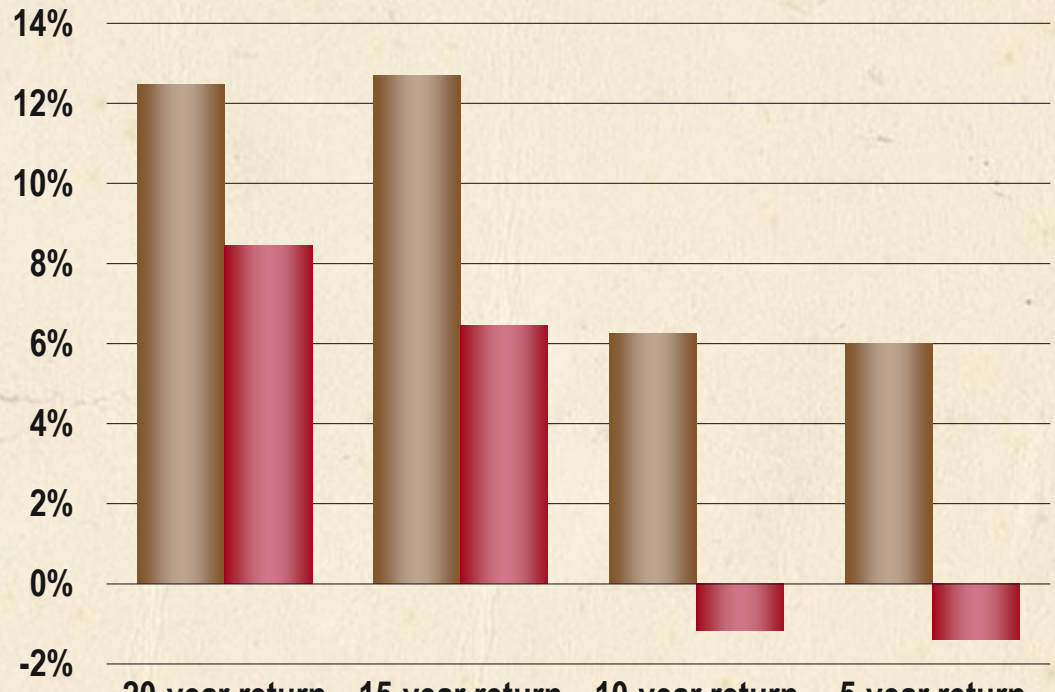


Brown-Forman Total Shareholder Return

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Compound Annual Growth in Total Shareholder Return

(As of November , assuming reinvested dividends)



	20-year return	15-year return	10-year return	5-year return
Brown-Forman	12%	13%	6%	6%
S&P 500 Index	8%	6%	-1%	-1%

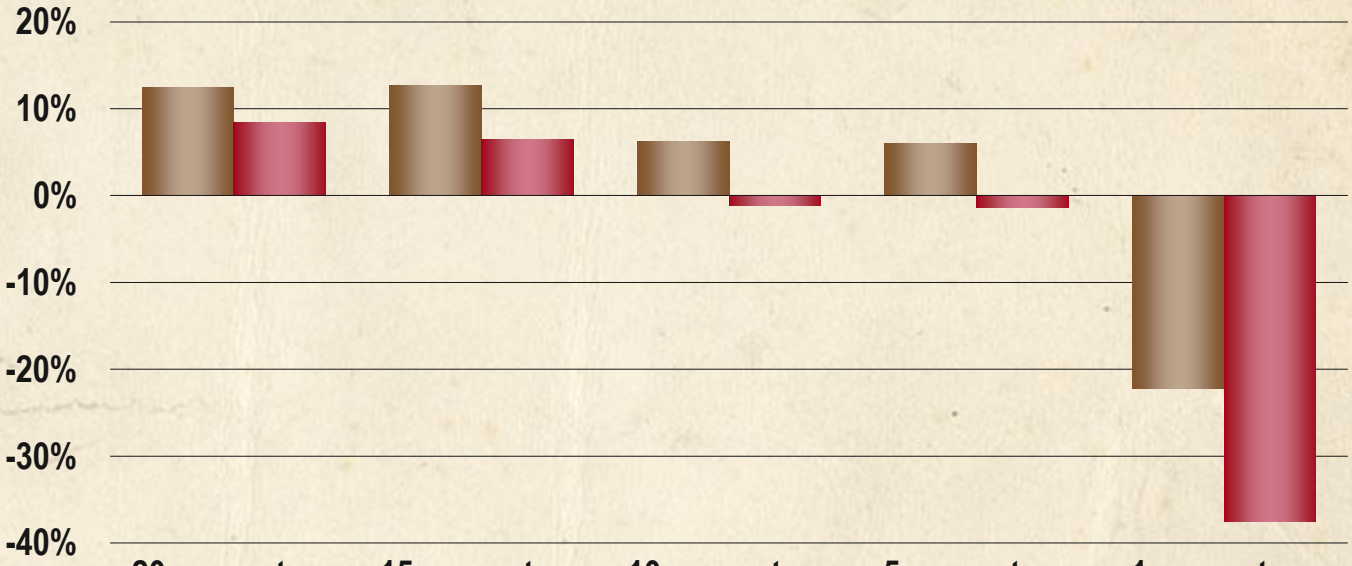
Source: Bloomberg - Total return over the holding period is calculated assuming reinvestment of all realized dividends.

Brown-Forman Total Shareholder Return

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Compound Annual Growth in Total Shareholder Return

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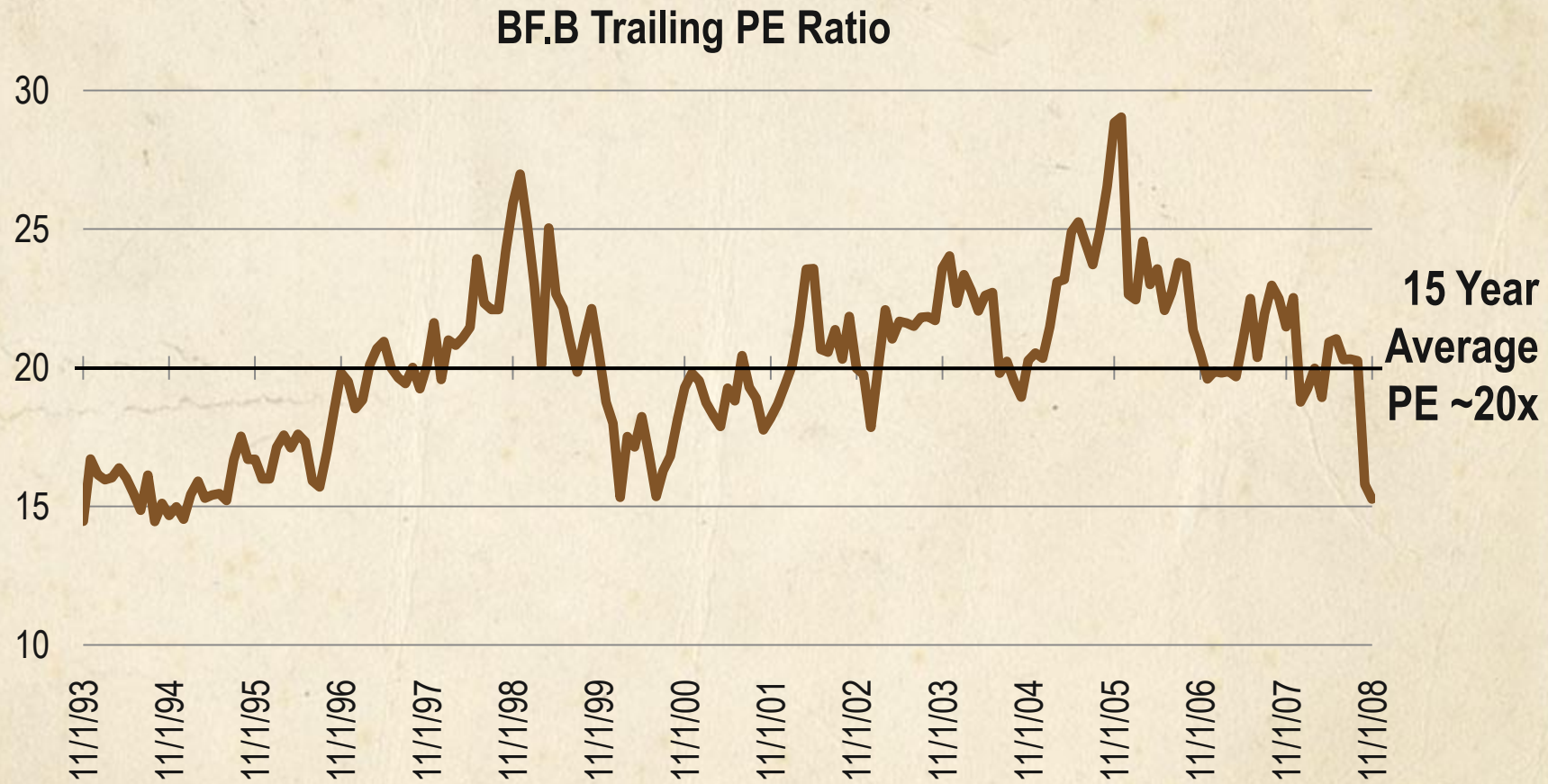


