Britvic plc Interim Results - 24 May 2012

Britvic plc announces its interim results for the 28 weeks ended 15 April 2012[(1),(2)]

Group Financial Headlines:

- Group revenue up 1.7% to £641.1m
- Group EBITA down 6.9% to £41.9m, EBITA margin down 60bps due to impact of 2011 higher raw material costs before the implementation of 2012 price increase
- Fixed costs down 3.3% (actual exchange rate)
- Underlying free cash flow improved by 26.6%
- Group adjusted net debt down by £21.6m to £534.4m
- Interim dividend per share up by 3.9% to 5.3p

Group Business Highlights:

- GB revenue growth of 2.4%, led by carbonates +6.7% gaining further market share
- Britvic France revenue up 6.4%, led by strong price growth of 11.5%[(7)]
- International delivered double-digit revenue growth, driven by US Fruit Shoot and expansion into new states, including Texas, increasing number of US states to 8
- Britvic Ireland, further decisive action taken on costs to mitigate declining top line

	28 weeks ended 15 April 2012 £m[(1)]	28 weeks ended 17 April 2011 £m [(1)]	% Change Actual Exchange Rate	% change Constant[(2)] Exchange Rate
Group Revenue	641.1	633.1	1.3%	1.7%
GB Revenue	*430.9*	*420.8*	*2.4%*	*2.4%*
Group EBITA[(3)]	41.9	45.0	(6.9)%	(6.9)%
EBITA Margin[(3)]	6.5%	7.1%	(60)bps	(60)bps
Group EBIT	40.4	43.6	(7.3)%	(7.3)%
Group Profit Before Tax	24.8	27.7	(10.5)%	(10.5)%
Group Profit After Tax	18.7	20.8	(10.1)%	(9.7)%
Group Profit After Tax, After Exceptional And Other Items	18.7	15.8	18.4%	19.1%
Adjusted Earnings Per Share[(4)]	8.4p	9.3p	(9.7)%	(8.7)%
Weighted Average No. of Shares	241.4	239.9	0.6%	0.6%
Interim Dividend Per Share	5.3p	5.1p	3.9%	3.9%
Underlying Free Cash flow [(5)]	(47.1)	(64.2)	26.6%	n/a
Group Adjusted Net Debt [(6)]	(534.4)	(556.0)	3.9%	n/a

The board is proposing an interim dividend per share of 5.3p, an increase of 3.9% on the prior year. This reflects the board's continuing confidence in the future prospects of the business, as well as the underlying cash generative and resilient nature of its activities.

Paul Moody, Chief Executive commented:

"Despite the challenging economic environment, Britvic has delivered a robust performance and made encouraging progress on key initiatives. Revenues increased for the group, GB, International and France, delivering improved cash flow, enabling a reduction in debt and a proposed further increase in the interim dividend.

Although the GB soft drinks market in April and early May has been adversely impacted by the poor weather, Britvic has continued to grow market share and with the key summer months ahead, we currently, remain comfortable with delivering the full year performance in line with our expectations."

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There will be a live-webcast of the presentation given today at 11:15am by Paul Moody (Chief Executive) and John Gibney (Group Finance Director). The webcast will be available at http://ir.britvic.com/, with a transcript available in due course. There will also be a conference call today at 2.30pm (9.30am Eastern Standard Time) for investors and analysts with an opportunity to ask questions.

UK Access Number	**+44 (0)20 3140 0668**
UK Toll Free	**0800 368 1950**
US Access Number	**+1 631 510 7490**
US Toll Free	**+1 866 928 6049**
Participant PIN Code	**612577#**

A recording of the call will be available for seven days.

UK Toll Access Number	**+44 (0)20 3140 0698**
UK Toll Free Number	**0800 368 1890**
US Toll Free Number	**+1 877 846 3918**
Conference Reference	**384606#**

Definitions

(1) All numbers are before exceptional and other items unless otherwise stated. Volume and ARP (average realised price) are adjusted for the impact of double concentrate on Robinsons and MiWadi to provide a meaningful comparison ("comparable"). Further information, including numbers not adjusted for double concentrate are available at the Investor Centre "Results and Presentations" section on the Britvic Investor Relations website at www.britvic.com

(2) Where appropriate comparisons are quoted using constant exchange rates. Constant currency growth removes the impact of exchange rate movements during the period by retranslating prior year foreign currency denominated results of the group at current period exchange rates to aid comparability.

(3) EBITA is defined as operating profit before exceptional and other items and amortisation. Only amortisation attributable to intangibles related to acquisitions is added back, in the period this is £1.5m (2011: £1.4m). EBITA margin is the EBITA as a proportion of group revenues.

(4) Adjusted earnings per share amounts are 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 exceptional and other items adjusted for the adding back of acquisition related amortisation. 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 241.4m (2011: 239.9m).

(5) Underlying free cash flow is defined as net cash flow excluding movements in borrowings, dividend payments, exceptional and other items.

(6) Group adjusted net debt is defined as group net debt, adding back the impact of derivatives hedging the balance sheet debt.

(7) From 1 January 2012 a 'sugar tax' came into force in France, applying to certain soft drinks. The cost of the new 'sugar tax' results in higher pricing to the customer but can not be treated like VAT in the UK where we account for revenue net of VAT. Therefore the amount of sugar tax charge is included both in revenue and cost of sales.

Reconciliation from Actual Exchange Rate to Constant Exchange Rate

	H12011actual exchange rate £m	Change £m	H12011constant exchange rate £m
Group Revenue	633.1	(2.8)	630.3
Group EBIT	43.6	0.0	43.6
Group Profit Before Tax	27.7	0.0	27.7
Group Profit After Tax (PAT)	20.8	(0.1)	20.7
Group PAT, After Exceptional And Other Items	15.8	(0.1)	15.7
Group EBITA (3)	45.0	0.0	45.0
Adjusted Earnings Per Share (4)	9.3p	(0.1p)	9.2p

The interims results announcement for the 28 week period ended 15 April 2012 has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. Interim results do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The 52 weeks ended 2 October 2011 results, have, however, been extracted from the statutory accounts for the 52 week period ended 2 October 2011 on which an unqualified report, which did not contain an emphasis of matter reference or a statement under section 498 (2) or (3) of Companies Act 2006, has been made by the company's auditors.

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_2O, Fruit Shoot, Teisseire and MiWadi as well as 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 Fruité. Britvic is growing its reach into other territories through export, licensing and franchising. 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 14 April 2012. Britvic GB pub & club market data referred in this announcement is supplied by CGA and runs to 17th March 2012. ROI grocery market data referred to in this announcement is supplied by Nielsen and runs to 25 March 2012. ROI pub and club market data is also supplied by Nielsen and runs to the end of March 2012. French market data is supplied by IRI and runs to the end of March 2012.

Next Scheduled Announcement

Britvic will publish its quarter three interim management statement on 19 July 2012.

Business Review

In the 28 weeks ended 15 April 2012, Britvic grew group revenue by 1.7% to £641.1m. The GB, France and International business units all achieved revenue growth in the period, whilst Ireland continued to have a negative impact on the group's overall performance.

The economic backdrop for each of the three core markets in which we operate faces a more challenging environment. High levels of private and public debt, rising levels of unemployment, austerity measures, consumer price inflation and the worsening economic growth expectations have all adversely impacted consumer spending.

Despite this challenging backdrop, the soft drinks category continued to show encouraging resilience. The GB take home soft drinks market, as measured by Nielsen, grew value by 5.9% including the 2011 increase in VAT. However the soft drinks market grew in volume by 0.8%, with carbonates growing volume by 2.2% and stills declining by 0.5%. Britvic successfully grew both its volume and value share of the take home soft drinks market during the first half of our financial year.

GB carbonates, our largest reporting segment, delivered revenue growth of 6.7% driven by particularly strong growth of 7.5% in the second quarter. We again increased our market share as a result of solid execution of our marketing programme.

GB stills revenue declined by 3.6% and comparable(1) volume declined by 4.2%. This performance continued the trend we have seen in recent quarters where premium positioned and premium priced brands have been disproportionately affected by depressed consumer spending.

Overall the GB business delivered revenue growth of 2.4% with comparable(1) volume growth of 2.9%. Both carbonates and stills ARP were up versus last year by 0.7% and 0.6% respectively. For the GB business as a whole ARP was down 0.6% due to the strong volume performance of lower ARP carbonates compared to the volume decline of the higher ARP stills products. Underlying ARP growth was higher, but was adversely impacted by unfavourable channel shift and the cost conscious consumer trading down, leading to a lower reported ARP performance. In the second quarter we were also impacted by a weak performance in the convenience and impulse channel whilst the grocery channel performance was robust, which resulted in the dilution of ARP and brand contribution margin.

