

## **Britvic plc (“Britvic”) 52 Week Trading Update to 28 September 2014**

All numbers and comparisons are quoted pre-exceptional and on a constant exchange rate basis, unless otherwise stated.

Britvic today reports its full year trading update ahead of the preliminary results release on 26 November. Full year revenue increased by 2.4%, with both volume and price growth, and the strategic cost initiatives were successfully implemented with a slightly higher in-year benefit than anticipated. As a result we now expect that full year EBIT will be marginally ahead of the top end of our previous guidance range of £148m to £156m and well ahead of last year.

### **Q4 performance**

As expected Q4 group revenue declined, down 4.0% on the previous year, against a strong comparator in 2013 when Q4 revenue grew by 12.8%. Q4 revenue of £344.2m includes seven less trading days in Ireland than the previous year and when adjusted for this, the like for like revenue decline was 3.1%.

In each of our European markets the soft drinks category declined in Q4 as a result of poor weather, particularly in July and August. Retail conditions remained largely unchanged as consumers continued to focus on value and managing household expenditure tightly.

The Fruit Shoot line commissioning delay that impacted both International and France in Q3 was successfully resolved early in Q4. The International business made strong progress this quarter with the continued roll-out of Fruit Shoot across the USA and the launch in India.

**GB Q4 revenue declined 2.1% (Full Year +3.0%)** whilst the take-home soft drinks market value declined 3.9% in the quarter. GB carbonates revenue increased 0.2% with an ARP increase of 3.8% offsetting a volume decline of 3.7%, whilst the take-home carbonates category value declined 3.0%. In a competitive market Pepsi continued to gain market value share with multi-pack cans and small PET performing particularly well. GB stills revenue declined 5.8%, whilst the category take-home value, excluding water, declined 7.4%. Britvic's revenue performance reflects a volume decline of 14.0%, partially offset by ARP growth of 9.5%. The launch of Robinsons Squash'd had a materially positive impact on ARP. The GB stills prior year revenue growth was particularly strong at +23.2%, across all our major brands.

**Ireland Q4 revenue<sup>1</sup> declined 5.2% on a like for like basis (-13.8% reported) (Full Year -4.5%)** whilst the take-home soft drinks market value declined by 6.1%. Underlying trading conditions remained challenging and the carbonates and plain water categories were particularly competitive. Overall volume declined 6.3% (-15.3% reported) whilst ARP increased by 0.4% (+1.1% reported). The licensed wholesale market has been challenging, with the revenue decline driven primarily by third party brands. The reported number for Q4 includes seven less trading days in Ireland this year, which was the main reason for the significant fall in reported revenues.

**France Q4 revenue<sup>2</sup> declined 12.0% (Full Year +1.2%).** Last year Q4 revenue grew 13.5%, with syrups in particular benefiting from the exceptionally warm weather. The notably cooler summer this year has resulted in a significant decline for syrups in the quarter, with category volumes down double-digit. The decline in syrups also had a negative impact on price/mix. Fruit Shoot has continued to grow and is now the number one brand, by value, in the category.

**International Q4 revenue<sup>2</sup> increased by 35.2% (Full Year +16.9%)** The roll-out of Fruit Shoot singles across all 50 states in the USA and the launch in India have contributed to a significant growth in concentrate sales this quarter. The second manufacturing line in St Louis is now fully operational.

### **Simon Litherland, Chief Executive, commented:**

“We have delivered a strong performance despite the poorer summer weather and the continued challenging trading environment. We now expect operating profit marginally ahead of the top end of the guidance range we outlined at the start of the year. Full year revenue grew 2.4% and the accelerated delivery of our strategic cost initiatives pulled the in-year savings ahead of our original plan. I am especially pleased that we have delivered a strong set of results, with profits well ahead of last year, at the same time as undertaking a significant internal change programme. We are now set up to take advantage of the growth opportunities ahead of us.

We anticipate that the prevailing challenging market conditions will continue for some time. Nevertheless, we look forward with confidence to further earnings growth in 2015, as we realise the full year benefit of the cost initiatives and execute our extensive innovation and marketing plans for the year. We will share more details of this in our preliminary results in November.”