	20-year return	15-year return	10-year return	5-year return	1-year return
Brown-Forman	12%	13%	6%	6%	-22%
S&P 500 Index	8%	6%	-1%	-1%	-37%

Source: Bloomberg - Total return over the holding period is calculated assuming reinvestment of all realized dividends.

Attractive Valuation

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Opportunities and Resource Allocation

Don Berg
EVP, Chief Financial Officer



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The Opportunities Ahead of Us

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How We Think About Opportunities and Resource Allocation

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- Long-term investment horizon
- Managing risks to produce excellent rewards
- Many medium “bets” vs. few large “bets”

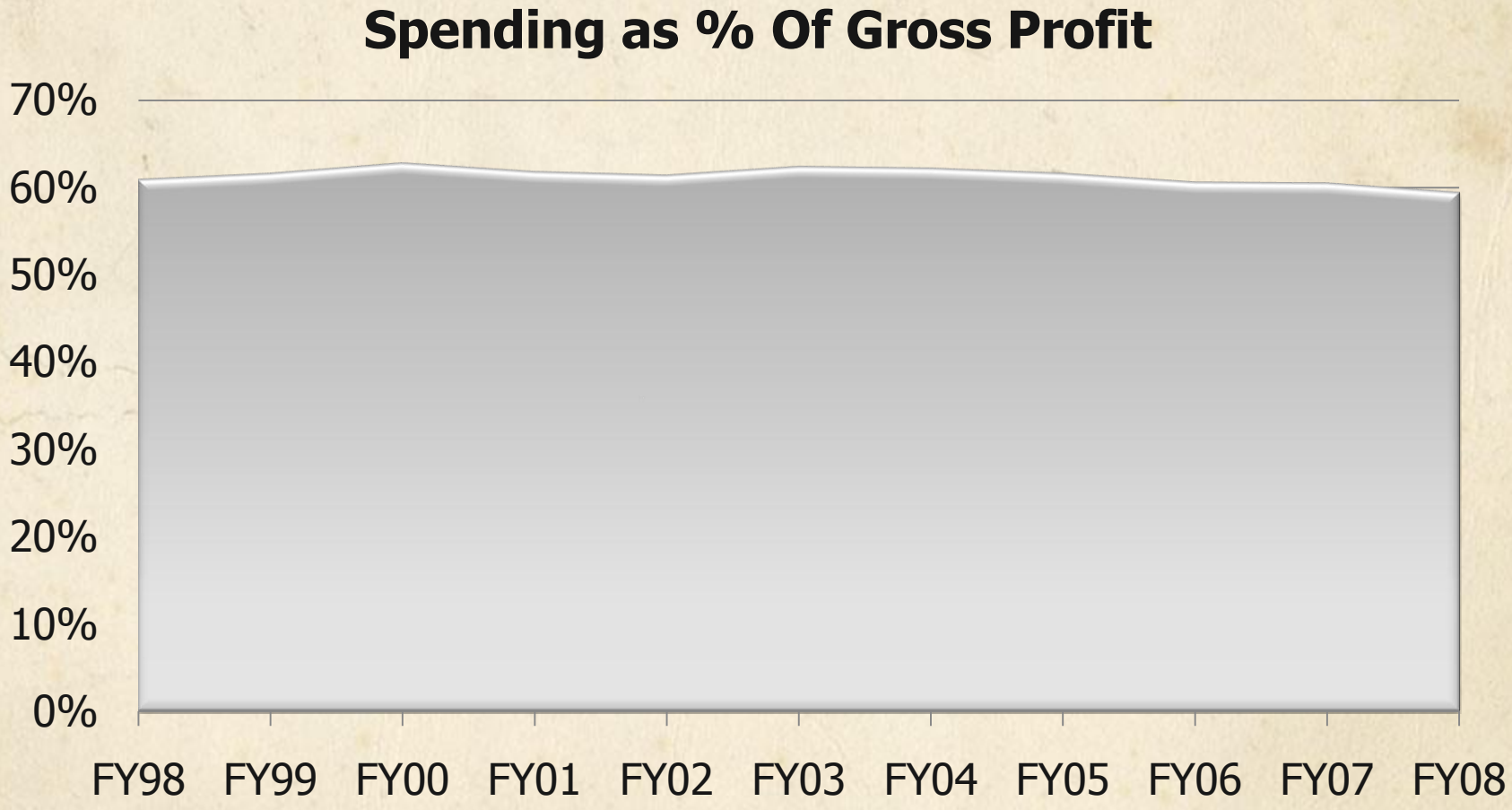
Portfolio Strategy

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Resource Allocation is Consistent, Thoughtful, Investment

