



Dedicated to creating and building soft-drink brands  
*that delight consumers...always!*



# The Investment Case

## Britvic is a leading branded soft drinks business in the UK and Ireland

### STRONG MARKET POSITIONS

#1 in UK stills

#1 in UK Licensed On-Premise  
(with the #1 cola)

#2 in UK carbonates

#2 in UK Take-Home

### A POWERFUL AND RESILIENT BRAND PORTFOLIO

#1 or #2 brands in the key categories

Barriers to entry for entrants looking to replicate scale

Majority of profit through owned brands, and no private label

### AN EVER-EXPANDING RELATIONSHIP WITH PEPSICO

A relationship for 22 years so far

5 Pepsi bottling contracts:

- provide enormous scale
- an outstanding platform for growth in current **and** future territories

### CONSISTENT DELIVERY OF KEY METRICS

- Top Line
- EBIT
- Earnings
- Free Cashflow



**Long-Term Attractive Growth Through Recession AND Recovery**

# A Clear Strategy for Growth

**The Preferred Brands** *for Consumers*

**Drive Availability** *where products not sold*

**Grow through Innovation**

**Grow Prices**

**Optimising** *Efficiency and Cash Generation*

**Expand** *in Europe*

**SHAREHOLDER RETURN**

# Competitive Differentiation

**Our Breadth of Portfolio**

**PORTFOLIO**

**A Track Record of  
Innovation Success**

**INNOVATION**

**Ability to reconfigure the  
business in changing  
market conditions**

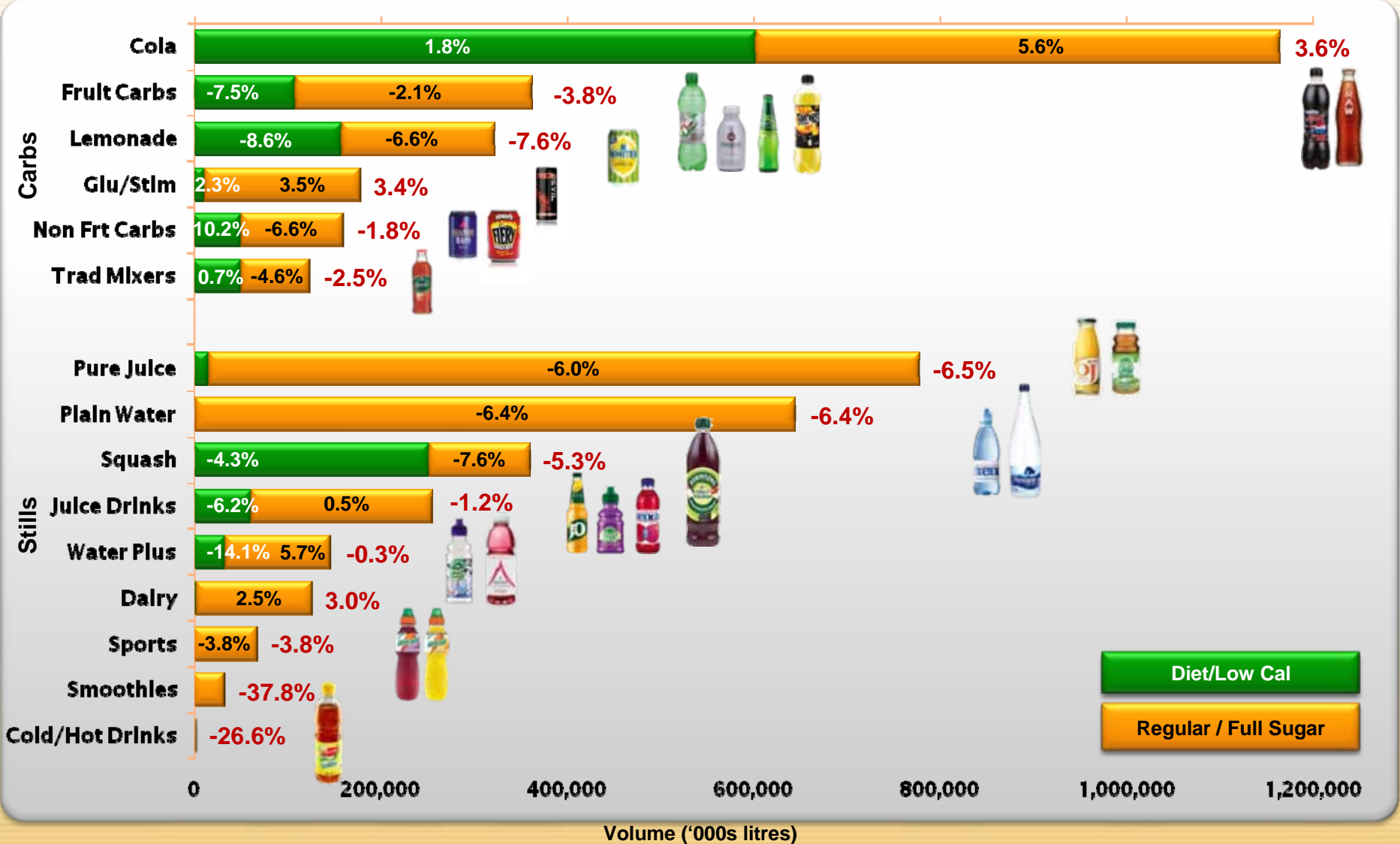
**FLEXIBILITY**

**OWNED**  
**A Unique Combination of  
Owned and Franchised  
Brands**

**FRANCHISED**



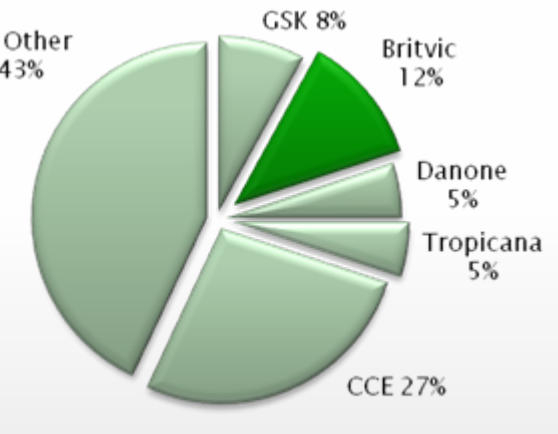
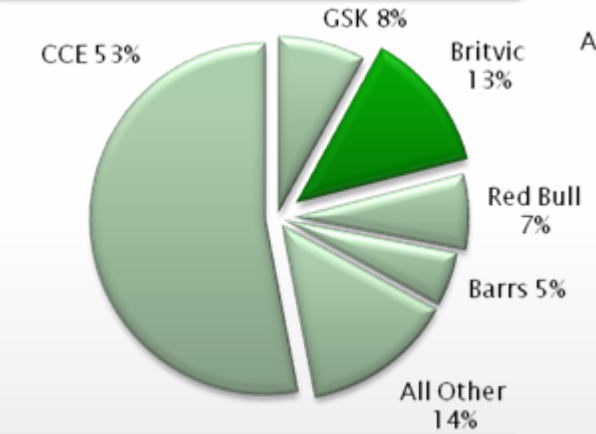
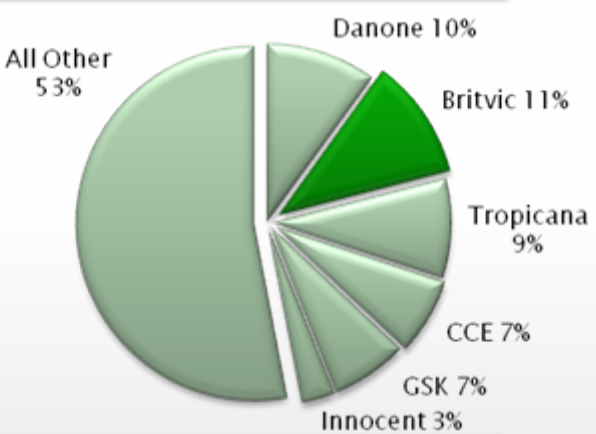
# GB Market Volumes And Growth



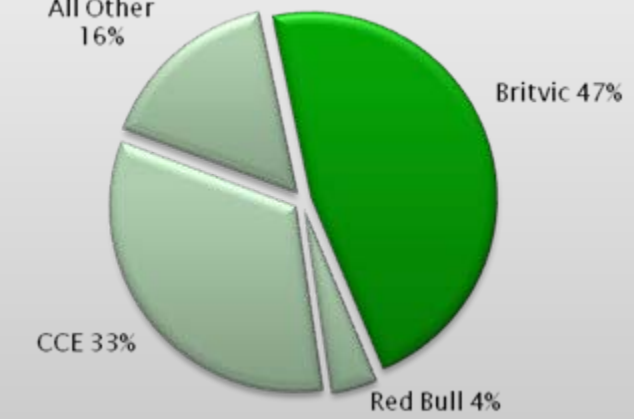
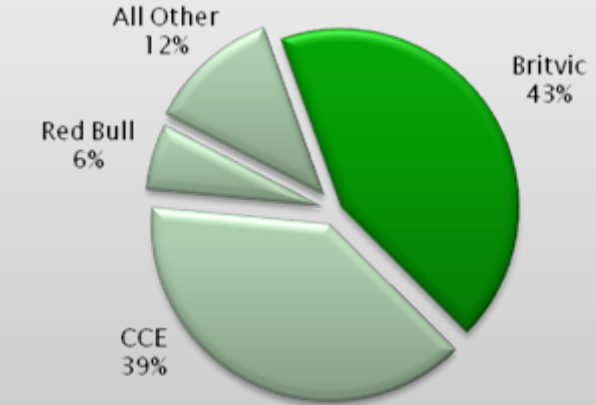
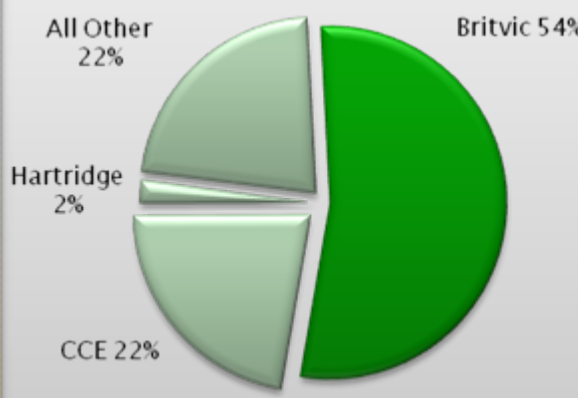
**Everyday-To-Premium Brands In The Winning Categories**

# Strong And Growing Market Positions

**Stills (£3.3bn)** + **Carbonates (£2.7bn)** = **Take-Home (£6.0bn)**



**Stills (£0.8bn)** + **Carbonates (£1.5bn)** = **Licensed On-Trade (£2.3bn)**



**Consistent Share Gains Across Channels And Categories**

Source: AC Nielsen Scantrack data to 13 June 2009 & Licensed On Trade data to May 2009 Total Coverage MAT

