Morgan Stanley
2009 Global Consumer & Retail Conference

November 19, 2009

FORTUNE BRANDS

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FORTUNE BRANDS

LEADING CONSUMER BRANDS & CONSUMER BRAND BUSINESSES

- World’s 4^{th} largest premium spirits company, 2^{nd} largest in the U.S.

- A North American leader in home & security products

- World’s #1 golf company

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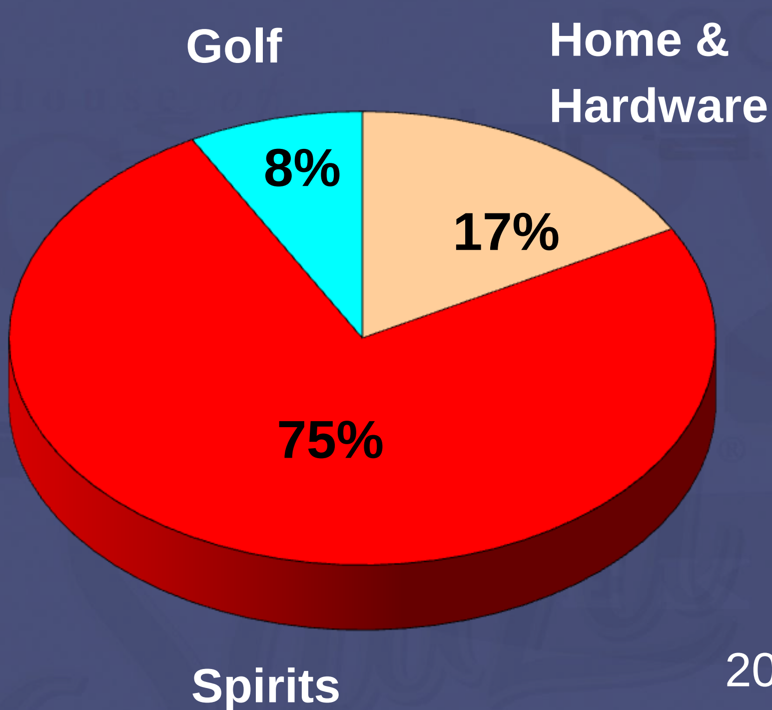
FORTUNE BRANDS

- Our business model creates value by:
  - Building leading consumer brands and consumer brand businesses in categories with strong long-term fundamentals
- Our goals:
  - Outperform markets on revenue and returns
  - Position for strong growth when economy recovers
  - Continue strong stewardship of capital


Strong Portfolio

% of Fortune Brands' Operating Income (before charges)

Trailing 12 Months (9/09)



Spirits
- Sales: $2.4 billion
- OI margin(1): 25%
- After-Tax RONTA(2): ~20%

Home & Hardware
- Sales: $3.0 billion
- OI margin(1): 5%
- After-Tax RONTA(2): ~10%

Golf
- Sales: $1.2 billion
- OI margin(1): 6%
- After-Tax RONTA(2): ~10%

2009 combined free cash flow target(3): ~$400 million
(after dividends and net capital expenditures)

(1) Before charges.
(2) Before charges after-tax OI return on net tangible assets.
(3) As of October 23, 2009.

