

Britvic plc

Investor presentation



The Britvic investment case

Britvic is a leading European branded soft drinks business

STRONG MARKET POSITIONS IN A RESILIENT CATEGORY

#2 in British branded soft drinks

#2 in Irish branded soft drinks

#1 in French syrups

AN EVER-EXPANDING 24-YEAR RELATIONSHIP WITH PEPSICO

A number of bottling contracts provide substantial scale

Bottling both carbonate and still brands

A STRONG TRACK RECORD OF GROWTH

Top Line revenue

Operating profit

Cash generative

Dividend policy

Medium-term guidance for EBITA margin expansion of 50bps pa

Organic growth in core markets

International growth through M&A and owned-brand franchising

Source: Nielsen GB take-home scantrack October 2011. CGA pubs and clubs August 2011. Nielsen ROI grocery scantrack October 2011. Nielsen ROI licensed September 2011. France IRI census September 2011



A strategy for organic growth



GB

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



France

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



Ireland

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



Market performance 2011



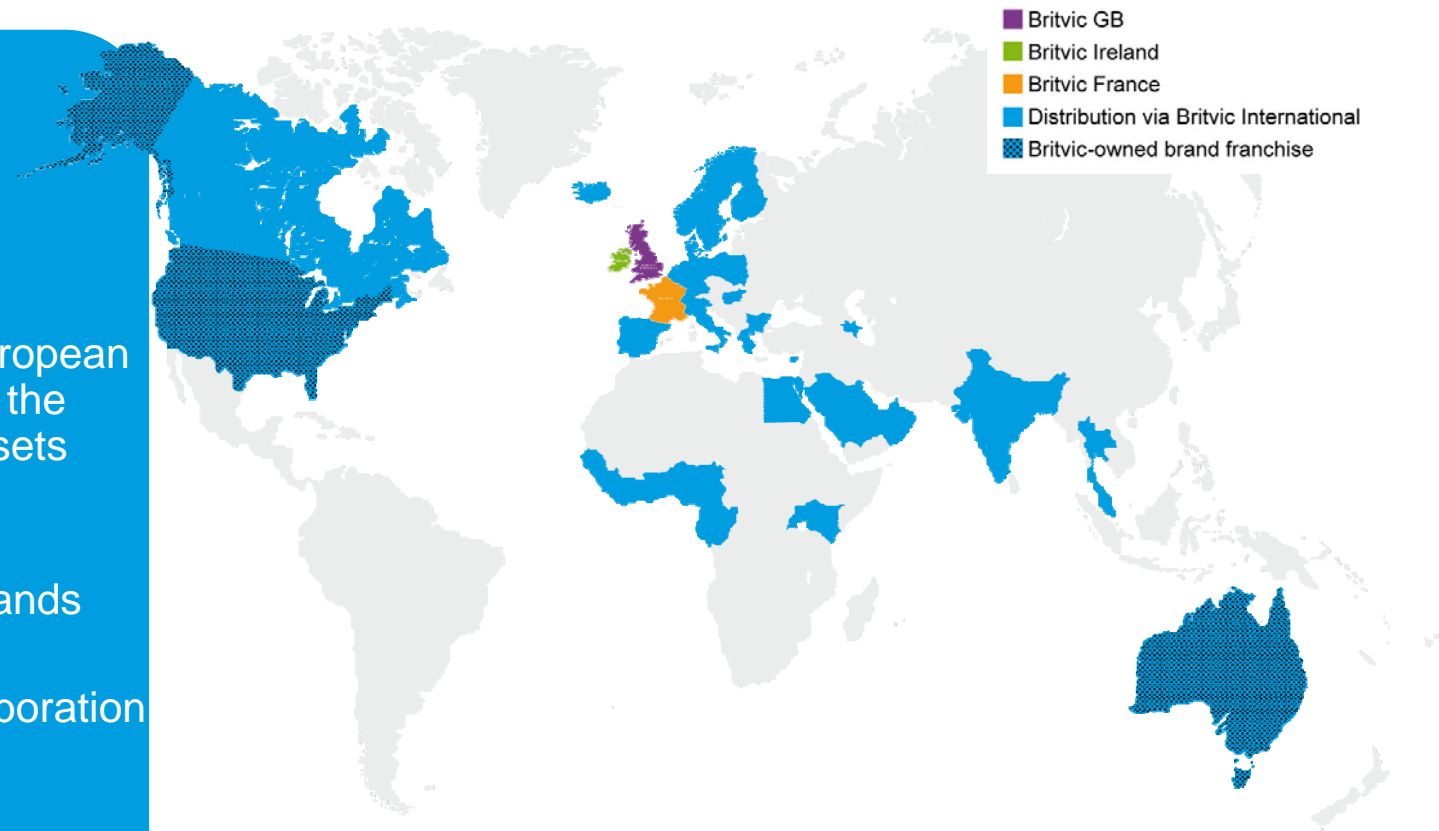
Source: IRI Census September 2011 Nielsen ROI grocery scantrack October 2011.
 Nielsen ROI licensed data September 2011. Nielsen take-home scantrack October 2011. Pubs and Clubs CGA data August 2011



