



Britvic plc

Interim Results 2011



Gerald Corbett

Chairman





John Gibney

Group Finance Director





Agenda

Financial performance

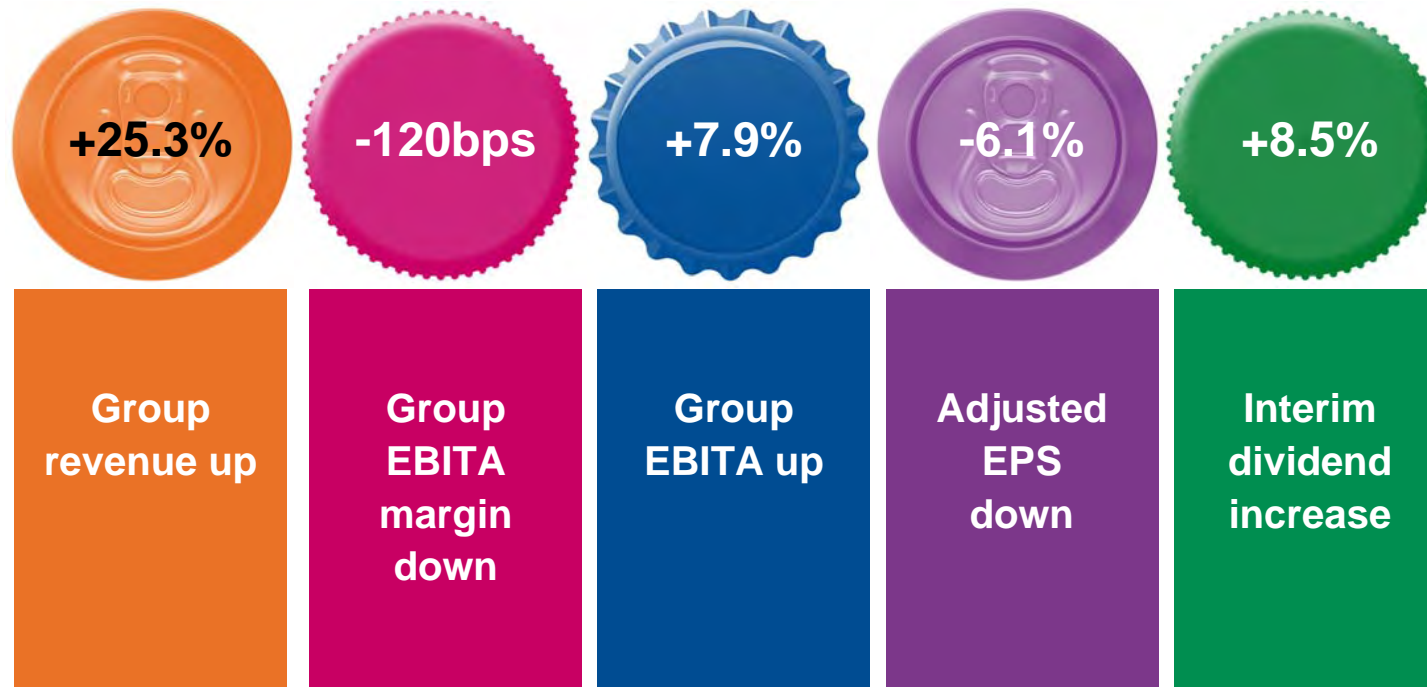
John Gibney

Britvic and the market review

Paul Moody



Group performance in H1



EBITA is defined as operating profit before exceptional and other items and amortisation. In a change to our previous policy only amortisation attributable to intangibles on acquisition is added back, in the period this is £1.4m (2010: £1.0m). Adjusted earnings per share adds back the amortisation attributable to intangibles on acquisition



Group financial headlines

	H111 £'m	H110 £'m	% Change	% Change constant currency
Group Revenue	633.1	505.3	25.3	26.1
Group EBITA	45.0	41.7	7.9	7.9
Group EBITA Margin	7.1%	8.3%	(120)bps	(120)bps
Group Profit After Tax	20.8	20.5	1.5	2.0
Underlying Free Cashflow	(64.2)	(50.0)	(28.4)	-
Group Adjusted Net Debt	(556.0)	(442.4)	(25.7)	-
Adjusted Earnings Per Share	9.3p	9.9p	(6.1)	(6.1)
Interim Dividend Per Share	5.1p	4.7p	8.5	-

FCF impacted by inclusion
of France and timing
of tax payments

Underlying
revenue growth

Note: All numbers are pre-exceptional and other items unless otherwise stated
Group adjusted net debt is defined as net debt, adding back the impact of derivatives hedging the balance sheet debt



GB stills

	H111 £'m	H110 £'m	% Change
Volume (m. litres)	238.4	254.0	(6.1)
ARP per litre (pence)	73.4	70.1	4.7
Revenue	175.1	178.0	(1.6)
Brand contribution	73.4	77.8	(5.7)
Brand contribution margin	41.9%	43.7%	(180)bps

**GB ARP diluted
by stills performance**

**32% of group
brand contribution**

Note: All numbers are pre-exceptional and other items unless stated otherwise



GB carbonates

	H111 £'m	H110 £'m	% Change
Volume (m. litres)	561.1	536.0	4.7
ARP per litre (pence)	43.8	42.3	3.5
Revenue	245.7	226.8	8.3
Brand contribution	93.3	86.6	7.7
Brand contribution margin	38.0%	38.2%	(20)bps