# Core GB brands



- # 1 cola in Licensed on-trade <sup>(2)</sup>
- # 2 branded cola in take-home <sup>(1)</sup>
- # 2 global soft drinks brand <sup>(3)</sup>



- #1 stills brand in the take-home market <sup>(1)</sup>
- 10th largest UK grocery brand by value <sup>(4)</sup>



- # 1 ready-to-drink kids' stills brand <sup>(1)</sup>
- Now a £100m retail brand



- #1 packaged drink in On-Premise <sup>(2)</sup>



- # 2 global lemon/ lime brand <sup>(3)</sup>
- The fastest growing lemon & lime in the UK <sup>(1)</sup>



- # 5 fruit flavoured carbonate brand by volume in GB take-home <sup>(1)</sup>

# Seed GB brands



- World's number one sports drink
- Ambition to be the #2 GB sports drink by summer 2011

drench



- Rapid growth within Plain Water in 1<sup>st</sup> year
- Juicy drench added in 2009, outselling rivals



- Acquired by PepsiCo in 2008
- A small category that Britvic can build



- Genuine cola innovation
- Into Take-Home this year after a successful launch in Licensed On-Premise



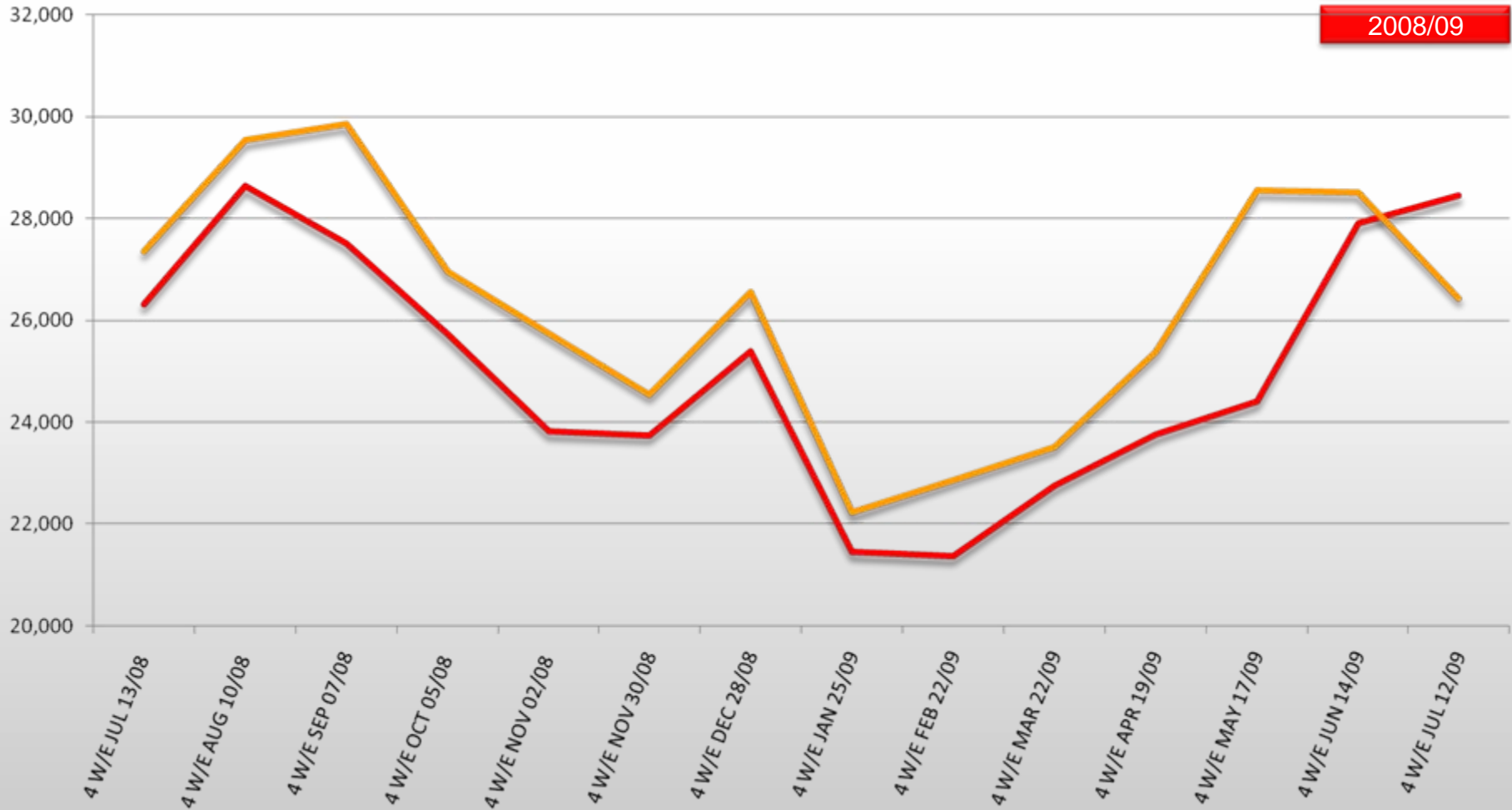
- A year of consolidation to bring the brand in house
- Another category for Britvic to build on

With Core Brands, The Drivers Of Organic Growth



# Irish Soft Drinks Market Volume

000's Litres



**Macro Conditions Continue To Impact The Soft Drinks Category**

# Britvic Ireland - In Shape For Growth



## *Faster, Simpler, Winning*

- Investing in our production facilities
- SAP implementation underway
- Business restructured
- Synergies on track
- Investing for the future



