



Interim Results Presentation

25 May 2006



Gerald Corbett
Chairman



John Gibney
Finance Director

Financial Headlines

	H1 06	H1 05	% Change
	£'m	£'m	
Branded Revenue	323.5	341.5	(5.3)
EBITDA	43.4	47.9	(9.4)
EBIT	18.6	22.7	(18.1)
Earnings per share	3.0p	4.3p	(30.2)
Free cash flow	(42.3)	(69.8)	39.4
Interim dividend per share of 3p			

Note: all numbers exclude the effect of the discontinued Private Label Water business and are before exceptional costs. 2005 numbers are proforma numbers.

Summary H1 06 – Operating Profit

	H1 06	H1 05	% Change
	£'m	£'m	
Branded Volume (million litres)	645.4	678.4	(4.9)
<i>Average Realised Price (ARP) per litre</i>	<i>50.1</i>	<i>50.3</i>	<i>(0.4)</i>
Branded Revenue	323.5	341.5	(5.3)
Brand Contribution	133.2	149.8	(11.1)
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Non brand A & P	(3.5)	(5.0)	30.0
Fixed Supply Chain	(36.1)	(36.3)	0.6
Selling Costs	(44.2)	(48.8)	9.4
Overhead and other costs	(30.8)	(37.0)	16.8
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Operating Profit	18.6	22.7	(18.1)
Operating Profit Margin	5.7%	6.6%	
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Note: all numbers exclude the effect of the discontinued Private Label Water business and are before exceptional costs. 2005 numbers are proforma numbers

Carbonates

	H1 06	H1 05	% Change
	£'m	£'m	
Litres	415.6	448.0	(7.2)
ARP per litre	38.5p	39.2p	(1.8)
Revenue	159.8	175.6	(9.0)
Brand Contribution	60.6	71.8	(15.6)
Brand Contribution Margin	37.9%	40.9%	(3.0)

Direct product costs increased by 3.3%

Stills

	H1 06	H1 05	% Change
	£'m	£'m	
Litres	213.8	213.1	0.3
ARP per litre	71.9p	72.8p	(1.2)
Revenue	153.7	155.2	(1.0)
Brand Contribution	69.9	74.8	(6.6)
Brand Contribution Margin	45.5%	48.2%	(2.7)

Direct product costs increased by 4.6%

International

	H1 06	H1 05	% Change
	£'m	£'m	
Litres	15.9	17.3	(8.1)
ARP per litre	62.3p	61.9p	0.6
Revenue	9.9	10.7	(7.5)
Brand Contribution	2.8	3.2	(12.5)
Brand Contribution Margin	28.3%	29.9%	(1.6)

Direct product costs increased by 4.2%

Overheads and other Costs

	H1 06	H1 05	% Change
	£'m	£'m	
Non Brand A&P	(3.5)	(5.0)	30.0
<i>Total A&P spend</i>	<i>(23.3)</i>	<i>(25.4)</i>	<i>8.3</i>
<i>A&P as % Net Revenue</i>	<i>7.2%</i>	<i>7.4%</i>	
Fixed Supply Chain	(36.1)	(36.3)	0.6
Selling Costs	(44.2)	(48.8)	9.4
Overheads & Other	(30.8)	(37.0)	16.8
Total	(114.6)	(127.1)	9.8

Operating Profit to Earnings

	H1 06	H1 05	% Change
	£'m	£'m	
Operating Profit	18.6	22.7	(18.1)
Interest	(9.2)	(8.8)	(4.5)
	<hr/>	<hr/>	
Profit before tax	9.4	13.9	(32.4)
Tax	(2.9)	(4.3)	32.6
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Profit after tax	6.5	9.6	(32.3)
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Note: all numbers exclude the effect of the discontinued Private Label Water business and are before exceptional costs.
2005 numbers are proforma numbers

Exceptional Items

		H1 06
		£'m
Cash items	IPO Costs	5.4
	Restructuring costs	2.6
		8.0
Share items	Plc Launch share plan	1.2
	All employee share offer*	2.8
		12.0
Non cash items	Wind up of IHG share options	2.6
	Total exceptional items	14.6
	Total exceptional items after tax	12.0