Volume and pricing growth

41% of group brand contribution

Note: All numbers are pre-exceptional and other items unless stated otherwise



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International

	H111 £'m	H110 £'m	% Change
Volume (m. litres)	16.6	14.7	12.9
ARP per litre (pence)	78.3	73.5	6.5
Revenue	13.0	10.8	20.4
Brand contribution	4.8	4.1	17.1
Brand contribution margin	36.9%	38.0%	(110)bps

Franchise and export driving the growth

Impressive track record continues to build

Note: All numbers are pre-exceptional and other items unless stated otherwise



Ireland

	H111 £'m	H110 £'m	% Change	% Change constant currency
Volume (m. litres)	106.0	114.0	(7.0)	(7.0)
ARP per litre (pence)	58.5	58.3	0.3	3.9
Revenue	81.9	89.7	(8.7)	(5.3)
Brand contribution	28.4	35.5	(20.0)	(17.2)
Brand contribution margin	34.7%	39.6%	(490)bps	(500)bps

Channel mix
impacting performance

Significant
price increase
achieved in Q2

Note: All numbers are pre-exceptional and other items unless stated otherwise. Volume and ARP exclude 3rd party volumes



France

	H111 £'m	H110 £'m	% Change
Volume (m. litres)	149.1	-	-
ARP per litre (pence)	78.7	-	-
Revenue	117.4	-	-
Brand contribution	27.6	-	-
Brand contribution margin	23.5%	-	-

Low double-digit
proforma
revenue growth

High raw material
inflation impacting
margin



Note: All numbers are pre-exceptional and other items unless stated otherwise



A&P and fixed costs

	H111 £'m	H110 £'m	% Change
Total A&P spend	(35.4)	(29.6)	(19.6)
A&P as a % of revenue	5.8%	6.1%	30bps
Non-brand A&P	(4.4)	(4.8)	8.3
Fixed supply chain	(61.1)	(48.9)	(24.9)
Selling costs	(64.8)	(57.1)	(13.5)
Overheads & other	(53.6)	(52.5)	(2.1)
TOTAL FIXED COSTS	(183.9)	(163.3)	(12.6)

First-time impact
of France

Underlying cost
base down

Note: All numbers are pre-exceptional and other items unless stated otherwise
A&P % excludes third-party revenue



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EBIT to earnings

	H111 £'m	H110 £'m	% Change
EBIT	43.6	40.7	7.1
Interest	(15.9)	(12.9)	(23.3)
Profit before tax	27.7	27.8	(0.4)
Tax	(6.9)	(7.3)	5.5
Effective tax rate	24.9%	26.3%	140bps
Profit after tax	20.8	20.5	1.5

Interest increase due to funding of France acquisition

Effective tax rate down due to fall in GB CTR

Note: All numbers are pre-exceptional and other items unless stated otherwise



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Cashflow

	H111 £'m	H110 £'m	% Change
EBIT	43.6	40.7	7.1
Depreciation & amortisation	24.8	21.3	(16.4)
EBITDA	68.4	62.0	10.3
Working capital	(71.4)	(58.2)	(22.7)
Capital expenditure	(23.9)	(24.7)	3.2
Pension contributions	(11.7)	(11.6)	(0.9)
Other	(25.6)	(17.5)	(46.3)
Underlying free cashflow	(64.2)	(50.0)	(28.4)
Dividends	(28.3)	(23.6)	(19.9)
Adjusted net debt	(556.0)	(442.4)	(25.7)

Note: All numbers are pre-exceptional and other items
Adjusted net debt is defined as net debt, adding back the net benefit of debt hedging instruments that pass through reserves



Exceptional and other items

£'m

Britvic Ireland restructuring costs	7.5
Group data centre outsourcing	3.0
Vending operation outsourcing	6.5
Refinancing fees write-off	1.5
Fair value movement of financial instruments	2.9
Net pension curtailment gain	(13.8)
Net exceptional and other items	7.6

Cash element
£18.1m

Non-cash element
(£10.5)m



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Underlying guidance - 2011

Revenue

- Innovation adds 1-2% to the top line
- ARP growth driven by headline pricing, mix and promotional efficiency
- Impact of franchising immaterial to group in FY11

Costs

- GB & Ireland input-cost inflation 9-11%, France low double-digit
- Group structure investment of £2m
- Effective tax rate 26% to 26.5%
- PVO savings of:
 - £2m in 2011
 - £8m in 2012
 - £2m pa 2013+

Capex

- GB £50-55m (£60-£65m in 2012)
- Ireland €8m
- France €5m plus incremental:
 - 2011 €8m
 - 2012 €25m
 - 2013 €2m



H1 summary

Strong underlying performance

Pricing growth in all markets

EBITA up despite input cost inflation

Dividend growth of 8.5%



Paul Moody

Chief Executive



A strategy for organic growth



GB

- Market volume growth
- Innovation growing the topline
- Driving on-the-go distribution
- Improving ARP through revenue management



France

- Delivery of the €17M synergies by 2013
- Innovation growing the topline
- Exploiting group brands and capability
- Launching into new sub-categories