## *The number 1 water*

- “Bodies never lie” TV campaign
- New packs and flavours
- Munster Rugby sponsorship
- Proven purity focus



## *The number 1 orange carbonate*

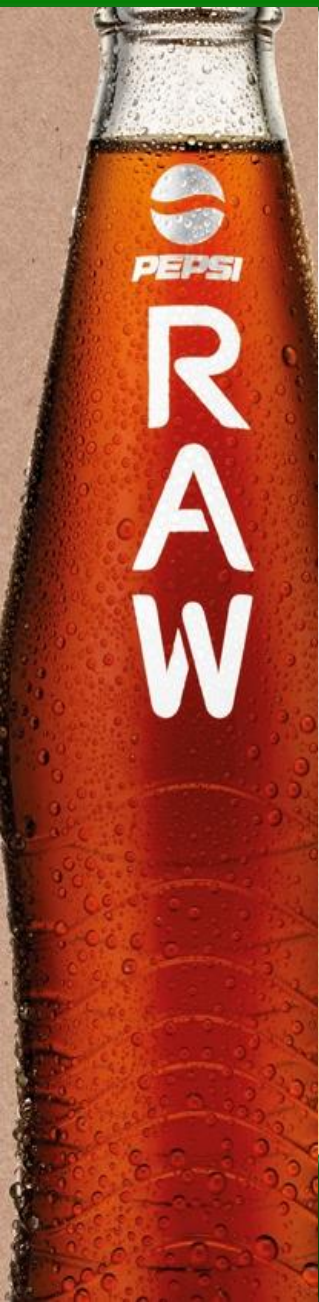
- New TV campaign
- Delivering its message through humour
- Major in-store execution programme



**Big & Trusted Brands To Drive Future Growth**

# Latest Financial Headlines

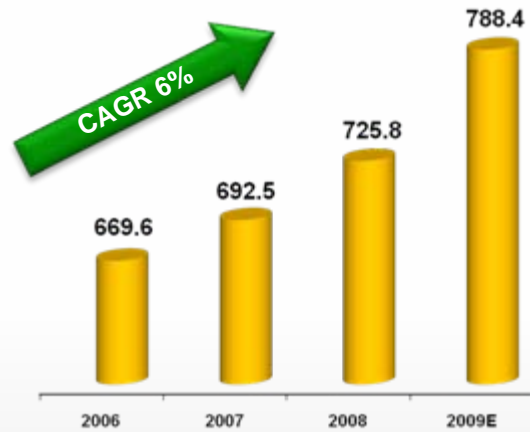
(% changes against last year)



		<b>Q3</b>	<b>Year to Date</b>
<b>Volume</b>	<i>GB Carbs</i>	10.4	8.5
	<i>GB Stills</i>	3.0	4.9
	<i>International</i>	11.7	3.6
	<i>Ireland</i>	(20.2)	(9.6)
	<b>GROUP</b>	<b>3.9</b>	<b>4.7</b>
<b>ARP</b>	<i>GB Carbs</i>	3.6	3.0
	<i>GB Stills</i>	5.2	0.7
	<i>International</i>	5.3	10.6
	<i>Ireland (€)</i>	(5.5)	(5.8)
	<b>GROUP (£)</b>	<b>3.3</b>	<b>2.5</b>
<b>Revenue</b>	<i>GB Carbs</i>	14.4	11.6
	<i>GB Stills</i>	8.3	5.7
	<i>International</i>	17.5	14.6
	<i>Ireland (€)</i>	(24.3)	(17.0)
	<b>GROUP (£)</b>	<b>5.9</b>	<b>6.1</b>

**An Exceptional GB & International Performance Underpins The Group**

# Consistent Delivery Of Key Metrics



GB/INTL REVENUE £m



GB/INTL EBIT £m



EPS (p)



FREE CASH FLOW £m

Repeated Leverage Through The P&L



# Summary

## Britvic is a Leading Branded Soft Drinks Business in the UK and Ireland



- **Strong and Growing Market Positions**
- **A Powerful and Resilient Brand Portfolio**
- **An Ever-Expanding Relationship with PepsiCo**
- **Consistently Deliver on Key Metrics**



**Long-Term Attractive Growth Through Recession *And* Recovery**



Dedicated to creating and building soft-drink brands  
*that delight consumers...always!*





## Supplementary Information





# Balance Sheet Strength in 2009

- **£283M bank facility in place**

- Forward start facility agreed April 2009
- 5 out of 6 banks retained
- Abbey Santander joins our banking group
- Facility in place to May 2012
- A competitive deal in a tough market

- **US private placement debt of £229M**

- Fully hedged and swapped into sterling in February 2007
- All-in swapped fixed coupon rate of 6%
- Maturities of:
  - £77m 2014
  - £74m 2017
  - £78m 2019



# 2009 Brand Investment



## Heavyweight TV campaign

- Back on TV across the summer
- New packs and flavour
- Great in-store feature and display



## 2 major campaigns

- Twenty20 Cricket
- Tie-in with Nokia
- Major on-pack activities to engage consumers



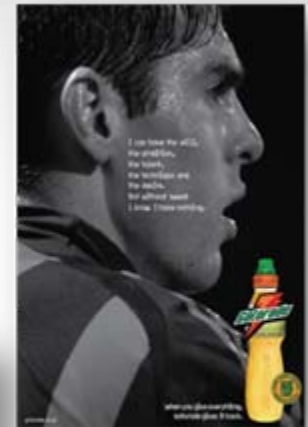
## Wimbledon

- An on-pack to win tickets to the championships
- Laura Robson signed as a brand ambassador on a 2-year deal