Our International business extended its track record of double-digit growth, with revenue up by 10.8%, driven by an accelerated second quarter growth of 18.1%. Concentrate shipments for in-market production have commenced and will be recognised in the quarter three numbers. We have now secured a new territory in the US with Texas through PepsiCo America Beverages (previously known as Pepsi Bottling Company), taking our total coverage to eight US states.

The performance in the Irish market was again challenging and the market shows no sign of recovery in the near term. The take home soft drinks market value, as measured by Nielsen, was down by 2.0% in the first half. The grocery market grew value by 0.4% and continued to outperform the convenience and impulse market which was down 3.6%. The channel shift from on-to-off trade continues, with Nielsen reporting that the total pub and club soft drinks market declined by 5.0% in value during the period. The market value numbers are flattered by the inclusion of the 2.0% increase in VAT in January 2012. These trends, impacting all soft drinks manufacturers in Ireland, combined with our on-trade focused wholesaling business, have had a significant impact on our Irish results.

As a result of the scale of continued market decline, the Irish management team has undertaken a further review of the business, with the aim to create a long term, sustainable and profitable business for our people, brands and shareholders. We are implementing a multi-year programme of initiatives which will run into at least late 2013. Over the year to date we have already taken a number of actions to drive in-year cost savings and competiveness. We have reduced headcount materially, fully outsourced and consolidated our distribution contract and are implementing initiatives to reduce our labour cost. We have also undertaken a detailed review of our product range, especially in our factored goods, to remove cost and complexity.

Furthermore we have reached agreement to address the Ireland pension deficit and future pension provisions. We believe the introduction of a cap on salary level that is eligible for the defined pension benefit and the removal of future indexation will make this benefit affordable for the business by reducing future liabilities whilst preserving this important benefit for our employees. As a consequence of the reduction in future risk, the company recognised a one off exceptional gain in the period and there will be a reduction in future pension cost.

The total French soft drinks market saw volume growth of 1.0%, slower than the recent trend. Value grew by 6.3% due to a combination of manufacturer price increases to off-set the high level of input cost inflation and government tax increases on sugar soft drinks. The two categories that we predominantly operate in are syrups, which grew volume by 5.3% and value by 10.3%; and juice which saw a volume decline of 0.4% and value growth of 7.5%.

Britvic France grew revenues by 6.4% in the period. ARP growth was strong at 11.5%, but volumes declined by 4.6% driven by a second quarter volume reduction of 6.7%. The major driver of the volume decline was the withdrawal of some distribution for the Fruité Juice brand where we were unable to agree acceptable commercial terms. Whilst disappointing to lose the opportunity to reach more consumers with our brands, we believe it was the right decision for the business as we focus on delivering value to our shareholders. The impact of the volume loss to profit is minimal and does not change our expectations for the business in France for the full year.

The Britvic France management team remain focused, as demonstrated by our strong top line growth since acquisition, on executing our exciting programme of innovation and in-market activity. We have seen the continued growing success of Teisseire Fruit Shoot across France and importantly the new smaller Teisseire syrup packs that we have launched in France are showing very encouraging early results.

On our group wide innovation programme we continue to implement a number of initiatives including the launch of the UK's first soft drinks sweetened with Stevia extract as well as new licensing agreements. In the second half of the financial year we will launch both packaging and brand refresh initiatives on Fruit Shoot and J_20 and have a strong marketing plan across our key brands.

M&A remains a core part of the Britvic growth strategy and in the first half of the year we undertook due diligence on a potential strategic acquisition. In this instance, we did not progress the transaction as in our view, a number of complexities associated with the transaction and the deteriorating macroeconomic risks outweighed the potential value creation versus the required investment.

Financial Review

The following is based on Britvic's results for the 28 weeks ended 15 April 2012.[(1), (2)]

Key performance indicators

The principal key performance indicators that management use to assess the performance of the group are as follows:

- *Volume growth* – increase in number of litres sold by the group relative to prior period.
- *Average Realised Price (ARP)* – average revenue per litre sold.
- *Revenue growth* – increase in sales achieved by the group relative to prior period.
- *Brand contribution margin* – revenue less material costs and all other marginal costs that management considers to be directly attributable to the sale of a given product, divided by revenue. Such costs include brand specific advertising and promotion costs, raw materials, and marginal production and distribution costs. Management uses the brand contribution margin to analyse Britvic's financial performance, because it provides a measure of contribution at brand level.
- *Operating profit margin* – the group focuses on EBITA (earnings before interest, tax and acquisition related amortisation) before exceptional and other items as the key operating profit measure. Margin is calculated by dividing this number by revenue. Each business unit's performance is reported down to the brand contribution level.
- *Underlying free cash flow* – is defined as net cash flow excluding movements in borrowings, dividend payments, exceptional and other items.

Overview

In the period total group volumes (excluding factored products in Ireland) increased by 1.9% to 1.1bn litres and revenue increased by 1.7% to £641.1m.

Group EBITA was £41.9m compared to £45.0m in the prior year, a decrease of 6.9%. EBITA margin was down 60 basis points to 6.5% due to the impact of 2011 raw material inflation before this year's price increase. Group EBIT for the period was down 7.3% to £40.4m.

Brand contribution margin declined in the period, as expected, due to the above mentioned raw materials costs from 2011 but also because this year's price increase in the GB business was implemented later in the second quarter compared to 2011 when it was brought forward to match the timing of the increase in UK VAT.

Our guidance for raw material cost inflation remains unchanged at mid-single digit and is fixed for 2012 financial year, our product value optimisation programme is on track to deliver £8m cost savings and combined with the benefit of the price increase we expect margin improvement in the second half of the year. The first half incorporates 28 weeks of fixed costs but represents less than half of our revenue.

GB Carbonates

	28 weeks ended 15 April 2012 £m	28 weeks ended 17 April 2011 £m	% change Actual Exchange Rate
Volume (millions litres)	595.0	561.1	6.0
ARP per litre	44.1p	43.8p	0.7
Revenue	262.1	245.7	6.7
Brand contribution	91.1	93.3	(2.4)
Brand contribution margin	34.8%	38.0%	(320) bps

We delivered a strong volume performance from our GB carbonate brands, led by Pepsi and the continued success of Mountain Dew Energy. Pepsi took further volume and value share in the cola category as we successfully executed our marketing and innovation programme with 250ml cans, the joint initiative between Walkers Doritos and Pepsi Max and our "Transform your Patch" campaign. Furthermore this is against a strong comparative in the first half of last year when volumes were up by 4.7%, revenue up 8.3% and ARP up 3.5%.

We have also seen a more competitive environment develop with a higher level of promotional discounting in which we have successfully participated to grow market share. Our ARP performance has also been restrained by a marked consumer shift from impulse to grocery during the period. Nevertheless given the prior year ARP growth, we are encouraged with the first half outcome as we enter the second half of the year, with the benefit of the price increase to come.

Brand contribution margin is down by 320 basis points in the period reflecting both the raw material costs we are carrying from 2011 ahead of the 2012 price increase and the weak performance of the impulse and convenience channel where we sell smaller bottles at a higher margin. In the second half we expect to see margin recovery with the benefit of the price increase.

GB Stills	28 weeks ended 15 April 2012 £m	28 weeks ended 17 April 2011 £m	% change Actual Exchange Rate
Volume (millions litres)	234.0	244.2	(4.2)
ARP per litre	72.1p	71.7p	0.6
Revenue	168.8	175.1	(3.6)
Brand contribution	74.2	73.4	1.1
Brand contribution margin	44.0%	41.9%	210 bps

Note: Volumes and ARP for 2011 and 2012 are adjusted for double concentrate to allow for like for like comparisons

GB stills volume has continued to be impacted by the consumer down trading, heavier promotional discounting and the consumer shift from on-to-off trade. This has resulted in reported ARP growth of 0.6%, while the underlying price growth was higher. Furthermore the ARP was lapping a strong comparative of +2.3% last year. Within the on-trade we continue to see consumers head for food and family-led outlets, and within these outlets they are increasingly consuming carbonates rather than more premium still products.

Brand contribution and margin performance is due to the phasing of A&P spend, which was much higher in the first half of the previous year due to the launch of double concentrate. The underlying margin would have been down in the first half but we would expect to see recovery in the second half with the full benefit of the price increase.