*£300k purchased rather than issued

Improving Cash Position and Reducing Working Capital

	H1 06	H1 05	% Change
	£'m	£'m	
Operating Profit pre exceptionals	18.6	22.7	(18.1)
Depreciation	24.8	25.2	(1.6)
EBITDA	43.4	47.9	(9.4)
Working Capital	(16.5)	(38.2)	56.8
Capital Expenditure	(27.4)	(30.1)	9.0
Pension contribution	(30.0)	(30.0)	-
Other	(11.7)	(19.4)	39.7
Free Cash flow	(42.3)	(69.8)	39.4
Dividends	(98.5)	(33.2)	(196.7)
Net cash flow pre exceptionals	(140.8)	(102.9)	(36.8)

Dividends

- Interim dividend of 3 pence per share payable 7th July 2006
- Final Dividend payable in February 2007
- Progressive dividend policy underpinned by a strong and improving cashflow

Summary

- A difficult market impacting revenue and profit
- A&P spend maintained
- Further cost reductions being delivered
- Improved cashflow
- Dividend per share in line with expectations

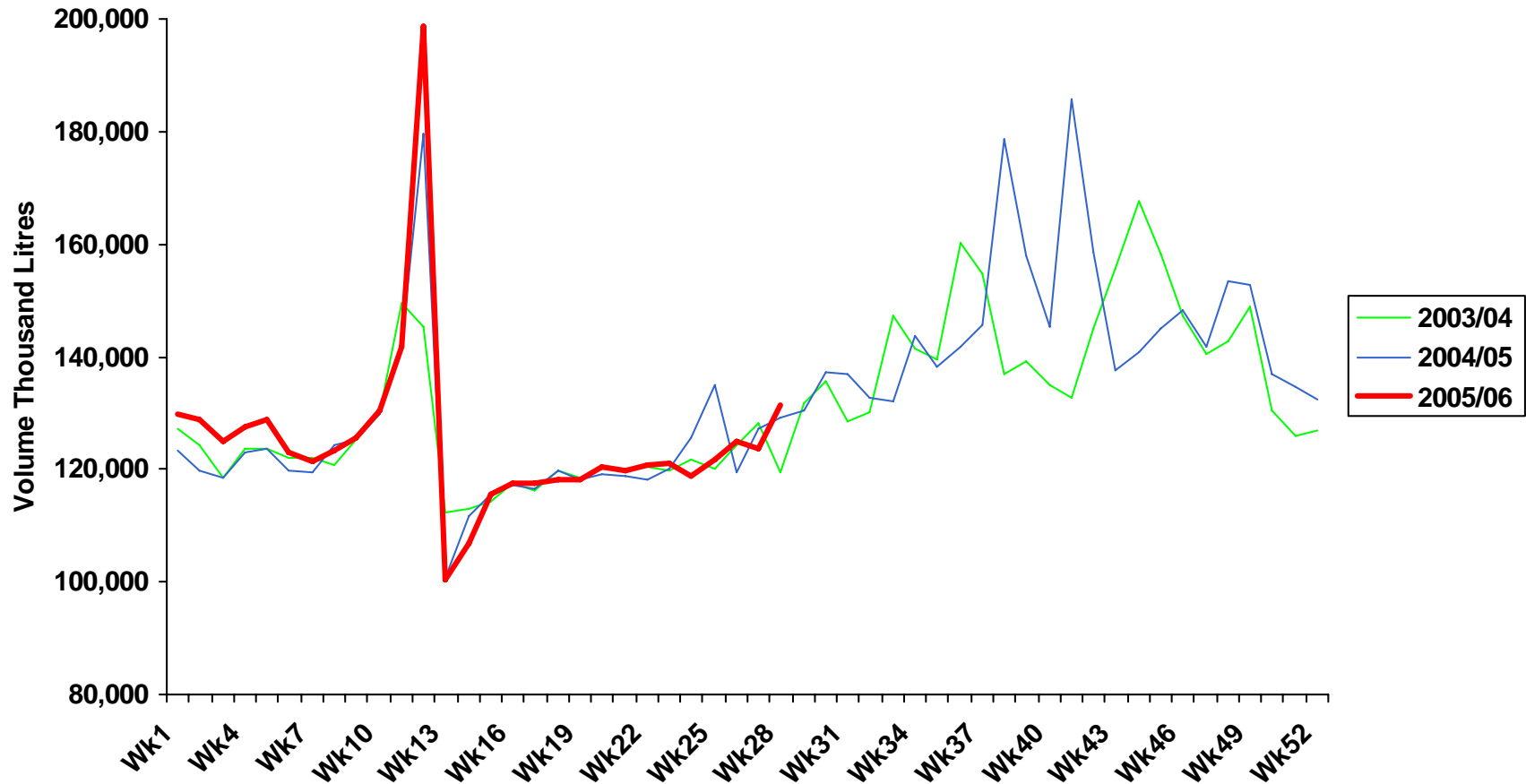


Paul Moody
Chief Executive

Agenda

- **Market remains difficult**
- **Current trading**
- **Management action:**
 - Costs and cash
 - Revenue
 - Innovation