A strategy for international expansion

International

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



■ Britvic-owned brands with global appeal



Building momentum in current franchise markets



Volume up 32% Vs LY
Available in 2,800 C&G outlets



Available in over 2,200 outlets
Distribution growth in grocery and foodservice



Already the number 2 with 17% market share¹
Expanding its presence in impulse

Source: Nielsen Grocery September 2011



Major new developments in the US



New distribution agreement with Gross & Jarson

Launched in Kentucky Summer 2011



Long-term distribution agreement now in place
North American manufacture to begin H2 2012
Able to supply other US bottlers and support expansion plan



Wholly-owned manufacturing, sales and distribution operating unit of PepsiCo
PBC distribute 75% of PepsiCo's North American volume
Distribution agreement for Florida and Georgia



Franchise growth guidance



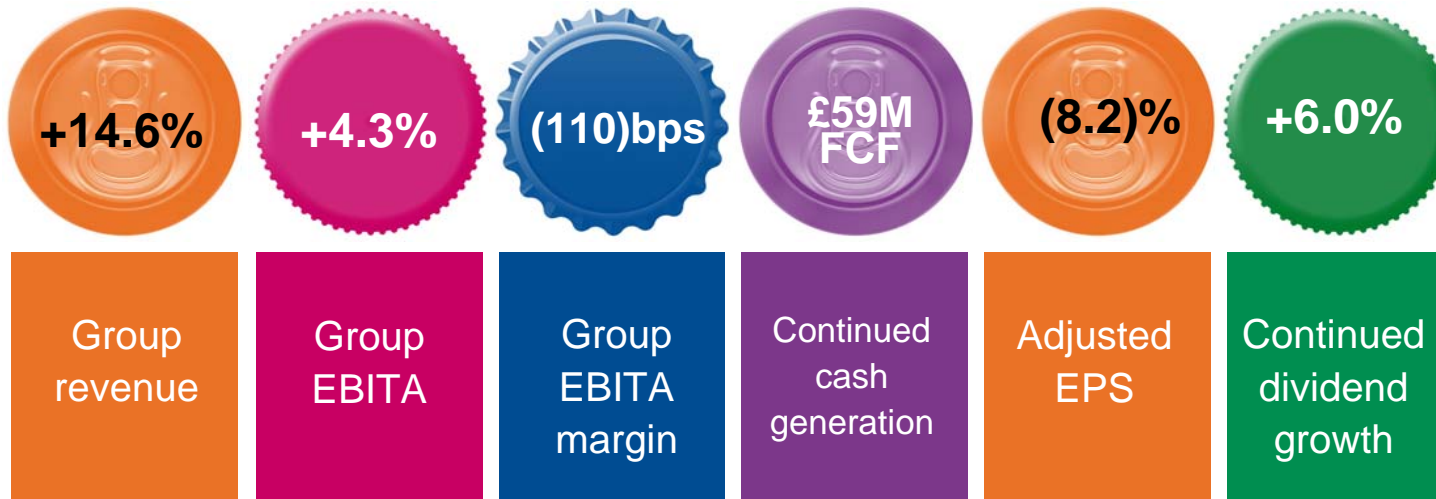
Move to local manufacture creates a new landscape

- Transition to a “concentrate” model; revenue versus margin dynamic changes
- Single-serve remains the focus
- PBV able to supply other US bottlers
- Medium to long-term opportunity is material

International revenue guidance for 2012 of 20% growth



Group performance



EBITA is defined as operating profit before exceptional and other items and amortisation. In a change to last year only amortisation attributable to intangibles on acquisition is added back, in the period this is £3.1m (2010: £2.2m). Adjusted earnings per share adds back the amortisation attributable to intangibles on acquisition. The share base is the weighted average number of ordinary shares outstanding during the period, excluding shares held by Britvic to satisfy employee share-based incentive programmes. Numbers are on a 52-week constant currency basis and adjusted for the impact of double-concentrate except for FCF and adjusted EPS which are on a 53-week basis.



Cashflow

	2011 £'m	2010 £'m	% Change
EBIT	135.0	134.6	0.3
Depreciation & amortisation	50.7	44.3	(14.4)
EBITDA	185.7	178.9	3.8
Working capital	(13.5)	(11.1)	(21.6)
Capital expenditure	(49.0)	(45.3)	(8.2)
Pension contributions	(11.4)	(13.2)	13.6
Other	(52.5)	(41.5)	(26.5)
Underlying free cashflow	59.3	67.8	(12.5)
Dividends	(40.3)	(34.9)	(15.5)
Adjusted net debt	(452.0)	(451.2)	(0.2)

Note: All numbers are pre-exceptional and other items. 2010 numbers are actual 53-week reported.
Adjusted net debt is defined as net debt, adding back the net benefit of debt hedging instruments that pass through reserves.