International	28 weeks ended 15 April 2012 £m	28 weeks ended 17April 2011 £m	% change Actual Exchange Rate
Volume (millions litres)	19.4	16.7	16.2
ARP per litre	74.2p	77.8p	(4.6)
Revenue	14.4	13.0	10.8
Brand contribution	3.7	4.8	(22.9)
Brand contribution margin	25.7%	36.9%	(1120)bps

Note: Volumes and ARP for 2011 and 2012 are adjusted for double concentrate to allow for like for like comparisons

Our International division has delivered strong second quarter revenue growth of 18.1% leading to first half growth of 10.8%, lapping last year's first half growth of 20.4%. Our core export markets continue to perform well and are all in growth. The international team have commenced selling Teissiere Fruit Shoot in Belgium, where they have reached encouraging levels of distribution in the grocery channel leveraging the insight and launch plans from Britvic France.

We have made further progress with our franchise model with the commencement of sales of concentrate from our plant in Dublin to the USA. Pepsi Bottling Ventures are now manufacturing Fruit Shoot for the first time. These sales of concentrate are not recognised in the reported figures as they arrived in the US after the period end. We continue to make strong progress on growing our US distribution in the eight states that we are in with Fruit Shoot.

ARP decline reflects the growth in the more value orientated carbonates category within the travel and export business. The ARP growth last year was a strong 5.9%.

The brand contribution and margin is down in the period as a result of the increased level of A&P investment to support Fruit Shoot's growth in the US and Australia.

Ireland

	28 weeks ended 15 April 2012 £m	28 weeks ended 17 April 2011 £m	% change Actual Exchange Rate	% change Constant Exchange Rate
Volume (millions litres)	106.5	106.0	0.5	0.5
ARP per litre	53.4p	58.5p	(8.7)	(7.5)
Revenue	72.7	81.9	(11.2)	(10.0)
Brand contribution	22.1	28.4	(22.2)	(21.1)
Brand contribution margin	30.4%	34.7%	(430)bps	(430)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. Volumes and ARP for 2011 and 2012 are adjusted for double concentrate to allow for like for like comparisons

Whilst volumes in Ireland increased slightly, ARP on our own brands was down by 7.5% and of the total revenue decline, around half of the reduction is coming from the factored brands which we sell through our Irish wholesaling business. Consequently both revenue and brand contribution declined by double-digit.

Reported ARP and brand contribution margin continue to be hit hard by the on-to-off trade shift and the shift to grocery from impulse and convenience formats, combined with an increased level of promotional activity in the grocery channel.

The business review section earlier in the announcement provides further background on the Irish soft drinks market and our programme to drive cost savings and competiveness. The financial benefits in 2012 will support the full year profit delivery of the Irish business.

France

	28 weeks ended 15 April 2012 £m	28 weeks ended 17 April 2011 £m	% change Actual Exchange Rate	% change Constant Exchange Rate
Volume (millions litres)	142.3	149.1	(4.6)	(4.6)
ARP per litre	86.5p	78.7p	9.9	11.5
Revenue	123.1	117.4	4.9	6.4
Brand contribution	27.1	27.6	(1.8)	(0.4)
Brand contribution margin	22.0%	23.5%	(150)bps	(150)bps

Note: France revenue and cost of sales both include the value for the 'sugar tax' and therefore at brand contribution this has a nil impact.

In France volume was down 4.6% in the first half of the year. We took a decision to withdraw some distribution for the Fruité Juice brand where we were unable to agree acceptable commercial terms. The impact at brand contribution level was limited and does not change our full year expectations for the French business.

Important to our success in France this year is our ability to increase price and ARP was up 11.5%, representing a strong performance which was in line with our expectations. The lower ARP growth versus the first quarter was the result of lapping last year's price increase in the second quarter. The reduction in the brand contribution margin is largely due to year-on-year phasing of A&P expenditure where we spent more in the first half of the current financial year in line with our marketing plan.

Fixed Costs	28 weeks ended 15 April 2012 £m	28 weeks ended 17 April 2011 £m	% change Actual Exchange Rate
Non-brand A&P	(5.2)	(4.4)	(18.2)
Fixed supply chain	(59.5)	(61.1)	2.6
Selling costs	(63.3)	(64.8)	2.3
Overheads and other	(49.8)	(53.6)	7.1
Total	(177.8)	(183.9)	3.3
Total A&P investment	*(33.0)*	*(35.4)*	*6.8*
*A&P as a % of revenue**	*5.3%*	*5.8%*	*50 bps*

(* excludes 3rd Party Revenue)

Fixed costs decreased by 3.3% in the period as we continue to manage the cost base tightly. The reduction in A&P as a percentage of revenue year-on-year of 50bps is due to the timing of promotional activity versus last year, our full year guidance is unchanged at 5.0% of revenue, in line with 2011.

Exceptional And Other Items

In the period Britvic has accounted for a net cost of £0.7m of pre-tax (£0.0m post tax) exceptional and other costs. These include:

Exceptional items relating to GB of £3.8m cost:

- Costs associated with the relocation of the group head office and the separation of functional support structures between group and the GB business unit.

Exceptional items relating to Ireland of £2.8m gain:

- Ireland pension gain arising as a result of the agreement to address the funding deficit of the Ireland defined benefits pension plan and lower future pension provisions. The past service gain recognised under IAS (International Accounting Standards) 19 ‘Employee Benefits’ arises from the removal of the guaranteed pension indexation.
- Impairment of SAP implementation costs in Ireland. Given the material market decline in Ireland and resulting scale reduction in our business, the original benefits have equally reduced and the economic value of the SAP asset is no longer consistent with the future value to be generated. Consequently in line with IAS 36 ‘Impairment of assets’ we have written off the remaining value of the programme.
- Ireland restructuring cost as described in the business review, largely relating to redundancy costs.

Corporate exceptional items of £2.1m cost:

- Advisory fees relating to a potential acquisition that was ultimately not progressed.

Other fair value movements £2.4m gain:

- Within exceptional and other items we include the fair value movement of financial instruments where hedge accounting cannot be applied. This is made up of two items, a number of share swaps to satisfy our employee incentive share schemes and interest-rate swaps. The value of the net movement is a gain of £2.4m. The fair value movement of the interest rate swaps is included within exceptional and other finance costs.

Interest

The net finance charge before exceptional and other items for the 28 week period for the group was £15.6m compared with £15.9m in the same period in the prior year.

Taxation

The tax charge before exceptional items is £6.1m which equates to an effective tax rate of 24.6% (28 weeks ended 17 April 2011: 24.9%).

The tax rate before exceptional items, as indicated by the interim financial statements, includes the reduction in the UK Corporation Tax rate to 24% from 1 April 2012 and the increase in French Corporate Income Tax rate to 36.1% from 1 January 2012. These rate changes were substantively enacted prior to the interim balance sheet date and the resulting impact on the group's deferred tax position is recognised in full at the interim date. The expected tax rate for the full year, including these rate changes, is expected to be 25.5% to 26.0% (52 weeks ended 2 October 2011: 25.9%).

Earnings Per Share

Adjusted basic EPS for the period, excluding exceptional and other items and acquisition related amortisation, was 8.4p, down 9.7% on the same period last year of 9.3p.

Basic EPS (after exceptional and other items of £nil post-tax) for the period was 7.7p compared with the 6.6p for the same period last year (after exceptional and other items charge of £5.0m post-tax).

Dividends

The board is recommending an interim dividend of 5.3p per share an increase of 3.9% on the dividend paid last year, with a total value of £12.6m.The interim dividend will be paid on 13 July 2012 to shareholders on record as at 1 June 2012. The ex dividend date is 30 May 2012.

Cash Flow and Net Debt

Underlying free cash flow was a £47.1m outflow compared to a £64.2m outflow the previous year.

Our first half always generates a cash outflow reflecting the working capital high. The £17.1m improvement versus the prior period is largely due to an improvement in working capital management as we focus on improving cash management. Capital spend is £3.5m lower at the half year with our full year guidance higher than last year. There has also been an increased cash outflow this year to satisfy the 2008 PSP scheme that vested in December 2011.

The adjusted net debt (taking into account the foreign exchange movements on the derivatives hedging our US Private Placement debt) at 15 April 2012 is £534.4m.

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 whilst managing the group's debt and liquidity, currency risk, interest rate risk and cash management. The group uses financial instruments to hedge against interest rate and foreign currency exposures.

The group now has £890m of committed debt facilities consisting of a £400m bank facility which matures in 2016 and a series of private placement notes with maturities between 2014 and 2022; providing the business with a secure funding platform.

At 15 April 2012, the group's non-adjusted net debt of £606.3m (excluding derivative hedges) consisted of £35.1m drawn under the group's committed bank facilities, £568.4m of private placement notes, £1.1m of finance leases and a net overdraft of £5.9m. This was netted off with £4.2m of unamortised issue costs of loans.