## On TV for the first time

- Olympic gold medallist Tim Brabant signed as a brand ambassador
- Key sporting events sponsorship
- Cinema and poster campaign



**Brand Equity Programmes Have Driven Much Of The Growth in 2009**

# 2009 Innovation & Product Launches

H1



H2



Great Innovation Delivery Through The Year

# Flawlessly-Executed Brand Equity Programmes...



**BRITVIC**   
ple

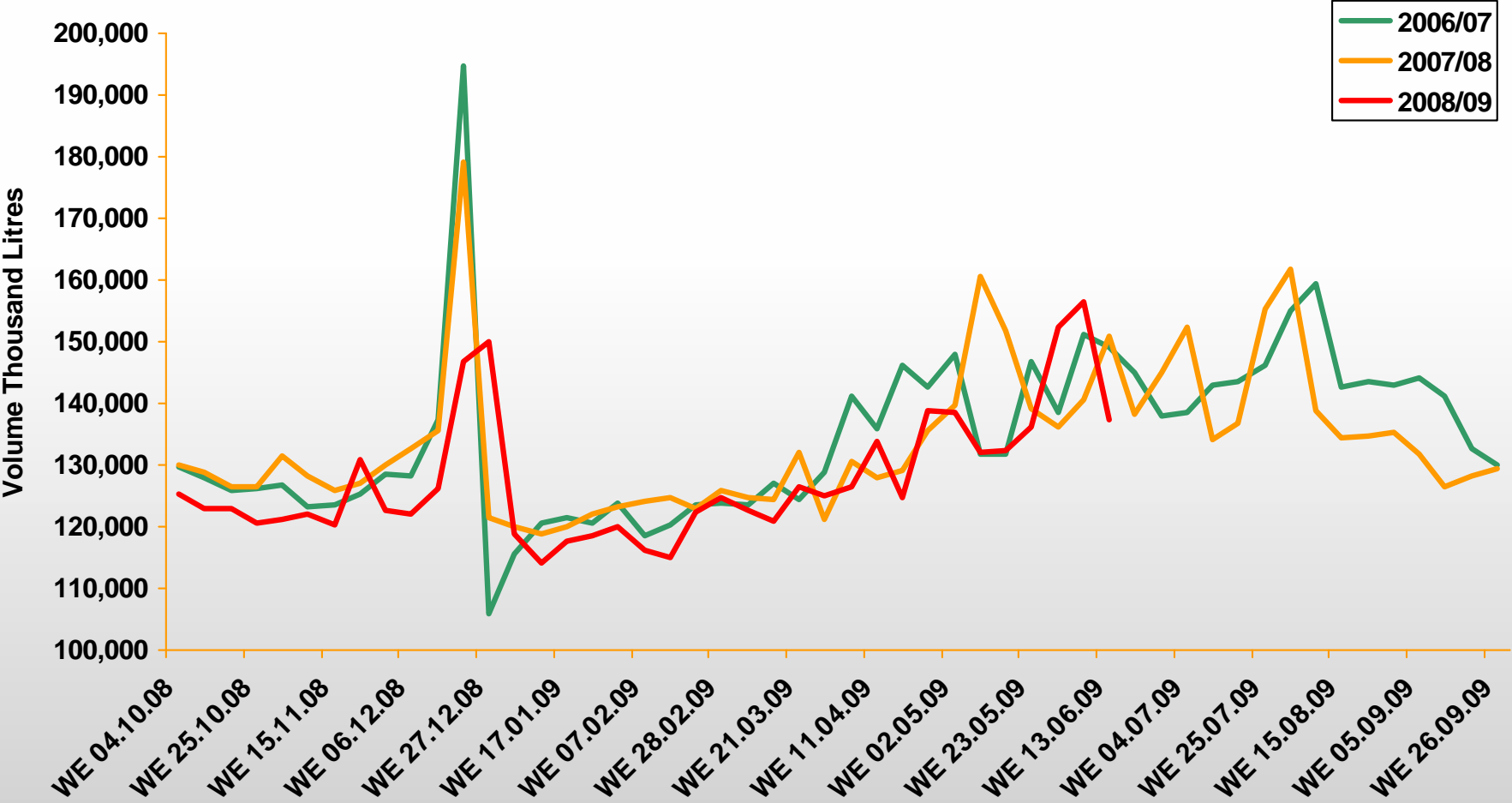


# ...Coupled With Successful In-Store Execution





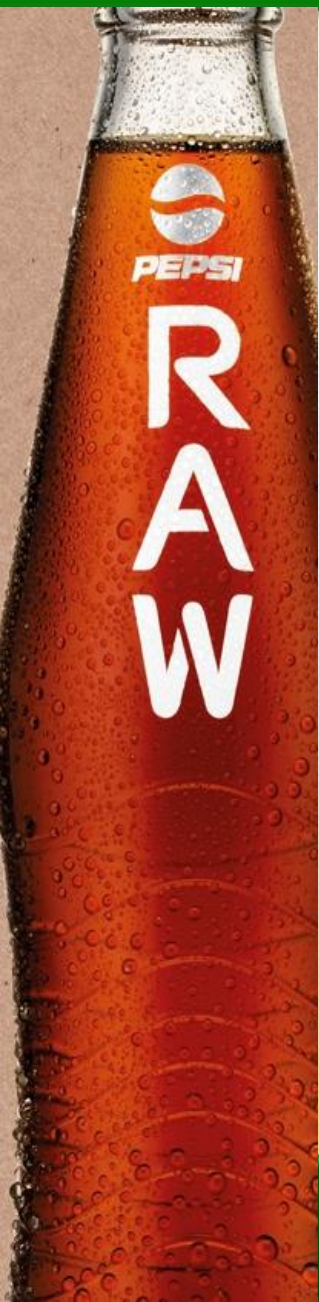
# GB Soft Drinks Market Volume



**A Resilient Category Despite The Recession**

Source: ACNielsen Scantrack to 13<sup>th</sup> June 2009: Take Home

# Half-Year Headlines



	H109 £'m	H108 £'m	% change
Revenue	483.2	454.7	6.3
EBIT	31.9	31.4	1.6
EBIT Margin	6.6%	6.9%	(30)bps
Profit After Tax	14.8	13.0	13.8
Free Cashflow	(24.6)	(10.5)	(134.3)
Adjusted Net Debt	(442.7)	(454.1)	2.5
Basic Earnings Per Share	6.9p	6.1p	13.1
Interim Dividend Per Share	4.1p	3.8p	7.9

## A Strong GB & International Performance

# Half-Year Cashflow

	<i>H109</i> <i>£m</i>	<i>H108</i> <i>£m</i>	<i>%</i> <i>change</i>
Operating profit pre-exceptionals	31.9	31.4	1.6
Depreciation & amortisation	21.6	23.8	(9.2)
<b>EBITDA</b>	<b>53.5</b>	<b>55.2</b>	<b>(3.1)</b>
Working capital	(23.9)	(31.4)	23.9