■ Britvic GB Pension scheme

- Agreement reached for payments by end of each calendar year of:
 - 2011 - £10m : 2012 - £12.5m : 2013 -17 inc. £20m p.a
 - This includes the income from a Pension Funding Partnership (PFP) which will continue to 2026
 - Subject to triennial valuation
- The PFP is an asset-backed funding structure
 - Phase 1 property transfer in place
 - Phase 2 brands transfer expected by end of 2011
- Pension scheme benefits immediately from asset security
- Delivers net cash benefits for the company versus previous guidance



Guidance

Revenue

Minimum ARP growth of 1%

Premium categories under continued pressure

Innovation adds 1-2% to the top line

Cost

Raw material inflation of mid-single digit

PVO saving of £8m

A&P maintained at 5% of revenue

Interest coupon rate of 5.5-6.0%

Effective tax rate 26-26.5%

Capital

GB £50-55m

France €12m

Ireland €8m

Other

Progressive dividend policy

Improving FCF momentum

50bps EBITA margin improvement



Markets Summary

Strong brands in a resilient category

Resilient underlying growth

Maintaining price discipline

Exciting International developments



14



Appendix



The ADR programme

Britvic's shares trade on the US Over the-counter market under the following information

Symbol	BTVCY
CUSIP	111190104
Ratio	1 ADR : 2 ORD
Country	UK
Effective Date	February 2010
Underlying SEDOL	B0N8QD5
Underlying ISIN	GB00B0N8QD54
Depository	BNY Mellon

ADR benefits to US investors:

- ADRs give access to cross-border market liquidity
- ADRs are cost-effective
- ADRs are convenient to own



2011 Innovation



Another year of successful innovation



Business highlights

- Both **Teisseire** and **Moulin De Valdonne** grew value share
- Successful sponsorship of the **Tour de France**



Business highlights

- **On-the-go** strategy builds momentum
 - “**Reward Your Thirst**” programme achieving record levels of consumer engagement
 - Available across the single-serve portfolio
 - Growing our market share in single-serve



Business highlights

- Share of total GB carbonates grew by 20bps
- Pepsi held GB value share in a competitive market
- Mountain Dew builds momentum in GB