Pensions

At 15 April 2012, the IAS 19 pension deficit in respect of the group defined benefit pension schemes was £16.7m (2 October 2011: deficit of £45.1m). The reduction is driven primarily by changes to the Britvic Ireland Defined Benefit Pension Plan (BIPP).

During the period, the Trustee received approval from the Irish Pension Board for two significant changes to the BIPP:

- the removal of the guaranteed annual 3% pension increase for pensions in payment; and
- the introduction of a salary cap of €50,000 for future service accrual.

As part of the changes, Britvic agreed to pay the cost of the levy on pension plan assets introduced by the Irish government in 2011. The removal of the guaranteed pension increase results in the recognition of a past service gain of £21.3million, recognised as an exceptional item. The changes significantly improve the funding position of the BIPP.

During the period, the group principal pension scheme for GB employees, the Britvic Pension Plan (BPP), entered into a second tranche of the pension funding partnership structure set out in the group's 2011 Annual Report. The first tranche involved the sale and lease back of certain group properties. The second tranche involved the sale and license back of certain group brands. An additional partnership, Britvic Brands LLP, was created to facilitate the second tranche.

The pension funding partnership is intended to provide the Trustee with an income of at least £5m per annum over the next 15 years. At the end of this period, the group may be required to transfer an amount in cash to the BPP equal to any funding deficit of the BPP at that time, up to a maximum of £105.0m.

All partnerships in the structure are consolidated by Britvic and the share of profits that BPP receive from the pension funding partnership will be accounted for by the group as contributions when paid. The group retains operational flexibility over the transferred brands and properties.

In addition to the expected partnership income of at least £5m per annum, the group will make payments to the BPP of £7.5m by 31 December 2012 and £15m per annum by 31 December each year from 2013 to 2017.

Business Resources

The main resources the group uses to achieve its results are:

- An extensive portfolio of stills and carbonates brands, including Robinsons, Pepsi, 7UP, Tango, J_2O and Fruit Shoot. The breadth and depth of Britvic's portfolio enables it to target consumer demand across a wide range of consumption occasions, in all the major soft drinks categories and across all relevant routes to market. Britvic Ireland owns a number of leading brands in the Republic of Ireland and Northern Ireland, including Club, Ballygowan and MiWadi as well as the rights to the Pepsi, 7UP and Mountain Dew brands. In France the portfolio includes the leading syrup brand Teisseire as well as Moulin de Valdonne, Pressade and Fruit Shoot.

- A successful long-standing relationship with PepsiCo that resulted in the exclusive bottling agreement (EBA) being renewed in GB in 2003 for a further 15 years, with an extension to 2023 on admission to the London Stock Exchange. The EBA for Ireland lasts until 2015. This relationship gives Britvic the exclusive right to distribute the Pepsi and 7UP brands in GB and Ireland, access to all new carbonated drinks developed by PepsiCo for distribution in GB and Ireland and, to support the development of its carbonates offering, access to PepsiCo's consumer and customer insight, competitor intelligence, marketing best practice, brand and product development expertise and technological know-how. Britvic has added to its portfolio with Mountain Dew Energy in GB and Ireland and has also been appointed in recent years as the exclusive GB bottler of Gatorade, Lipton Ice Tea and SoBe.

- A strong customer base. For example, in the GB take-home market, Britvic's customers include the "Big 4" supermarkets (Tesco, J Sainsbury’s, Asda and Wm Morrisons) together with a number of other important grocery retailers. The group has significant supply arrangements with a number of key players in the GB pubs and clubs sector and leisure and catering channels. Through Britvic International, the group has built on the success of the Robinsons and Fruit Shoot brands by introducing these products into markets outside GB.

- Britvic also has a well-invested and flexible group production capability and distribution network that enables its soft drinks to be made available to consumers across all of its operating territories.

Risks and Uncertainties

Risk Management Process

Britvic's risk management process has been adapted to support its growth strategy, focusing on growing the business through both acquisition and organic growth opportunities. Risk is an inherent part of doing business. The intention of the risk management process is not to avoid all risk as success comes from managing risk through the assessment of the balance of risk versus reward set against Britvic's risk appetite. The system of internal controls and risk management used to identify and manage the principal risks the group faces is described in the Corporate Governance Report. In assessing risk both the financial and reputational impact are considered, as Britvic is a brand-led business. The principal risks and corresponding mitigation set out below represent the principal uncertainties that may impact on our ability to effectively deliver our strategy in the future.

(A) Risks Relating To The Group

1. An over-reliance on any specific customer or brand.

Risk – A major retailer, in the take-home or pubs and clubs channel, may decide to remove our products from its range and stock alternative products instead.

Mitigation – Britvic sells its products through a wide-range of channels and retailers. This broad mix of customers reduces our dependency on any one of these relationships. Likewise our portfolio and innovation launches further diversify our range thereby reducing the dependency on any one brand.

2. A termination or variation of the bottling and distribution arrangements with PepsiCo or an adverse development in the PepsiCo relationship.

Risk – At the end of the bottling agreements or earlier in specific circumstances PepsiCo may terminate our right to sell their brands.

Mitigation – Britvic reduces this risk in two ways. Firstly, the majority of its revenues are generated by its wholly-owned brands. Its brand marketing focus and innovation pipeline are balanced between its wholly-owned brands and the PepsiCo franchised brands. Secondly, Britvic places significant emphasis on developing its relationship with PepsiCo through both extending bottling agreements and maintaining an appropriate level of communication between the two businesses to deal with on-going operational issues.

3. Increasing commodity prices.

Risk – Prices for commodities used in the production of our products may fluctuate widely and have increased significantly over the last year mainly due to poor crops and scarcity. Therefore the risk is two-fold, one of not being able to source enough, and one of having to pay more than expected.

Mitigation – Britvic sources much of its planned requirements through forward contracts and hedging arrangements and is developing new sources of supply. Through this process it aims to minimise the impact of price fluctuations.

4. Inability to protect the intellectual property rights associated with its current and future brands.

Risk – Failure to maintain these rights could result in the value of our brands being eroded by copycat products.

Mitigation – Through our legal team we proactively look to protect these rights by registering the relevant trademarks and enforcing these in court when a resolution cannot be reached with other parties.

5. Increase in the group's funding needs or obligations in respect of its pension scheme.

Risk – The required revaluations of the pension schemes may highlight a worsening deficit position that requires the company to provide additional cash contributions to meet future needs.

Mitigation – The group pensions function works closely with the pension Trustees to ensure an appropriate portfolio is in place to fund pension requirements and spread risk as best as possible. New employees of the company are enrolled into a defined contribution scheme that limits future liabilities. The largest of Britvic's defined benefit schemes, for GB employees, was closed to future accrual in April 2011 and closed to new members in 2002. The scheme is now partially funded by a pension funding partnership.

6. Inadequate IT disaster recovery plans.

Risk – As Britvic has grown, both through acquisition and organically, so has its reliance on IT systems to function, a failure of which could halt production or the ability to deliver goods.

Mitigation – Britvic has out-sourced the management of its data centre to a professional provider with both robust disaster recovery and business continuity plans capable of meeting both its current and future needs.

7. Worsening of the euro area economic situation and / or weakening of the euro

Risk – Britvic has material operations in France and Ireland and any escalation of the sovereign debt crisis in the euro area could adversely impact the group's trading, a failure of one of its banking partners, and any further weakening of the euro against sterling would have a negative translational impact on the group's results amongst other impacts.

Mitigation – The group has evaluated potential mitigation of any impact and how it may respond to various scenarios. The scope for mitigation is, however, limited.

8. Restrictions on business as a result of the increased Olympic legislation for the London 2012 games.

Risk – Restricted ability to advertise Britvic products in designated Olympic zones.

Mitigation – The group has undertaken a comprehensive exercise to fully understand the restrictions in place and has developed plans to maximise the opportunities available, whilst complying with the legislative restrictions in place.

(B) Risks Relating To The Market

1. A change in consumer preferences and spending on soft drinks.

Risk – Consumers may decide to switch or spend less on soft drinks.

Mitigation – By offering a range of everyday value to premium products across a range of sub-categories, Britvic is not dependant on any single brand. The range has been developed to offer consumers choice in terms of flavour, cost and formulation. Furthermore Britvic closely monitors consumer trends in order to anticipate changes in preferences and match its offerings to these trends.

2. Potential impact of regulatory developments.

Risk – Legislation may impact our ability to market or sell certain products or engage with specific consumers.

