drivers of growth

Investor & Analyst Seminar

2010

Paul Moody

Chief Executive

drivers of growth

Group EBIT Margin Guidance

GB/Int'l Revenue CAGR of 6%	Clear top-line future growth drivers
Britvic Ireland	Market recovery in the medium term
New Group EBIT margin guidance	Average of 50bp growth p.a. to 2013

drivers of growth

A Platform For Growth

Market volume growth: 2-3%

Significant distribution opportunities

A proven contribution from innovation

ARP up at least 1%

drivers of growth

Agenda

Paul Moody
Soft Drinks Report 2010 review

Martin Rose
Driving EBIT Margin

Simon Stewart
Category Leadership & 2010 Innovation

Murray Harris
Winning In Trade

Jonathan Gatward & Simon Stewart
Brand Activity 2010

Q & A

drivers of growth

Britvic Soft Drinks Report 2010

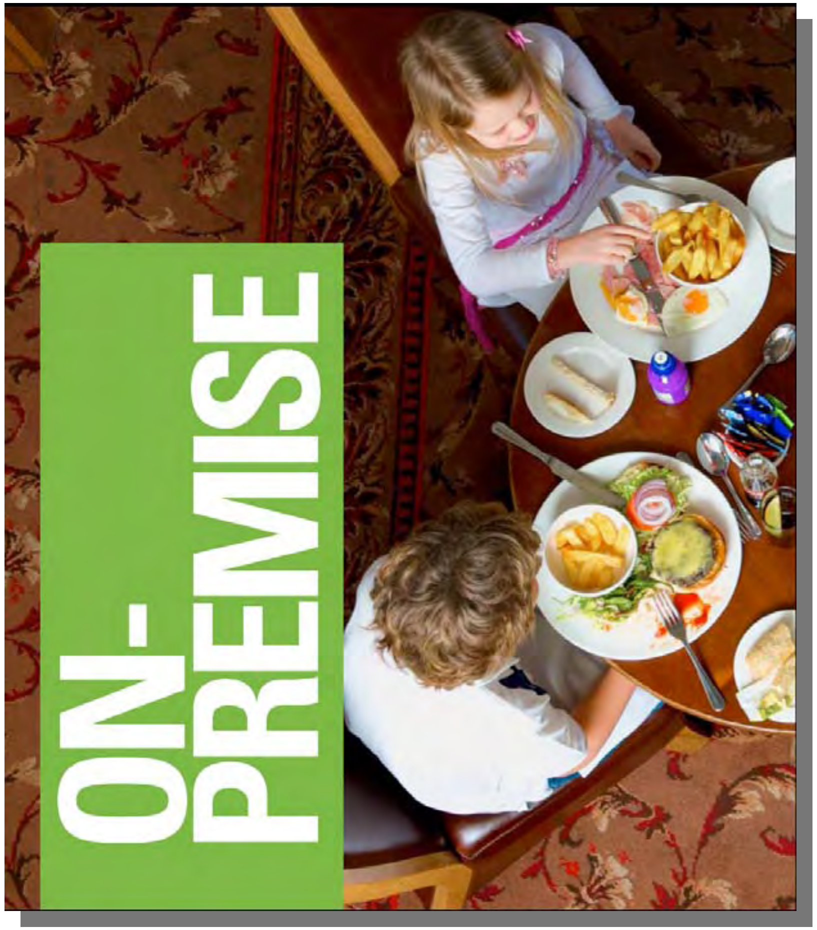
- Market value rose 2% to £8.5bn
- Take-home channel grew both volume and value growth
- On-premise returned to value growth

drivers of growth

Further Growth In Take Home

- Carbonates grew during 2009
  - Cola value was up 4%
  - Fruit flavoured carbonates grew by 4%, a turnaround from the decline of recent years
  - Lemonade and non-fruit also saw value growth
- Squash grew value by of 7%
  - Volume down due to move to “double-concentrate” by private-label. Like-for-like, volumes were up on 2008
- Pure juice continued to decline, with value down 4%

A Return To Growth In On-Premise



- On-premise saw value growth of 3%, with volumes down 1%
  - Carbonates, led by cola, were the driver of the value growth
  - Juice drinks saw value decline by 2% and volume by 4%
- Managed retail led the growth in licensed with value up 6%
- Horeca (Hotels, restaurants & cafes) declined by 3%
  - Fast food outlets grew value by 12%
  - Hotels down 10%

MARTIN ROSE

Driving EBIT Margin

drivers of growth

Agenda

Supporting *The Growth Agenda*

Delivering *Margin Improvement*

The Value *Of Our Group Supply Chain*

Our Focus *On Corporate Responsibility*

OPERATING LEVERAGE

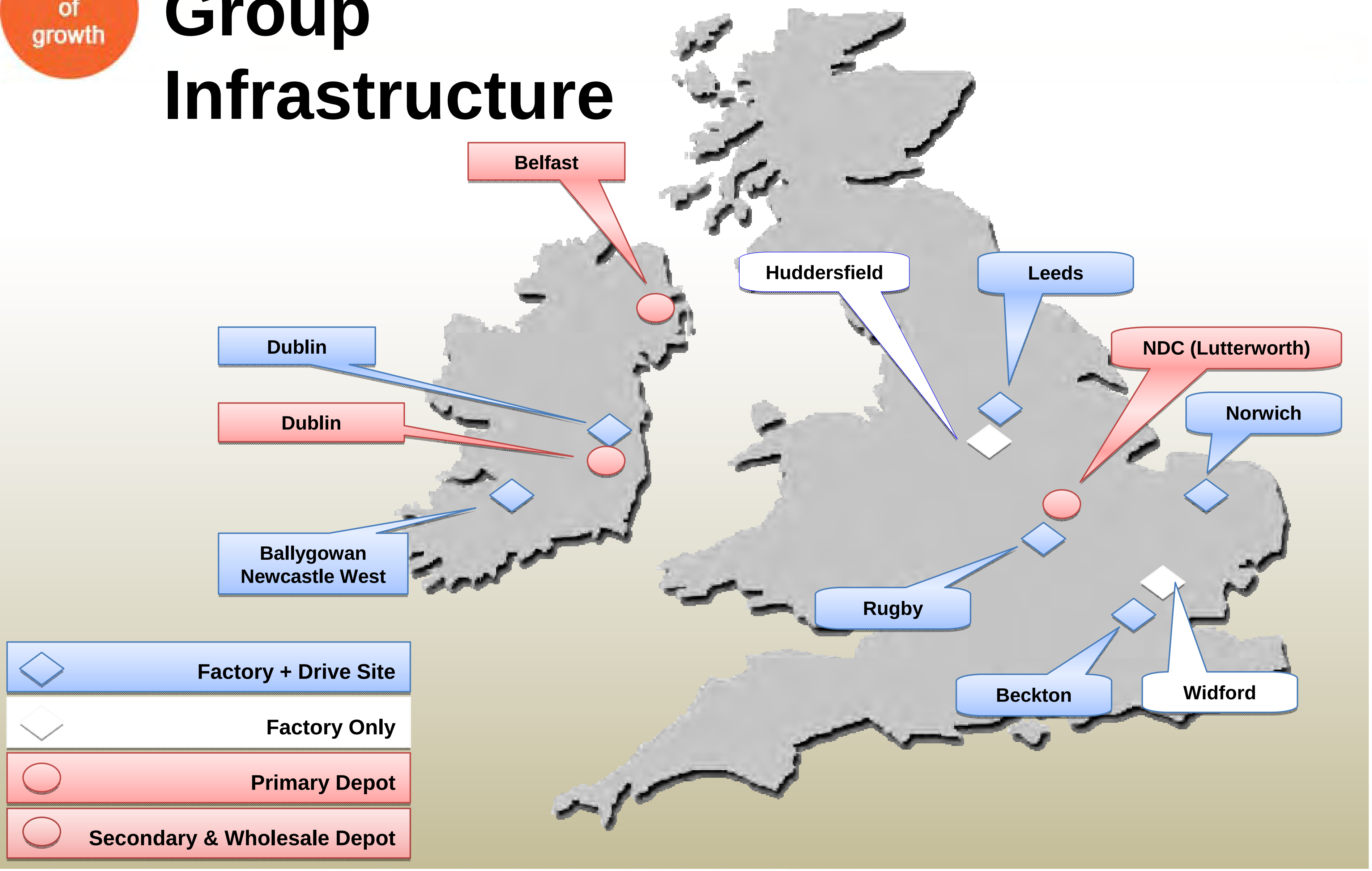
drivers of growth

Supply Chain Vision

GROWTH	Deliver outstanding products & services ***that delight our customers & consumers***
PRODUCTIVITY	Optimise the cost base in order to **drive the operating-profit margin**
ENABLING	Develop **great people** to deliver **great performance**

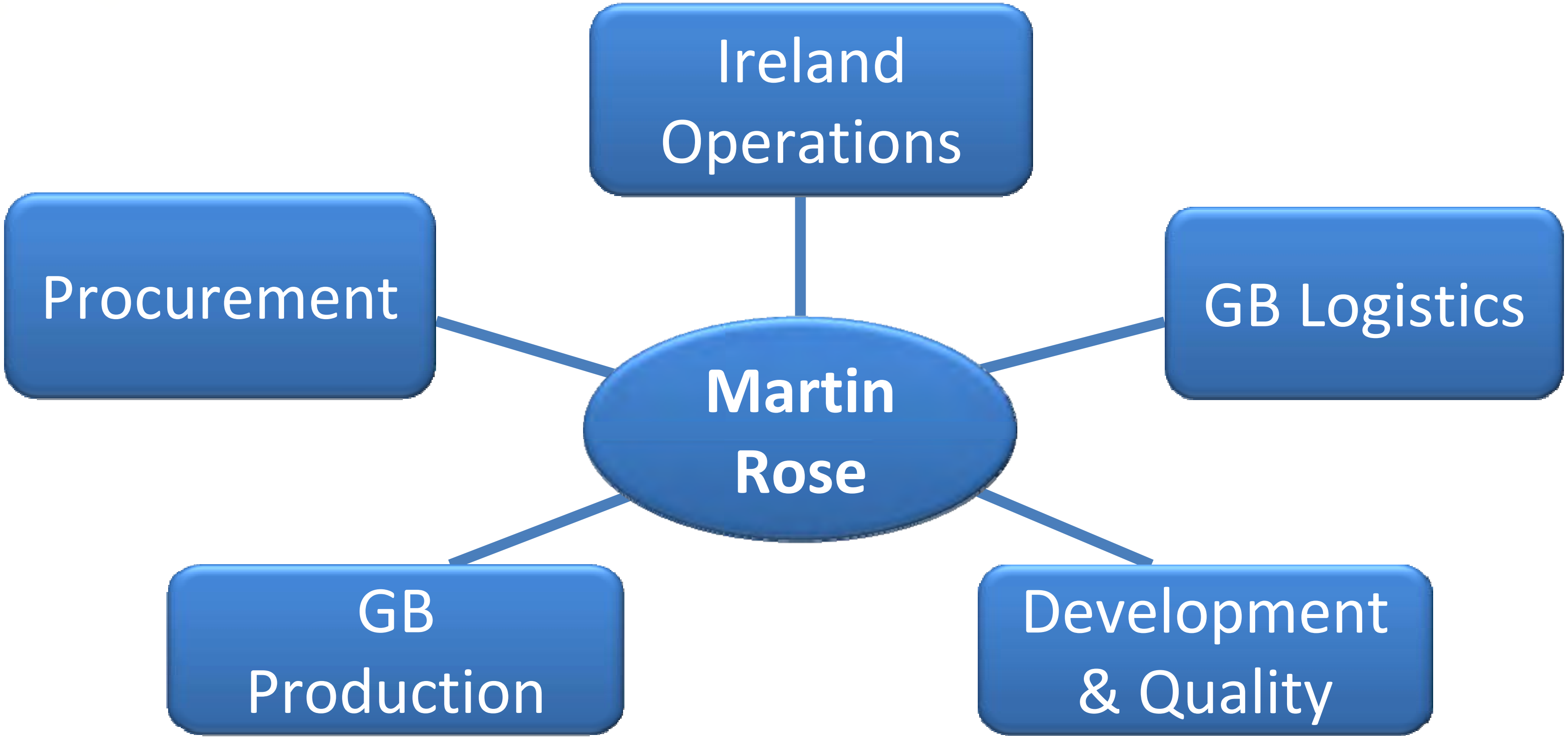
drivers of growth

Group Infrastructure



drivers of growth

Supply Chain Organisation



drivers of growth

Servicing Organic Success

GROWTH	Deliver outstanding products & services ***that delight our customers & consumers***
PRODUCTIVITY	Optimise the cost base in order to **drive the operating-profit margin**
ENABLING	Develop **great people** to deliver **great performance**