Q1 activity

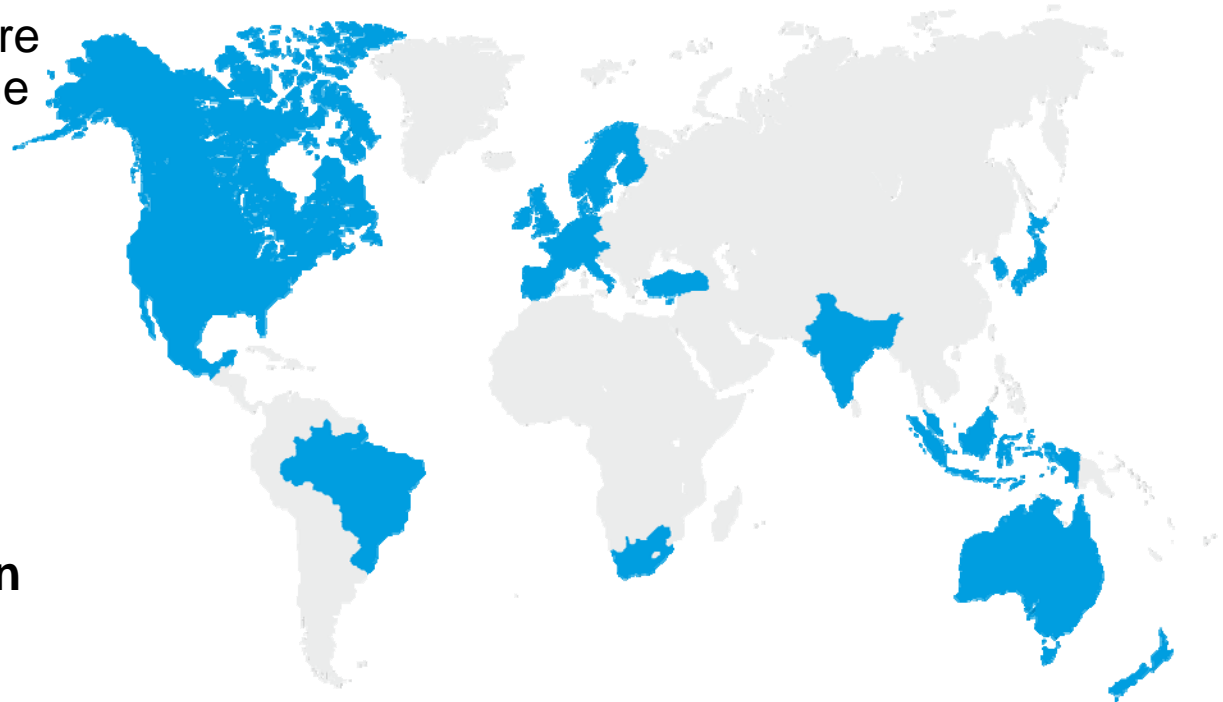


The dilutables market is Global **BUT** diverse

- Mixing with water is a concept consumers are familiar with across the world

- Squash
- Syrups
- Powders
- Cordials

- Market value of **\$16bn**



Fruit Shoot a growing European footprint



Ireland

The number 2 kids soft-drink brand

Listed in McDonalds Summer 2011



Netherlands

A top 5 kids soft-drink brand

Doubled in size in the last 3 years



France

number 1 ROS where sold*

Major marketing plan to build the brand



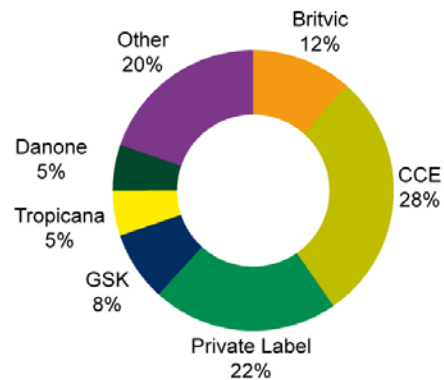
Scale of US opportunity

- Current focus is to build the brand credentials in the “impulse” channels
 - Available in excess of 5,000 outlets currently
 - Agreements to date create access to consumers in 6 states
 - Total US population 310m, and growing
- Juice drinks category worth in excess of \$5.4bn
- Multi-pack formats required to unlock grocery opportunity

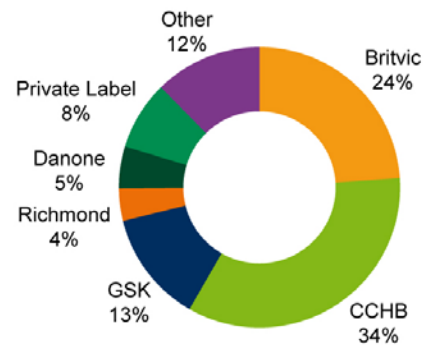


Market positions

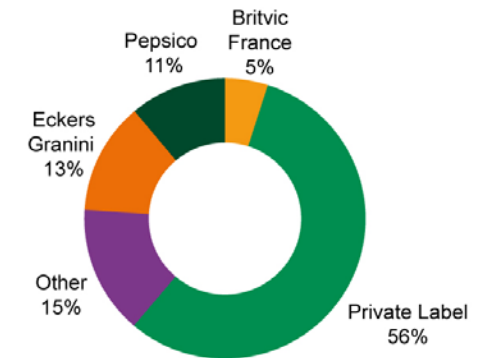
GB Take-Home £6.8bn



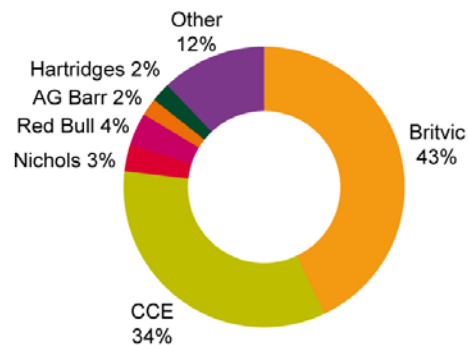
Ireland Grocery €473m



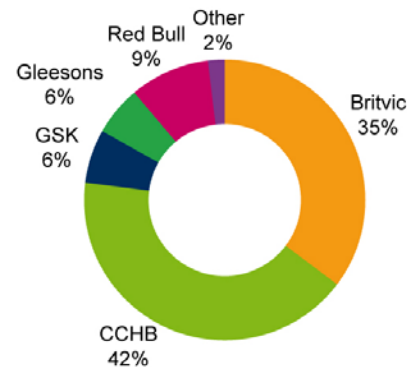
France Juice €1.2bn



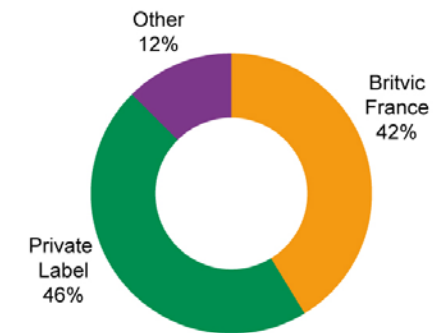
GB Pubs & Clubs £2.7bn



Ireland Licensed €306m



France Syrups €249mn



Source: Nielsen GB take-home scantrack October 2011. CGA pubs and clubs August 2011. Nielsen ROI grocery scantrack October 2011. Nielsen ROI licensed September 2011. France IRI census September 2011