Mitigation – Britvic proactively engages with the relevant authorities through a number of organisations such as the British Soft Drinks Association (BSDA) and the Food and Drink Federation (FDF) in the UK, to ensure it can fully participate in the future development of legislation.

3. Potential impact of taxation changes

Risk – Potential legislation to introduce a tax on manufacturers of soft drinks.

Mitigation – Britvic will look to remain commercially competitive whilst offsetting as much of the cost as possible through increasing prices to customers.

(C) Risks relating to the Ordinary Shares

There are risks arising out of an investment in ordinary shares because of:

1. Actions by the group's competitors.

Risk – Competitors outperform Britvic in the market and so grow their business at the expense of Britvic.

Mitigation – Britvic benchmarks its operations and processes against recognised best practice and invests in its people resources, processes and assets to maximise performance.

2. US Holders potentially not being able to exercise pre-emptive rights.

Risk – Under certain circumstances US shareholders may not be able to take part in equity rights issues.

Mitigation – Britvic Investor Relations actively markets the Britvic investment case across both European and North American markets in order to promote diversification of where shares are held, thereby reducing the concentration in any one country.

BRITVIC PLC

INTERIM FINANCIAL STATEMENTS
FOR THE 28 WEEKS ENDED 15 APRIL 2012

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 15 April 2012. 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.

The Directors of Britvic plc are listed in the group's Annual Report for the 52 weeks ended 2 October 2011 on pages 34 and 35.

By order of the Board

Paul Moody
Chief Executive

John Gibney
Finance Director

BRITVIC PLC

INDEPENDENT REVIEW REPORT TO BRITVIC PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the 2012 Interim Report for the 28 weeks ended 15 April 2012 which comprises consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of cashflows, consolidated statement of changes in equity and the related notes 1 to 15. We have read the other information contained in the 2012 Interim 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 2012 Interim Report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the 2012 Interim Report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Services 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 half-yearly 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 2012 Interim 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 2012 Interim Report for the 28 week period ended 15 April 2012 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Services Authority.

Ernst & Young LLP

Birmingham

23 May 2012

BRITVIC PLC

CONSOLIDATED INCOME STATEMENT
For the 28 weeks ended 15 April 2012

		(Unaudited) 28 Weeks Ended 15 April 2012			(Unaudited) 28 Weeks Ended 17 April 2011			(Audited) 52 Weeks Ended 2 October 2011		
		Before exceptional and other items	Exceptional and other items*	Total	Before exceptional and other items	Exceptional and other items*	Total	Before exceptional and other items	Exceptional and other items*	Total
	Note	£m	£m	£m	£m	£m	£m	£m	£m	£m
Revenue		641.1	-	641.1	633.1	-	633.1	1,290.4	-	1,290.4
Cost of sales		(324.9)	-	(324.9)	(301.5)	-	(301.5)	(627.3)	-	(627.3)
Gross profit		**316.2**	**-**	**316.2**	**331.6**	**-**	**331.6**	**663.1**	**-**	**663.1**
Selling and distribution costs		(192.6)	-	(192.6)	(197.6)	-	(197.6)	(371.4)	-	(371.4)
Administration expenses		(83.2)	0.4	(82.8)	(90.4)	(8.9)	(99.3)	(156.7)	(23.1)	(179.8)
Operating profit/(loss)		**40.4**	**0.4**	**40.8**	**43.6**	**(8.9)**	**34.7**	**135.0**	**(23.1)**	**111.9**
Finance costs		(15.6)	(1.1)	(16.7)	(15.9)	1.3	(14.6)	(29.9)	(2.1)	(32.0)
Profit/(loss) before tax		**24.8**	**(0.7)**	**24.1**	**27.7**	**(7.6)**	**20.1**	**105.1**	**(25.2)**	**79.9**
Taxation	7	(6.1)	0.7	(5.4)	(6.9)	2.6	(4.3)	(27.2)	5.7	(21.5)
Profit/(loss) for the period attributable to the equity shareholders		**18.7**	**-**	**18.7**	**20.8**	**(5.0)**	**15.8**	**77.9**	**(19.5)**	**58.4**

Earnings per share				
Basic earnings per share	8	7.7p	6.6p	24.3p
Diluted earnings per share	8	7.5p	6.4p	23.7p
Adjusted basic earnings per share**	8	8.4p	9.3p	33.7p
Adjusted diluted earnings per share**	8	8.1p	9.0p	32.9p

* See note 6.

** Adjusted basic and diluted earnings per share measures have been adjusted by adding back exceptional and other items (see note 6) and amortisation relating to acquired intangible assets. This reconciliation is shown in note 8.

All activities relate to continuing operations.

BRITVIC PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 28 weeks ended 15 April 2012

	Note	(Unaudited) 28 Weeks Ended 15 April 2012 £m	(Unaudited) 28 Weeks Ended 17 April 2011 £m	(Audited) 52 Weeks Ended 2 October 2011 £m
Profit for the period attributable to the equity shareholders		18.7	15.8	58.4
Actuarial (losses)/gains on defined benefit pension schemes		(4.1)	63.1	45.1
Deferred tax on movement in defined benefit pension schemes		(20.3)	(17.8)	(16.7)
Current tax on additional pension contributions		21.1	2.7	4.3
(Losses)/gains in the period in respect of cash flow hedges	13	(11.3)	(11.8)	5.8
Amounts reclassified to the income statement in respect of cash flow hedges	13	5.7	10.5	(3.7)
Deferred tax in respect of cash flow hedges accounted for in the hedging reserve		(1.1)	0.4	(0.5)
Exchange differences on translation of foreign operations	13	(3.9)	1.9	(1.6)
Tax on exchange differences accounted for in the translation reserve		2.5	1.7	1.5
Other comprehensive income for the period net of tax		(11.4)	50.7	34.2
Total comprehensive income for the period attributable to the equity shareholders		**7.3**	**66.5**	**92.6**

BRITVIC PLC

CONSOLIDATED BALANCE SHEET
As at 15 April 2012

	Note	(Unaudited) 15 April 2012 £m	(Unaudited) 17 April 2011 Restated* £m	(Audited) 2 October 2011 £m
Assets				
Non-current assets				
Property, plant and equipment	9	236.8	247.1	243.8
Intangible assets		316.2	343.3	337.9
Other receivables		5.0	5.2	5.6
Other financial assets	13	90.6	60.6	93.0
		648.6	**656.2**	**680.3**
Current assets				
Inventories		90.3	92.9	88.5
Trade and other receivables		282.0	259.8	250.0
Current income tax receivable		13.3	-	-
Other financial assets	13	0.8	1.6	2.9
Cash and cash equivalents		2.9	34.2	43.0
		389.3	**388.5**	**384.4**
Non-current assets held for sale		0.4	1.2	0.7
Total assets		**1,038.3**	**1,045.9**	**1,065.4**
Current liabilities				
Trade and other payables		(356.9)	(327.7)	(370.1)
Bank overdraft		(8.8)	-	-
Other financial liabilities	13	(4.3)	(3.1)	(4.3)
Current income tax payable		-	(4.6)	(15.6)
		(370.0)	**(335.4)**	**(390.0)**
Non-current liabilities				
Interest-bearing loans and borrowings	10	(600.4)	(629.8)	(573.2)
Deferred tax liabilities		(42.5)	(24.7)	(23.0)
Pension liability	14	(16.7)	(27.2)	(45.1)
Other financial liabilities	13	(7.7)	(17.1)	(9.7)
Other non-current liabilities		(1.9)	(2.2)	(1.9)
		(669.2)	**(701.0)**	**(652.9)**
Total liabilities		**(1,039.2)**	**(1,036.4)**	**(1,042.9)**
Net (liabilities)/assets		**(0.9)**	**9.5**	**22.5**
Capital and reserves				
Issued share capital	11	48.4	48.2	48.3
Share premium account		16.8	14.6	15.0
Own shares reserve		(1.1)	(0.6)	(1.0)
Share scheme reserve		7.0	9.8	7.8
Hedging reserve		2.3	6.5	9.0
Translation reserve		21.0	26.1	22.4
Merger reserve		87.3	87.3	87.3
Retained losses		(182.6)	(182.4)	(166.3)
Total equity		**(0.9)**	**9.5**	**22.5**

* Restated following the finalisation of the fair value allocation of Britvic France, acquired on 28 May 2010.