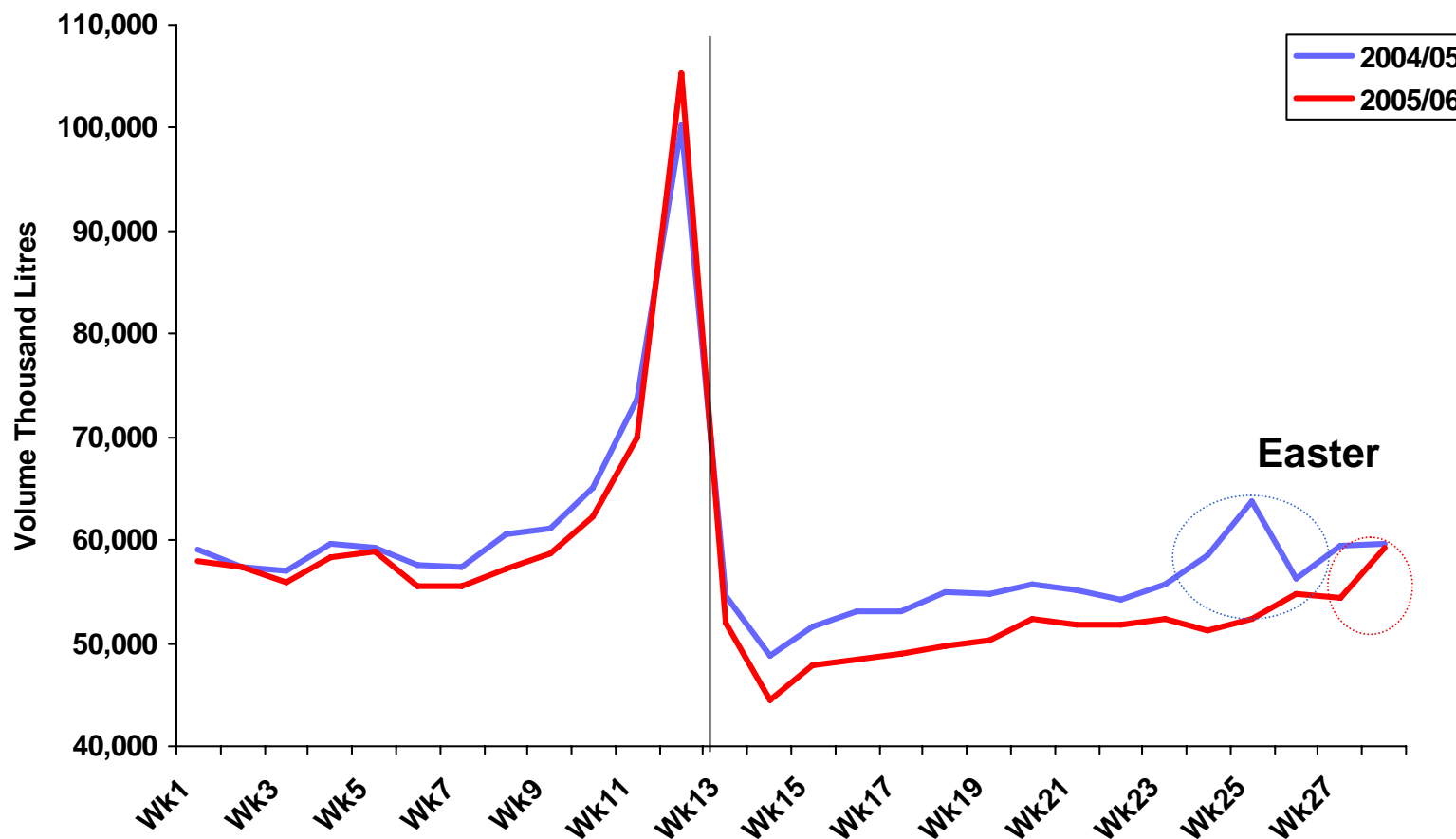
Soft Drinks Market Volume



Source: ACNielsen Scantrack March 2006: Take Home

Market marginally ahead of last year, but hit by poor Easter volumes

