



Britvic plc

Prelims presentation 2014

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Gerald Corbett
Chairman

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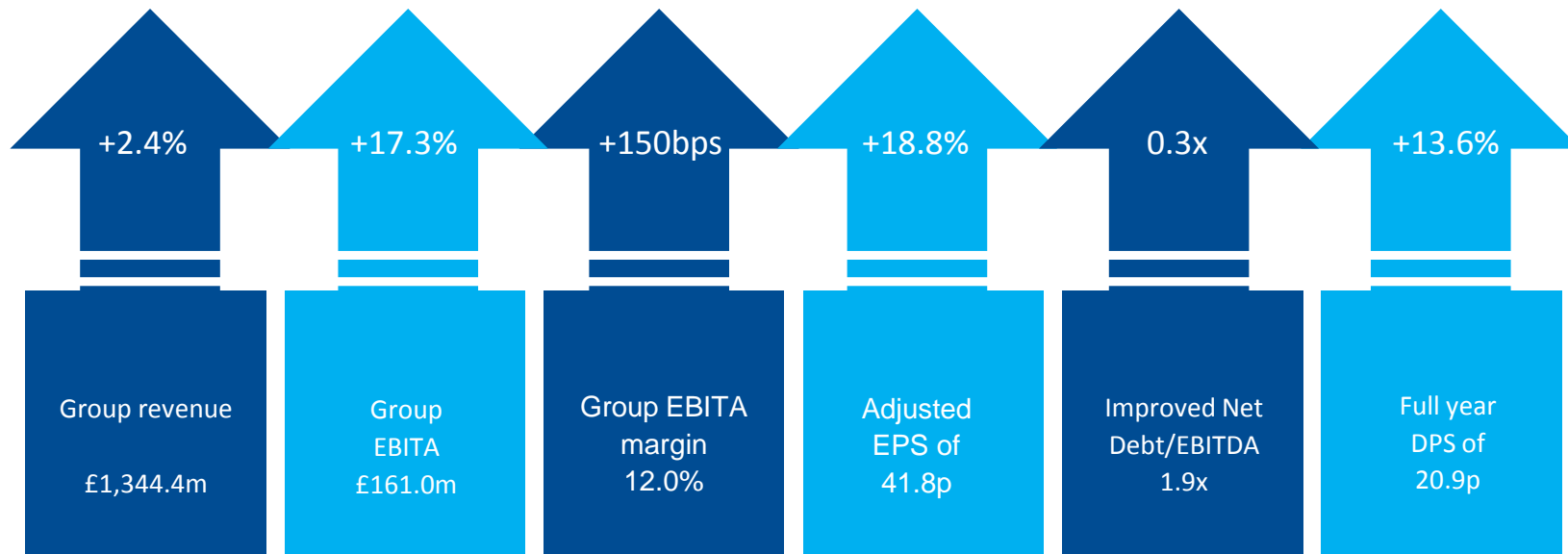


John Gibney
Chief Financial Officer

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Group performance



Strong progress on all key metrics

EBITA is defined as operating profit before exceptional and other items and amortisation. Only amortisation attributable to intangibles on acquisition is added back, in the period this is £2.9m (2013: £2.9m AER). Adjusted earnings per share adds back the amortisation attributable to intangibles on acquisition. The share base is the weighted average number of ordinary shares in issue during the period, excluding shares held by Britvic to satisfy employee share-based incentive programmes. Numbers are on a constant currency, pre-exceptional and other items basis.