BRITVIC PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
For the 28 weeks ended 15 April 2012

	Note	(Unaudited) 28 Weeks Ended 15 April 2012 £m	(Unaudited) 28 Weeks Ended 17 April 2011 £m	(Audited) 52 Weeks Ended 2 October 2011 £m
Cash flows from operating activities				
Profit before tax		24.1	20.1	79.9
Finance costs		16.7	14.6	32.0
Other financial instruments		(2.4)	5.9	10.2
Impairment of property, plant and equipment and intangible assets	6, 9	14.2	2.8	0.5
Depreciation		17.8	17.8	35.6
Amortisation		5.0	6.4	12.9
Share-based payments		3.5	5.1	3.8
Net pension charge less contributions		(32.1)	(27.8)	(27.9)
Increase in inventory		(3.8)	(9.1)	(4.4)
Increase in trade and other receivables		(33.4)	(33.5)	(24.1)
(Decrease)/increase in trade and other payables		(8.6)	(22.8)	22.8
Loss on disposal of tangible and intangible assets	9	0.5	0.6	4.6
Income tax paid		(11.3)	(14.3)	(20.9)
Net cash flows used in operating activities		**(9.8)**	**(34.2)**	**125.0**
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		1.4	-	0.6
Purchase of property, plant and equipment		(19.1)	(19.0)	(37.7)
Purchase of intangible assets		(3.0)	(4.9)	(11.9)
Acquisition of subsidiary net of cash acquired		-	-	(4.5)
Net cash flows used in investing activities		**(20.7)**	**(23.9)**	**(53.5)**
Cash flows from financing activities				
Finance costs		(0.1)	(3.6)	(3.9)
Interest paid		(14.8)	(13.3)	(27.2)
Issue of US$ notes	10	-	113.9	113.9
Interest-bearing loans drawn down/(repaid)	10	34.8	(28.6)	(123.4)
Issue of shares		1.2	1.4	2.3
Purchase of own shares		(9.3)	(3.3)	(3.3)
Dividends paid to equity shareholders	12	(29.9)	(28.3)	(40.3)
Net cash flows (used in)/from financing activities		**(18.1)**	**38.2**	**(81.9)**
Net decrease in cash and cash equivalents		**(48.6)**	**(19.9)**	**(10.4)**
Cash and cash equivalents at beginning of period		43.0	54.0	54.0
Exchange rate differences		(0.3)	0.1	(0.6)
Cash and cash equivalents at the end of the period		**(5.9)**	**34.2**	**43.0**
By balance sheet category:				
Cash and cash equivalents		2.9	34.2	43.0
Bank overdraft		(8.8)	-	-
		(5.9)	**34.2**	**43.0**

BRITVIC PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 28 weeks ended 15 April 2012

	Issued share capital	Share premium account	Own shares reserve	Share scheme reserve	Hedging reserve	Translation reserve	Merger reserve	Retained losses	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 2 October 2011 (audited)	48.3	15.0	(1.0)	7.8	9.0	22.4	87.3	(166.3)	22.5
Profit for the period	-	-	-	-	-	-	-	18.7	18.7
Other comprehensive income	-	-	-	-	(6.7)	(1.4)	-	(3.3)	(11.4)
Total comprehensive income	-	-	-	-	(6.7)	(1.4)	-	15.4	7.3
Issue of shares	0.1	1.8	(1.6)	-	-	-	-	-	0.3
Own shares purchased for share schemes	-	-	(6.6)	-	-	-	-	-	(6.6)
Own shares utilised for share schemes	-	-	8.1	(4.3)	-	-	-	(3.1)	0.7
Movement in share-based schemes	-	-	-	3.5	-	-	-	-	3.5
Current tax on share-based payments	-	-	-	-	-	-	-	0.7	0.7
Deferred tax on share-based payments	-	-	-	-	-	-	-	0.6	0.6
Payment of dividend	-	-	-	-	-	-	-	(29.9)	(29.9)
At 15 April 2012 (unaudited)	**48.4**	**16.8**	**(1.1)**	**7.0**	**2.3**	**21.0**	**87.3**	**(182.6)**	**(0.9)**

	Issued share capital	Share premium account	Own shares reserve	Share scheme reserve	Hedging reserve	Translation reserve	Merger reserve	Retained losses	Total
	£m	£m	£m	£m	£m	£m	£m	£m	£m
At 3 October 2010 (audited)	48.0	10.6	(1.9)	9.7	7.4	22.5	87.3	(214.3)	(30.7)
Profit for the period	-	-	-	-	-	-	-	15.8	15.8
Other comprehensive income	-	-	-	-	(0.9)	3.6	-	48.0	50.7
Total comprehensive income	-	-	-	-	(0.9)	3.6	-	63.8	66.5
Issue of shares	0.2	4.0	(3.2)	-	-	-	-	0.4	1.4
Own shares purchased for share schemes	-	-	(3.3)	-	-	-	-	-	(3.3)
Own shares utilised for share schemes	-	-	7.8	(5.0)	-	-	-	(2.8)	-
Movement in share-based schemes	-	-	-	5.1	-	-	-	-	5.1
Current tax on share-based payments	-	-	-	-	-	-	-	0.8	0.8
Deferred tax on share-based payments	-	-	-	-	-	-	-	(2.0)	(2.0)
Payment of dividend	-	-	-	-	-	-	-	(28.3)	(28.3)
At 17 April 2011 (unaudited)	**48.2**	**14.6**	**(0.6)**	**9.8**	**6.5**	**26.1**	**87.3**	**(182.4)**	**9.5**

BRITVIC PLC

NOTES TO THE FINANCIAL INFORMATION
For the 28 weeks ended 15 April 2012

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, Herts HP2 4TZ.

The company is listed on the London Stock Exchange.

These interim 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 auditors. The statutory accounts for Britvic plc for the 52 weeks ended 2 October 2011, which were prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union, have been delivered to the Registrar of Companies. The auditors' 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 23 May 2012.

2. Basis of preparation

These interim financial statements comprise the consolidated balance sheet as at 15 April 2012 and related consolidated income statement, consolidated statement of cash flows, consolidated statement of comprehensive income, consolidated statement of changes in equity and the related notes 1 to 15 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. Accounting policies

This financial information has been prepared using the accounting policies as set out in pages 60 – 66 of the group's 2011 Annual report.

During the period, the group adopted a number of interpretations and amendments to standards which had an immaterial impact on the consolidated financial statements of the group.

BRITVIC PLC

NOTES TO THE FINANCIAL INFORMATION
For the 28 weeks ended 15 April 2012

4. Seasonality of operations

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

5. Segmental reporting

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

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

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 15 April 2012	**GB Stills** **£m**	**GB Carbs** **£m**	**International** **£m**	**Ireland** **£m**	**France** **£m**	**Adjustments** **£m**	**Total** **£m**
Revenue							
- External	168.8	262.1	14.4	72.7	123.1	-	641.1
- Inter-segment*	7.0	6.0	-	3.2	0.3	(16.5)	-
	175.8	**268.1**	**14.4**	**75.9**	**123.4**	**(16.5)**	**641.1**
Brand contribution	**74.2**	**91.1**	**3.7**	**22.1**	**27.1**	**-**	**218.2**
Non-brand advertising & promotion **							(5.2)
Fixed supply chain***							(59.5)
Selling costs***							(63.3)
Overheads and other costs**							(49.8)
Operating profit before exceptional and other items							**40.4**
Finance costs							(15.6)
Exceptional and other items							(0.7)
Profit before tax							**24.1**

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5. Segmental reporting (continued)

28 weeks ended 17 April 2011	**GB Stills £m**	**GB Carbs £m**	**International £m**	**Ireland £m**	**France £m**	**Adjustments £m**	**Total £m**
Revenue							
- External	175.1	245.7	13.0	81.9	117.4	-	633.1
- Inter-segment*	6.1	4.8	-	2.8	0.1	(13.8)	-
	181.2	**250.5**	**13.0**	**84.7**	**117.5**	**(13.8)**	**633.1**
Brand contribution	**73.4**	**93.3**	**4.8**	**28.4**	**27.6**	**-**	**227.5**
Non-brand advertising & promotion **							(4.4)
Fixed supply chain***							(61.1)
Selling costs***							(64.8)
Overheads and other costs**							(53.6)
Operating profit before exceptional and other items							**43.6**
Finance costs							(15.9)
Exceptional and other items							(7.6)
Profit before tax							**20.1**

52 weeks ended 2 October 2011	**GB Stills £m**	**GB Carbs £m**	**International £m**	**Ireland £m**	**France £m**	**Adjustments £m**	**Total £m**
Revenue							
- External	351.2	502.6	29.1	162.8	244.7	-	1,290.4
- Inter-segment*	13.8	10.1	-	8.4	0.6	(32.9)	-
	365.0	**512.7**	**29.1**	**171.2**	**245.3**	**(32.9)**	**1,290.4**
Brand contribution	**150.1**	**189.1**	**10.9**	**57.8**	**62.0**	**-**	**469.9**
Non-brand advertising & promotion **							(8.0)
Fixed supply chain***							(111.1)
Selling costs***							(121.7)
Overheads and other costs**							(94.1)
Operating profit before exceptional and other items							**135.0**
Finance costs							(29.9)
Exceptional and other items							(25.2)
Profit before tax							**79.9**

5. Segmental reporting (continued)

* Inter-segment revenues are eliminated on consolidation.