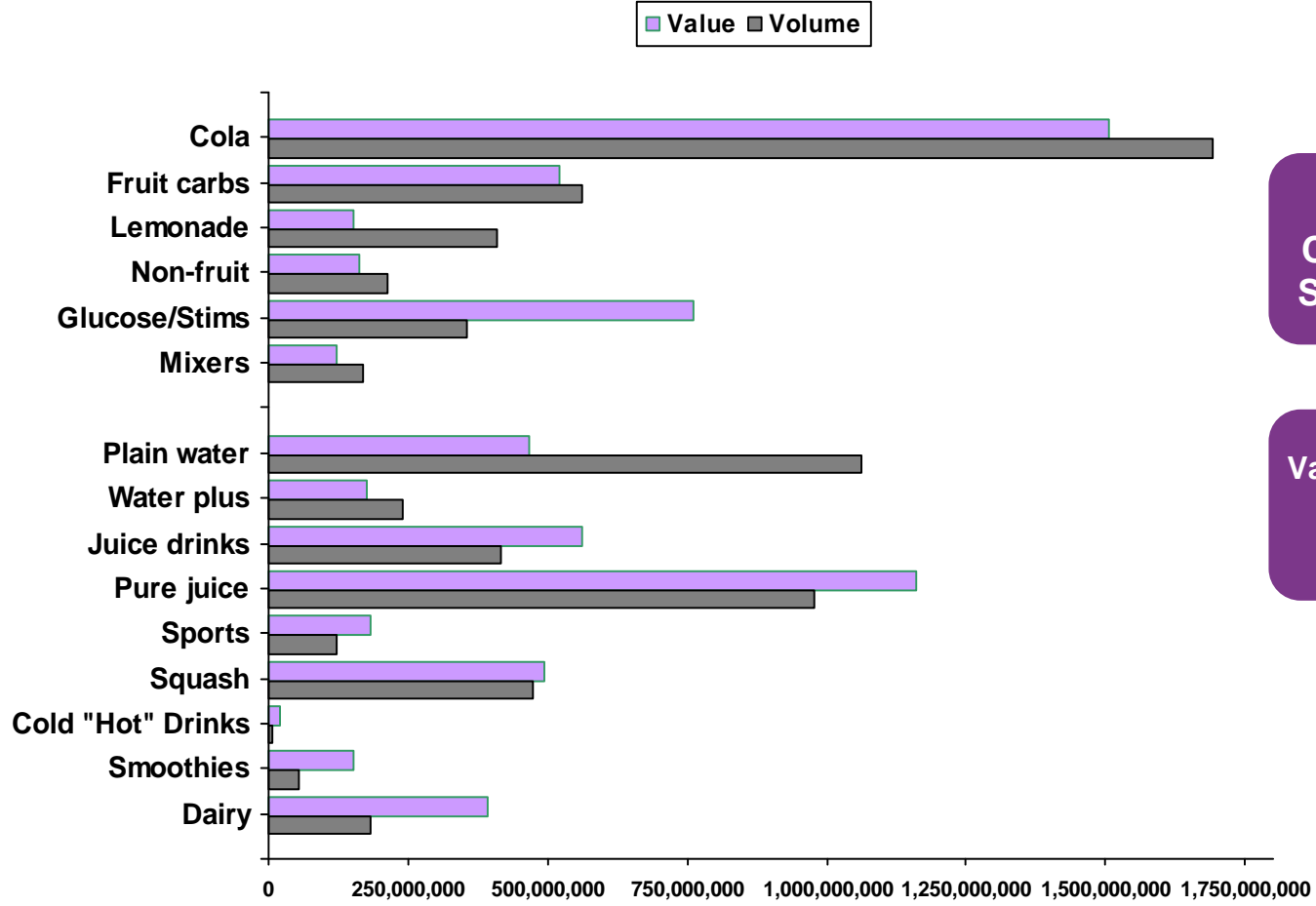




2011 GB soft drinks market

Carbs

Stills



Value
Carbonates + 8.9%
Stills + 3.1%

Value growth benefited from Jan 2011 VAT increase

Volume growth 0.8% : Value growth 5.8%

Source: Nielsen take-home scantrack October 2011

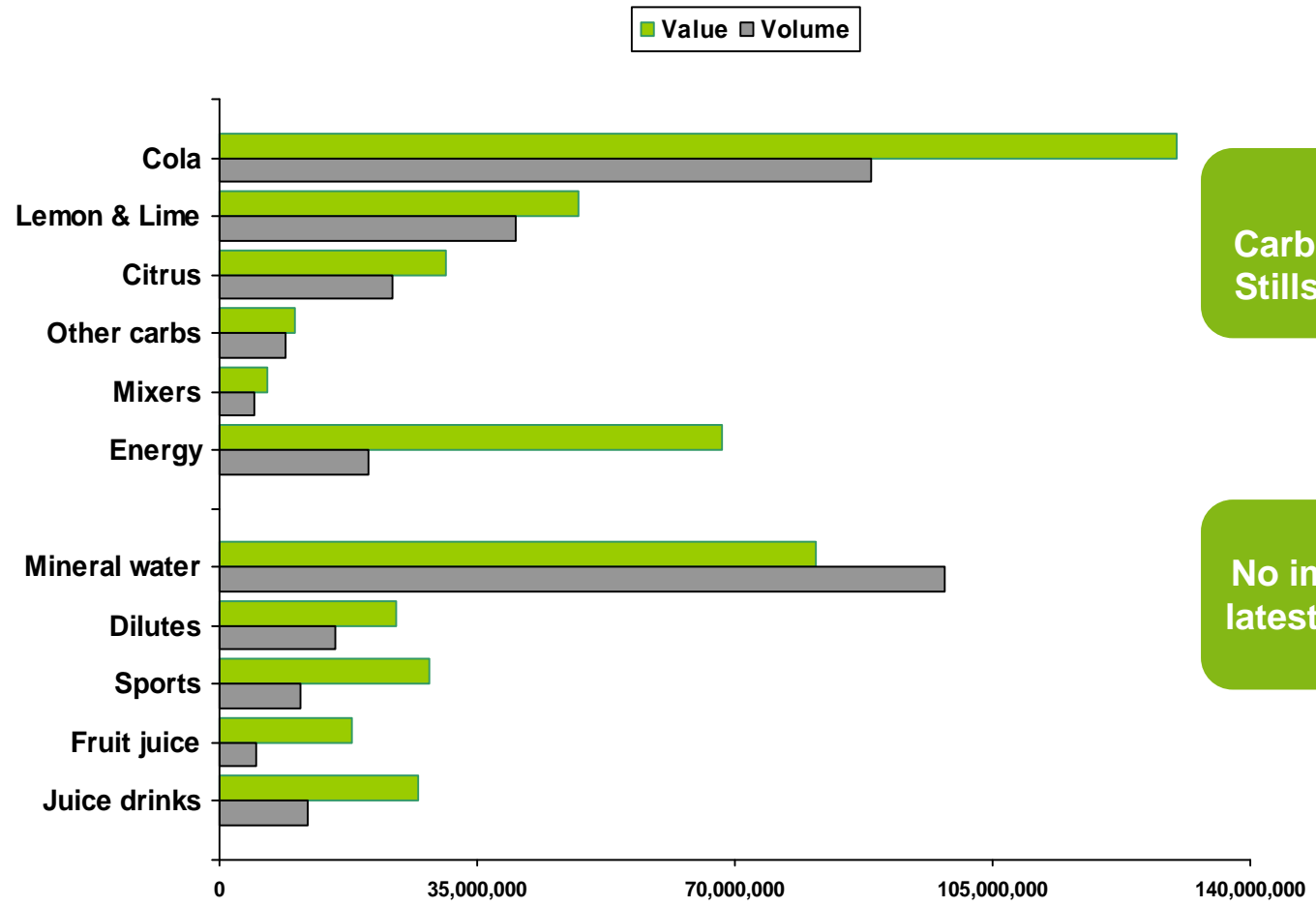




2011 Ireland soft drinks market

Carbs

Stills



Value
Carbonates + 1.8%
Stills - 6.7%

No improvement in latest 12 or 4 weeks

Volume decline 2.2% : Value decline 1.6%

Source: Nielsen ROI grocery scantrack October 2011

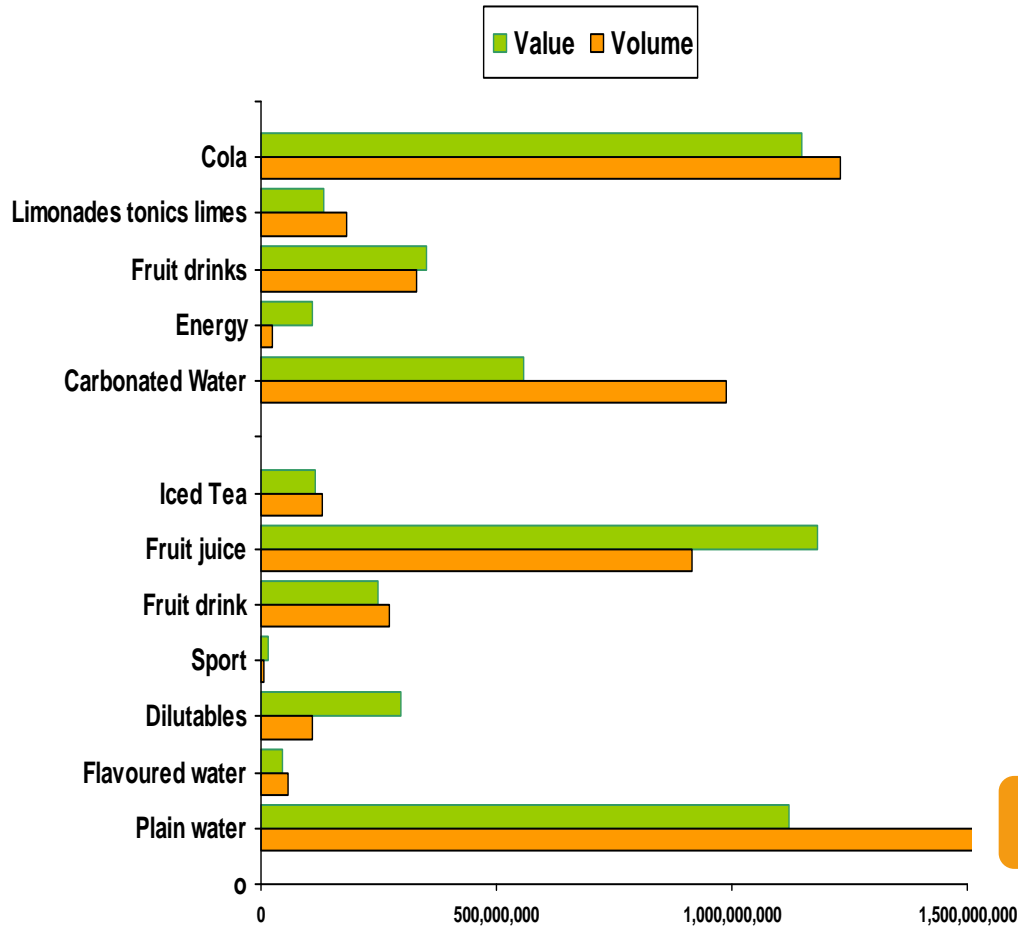


2011 France soft drinks market



Carbs

Stills



Value
Carbonates + 4.4%
Stills + 4.3%

All key categories
in growth

Water
volume +2bn

Volume growth 2.6% : Value growth 4.3%

Source: IRI Census September 2011



Group financial headlines

	2011 £'m	2010 £'m	% Change	% Change constant currency
Group Revenue	1,290.4	1,121.1	15.1	14.6
Group EBITA	138.1	131.8	4.8	4.3
Group EBITA Margin	10.7%	11.8%	(110)bps	(110)bps
Group Profit After Tax	77.9	76.8	1.4	0.9
Underlying Free Cashflow*	59.3	67.8	(12.5)	-
Group Adjusted Net Debt*	(452.0)	(451.2)	(0.2)	-
Adjusted Earnings Per Share*	33.7p	36.5p	(7.7)	(8.2)