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Reported Figures

Resource Allocation is More Than A&P

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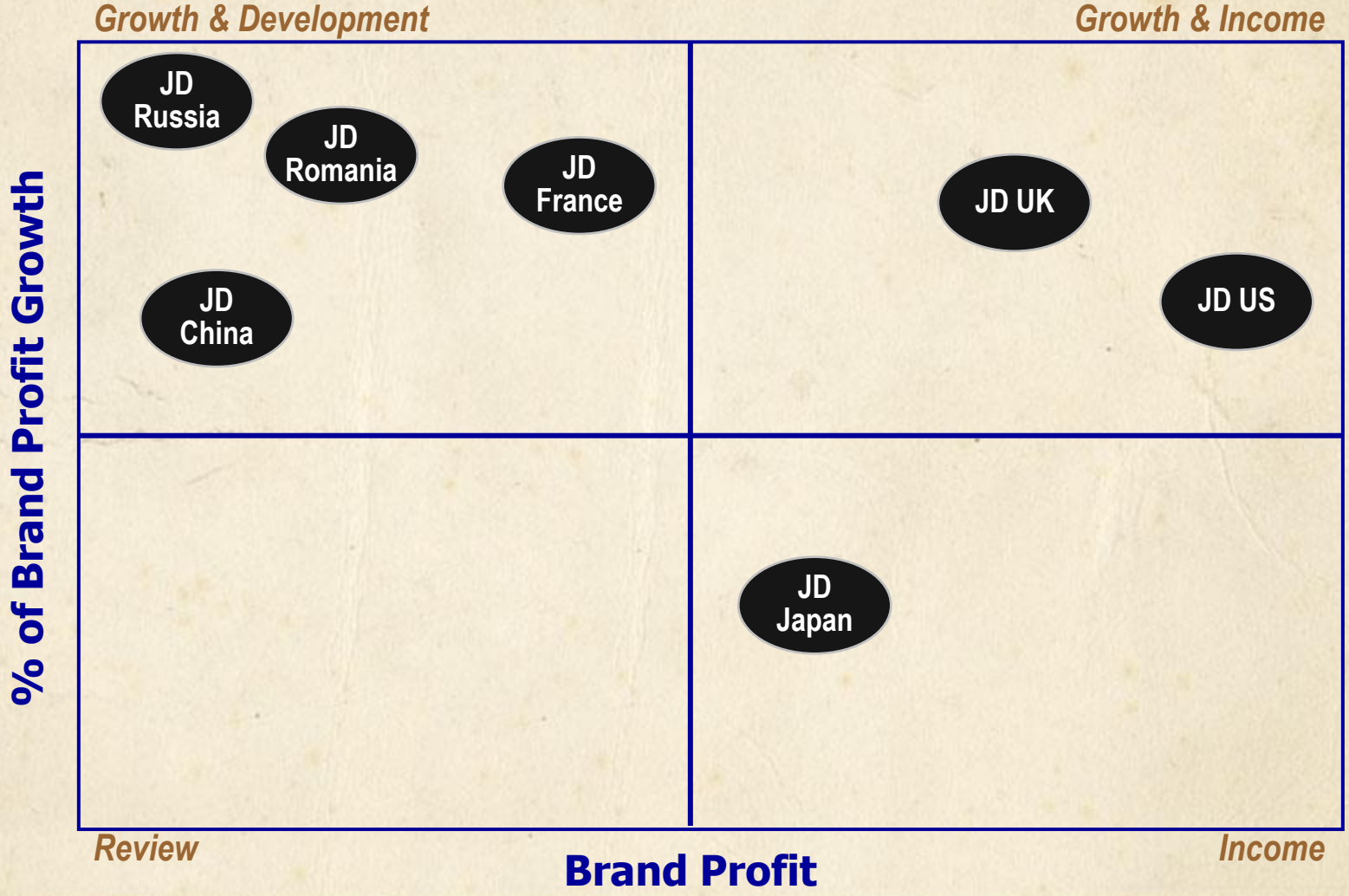
Resource Allocation is Like an Investment Portfolio

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Resource Allocation is Like an Investment Portfolio

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B-F Continues to Invest in Markets Around the World

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B-F Continues to Invest in Markets Around the World

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Example of Market Assessment

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Mexico



India

Mexico		India
27M	Target Population	4M
16M cases	Addressable Market	6M cases
66.4 (moderately free)	'08 Economic Freedom Index (closer to 100 is more free)	54.2 (mostly unfree)

S-T → **L-T**

Investment Horizon

Market Assessment: Next 3-5 Years

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	MEXICO	INDIA
Market size and growth	★★	★
Market Climate	★★★	★

Market Assessment: Long-Term

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MEXICO



INDIA

	MEXICO	INDIA
Market size and growth	★★	★★★
Market Climate	★★★	★★★

Brown-Forman's "BRIC"

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P oland
R ussia
I ndia
M exico
A rgentina
R omania
Y oung adults

F amilies of brands
O n and off premise
C hina
U kraine
S outhern Europe

B razil
M en – LDA to 29 globally
U S. Hispanic
S outh Africa

Route-to-Consumer Strategy

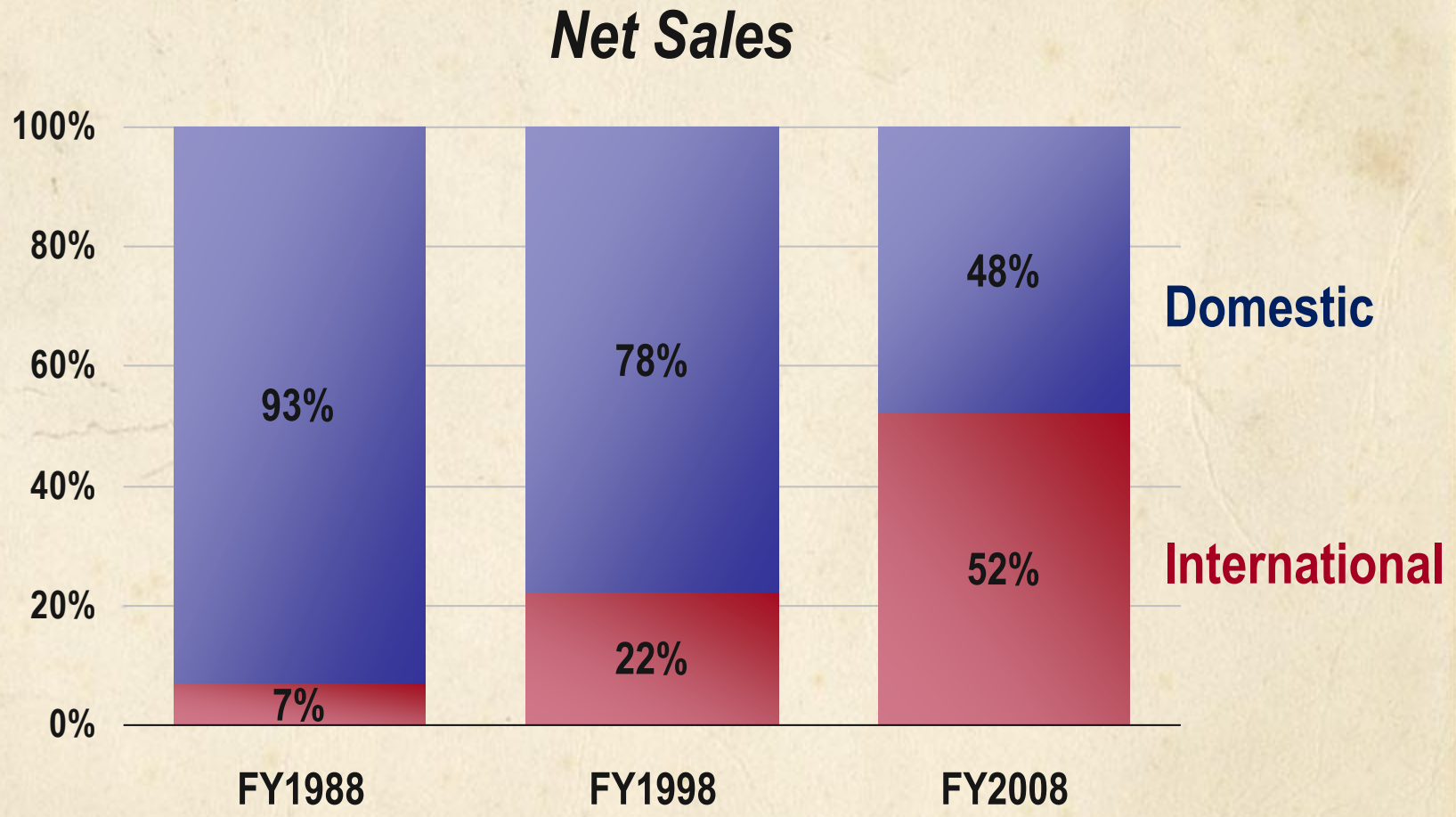
Jim Bareuther
EVP, Chief Operating Officer



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International Growth

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Route-to-Consumer Strategy

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- Forward integration in selected areas and activities
- Leverage multi-market partnerships and alliances where advantageous
- Retain "flexibility" to adapt to changing circumstances and employ various RTC models

Influence. Innovation. Adaptability.

