Britvic plc Interim Results – 22 May 2019

For the 28 weeks ended 14 April 2019

"A strong performance with revenue, organic margin and EPS all growing"

Group Financial Headlines:

- Organic revenue* increased 1.9% (reported +4.9%) to £769.2m
- Organic adjusted EBIT* increased 5.0% (reported +4.0%) to £83.7m
- Organic adjusted EBIT margin* increased 30bps (reported -10 bps)
- Profit after tax increased 4.8% to £34.9m
- Adjusted earnings per share* increased 5.2% to 22.3p and the interim dividend increased 5.1%

Strategic highlights:

- Organic brand contribution growth in all geographies
- Disciplined revenue management and innovation driving strong ARP improvement
- Soft drinks levy in GB has accelerated consumer trend towards our low/no sugar portfolio
- All three core GB stills brands in revenue growth, led by Robinsons innovation
- Transformational Business Capability Programme on-track, underpins long-term growth and cash generation

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	% change Actual Exchange Rate	% change Organic Constant Exchange Rate (ex-SDIL/SSDT) **
Revenue	769.2	733.2	4.9%	1.9%
Adjusted EBIT*	83.7	80.5	4.0%	5.0%
Adjusted EBIT margin*	10.9%	11.0%	(10) bps	30 bps
Profit after tax	34.9	33.3	4.8%	
Basic EPS	13.2p	12.6p	4.8%	
Adjusted EPS*	22.3p	21.2p	5.2%	
Interim dividend per share	8.3p	7.9p	5.1%	
Adjusted net debt/EBITDA	2.4x	2.5x	0.1x	

Items marked with an asterisk throughout this document are non-GAAP measures, definitions and relevant reconciliations are provided in the Glossary on page 9.

*** Organic constant exchange rate adjusts for constant currency and excludes the Soft Drinks Industry Levy (SDIL) in GB and the Sugar Sweetened Drinks Tax (SSDT) in Ireland. Detailed adjustments are shown on pages 28 to 30.*

Simon Litherland, Chief Executive Officer commented:

"I am pleased to report that we have delivered another strong performance in the first half of the year. We have grown organic brand contribution in all our markets and increased group revenue, organic margin and adjusted earnings per share. As we anticipated, the soft drinks levy has benefited our portfolio, accelerating the consumer trend towards our heartland of low and no sugar brands. Pepsi MAX has generated more incremental retail value than any other cola variant, while the rejuvenation of the Robinsons brand continued to deliver both significant revenue and squash category value growth.

Our transformational business capability programme is nearing completion and forms an important part of our broader commitment to building a more flexible and sustainable business model. In the second half of the year we have a range of exciting marketing and innovation plans, and I remain confident that we will achieve full-year market expectations."

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There will be a live webcast of the presentation given today at 09:30am by Simon Litherland (Chief Executive Officer) and Chris Hancock (Strategy Director). The webcast will be available at www.britvic.com/investors with a transcript available in due course.

Notes to editors

About Britvic
Britvic is one of the leading branded soft drinks businesses in Europe. The company combines its own leading brand portfolio including Fruit Shoot, Robinsons, Tango, J2O, Teisseire and MiWadi with PepsiCo brands such as Pepsi, 7UP, Arto LIFEWTR and Lipton Ice Tea which Britvic produces and sells in GB and Ireland under exclusive PepsiCo agreements.

Britvic is the largest supplier of branded still soft drinks in Great Britain (“GB”) and the number two supplier of branded carbonated soft drinks in GB. Britvic is an industry leader in the island of Ireland with brands such as MiWadi and Ballygowan, in France with brands such as Teisseire, Pressade and Moulin De Valdonne and in Brazil with Maguary, Bela Ischia and Dafruta. Britvic is growing its reach into other territories through franchising, export and licensing. Britvic's management team has successfully developed the business through a clear strategy of organic growth and international expansion based on creating and building scale brands. Britvic is listed on the London Stock Exchange under the code BVIC and is a constituent of the FTSE 250 index.

Cautionary note regarding forward-looking statements
This announcement includes statements that are forward-looking in nature. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as required by the Listing Rules and applicable law, Britvic undertakes no obligation to update or change any forward-looking statements to reflect events occurring after the date such statements are published.

Market data
GB take-home market data referred to in this announcement is supplied by Nielsen and runs to 13 April 2019. ROI take-home market data referred to is supplied by Nielsen and runs to 24 March 2019. French market data is supplied by Nielsen and runs to 24 March 2019.

Next scheduled announcement

Britvic will publish its quarter three trading statement on 24 July 2019.

Chief Executive Officer's Strategic Review

We have made strong progress on delivering our long-term strategic goals and, once again, demonstrated the resilience and agility of the business. Our broad portfolio of market-leading brands, the quality of our team and our strong customer relationships are central to delivering our strategy and long-term goals.

Disciplined revenue management and innovation has led to growth in both revenue and organic margin (excluding the SDIL/SSDT). We have grown organic adjusted EBIT* 5.0% to £83.7m and adjusted EPS* by 5.2%. With our progressive dividend policy, the board have declared an interim dividend of 8.3p, a 5.1% increase on last year.

I would like to take this opportunity to welcome our new Chief Financial Officer, Joanne Wilson, to Britvic, who will join us before the year end. Joanne joins from Tesco, where her current role is CFO of dunnhumby, a customer data science platform. She has extensive retail, commercial and corporate finance experience, I am sure she will bring a new dimension to the Britvic team, and make a significant contribution to our exciting future.

Generate profitable growth in our core markets

GB

The GB soft drinks market (as measured by Nielsen) has continued to grow this year, despite the implementation of the soft drinks industry levy (SDIL) in 2018. As we anticipated, the SDIL has resulted in reformulation across the category and accelerated the consumer trend into low and no sugar. Our innovation pipeline and portfolio of brands is well positioned to realise the opportunity this presents, as demonstrated by the growth in the first half in both stills and carbonates.

In carbonates, Pepsi MAX has generated more incremental retail sales value than any other cola variant this year. Growth also came from 7UP free, Tango, R Whites and Purdey's. We have worked hard to achieve strong price realisation through a combination of pack and channel mix as well as promotional efficiency. At the end of this half we also lapped the introduction of the SDIL in April 2018, which led to retailers purchasing additional stock.

I am particularly pleased that all three of our main stills brands grew revenue in the first half. Last year, we leveraged the strength of the Robinsons brand with the introduction of new premium ranges, Creations and Cordials. These have been very successful, growing both the brand and the squash category. We have gained market share and are increasing the number of households buying Robinsons, attracting both lapsed and new consumers. The improved brand strength enabled us to take price for the first time in several years. J2O has continued to grow revenue, benefitting from the excellent activation of the "Mojo" marketing campaign and our off-trade promotional strategy, with Spritz in strong growth. Fruit Shoot was also in revenue growth, as the performance of the core range stabilised, and we optimised our promotional strategy. We have also expanded the brand with new ranges, Juiced, with higher juice content and Hydro flavoured water, and we continued to recruit new parents via activity such as our "Netmums" endorsement.

While uncertainty related to Brexit continues, we have put in place contingency plans to deal with the possibility of a no deal scenario, including holding higher levels of inventory in the run-up to the now expired 29 March 2019 deadline and extending that contingency in view of the extension agreed between the UK government and the EU. We have incurred additional warehousing cost to accommodate this. We believe we are well-placed to deal with the uncertainties that these delays inevitably bring and will continue to evolve our plans as the situation develops.

France

We have delivered strong brand contribution and margin growth through the proactive management of mix and cost of goods. The volume decline was primarily driven by private label, as we have focused on ensuring an acceptable margin for the overall business. Our core syrups brands, Teisseire and Moulin de Valdonne, were in revenue growth while Fruit Shoot declined, in the face of continued intense competition. We are launching new innovations in both the kids and syrups categories with Teisseire Fruit Shoot Hydro flavoured water and new premium syrups ranges, including Fraicheur de Fruit, with 85% juice content, replicating the successful introduction of Robinsons "good, better, best" ranges in GB last year.

Ireland

In Ireland we also grew brand contribution and margin as we focused on disciplined revenue management activity. Reported revenue declined due to a fall in the sale of third-party alcohol brands through the Counterpoint wholesale division to the on-trade. Across our own-brand portfolio we have focused on value ahead of volume, particularly for Ballygowan in the plain water category, and have also grown Pepsi and MiWadi. Similar to GB, following the introduction of the sugar sweetened drinks tax (SSDT) we initially saw strong market growth in low and no sugar variants and significant declines in regular volumes, though this has now stabilised.

Realise global opportunities in kids, family and adult categories

In Brazil, we have delivered a strong first-half performance against a soft quarter two comparative last year. A&P spend increased as we continued to invest in our brands, with both on-pack promotions and in-store sampling campaigns being executed. While a level of volatility persists, we are encouraged by signs of improving macro conditions and are confident of long-term growth as we continue to invest in our portfolio of leading brands.