1. The Irish business unit has changed its accounting period as part of the integration with the GB division. The business has moved from a monthly to a 4 weekly accounting cycle and as a consequence, Q4 reported 7 days less trading compared to last year. Prior year has not been restated to reflect this.

2. France export volume and revenue is now managed and accounted for in the International business unit. Prior year in both France and International has been restated to reflect this.

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**Notes to editors**

**About Britvic**

Britvic is one of the leading branded soft drinks businesses in Europe. The company leverages its own leading brand portfolio including Robinsons, Tango, J<sub>2</sub>O, Fruit Shoot, Teisseire and MiWadi with PepsiCo brands such as Pepsi, 7UP and Mountain Dew Energy 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, and in France with brands such as Teisseire and Fruit . 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.

**Quarter Four (“Q4”) reporting period**

Britvic GB, Ireland and Britvic International’s fourth-quarter period runs from 7 July to 28 September 2014. Britvic France and Counterpoint covers the period from 1 July to 30 September 2014. Britvic Ireland’s volume and ARP exclude the sale of third-party factored brands through the Counterpoint wholesale business.

**Market Data**

GB take-home market data referred to in this announcement is supplied by Nielsen and runs to 27 September 2014. ROI take-home market data referred to in this announcement is supplied by Nielsen and runs to 7 September 2014. French market data is supplied by IRI and runs to 21 September 2014.

**Next Scheduled Announcement**

Britvic will publish its Preliminary results on 26 November 2014.

## Britvic revenue, volume and ARP

	Actual		Actual exchange rate % change on last year		Constant exchange rate % change on last year	
	Q4	YTD	Q4	YTD	Q4	YTD
<b><u>Revenue £m</u></b>						
GB Carbonates	144.2	567.8	0.2%	5.9%	0.2%	5.9%
GB Stills	85.9	335.2	-5.8%	-1.4%	-5.8%	-1.4%
GB Total	230.1	903.0	-2.1%	3.0%	-2.1%	3.0%
International	17.3	58.2	31.1%	15.7%	35.2%	16.9%
Ireland	33.0	128.3	-18.5%	-6.3%	-13.8%	-4.5%
France	63.8	254.9	-17.8%	-1.3%	-12.0%	1.2%
<b>GROUP</b>	<b>344.2</b>	<b>1,344.4</b>	<b>-6.1%</b>	<b>1.7%</b>	<b>-4.0%</b>	<b>2.4%</b>
<b><u>Average Realised Price ("ARP") PPL</u></b>						
GB Carbonates	48.6	47.1	3.8%	1.3%	3.8%	1.3%
GB Stills	93.3	88.5	9.5%	3.8%	9.5%	3.8%
GB Total	59.2	57.0	4.4%	0.9%	4.4%	0.9%
International	136.2	131.4	15.5%	12.9%	19.2%	14.0%
Ireland	55.4	54.1	-4.3%	-4.8%	1.1%	-2.9%
France	97.0	93.2	-7.4%	-1.8%	-0.8%	0.6%
<b>GROUP</b>	<b>65.6</b>	<b>63.0</b>	<b>1.9%</b>	<b>0.3%</b>	<b>4.0%</b>	<b>1.0%</b>
<b><u>Volume – m litres</u></b>						
GB Carbonates	296.5	1,204.7	-3.7%	4.4%	-3.7%	4.4%
GB Stills	92.1	378.9	-14.0%	-5.0%	-14.0%	-5.0%
GB Total	388.6	1,583.6	-6.3%	2.0%	-6.3%	2.0%
International	12.7	44.3	13.4%	2.5%	13.4%	2.5%
Ireland	49.1	197.0	-15.3%	-1.0%	-15.3%	-1.0%
France	65.8	273.6	-11.2%	0.6%	-11.2%	0.6%
<b>GROUP</b>	<b>516.2</b>	<b>2,098.5</b>	<b>-7.5%</b>	<b>1.5%</b>	<b>-7.5%</b>	<b>1.5%</b>