Capital expenditure	(26.5)	(12.1)	(119.0)
Pension contribution	(10.0)	(10.0)	0.0
Other	(17.7)	(12.2)	(45.1)
<b>Free cashflow</b>	<b>(24.6)</b>	<b>(10.5)</b>	<b>(134.3)</b>
Dividends	(19.0)	(16.6)	14.5
<b>Adjusted net debt</b>	<b>(442.7)</b>	<b>(454.1)</b>	<b>2.5</b>

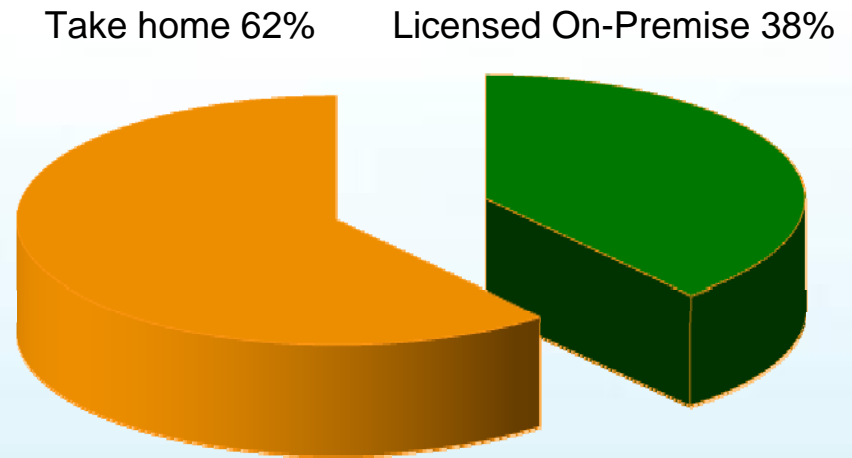
## Continuing To Pay Down Debt

*Note: All numbers are before exceptional costs*

*Adjusted net debt is defined as net debt, adding back the net benefit of debt hedging instruments that pass through Reserves*

# The GB Carbonates Market

- ◆ **Sub-sectors include cola, flavoured carbonates, lemonade, mixers and glucose/stimulant drinks**
- ◆ **Over 60% channelled through Take-Home market**
- ◆ **Take-Home market dominated by CCE (53%)**
  - ◆ Britvic #2 (12.5%)
  - ◆ GSK #3 (8%) – Lucozade GB's leading functional drink
- ◆ **43% of Licensed On-Trade market (#1)**
  - ◆ CCE (39%)
- ◆ **UK market has seen a marginal increase in volumes during the first half of 2009**
- ◆ **Carbonates will continue to provide scale to operations and entry point to customers in Licensed On-Trade and leisure and catering channels**



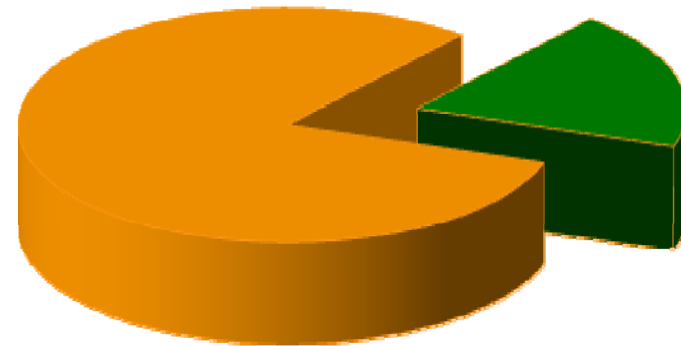
Source: AC Nielsen Scantrack MAT to 11 April 2009 & Licensed On Trade data MAT to March 2009 (value)