In the international business unit, strong revenue growth was achieved across all the sub-channels. In the Benelux markets, we have developed a stronger platform to enable future growth with Teisseire Zero sales particularly strong in the period. The travel and export channel benefited from new account wins in the travel channel and increased exports to international markets. In the USA Fruit Shoot multi-pack revenue was ahead of last year, primarily due to the improved presence in Walmart in the second half of last year.

Continue to step change our business capability

We are nearing the end of the business capability programme (BCP), which will give us a transformational platform for growth in the years ahead. Work at the sites in London and Leeds finished in 2018, and this year we will complete the investment in Rugby and close the Norwich site towards the end of the year. In Rugby, we have installed three new can lines, three new PET lines and a new aseptic line, plus we have built an automated, on-site warehouse and installed a combined heat and power plant. Work is ongoing to finalise commissioning of the lines and optimise production efficiency to enable us to complete the transfer of production of Robinsons and Fruit Shoot from Norwich. Upon completion, the three-site network will be more efficient, will generate significantly fewer road miles, and help accelerate our ability to respond to changing consumer trends with agility and pace by expanding the range of liquids and pack sizes we can offer. With the programme coming to an end, Britvic will also see a material improvement in the cash flow generation of the group.

Build trust and respect in our communities

Building trust and respect in our communities continues to be a crucial part of our strategy, and through our 'A Healthier Everyday' sustainability programme, we are making a positive difference on the issues that matter most. Recently we won the sustainability award at the prestigious PWC-sponsored PLC awards; this was testament to the fantastic work of the team who have put sustainability at the heart of everything that we do.

This year, through our support of the UK Plastics Pact and our packaging strategy, we have continued to play our part in creating a circular economy for plastics. In March, we launched Arto LIFE WTR which contained 50% recycled PET (rPET)*. The UK government, following the launch of the Resources and Waste Strategy, is consulting on numerous packaging policies that could impact our industry. We welcome the opportunity to shape their development and have been proactively collaborating across the food and beverage industry to ensure a fair and holistic solution is developed that improves recycling rates and reduces waste.

Outlook

We have delivered a strong first half performance and have, once again, demonstrated that we are a strong, agile business, operating in a resilient category. With exciting plans for our portfolio of market leading brands, a strong balance sheet and improving cash flow we remain confident that we will continue to make further progress and achieve market expectations for the full year.

Financial Review

Overview

Revenue was £769.2m, an increase of 4.9% versus last year, on a reported basis, and 1.9% on an organic basis*. Adjusted EBIT* increased 4.0%, on a reported basis, to £83.7m, whilst organic adjusted EBIT* increased 5.0%. Reported margin declined 10bps while organic adjusted EBIT margin** increased by 30bps. Profit after tax increased 4.8% to £34.9m, after £27.8m of adjusting items, primarily related to the BCP. Adjusted earnings per share* increased 5.2% to 22.3p and the interim dividend increased 5.1% to 8.3p.

GB carbonates	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	% change	% change excluding SDIL
Volume (million litres)	646.7	677.3	(4.5%)	(4.5%)
ARP* per litre	50.5p	43.5p	16.1%	7.2%
Revenue	326.7	294.9	10.8%	2.2%
Brand contribution*	122.4	123.5	(0.9%)	(0.9%)
Brand contribution margin*	37.5%	41.9%	(440) bps	(110) bps

Revenue grew 2.2% (excluding the SDIL) due to disciplined revenue management and favourable pack/channel mix, which drove an ARP increase of 7.2% (excluding the SDIL). Volume declined 4.5% against a strong comparative last year, which included trade stock loading ahead of the introduction of the SDIL. Pepsi MAX, 7UP free and our range of low/no sugar variants of Tango and R Whites recorded strong volume growth, while full sugar variants declined. Purdey's, our natural energy brand, delivered double-digit revenue growth. Brand contribution and margin declined due to a combination of a significant increase in A&P spend, as we reversed the delay in spend due to the levy last year, and cost of goods inflation.

GB stills	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	% change	% change excluding SDIL
Volume (million litres)	174.0	172.6	0.8%	0.8%
ARP* per litre	78.4p	75.3p	4.1%	4.0%
Revenue	136.5	129.9	5.1%	4.9%
Brand contribution*	57.9	54.8	5.7%	5.7%
Brand contribution margin*	42.4%	42.2%	20 bps	30 bps

Revenue increased 4.9% (excluding the SDIL) and ARP increased 4.0% (excluding the SDIL), reflecting the premium Robinsons innovations, J20 growth and disciplined revenue management in both the Fruit Shoot ranges and core Robinsons. Volume increased 0.8%, led by J20, Lipton Ice Tea and the Robinsons Creations and Cordials ranges. This was partly offset by a modest decline in Fruit Shoot volumes. While A&P spend was ahead of last year, brand contribution increased 5.7%, reflecting the favourable brand mix and price realisation.

France	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	% change actual exchange rate	% change constant exchange rate
Volume (million litres)	125.1	136.6	(8.4%)	(8.4%)
ARP* per litre	100.2p	97.7p	2.6%	2.9%
Revenue	125.3	133.4	(6.1%)	(5.8%)
Brand contribution*	39.8	36.5	9.0%	9.3%
Brand contribution margin*	31.8%	27.4%	440 bps	440 bps

Brand contribution and margin were in strong growth, benefiting from positive product mix and the proactive management of price and cost of goods, which resulted in ARP growth of 2.9%. Volume declined over 8% in France, largely due to a managed decline in private label sales. Consequently, the positive ARP partly offset the volume fall and revenue declined 5.8%. Syrups volumes increased while Fruit Shoot declined as competition in the grocery channel continued. A&P spend was slightly ahead of last year.

Ireland	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	% change actual exchange rate	% change Constant exchange rate excluding SSDT
Volume (million litres)	110.2	115.4	(4.5%)	(4.5%)
ARP* per litre	60.0p	53.5p	12.1%	4.1%
Revenue	90.6	86.6	4.6%	(0.9%)
Brand contribution*	25.7	25.2***	2.0%	2.4%
Brand contribution margin*	28.4%	29.1%	(70) bps	90 bps

*Note: Volumes and ARP include own brand soft drinks sales and do not include factored product sales included within total revenue and brand contribution. *** There has been a change in the current period to include certain costs into brand contribution. Prior period numbers have therefore been restated to move £1.5m of costs from fixed supply chain costs to variable costs included in Brand contribution to reflect this change.*

Both brand contribution and margin increased while ARP grew by 4.1% (excluding the SSDT). Volume declined as we focused on value over volume, particularly for Ballygowan, with increased promotional price points for large packs. Ireland also introduced the SSDT last year with trade buy-in occurring ahead of original implementation date of April 2018 and the final implementation date of May 2018. Revenue declined due to falling alcohol sales to the on-trade through the Counterpoint wholesale division.

International	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	% change actual exchange rate	% change constant exchange rate
Volume (million litres)	22.5	18.7	20.3%	20.3%
ARP* per litre	106.7p	107.0p	(0.3%)	(0.1%)
Revenue	24.0	20.0	20.0%	20.2%
Brand contribution*	4.4	3.6	22.2%	33.3%
Brand contribution margin*	18.3%	18.0%	30 bps	180 bps

Note: Concentrate sales are included in both revenue and ARP but do not have any associated volume.

Each of the international business sub-channels generated revenue growth in the first half. The Travel & Export channel benefitted from new account wins and increased sales to overseas markets. The changes to the Benelux operating model, with customer relationships being managed directly, has provided a more sustainable platform for growth. Growth this year was led by Teisseire, particularly the no sugar Zero range. In the USA Fruit Shoot revenue increased due to the expansion in Walmart last year. With A&P spend in line with last year, both brand contribution and margin increased.

Brazil	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	% change actual exchange rate	% change constant exchange rate
Volume (million litres)	116.2	114.5	1.5%	1.5%
ARP* per litre	56.9p	59.7p	(4.7%)	6.6%
Revenue	66.1	68.4	(3.4%)	8.0%
Brand contribution*	13.8	14.9	(7.4%)	3.8%
Brand contribution margin*	20.9%	21.8%	(90) bps	(80) bps

Performance in the first half of the year was strong, as we lapped a weak comparative last year. Volume increased 1.5%, due to growth in the ready-to-drink portfolio, with ARP increasing 6.6%, resulting in revenue growth of 8.0%. Brand contribution grew while margin declined, reflecting both increased cost of goods inflation and increased A&P spend in areas such as on-pack promotions and in-store sampling.

Fixed costs – pre-adjusting items	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	% change actual exchange rate	% change constant exchange rate
Non-brand A&P	(6.8)	(5.8)	(17.2)	(17.2)
Fixed supply chain*	(55.9)	(56.7)	1.4	1.0
Selling costs*	(44.4)	(43.1)	(3.0)	(4.6)
Overheads and other*	(73.2)	(72.4)	(1.1)	(1.5)
Total	(180.3)	(178.0)	(1.3)	(1.9)
Total A&P investment	*(32.6)*	*(29.5)*		
A&P as a % of own brand revenue	*4.6%*	*4.2%*		

Reported fixed costs increased by 1.3% and by 1.9% on a constant currency basis. Non-brand A&P was up 17.2%, due to phasing of spend. Selling costs increased by 4.6%, reflecting increased field sales resource to improve the execution of marketing campaigns and brand presence in retail outlets.