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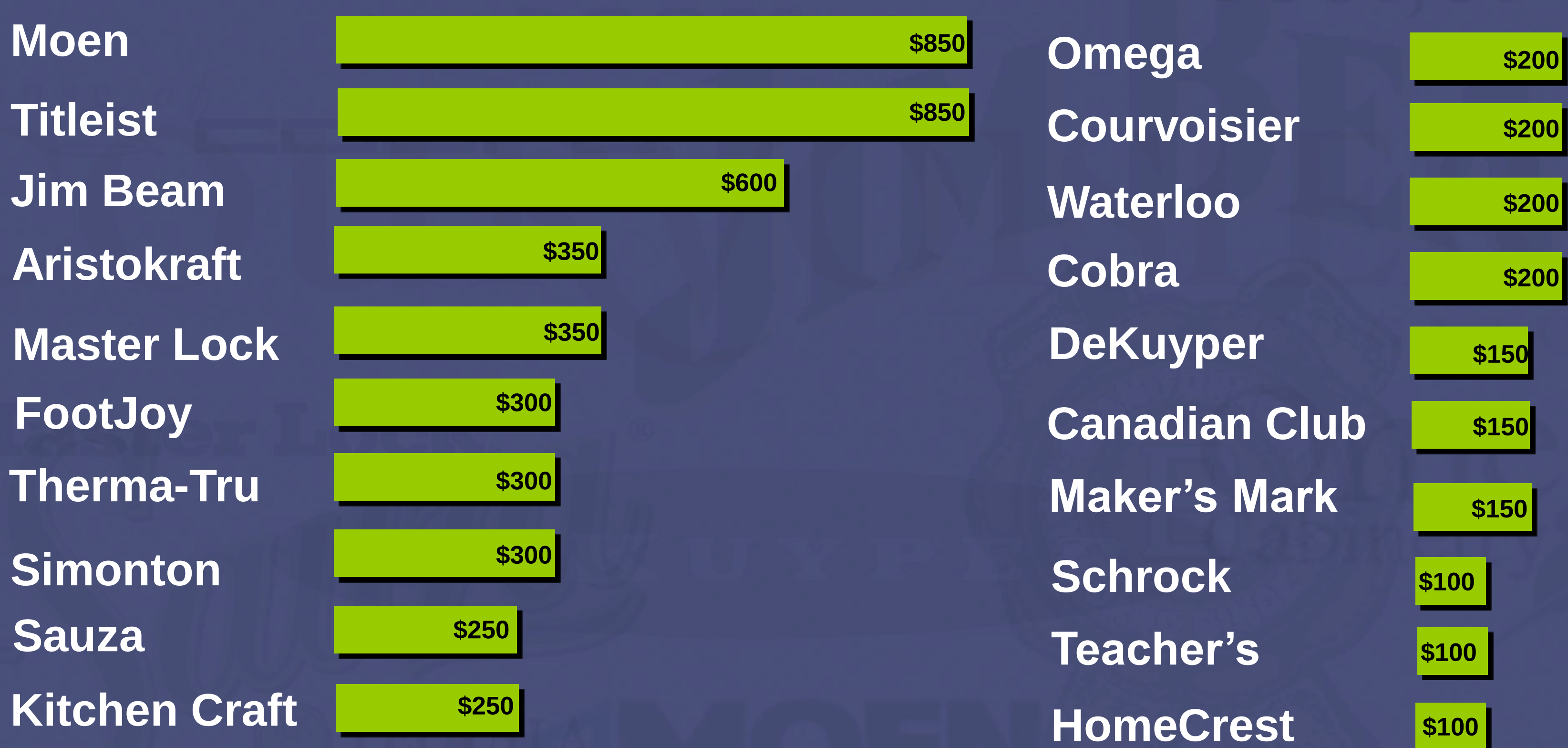
Powerful and Enduring Consumer Brands

- 20 brands with $100+ million in sales
- Drive ~80% of Fortune Brands' sales

- ~90% sales from #1/#2 market positions
- ~20% sales from new products past 3 years
- ~30% sales from non-US markets & growing



** 2008 net sales in millions – rounded to nearest $50 million.*

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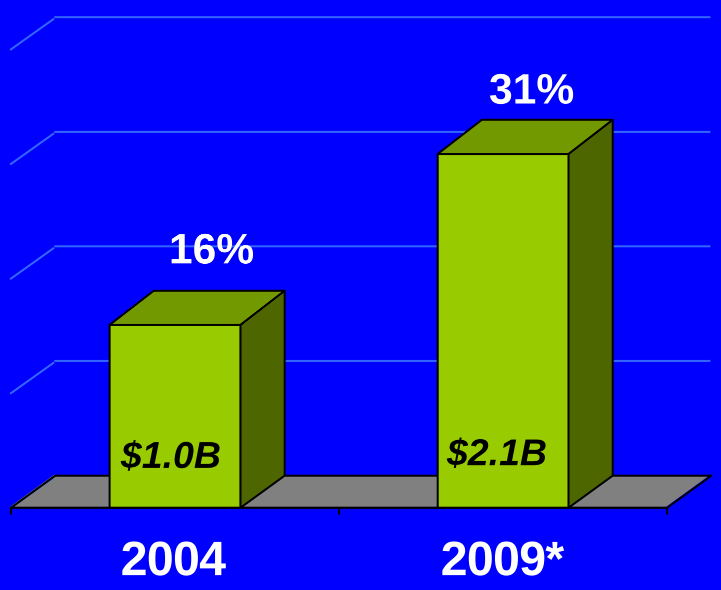
Positioned Well to Compete