Market Assessment Approach

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Prioritization Considerations

Market size and growth

- **Is it worth our while?**

Market Climate

- **When is it a short-term or long-term opportunity?**

B-F Strengths

- **What is our plan for growth?**

Poland – Key Success Factors

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- Market Size & Growth
  - High per capita vodka consumption
  - Premiumization and import trends
- Market Climate
  - EU accession
  - Local economy development with low tax rates
- B-F Strengths
  - People
  - Route-to-Consumer
  - Portfolio
  - Focus on Execution

International Route-to-Consumer

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Depth of Influence



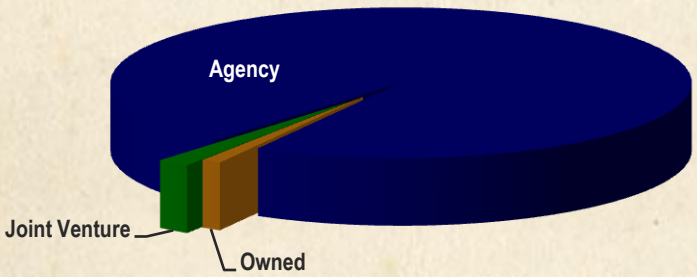
International Route-to-Consumer

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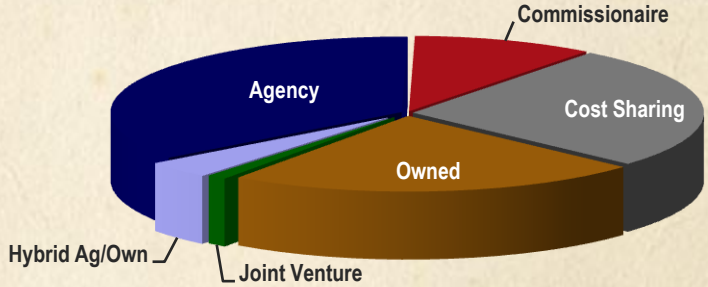
Distribution Ownership Spectrum

Agency	Commissionaire	Cost Sharing	Joint Venture	Owned
• "Full" distributor margins paid on sale • Limited influence of sales process	• "Commission" (margins) paid for select services • Some influence of sales process	• No margin paid, shared cost of sales force • Significant control of sales process	• Share in the profits and expenses • Shared control of sales process	• B-F captures full margin and incurs all the expenses • Complete control of sales process

1998 (% of Business)
Excluding U.S.



2008 (% of Business)
Excluding U.S.



International Route-to-Consumer

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Route-to-Consumer Variety

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International Expansion

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	1988	1998	2008
# of Countries with **+50,000** cases	**1**	**3**	**10**
#of Countries with **+100,000** cases	**4**	**12**	**23**



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Key Takeaways

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- Significant global opportunity exists
- Utilize a range of business models
- Influence critical drivers of success
- Establish global infrastructure in a selective and consistent manner

Building Strong Consumer Franchises

Mark McCallum
EVP, Chief Brands Officer



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B-F WAY OF BRAND BUILDING
Version 3.0

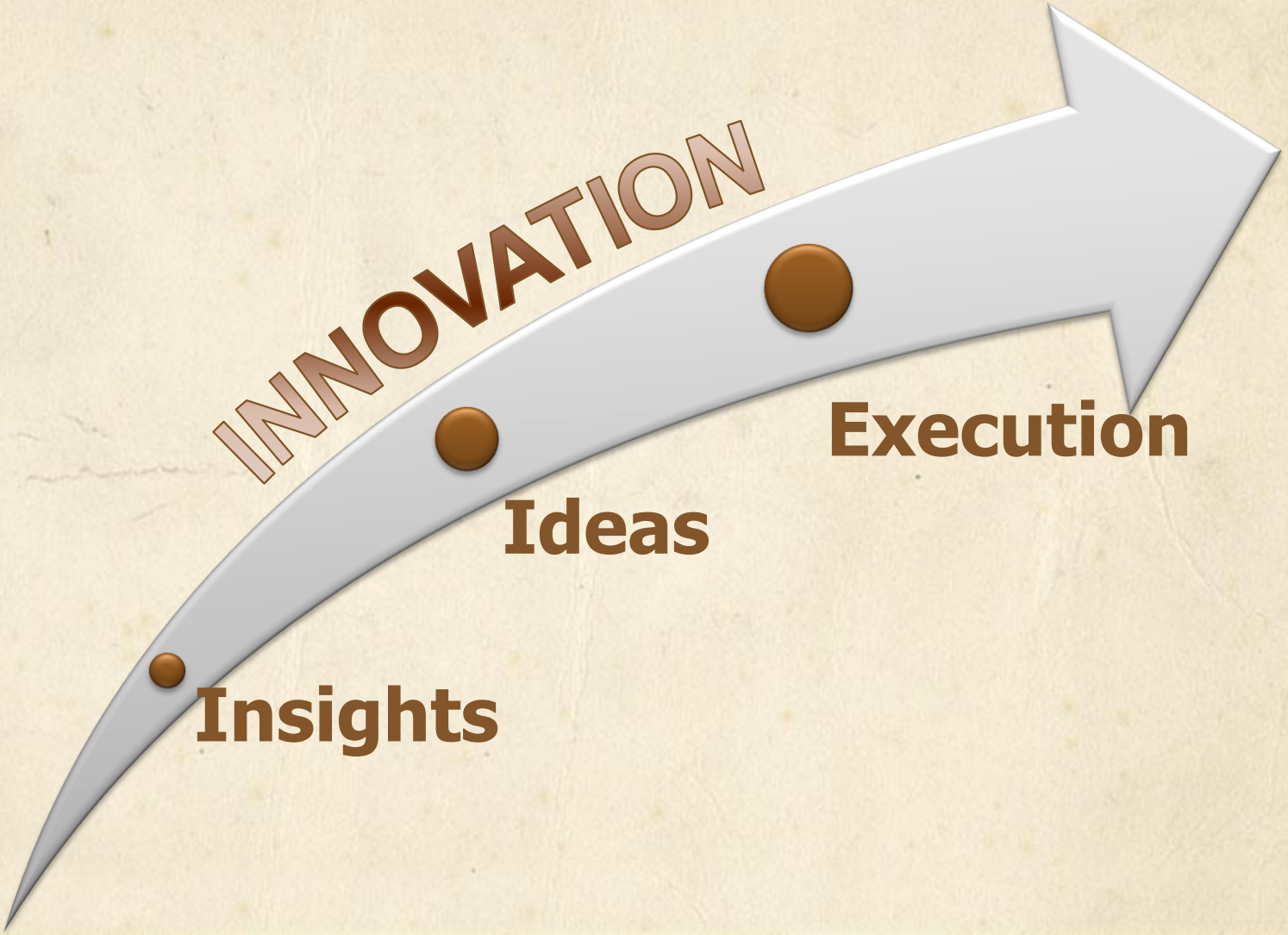


ISBN: 1-59613-000-8

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The B-F Way

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Changing Consumer Behavior

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Channel Differences

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	ON	OFF
Number of brands	Medium	High
Consumer involvement with package	Low	High
Importance of Price	Low	High
Total purchase	Low	High
Promotion type	Interactive	Static

The Jack Daniel's Portfolio

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“Paint it Black”