Soft drinks markets have remained challenging

• GB

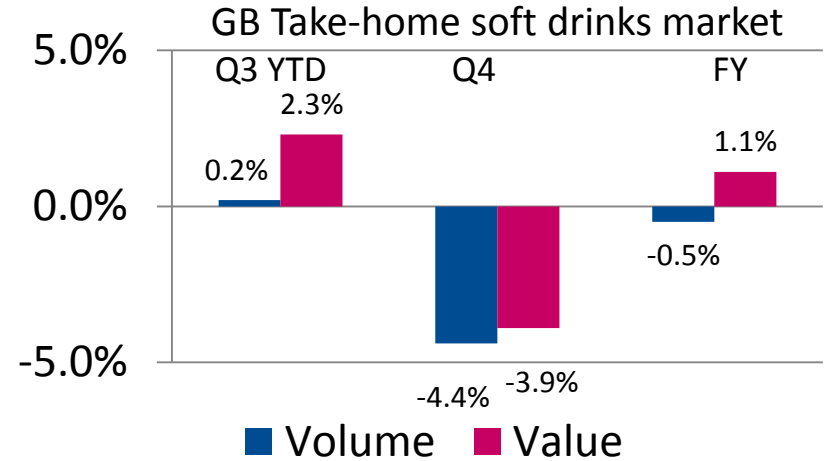
- Volume down 0.5% with Q4 down 4.4%
- Value up 1.1%, led by carbonates up 1.4%
- Stills category excluding plain water value down 1.2%, volume down 4%

• France

- Volume up 0.3% with Q4 down 6.1%
- Value up 0.8% with syrups up 4.0% and juices down 2.4%

• Ireland

- Volume down 0.6% with Q4 down 0.9%
- Value down 2.1%, with carbonates down 3.5%



GB: Nielsen take-home to 27 Sep 2014, Ireland: Nielsen take-home to 5 Oct 2014, France IRI Symphony take-home to 21 Sep 2014

GB Stills

	2014 £m	2013 £m	% change
Volume	378.9	398.7	(5.0)
ARP per litre	88.5p	85.3p	3.8
Revenue	335.2	340.1	(1.4)
Brand contribution	159.4	154.5	3.2
Brand margin %	47.6%	45.4%	220bps



Take-home stills value,
excluding water, down 1.2%

SQUASH'D attracting new
consumers into category

GB Carbonates

	2014 £m	2013 £m	% change
Volume	1,204.7	1,153.9	4.4
ARP per litre	47.1p	46.5p	1.3
Revenue	567.8	536.4	5.9
Brand contribution	222.4	200.1	11.1
Brand margin %	39.2%	37.3%	190bps



**Market share gains, led by
Pepsi**

**Growth in both ARP and
volume, through disciplined
revenue management**

France

	2014 £m	2013 £m	% change	% change constant currency
Volume	273.6	272.1	0.6	0.6
ARP per litre	93.2p	94.9p	(1.8)	0.6
Revenue	254.9	258.2	(1.3)	1.2
Brand contribution	67.1	63.2	6.2	8.9
Brand margin %	26.3%	24.5%	180bps	180bps



POUR VOTRE SANTÉ, ÉVITEZ DE MANGER TROP GRAS, TROP SUCRÉ, TROP SALÉ. www.mangerbouger.fr

Fruit Shoot No 1 in category

Poor weather impacted Q4, especially the syrups category

Ireland

	2014 £m	2013 £m	% change	% change constant currency
Volume	197.0	199.0	(1.0)	(1.0)
ARP per litre	54.1p	56.8p	(4.8)	(2.9)
Revenue	128.3	136.9	(6.3)	(4.5)
Brand contribution	47.0	49.0	(4.1)	(1.7)
Brand margin %	36.6%	35.8%	80bps	100bps



Fixed costs savings have returned Ireland to profitability this year

Aggressive competitive environment especially in carbonates

International

	2014 £m	2013 £m	% change	% change constant currency
Volume	44.3	43.2	2.5	2.5
ARP per litre	131.4p	116.4p	12.9	14.0
Revenue	58.2	50.3	15.7	16.9
Brand contribution	21.0	18.8	11.7	12.3
Brand margin %	36.1%	37.4%	(130)bps	(150)bps



Driving underlying profitability whilst investing materially

Fruit Shoot launched into 10 major cities in India

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A&P and Overheads

	2014 £m	2013 £m	% change
Total A&P spend	72.0	70.3	(2.4)
A&P % revenue	5.4%	5.4%	-
	2014 £m	2013 £m	% change
Non-brand A&P	9.9	7.3	(35.6)
Fixed supply chain	101.8	100.7	(1.1)
Selling costs	120.7	124.5	3.1
Overheads & other costs	126.4	118.1	(7.0)
Total cost base	358.8	350.6	(2.3)