Interest

The adjusted net finance charge* for the 28-week period for the Group was £10.7m, compared with £10.4m in the prior year. The reported net finance charge was £11.0m (2018: £11.1m).

Adjusting items – pre-tax

In the period, we accounted for a net charge of £27.8m (2018: £28.3m) of pre-tax adjusting items. These include:

- Strategic restructuring – BCP costs of £15.7m, which include employee costs , asset write-offs in respect of the Norwich site closure and other costs related to the total programme, including a reversal of impairment of £3.8m where updated information is now available
- Acquisition related amortisation of £5.8m
- Past service costs relating to GMP equalisation of the pension schemes in GB and Northern Ireland of £6.3m, further detail can be found in the pensions note on page 8
- Past service credit in relation to the closure of the Northern Ireland pension scheme to future accruals of £0.3m
- Fair value losses of £0.3m

The cash cost of adjusting items pre-tax in the period was a £13.9m outflow.

Taxation

The adjusted tax charge* was £14.0m, which equates to an effective tax rate of 20.8% (2018: 22.1%). The reported net tax charge was £10.3m (2018: £8.5m), which equates to an effective tax rate of 22.8% (2018: 20.3%).

Earnings per share (EPS)

Adjusted basic EPS* for the period was 22.3p, up 5.2% on the same period last year. Basic EPS for the period was 13.2p, compared with 12.6p for last year.

Dividends

The Board is declaring an interim dividend of 8.3p per share, an increase of 5.1% on the dividend declared last year, with a total value of £22.0m. The interim dividend for 2019 will be paid on 12 July 2019 to shareholders on record as at 31 May 2019. The ex-dividend date is 30 May 2019.

Cash flow and net debt

Adjusted free cash flow* was a £12.7m outflow, compared with a £36.1m outflow the previous year. Working capital generated an outflow of £59.7m (HY18: £39.7m outflow), driven in part by the timing of our working capital cycle, as our normal seasonal peak naturally occurs at half year. Working capital was also impacted by increased stock in H1 as part of preparations for a potential no-deal Brexit, and the impact of a reduction in Payables from the year end position which included the impact of rebuilding stock in Q4 following the CO2 shortage. Capital expenditure of £33.1m (HY18: £61.4m) has decreased from prior year due to timings of payments on the transformational BCP in GB. Net cash flow from operating activities was £15.5m (HY18: £26.2m).

Adjusted net debt* at 14 April 2019 of £654.0m increased by £78.5m compared to adjusted net debt* of £575.5m at 30 September 2018, partly due to seasonal peaks and dividend payments. This has generated adjusted net debt* leverage of 2.4x (HY18: 2.5x).

Treasury management

The financial risks faced by the Group are identified and managed by a central treasury department, whose activities are carried out in accordance with Board approved policies and subject to regular Audit and Treasury Committee reviews. The department does not operate as a profit centre and no transaction is entered into for trading or speculative purposes. Key financial risks managed by the treasury department include exposures to movements in interest rates and foreign exchange rates, whilst managing the Group's debt and liquidity, currency risk, interest rate risk and cash position. The Group uses financial instruments to hedge against interest rate and foreign currency exposures.

At 14 April 2019, the Group had £996.3m of committed debt facilities, consisting of a £400.0m bank facility which matures in 2021, and a series of private placement notes with maturities between 2019 and 2033, providing the business with a secure funding platform.

At 14 April 2019, the Group's unadjusted net debt of £705.1m (excluding derivative hedges) mainly comprised £111.8m drawn under the Group's committed bank facilities, £596.3m of private placement notes, £3.3m of accrued interest and £1.3m of finance leases, offset by net cash and cash equivalents of £6.1m and unamortised loan issue costs of £1.7m. Including the element of the fair value of interest rate currency swaps hedging the balance sheet value of the private placement notes, the Group's adjusted net debt was £654.0m, which compares with £637.8m at 14 April 2018.

Pensions

At 14 April 2019, the Group had IAS 19 pension surpluses in Great Britain and Northern Ireland totaling £89.9m and IAS 19 pension deficits in Ireland and France totaling £9.9m, resulting in a net pension surplus of £80.0m (15 April 2018: net surplus of £87.3m). The net surplus has decreased primarily due to a reduction in the discount rate used to measure liabilities in GB and Northern Ireland, offset by an increase in the return on assets held and additional employer contributions made to the GB plan of £20.0m.

The defined benefit section of the GB plan was closed to new members on 1 August 2002 and closed to future accrual for active members from 1 April 2011, with new employees being invited to join the defined contribution scheme. The Northern Ireland scheme is only open to future accrual for members who joined before 28 February 2006, and new employees are eligible to join the defined contribution scheme. All new employees in Ireland join the defined contribution plan. Following completion of the 31 March 2016 GB plan actuarial valuation, agreement has been made with the Plan Trustee on a number of key principles, including allowing a longer period to fund the deficit and agreeing that no additional contributions will be payable over and above those payments to 2019 agreed at the 2013 valuation. Future contributions beyond 2019 will be on a contingent basis. The Northern Ireland scheme was closed to future accruals for active members from December 2018 which resulted in a past service gain of £0.3m in the current period.

The Ireland and Northern Ireland defined benefit pension plans have an investment strategy journey plan to manage the risks as the funding position improves. The GB pension plan mainly has credit-type investments and the Trustees have developed proposals to manage the investment risks.

Following the Lloyds GMP equalisation case in October 2018, which ruled that treatment of men and women be brought in line for schemes with a guaranteed minimum pension, the vast majority of UK-based DB schemes will need to recalculate member benefits. The impact of the GMP equalisation has been estimated at £6.3m which has been included in adjusting items.

Risk management process

As with any business, we face risks and uncertainties. We believe that effective risk management supports the successful delivery of our strategic objectives. The management of these risks is based on a balance of risk and reward, determined through assessment of the likelihood and impact as well as the company's risk appetite. The Executive team performs a formal robust assessment of the principal risks facing the company annually, which is reviewed by the Board. Similarly, all business units and functions perform formal annual risk assessments that consider the company's principal risks and specific local risks relevant to the market in which they operate. Risks are monitored throughout the year with consideration to internal and external factors and the company's risk appetite, and updates to risks and mitigation plans are made as required. The principal risks that could potentially have a significant impact on our business have not changed since year end and are set out on pages 31 to 34 of the 2018 annual report.

Glossary

Non-GAAP measures are provided because they are closely tracked by management to evaluate Britvic's operating performance and to make financial, strategic and operating decisions.

Volume is defined as number of litres sold, excluding factored brands sold by Counterpoint in Ireland. No volume is recorded in respect of international concentrate sales.

AER refers to Actual Exchange Rate where variances are calculated on sterling values translated at actual exchange rates.

ARP is defined as average revenue per litre sold, excluding factored brands and concentrate sales.

Revenue is defined as sales achieved by the group net of price promotional investment and retailer discounts.

Brand contribution is a non-GAAP measure and is defined as revenue less material costs and all other marginal costs that management considers to be directly attributable to the sale of a given product. Such costs include brand specific advertising and promotion costs, raw materials, and marginal production and distribution costs.

Brand contribution margin is a non-GAAP measure and is a percentage measure calculated as brand contribution, divided by revenue. Each business unit's performance is reported down to the brand contribution level.

EBITDA is earnings before interest, taxation, depreciation and amortisation.

Adjusted EBIT is a non-GAAP measure and is defined as operating profit before adjusting items. EBIT margin is EBIT as a proportion of group revenue.

Adjusted profit after tax is a non-GAAP measure and is defined as profit after tax before adjusting items, with the exception of acquisition related amortisation.

Adjusted earnings per share is a non-GAAP measure calculated by dividing adjusted earnings by the average number of shares during the period. Adjusted earnings is defined as the profit/(loss) attributable to ordinary equity shareholders before adjusting items. Average number of shares during the period is defined as the weighted average number of ordinary shares outstanding during the period excluding any own shares held by Britvic that are used to satisfy various employee share-based incentive programmes. The weighted average number of ordinary shares in issue for adjusted earnings per share for the period was 264.4m (2018: 263.6m).

Adjusted free cash flow is a non-GAAP measure and is defined as net cash flow excluding movements in borrowings, dividend payments and adjusting items.

Adjusted net debt is a non-GAAP measure and is defined as group net debt, adding back the impact of derivatives hedging the balance sheet debt.

Organic is a non-GAAP measure presented on a constant currency basis. In GB and Ireland organic also excludes the Soft Drinks Industry Levy (SDIL) and Sugar Sweetened Soft Drinks Tax (SSDT).