STRENGTH ACROSS PRICE POINTS

- Bourbon
  - Knob Creek
  - Maker's Mark
  - Jim Beam White
  - Old Crow
- Tequila
  - 3Gs
  - Hornitos
  - 100 Años
  - Sauza Gold/Blanco
- Rum
  - Cruzan Single Barrel
  - Cruzan
  - Ronrico
- Faucets
  - ShowHouse
  - Moen
  - CFG
- Golf balls
  - Pro V1
  - NXT
  - DT
  - Pinnacle
- Golf shoes
  - ICON
  - SYNR -G
  - DryJoys
  - Contour
  - SuperLites

Growing Internationally



Fortune Brands

% of International Sales

International Sales by Segment*

- Spirits • 46%
- Golf • 44%
- Home • 15%

Trailing 12 months ending September, 2009.

Strong Stewards of Capital

- Benefit from combined cash flows
  - Enhances flexibility across portfolio to make investments (e.g. Allied brands acq.)
  - Maintain long-term perspective
- Cash priorities
  - #1 is organic growth
  - Focus on highest return opportunities
    - Debt reduction
    - Add-on acquisitions
    - Share buyback
    - Dividend
- Annual review of portfolio
  - Sale of wine, spin/merge of Office

How We're Succeeding

- Adjusting to the evolving consumer
- Significantly reducing cost structures and enhancing supply-chain flexibility
- Investing to drive profitable growth

Growing Premium Spirits Brands

The Market:

- Recession resistant – performs well in most economic conditions
- Consumer trends
  - Consumption shifting to at-home
  - Moderate trading down – an affordable luxury
  - Increasing LPA population in U.S.
- Significant international growth opportunities

Our Position:

- #2 in the U.S.
  - World's largest spirits market
- #4 in the world[1]
  - Strength in U.S., Western Europe and Australia; opportunity in emerging markets

[1] *Premium western-style spirits.*

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Growing Premium Spirits Brands

- 2000-2005: strategic shift from cash generation to growth
  - Organic sales and OI grew mid-single digits
- 2006: elevated premium portfolio and expanded globally with Allied Domecq acquisition
  - 1 global brand ⇨ 7; ~20% sales in international ⇨ ~50%
  - Successful integration drove +35¢ EPS vs. 25¢ target
- 2009: building on progress
  - Focus on building brands and outperforming markets

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Growing Premium Spirits Brands

Key 2009 Initiatives:

- Leverage new routes to market
  - Direct control of sales: 8% Q308 → 76% Q309
  - More responsive to customers and evolving consumer
  - $50mm selling investment to maximize performance
- Focus on key brand/market combinations: U.S. and international
- Build global brands with goal to outperform our markets
  - Drive value on top of volume
  - Ramping up brand spend – fueled by substantial cost savings from supply chain and organizational streamlining initiatives

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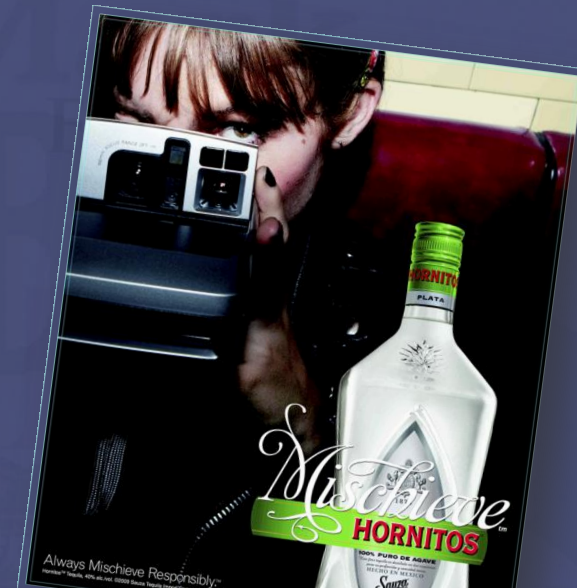
Adjusting to Evolving Consumer, Building Brands to Outperform