drivers of growth

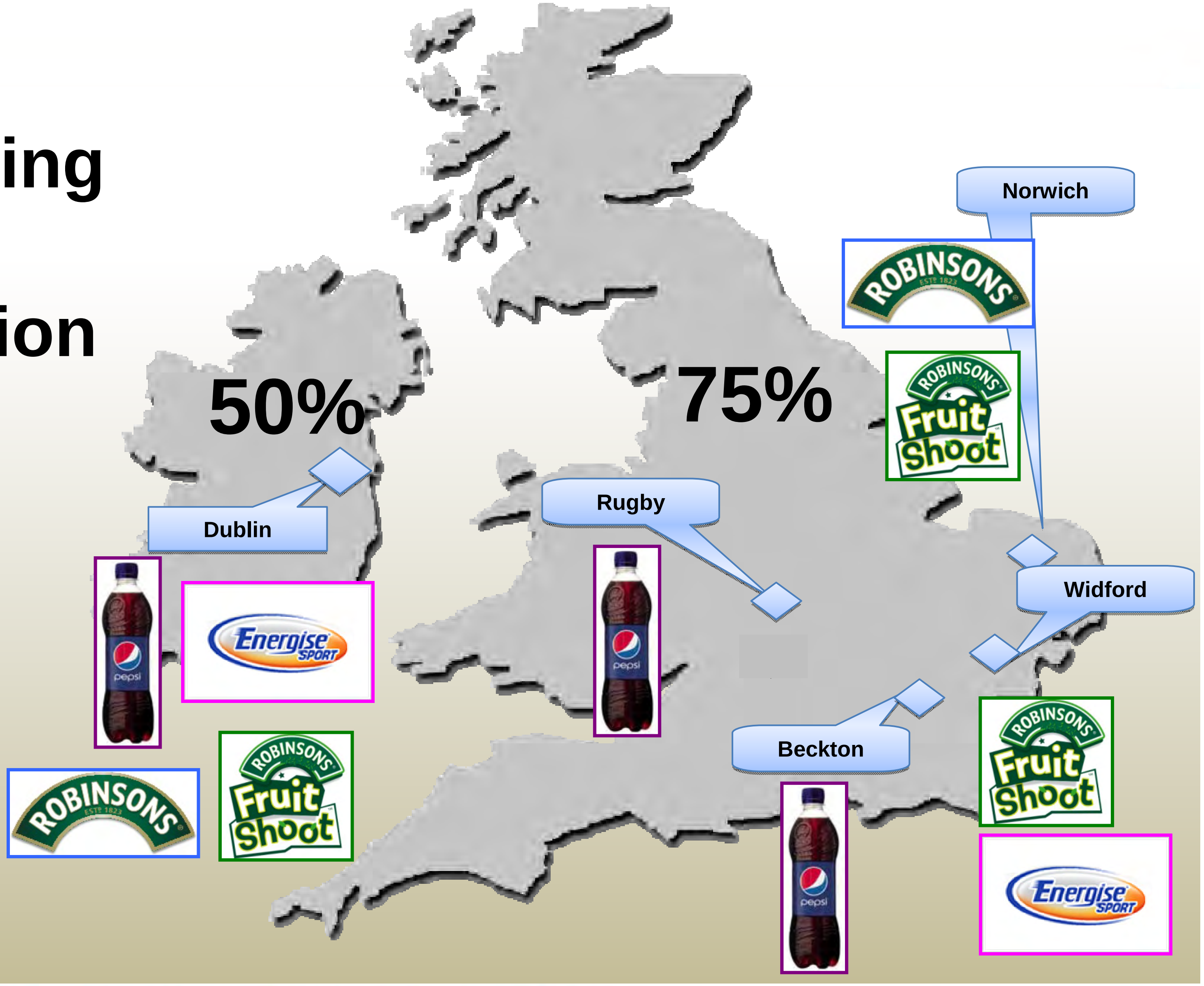
Simplicity and Efficiency

Delivering a significant number of activities this year in ***support of the growth agenda***

Ongoing product rationalisation to ***minimise complexity and maximise efficiency***

drivers of growth

Developing Flexible Production



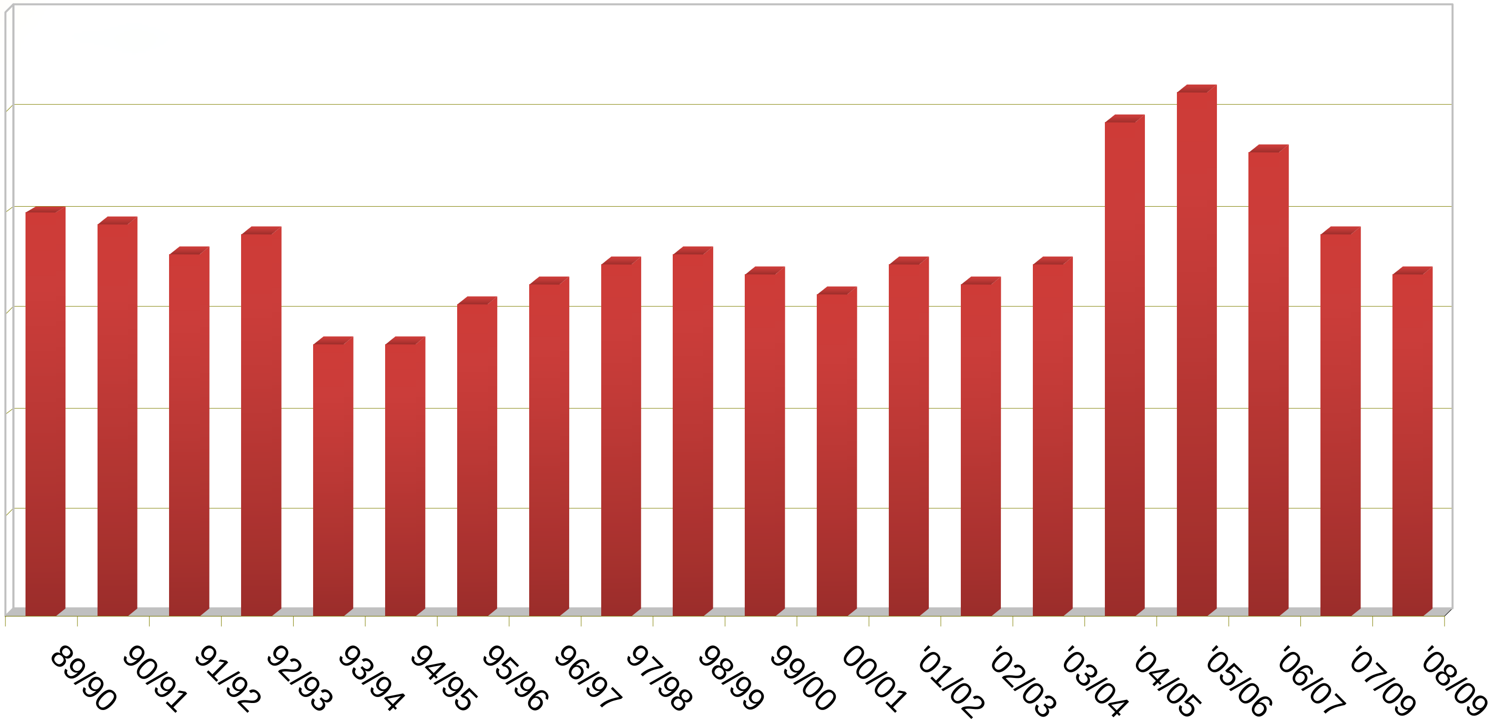
drivers of growth

Managing Costs Out

GROWTH	Deliver outstanding products & services that delight our customers & consumers
PRODUCTIVITY	Optimise the cost base in order to **drive the operating-profit margin**
ENABLING	Develop great people to deliver great performance

drivers of growth

Delivering Margin Improvement

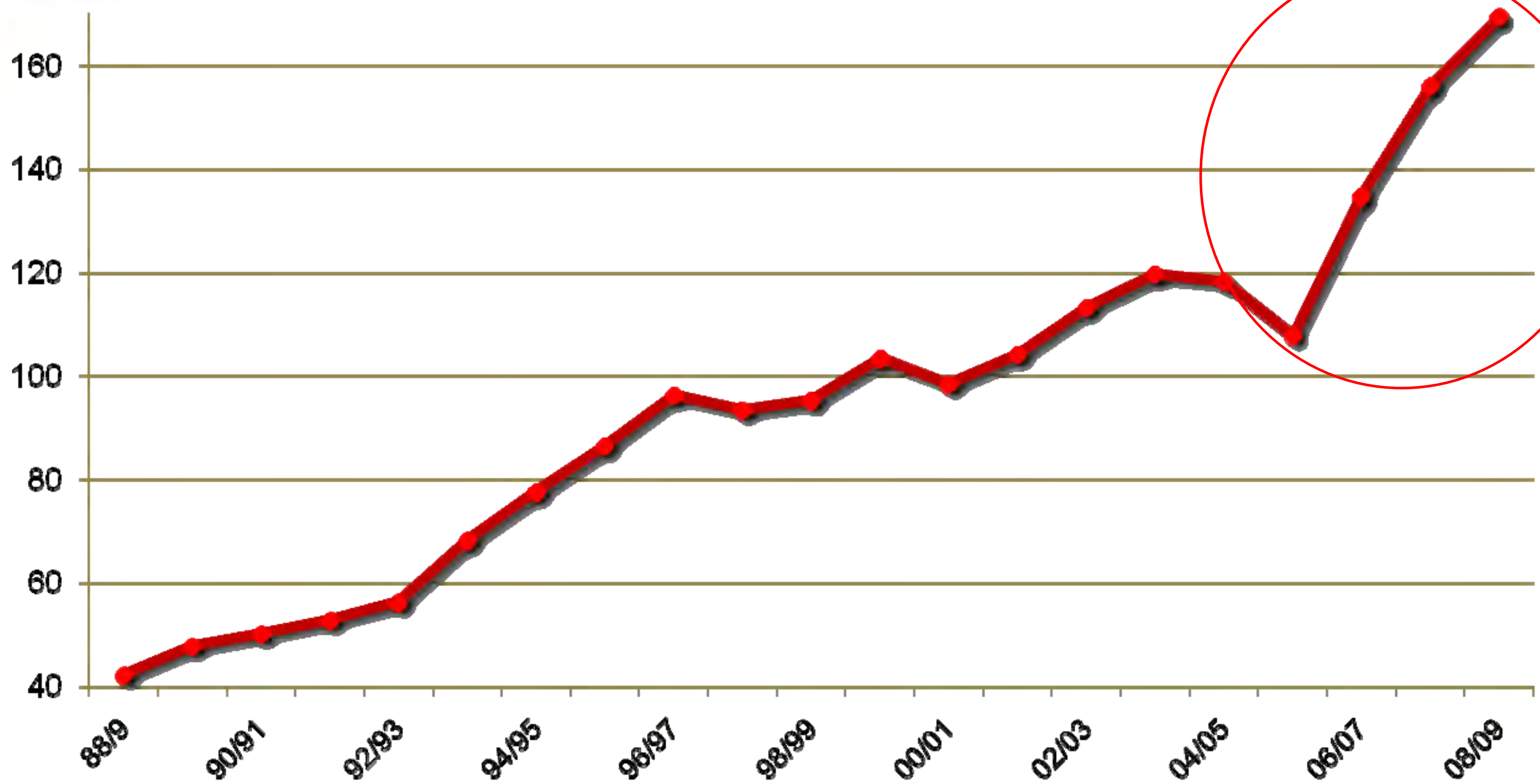


Relative unit cost per case

Ambition to deliver a **flat unit cost** over a 20 year period

drivers of growth

A Successful History Of Productivity Within GB



Productivity 000 cases per production employee

Supporting **the growth agenda** through operational leverage

drivers of growth

A Flexible Distribution Network

National Distribution Centre

- 2010 cost per case same as 2003
- 76 million cases handled per annum
- Capacity to handle c.100 million cases

Secondary Distribution

- Outsourced to KNDL in 2007
- KNDL network capacity significantly enhanced our distribution headroom