Innovation is defined as new launches over the last three years, excluding new flavours and pack sizes of established brands.

Revenue management is used to define a range of actions to affect ARP. It includes, but is not limited to, price increases, changes to price promotions and variation pf pack size.

Retail market value and volume is a measure of the recorded sales at the retail point of purchase. This data is typically collated by independent organisations such as Nielsen and IRI from data supplied by retailers.

A&P is a measure of marketing spend including marketing, research and advertising.

Non-working A&P is a measure of marketing spend that is not spent directly on consumer facing activity. It would include, but is not limited to, agency fees, research and production costs.

Constant exchange rate is a non-GAAP measure of performance in the underlying currency to eliminate the impact of foreign exchange movements.

Soft Drinks Industry Levy (SDIL) is a levy applied on soft drinks manufacturers in the UK.

Sugar Sweetened Soft Drinks Tax (SSDT) is a levy applied on soft drinks manufacturers in the Republic of Ireland.

Business Capability Programme (BCP) relates to a restructuring of supply chain and operating model to enhance commercial capabilities in GB and Ireland, including the closure of the Norwich site.

CAGR is compound annual growth rate.

BRITVIC PLC
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE 28 WEEKS ENDED 14 APRIL 2019

Company number: 5604923

RESPONSIBILITY AND CAUTIONARY STATEMENTS

RESPONSIBILITY STATEMENTS

The directors confirm that to the best of their knowledge, this unaudited condensed set of consolidated interim financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union, and that the interim management report herein includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R.

CAUTIONARY STATEMENT

This report is addressed to the shareholders of Britvic plc and has been prepared solely to provide information to them.

This report is intended to inform the shareholders of the group's performance during the 28 weeks to 14 April 2019. This report contains forward-looking statements based on knowledge and information available to the directors at the date the report was prepared. These statements should be treated with caution due to the inherent uncertainties underlying any such forward-looking information and any statements about the future outlook may be influenced by factors that could cause actual outcomes and results to be materially different.

DIRECTORS

The directors of Britvic plc are:

John Daly
Simon Litherland
Ian McHoul
Sue Clark
Euan Sutherland
Suniti Chauhan
William Eccleshare

By order of the board

Simon Litherland
Chief Executive Officer
Date: 21 May 2019

BRITVIC PLC

INDEPENDENT REVIEW REPORT TO BRITVIC PLC

Introduction

We have been engaged by Britvic plc (the ‘company’) to review the condensed set of financial statements in the interim financial report for the 28 weeks ended 14 April 2019 which comprises the condensed consolidated income statement, condensed consolidated statement of comprehensive income/(expense), condensed consolidated balance sheet, condensed consolidated statement of cash flows, condensed consolidated statement of changes in equity and the related notes 1 to 19. We have read the other information contained in the interim financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The interim financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this interim financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the interim financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the interim financial report for the 28 weeks ended 14 April 2019 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Ernst & Young LLP
London

Date: 21 May 2019

BRITVIC PLC

CONDENSED CONSOLIDATED INCOME STATEMENT

For the 28 weeks ended 14 April 2019

	Note	28 weeks ended 14 April 2019 (unaudited)	28 weeks ended 15 April 2018 (unaudited)	52 weeks ended 30 September 2018 (audited)
		£m	£m	£m
Revenue	6	769.2	733.2	1,503.6
Cost of sales		(373.2)	(342.1)	(702.0)
Gross profit		**396.0**	**391.1**	**801.6**
Selling and distribution costs		(207.0)	(208.8)	(400.8)
Administration expenses		(132.8)	(129.4)	(234.7)
Operating profit		**56.2**	**52.9**	**166.1**
Finance income		0.6	0.4	1.0
Finance costs		(11.6)	(11.5)	(21.3)
Profit before tax		**45.2**	**41.8**	**145.8**
Taxation	7	(10.3)	(8.5)	(28.7)
Profit for the period attributable to the equity shareholders		**34.9**	**33.3**	**117.1**
Earnings per share				
Basic earnings per share	8	13.2p	12.6p	44.4p
Diluted earnings per share	8	13.1p	12.6p	44.1p

All activities relate to continuing operations.

BRITVIC PLC

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME/(EXPENSE)
For the 28 weeks ended 14 April 2019

	Note	28 weeks ended 14 April 2019 (unaudited) £m	28 weeks ended 15 April 2018 (unaudited) £m	52 weeks ended 30 September 2018 (audited) £m
Profit for the period attributable to the equity shareholders		34.9	33.3	117.1
Other comprehensive (expense)/income:				
Items that will not be reclassified to profit or loss				
Remeasurement (losses)/gains on defined benefit pension schemes	15	(23.1)	34.5	33.3
Tax on defined benefit pension schemes		4.1	(6.0)	(5.5)
		(19.0)	28.5	27.8
Items that may be subsequently reclassified to profit or loss				
Losses in the period in respect of cash flow hedges	13	(0.1)	(25.7)	(2.6)
Amounts recycled to the income statement in respect of cash flow hedges	13	1.3	18.6	(0.4)
Deferred tax in respect of cash flow hedges accounted for in the hedging reserve		(0.3)	1.2	0.5
Exchange differences on translation of foreign operations	13	0.4	(26.9)	(35.1)
Tax on exchange differences accounted for in the translation reserve		(0.6)	(0.3)	-
		0.7	(33.1)	(37.6)
Other comprehensive expense for the period, net of tax		(18.3)	(4.6)	(9.8)
Total comprehensive income for the period attributable to the equity shareholders		**16.6**	**28.7**	**107.3**

BRITVIC PLC

CONDENSED CONSOLIDATED BALANCE SHEET
As at 14 April 2019

	Note	14 April 2019 (unaudited) £m	15 April 2018 (unaudited) £m	30 September 2018 (audited) £m
Assets				
Non-current assets				
Property, plant and equipment	9	524.1	474.0	519.8
Intangible assets	9	424.8	430.8	439.5
Other receivables		8.0	7.5	7.7
Derivative financial instruments	13	24.6	20.2	40.5
Deferred tax asset		5.4	5.6	5.6
Pension asset	15	89.9	98.7	96.3
		1,076.8	**1,036.8**	**1,109.4**
Current assets				
Inventories		156.9	144.5	144.5
Trade and other receivables		366.4	363.1	356.8
Current income tax receivables		5.5	4.6	2.3
Derivative financial instruments	13	25.1	27.9	37.9
Cash and cash equivalents		6.4	44.2	109.5
		560.3	**584.3**	**651.0**
Total assets		**1,637.1**	**1,621.1**	**1,760.4**
Current liabilities				
Trade and other payables		(414.8)	(385.8)	(424.3)
Bank overdraft		(0.3)	-	-
Contract liabilities – rebate accruals		(78.3)	(91.6)	(97.4)
Interest bearing loans and borrowings	10	(206.3)	(280.1)	(171.4)
Derivative financial instruments	13	(2.1)	(2.8)	(0.7)
Current income tax payable		(3.4)	(1.9)	(2.2)
Provisions	16	(3.8)	(0.8)	(2.6)
Other current liabilities		(3.1)	(0.2)	(0.2)
		(712.1)	**(763.2)**	**(698.8)**
Non-current liabilities				
Interest bearing loans and borrowings	10	(504.9)	(456.0)	(597.7)
Deferred tax liabilities		(59.6)	(58.7)	(62.5)
Pension liability	15	(9.9)	(11.4)	(9.4)
Derivative financial instruments	13	(2.4)	(3.0)	(4.2)
Provisions	16	(3.7)	(8.0)	(7.4)
Other non-current liabilities		(0.1)	(3.2)	(3.1)
		(580.6)	**(540.3)**	**(684.3)**
Total liabilities		**(1,292.7)**	**(1,303.5)**	**(1,383.1)**
Net assets		**344.4**	**317.6**	**377.3**
Capital and reserves				
Issued share capital	11	53.1	52.9	52.9
Share premium account		144.1	138.1	139.1
Own shares reserve		(5.4)	(4.8)	(5.4)
Other reserves	18	93.6	97.4	92.9
Retained earnings		59.0	34.0	97.8
Total equity		**344.4**	**317.6**	**377.3**

BRITVIC PLC

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the 28 weeks ended 14 April 2019