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New Packages

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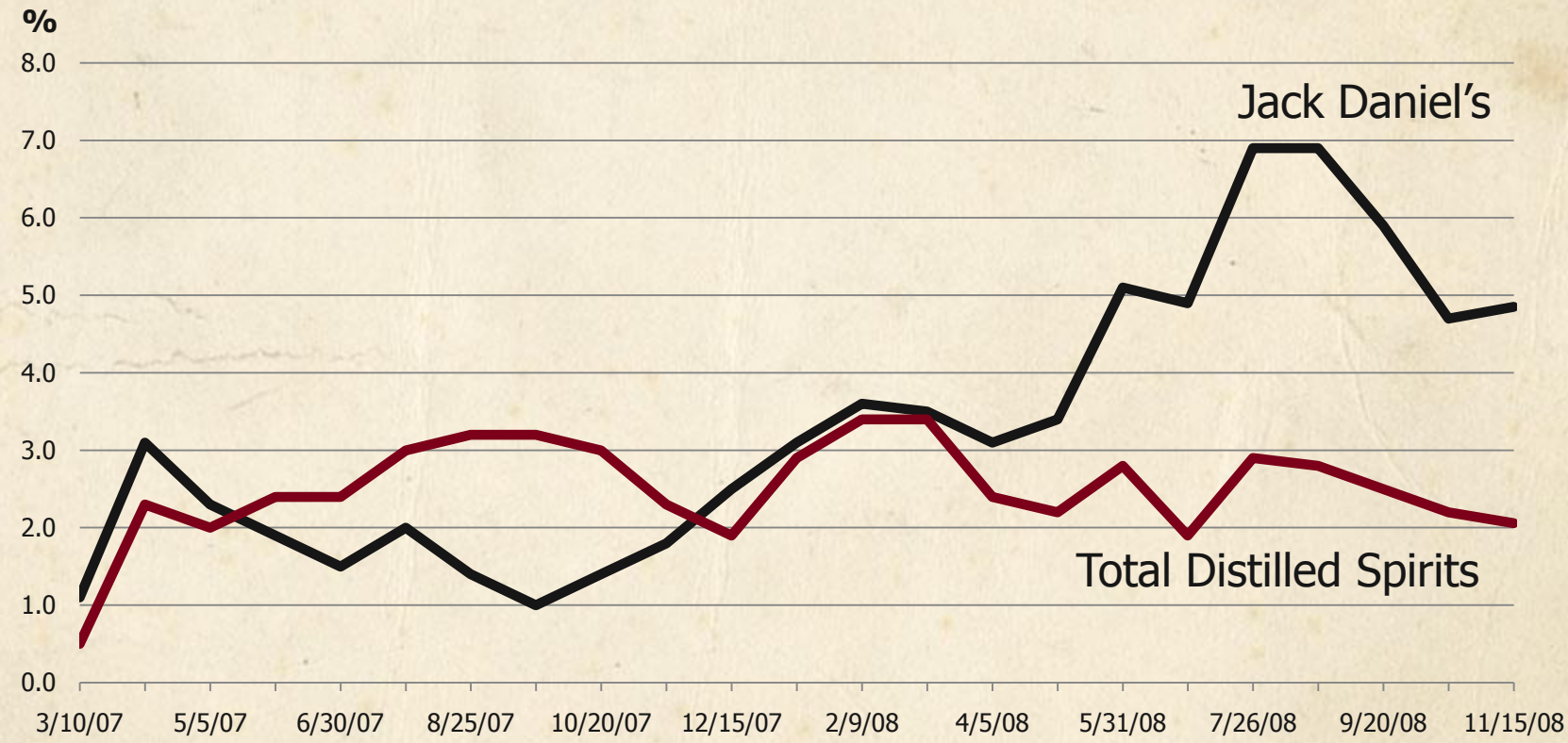
Repeal of Prohibition

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US Result – Volume

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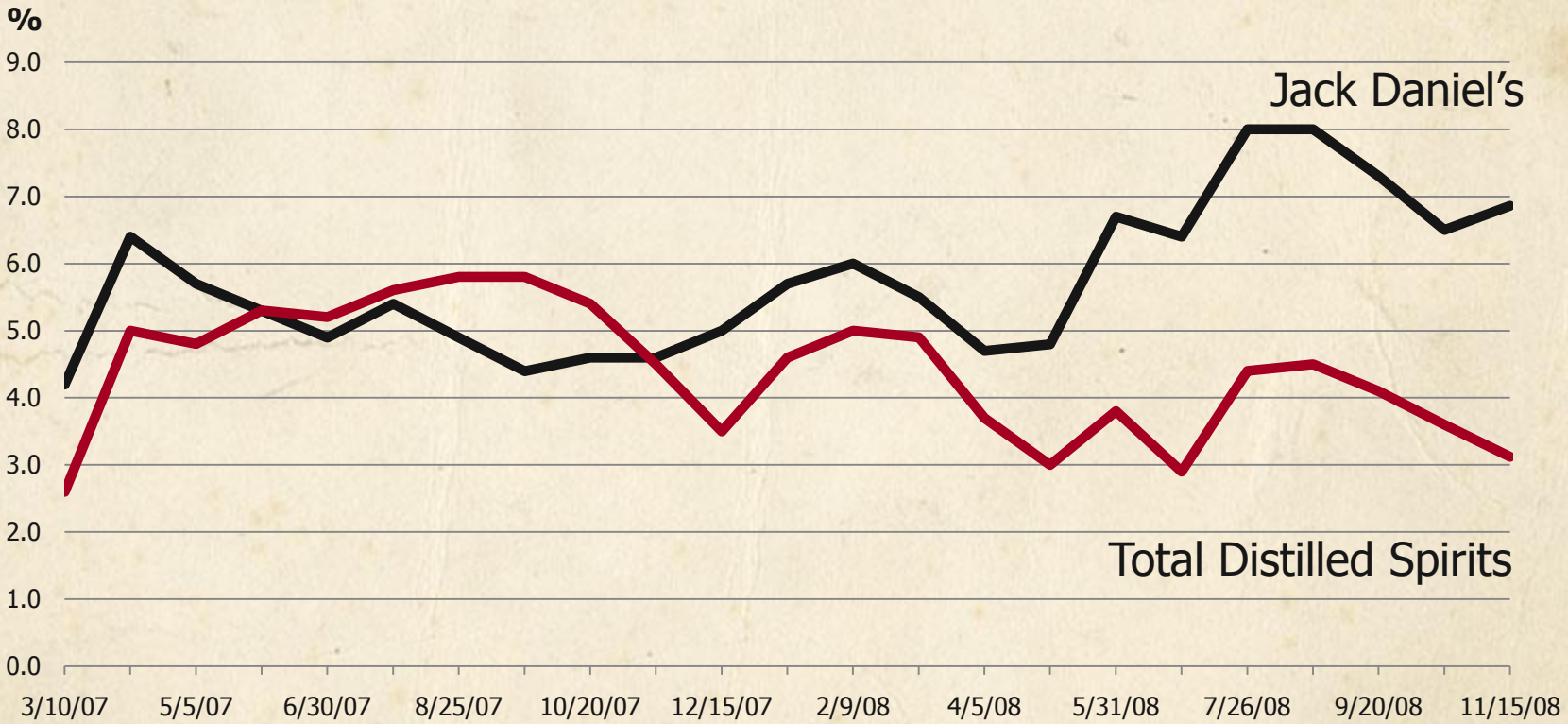


(3 months rolling)

Source: Nielsen

US Result – $ Value

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(3 months rolling)
Source: Nielsen

New Package

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Old



New



Sonoma-Cutrer

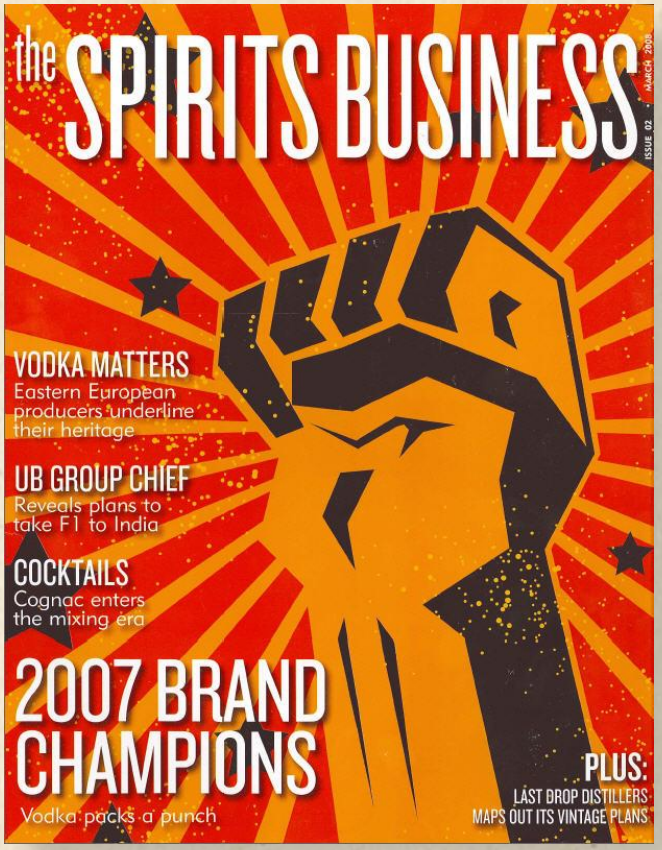
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The Fastest Growing Global Spirit Brand?*