Majority of strategic cost initiatives realised in cost base

Overheads includes increase in trade marketing spend

Re-investment in International BU and marketing & innovation

EBIT to Earnings

	2014 £m	2013 £m	% change	% change constant currency
EBIT	158.1	135.0	17.1	17.6
Interest	(25.2)	(26.9)	6.3	6.0
Profit before tax	132.9	108.1	22.9%	23.5
Tax	(33.0)	(25.5)	(29.4)	(32.0)
Effective tax rate	24.8%	23.6%	(120)bps	(160)Bps
Profit after tax	99.9	82.6	20.9%	20.9

Exceptional costs and other items

Item	2014 £M
Strategic restructuring costs	(14.1)
Other fair value movements	2.3
Write-off of unamortised financing fees	(1.0)
Total exceptional and other items before tax	(12.8)

Cash impact £18.9m

Cash flow and net debt

	2014 £m	2013 £m
EBIT	158.1	135.0
Depreciation and amortisation	43.0	47.5
EBITDA	201.1	182.5
Working capital	(1.6)	(6.2)
Capital spend	(57.3)	(34.9)
Pension contributions	(20.8)	(14.0)
Other spend	(32.5)	(23.9)
Underlying free cash flow	88.9	103.5
Dividends	(46.8)	(42.5)
Adjusted net debt	(380.9)	(402.3)
Net debt to EBITDA ratio	1.9x	2.2x

£21.4m reduction in adjusted net debt

Increase of capital spend by £22.4m

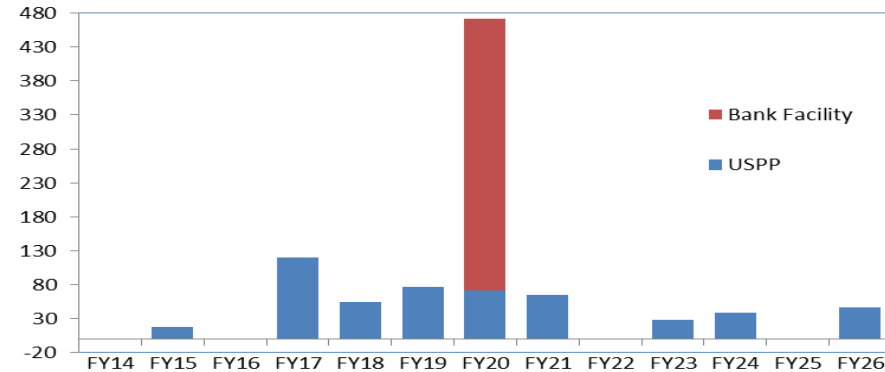
GB Pension scheme funding finalised

- 2010 funding agreement structure remains in place
 - Pension Funding Partnership remains in place with a £105m asset-backed plan if funding level not reached by 2026
- No increase in cash contributions commitment
 - Cash payments remain stable at £15m pa 2014 to 2017
 - Plus income from the PFP at £5m pa
- Potential for £15m additional payments in 2018 & 2019, currently do not anticipate that these will be necessary

Robust long term capital structure

- Adjusted net debt of £380.9m
- £400m revolving credit facility successfully refinanced in November 2014
- Matures November 2019
- Mechanism to request extensions for up to 2-years
- Mechanism to request increased facility size to £600m
- Reduced margin and fees, increased flexibility
- £520.2m of US Private Placement (USPP) notes repayable 2014 to 2026
- Swapped to fixed and floating sterling and euro

Facility profile (£m)



2015 guidance

- Increasingly challenging market conditions
- Favourable raw material cost environment, offset by expected rise in other costs
- Effective tax rate of 23.5% to 24.0%, coupon interest rate of 5.0% to 5.5%
- Capital spend in the range of £80m to £90m
- Minimum underlying free cash flow of £65m
 - Will underpin progressive dividend policy and increased capital investment
- EBIT anticipated in the range of £164m to £173m