Wincanton

drivers of growth

Significant Cost-Saving Opportunities

Product Value Optimisation (PVO) initiatives achieved to date

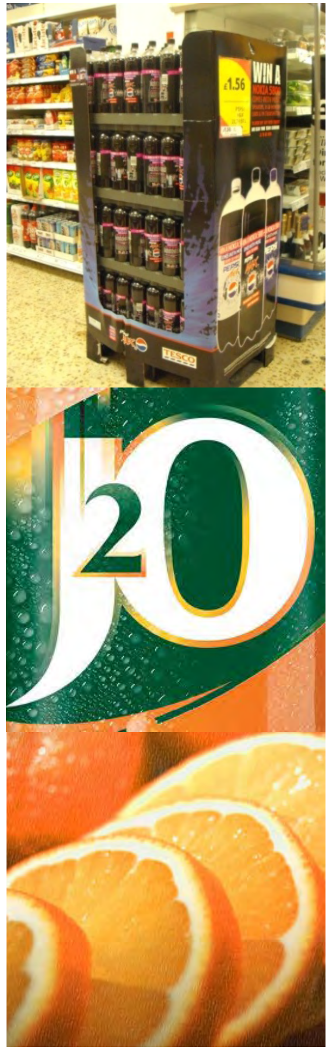
- In-house TRDU production @ Rugby
- Light weighting of J_2O glass bottle
- PET bottle blowing brought in-house

2010 PVO programme

- In-house TRDU production @ Norwich
- Juice formulation
- Sugar Dissolving

Group Procurement

- Centralisation & automation of procurement in Ireland via SAP
- E-trading platform introduced to maximise benefits



drivers of growth

Driving Value Throughout The Supply Chain

STANDARDISED GROUP POLICIES & PROCEDURES

SHARING OF BEST PRACTICE ACROSS THE GROUP

DRIVING CAPACITY UTILISATION

MAXIMISING EX-FACTORY DELIVERIES

Corporate Responsibility: Supply Chain

2002 - 2009

Water usage ratio	*20.8%*	↓
Energy usage ratio	*13.4%*	↓
Solid waste to landfill	*79.7%*	↓

b.safe

Z2L ZERO LANDFILL

wrap

Sedex

drivers of growth

In Summary

Supporting *the growth agenda*

Enhancing *the earnings momentum*

Reducing *complexity*

A World-Class Model *to replicate*

Simon Stewart

Category Leadership and 2010 Innovation

drivers of growth

Agenda

The Marketing *vision*

Growth *in the GB soft drinks market*

Using Insight *to drive category growth*

The 2010 *innovation programme*

DRIVING SHARE GROWTH

drivers of growth

Marketing Vision

Focus — *on core and seed brands*

Insight — *leading the understanding of consumer, shopper and retailer desires*

Innovation — *meeting the future needs of consumers*

Enable — *the organisation to execute flawlessly in market*

drivers of growth

Agenda

The Marketing *vision*

Growth In The *GB soft drinks market*

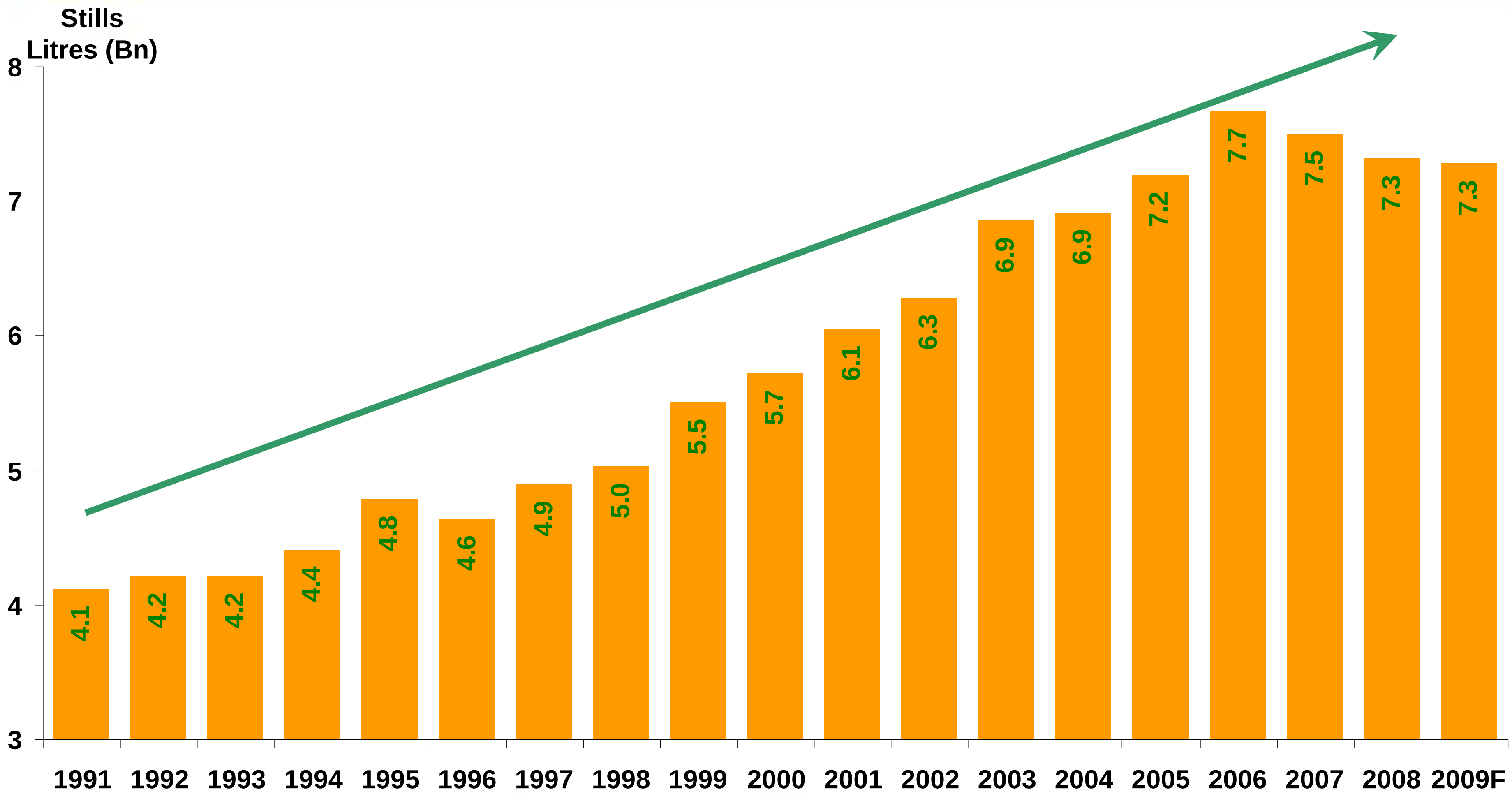
Using Insight *to drive category growth*

The 2010 *innovation programme*

DRIVING SHARE GROWTH

Stills Consumption Has Been The Main Driver Of Long-Term Market Growth

drivers of growth



Source: Canadean Annual Soft Drinks Report 2009 (Volume as Drunk)

drivers of growth

Continued Growth Of Soft Drinks

Expandable

Consumers will drink more if you meet their needs

Cohorting

Younger people consume more and take their habits with them

Population

The UK population is forecast to reach 71.6m (+10.2M) by 2033*

*Office for National Statistics March 2010

drivers of growth

Agenda

The Marketing *vision*

Growth In The GB *soft drinks market*

Using Insight *to drive category growth*

The 2010 *innovation programme*

DRIVING SHARE GROWTH

drivers of growth

Our Approach Is Centred On 5 Key Strategies

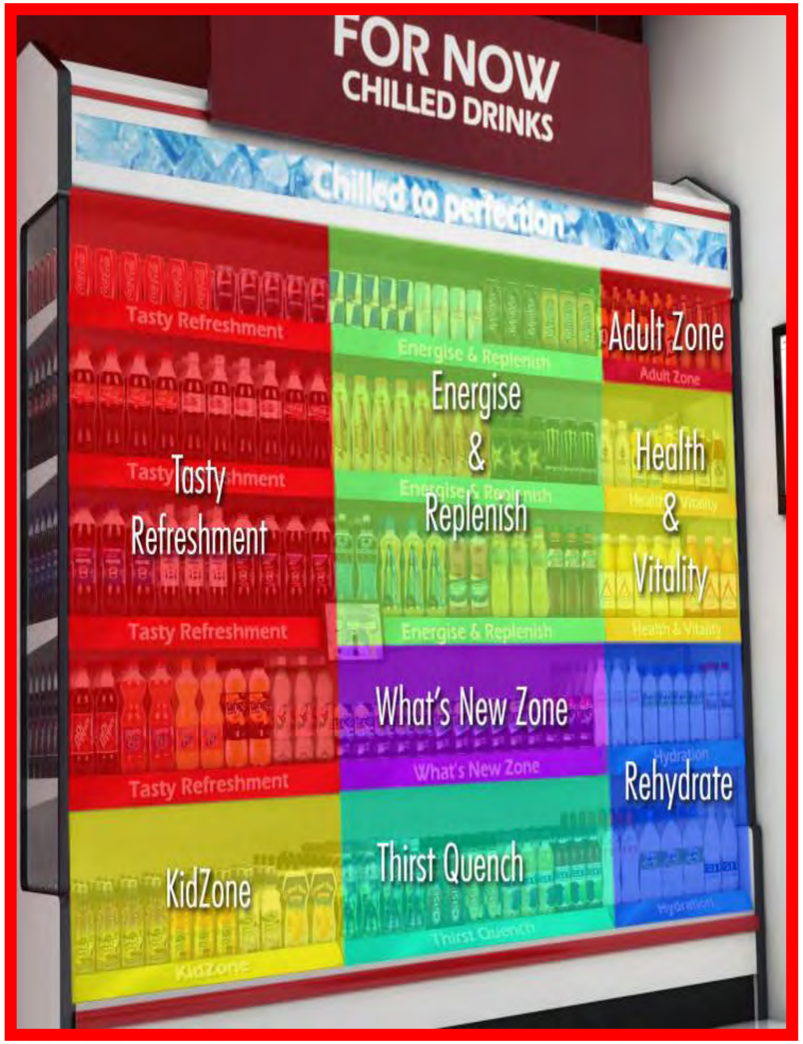
drivers of growth

Unavoidable Visibility

Why?	Benefit
Impulse purchases are triggered by "seeing" the products Consumers do not always see the main soft drinks chiller	An X% increase in penetration in your store is worth **£Xm**

drivers of growth

Improving Visibility

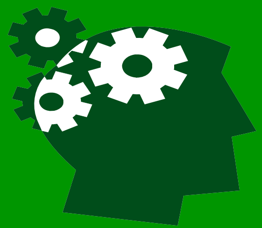


drivers of growth

Maximising The Spend

Maximise the Spend

Why	Benefit
Remind shoppers to buy everything they need…and more! 72% of shopper on a food to go mission don't pick up a soft drink	If every soft drinks shopper in your store spent another Xp a year→ **£Xm**



Maximising The Spend

Maximise the Spend

drivers of growth

Agenda

The Marketing *vision*

Growth In The GB *soft drinks market*

Using Insight *to drive category growth*

The 2010 *innovation programme*

DRIVING SHARE GROWTH

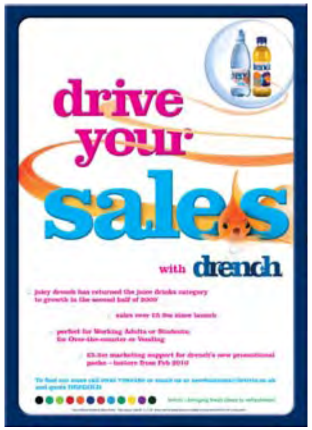
drivers of growth

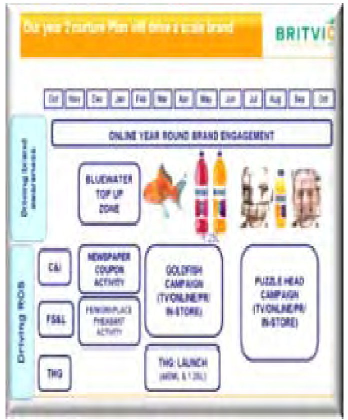
Our Winning Approach To Innovation

DEVELOPMENT
"Maximise chance of success"

LAUNCH EXECUTION
"unavoidable visibility"