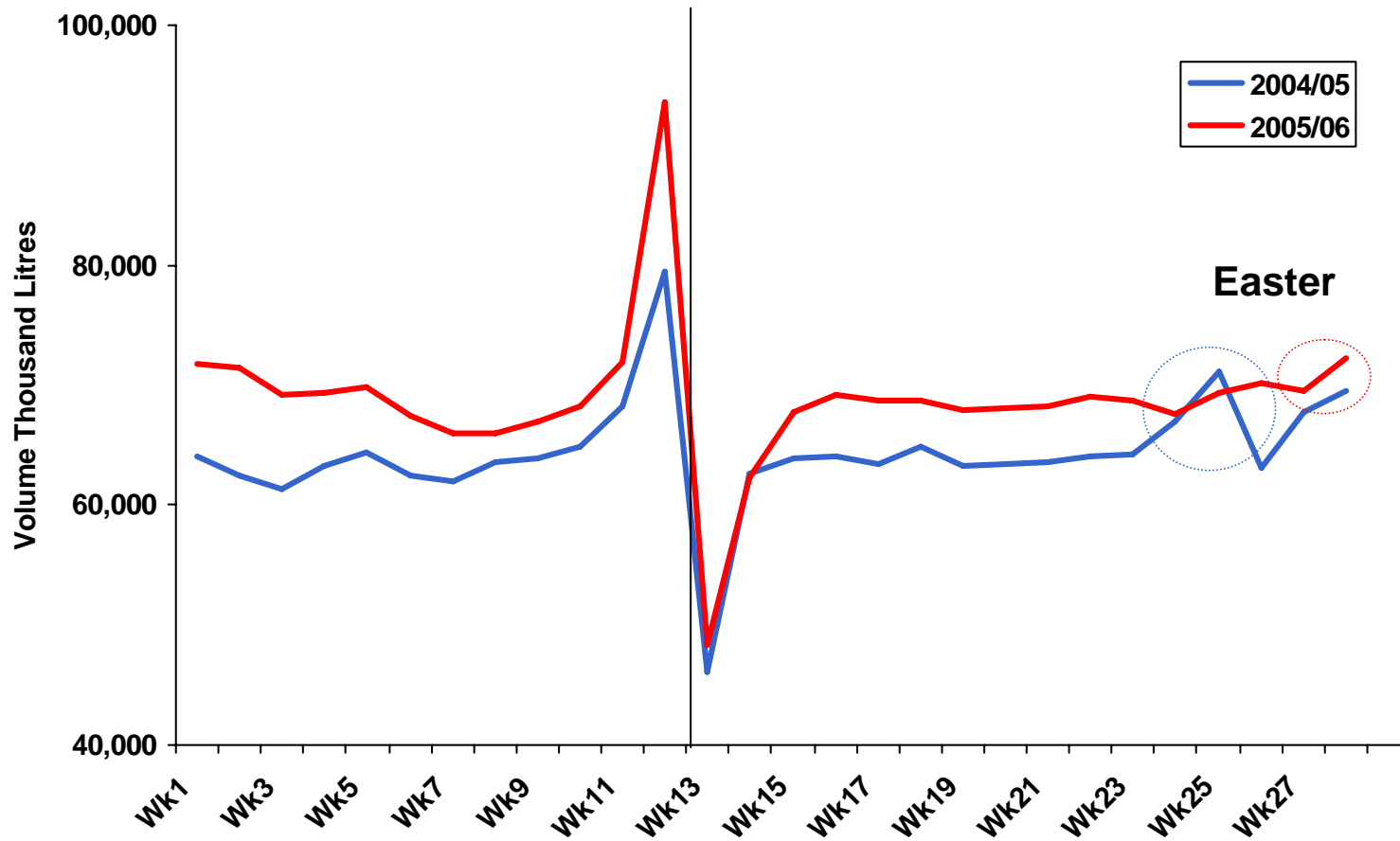
Carbonates Volume: H1



Source: ACNielsen Scantrack March 2006 Take Home

Market broadly tracked prior year pre Christmas but 2006 volumes tracking c.7-8% behind