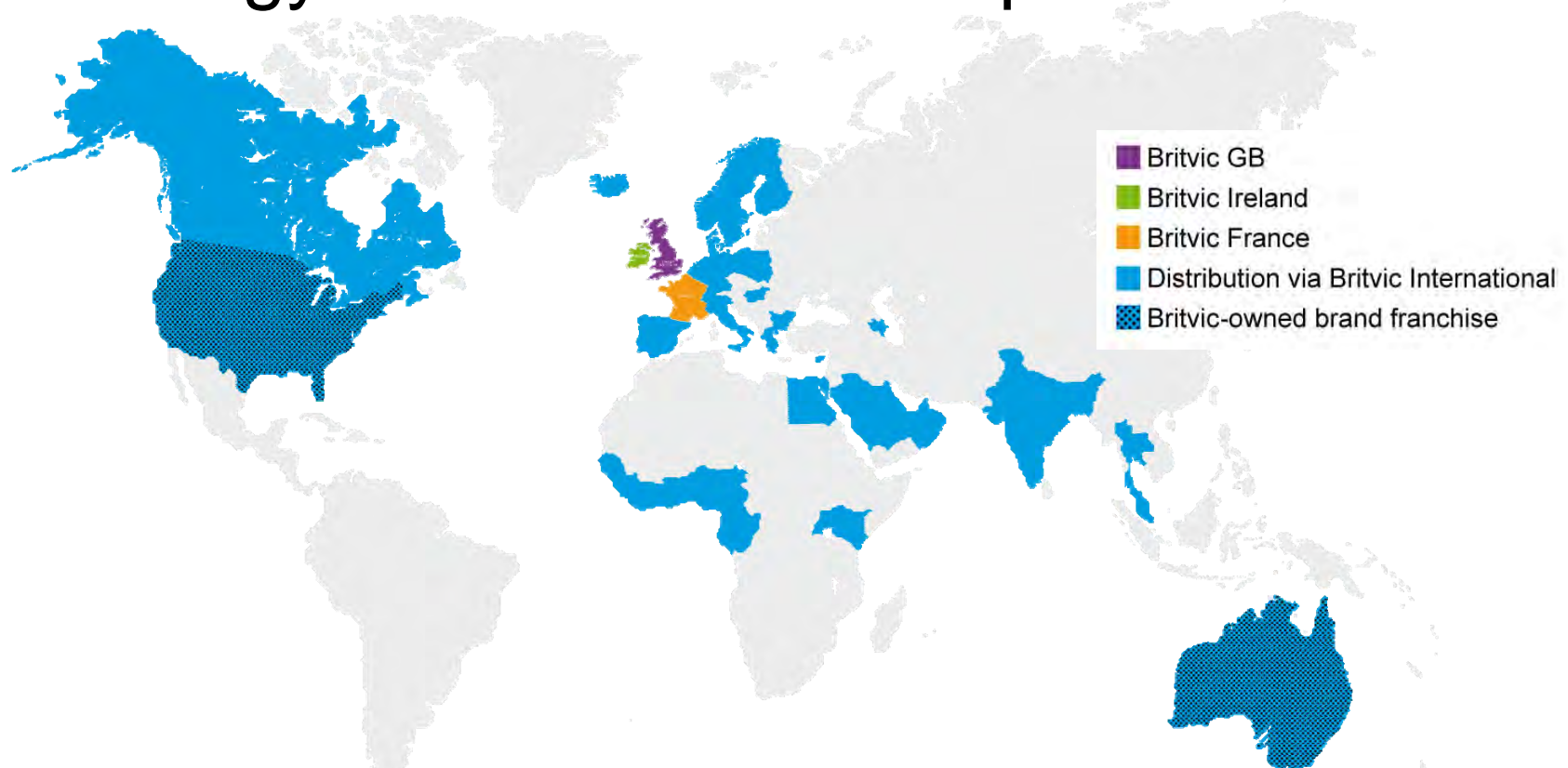


Ireland

- Leveraging the new customer engagement model
- Innovation growing the topline
- Driving on-the-go distribution
- Improving ARP through revenue management



A strategy for international expansion



International

- Building the European footprint through the acquisition of assets
- Franchising the Britvic-owned brands
- Continued collaboration with PepsiCo