- Vision: building brands people *want* to talk about
- 2009 brand-building focus on Jim Beam and Hornitos
  - Creating brand talk with new campaigns



Adjusting to Evolving Consumer, Building Brands to Outperform

- New product development
  - Innovative products in promising categories
    - Red Stag by Jim Beam significantly outperfor expectations
    - Award-winning (rī)[1]
  - At-home entertaining
    - Sauza Margaritas in a box more than double initial forecast
    - DeKuyper Bar Shots
- Addition of Cruzan rum and EFFEN vodka
  - New positions in attractive premium rum and vodka segments

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Growing Premium Spirits Brands

Well positioned for stronger long-term growth:

- Spirits initiatives create long-term value
- Simpler, smarter, faster organization
- Excellent positions in key premium categories: bourbon, tequila, rum, cognac, Scotch, Canadian whisky, cordials
- Positioned to compete effectively with new distribution
- Stepping up selling and brand investment

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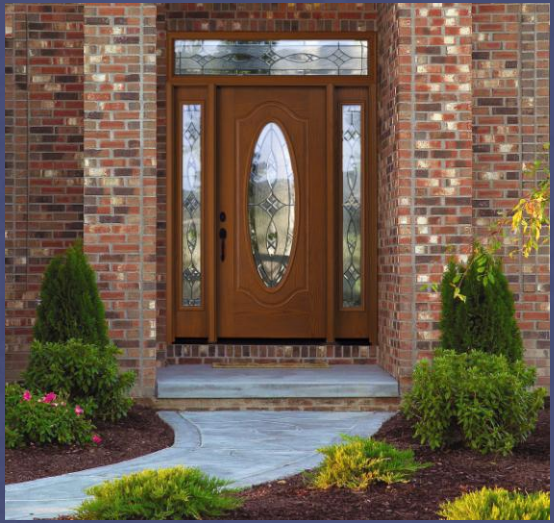
Home Products: Outperforming Challenging Market

- Focus on most attractive consumer-oriented categories
  - Kitchen and bath
  - Openings
  - Safety and security

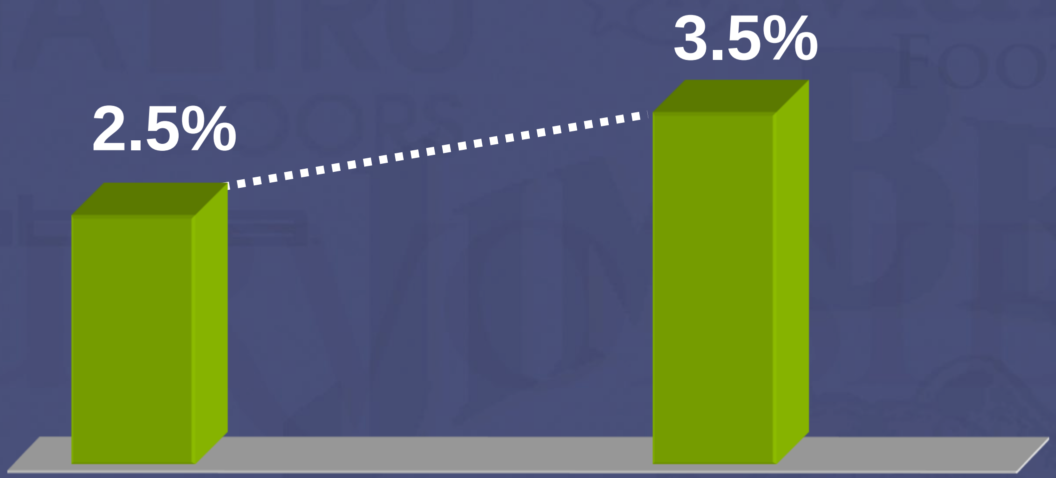


- Benefiting from:
  - Leading positions
  - Breadth across channels
  - Balance between replace/remodel and new construction