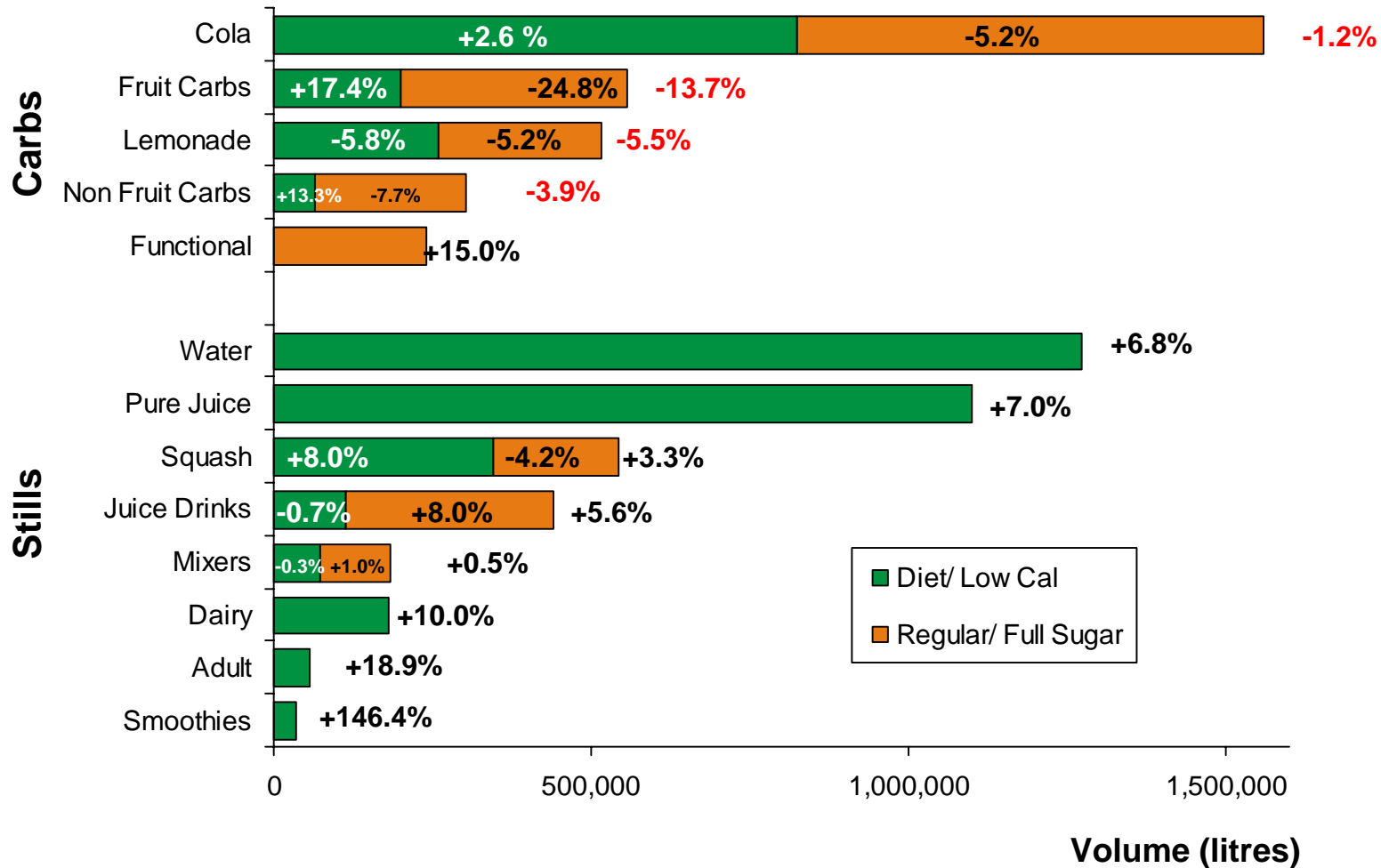
Stills Volume: H1



Source: ACNielsen Scantrack March 2006: Take Home

Stills volume consistently ahead of prior year in build to Christmas and c.6% ahead post

Relative Size of Categories and Growth



Take Home MAT to 22.04.06 AC Neilsen Scan Track

Cola still largest category, but consumers switching into Stills

Changes in the customer base and pricing landscape

- **Increased intensity in market share battle between retailers:**
 - Negotiations around ongoing investment levels
 - Promotions: depth, frequency & uplift

- **Structural changes:**
 - Ownership
 - Product ranging
 - Promotional strategy

- **Pricing volatility:**
 - Competitor reaction to market volume decline

A challenge facing many FMCG companies

Current Trading – 4 weeks to 14 May 2006

- **Market performance for 4 weeks to 13 May 2006**
 - Carbonates Down 4%
 - Stills Up 5%