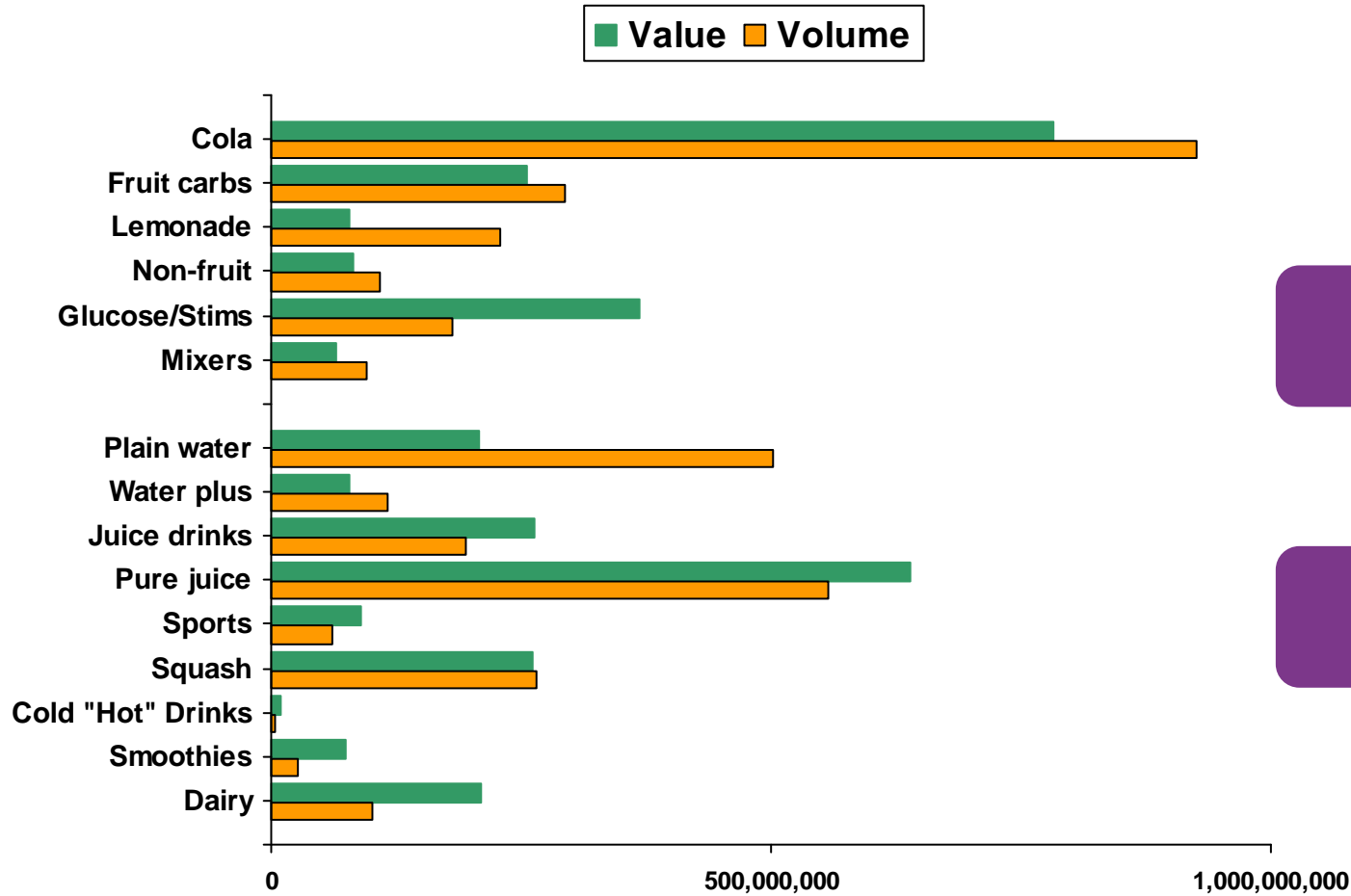


2011 GB soft drinks market



Carbs

Stills



Carbonates
Volume +5.9%
Value +11.0%

Stills
Volume +0.8%
Value +5.1%

Volume growth 3.3%

Value growth 7.8%

Source: Nielsen scantrack April



GB highlights

Carbonates
drives growth,
Britvic value share
gain
of **60bps**

Cola category
value up by 10%,
Pepsi grows share
by **40bps**

On-the go
strategy continues
to gain momentum.
Value share of
impulse
up **60bps**