Outperforming Home Market Throughout Cycles

Sales Growth Rate 1989 ⇨ 2009

- Includes recessions of ’90-’91, ’01, ’08-’09



U.S. Home Products Market
New Construction and Replace & Remodel

Fortune Brands Home & Hardware Internal Sales*

** Adjusted for acquisitions/divestitures. On a GAAP basis the compounded annual growth rate is 9%.*

Home Products: Outperforming Challenging Market

- Share-gain initiatives
  - Drive targeted innovation and new products
  - Leverage broad product offering, industry-leading lead times; and after-sale service
  - Expand customer relationships (major share gains at home centers)
- Expand in adjacent categories and international markets
- Supply-chain initiatives reduce cost structure
  - ⇩ 40% of manufacturing facilities and total positions
- Enhancing supply chain flexibility
  - Distributed assembly
  - Global sourcing
  - Modular production

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New Home Products Driving Share Gain

Adjusting to Evolving Consumer with Innovation:

- Master Lock: Speed Dial, Precision Dial, and Nightwatch deadbolt
- Moen: Duralast cartridge (35% fewer parts), most WaterSense compliant lavatory faucets; ioDigital
- Cabinetry: lines to fill price gaps; storage innovations; new design tools
- Simonton: energy-efficient windows (demand from stimulus tax credit)
- Waterloo: new garage organization products driving growth
- Master Lock new categories: door hardware, commercial security, industrial safety


Long-Term Confidence in Home Market

We're in the most attractive categories; favorable long-term demographics:

- Growth in number of households
- Aging of housing stock (avg. 30+ years)
- Baby-boomers entering prime remodeling years; echo-boomers entering first home market
- Homeowners seeking energy efficiency (doors, windows, and water conservation faucets)
- Kitchens, baths, entry doors/windows provide excellent return on investment; add value to home
- Replace & remodel 2/3 of market long-term

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Golf: Powerful Brands and Favorable Demographics

- World's #1 golf company
  - #1 in balls, shoes, gloves; #3 in clubs
  - Strong patent portfolio
  - Industry's best management and sales force

- Favorable long-term demographics
  - U.S.: 75 million baby boomers retiring
  - International: popularity of game growing in Asia

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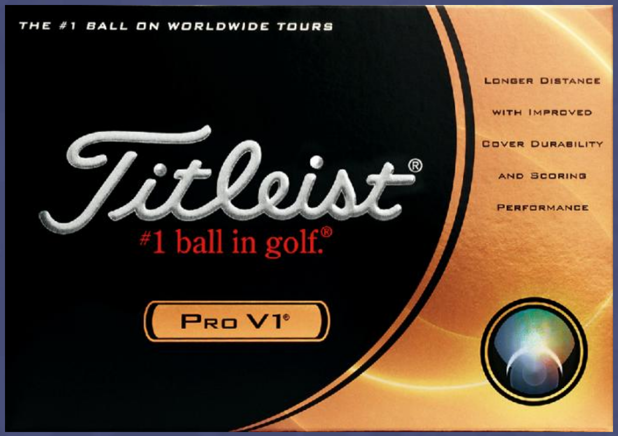
Extending Leadership in Golf

- Outperforming industry by focusing on:
  - Innovation
    - Pro V1 and Titleist clubs command premium pricing
    - Gaining share at the high end of the market
  - International growth
    - Investments paying off: YTD international sales up
    - Strong double-digit growth in Korea and Australia



Enhancing Financial Flexibility

- Cash is still king in current environment
  - Strengthen balance sheet and ability to pay down debt and create value
- More than doubled 2009 free cash flow target* to ~$400 million
  - 1st: further reducing capex and working capital (+$125mm)
  - 2nd: reduced dividend rate (+$150mm/year)
- Strongly positioned to cover refinancing needs through 2012
  - In 2009, FCF, $500 million 5-year bond issue (June 9th at 6 3/8% coupon), and cash balances paid off revolver by Sept. 30
  - Targeting new revolver of ~$750mm versus $2 billion previously

** November 19 target, after net capex and dividends.*

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Outlook for 2009

(as of October 23, 2009)