- **Branded Revenue for the 4 weeks to 14 May 2006**
 - Total revenue down 4%
 - Carbonates revenue down 14%
 - Stills revenue up 9%

Management Actions

Costs and cash

- **Aggressive cost cutting agenda driven by the Business Transformation Programme**
 - £4m saving in H1
 - £6m saving to come in H2
- **Re-engineering of products to mitigate input price rises**
 - £2m saving for full year
- **Reduced capital requirement**
 - £10m reduction in full year forecast
- **A focus on working capital**
 - £10-15m benefit expected in full year

Revenue: ARP

- **Deployment of new systems:**
 - Improved planning, execution and measurement of promotions
 - More efficient use of resource through integrated systems
 - Reduced administration
 - Return on Revenue Investment

Revenue: Core Brand Activity - Pepsi World Cup

- **Sponsors of Team England taking Pepsi Max to the World Cup**
- **Campaign features:**
 - Win an Exclusive X-Box 360 every 90 minutes
 - TV advertising and online-PR support
- **Pepsi Max leading no-added sugar cola**



Focusing on 'Better for you carbonates' through the World Cup

Revenue: Core brand activity - Robinsons Wimbledon

- Focus on leading the category
- Campaign features the chance to win exclusive tickets to Wimbledon
- TV and advertising support featuring Tim Henman and Andy Murray



Britvic's biggest Wimbledon campaign ever – with coverage across the Robinsons portfolio

Revenue: Core Brand Activity - J20/Summer of Juice

- **An on –premise focused campaign across all Britvic Juice brands**
 - Led by J20
 - Featuring Britvic 55 and Juices Range
 - Launch support for new Pressed & Squeezed juices
- **Leverage Brand communications and platforms**
 - Win tickets to the Little Britain tour with J20
- **Drive for extended distribution**
 - Event and vending focused
 - J20 in PET