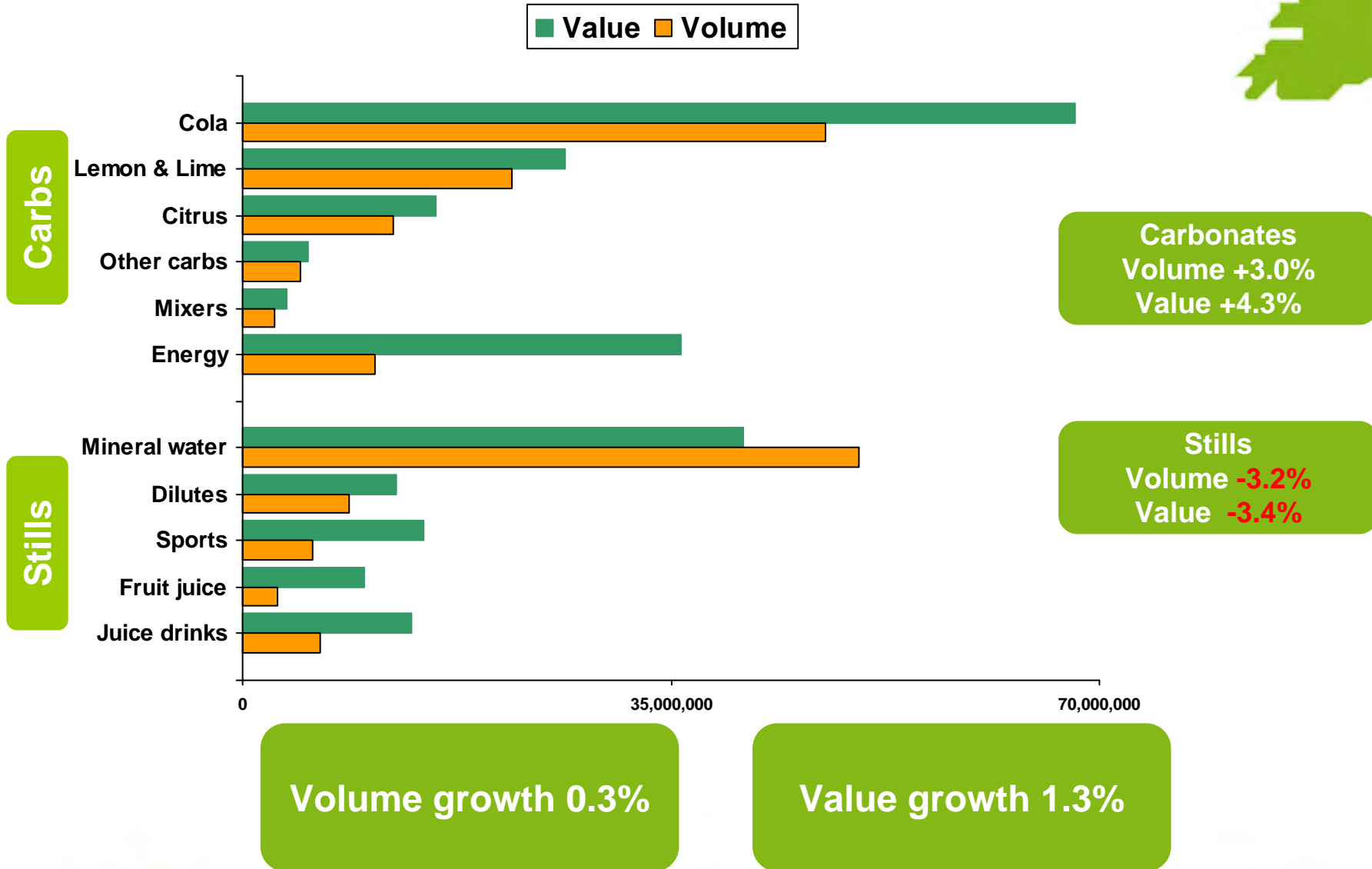
Stills volume flat,
value
in growth

Stills category
growth driven
by **water** and
pure juice.