	Note	28 weeks ended 14 April 2019 (unaudited) £m	28 weeks ended 15 April 2018 (unaudited) £m	52 weeks ended 30 September 2018 (audited) £m
Cash flows from operating activities				
Profit before tax		45.2	41.8	145.8
Net finance costs		11.0	11.1	20.3
Other financial instruments		(0.2)	(1.3)	0.6
(Reversal of impairment) / impairment of property, plant and equipment		(3.8)	4.8	4.8
Reversal of impairment of intangible assets		-	-	(11.5)
Depreciation		35.9	25.0	48.5
Amortisation		9.5	10.2	18.4
Share-based payments		5.8	4.1	5.6
Net pension charge less contributions		(16.2)	(21.4)	(22.1)
Increase in inventory		(13.3)	(3.4)	(3.3)
Increase in trade and other receivables		(2.6)	(47.9)	(44.9)
(Decrease)/increase in trade and other payables and contract liabilities		(46.9)	16.0	66.4
(Decrease)/increase in provisions		(1.6)	1.1	4.5
Loss on disposal of property, plant & equipment and intangible assets		2.5	1.1	4.5
Income tax paid		(9.8)	(15.0)	(30.8)
Net cash flows from operating activities		**15.5**	**26.2**	**206.8**
Cash flows from investing activities				
Purchase of property, plant and equipment		(31.5)	(56.9)	(136.3)
Proceeds from sale of property, plant and equipment		0.1	-	-
Purchase of intangible assets		(1.7)	(4.5)	(7.3)
Interest received		0.5	0.4	0.9
Acquisition of subsidiaries, net of cash acquired		-	(38.4)	(38.4)
Net cash flows used in investing activities		**(32.6)**	**(99.4)**	**(181.1)**
Cash flows from financing activities				
Interest paid, net of derivative financial instruments		(10.6)	(10.3)	(22.0)
Net movement on revolving credit facility	10	55.3	155.2	35.3
Other interest bearing loans repaid	10	(0.2)	(0.4)	(0.7)
Repayment of finance leases	10	(0.3)	(0.6)	(1.1)
Partial repayment of private placement notes	10	(77.0)	(54.9)	(54.9)
Issue of 2018/2017 private placement notes	10	-	-	120.3
Issue costs paid	10	-	-	(0.4)
Issue of shares relating to incentive schemes for employees		1.5	0.5	1.0
Purchase of own shares		(1.3)	(2.4)	(3.1)
Dividends paid to equity shareholders	12	(53.6)	(50.8)	(71.7)
Net cash flows from financing activities		**(86.2)**	**36.3**	**2.7**
Net (decrease)/increase in cash and cash equivalents		**(103.3)**	**(36.9)**	**28.4**
Cash and cash equivalents at beginning of period		109.5	82.5	82.5
Exchange rate differences		(0.1)	(1.4)	(1.4)
Cash and cash equivalents at the end of the period		**6.1**	**44.2**	**109.5**
By balance sheet category:				
Cash and cash equivalents		6.4	44.2	109.5
Bank overdraft		(0.3)	-	-
		6.1	**44.2**	**109.5**

BRITVIC PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 28 weeks ended 14 April 2019

	Issued share capital	Share premium account	Own shares reserve	Other reserves (note 18)	Retained earnings	Total
	£m	£m	£m	£m	£m	£m
At 30 September 2018 (audited)	52.9	139.1	(5.4)	92.9	97.8	377.3
Profit for the period	-	-	-	-	34.9	34.9
Other comprehensive income / (expense)	-	-	-	0.7	(19.0)	(18.3)
Total comprehensive income	-	-	-	0.7	15.9	16.6
Issue of shares	0.2	5.0	(3.6)	-	-	1.6
Own shares purchased for share schemes	-	-	(3.0)	-	-	(3.0)
Own shares utilised for share schemes	-	-	6.6	-	(5.8)	0.8
Movement in share-based schemes	-	-	-	-	4.0	4.0
Current tax on share-based payments	-	-	-	-	0.4	0.4
Deferred tax on share-based payments	-	-	-	-	0.3	0.3
Payment of dividend	-	-	-	-	(53.6)	(53.6)
At 14 April 2019 (unaudited)	**53.1**	**144.1**	**(5.4)**	**93.6**	**59.0**	**344.4**

	Issued share capital	Share premium account	Own shares reserve	Other reserves (note 18)	Retained earnings	Total
	£m	£m	£m	£m	£m	£m
At 1 October 2017 (audited)	52.8	133.9	(3.7)	130.5	25.8	339.3
Profit for the period	-	-	-	-	33.3	33.3
Other comprehensive (expense)/income	-	-	-	(33.1)	28.5	(4.6)
Total comprehensive (expense)/income	-	-	-	(33.1)	61.8	28.7
Issue of shares	0.1	4.2	(3.7)	-	-	0.6
Own shares purchased for share schemes	-	-	(4.7)	-	-	(4.7)
Own shares utilised for share schemes	-	-	7.3	-	(6.7)	0.6
Movement in share-based schemes	-	-	-	-	4.0	4.0
Current tax on share-based payments	-	-	-	-	0.3	0.3
Deferred tax on share-based payments	-	-	-	-	(0.4)	(0.4)
Payment of dividend	-	-	-	-	(50.8)	(50.8)
At 15 April 2018 (unaudited)	**52.9**	**138.1**	**(4.8)**	**97.4**	**34.0**	**317.6**

BRITVIC PLC

NOTES TO THE FINANCIAL INFORMATION
For the 28 weeks ended 14 April 2019

1. General Information

Britvic plc (the 'company', the 'Group') is a public limited company, incorporated and domiciled in the United Kingdom. The address of the registered office is: Britvic plc, Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ.

The company is listed on the London Stock Exchange.

These interim condensed financial statements do not constitute statutory accounts as defined by Section 434 of the Companies Act 2006. They have been reviewed but not audited by the Group's auditor. The statutory accounts for Britvic plc for the 52 weeks ended 30 September 2018, which were prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union, have been delivered to the Registrar of Companies. The auditor's opinion on those accounts was unqualified and did not contain a statement made under section 498 (2) or (3) of the Companies Act 2006.

The interim financial statements were authorised for issue by the board of directors on 21 May 2019.

2. Basis of preparation

These interim condensed financial statements comprise the condensed consolidated balance sheet as at 14 April 2019 and related condensed consolidated income statement, condensed consolidated statement of cash flows, condensed consolidated statement of comprehensive income/(expense), condensed consolidated statement of changes in equity and the related notes 1 to 19 for the 28 weeks then ended of Britvic plc ('financial information'). This financial information has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Services Authority and with the International Accounting Standard (IAS) 34 'Interim Financial Reporting' as adopted by the European Union.

3. Going concern

The directors are confident that it is appropriate for the going concern basis to be adopted in preparing the interim report and financial statements. As at 14 April 2019, the condensed consolidated balance sheet reflects a net assets position of £344.4m.

The liquidity of the Group remains strong, the Group has a £400m bank facility, on which the Group had drawn down £111.8m as at 14 April 2019, with a maturity date of November 2021 and £596.3m of private placement notes, at contracted rates, with maturity dates between 2019 and 2032.

4. Accounting policies

Except as described below, the accounting policies applied by the Group in these interim financial statements are consistent with those applied by the Group in its financial statements as at, and for the year ended, 30 September 2018.

IFRS 9 Financial Instruments

IFRS 9 Financial instruments is effective for accounting periods commencing on or after 1 January 2018. The Group has adopted this standard for the period starting 1 October 2018. Further details on the transitional impact on adoption of this standard is described in note 19.

The Group has not applied the following IFRS's, that have been issued but are not yet effective:

IFRS 16 Leases

The new standard provides a single lessee accounting model, requiring lessees to recognise right of use assets and lease liabilities on the balance sheet for all applicable leases. The Group has assessed the impact of the standard which, based on the leases held at 30 September 2018, will result in a material increase in depreciation and an increase in finance costs offset by a decrease in rental costs resulting in no material impact on profit before tax. In addition there will be a material increase in property, plant and equipment with a corresponding increase in loans and borrowings as applicable leases are brought onto the balance sheet. The Group is in the process of finalising this work and setting out related accounting policies. Until this work has been carried out it is not practical to provide a reasonable estimate of the financial effect of IFRS 16. The standard is effective for the Group for the period commencing 30 September 2019.

IFRIC 23 Uncertainty over income tax treatments

The new standard came in to effect on or after 1 January 2019. The Interpretation clarifies application of recognition and measurement requirements in IAS 12 Income Taxes. The Group is currently assessing the impact of IFRIC 23. The standard is effective for the Group for the period commencing 30 September 2019.

5. Seasonality of operations

Due to the seasonal nature of the business, higher operating profits are usually expected in the second half of the year than in the first 28 weeks.

BRITVIC PLC

NOTES TO THE FINANCIAL INFORMATION
For the 28 weeks ended 14 April 2019

6. Segmental reporting

For management purposes, the Group is organised into business units and has six reportable segments as follows:

- GB Stills – United Kingdom excluding Northern Ireland
- GB Carbs – United Kingdom excluding Northern Ireland
- Ireland – including Northern Ireland
- France
- Brazil
- International

These business units sell soft drinks into their respective markets.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on brand contribution. This is defined as revenue less material costs and all other marginal costs that management considers to be directly attributable to the sale of a given product. Such costs include brand specific advertising and promotion costs, raw materials and marginal production and distribution costs. However, Group financing (including finance costs) and income taxes are managed on a Group basis and are not allocated to reportable segments.

Transfer prices between reportable segments are on an arm's length basis in a manner similar to transactions with third parties.