NURTURE
"maintain focus"





drivers of growth

Energy Has Thrived Throughout The Consumer Downturn

Now the 3rd largest soft drinks category

Worth £569m

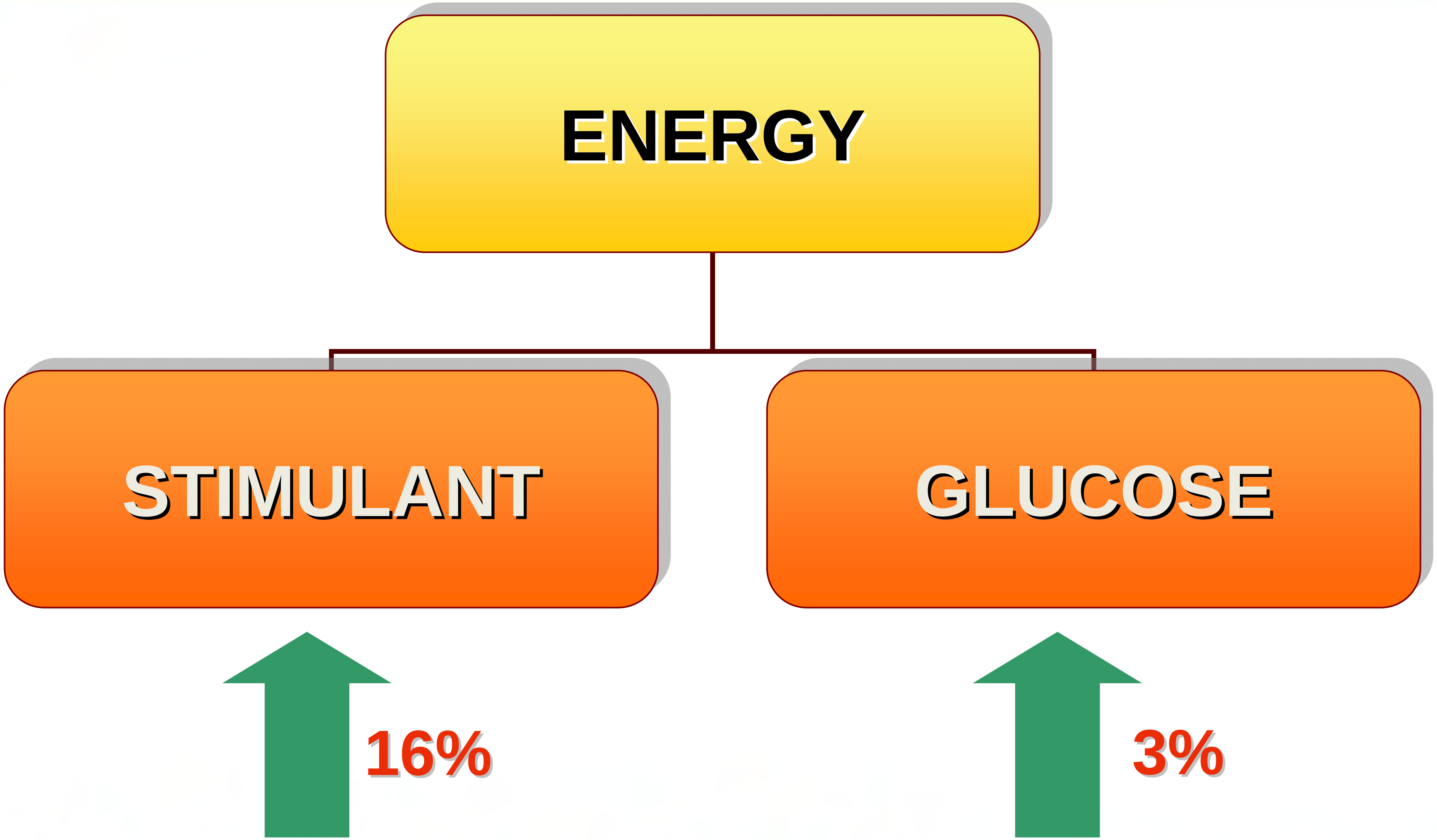
Fastest growing

+9.4%*

*Nielsen, value sales, total coverage: CAGR 06 to 09

drivers of growth

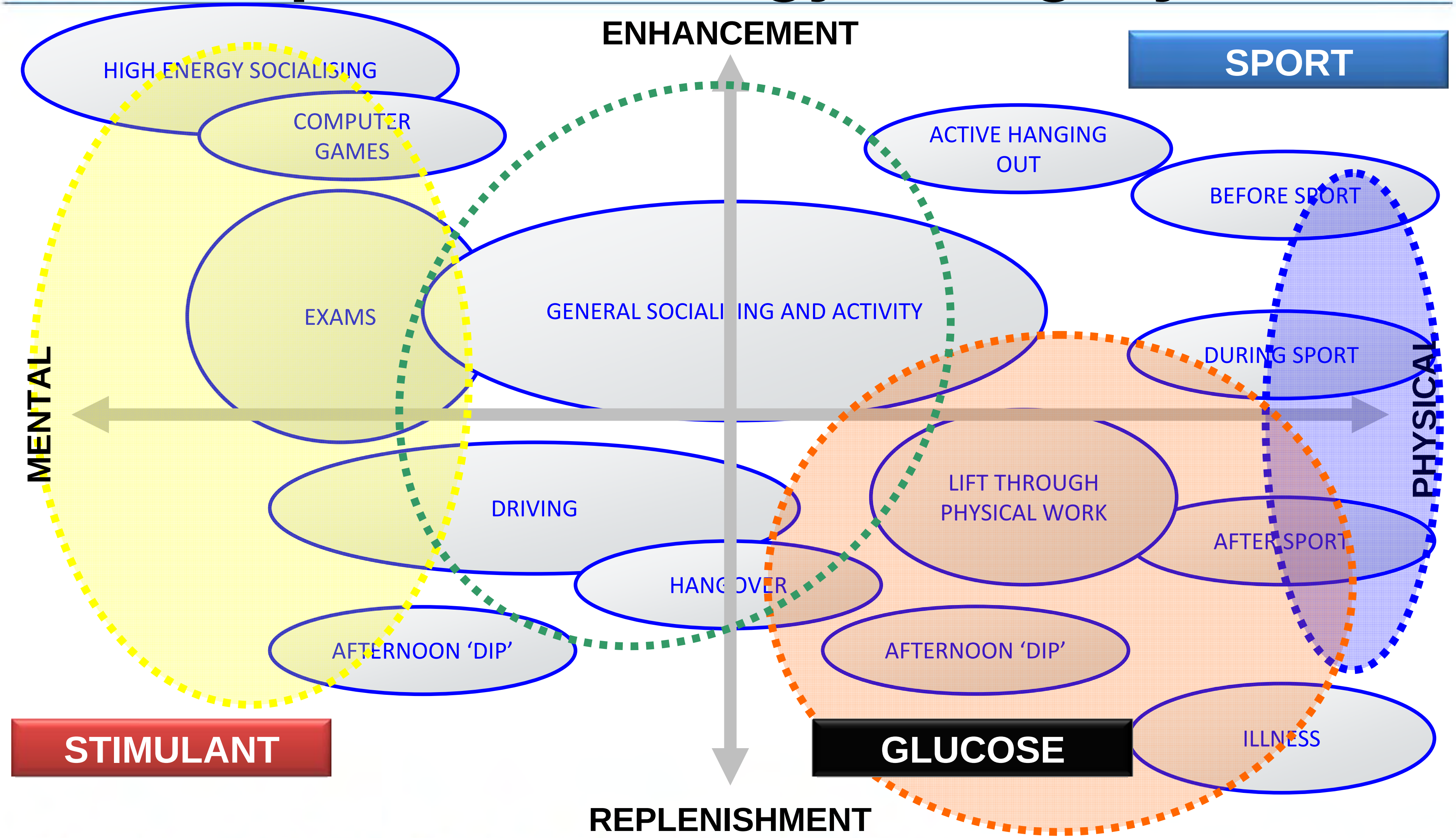
An Opportunity To Drive A USP



Nielsen Take-home: scantrack MAT to we 20.02.10

drivers of growth

Our Insight Has Identified A Major Gap In The Energy Category



drivers of growth

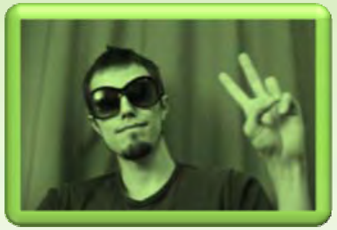
A Global Brand To Re-invigorate The Glucose Category

- Great Citrus Taste
- Enjoyment
- Easy to Drink
- Immediate Exhilarating Refreshment
- Sugar & Caffeine Boost
- Everyday Energy

- **Launching in May 2010**
- **Available in 500ml**

drivers of growth

- **1 bn Litre Global Brand**
- **YOUTH Heritage**
- **MAVERICK Attitude**
- **ENERGETIC Outlook**



drivers of growth

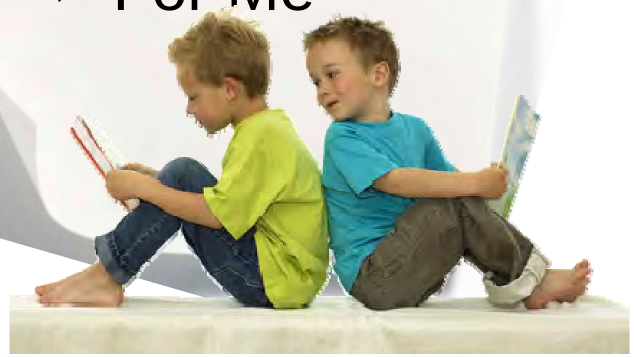
We Need To Meet Both Mums’ & Kids’ Needs

MUM’S CHECKLIST

- ✓Kids will drink!
- ✓Hydration
- ✓ 5 A Day
- ✓ No Added Sugar
- ✓ Avoid artificial
- ✓ No spills
- ✓Suits the occasion

KID’S CHECKLIST

- ✓ Thirsty
- ✓ Tastes great
- ✓ Fun
- ✓ For Me



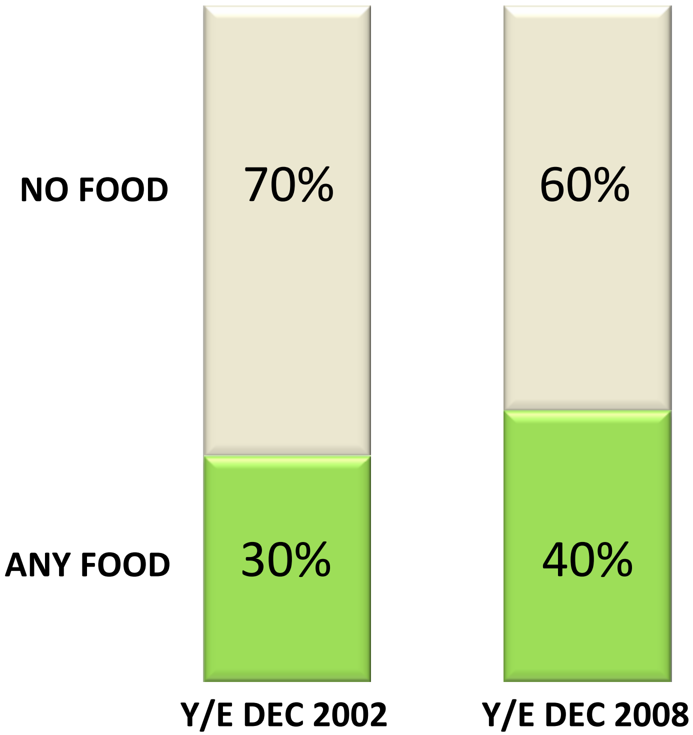
drivers of growth

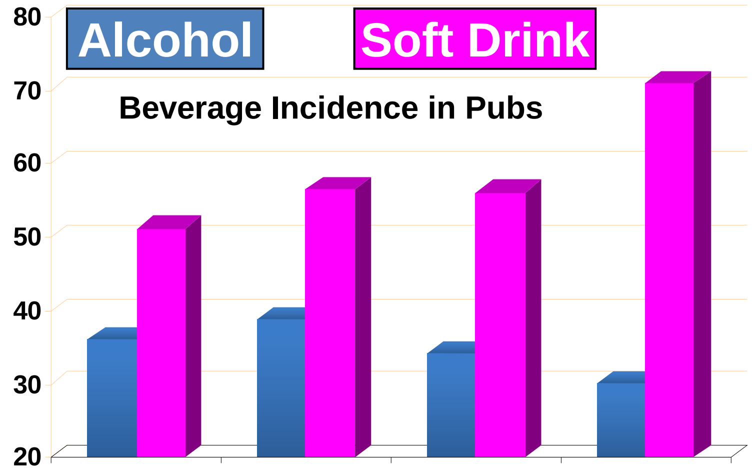
A Powerful Addition To The Fruit Shoot Range

drivers of growth

The Casual Dining Occasion is Growing In Licensed

Reason to visit the pub





e.g. over 50% of drinks sold with food led environments Harvester & Brewers Fayre are soft drinks**

Source: The NPD Group/CREST Q4 2008

Source:** Crest Drinks incidence in Pubs, Jul – Dec 2008 vs YA

drivers of growth

A New J_2O Range Expertly Crafted To Complement Food

drivers of growth

Understanding Tiers In Squash

SUPER PREMIUM	PREMIUM	EVERYDAY
COMPLEX FLAVOURS	MODERN FLAVOUR COMBINATIONS	SIMPLE FLAVOURS
Glass	Smaller PET bottle	Plastic bottle
Adult & minimalism	Less focused on the child in the family	Bright, family focused Fruit depiction
Smaller bottles	Ingredients rather then product shot	Big bottles
Fewer soft drink occasions	Everyday squash occasions	All soft drink occasions

drivers of growth

Further Innovation In Premium Squash

Pack Architecture - A Material Innovation Driver

Occasion		Pack Solution	Retail Value
At Home			50p / litre
On The Go			134p / litre

drivers of growth

What Do We Need To Do?