# The Stills Market in GB

- Sub-sectors include squash, water, fruit drinks, pure juice and sports drinks
- Number 1 in stills in UK
- Over 80% channelled through Take-Home market
- Take-Home market fragmented
  - Britvic #1 (10.7%)
  - Danone #2 (9.5%) – (Evian, Volvic, Badoit bottled waters)
  - Tropicana #3 (9.3%)
  - GSK #4 (7.1%)
- 54% share of Licensed On-Trade market
  - next nearest CCE 22%
- Growth driven by:
  - “Better for you”
  - “Added value”
- Stills will be key driver of revenue growth in the longer term

Take home 82%    Licensed On-Premise 18%



Source: AC Nielsen Scantrack MAT to 11 April 2009 & Licensed On Trade data MAT to March 2009 (value)

## 3 main channels to market:

### Take Home (£6.1bn) <sup>(1)</sup>

- Customers include large grocery retailers, (primarily Tesco, J Sainsbury, Asda, Wm Morrison), high street stores (for example, WHSmith), “impulse” channel retailers (convenience stores, garage forecourt sales and off-licences) and cash & carry wholesalers.
- c70% of market by volume

### Licensed On-Trade (£2.3bn) <sup>(2)</sup>

- Customers include Licensed pubs, clubs and bars
- Typically 3-5 year supply contracts
- c6% of market by volume

### Leisure and Catering

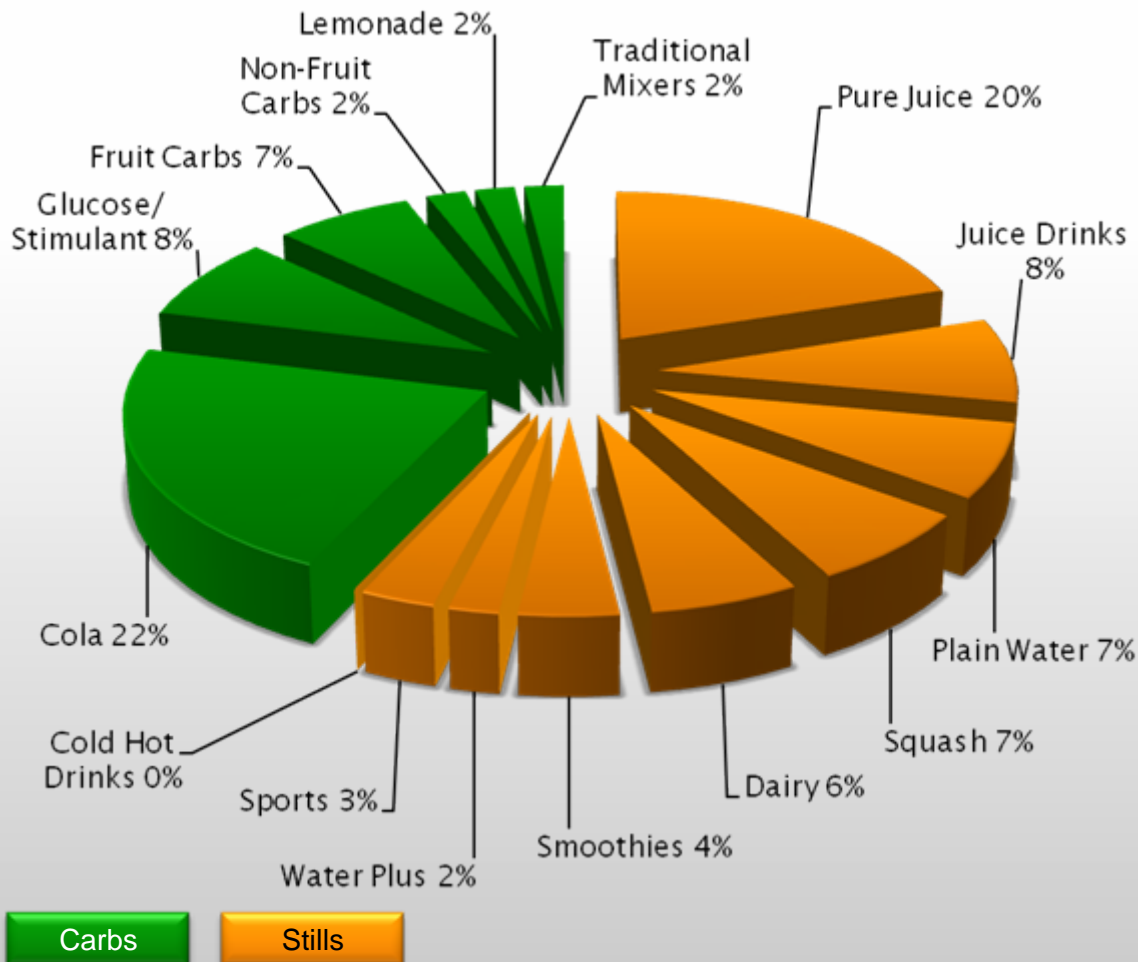
- Highly fragmented (>100,000 outlets, plus vending machines)
- Channel includes restaurants, fast-food outlets, hotels, entertainment venues, contract caterers, canteens, schools and vending machines
- Estimate c24% of market by volume

(1) AC Nielsen Scantrack data to 11 April 2009 Total Coverage MAT

(2) AC Nielsen Licensed On Trade data to March 2009 Total Coverage MAT

# The GB Take-Home Market

Take-Home by Retail Value Sales (£6.1 billion)