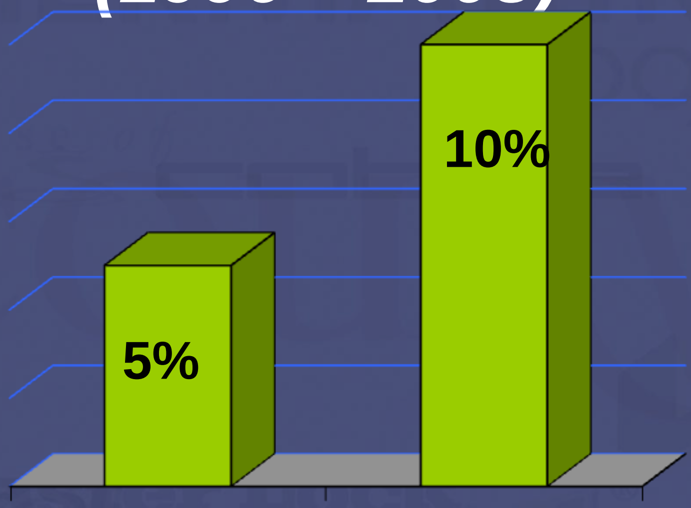
- EPS before charges/gains $2.10-$2.30
  - Encouraged by continued stability of our spirits business and signs of stabilization in new-home construction
  - Consumers remain cautious
  - Overall home products market, particularly for big ticket remodeling purchases, will continue to be challenging
- 2009 free cash flow target ~$400mm after net capex and dividends
  - Starts with $700-750mm of cash flow from operations

Compelling Valuation

EPS

Growth Rate[1]

(1996 – 2008)



S&P 500[3] **FO[2]**

- 2009 free cash flow + dividend yield: 8½%
- 17.9x 2009 P/E (FO at $41, November 13) versus 17.7x for S&P 500[3]

(1) Before charges/gains.
(2) Consolidated '96-'04 and '08, and continuing operations growth '05-'07
(3) Source: S&P and First Call.

Priorities Position FO Well

3 Goals:

1. Outperform markets on revenues and returns
2. Position for strong growth when economy recovers
3. Continue strong stewardship of capital

Current Initiatives:

- Adjusting to the evolving consumer
- Significantly reducing cost structures and enhancing supply-chain flexibility
- Investing to drive profitable growth

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Appendix

Reconciliation of Non-GAAP Measures to GAAP

Fortune Brands, Inc. Reconciliation of Earnings to GAAP

RECONCILIATION OF EPS BEFORE CHARGES/GAINS GROWTH RATE TO GAAP EPS GROWTH RATE

	Fortune Brands '96-08 CAGR
Diluted EPS Before Charges/Gains Growth Rate	10%
Net (Charges)/Gains	(4)%
Diluted GAAP EPS Growth Rate	6%

EPS Before Charges/Gains Growth Rate is Net Income calculated on a per-share basis excluding restructuring, restructuring-related and other one-time items.

EPS Before Charges/Gains Growth Rate is a measure not derived in accordance with GAAP. Management uses this measure to evaluate the overall performance of the company and believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from year to year. This measure may be inconsistent with similar measures presented by other companies.

RECONCILIATION OF FULL YEAR 2009 EARNINGS TARGET TO GAAP

For the full year, the company is targeting diluted EPS Before Charges/Gains from continuing operations to be in the range of $2.10 to $2.30 per share versus EPS Before Charges/Gains from continuing operations of $3.75 per share in 2008. On a GAAP basis, the company is targeting diluted EPS from continuing operations to be in the range of $1.60 to $1.80 per share.

EPS Before Charges/Gains from continuing operations is Net Income calculated on a per-share basis excluding restructuring, restructuring-related and other one-time items.

EPS Before Charges/Gains from continuing operations is a measure not derived in accordance with GAAP. Management uses this measure to evaluate the overall performance of the company and believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from year to year. This measure may be inconsistent with similar measures presented by other companies.

Fortune Brands, Inc. Reconciliation of Diluted EPS Before Charges/Gains to GAAP Diluted EPS