28 weeks ended 14 April 2019	GB Stills £m	GB Carbs £m	Total GB £m	Ireland £m	France £m	Brazil £m	International £m	Total £m
Revenue from external customers	136.5	326.7	**463.2**	90.6	125.3	66.1	24.0	**769.2**
Brand contribution	57.9	122.4	**180.3**	25.7	39.8	13.8	4.4	**264.0**
Non-brand advertising & promotion *								(6.8)
Fixed supply chain**								(55.9)
Selling costs**								(44.4)
Overheads and other costs*								(73.2)
Adjusted operating profit								**83.7**
Finance costs								(10.7)
Adjusting items***								(27.8)
Profit before tax								**45.2**

28 weeks ended 15 April 2018	GB Stills £m	GB Carbs £m	Total GB £m	Ireland £m	France £m	Brazil £m	International £m	Total £m
Revenue from external customers	129.9	294.9	**424.8**	86.6	133.4	68.4	20.0	**733.2**
Brand contribution	54.8	123.5	**178.3**	26.7	36.5	14.9	3.6	**260.0**
Non-brand advertising & promotion *								(5.8)
Fixed supply chain**								(58.2)
Selling costs**								(43.1)
Overheads and other costs*								(72.4)
Adjusted operating profit								**80.5**
Finance costs								(10.4)
Adjusting items***								(28.3)
Profit before tax								**41.8**

NOTES TO THE FINANCIAL INFORMATION
For the 28 weeks ended 14 April 2019

6. Segmental reporting (continued)

52 weeks ended 30 September 2018	GB Stills £m	GB Carbs £m	Total GB £m	Ireland £m	France £m	Brazil £m	International £m	Total £m
Revenue from external customers	280.7	610.6	**891.3**	174.0	269.2	49.0	120.1	**1,503.6**
Brand contribution	116.6	251.7	**368.3**	57.1	81.4	10.2	24.8	**541.8**
Non-brand advertising & promotion *								(11.2)
Fixed supply chain**								(113.7)
Selling costs**								(79.5)
Overheads and other costs*								(131.4)
Adjusted operating profit								**206.0**
Net finance costs								(19.8)
Adjusting items***								(40.4)
Profit before tax								**145.8**

* Included within 'Administration expenses' in the condensed consolidated income statement. 'Overheads and other costs' relate to central expenses including salaries, IT maintenance, depreciation and amortisation.

** Included within 'Selling and distribution costs' in the condensed consolidated income statement.

*** See appendix 1 for further details on adjusting items.

There has not been a material change to segmental assets and liabilities.

7. Taxation

The total tax charge is £10.3m (28 weeks ended 15 April 2018: £8.5m) which equates to an effective tax rate of 22.8% (28 weeks ended 15 April 2018: 20.3%).

Tax charge by region

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
UK	5.9	7.8	21.8
Foreign	4.4	0.7	6.9
Total tax charge in the condensed consolidated income statement	**10.3**	**8.5**	**28.7**

Analysis of tax charge

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
Current income tax charge	7.6	4.7	22.6
Deferred income tax charge	2.7	3.8	6.1
Total tax charge in the condensed consolidated income statement	**10.3**	**8.5**	**28.7**

The effective tax rate in the prior year benefitted from the deferred tax credit arising from the re-measurement of the deferred tax balances in France following the reduction in the French corporate tax rate.

8. Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit for the period attributable to the equity shareholders of the parent by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to the equity shareholders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that are potentially issuable in connection with employee share-based payment plans.

The following table reflects the income and share data used in the basic and diluted earnings per share computations:

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
Basic earnings per share			
Profit for the period attributable to the equity shareholders	34.9	33.3	117.1
Weighted average number of ordinary shares in issue for basic earnings per share	264.4	263.6	263.7
Basic earnings per share	**13.2p**	**12.6p**	**44.4p**
Diluted earnings per share			
Profit for the period attributable to the equity shareholders	34.9	33.3	117.1
Effect of dilutive potential ordinary shares – share schemes	1.8	1.1	1.7
Weighted average number of ordinary shares in issue for diluted earnings per share	266.2	264.7	265.4
Diluted earnings per share	**13.1p**	**12.6p**	**44.1p**

9. Property, plant and equipment and Intangible assets

During the 28 weeks ended 14 April 2019, the Group purchased property, plant and equipment with a cost of £34.0m (28 weeks ended 15 April 2018: £50.8m), and intangible assets with a cost of £1.9m (28 weeks ended 15 April 2018: £3.6m).

In addition, property, plant and equipment with a net book value of £2.6m was disposed of by the Group during the 28 weeks ended 14 April 2019 (28 weeks ended 15 April 2018: £1.1m) resulting in a loss on disposal of £2.5m (28 weeks ended 15 April 2018: loss on disposal £1.1m).

As part of the business capability programme an impairment of £4.8m was recognised on land and buildings for the 28 weeks ended 15 April 2018. During the 28 weeks ended 14 April 2019 an amount of £3.8m was recognised as a reversal of impairment on land and buildings based on updated information which is now available.

10. Interest-bearing loans and borrowings

Components of current and non-current interest-bearing loans and borrowings:

	14 April 2019 £m	15 April 2018 £m	30 September 2018 £m
Finance leases	(1.3)	(2.1)	(1.6)
2007 Notes	-	(101.4)	(109.6)
2009 Notes	(90.9)	(84.0)	(91.3)
2010 Notes	(88.7)	(81.5)	(88.6)
2014 Notes	(122.1)	(115.1)	(122.5)
2017 Notes	(175.0)	(175.0)	(175.0)
2018 Notes	(119.6)	-	(120.6)
Accrued interest	(3.3)	(3.1)	(3.3)
Bank loans	(112.0)	(175.7)	(58.5)
Capitalised issue costs	1.7	1.8	1.9
Total interest-bearing loans and borrowings	**(711.2)**	**(736.1)**	**(769.1)**
Current	(206.3)	(280.1)	(171.4)
Non-current	(504.9)	(456.0)	(597.7)
Total interest-bearing loans and borrowings	**(711.2)**	**(736.1)**	**(769.1)**

Analysis of changes in interest-bearing loans and borrowings:

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
At the beginning of the period	(769.1)	(672.4)	(672.4)
Net movement on revolving credit facility	(55.3)	(155.2)	(35.3)
Other loans repaid	0.2	0.4	0.7
Partial repayment of private placement notes	77.0	54.9	54.9
Drawdown of 2018/2017 private placement notes	-	-	(120.3)
Issue costs	-	-	0.4
Net repayment of finance leases	0.3	0.6	1.1
Amortisation of issue costs	(0.2)	(0.5)	(0.6)
Net translation gain and fair value adjustment	36.1	36.2	2.7
Accrued interest	(0.2)	(0.1)	(0.3)
At the end of the period	**(711.2)**	**(736.1)**	**(769.1)**
Derivatives hedging balance sheet debt*	51.1	54.1	84.1
Debt translated at contracted rate	**(660.1)**	**(682.0)**	**(685.0)**

* Represents the element of the fair value of interest rate currency swaps hedging the balance sheet value of the notes. This amount has been disclosed separately to demonstrate the impact of foreign exchange movements which are included in interest bearing loans and borrowings.

NOTES TO THE FINANCIAL INFORMATION
For the 28 weeks ended 14 April 2019

11. Issued share capital

The issued share capital is wholly comprised of ordinary shares carrying one voting right each. The nominal value of each ordinary share is £0.20. There are no restrictions placed on the distribution of dividends, or the return of capital on a winding up or otherwise.

Issued, called up and fully paid ordinary shares	No. of shares	Value £
At 1 October 2017	**263,797,000**	**52,759,400**
Shares issued	809,911	161,982
At 30 September 2018	**264,606,911**	**52,921,382**
Shares issued	691,762	138,353
At 14 April 2019	**265,298,673**	**53,059,735**

Of the issued and fully paid ordinary shares, 647,438 shares (30 September 2018: 724,335 shares) are own shares held by an employee benefit trust. This equates to £129,488 (30 September 2018: £144,867) at £0.20 par value of each ordinary share. These shares are held for the purpose of satisfying the share schemes.

12. Dividends paid and proposed

	28 weeks ended 14 April 2019	28 weeks ended 15 April 2018	52 weeks ended 30 September 2018
Declared and paid in the period			
Dividends per share (pence)	20.3	19.3	27.2
Total dividend (£m)	**53.6**	**50.8**	**71.7**
Proposed after the balance sheet date			
Dividend per share (pence)	8.3p	7.9	20.3
Total dividend (£m)	**22.0**	**20.9**	**53.7**

13. Derivatives and hedge relationships

As at 14 April 2019, the Group had entered into the following derivative contracts.