Summary

Strong financial performance in a year of significant change

Delivered ahead of guidance on all key financial metrics

Strong balance sheet and funding platform

Further investment behind key drivers of future growth



Simon Litherland
Chief Executive Officer

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Agenda

- Review of 2014
- Progress against our strategy
- Update on our international markets
- Winning in GB, Ireland and France



2014 – a significant year for Britvic

- A strong financial performance in a challenging environment
- Strategic cost initiatives delivered ahead of schedule
- Internal change programme with new operating model and ways of working
- Fully resourced international business unit
- Strategic marketing function established and increased investment in innovation

A young boy wearing a red helmet and a blue plaid shirt is drinking from an orange water bottle at a playground. The background shows a green lawn and a metal climbing structure. A semi-transparent dark grey box with white text is overlaid on the image. Below the text box is a horizontal bar with segments of blue, green, purple, cyan, magenta, orange, and light green.

Progress against our strategy

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We have a clear purpose and aspirational vision

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The most dynamic, creative and admired soft drinks company in the world

Building iconic brands
loved by **consumers**

Being the most
valued by our
customers and partners

An inspiring place
to be for our
employees

Delivering consistently
superior returns for
shareholders

Trusted and respected
in our **communities**

Be proud

Be bold

Be disciplined

Act with pace

Be open

Win together

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Our strategic focus areas are clear



Leverage our portfolio in GB & Ireland

Innovate to meet changing consumer needs



Exploit global opportunities in kids, family and adult categories



Embed a winning culture

Improve operating margin



Build trust and respect in our communities



Update on our international markets

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Fruit Shoot momentum builds in Europe

- **Teisseire Fruit Shoot driving category growth in France**
 - Launched in 2011, now the number 1 kids juice drink brand¹
 - Over 60% volume and value growth in 2014¹
- **Good progress in Spain**
 - New leisure outlet wins
- **Continued double-digit market volume and value growth in the Netherlands in 2014²**
 - In-market resource in place to support growth opportunity



1. IRI SYMPHONY France Kids Drinks Take-home value to 21 September 2014

2. NIELSEN NL Take-home value to 8 October 2014

Fruit Shoot India launch on track

July 2014	Four flavours launched in three key cities (Bangalore, New Delhi and Mumbai)
August 2014	Available in 10 cities and 11,000 outlets Focused visibility drive in 1,500 key stores
September 2014	Distribution in 20,000 outlets, with major retail listings Marketing programme to drive awareness and trial: 'Give it a go'
2016	Target 100,000 outlets



Another year of major milestones for Fruit Shoot in USA

2012

Distribution agreement with Pepsi Bottling Ventures

In market manufacture starts in North Carolina (PBV)

Fruit Shoot available in 9 states

2013

15 year agreement with Pepsi Americas Beverages

Multiple independent bottler agreements

In market resource established

Available in 41 states

2014

National distribution for single-serve: 50 states

Multiple independent bottler agreements

Second production line (PAB)

Multi-pack trials ahead of grocery launch

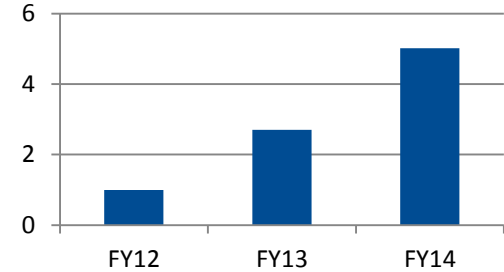


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Growing single-serve category and optimising our multi-pack solution

- **Already #3 brand in single-serve category**
 - Fruit Shoot value sales nearly doubled in the last year
 - Category in decline without Fruit Shoot
 - All regions growing double-digit and gaining share
- **Optimising multi-pack format is key**
 - Evaluated a range of price/pack formats
- **Multi-pack anticipated launch in H2 2015**
 - Access to \$2bn category

USA Fruit Shoot Volume Index
5X in 2 years



A man with short brown hair and a light beard, wearing a grey button-down shirt, is smiling warmly. He is standing in a kitchen with a window behind him showing green foliage. He is holding a pack of Britvic Fridge Pack in his left hand and a can of Britvic drink in his right hand. The kitchen has a white sink, a wooden countertop, and floral wallpaper. A dark blue vertical panel is on the right side of the image.