Robinsons value
growth **+3.3%**
outperforms key
competitor private
label



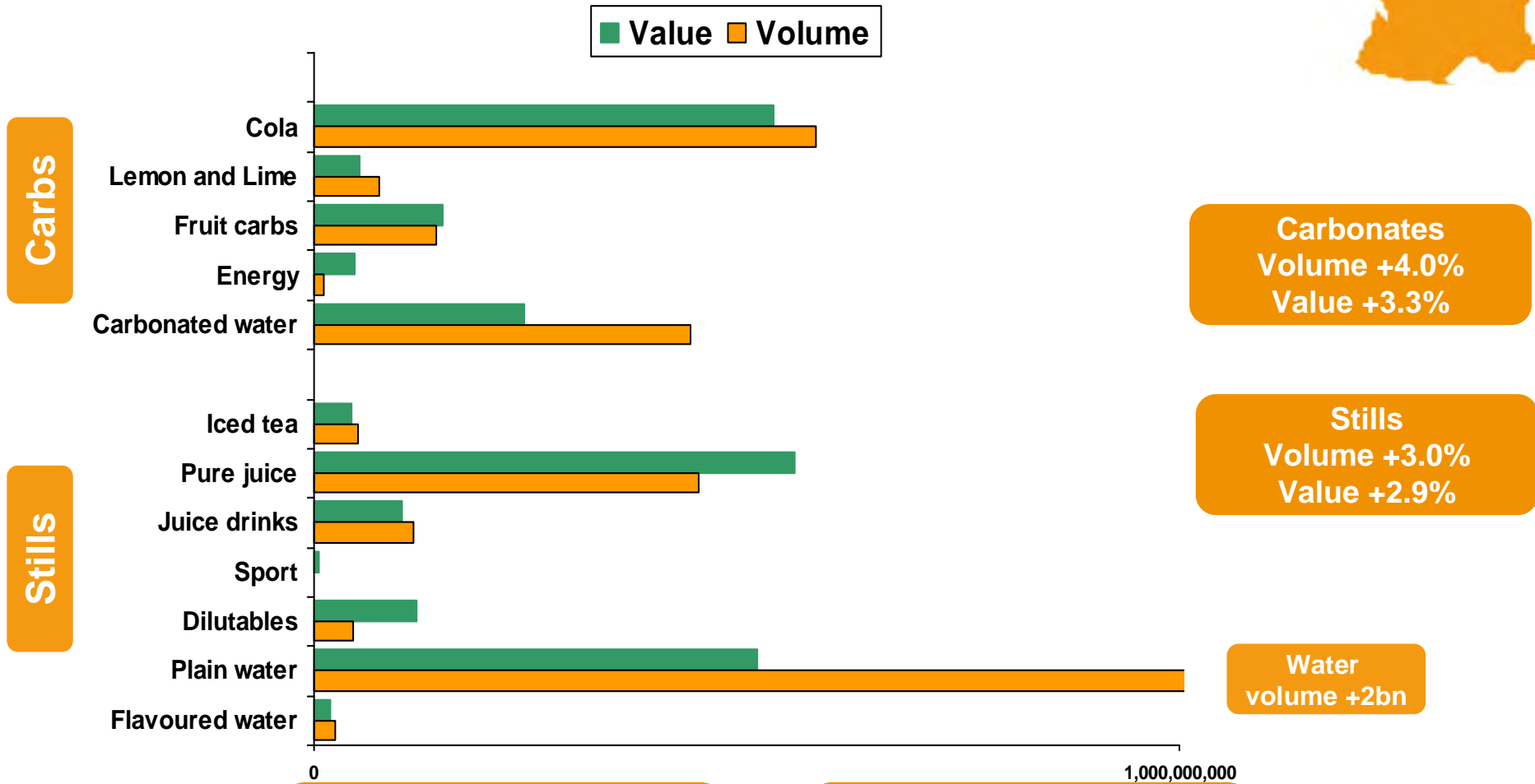
2011 Ireland soft drinks market



Source: Nielsen ROI scantrack March



2011 French soft drinks market



Carbonates
Volume +4.0%
Value +3.3%

Stills
Volume +3.0%
Value +2.9%

Water
volume +2bn

Volume and value growth over 3%

Syrup & juice key for Britvic

Source: IRI Census April 2011



The 2011 group innovation programme



New brands in all markets

First innovation in Ireland since acquisition in 2007



Group marketing plans for 2011



Fruit Shoot franchise highlights



United States of America



- Available in nearly **3000 outlets** in the C&G channel
- Distribution in excess of **60%**
- Volume growth of **40%**
- Introduction of no added sugar is a unique offering for the US consumer



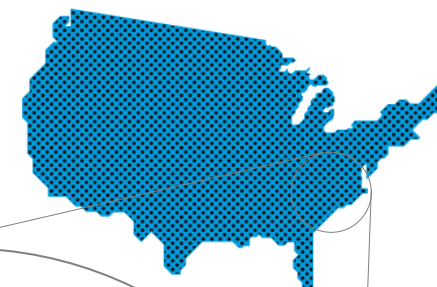
Australia



- Available in **4500** grocery outlets
 - All the major retailers on-board
 - Distribution in excess of **90%**
- Over **1000** petrol and convenience channel outlets
- Major marketing campaign being developed



Fruit Shoot extends its US footprint



- Pepsi Bottling Ventures (PBV) is the largest independent bottler in North America
- Agreement covers North and South Carolina - population 13.8m
- Available in 1700+ outlets in 4 months



Summary

Soft drinks growing value over volume

Strong group-wide innovation

Further evidence of franchise potential

A robust balance of year plan



Channels to market in GB

Grocery

- Retail value **£5.2bn**
- Britvic share **12.8%**
- **Number 2** supplier



Pubs & clubs

- Retail value **£2.8bn**
- Britvic share **40.9%**
- **Number 1** supplier



Impulse

- Retail value **£1.6bn**
- Britvic share **9.8%**
- **Number 3** supplier



Food service

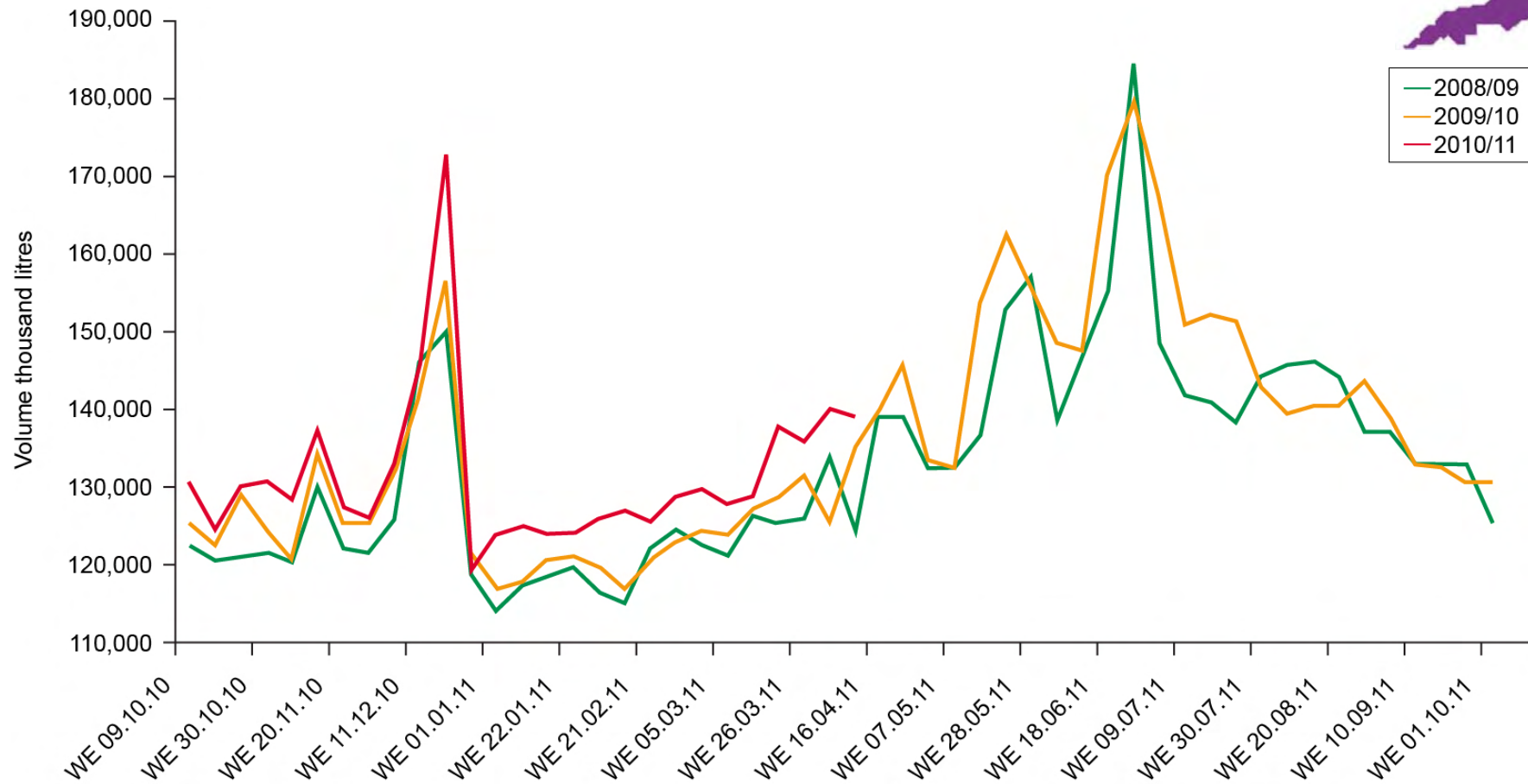
- Retail value **£2.3bn**
- Britvic share **10.3%**
- **Number 3** supplier