Value

Drive spend & profit whilst offering value for money

Visibility

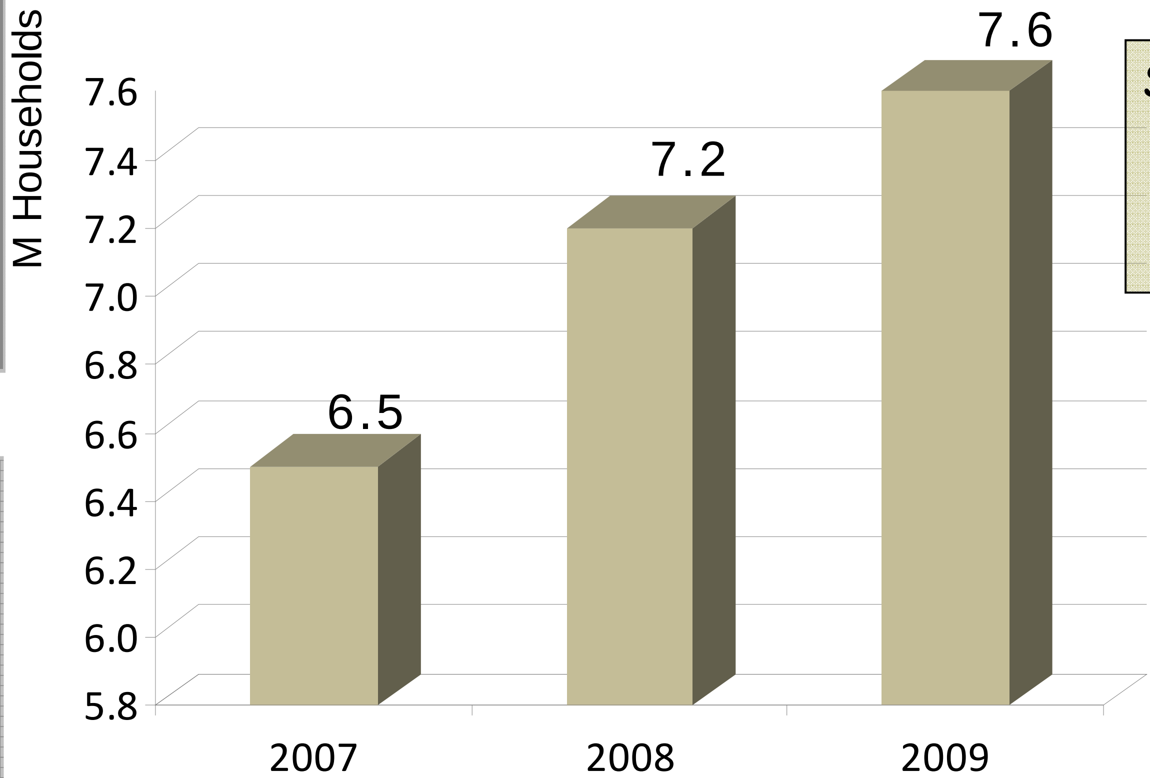
Prompt impulse by driving standout

Invigoration

Re-engage with shoppers On The Go

drivers of growth

The Number Of Households That Will Switch Between Cola Brands Is Increasing



Switchers spend twice as much as brand-loyal consumers

Source: Total GB; Homescan; 20.02.10

drivers of growth

A new 600ml pack for the price of a 500ml

600ml **500ml**

The 2010 Innovation Programme

New Brands

Brand Extensions

Pack & Experience

drivers of growth

In Summary

Market	***Will continue to grow in the long term***	
Consumer	***Needs met through Britvic's compelling insight***	
Innovating	***To drive ARP and margin – pack AND channel***	

Paul Moody

Chief Executive

Q&A
and Break

Murray Harris

Winning In Trade

drivers of growth

Channels to Market in GB

Grocery

- Retail value £4.4bn
- Britvic share 11.8%
- Number 2 supplier

Licensed

- Retail value £2.4bn
- Britvic share 47.3%
- Number 1 supplier

Impulse

- Retail value £1.8bn
- Britvic share 9.7%
- Number 3 supplier

Food Service

- Retail value £6.0bn*
- Britvic share 7.0%
- Number 3 supplier

(1) AC Nielsen Scantrack data to January 2010 Total Coverage MAT(2) AC Nielsen Licensed On-Premise data to November 2009 Total Coverage MAT
* Source: Crest data and represents total foodservice market value – food and drink, Britvic internal data for foodservice share estimate

drivers of growth

Customer Management Vision

Visibility	*Of our brands in outlet that engages consumers*	
Knowledge	*Authority on growing the soft drinks category*	
Partnerships	*With retailers that deliver growth*	
Value	*Growth that step changes our market share*	

drivers of growth

A Platform For Growth

Market volume growth: 2-3%

A proven contribution from innovation

Significant distribution opportunities

ARP up at least 1%

drivers of growth

Breakout Sessions

Grocery	Licensed	On-The-Go
Simon Stewart	Martin Rose	Murray Harris

On-The-Go

Murray Harris

drivers of growth

Agenda

Channel *overview*

Growth Opportunities – *On-The-Go packs*

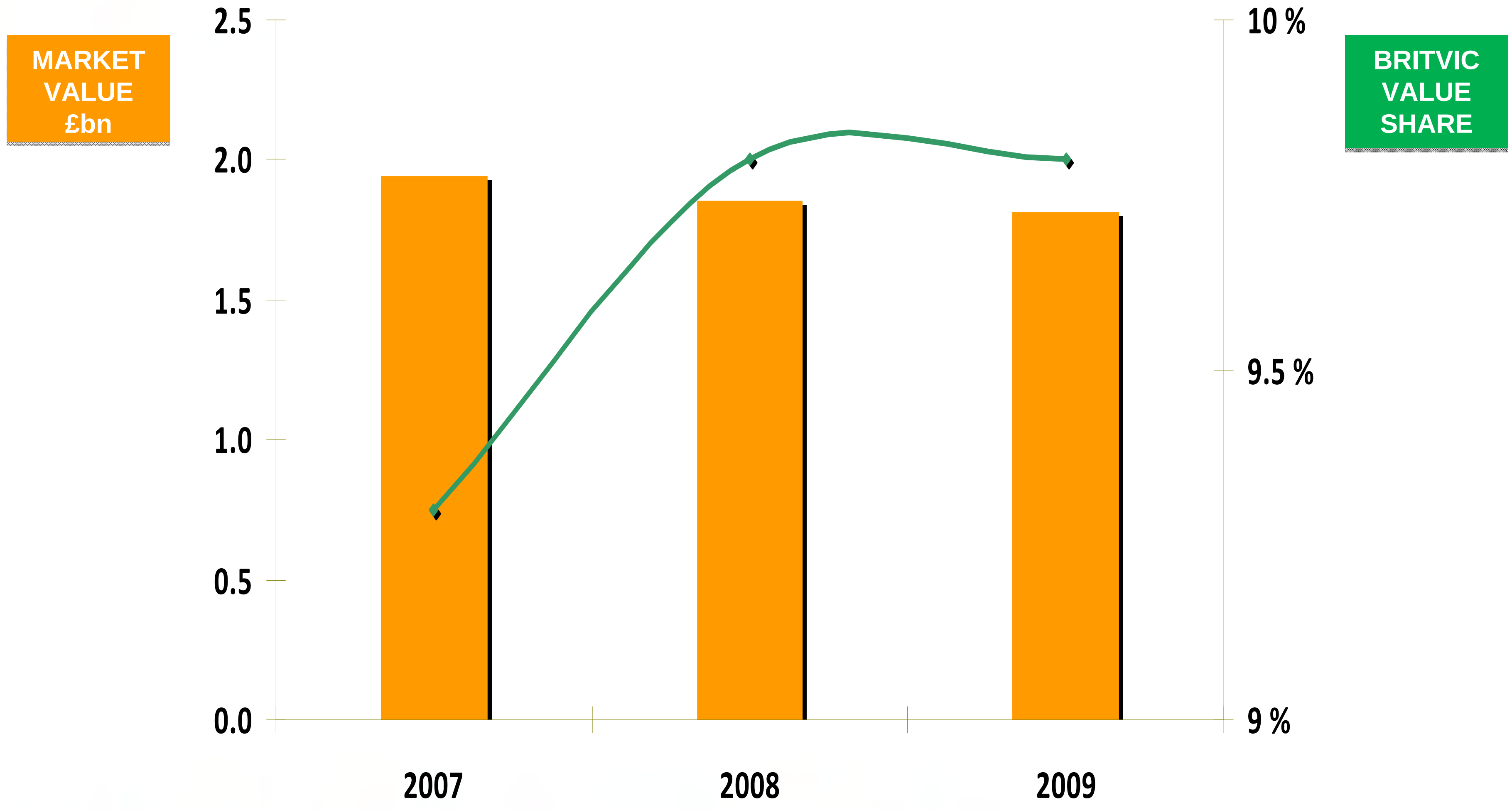
Point-Of-Purchase *solutions*

Optimising *the innovation plan*

Winning *new business*

DRIVING SHARE GROWTH

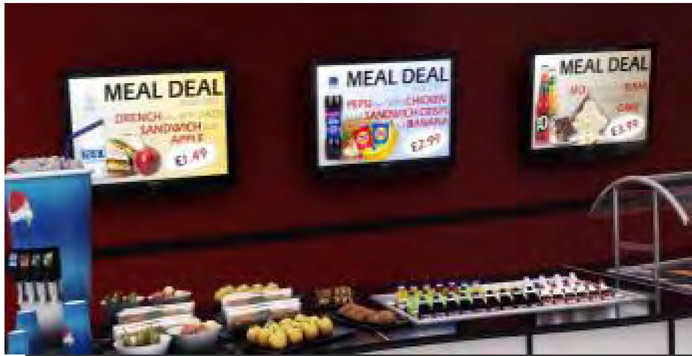
Impulse - Material Growth Opportunities For Britvic