	1996	1997	1997	1998	1998	1999	1999	2000	2000	2001	2001	2002
Diluted EPS Before Charges/Gains	$ 1.28	$ 1.48	$ 1.48	$ 1.67	$ 1.67	$ 1.99	$ 1.99	$ 2.34	$ 2.34	$ 2.45	$ 2.45	$ 2.90
Tax-related special items	-	-	-	-	-	-	-	0.19	0.19	0.78	0.78	0.68
Restructuring and restructuring-related items	-	(1.16)	(1.16)	-	-	(0.75)	(0.75)	(0.30)	(0.30)	(0.41)	(0.41)	(0.24)
Gain/(loss) on divestitures	-	-	-	-	-	0.13	0.13	-	-	0.03	0.03	-
Writedown of intangibles	-	-	-	-	-	(6.76)	(6.76)	(3.06)	(3.06)	(0.30)	(0.30)	-
Benefit from FAS 142 (1/1/02)	-	-	-	-	-	-	-	-	-	-	-	0.31
Impact of dilutive shares	-	-	-	-	-	0.04	0.04	0.03	0.03	-	-	-
1/96 benefit Gallaher payment	(0.25)	(0.09)	-	-	-	-	-	-	-	-	-	-
Diluted GAAP EPS	$ 1.03	$ 0.23	$ 0.32	$ 1.67	$ 1.67	$ (5.35)	$ (5.35)	$ (0.80)	$ (0.80)	$ 2.55	$ 2.55	$ 3.65
% Change Diluted EPS Before Charges/Gains		15.6%		12.8%		19.2%		17.6%		4.7%		18.4%
% Change GAAP Diluted EPS		-77.7%		626.1%				-		-		43.1%

	2002	2003	2003	2004	2004*	2005*	2005*	2006*	2006*	2007*	2007*	2008*
Diluted EPS Before Charges/Gains	$ 3.21	$ 3.79	$ 3.79	$ 4.68	$ 4.12	$ 4.62	$ 4.62	$ 5.33	$ 5.22	$ 5.06	$ 5.06	$ 3.75
Tax-related special items	0.68	0.28	0.28	0.71	0.69	0.05	0.05	0.57	0.57	-	-	0.64
Restructuring and restructuring-related items	(0.24)	(0.16)	(0.16)	(0.21)	(0.08)	(0.08)	(0.08)	(0.15)	(0.15)	(0.45)	(0.45)	(0.48)
Insurance gain	-	-	-	0.05	0.05	-	-	-	-	-	-	-
Net acquisition hedge costs	-	-	-	-	-	(0.72)	(0.72)	(0.02)	(0.02)	-	-	-
Writedown of intangibles	-	(0.05)	(0.05)	-	-	-	-	-	-	-	-	(4.29)
V&S Minority Int M-T-M	-	-	-	-	-	-	-	(0.31)	(0.31)	-	-	0.53
Gain on the Sale of The Dalmore Scotch assets	-	-	-	-	-	-	-	-	-	0.18	0.18	-
V&S Auction Process Costs	-	-	-	-	-	-	-	-	-	-	-	(0.03)
Writedown of Maxxium Investment	-	-	-	-	-	-	-	-	-	-	-	(0.33)
Gain on Future Brands Termination	-	-	-	-	-	-	-	-	-	-	-	0.95
Accelerated Future Brands Deferred Gain	-	-	-	-	-	-	-	-	-	-	-	0.29
Diluted GAAP EPS	$ 3.65	$ 3.86	$ 3.86	$ 5.23	$ 4.78	$ 3.87	$ 3.87	$ 5.42	$ 5.31	$ 4.79	$ 4.79	$ 1.03
% Change Diluted EPS Before Charges/Gains		18.1%		23.5%		12.1%		15.4%		-3.1%		-25.9%
% Change GAAP Diluted EPS		5.8%		35.5%		-19.0%		40.1%		-9.8%		-78.5%

* from continuing operations

Diluted EPS Before Charges/Gains is a non-GAAP measure and indicates the underlying performance of our business prior to costs associated with our restructuring initiatives, writedowns of identifiable intangibles or goodwill, tax credits or charges, gain recorded on insurance proceeds received for a warehouse fire, gains or losses on divestitures, V&S minority interest mark-to-market adjustment in 2006, V&S auction process costs, the write down of the Maxxium international spirits distribution joint venture investment, an after-tax gain resulting from the repurchase of the Beam Global minority interest in 2008, a gain on the termination of the Future Brands U.S. spirits distribution joint venture, an accelerated Future Brands deferred gain, net acquisition hedge costs, benefit from FAS 142 (assumes adoption as of 1/1/02), impact of dilutive shares, the gain on the sale of the Dalmore Scotch assets, and assuming a 1/1/96 benefit from the net cash payment Gallaher made to us in connection with the spin-off on 5/31/97. Management believes this measure is useful in analyzing the Company's performance from year to year. In assessing this measure, investors should note that the aforementioned items have been excluded.