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#1

FINLANDIA®

Vodka of Finland

*Source: the Spirits Business, March 2008, '03 - '07 CAGR

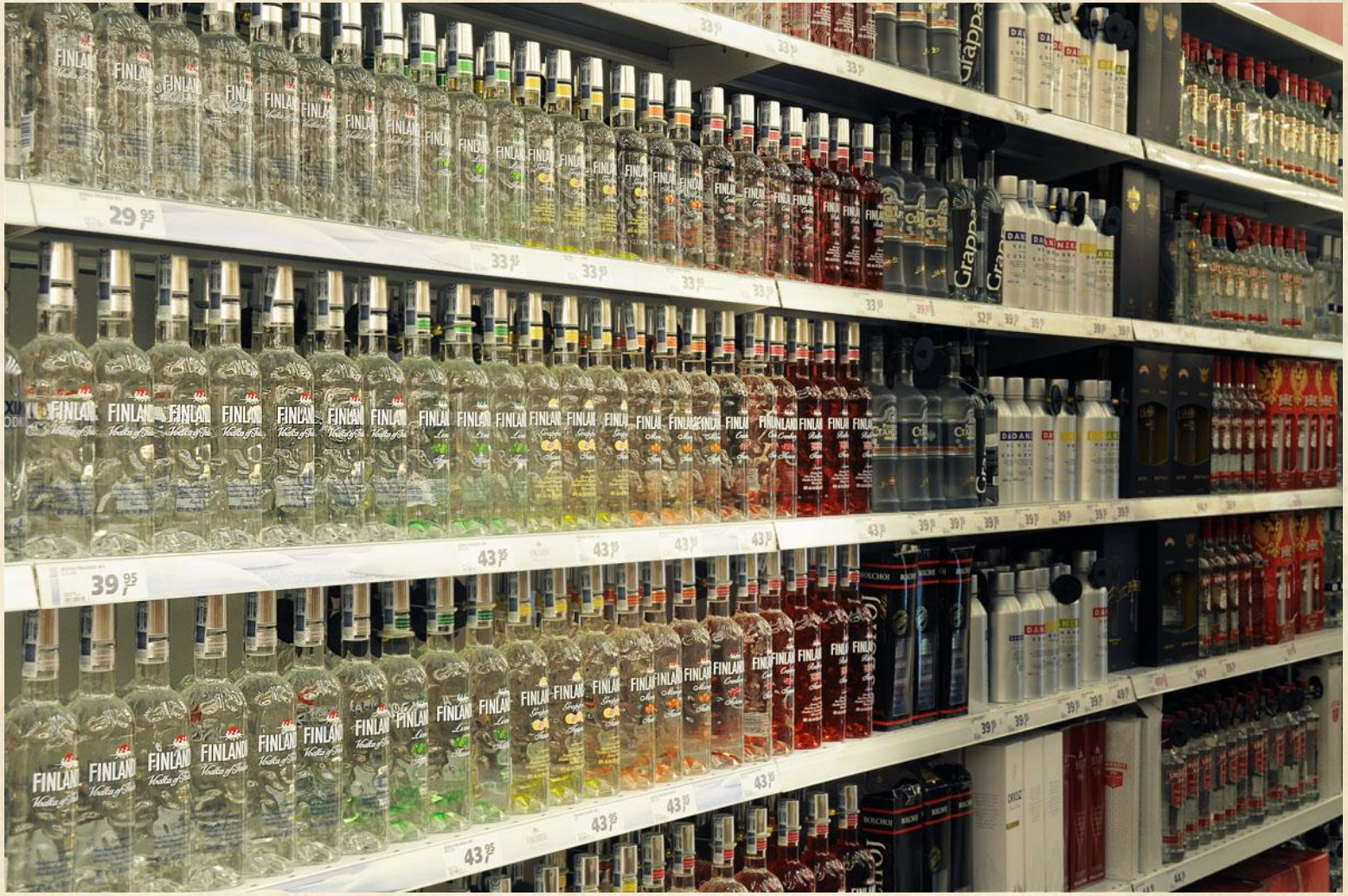
Packaging Innovation

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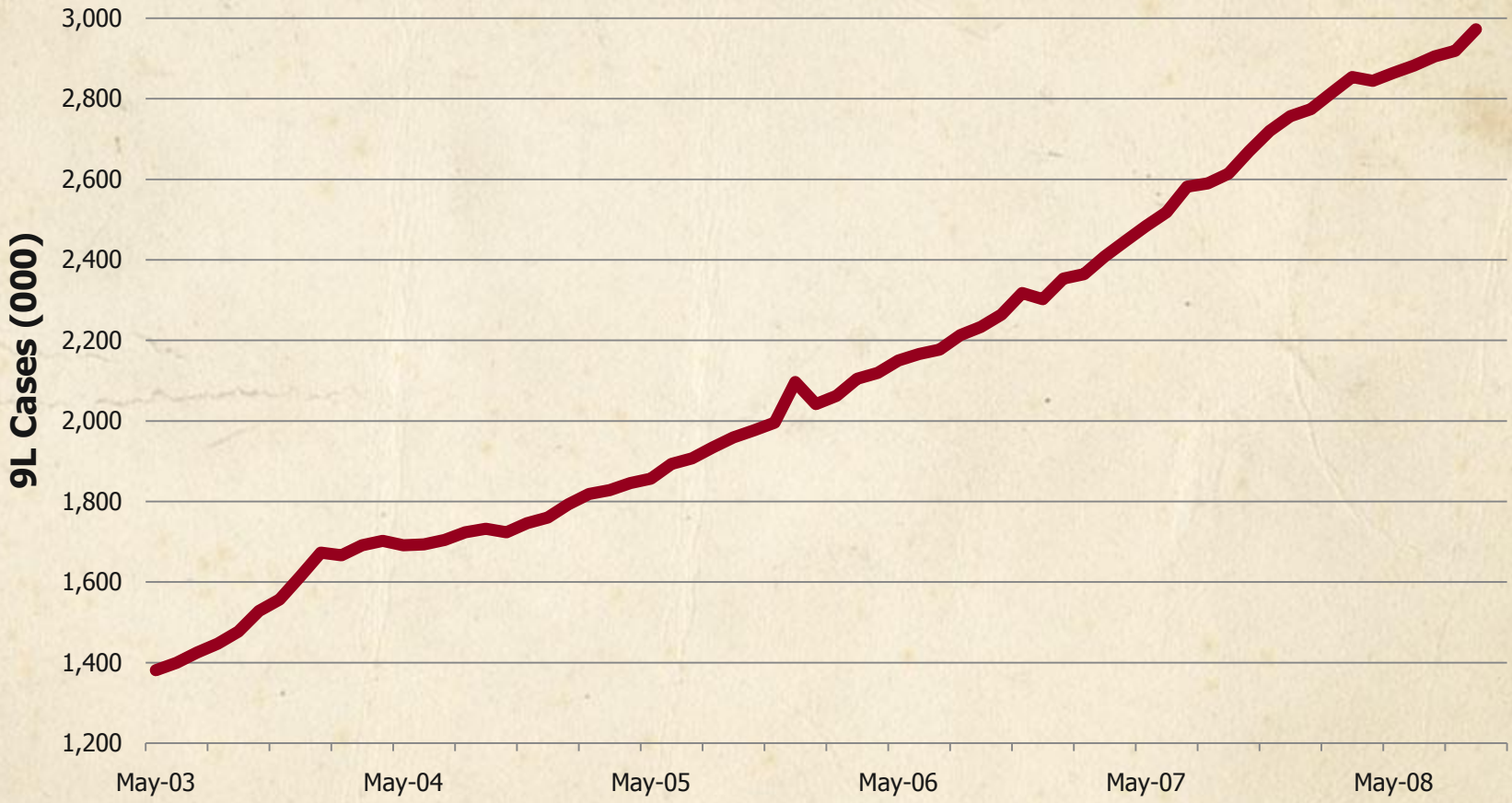
Finlandia Shelf Presence