** Included within ‘Administration expenses’ in the Consolidated Income Statement. Costs included within ‘Overheads and other’ relate to central costs including salaries, IT maintenance, depreciation and amortisation.

*** Included within ‘Selling and distribution costs’ in the Consolidated Income Statement.

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6. Exceptional and other items

Exceptional and other items are those items of financial performance that management believe should be separately disclosed by virtue of the nature and infrequency of the events giving rise to them to allow shareholders to understand better the elements of financial performance in the period so as to facilitate comparison with prior periods and to assess trends in financial performance more readily.

		28 Weeks Ended	28 Weeks Ended	52 Weeks Ended
		15 April 2012	17 April 2011	2 October 2011
	Note	£m	£m	£m
Exceptional items relating to GB*	(a)	(3.8)	4.3	(1.9)
Exceptional items relating to Ireland*	(b)	2.8	(7.5)	(11.2)
Corporate exceptional items*	(c)	(2.1)	-	-
Write off of unamortised financing fees**	(d)	-	(1.5)	(1.5)
Other fair value movements ***	(e)	2.4	(2.9)	(10.6)
Total exceptional and other items before tax		**(0.7)**	**(7.6)**	**(25.2)**

* Included within administration expenses in the consolidated income statement

** Included within finance costs in the consolidated income statement

*** For the 28 weeks ended 15 April 2012, a gain of £3.5m is included within administration expenses and a loss of £1.1m is included within finance costs in the consolidated income statement. For the 52 weeks ended 2 October 2011, £10.0m included within administration expenses and £0.6m included within finance costs in the consolidated income statement

a) Exceptional items relating to GB – in the period these relate to the final elements of redundancy costs relating to the separation of functional support structures between group and the GB business unit (£1.0m) and the restructure of GB operations (£1.2m), as well as the relocation of the GB & Group Head Office (£1.1m) and other costs of (£0.5m).

b) Exceptional items relating to Ireland – there are three components making up the £2.8m positive movement in Ireland. These are a past service gain of £21.3m in relation to changes to the Ireland pension scheme as described in note 14, offset by an impairment of intangible and tangible assets relating to SAP implementation in Ireland (£14.2m) and redundancy costs following the strategic review of the business in Ireland (£4.3m).

c) Corporate exceptional items – represents the cost of due diligence in respect of a potential acquisition which we did not pursue (£2.1m).

d) Write-off of unamortised financing fees – this was a one-off item that occurred in the prior period on refinancing of the group's committed bank facility.

e) Other fair value movements – relate to the fair value movement of derivative financial instruments where hedge accounting cannot be applied.

Details of the tax implications of exceptional items are given in note 7.

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For the 28 weeks ended 15 April 2012

7. Taxation

The tax charge before exceptional items is £6.1m which equates to an effective tax rate of 24.6% (28 weeks ended 17 April 2011: 24.9%).

The tax rate before exceptional items, as indicated by the interim financial statements, includes the reduction in the UK corporation tax rate to 24% from 1 April 2012 and the 2 year temporary increase in French corporate income tax rate to 36.1% from 1 January 2012. These rate changes were substantively enacted prior to the interim balance sheet date and the resulting impact on the Group's deferred tax position is recognised in full at the interim date. The expected tax rate for the full year, including this rate change, is 26.0% (52 weeks ended 2 October 2011: 25.9%).

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The impact of the changes in tax rate is to reduce the Group deferred tax liability by a net £1.1m, comprising a credit of £0.6m to the Consolidated Income Statement and a credit of £0.5m to the Consolidated Statement of Comprehensive Income. This includes a charge to the Consolidated Income Statement of £0.1m resulting from the increase in the deferred tax liability on the French fair value intangible assets which is expected to reverse before the end of the 2 year temporary increase in French tax rate.

Additional changes to the main rate of UK corporation tax are proposed, to reduce the rate by 1% per annum to 22% by 1 April 2014. These changes had not been substantively enacted at the balance sheet date and consequently are not included in these financial statements. The effect of these proposed reductions would be to reduce the UK net deferred tax liability by £2.4m.

Tax charge by region

	28 Weeks Ended 15 April 2012 £m	28 Weeks Ended 17 April 2011 £m	52 Weeks Ended 2 October 2011 £m
UK	6.4	6.6	22.5
Foreign	(1.0)	(2.3)	(1.0)
Total	**5.4**	**4.3**	**21.5**

Analysis of tax charge

	28 Weeks Ended 15 April 2012 £m	28 Weeks Ended 17 April 2011 £m	52 Weeks Ended 2 October 2011 £m
Current tax	5.1	7.4	26.2
Deferred tax	0.3	(3.1)	(4.7)
Total	**5.4**	**4.3**	**21.5**

Included in the above tax charge for the 28 weeks ended 15 April 2012 is a tax credit on exceptional and other items of £0.7m (credit of £2.6m for the 28 weeks ended 17 April 2011).

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8. Earnings per share

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

Diluted earnings per share amounts are calculated by dividing the net profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

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

	28 Weeks Ended 15 April 2012 £m	28 Weeks Ended 17 April 2011 £m	52 Weeks Ended 2 October 2011 £m
Basic earnings per share			
Profit for the period attributable to the equity shareholders	18.7	15.8	58.4
Weighted average number of ordinary shares in issue for basic earnings per share	241.4	239.9	240.4
Basic earnings per share	**7.7p**	**6.6p**	**24.3p**
Diluted earnings per share			
Profit for the period attributable to the equity shareholders	18.7	15.8	58.4
Weighted average number of ordinary shares in issue for diluted earnings per share	249.0	247.9	246.4
Diluted earnings per share	**7.5p**	**6.4p**	**23.7p**

The group presents as exceptional and other items on the face of the Consolidated Income Statement, those significant items of income and expense which, because of the nature and infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the period, so as to facilitate comparison with prior periods and to assess trends in financial performance more readily.

To this end, basic and diluted earnings per share are also presented on this basis with the amortisation of acquisition related intangible assets also added back using the weighted average number of ordinary shares for both basic and diluted amounts as per the table below:

Adjusted basic earnings per share			
Profit for the period attributable to equity shareholders	18.7	15.8	58.4
Add: Net impact of exceptional and other items	-	5.0	19.5
Add: Intangible assets amortisation (acquisition related)	1.5	1.4	3.1
	20.2	22.2	81.0
Weighted average number of ordinary shares in issue for basic earnings per share	241.4	239.9	240.4
Adjusted basic earnings per share	**8.4p**	**9.3p**	**33.7p**
Adjusted diluted earnings per share			
Profit for the period attributable to equity shareholders before exceptional and other items and acquisition related intangible assets amortisation	20.2	22.2	81.0
Weighted average number of ordinary shares in issue for diluted earnings per share	249.0	247.9	246.4
Adjusted diluted earnings per share	**8.1p**	**9.0p**	**32.9p**

9. Property, plant and equipment

Additions, disposals and impairment

During the 28 weeks ended 15 April 2012, the group acquired assets with a cost of £19.5m (52 weeks ended 2 October 2011: £38.8m).

Assets with a net book value of £1.9m were disposed of by the group during the 28 weeks ended 15 April 2012 (52 weeks ended 2 October 2011: £5.2m) resulting in a net loss on disposal of £0.5m (52 weeks ended 2 October 2011: loss on disposal of £4.6m).

Assets with a net book value of £14.2m were impaired by the group during the 28 weeks ended 15 April 2012 (52 weeks ended 2 October 2011: £0.5m). £4.3m of the impairment relates to 'fixtures, fittings, tools and equipment' within property, plant and equipment and £9.9m relates to 'software costs' within intangible assets. The impairment is included within 'exceptional items relating to Ireland' in exceptional and other items, further detail is provided in note 6.

10. Analysis of changes in interest bearing loans and borrowings

	28 Weeks Ended 15 April 2012 £m	52 Weeks Ended 2 October 2011 £m
At the beginning of the period	(573.2)	(569.9)
Net loans (drawn down)/repaid	(34.8)	123.4
Issue of 2010 Notes	-	(113.9)
Issue costs	0.1	3.9
Amortisation and write off of issue costs	(0.5)	(2.9)
Net translation gain/(loss) / fair value adjustment	8.3	(12.6)
Accrued interest	(0.3)	(1.2)
At the end of the period (non-current liabilities)	**(600.4)**	**(573.2)**
Derivatives hedging balance sheet debt*	71.9	78.2
Debt translated at contracted rate	**(528.5)**	**(495.0)**

* 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.