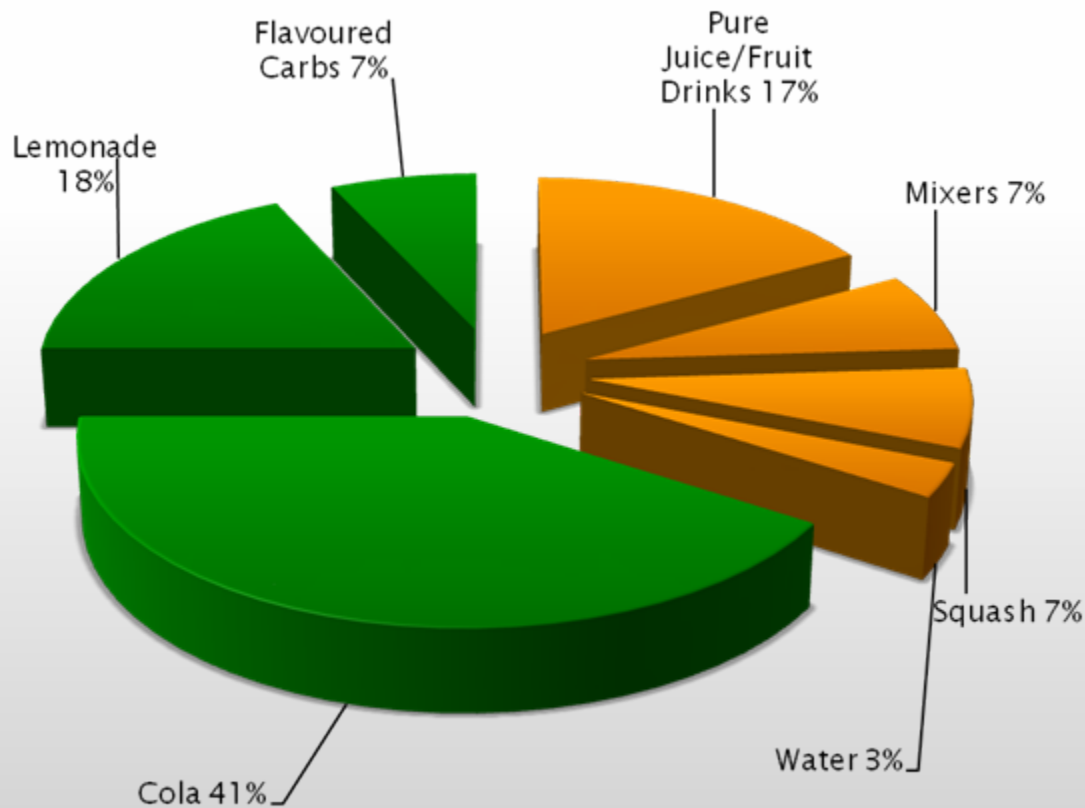


	07-09 CAGR	YOY
<b>Stills</b>	<b>(2.4)%</b>	<b>(4.6)%</b>
Pure Juice	0.6 %	(4.0)%
Juice Drinks	(1.1)%	(2.2)%
Plain Water	(8.7)%	(10.5)%
Squash	(1.6)%	3.6 %
Dairy	(0.6)%	1.6 %
Smoothies	(10.2)%	(30.0)%
Water Plus	(8.4)%	(7.6)%
Sports Drinks	9.1 %	1.0 %
Cold Hot Drinks	(15.5)%	(15.9)%
<b>Carbonates</b>	<b>3.7 %</b>	<b>4.6 %</b>
Cola	2.8 %	4.5 %
Glucose/Stimulant	13.5 %	8.7 %
Fruit Carbs	(1.9)%	(0.2)%
Non Fruit Carbs	3.3 %	4.5 %
Lemonade	0.7 %	6.4 %
Traditional Mixers	3.5 %	4.8 %
<b>Total</b>	<b>0.2 %</b>	<b>(0.7)%</b>

Source: AC Nielsen Scantrack data to 11 April 2009 Total Coverage MAT

# The GB Licensed On-Premise Market

Licensed On-Trade by Retail Value Sales (£2.3 billion)



Carbs Stills

	07-09 CAGR	YOY
<b>Stills</b>	<b>(2.2)%</b>	<b>(2.0)%</b>
Pure Juice / Fruit Drinks	(2.0)%	(1.2)%
Mixers	(2.3)%	(2.7)%
Squash	(1.1)%	(0.7)%
Water	(7.4)%	(6.4)%
<b>Carbonates</b>	<b>(3.1)%</b>	<b>(2.8)%</b>
Cola	(2.0)%	(1.6)%
Lemonade	(3.7)%	(4.1)%
Flavoured Carbs	(5.9)%	(3.9)%
<b>Total</b>	<b>(2.8)%</b>	<b>(2.5)%</b>

Source: AC Nielsen Licensed On Trade data to April 2009 Total Coverage MAT



# Guidance for 2009 At The Half Year

## Additional revenue:

- Total innovation this year to add ~1% to the GB top line

## Costs:

- Raw materials inflation guidance remains unchanged at 4.0-4.5%
- Interest similar to 2008. 2009 sees lower LIBOR but higher pricing
- Tax rate similar to H1

## Savings:

- Strategic Business Review January 2009:
  - GB £1.0-1.5m in 2009, £2.0-3.0m from 2010
  - Ireland €1.0-1.5m in 2009, €7.0m from 2010
  - €6.0m incremental synergy benefit next year
- c.£1.5m in H2 savings from the October 2007 outsourcing of secondary distribution
- Product Value Optimisation to deliver a further £1m in H2



**Guidance Broadly Unchanged At The Half Year**