Drive the distribution and depth of the core Britvic range

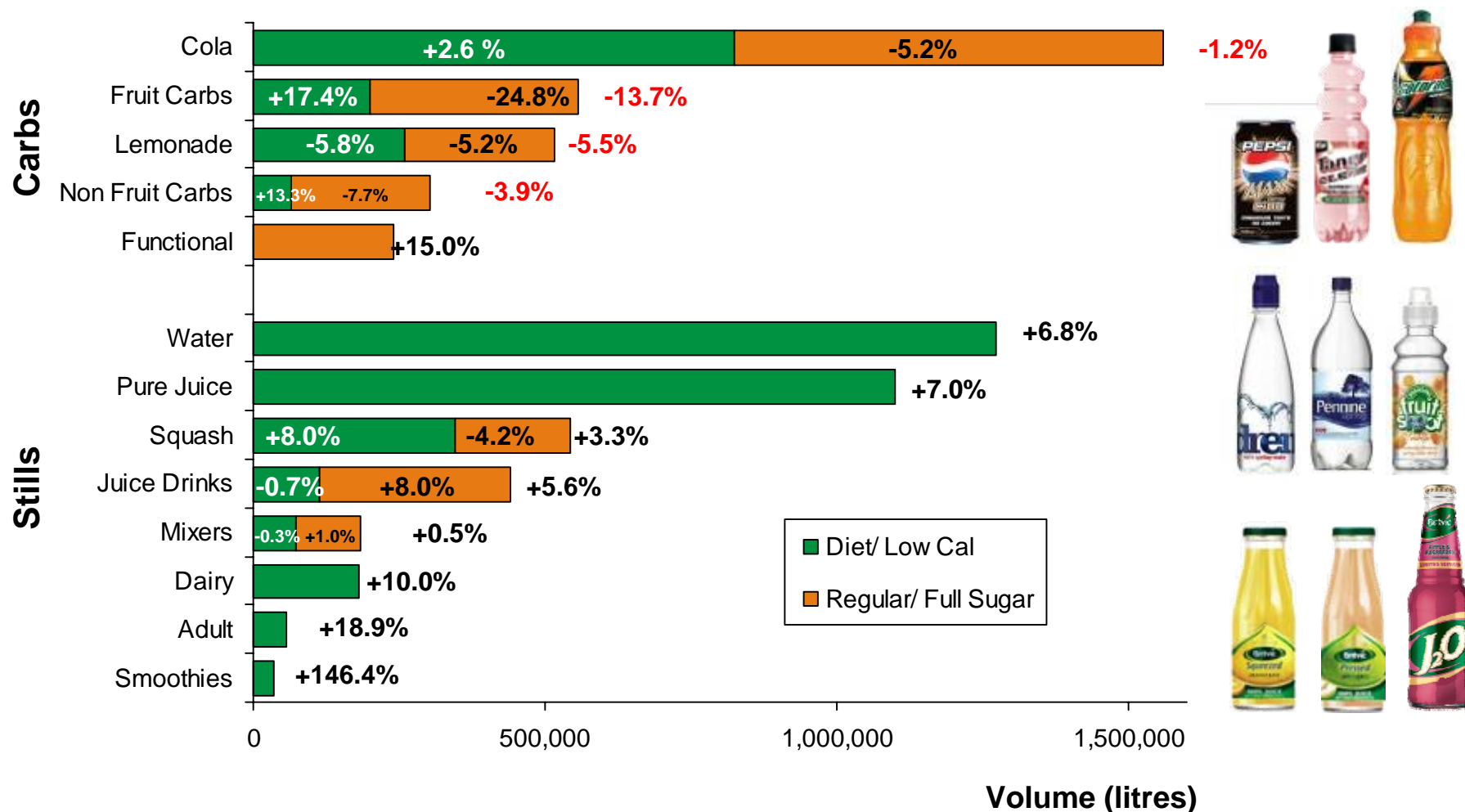
International

- **Robinsons new in Scandinavia with a fully supported plan**
 - Denmark, aggressive rollout plan
 - 50% base, rising to 75% on promotion
 - Sweden, slower rollout plan
 - Currently 18% distribution
 - Further distribution expected this year following current trials

- **Fruit Shoot in Holland continues double digit growth**
 - Weighted distribution now in excess of 60%
 - New market specific advertising on air now



Innovating into key areas of focus



Take Home MAT to 22.04.06 AC Neilsen Scan Track

Our activity is focusing on the high growth categories

Innovation

Speed to market is crucial

- **Fruit Shoot H₂O leveraging the leading kids diet brand**
 - Concept July 05 – launch April 06 – 9 months
 - Distribution in Grocers 38% at beginning May, rising to 70% by end of May
- **Britvic Pressed and Squeezed – not from concentrate pure fruit juice**
 - Concept February 2005 – launch March 2006 – 14 months (3rd party manufacture)
 - Distribution and RoS Measures on track
- **Tango Clear – building Tango's scale in No Added Sugar**
 - Concept July 2004 - launch March 2005 – 8 months
 - Total distribution 68% within 3 months of launch



Track record of rapidly innovating into growth areas – all innovation planned at IPO delivered on time

05/06 launches

Entry into the water market

- **Pennine Spring**
 - Replaced previous factored brand
 - Expanding within On Premise, Vending, Chillers, and Grocery
- **Drench: targeting urban youth on the go market**
 - Advertising campaign to run March through summer
 - 30,000 points of distribution achieved - rate of sale on track
- **Fruit Shoot: leveraging the leading kids soft drink brand into water**
 - Entry into the market in May
 - Brand building campaign now commenced



Encouraging entry into fast growing category

05/06 launches

“Better For You” Juice Drinks & Functional

- Britvic Pressed and Squeezed – not from Concentrate pure fruit Juices launched in the On Premise in March
- J20 to be expanded into PET format from June
- Robinsons large pack strategy on target for production in September