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Finlandia Vodka – Global Volumes

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el Jimador Innovation

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Old:
51 % agave

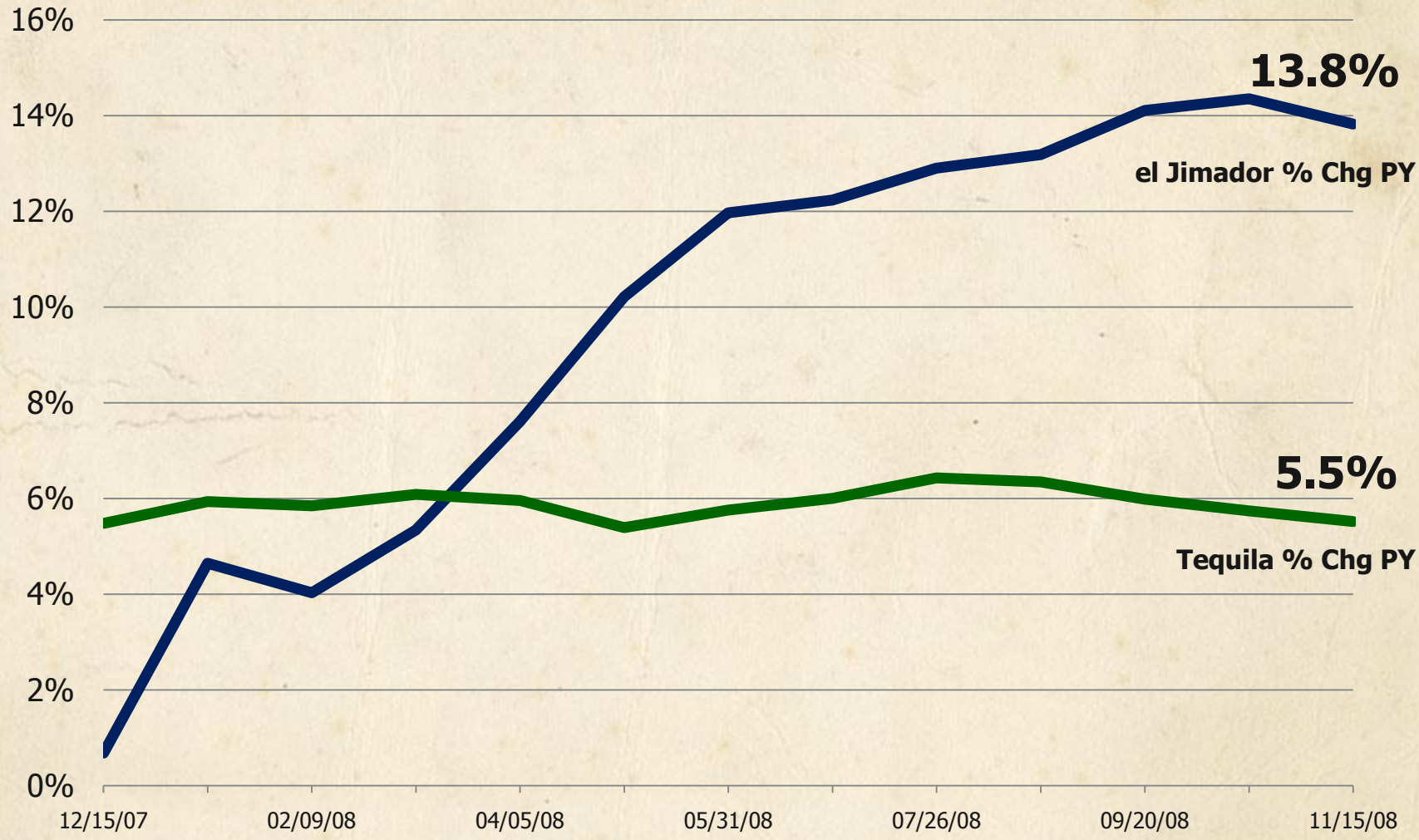




New:
100 % agave

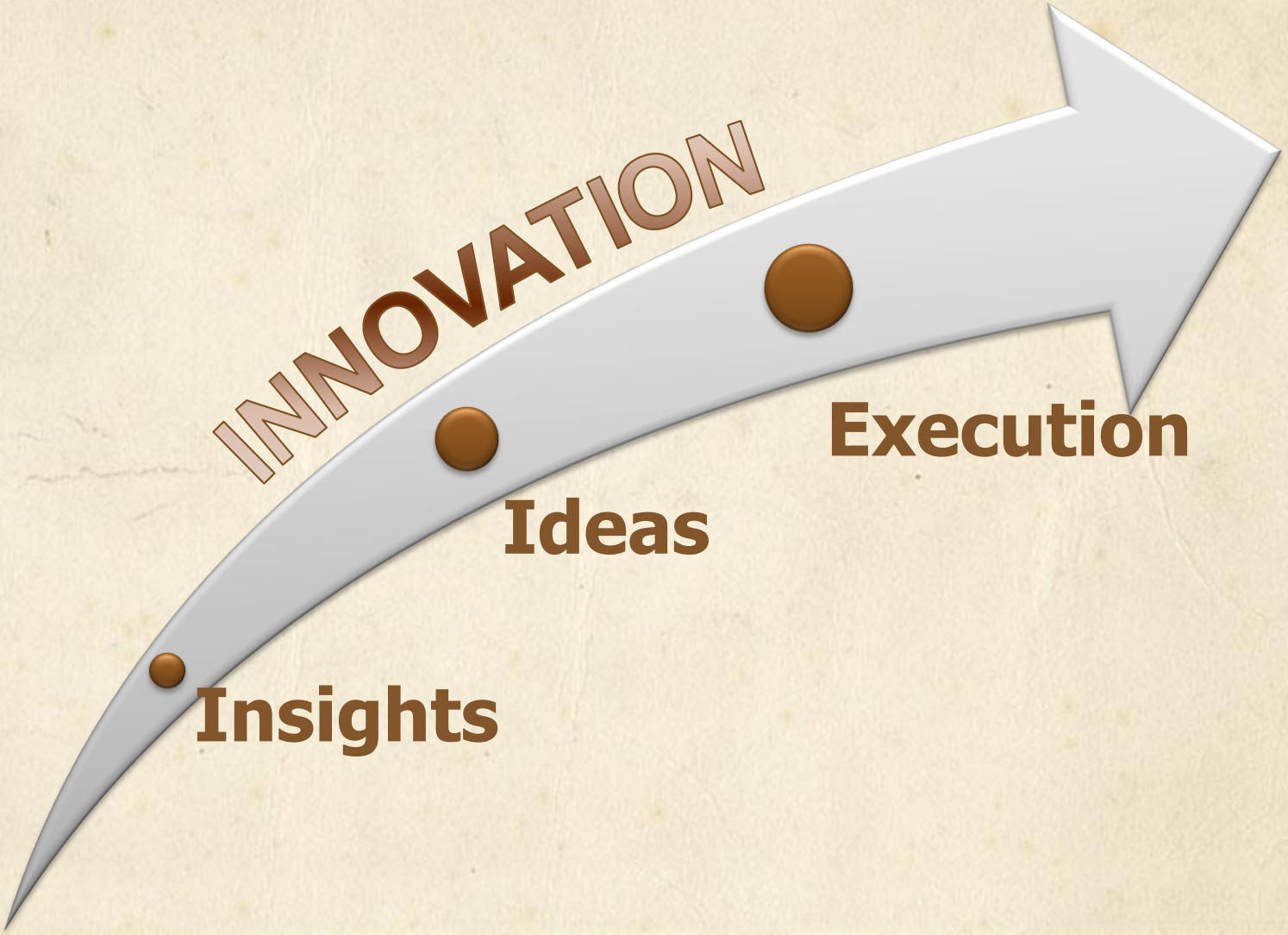
el Jimador US, Rolling 52 Weeks
(ACNielsen)