Full Year Dividend Per Share	17.7p	16.7p	6.0	-

Underlying revenue
growth of 0.8%

Dividend
growth of 6.0%

Note: All numbers are on a 52-week, pre-exceptional and other items basis and are adjusted for the impact of double-concentrate unless otherwise stated (*). Group adjusted net debt is defined as net debt, adding back the impact of derivatives hedging the balance sheet debt.



29



BRITVIC
p.l.c.

GB stills

	2011 £'m	2010 £'m	% Change
Volume (m. litres)	493.5	514.4	(4.1)
ARP per litre (pence)	71.2p	70.5p	1.0
Revenue	351.2	362.7	(3.2)
Brand contribution	150.1	169.0	(11.2)
Brand contribution margin	42.7%	46.6%	(390)bps

ARP growth constrained
by product and
channel mix

Significantly
impacted by raw material
inflation



Note: All numbers are on a 52-week, pre-exceptional and other items basis unless stated otherwise. Numbers are adjusted for the impact of double-concentrate.



GB carbonates

	2011 £'m	2010 £'m	% Change
Volume (m. litres)	1,130.5	1,097.4	3.0
ARP per litre (pence)	44.5p	42.7p	4.2
Revenue	502.6	468.4	7.3
Brand contribution	189.1	183.5	3.1
Brand contribution margin	37.6%	39.2%	(160)bps

Grew market value share
of total carbonates