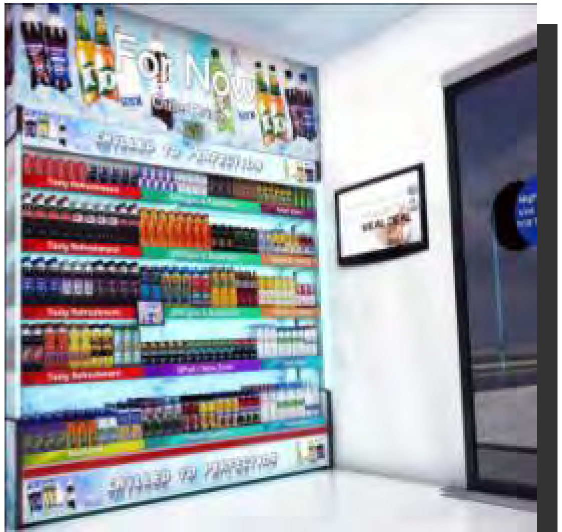


Nielsen Take-home scantrack to 02.01.10

drivers of growth

There Are On-The-Go Opportunities Across The Channels

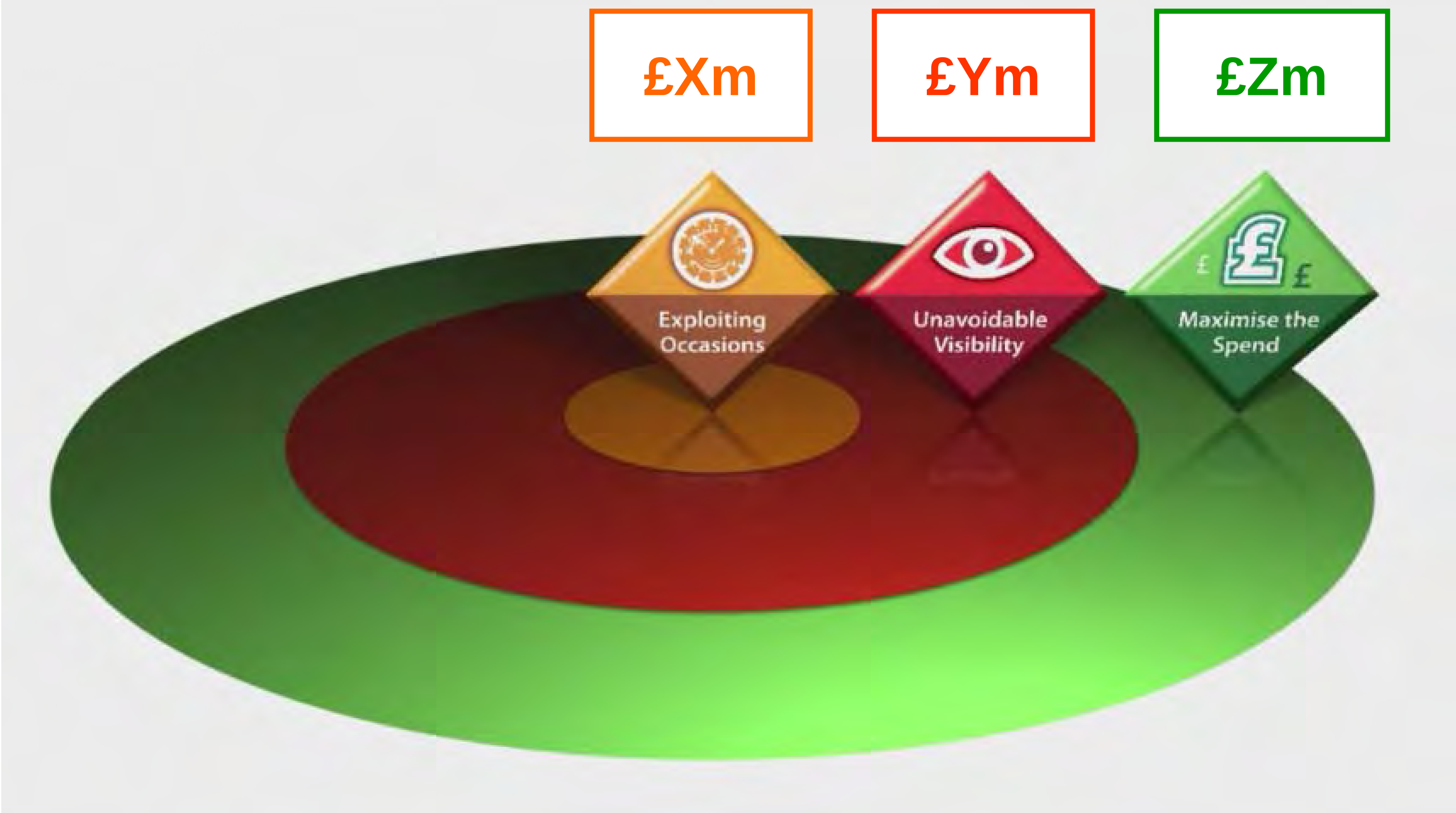




From forecourts to front-of-store in grocery

drivers of growth

Developing Retailer-Specific Solutions



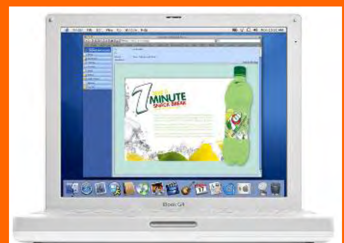
What does it mean? ***Whole Day Delivery: Meeting the range of needs & occasions through the day***

What will the *SHOPPER* say? ***…"I drink all day long, whatever the time of year"***

WHY?

- OOH Soft Drinks consumption peaks at lunchtime - 35% of consumption happens between 12-2pm
- 76% snack throughout their working day
- After School key: Over 25% of Kids Soft drinks are drunk between 3-4pm

HOW?



drivers of growth

Driving Sales Within The Outlet

Executing At The Point Of Purchase

drivers of growth

An Unrivalled Carbs AND Stills On-The-Go Portfolio

2005

2010

A Creative Approach To Engage Consumers

Snack / link deal chillers for fast lane. Space required for crisps, 2L and 1L bottles, kids snacks, hanging bags.

Flexible Solutions For Each Occasion

Front of store availability at the point of purchase

Combining with other impulse products to drive sales

Generating meal deal solutions as new thinking

drivers of growth

A New Range Of Chillers That Reduce Carbon Emissions And Energy Usage

CLEANER + GREENER

Go Green

working with the Carbon Trust

100g CO2

drivers of growth

Flawless In-Store Execution For 600ml PET

drivers of growth

As well as 600ml Tango will be disruptive, with 440ml returning, and new pack innovation

440ml
WIGIG
& 600ml

Cans reveal
side effects
when chilled

Glow in
the dark
cans

drivers of growth

Gaining Real Strategic Traction

BUNZL

NUS
NATIONAL UNION OF STUDENTS

Boots

selecta

SnackTime

Virgin trains

LITTLE CHEF

Compass – A Winning Example

A long-term partnership with Compass

Strategic partner for the next 3 years

COMPASS GROUP

BRITVIC plc

drivers of growth

Compass – A Winning Example

Our products in 6,000 outlets

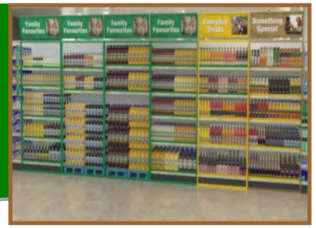
Providing both chiller **and** vending solutions

COMPASS GROUP

BRITVIC plc

drivers of growth

In Summary

Insight	**A true competitive advantage**	
Portfolio	**The most compelling range for retailers**	
Execution	**Demonstrable excellence**	
New Business	**Significant results already**	

Grocery

Simon Stewart

drivers of growth

Agenda

Channel *overview*

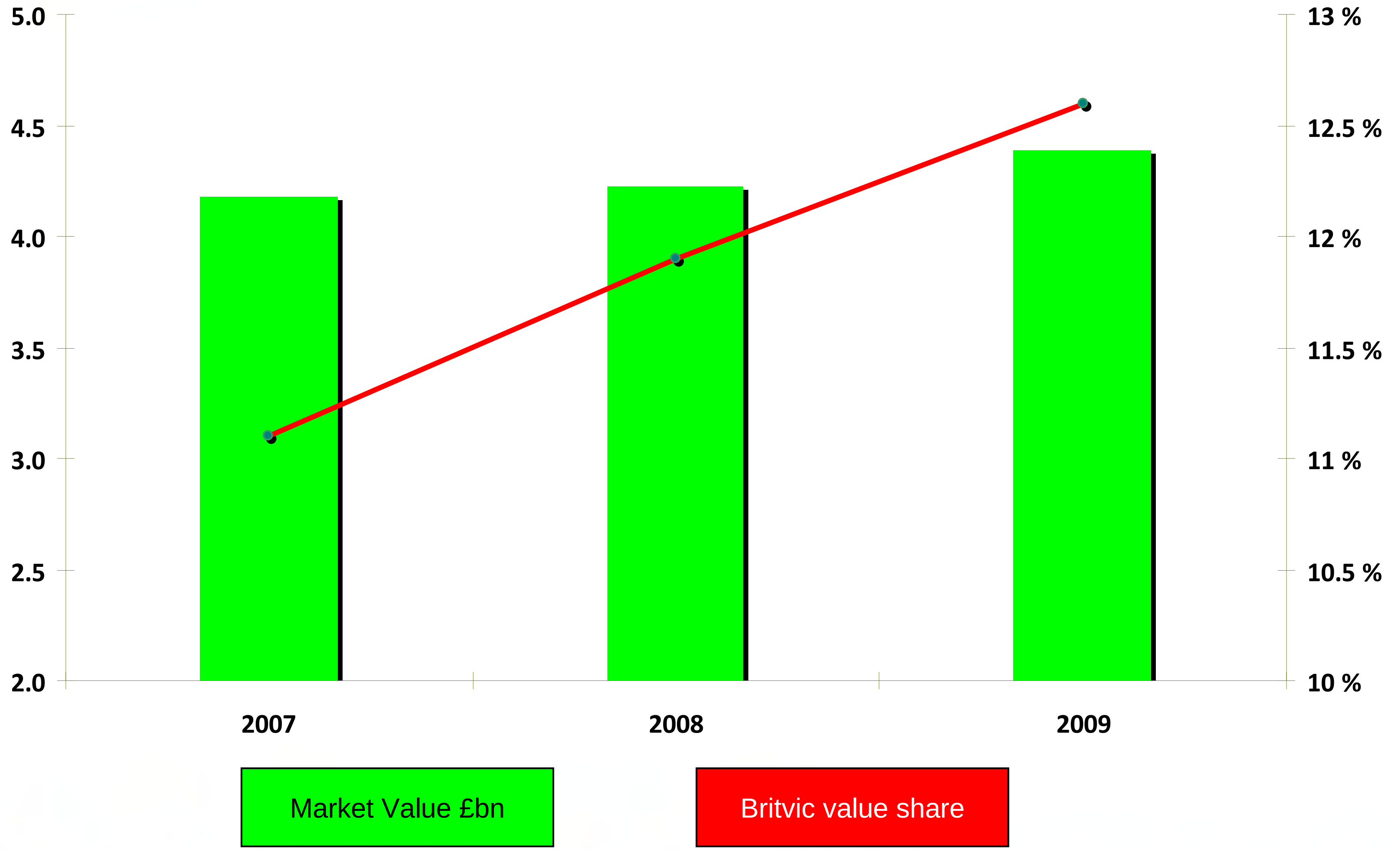
Growth opportunities *in grocery*

2010 innovation *for the channel*

The growing importance *of online shopping*

DRIVING SHARE GROWTH

Grocery Multiples Have Proved Resilient During The Downturn



Nielsen scantrack to 02.01.10

drivers of growth

Our Approach To Growth In Grocery

EXPERIENCE	SPEND	OCCASIONS	VISIBILITY
			
INSPIRING SHOPPERS	TO BUY SOFT DRINKS	ON EVERY OCCASION	(DRIVEN BY)

drivers of growth

Experience – Inspiring Shoppers

Engaging Experience

drivers of growth

Experience – Engaging The Consumer

Engaging Experience

drivers of growth

Experience - Grocery Is Much More Than The Main Store

Engaging Experience

Petrol Station

Front of Store OTG

Formats

The co-operative good with food

MORRISONS

TESCO

ASDA part of the WAL★MART family

Sainsbury's

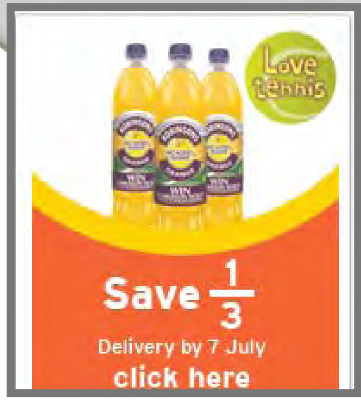
Waitrose

drivers of growth

Experience – Online Shopping Is Growing

Engaging Experience

Online shopping retail value was £3.5bn in 2008	This is projected to double in value by 2014	Britvic has a 17% value share of soft drinks online	Large deferred packs are key for the online shopper



drivers of growth

Spend - Through-The-Line Execution

Maximise the Spend

TO BUY SOFT DRINKS

drivers of growth

Exploiting Occasions – Innovation To Drive Value Growth

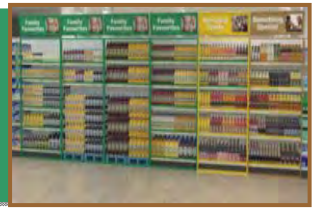
ON EVERY OCCASION

drivers of growth

Visibility

drivers of growth

In Summary – Significant Growth Potential

Visibility	**Making Britvic soft drinks easier to buy**	
Formats	**Ensuring we offer the right products and selling solutions**	
Online	**Great position to capture strong growth**	
Innovation	**Delivering best in class launch and execution**	

Licensed

Martin Rose

drivers of growth

Agenda

Channel *overview*

The role *of soft drinks*

Exploiting *the occasion*

2010 innovation *for the channel*

DRIVING SHARE GROWTH

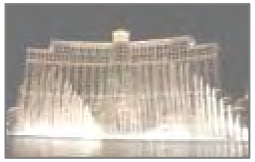
drivers of growth

Channel Overview

Total On-Premise

Licensed 47%			Restaurants & Leisure 28%			
Managed 70%	Lease/Tenant 39%	Independants 36%	Hotels 40%	Sports 34%	Other 24%	Restaurants 20%