The table below provides an analysis of amounts included within interest bearing loans and borrowings:

	15 April 2012 £m	2 October 2011 £m
Finance leases	(1.1)	(1.2)
2007 Notes	(274.6)	(278.6)
2009 Notes	(173.1)	(174.3)
2010 Notes	(115.4)	(116.5)
Unsecured bank loans	(35.1)	(2.2)
Accrued interest	(5.3)	(5.0)
Capitalised issue costs	4.2	4.6
	(600.4)	**(573.2)**

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11. Issued share capital

The issued share capital as at 15 April 2012 comprised 242,054,009 ordinary shares of £0.20 each (2 October 2011: 241,400,052 ordinary shares), totalling £48,410,802 (2 October 2011: £48,280,010).

The ordinary shares carry voting rights of one vote per share. There are no restrictions placed on the distribution of dividends, or the return of capital on a winding up or otherwise.

	28 Weeks Ended 15 April 2012	52 Weeks Ended 2 October 2011
	£m	£m
Authorised		
327,500,000 ordinary shares of £0.20 each	65.5	65.5
Called up, issued and fully paid ordinary shares		
242,054,009 (2 October 2011: 241,400,052) ordinary shares of £0.20 each	48.4	48.3

Share issues in the period relating to incentive schemes for employees are detailed below:

	No of shares issued	Value £
6 December 2011	27,148	5,430
14 December 2011	500,000	100,000
8 February 2012	32,577	6,515
10 February 2012	14,116	2,823
15 February 2012	31,204	6,241
27 March 2012	48,912	9,782
	653,957	**130,791**

Of the issued and fully paid ordinary shares, 341,991 shares (2 October 2011: 258,683 shares) are treasury shares. This equates to £68,398 (2 October 2011: £51,737) 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 15 April 2012	28 Weeks Ended 17 April 2011	52 Weeks Ended 2 October 2011
Declared and paid in the period			
Dividends per share (pence)	12.6	12.0	17.1
Total dividend (£m)	29.9	28.3	40.3
Proposed after the balance sheet date			
Dividend per share (pence)	5.3	5.1	12.6
Total dividend (£m)	12.6	12.0	29.9

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13. Derivatives and hedge relationships

The group has a number of derivative contracts, some of which are designated as part of effective hedge relationships. These are included in other financial assets and liabilities as follows:

	15 April 2012 £m	17 April 2011 £m	2 October 2011 £m
Consolidated balance sheet			
Non-current assets: Other financial assets			
Fair value of the 2007 cross currency interest rate swaps[1]	55.9	48.1	61.6
Fair value of the 2009 USD GBP cross currency interest rate swaps[3]	28.5	10.6	29.6
Fair value of the 2009 GBP euro cross currency interest rate swaps[2]	5.0	-	0.6
Fair value of the 2010 USD GBP cross currency floating interest rate swaps[3]	1.2	-	1.2
Fair value of interest rate swaps	-	1.9	-
	90.6	**60.6**	**93.0**
Current assets: Other financial assets			
Fair value of forward currency contracts[1]	0.8	1.6	1.8
Fair value of foreign exchange swaps	-	-	1.1
	0.8	**1.6**	**2.9**
Current liabilities: Other financial liabilities			
Fair value of forward currency contracts[1]	(2.7)	(0.9)	(0.3)
Fair value of share swaps	(1.5)	(2.2)	(3.9)
Fair value of forward rate agreements	(0.1)	-	(0.1)
	(4.3)	**(3.1)**	**(4.3)**
Non-current liabilities: Other financial liabilities			
Fair value of the 2009 GBP euro cross currency interest rate swaps[2]	-	(2.4)	-
Fair value of the 2010 GBP euro cross currency interest rate swaps[2]	-	(2.2)	(1.1)
Fair value of the 2010 USD GBP cross currency floating interest rate swaps[3]	-	(4.4)	-
Fair value of the 2010 USD GBP cross currency fixed interest rate swaps[1]	(2.9)	(4.6)	(1.3)
Fair value of share swaps	(2.3)	(3.5)	(5.9)
Fair value of interest rate swaps	(2.5)	-	(1.4)
	(7.7)	**(17.1)**	**(9.7)**

[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

There have been no significant changes to derivative contracts designated as part of effective hedge relationships in the period. The derivatives and the hedge relationships are described in more detail on pages 93 to 97 in the group's Annual Report for the 52 weeks ended 2 October 2011.

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13. Derivatives and hedge relationships (continued)

The impact on the Consolidated Statement of Comprehensive Income of the derivatives and hedge relationships described above is summarised in the tables below.

	28 Weeks Ended 15 April 2012 £m	28 Weeks Ended 17 April 2011 £m	52 Weeks Ended 2 October 2011 £m
Consolidated statement of comprehensive income			
Amounts recycled to the income statement in respect of cash flow hedges			
Forward currency contracts*	0.5	(0.7)	(0.7)
2007 cross currency interest rate swaps**	4.0	7.3	(3.6)
2010 cross currency interest rate swaps**	1.2	3.9	0.6
	5.7	**10.5**	**(3.7)**
(Losses)/gains in the period in respect of cash flow hedges			
Forward currency contracts	(4.0)	2.1	2.8
2007 cross currency interest rate swaps	(5.7)	(10.0)	3.6
2010 cross currency fixed interest rate swaps	(1.6)	(3.9)	(0.6)
	(11.3)	**(11.8)**	**5.8**
Exchange differences on translation of foreign operations			
Movement on 2009 GBP euro cross currency interest rate swaps	4.4	(2.1)	1.0
Movement on 2010 GBP euro cross currency interest rate swaps	1.1	(1.0)	0.1
Exchange movements on translation of the euro net investment	(9.4)	5.0	(2.7)
	(3.9)	**1.9**	**(1.6)**

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

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14. Pensions

At 15 April 2012, the IAS 19 pension deficit in respect of the group defined benefit pension schemes was £16.7m (2 October 2011: deficit of £45.1m). The reduction in the overall deficit is driven primarily by changes to the Britvic Ireland Defined Benefit Pension Plan (BIPP) to improve the long-term sustainability and viability of the plan.

Changes to the Britvic Ireland Defined Benefit Pension Plan

During the period, the Trustee received approval from the Irish Pension Board for two significant changes to the BIPP:

- the removal of the guaranteed annual 3% pension increase for pensions in payment; and
- the introduction of a salary cap of €50,000 for future service accrual.

As part of the changes, Britvic agreed to pay the cost of the levy on pension plan assets introduced by the Irish government in 2011. The removal of the guaranteed pension increase has resulted in the recognition of a past service gain of €25.2million (£21.3m) which has been recognised as an exceptional item. The changes significantly improve the funding position of the BIPP.

Britvic Pension Plan – Pension funding partnership

During the period, the group principal pension scheme for GB employees, the Britvic Pension Plan (BPP), entered into a second tranche of the pension funding partnership structure set out in the group's 2011 Annual Report. The first tranche involved the sale and lease back of certain group properties. The second tranche involved the sale and license back of certain group brands. An additional partnership, Britvic Brands LLP, was created to facilitate the second tranche.

The pension funding partnership is intended to provide the Trustee with an income of at least £5m per annum over the next 15 years. At the end of this period, the group may be required to transfer an amount in cash to the BPP equal to any funding deficit of the BPP at that time, up to a maximum of £105m.

All partnerships in the structure are consolidated by Britvic and the share of profits that BPP receive from the pension funding partnership will be accounted for by the group as contributions when paid. The group retains operational flexibility over the transferred brands and properties.

In addition to the expected partnership income of at least £5m per annum, the group will make payments to the BPP of £7.5m by 31 December 2012 and £15m per annum by 31 December each year from 2013 to 2017.

15. 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 despite the fact that, as at 15 April 2012, the Consolidated balance sheet is showing a net liabilities position of £0.9m. Group reserves are low due to the capital restructuring undertaken at the time of flotation. This does not impact on Britvic plc's ability to make dividend payments.

The liquidity of the group remains strong in particular in light of the refinancing of the group's £400m committed facility in the prior year as well as the December 2010 issue of US$163m and £7.5m Senior Notes in the US private placement market.

As part of ongoing processes, goodwill and intangible assets with indefinite lives have been reviewed for indications of impairment. This review has taken into consideration the current economic climate.