(1) Nielsen Scantrack data to April 2011 Total Coverage MAT(2) CGA Pubs & Clubs data to February 2011 MAT * Source: Crest data and represents total foodservice market value (food and drink) and Britvic management estimate of soft drinks value, Britvic internal data for foodservice share estimate



GB soft drinks market volume

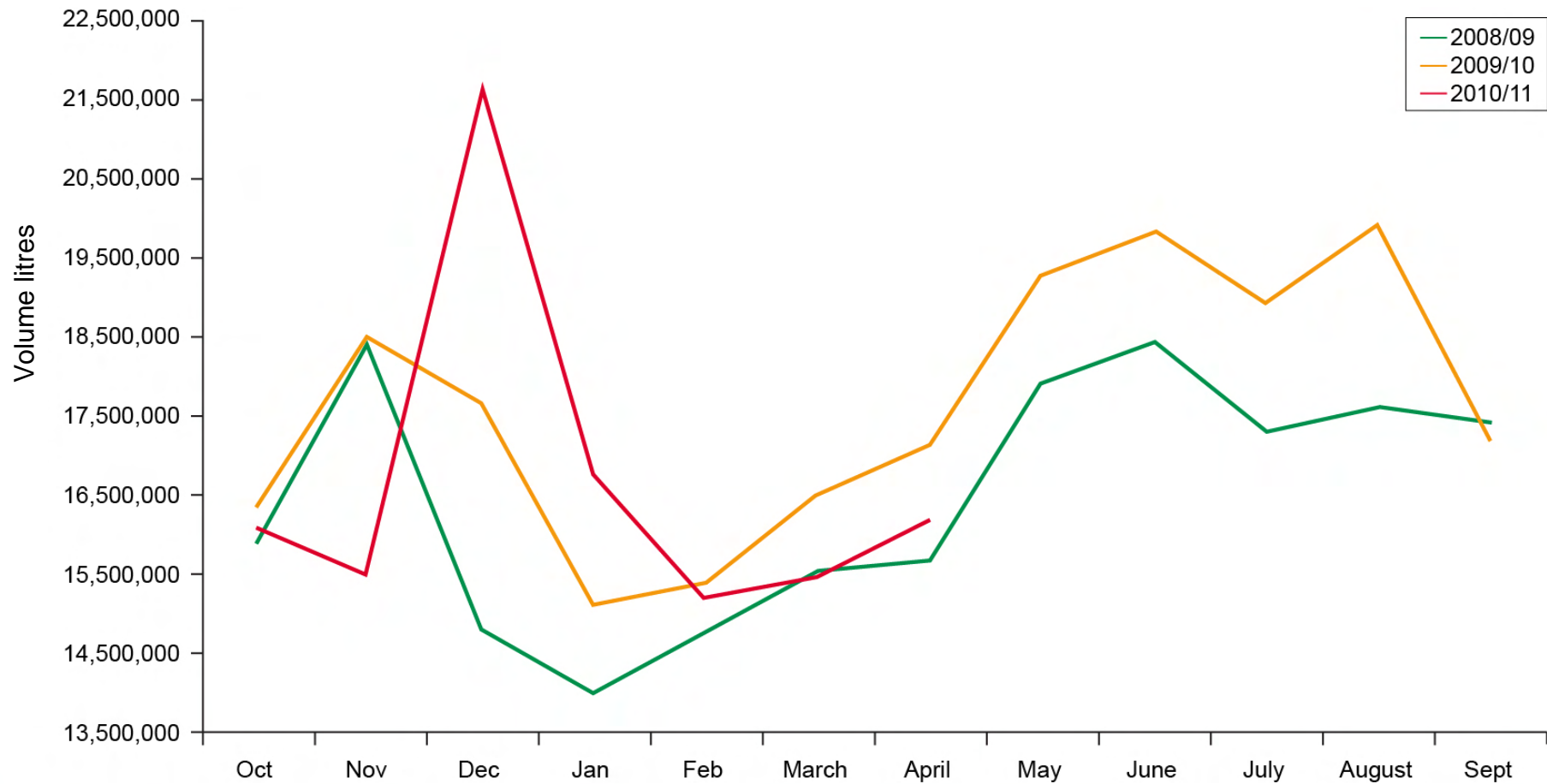


Source: Nielsen Scantrack April 2011: Take Home



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2011 Ireland soft drinks market volume



