



Fortune Brands Comments On Privatization Of V&S Group And Opportunities To Create Value

- **Company Underscores Financial Discipline and Announces High-Return Share Repurchase Program**
- **Company Plans to Continue Current U.S. Spirits Distribution Arrangements for ABSOLUT**
- **No Near-Term EPS Impact to Fortune Brands from V&S Privatization**

Deerfield, Illinois, March 31, 2008 - Following the Kingdom of Sweden's decision to sell V&S Group and its ABSOLUT vodka brand to Pernod Ricard, Fortune Brands, Inc. (NYSE: FO) today said that it maintained its disciplined approach to acquisitions in the V&S auction process and announced that it intends to initiate a high-return share repurchase program.

"While we had hoped to purchase ABSOLUT at the right price, we didn't hesitate to put our shareholders' interests first," said Bruce Carbonari, president & chief executive officer of Fortune Brands. "We took a disciplined approach that carefully evaluated numerous factors, including growth and returns prospects, the current state of currency and capital markets, and attractive alternatives for the use of our financial resources. We didn't see the appropriate return for our shareholders at the announced price, so we preserved our financial flexibility to create significant value in other ways.

"We have excellent opportunities ahead of us, and we look forward to putting our financial flexibility to work to create value for our shareholders," Carbonari continued. "Our first priority has always been driving organic growth in attractive consumer categories, and we'll continue to build our leading brands and to grow in new and adjacent markets. We'll also consider our other opportunities to drive shareholder value, including through share repurchases, evaluating high-return add-on acquisitions across our businesses, and paying attractive dividends. We believe in being strong stewards of capital, and we will continue to allocate our capital with a focus on growth and value creation."

Creating Value with Share Repurchases and Full Ownership of Spirits Unit

The company also announced that it will soon commence a substantial share repurchase program. "At our current share price, we believe we can create excellent value by repurchasing shares," Carbonari said. The company has today put in place an authorization to repurchase up to 15 million shares of Common Stock.

The company also announced that it will initiate the repurchase of the 10% equity stake in its Beam Global spirits business currently held by V&S. "This will enable us to capitalize fully on the financial performance of our highest profit business," Carbonari added.

Protections for Fortune Brands in Spirits Distribution

"The operational consequences of the privatization of V&S are very manageable, starting with significant protections in our spirits distribution joint ventures," Carbonari continued.

The company announced that its Beam Global spirits business plans to continue United States distribution of ABSOLUT vodka via the Future Brands joint venture into 2012. Beam Global holds a majority stake in the Future Brands joint venture.

ABSOLUT also remains part of the Maxxium international distribution joint venture. The Maxxium agreements provide certain protections to the partners that help ensure an orderly transition in the event of a change in control of a partner.

"Due to these protections, we expect no adverse EPS impact to Fortune Brands in the near term. These protections give our spirits business plenty of time to manage any future changes to its distribution alliances," said Carbonari.

Company Confident in Growth Prospects for Spirits Business

"Our Beam Global spirits business has a broad portfolio of leading premium brands and a commitment to building brands and driving profitable growth," Carbonari added. "We remain confident in our spirits business's growth prospects and our ability to compete very effectively in the spirits industry." Beam Global Spirits & Wine is the world's fourth largest premium spirits business.

"Above all, we are builders of leading consumer brands and consumer brand businesses in attractive high-return markets," Carbonari added. "We are optimistic about what we can accomplish by investing in our brands, outperforming our markets, and leveraging our breadth and balance to deliver superior growth and returns."

About Fortune Brands

Fortune Brands, Inc. is a leading consumer brands company with annual sales exceeding \$8 billion. Its operating companies have premier brands and leading market positions in distilled spirits, home and hardware, and golf products. Beam Global Spirits & Wine, Inc. is the company's premium spirits business. Major spirits brands include Jim Beam and Maker's Mark bourbon, Sauza tequila, Canadian Club whisky, Courvoisier cognac, Teacher's and Laphroaig Scotch, and DeKuyper cordials. Home and hardware brands include Moen faucets, Aristokraft, Omega, Diamond and Kitchen Craft cabinetry, Therma-Tru door systems, Simonton windows, Master Lock padlocks and Waterloo tool storage sold by units of Fortune Brands Home & Hardware LLC. Acushnet Company's golf brands include Titleist, Cobra and FootJoy. Fortune Brands, headquartered in Deerfield, Illinois, is traded on the New York Stock Exchange under the ticker symbol FO and is included in the S&P 500 Index, the MSCI World Index and the Ocean Tomo 300™ Patent Index.

To receive company news releases by e-mail, please visit www.fortunebrands.com.

Forward-Looking Statements

This press release contains statements relating to future results, which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Readers are cautioned that these forward-looking statements speak only as of the date hereof, and the company does not assume any obligation to update, amend or clarify them to reflect events, new information or circumstances occurring after the date of this release. Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to: competitive market pressures (including pricing pressures); consolidation of trade customers; successful development of new products and processes; ability to secure and maintain rights to intellectual property; risks pertaining to strategic acquisitions and joint ventures, including the potential financial effects and performance of such acquisitions or joint ventures, and integration of acquisitions and the related confirmation or remediation of internal controls over financial reporting; changes related to the potential privatization of V&S Group; ability to attract and retain qualified personnel; general economic conditions, including the U.S. housing market; weather; risks associated with doing business outside the United States, including currency exchange rate risks; interest rate fluctuations; commodity and energy price volatility; costs of certain employee and retiree benefits and returns on pension assets; dependence on performance of distributors and other marketing arrangements; the impact of excise tax increases on distilled spirits and wines; changes in golf equipment regulatory standards and other regulatory developments; potential liabilities, costs and uncertainties of litigation; impairment in the carrying value of goodwill or other acquired intangibles; historical consolidated financial statements that may not be indicative of future conditions and results due to the recent portfolio realignment; any possible downgrades of the company's credit ratings; as well as other risks and uncertainties detailed from time to time in the company's Securities and Exchange Commission filings.

Contact:

Media Relations:

Clarkson Hine
+1 847-484-4415

Investor Relations:

Anthony J. Diaz
+1-847-484-4410