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The B-F Way

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Wrap-Up

Paul Varga
Chairman & Chief Executive Officer



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Brand Building

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(amounts in 000s of depletions)		Initial Volume		TTM OCT 08 Volume
Acquisitions	**Year Acquired**			
Jack Daniels	1956	160	→	9,500
Southern Comfort	1979	1,650	→	2,400
Fetzer Wines	1992	1,900	→	2,850
Tuaca	1999	50	→	140
Sonoma-Cutrer	1999	150	→	290
Finlandia	2000	1,600	→	2,900
New Products	**Year Launched**			
Gentleman Jack	1988	–	→	250
Bonterra	1994	–	→	300
JD & Cola	1995	–	→	2,150
Woodford Reserve	1996	–	→	125

Herradura

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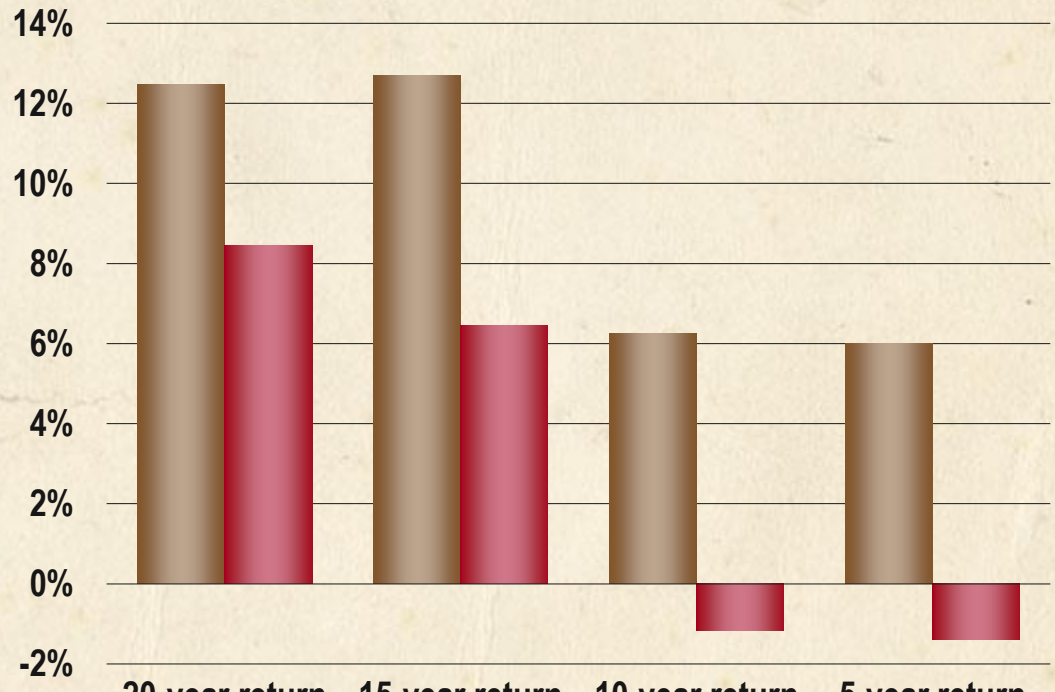


Brown-Forman Total Shareholder Return

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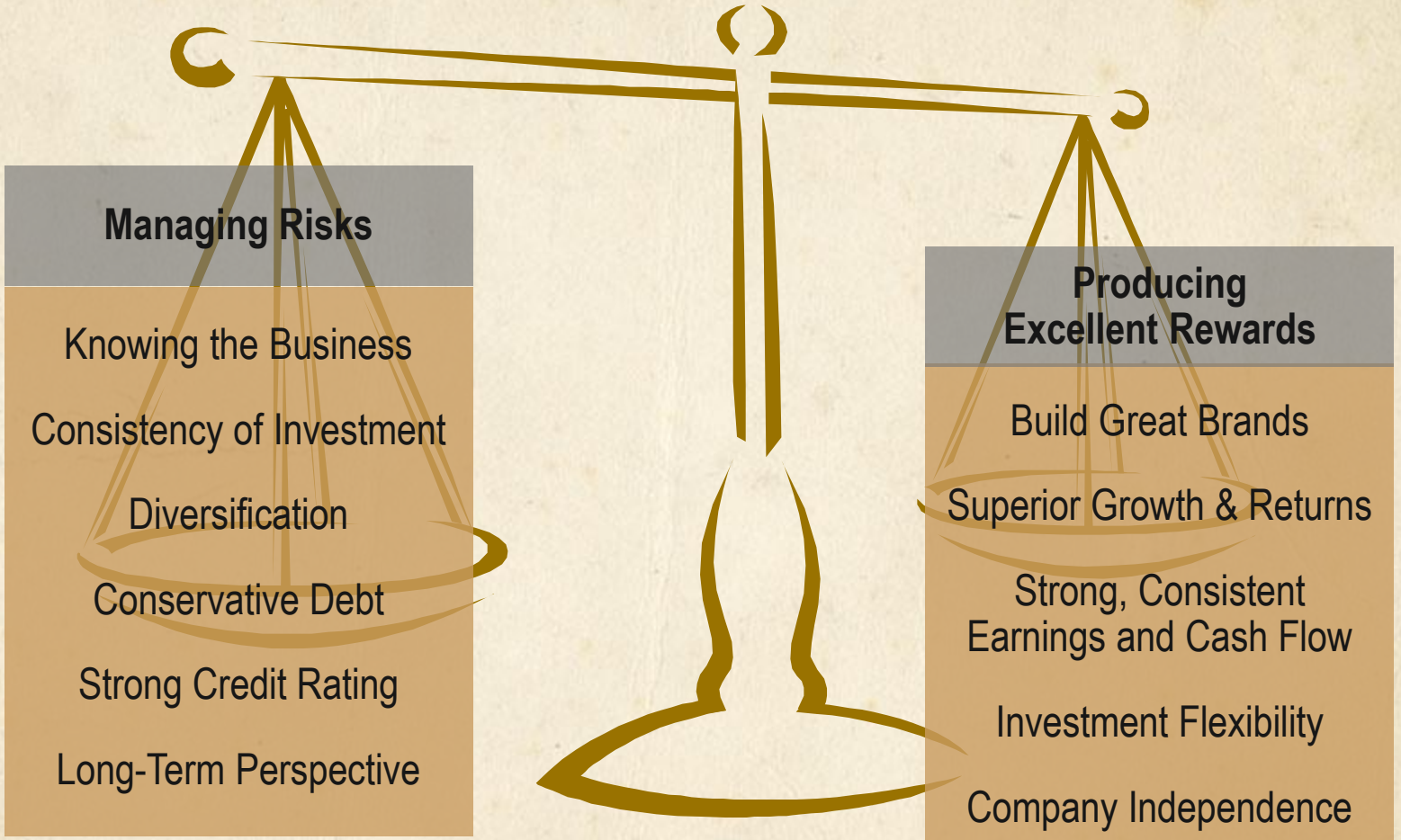


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Brown-Forman	12%	13%	6%	6%
S&P 500 Index	8%	6%	-1%	-1%

Source: Bloomberg - Total return over the holding period is calculated assuming reinvestment of all realized dividends.

Risk vs. Reward

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Analyst Day – 75th Anniversary of the Repeal of Prohibition



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