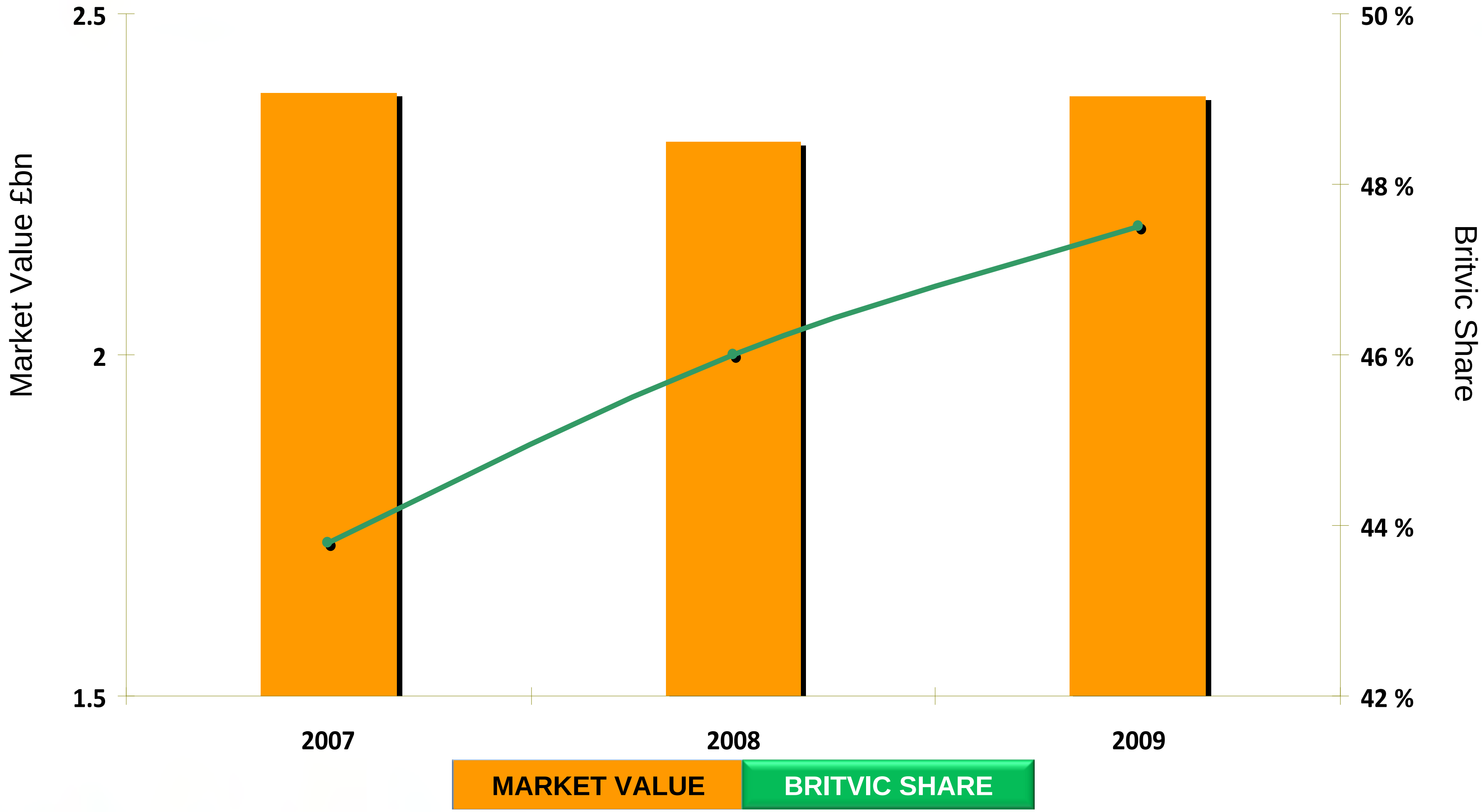




Figures denote Britvic value share

Source: AC Nielsen Nov 09 MAT

drivers of growth

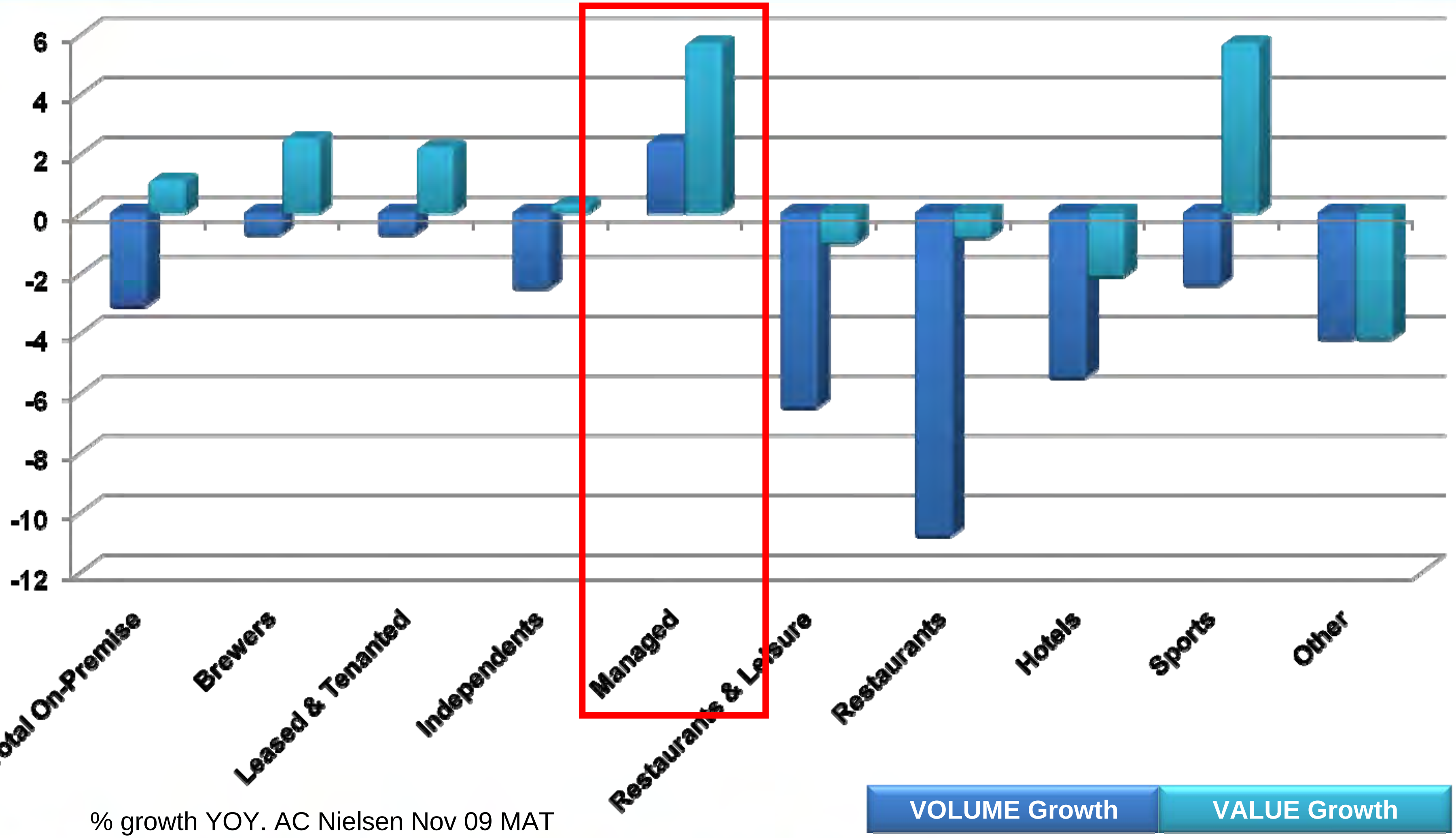
A Stable Market With Continued Growth For Britvic



Source: Nielsen scantrack

drivers of growth

Managed Retail Is The Core Territory For Britvic – And Is Growing



% growth YOY. AC Nielsen Nov 09 MAT

drivers of growth

Agenda

Channel *overview*

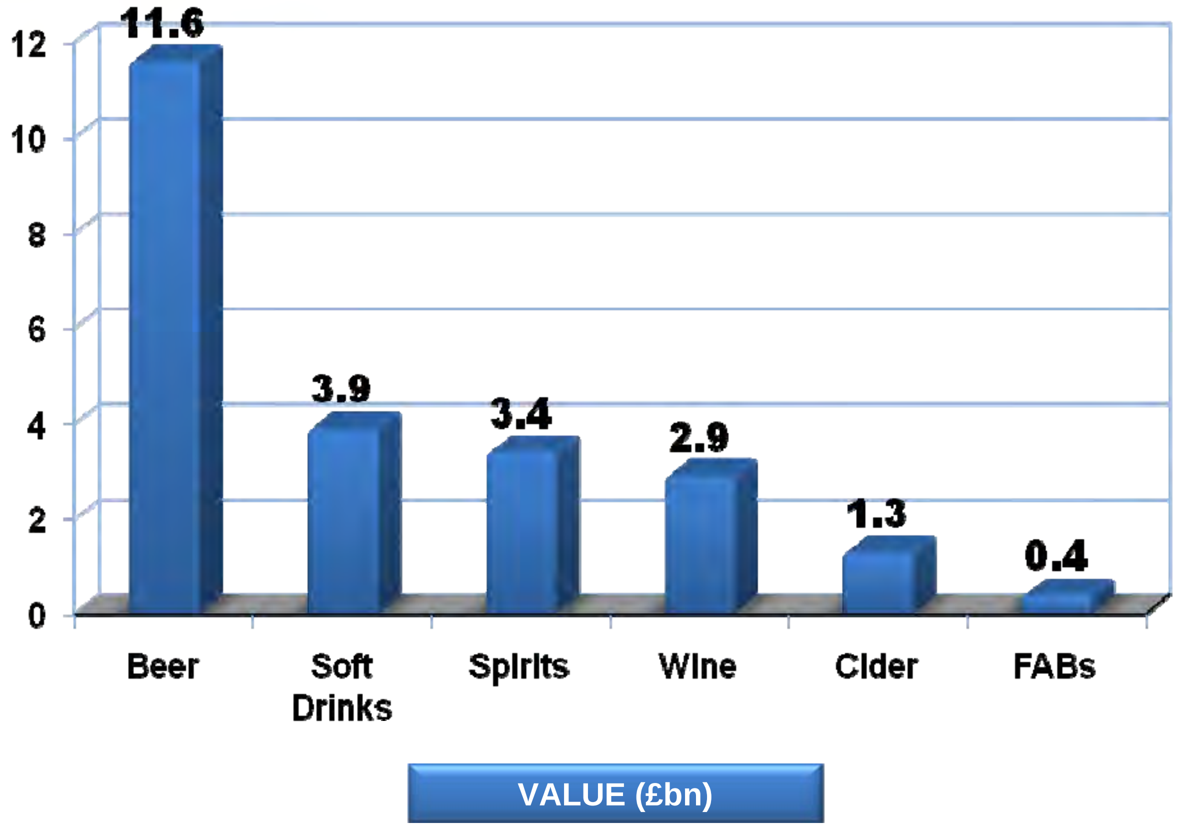
The role *of soft drinks*

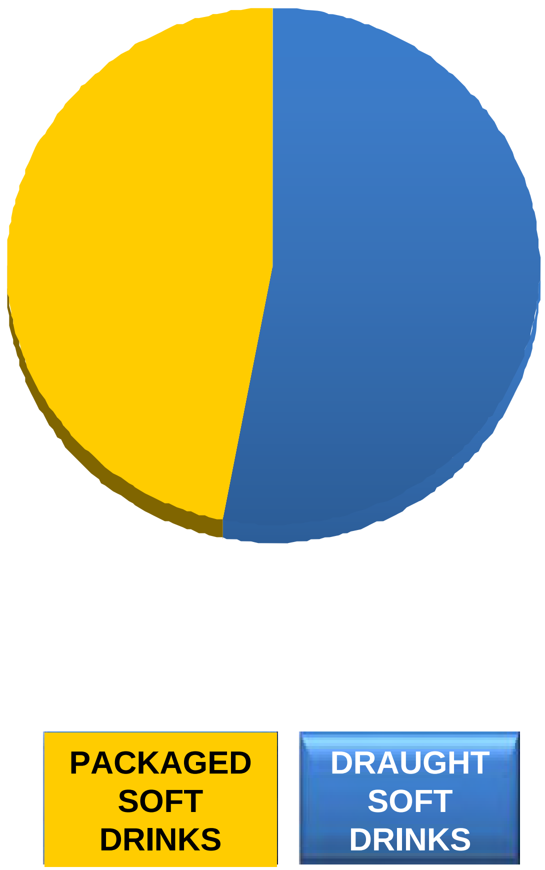
Exploiting *the occasion*

2010 innovation *for the channel*

DRIVING SHARE GROWTH

Soft Drinks Is The 2nd Biggest Category And Growing Fast





Source: AC Nielsen Nov 09 MAT TOTAL ON-PREMISE

drivers of growth

A Changing Industry - Reconfiguration Of Our Model

drivers of growth

Agenda

Channel *overview*

The role *of soft drinks*

Exploiting *the occasion*

2010 innovation *for the channel*

DRIVING SHARE GROWTH

drivers of growth

Soft Drinks Are An Important Part Of The Consumer's 'Going Out' Experience

What was the main reason that led you to buy a soft drink today?