	14 April 2019 £m	15 April 2018 £m	30 September 2018 £m
Consolidated balance sheet			
Non-current assets: Derivative financial instruments			
Fair value of USD GBP cross currency fixed interest rate swaps [1]	18.2	4.1	15.2
Fair value of GBP euro cross currency floating interest rate swaps [2]	-	1.3	-
Fair value of USD GBP cross currency floating interest rate swaps [3]	6.3	14.8	25.1
Fair value of forward currency contracts[1]	0.1	-	0.2
	24.6	**20.2**	**40.5**
Current assets: Derivative financial instruments			
Fair value of USD GBP cross currency fixed interest rate swaps [1]	0.4	24.6	33.0
Fair value of GBP euro cross currency floating interest rate swaps [2]	2.3	0.4	0.4
Fair value of USD GBP cross currency floating interest rate swaps [3]	21.4	2.4	2.9
Fair value of forward currency contracts[1]	1.0	0.5	1.6
	25.1	**27.9**	**37.9**
Current liabilities: Derivative financial instruments			
Fair value of forward currency contracts[1]	(2.0)	(2.8)	(0.4)
Fair value of forward currency contracts	(0.1)	-	(0.3)
	(2.1)	**(2.8)**	**(0.7)**
Non-current liabilities: Derivative financial instruments			
Fair value of GBP euro cross currency fixed interest rate swaps [2]	(2.2)	(2.7)	(4.1)
Fair value of forward currency contracts[1]	(0.2)	(0.3)	(0.1)
	(2.4)	**(3.0)**	**(4.2)**

[1] Instruments designated as part of a cash flow hedge relationship

[2] Instruments designated as part of a net investment hedge relationship

[3] Instruments designated as part of a fair value hedge relationship

Changes to derivative contracts

There have been no significant changes to derivative contracts designated as part of hedge relationships in the period. The derivatives and the hedge relationships are described in more detail on pages 130 to 132 in the Group's annual report for the 52 weeks ended 30 September 2018.

13. Derivatives and hedge relationships (continued)

Impact of derivatives and hedge relationships on the condensed consolidated statement of comprehensive income/(expense)

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
Consolidated statement of comprehensive income/(expense)			
Amounts recycled to the income statement in respect of cash flow hedges			
Forward currency contracts*	0.7	0.6	1.0
Cross currency interest rate swaps**	0.6	18.0	(1.4)
	1.3	**18.6**	**(0.4)**
(Losses)/gains in the period in respect of cash flow hedges			
Forward currency contracts	(3.1)	(4.3)	(0.8)
Cross currency interest rate swaps	3.0	(21.4)	(1.8)
	(0.1)	**(25.7)**	**(2.6)**
Exchange differences on translation of foreign operations			
Movement on financial items designated as a net investment hedge	4.8	2.7	(0.8)
Exchange movements on translation of foreign operations	(4.4)	(29.6)	(34.3)
	0.4	**(26.9)**	**(35.1)**

* Offsetting amounts recorded in cost of sales
** Offsetting amounts recorded in finance costs

14. Fair value

Hierarchy

The Group uses the following valuation hierarchy to determine the carrying value of financial instruments that are measured at fair value:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

14 April 2019	**Assets £m**	**Liabilities £m**
Level 1	-	-
Level 2 - Derivatives used for hedging	49.7	(4.5)
- Financial instruments at fair value through profit or loss	-	(0.1)
- Fair value of fixed rate borrowings		(490.2)
Level 3	-	
Total	**49.7**	**(494.8)**

14. Fair value (continued)

Fair values of financial assets and financial liabilities

The most frequently applied valuation techniques include using present value calculations of forward pricing and swap models.

All derivatives are valued using valuation techniques with market observable inputs; this covers cross currency interest rate swaps, interest rate swaps, FX forwards, FX swaps and share swaps. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. In assessing the fair value of derivatives the non-performance risk of both Britvic and its derivative trading counterparties has been taken into consideration. Default credit risk has been measured and the potential impact on derivatives valuations quantified. As at 14 April 2019, the potential impact from non-performance risk on the fair value of the derivatives portfolio is not material.

As in the prior year, the carrying value of financial assets and liabilities (trade and other receivables, cash and cash equivalents, interest bearing loans and borrowings, trade and other payables and derivatives) are considered to be reasonable approximations of their fair values, except for fixed rate borrowings which, at 14 April 2019 have a book value of £490.2m (30 September 2018: £597.5m) compared to a fair value £490.2m (30 September 2018: £593.6m).

The fair value of the Group's fixed rate interest-bearing borrowings and loans are determined by using discounted cash flow methods using discount rates that reflect the Group's borrowing rate as at the end of the reporting period. The own non-performance risk as at 14 April 2019 was assessed to be insignificant.

15. Pensions

At 14 April 2019, Britvic plc has IAS 19 pension surpluses in GB and NI totalling £89.9m and IAS 19 pension deficits in ROI and France totalling £9.9m resulting in a net pension surplus of £80.0m (30 September 2018: net asset of £86.9m). The net surplus has decreased primarily due to a reduction in the discount rate used to measure liabilities in GB and Northern Ireland, offset by an increase in the return on assets held and additional employer contributions made to the GB plan of £20.0m.

The defined benefit section of the GB plan was closed to new members on 1 August 2002 and closed to future accrual for active members from 1 April 2011, with new employees being invited to join the defined contribution scheme. The Northern Ireland scheme is only open to future accrual for members who joined before 28 February 2006, and new employees are eligible to join the defined contribution scheme. All new employees in Ireland join the defined contribution plan. Following completion of the 31 March 2016 GB plan actuarial valuation, agreement has been made with the Plan Trustee on a number of key principles, including allowing a longer period to fund the deficit and agreeing that no additional contributions will be payable over and above those payments to 2019 agreed at the 2013 valuation. Future contributions beyond 2019 will be on a contingent basis. The Northern Ireland scheme was closed to future accruals for active members from December 2018 which resulted in a past service gain of £0.3m in the current period.

The Ireland and Northern Ireland defined benefit pension plans have an investment strategy journey plan to manage the risks as the funding position improves. The GB pension plan mainly has credit-type investments and the Trustees have developed proposals to manage the investment risks.

Following the Lloyds GMP equalisation case in October 2018, which ruled that treatment of men and women be brought in line for schemes with a guaranteed minimum pension, the vast majority of UK-based DB schemes will need to recalculate member benefits. The impact of the GMP equalisation has been estimated at £6.3m which has been recognised as a past service cost as part of adjusting items in the current period.

Changes to IFRIC 14 have been proposed which may change the assessment of how this interpretation is applied and may result in a cap being placed on the amount of surplus that can be recognised in the balance sheet. The Group will consider the impact of these changes once they have been finalised and a revised IFRIC issued.

16. Provisions

At 14 April 2019, Britvic plc has provisions totalling £7.5m (30 September 2018: £10.0m). Provisions of £2.5m have been utilised during the period from 1 October 2018 to 14 April 2019. The closing provisions as at 14 April 2019 comprise of restructuring provisions of £3.7m (30 September 2018: £5.7m) which primarily relate to contract termination costs, consultation fees and employee termination benefits, recognised by the Group following the implementation of cost initiatives, and other provisions of £3.8m (30 September 2018: £4.3m) which primarily relate to onerous lease provisions and provisions recognised on the acquisition of subsidiaries in Brazil.

17. Capital commitments

At 14 April 2019, the Group has commitments of £29.8m (30 September 2018: £31.3m) relating to the acquisition of property, plant and equipment, which primarily relates to plant and machinery for the business capability programme in GB.

18. Other reserves

	Hedging reserve £m	Translation reserve £m	Merger reserve £m	Total £m
At 30 September 2018	**(7.2)**	**12.8**	**87.3**	**92.9**
Losses in the period in respect of cash flow hedges	(0.1)	-	-	(0.1)
Amounts recycled to the income statement in respect of cash flow hedges	1.3	-	-	1.3
Deferred tax in respect of cash flow hedges	(0.3)	-	-	(0.3)
Exchange differences on translation of foreign operations	-	0.4	-	0.4
Tax on exchange differences	-	(0.6)	-	(0.6)
At 14 April 2019	**(6.3)**	**12.6**	**87.3**	**93.6**

	Hedging reserve £m	Translation reserve £m	Merger reserve £m	Total £m
At 1 October 2017	**(4.7)**	**47.9**	**87.3**	**130.5**
Losses in the period in respect of cash flow hedges	(25.7)	-	-	(25.7)
Amounts recycled to the income statement in respect of cash flow hedges	18.6	-	-	18.6
Deferred tax in respect of cash flow hedges	1.2	-	-	1.2
Exchange differences on translation of foreign operations	-	(26.9)	-	(26.9)
Tax on exchange differences	-	(0.3)	-	(0.3)
At 15 April 2018	**(10.6)**	**20.7**	**87.3**	**97.4**

Hedging reserve

The hedging reserve records the effective portion of movements in the fair value of forward exchange contracts, interest rate and cross currency swaps that have been designated as part of a cash flow hedge relationship.

Translation reserve

The translation reserve includes cumulative net exchange differences on translation into the presentational currency of items recorded in Group entities with a non-sterling functional currency net of amounts recognised in respect of net investment hedges.

Merger reserve

The merger reserve arose as a result of the non pre-emptive share placement which took place on 21 May 2010. It was executed using a structure which created a merger reserve under Section 612-3 of the Companies Act 2006.