Well executed entry into fast growing categories

05/06 launches

“Better For You” Carbonates

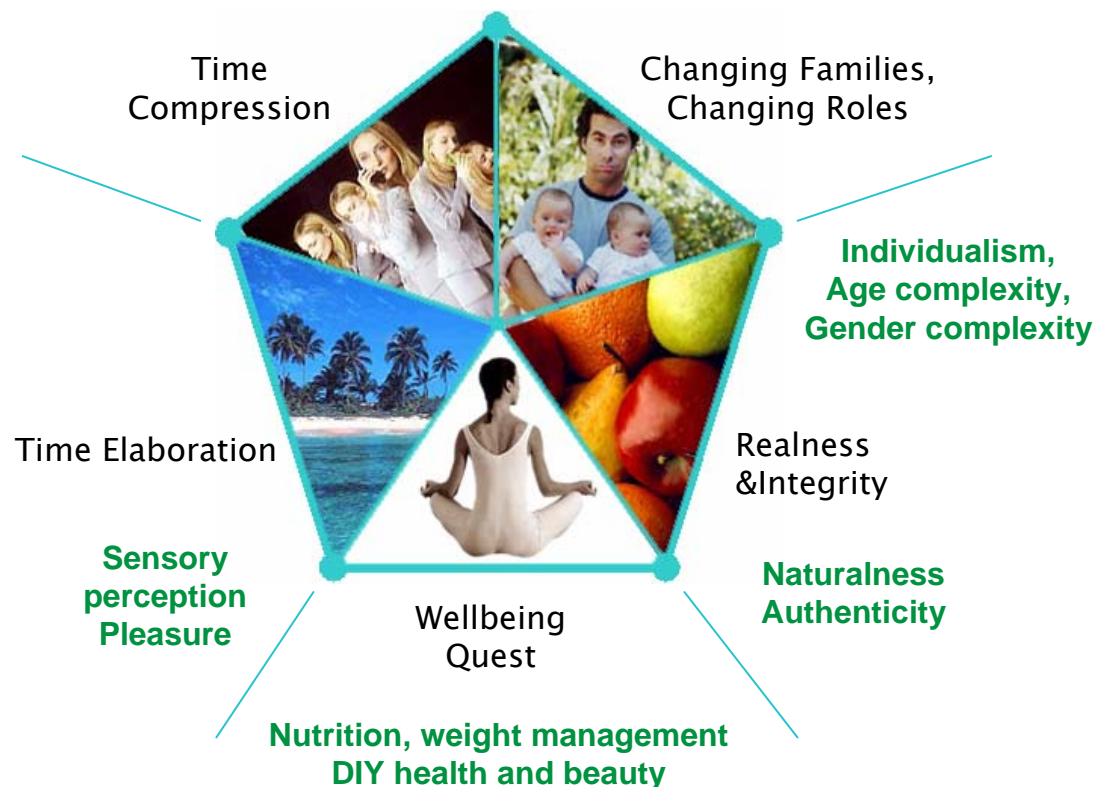
- Pepsi Brand support focused on driving Pepsi Max
- Pepsi Max Cino
- 7-UP Free
- Two new Tango Clear flavours



Carbonates focus on driving Non Added Sugar

Innovation

Tracking the key trends impacting on our industry...



Consumer Themes

Health
and Nutrition



Added value
Premiumising



Smart Solutions for
New Occasions



Fresher, More
Natural

Summary

- A difficult market
- A focus on costs and cash
- Actions to improve price and revenue
- Long term brand building
- Investment in International expansion
- Accelerating innovation
- Deliver an improved second half performance



Supplementary Information

Summary FY05 – Operating Profit

	H1 06	H2 05	FY 05
	£'m	£'m	£'m
Volume (million litres)	678.4	697.1	1375.5
<i>Average Realised Price (ARP) per litre</i>	<i>50.3</i>	<i>50.8</i>	<i>50.6</i>
Branded Revenue	341.5	354.3	695.8
Brand Contribution	149.8	149.2	299.0*
Non brand A & P	(5.0)	(1.6)	(6.6)
Fixed Supply Chain	(36.3)	(29.9)	(66.2)
Selling Costs	(48.8)	(40.0)	(88.8*)
Overhead and other costs	(37.0)	(27.1)	(64.1)
Operating Profit	22.7	50.6	73.3
Operating Profit Margin	6.6%	14.3%	10.5%

*International costs of £2.2m have been transferred from Brand A&P into Selling cost to be consistent with the GB Carbs and Stills business costs.
 Exceptional Items are excluded
 FY05 has been adjusted for PLC costs of £2.4m

Cost reduction programme FY06

	H1 06	H2 06	FY 06
	£'m	£'m	£'m
Selling Costs	1	2	3
Overheads and other	3	4	7
EBIT	4	6	10

Reconciliation between H105 proforma and H105 statutory numbers

	H105 Statutory*	Proforma Adjustments*	PLW Adjustments*	H105 Proforma
	£'m	£'m	£'m	£'m
Revenue	343.1		(1.6)	341.5
Operating Profit	24.1	(1.0)	(0.4)	22.7
Finance Income	0.2			0.2
Finance Cost	(0.4)	(8.6)		(9.0)
Profit before Tax	23.9	(9.6)	(0.4)	13.9
Taxation	(7.1)	2.8		(4.3)
Profit after tax	16.8	(6.8)	(0.4)	9.6