Strong ARP growth

Note: All numbers are on a 52-week, pre-exceptional and other items basis unless stated otherwise.



31



BRITVIC
p.l.c.

France

	12 months 2011 £'m	4 months 2010 £'m
Volume (m. litres)	286.0	104.5
ARP per litre (pence)	85.6p	81.5p
Revenue	244.7	85.2
Brand contribution	62.0	24.1
Brand contribution margin	25.3%	28.3%

High single digit revenue growth

Strong launch of Teisseire Fruit Shoot



Note: All numbers are pre-exceptional and other items unless stated otherwise. 2010 numbers are for the 4 months ended September 2010



Ireland

	2011 £'m	2010 £'m	% Change	% Change constant currency
Volume (m. litres)	210.8	229.1	(8.0)	(8.0)
ARP per litre (pence)	58.7p	58.4p	0.5	0.0
Revenue	162.8	179.0	(9.1)	(9.6)
Brand contribution	57.8	64.1	(9.8)	(9.8)
Brand contribution margin	35.5%	35.8%	(30)bps	(10)bps

Revenue down as macro-economic conditions remain challenging

ARP flat as price increase and innovation offset negative channel mix

Note: All numbers are on a pre-exceptional and other items basis unless stated otherwise. Numbers are adjusted for the impact of double-concentrate. Volume and ARP exclude the sale of 3rd-party factored brands.