Winning in GB, Ireland and France

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Increasingly challenging GB & Ireland retail and shopper environment

Macro

Economic recovery not feeding through to food & beverage spend

Demand for food and drink in grocery has fallen

Anticipate limited volume growth in total market

Retail

Polarisation in the market

Convenience & Impulse out-performing grocery

Growth of online

Intensified competition

Pricing pressure

Shopper

Shoppers economising not compromising

Shopping little and often to reduce waste

Spending more eating out

Increased focus on health

We are well positioned for success

- A broad market leading portfolio that meets changing consumer needs
- Strong route to market and sales capability
- Disciplined revenue management and cost control
- Flexible price and pack architecture to support multi-channel growth, investment in new high-speed PET line
- Compelling consumer and shopper marketing plans
- A strong innovation pipeline to fuel growth



Market leading and fast growing brands

Kids



Family



Adult



Full portfolio offering in GB & Ireland



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A balanced portfolio to meet changing needs

- Many low calorie options
 - Sales heavily biased towards low calorie options for core brands including Robinsons, Fruit Shoot, Pepsi Max
- Strong track record of reformulation and low calorie innovation, continuing into 2015
- Low sugar marketing lead; encouraging active lifestyles
- Active supporters of voluntary initiatives; Responsibility Deal, front of pack labelling



Glass of
Robinsons
NAS c 5
calories



Can of Pepsi
Max = 1
calorie



Fruit shoot
c 15 calories

A clear approach to win with consumers

**QUALITY
PRODUCTS
'WORTH PAYING
MORE FOR'**



**EXCITING AND
INSPIRATIONAL
EXPERIENCES**



**INNOVATIVE
SOLUTIONS TO
MEET THEIR
NEEDS**



**COMPELLING
SHOPPER
ENGAGEMENT IN
ALL CHANNELS**



A winning partnership with Pepsi

Pepsi



New cherry flavour Max
Music experiences
Digital campaigns

7UP



Global re-launch
Major media campaign
New design

Energy



Brand and pack
solutions to meet
consumer needs in the
energy category

Stills



Investing in growth
categories

New packaging
New flavours
Lower calorie Lipton

A strong innovation plan

Kids



Family



Adult



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J20 – innovation that created a new category

- Launched 1998, for the out of home adult social occasion
- Now the biggest packaged soft drink, with retail sales in excess of £240m*
- Broad consumer appeal
- New limited editions planned for 2015 and onwards
- A further opportunity to extend its appeal through innovation and broaden its consumer base
- New marketing programme “There’s joy in the blend”



* RSV - CGA and Nielsen take-home

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Introducing new J20 “Spritz”

- An exciting new range of adult soft drinks from J20
 - Capitalises on the socialising occasion
 - Premium product with a strong adult appeal
 - Great taste and stylish packs
 - Slightly sparkling specifically blended for adult palettes
 - Low in both calories (<55) and sugar
- Available in 275ml and 750ml for in and out of home use
 - 3 flavours - strawberry & lime, apple & watermelon, peach & apricot



Leveraging squash leadership to grow the dilutes category

- Core capability for Britvic
- Number 1 brands in our markets
- Strong heritage
- Category expertise
- Outstanding technical capability
- Strong track record of innovation



An opportunity to drive dilutes beyond “mixing with water”



- Adult drinks are a source of growth given future demographic changes
- Customisation of the experience is a growing trend
- Consumers are demanding more adult choices that make them feel good

We have the leading brand to capitalise on this opportunity in GB

WITH SOFT DRINKS



WITH ALCOHOL



WITH HOT DRINKS



WITH WATER



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Summary

An excellent year with a strong financial performance

Strong progress implementing our strategy

Continued progress in our international markets

Anticipate increasingly challenging trading environments

We have the right strategy and plans to win