	Total
Fancied a soft drink instead of alcohol	40%
Always buy soft drinks	24%
Having a break from alcohol	11%
Driving	10%
Wanted a soft drink before drinking alcohol	8%
Had enough alcohol	7%

75% of consumers are actively choosing soft drinks

Source: SPA In Outlet Research July 2009

Q4. What was the main reason that led you to decide to buy a soft drink today?
Base: All (n=230), Male (n=87), Female (n=143)

drivers of growth

Soft Drinks Visibility In The Outlet Is Poor And Presents An Opportunity To Grow Sales

Which of these types of drinks are…	Bottled/ Canned Beer	Bottled/ Canned Soft Drinks	Bottled/ Canned Cider	Alcopops	None of these
Most clearly displayed in the bar area	45%	8%	6%	25%	16%
Most clearly displayed in chiller cabinets	29%	17%	14%	34%	6%
Most clearly displayed in area behind bar/above cabinets	18%	20%	11%	25%	26%
Easiest to see all brands/flavours available	25%	18%	7%	34%	15%

Source: On-Trade Research SPA July 2009

drivers of growth

Consumers Tell Us They Want…

Choice	A range for different occasions
Quality	A soft drink that is both cold, tastes great and is perfectly served
Experience	Buying a soft drink should be a pleasure
Visibility	Showcasing what is on offer

drivers of growth

Our Portfolio Is Already The Strongest And We Are About To Make It Even Better

drivers of growth

A Quality Offering Drives Repeat Purchase

33% of people are willing to <u>pay more</u> for Perfect serve

77% of customers are likely to <u>buy another drink</u> when they have been perfectly served a Soft Drink

75% of customers are likely to <u>return</u> to an outlet where they have been perfectly served a Soft Drink

drivers of growth

Experience & Visibility

Unavoidable Visibility

Engaging Experience

drivers of growth

Agenda

Channel *overview*

The role *of soft drinks*

Exploiting *the occasion*

2010 innovation *for the channel*

DRIVING SHARE GROWTH

A Through-The-Line Plan To Engage Consumers

Home → **In Outlet**

facebook

Digital, Press & Sampling

National Newspaper & Customer Email Traffic Driving Activity

At Table POS

Menu Feature

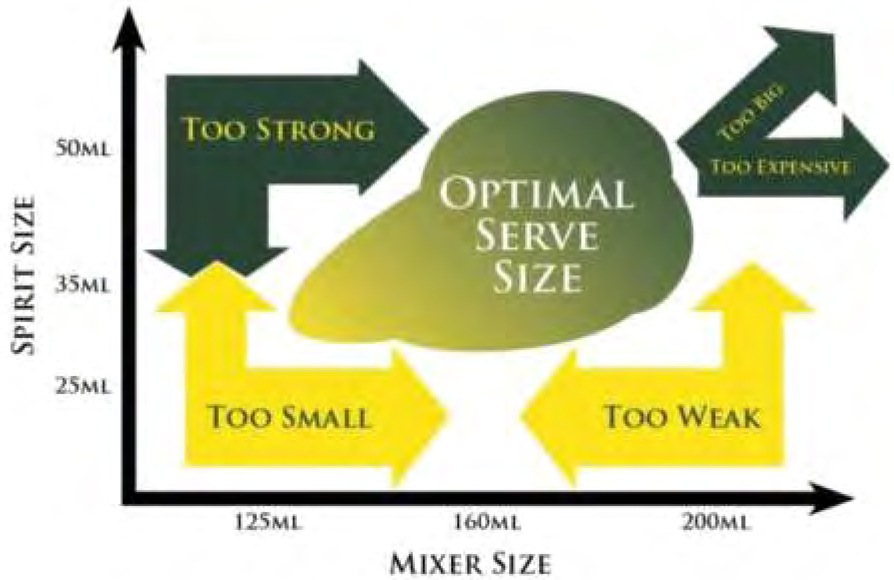
Staff Endorsement

Bundle Deal

Awareness & Understanding | **Awareness & Trial** | **Trial & Repeat**

Mixing With Spirits Represents A Key Opportunity

Our research shows that the current offerings do not meet the needs of spirit drinkers



Account for 1 in 5 drinks served.

Spirits consumers spend 65% more than total on-trade consumers, spending £8.12 more per occasion

drivers of growth

A New 160ml Bottle To Maximise The Opportunity

Working in partnership with Diageo in Managed to promote the perfect serve

In Summary

Choice	**A range and innovation plan to meet consumer needs**
Quality	**We have unique offerings in the market, such as Pepsi Xtra Cold**
Experience	**Working with the trade to deliver the perfect serve**
Visibility	**Providing both packaging and point of sale to drive sales**

drivers of growth

Brand Activity 2010

Jonathan Gatward

&

Simon Stewart

drivers of growth

A Year Of Compelling Consumer Engagement

CORE CARBONATES

Jonathan Gatward
Pepsi and Tango

CORE STILLS

Simon Stewart
Robinsons, J_2O and Fruit Shoot

drivers of growth

A Design Refresh For 2010

2009	2010

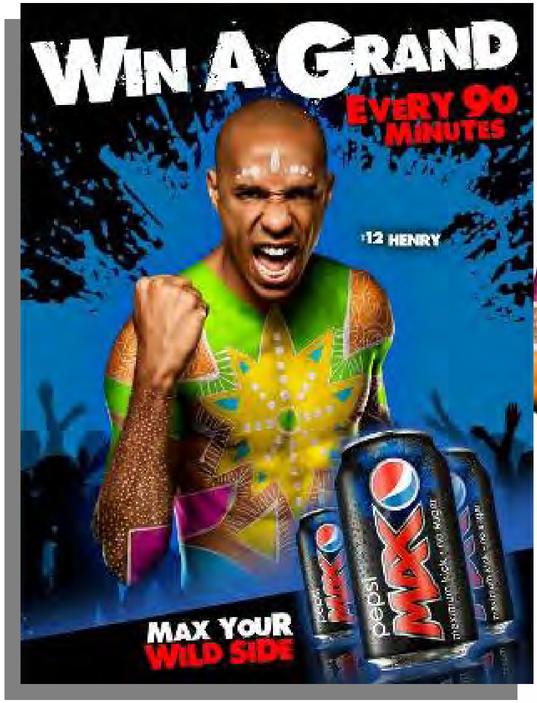
drivers of growth

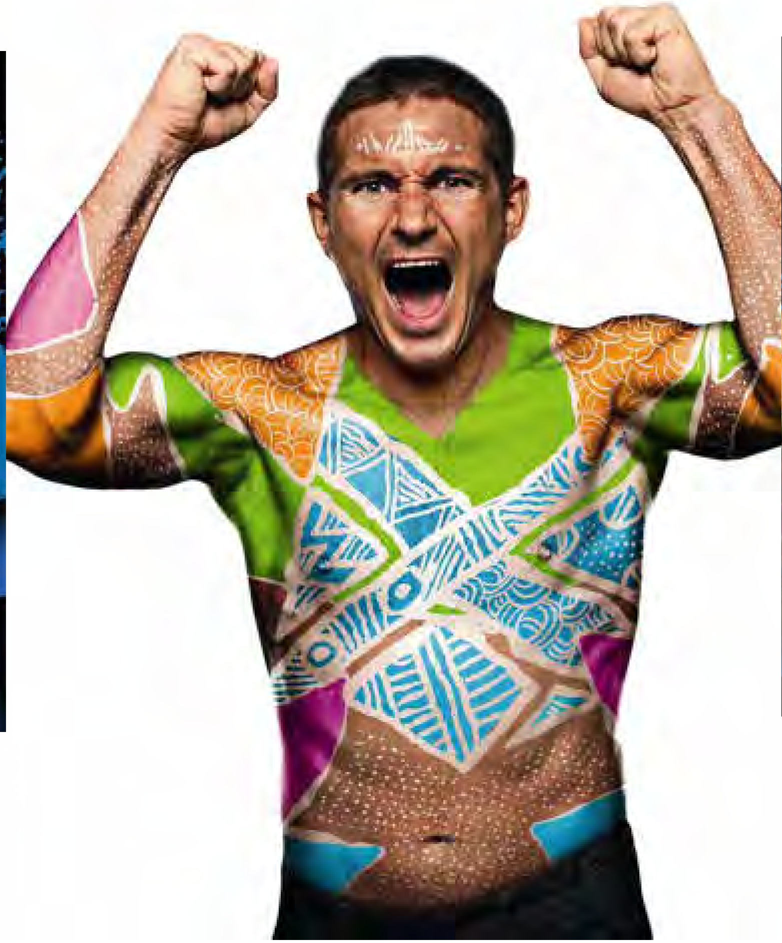
Driving The New Brand Identity At Every Opportunity


April 2010
The Pepsi take on...
FOOTBALL
2010

drivers of growth

Football – The Pepsi Way





drivers of growth

Engaging Consumers With Great On-Pack Activity

drivers of growth

The "Must-Have" Gadget Of 2010

Flip video

drivers of growth

Brought To You By Pepsi

Tango Continues To Be Disruptive In 2010

drivers of growth

A Year Of Compelling Consumer Engagement

CORE CARBONATES

Jonathan Gatward
Pepsi and Tango

CORE STILLS

Simon Stewart
Robinsons, J_2O and Fruit Shoot

A Contemporary New Design For 2010

2009 | 2010

drivers of growth

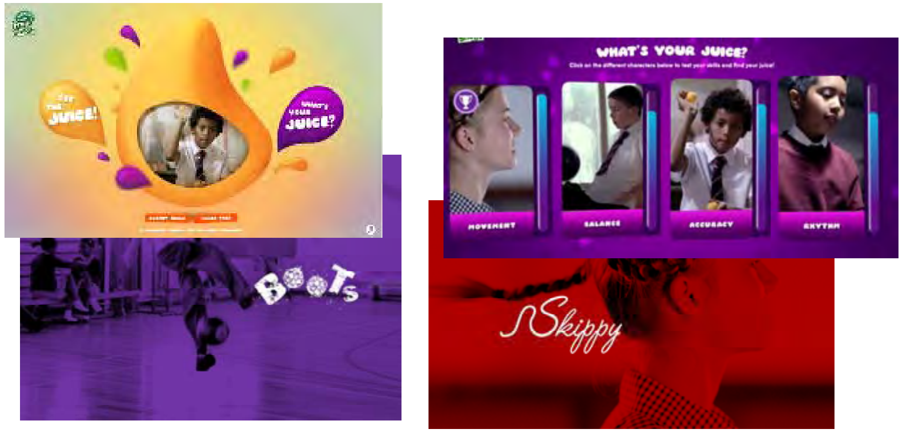
Robinsons And Nintendo, At The Heart Of 2010-Family Life

A Summer Of Consumer Interaction

drivers of growth

Fruit Shoot Kids 2010 360^0 Activation In *SCALE* Skills Participation

TV & online



On pack

In outlet

Activity Magazine in Licensed

Wall Chart gift with purchase in C&I

In the community

Events at key FS&L locations

drivers of growth

J$_2$O Takes The Pub Quiz To A New Level

drivers of growth

Bringing Fresh Ideas to Engage Consumers

drivers of growth

The 2010 Innovation Programme

New Brands

Brand Extensions

Pack & Experience

drivers of growth

A Comprehensive Brand-Equity Programme

drivers of growth

Paul Moody

Chief Executive

drivers of growth

Driving EBIT Margin

Supporting *the growth agenda*

Enhancing *the earnings momentum*

Reducing *complexity*

A World-Class Model *to replicate*

drivers of growth

Category Leadership and 2010 Innovation

The Market *will continue to grow*

Compelling Insight
meets consumer needs

Innovation *drives ARP & margin growth*

drivers of growth

Winning In Trade

Huge Opportunities *in On-The-Go*

Taking Share *across all Grocery formats*

Growing *the Licensed category*

drivers of growth

Brand Activity 2010

A Big Year *for Pepsi and Robinsons*

Resonating *with consumers*

Building Brand Equity *is what we do*

drivers of growth

In Summary

Confidence *In The Raised EBIT Margin*

Long-term Growth *For The Market*

Big Distribution And Mix
Opportunities Across All Channels

Competitive Advantages
Driving The Top Line

Q&A