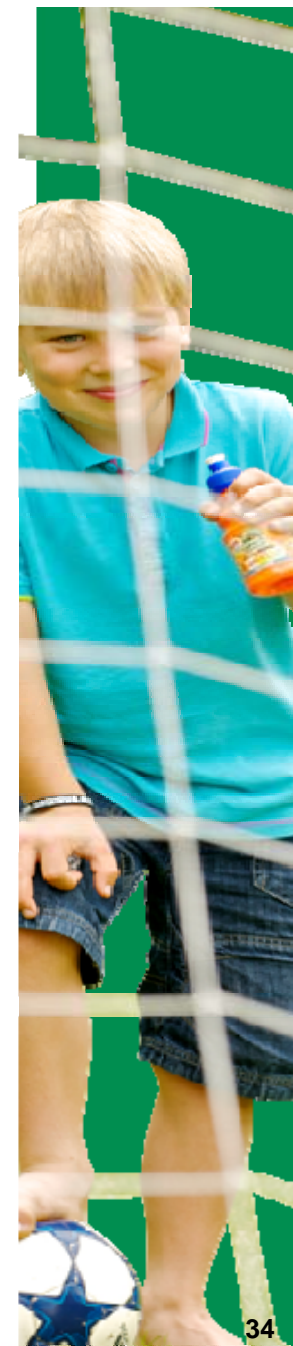


International

	2011 £'m	2010 £'m	% Change
Volume (m. litres)	37.8	35.0	8.0
ARP per litre (pence)	77.0p	73.7p	4.5
Revenue	29.1	25.8	12.8
Brand contribution	10.9	9.0	21.1
Brand contribution margin	37.5%	34.9%	260bps

Established franchises
building momentum

Maintained double-digit
revenue growth



Note: All numbers are on a 52-week, pre-exceptional and other items basis unless stated otherwise.



A&P and fixed costs

	2011 £'m	2010 £'m	% Change
Total A&P spend	62.8	56.7	(10.8)
A&P as a % of revenue	5.0%	5.3%	(30)bps
Non-brand A&P	8.0	10.4	23.1
Fixed supply chain	111.1	94.9	(17.1)
Selling costs	121.7	116.2	(4.7)
Overheads & other	94.1	98.6	4.6
TOTAL FIXED COSTS	334.9	320.1	(4.6)

Full year of fixed costs in France included for the first time

Decisive action taken to control cost

Note: All numbers are on a 52-week pre-exceptional and other items basis unless stated otherwise. A&P percentage excludes third-party revenue.



EBIT to earnings

	2011 £'m	2010 £'m	% Change
EBIT	135.0	129.6	4.2
Interest	(29.9)	(25.0)	(19.6)
Profit before tax	105.1	104.6	0.5%
Tax	(27.2)	(27.8)	2.2
Effective tax rate	25.9%	26.6%	70bps
Profit after tax	77.9	76.8	1.4

Interest increase due to acquisition of France

Effective tax rate down as GB CTR falls

Note: All numbers are on a 52-week pre-exceptional and other items basis unless stated otherwise.



Exceptional and other items

	£'m
Net pension curtailment gain	13.2
Group data centre outsourcing	(3.9)
Vending operation outsourcing	(6.5)
Restructuring costs	(14.6)
Fair value movement of financial instruments	(10.6)
Refinancing fees write-off	(1.5)
Head office relocation	(1.3)
Total exceptional and other items	(25.2)

Cash element £18.2m



GB Britvic Pension scheme 2

- 15 year pension funding partnership expected in place by end of calendar year
 - Trustees will have an interest in a limited partnership
 - Intended to give income of a minimum of £5m pa to the Pension Plan
 - Final payment of up to £105m depending on funding position in 2026
 - First tranche completed in Sept 2011 – Properties worth £28.6m (market value)
 - Second tranche of Brands expected to complete by 31 Dec 2011
- If pension funding partnership not implemented then agreement reached for payments by end of each calendar year of:
 - 2011: £10m
 - 2012: £12.5m
 - 2013-22 inclusive of £20m p.a



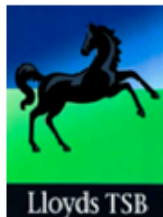
Debt refinancing

Revolving Credit Facility

- New £400M RCF agreed
- Matures March 2016
- 6 out of 7 banks retained
- Commitments scaled back
- Reduced fees and margin

US Private Placement

- £490m of USPP notes
 - £229m raised in Feb 2007
 - £149m raised in Dec 2009
 - £113m raised in Dec 2010
- Swapped to fixed & floating sterling & euros
- Dec 2010 issue
 - 7, 10 and 12-year notes
 - Post-swapped fixed rates of <4%
 - Post-swapped floating rate margin <1.25%



FY 2011 debt structure

	Facility Size (£m)	Maturities	Drawing (£m)	Headroom (£m)
Bank Loans	400.0	2016	-	400.0
US PP Issued 2007	228.5	2014, 2017, 2019	228.5	-
US PP Issued 2009	149.8	2014, 2016, 2017, 2019	149.8	-
USPP Issued 2010	113.0	2017, 2020, 2022	113.0	-
(Cash)/Overdraft/Other	-	-	(39.3)	39.3
Total	891.3	-	452.0	439.3



Debt repayment profile