Capital reserve

The capital reserve relates to accumulated earnings which are not distributable to shareholders.

19. Changes in accounting policies

IFRS 9 'Financial Instruments'

IFRS 9 replaced IAS 39 'Financial Instruments: Recognition and Measurement. The standard impacts the way the Group accounts for certain financial assets and liabilities by introducing an expected credit loss model when assessing impairment on financial assets.

IFRS 9 requires the Group to recognise expected credit losses ('ECL') whereby expected losses as well as incurred losses are provided for. The Group applies the simplified approach when determining ECL provisions for trade receivables. In making the assessment of credit risk and estimating ECL provisions, the Group uses reasonable and supportable information about past events, current conditions and forecasts of future events and economic conditions.

The Group has adopted IFRS 9 from 1 October 2018 on a prospective basis. The move from the previous accounting standard IAS 39 “Financial instrument recognition and measurement” to IFRS 9 has resulted in no impact on opening retained earnings.

IFRS 9 also introduces a new hedging requirement to align hedge accounting more closely with the Group’s risk management processes. There is currently an option to defer the transition of hedge accounting. The Group has therefore decided to continue to account for hedging relationships under IAS 39 ‘Financial instruments: recognition and measurement’ and will review when to adopt the hedge accounting for IFRS 9 at a future date. On adoption there is not expected to be any material change in hedge accounting for the Group.

Under IFRS 9, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Under IFRS 9, debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group’s business model for managing the assets; and whether the instruments’ contractual cash flows represent ‘solely payments of principal and interest’ on the principal amount outstanding (the ‘SPPI criterion’).

The new classification and measurement of the Group’s debt financial assets are, as follows:

- Debt instruments at amortised cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group’s Trade and other receivables. Other than this the group has no other material financial assets.

- The accounting for the Group’s financial liabilities remains largely the same as it was under IAS 39.

Appendix 1

NON-GAAP RECONCILIATIONS

Adjusting items

The Group includes adjusting items which are charges and credits included in the financial statements that are disclosed separately because it considers such disclosures allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess trends in financial performance more readily.

The adjusting items include those items of income and expense which, because of the size, nature or infrequency of the events giving rise to them, merit separate presentation.

Adjusting items include acquisition related amortisation and fair value movements on financial instruments where hedge accounting cannot be applied on future transactions and also where hedge ineffectiveness is recognised. These items have been included within adjusting items because they are non-cash and do not form part of how management assess performance.

In the current period acquisition related amortisation has been included within adjusting items in order to simplify the Group's financial reporting. This has resulted in adjusted EBIT replacing adjusted EBITA as one of the Group's KPIs. This however in practice has no impact on the amounts reported due to the reclassification of acquisition related amortisation.

	Notes	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
Strategic restructuring – business capability programme	(a)	**(15.7)**	(21.6)	(40.3)
Past service costs on pension schemes	(b)	**(6.0)**	-	-
Reversal of impairments of trademarks	(c)	**-**	-	11.5
Fair value movements	(d)	**-**	0.2	(0.1)
Acquisition related amortisation	(e)	**(5.8)**	(6.2)	(11.0)
Total included in operating profit		**(27.5)**	(27.6)	(39.9)
Fair value movements	(d)	**(0.3)**	(0.7)	(0.5)
Total included in finance costs		**(0.3)**	(0.7)	(0.5)
Tax on adjusting items included in profit before tax		**3.7**	3.3	6.9
Impact of change on France tax rate on deferred tax relating to acquisition fair value adjustments		-	2.3	2.2
Total included in taxation		**3.7**	5.6	9.1
Net adjusting items		**(24.1)**	(22.7)	(31.3)

a) Strategic restructuring – business capability programme relates to a restructuring of supply chain and operating model to enhance commercial capabilities in Britvic GB, Ireland and France including the closure of the Norwich site. Primarily these costs relate to employee costs, advisors fees, fixed asset impairments, reversal of impairments and write-downs and dual running supply chain costs. The impairment reversal during the period was £3.8m.

b) Past service costs on pension schemes – these comprise costs associated with the GMP equalisation of pension schemes in GB £5.9m and Northern Ireland £0.4m offset by a gain on the closure of the scheme to future accruals in Northern Ireland of £0.3m

c) Reversal of impairments of trademarks – these comprise a reversal of impairment in the Ballygowan trademark of £11.5m in the prior period.

d) Fair value movements relate to the fair value movement of derivative financial instruments where either hedge accounting cannot be applied to future transactions or where there is ineffectiveness in the hedge relationship including gains on FX forwards taken out as part of cash management for expected future payments.

e) Acquisition related amortisation – relates to the amortisation of intangibles recognised on the acquisitions in Ireland, France and Brazil.

Adjusted profit

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
Operating profit as reported	**56.2**	52.9	166.1
Add back adjusting items in operating profit	**27.5**	27.6	39.9
Adjusted EBIT	**83.7**	80.5	206.0
Acquisition related amortisation	**(5.8)**	(6.2)	(11.0)
Net finance costs	**(11.0)**	(11.1)	(20.3)
Add back adjusting net finance costs	**0.3**	0.7	0.5
Adjusted profit before tax	**67.2**	63.9	175.2
Taxation	**(10.3)**	(8.5)	(28.7)
Less adjusting tax credit	**(3.7)**	(5.6)	(9.1)
Adjusted profit after tax	**53.2**	49.8	137.4
Adjusted effective tax rate	**20.8%**	22.1%	21.6%

Earnings per share

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
Adjusted basic earnings per share			
Profit for the period attributable to equity shareholders	**34.9**	33.3	117.1
Add: Net impact of adjusting items	**24.1**	22.7	31.3
	59.0	56.0	148.4
Weighted average number of ordinary shares in issue for basic earnings per share	**264.4**	263.6	263.7
Adjusted basic earnings per share	**22.3p**	21.2p	56.3p
Adjusted diluted earnings per share			
Profit for the period attributable to equity shareholders before adjusting items and acquisition related intangible assets amortisation	59.0	56.0	148.4
Weighted average number of ordinary shares in issue for diluted earnings per share	266.2	264.7	265.4
Adjusted diluted earnings per share	22.2p	21.2p	55.9p

Like-for-like

	Revenue £m	Adjusted EBIT £m
2018		
28 weeks ended 15 April 2018, as reported	733.2	80.5
Adjust for FX	(7.9)	(0.8)
Soft Drinks Industry Levy*	(1.4)	-
28 weeks ended 15 April 2018 @ constant currency	**723.9**	**79.7**
2019		
28 weeks ended 14 April 2019, as reported	769.2	83.7
Soft Drinks Industry Levy*	(31.8)	-
2019 “like for like” with 2018	**737.4**	**83.7**

*****The Soft Drinks Industry Levy has been excluded from prior period to provide accurate comparison.

Segmental reporting

	28 weeks ended 15 April 2018 £m	Expense reclass* £m	28 weeks ended 15 April 2018 Adjusted £m
Brand Contribution			
Ireland	26.7	(1.5)	25.2
Total	260.0	(1.5)	258.5
Brand Contribution Margin			
Ireland	30.8%	(1.7%)	29.1%
Total	35.5%	(0.2%)	35.3%

Other costs

	28 weeks ended 15 April 2018 £m	Expense reclass* £m	28 weeks ended 15 April 2018 Adjusted £m
Non-brand advertising & promotion	(5.8)	-	(5.8)
Fixed supply chain	(58.2)	1.5	(56.7)
Selling costs	(43.1)	-	(43.1)
Overheads and other costs	(72.4)	-	(72.4)
Total	**(179.5)**	**1.5**	**(178.0)**

* There has been a change in the current period to include certain costs into brand contribution. Prior period numbers have therefore been restated to move £1.5m of costs from fixed supply chain costs to variable costs included in Brand contribution to reflect this change.

Free cash flow

	28 weeks ended 14 April 2019 £m	28 weeks ended 15 April 2018 £m	52 weeks ended 30 September 2018 £m
Adjusted EBIT	**83.7**	**80.5**	**206.0**
Depreciation	29.1	23.4	44.8
Amortisation (non-acquisition related)	3.8	4.0	7.4
Adjusted loss on disposal of PPE	0.9	1.1	1.4
Adjusted EBITDA	117.5	109.0	259.6
Adjusted working capital movements	(59.7)	(39.7)	15.5
Purchases of intangible and tangible assets	(33.1)	(61.4)	(143.5)
Net pension charge less contributions	(22.2)	(21.4)	(22.1)
Net Interest and finance costs	(10.1)	(9.8)	(19.0)
Adjusted income tax paid	(9.8)	(15.0)	(28.1)
Share based payments	5.8	4.1	5.6
Issue of shares	1.5	0.5	1.0
Purchase of own shares	(1.3)	(2.4)	(3.1)
Other	(1.3)	-	(0.9)
Adjusted free cash flow	**(12.7)**	**(36.1)**	**65.0**