Fortune Brands, Inc.

RECONCILIATION OF OPERATING INCOME MARGINS BEFORE CHARGES/GAINS TO GAAP OPERATING INCOME MARGINS

Trailing 12 months ended September 30, 2009 (in millions)

	Spirits	Home & Hardware	Golf
Operating Income Margin Before Charges/Gains	24.7%	4.5%	5.7%
Operating Income Before Charges/Gains	$ 605	$ 137	$ 69
Net (Charges)/Gains	$ (65)	$ (505)	$ (25)
GAAP Operating Income	$ 540	$ (368)	$ 44
GAAP Net Sales	$ 2,445	$ 3,035	$ 1,204
GAAP Operating Income Margin	22.1%	-12.1%	3.7%

Operating Income Margin Before Charges/Gains is Operating Income excluding any restructuring, restructuring-related items and other one-time items divided by net sales. Operating Income Margin Before Charges/Gains is a measure not derived in accordance with GAAP. Management uses this measure to determine the returns generated by our operating segments and to evaluate and identify cost-reduction initiatives. Management believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from year-to-year. This measure may be inconsistent with similar measures presented by other companies.

Reconciliation of Spirits Organic Net Sales to GAAP Net Sales

	Spirits 2000-2005 CAGR*
Reported net sales growth	5%
Net impact	(0)%
Organic net sales growth	5%

* Compounded annual growth rate

Organic Net Sales growth is Net Sales growth derived in accordance with GAAP excluding changes in foreign currency exchange rates, spirits excise taxes, and the net sales from acquired and divested entities and product lines. Organic Net Sales growth is a measure not derived in accordance with GAAP. Management uses this measure to evaluate the overall performance of the company, and believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from year-to-year. This measure may be inconsistent with similar measures presented by other companies.

Reconciliation of Spirits Organic Operating Income before Charges/Gains to GAAP Operating Income

	Spirits 2000-2005 CAGR*
Reported Operating Income Before Charges/Gains growth	6%
Net impact	(1)%
Organic Operating Income Before Charges/Gains growth	5%

* Compounded annual growth rate

Organic Operating Income Before Charges/Gains growth is Operating Income growth derived in accordance with GAAP excluding changes in foreign currency exchange rates, spirits excise taxes, and the net sales from acquired and divested entities and product lines. Organic Operating Income Before Charges/Gains growth is a measure not derived in accordance with GAAP. Management uses this measure to evaluate the overall performance of the company, and believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from year-to-year. This measure may be inconsistent with similar measures presented by other companies.

Reconciliation of Home & Hardware Internal Net Sales to GAAP Net Sales

	Home & Hardware '89-09 CAGR*
Reported net sales growth	9.1%
Net impact from acquisitions/divestitures	(5.6)%
Internal net sales growth	3.5%

* Compounded annual growth rate

Internal Net Sales growth is Net Sales growth derived in accordance with GAAP excluding changes in the net sales from divestitures but does include net sales from acquisitions for the comparable prior-year period. Internal Net Sales growth is a measure not derived in accordance with GAAP. Management uses this measure to evaluate the overall performance of the company, and believes this measure provides investors with helpful supplemental information regarding the underlying performance of the company from year-to-year. This measure may be inconsistent with similar measures presented by other companies.

Fortune Brands, Inc. Reconciliation of Free Cash Flow to GAAP Cash Flow From Operations
(in millions)

	2008 Full Year	2009 Full Year Targeted Range
Free Cash Flow	$430	$ 375 - 425
Less:		
Taxes paid on sale of wine business	31	-
Add:		
Net Capital Expenditures	157	180
Dividends Paid	261	152*
Cash Flow From Operations	$817	$ 707 - 757

* Assumes current dividend rate, and basic shares outstanding on September 30, 2009.

Free Cash Flow is Cash Flow from Operations less net capital expenditures and dividends paid to stockholders. In 2008 Free Cash Flow was adjusted for the taxes paid on the sale of the wine business which occurred in 2007. Free Cash Flow is a measure not derived in accordance with GAAP. Management believes that Free Cash Flow provides investors with helpful supplemental information about the company's ability to fund internal growth, make acquisitions, repay debt and repurchase common stock. This measure may be inconsistent with similar measures presented by other companies.