Source: Nielsen ROIScantrack March 2011: Mults/Impulse/4cts



2011 French soft drinks market volume

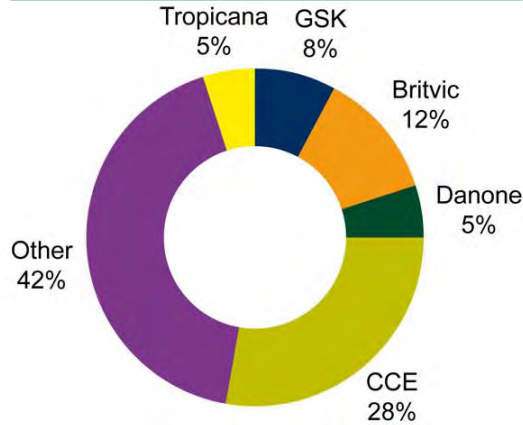


Source: IRI Census data (Total Suppliers – THG) MAT March 2011

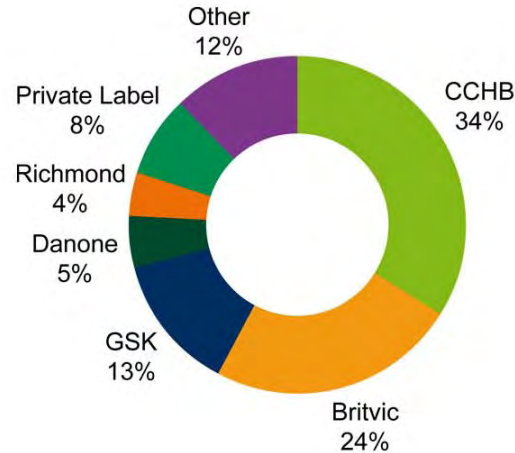


Strengthening market positions

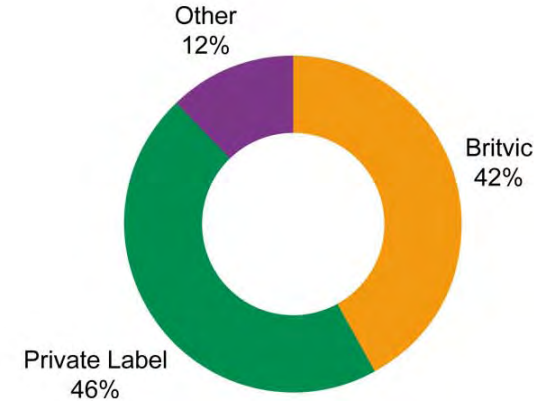
GB Take-Home (£6.8bn)



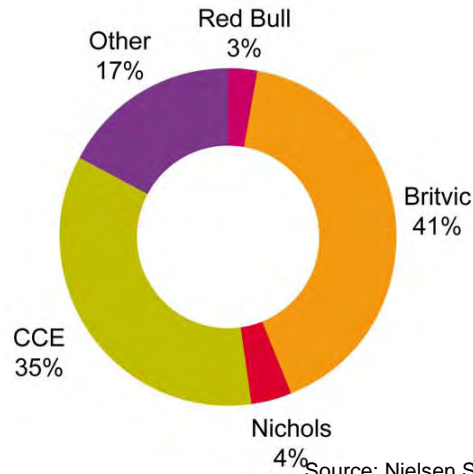
Ireland Take-Home (€0.5bn)



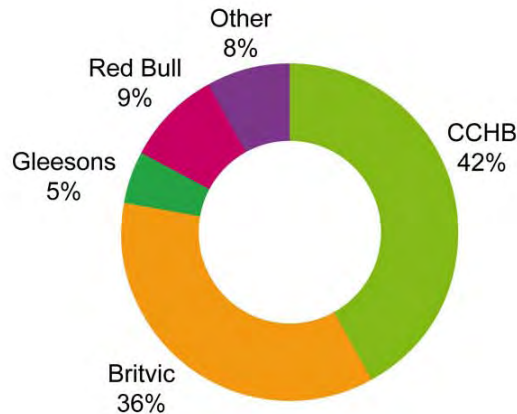
France Syrups (€247mn)



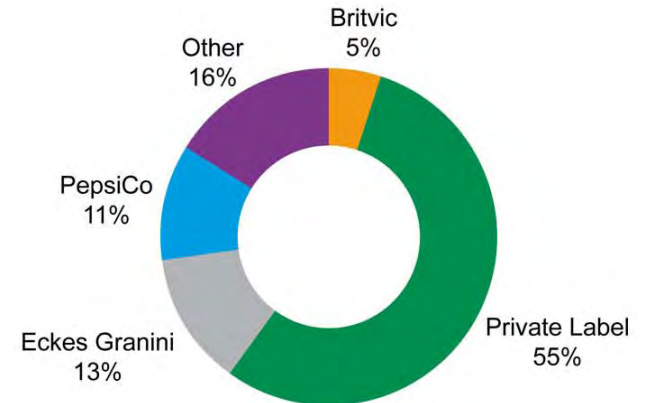
GB Pubs & Clubs (£2.8bn)



Ireland Licensed (€0.3bn)



France Juice (€1.2bn)



Source: Nielsen Scantrack data (Total Coverage MAT) to 16 April 2011 & CGA Pubs & Clubs data to February 2011

Source: Nielsen ROI Scantrack MAT to 20 March 2011

Source: IRI Census data (Total Suppliers – THG) MAT to 10 April 2011

