

Gerald:

Good morning everyone, welcome to our Results presentation; can you just check - this includes the Management team - that your mobile phones are off and I think you know where the exits are, there's one there and there's one there. You know Paul and John, they're going to do all the talking. So without any further ado, John will take us through the results and then Paul the commercial stuff and the acquisition.

John Gibney:

Thank you Gerald and good morning everybody. As Gerald said, Paul will take you through the acquisition later on; however, we are going to start with the usual review and our performance in the first half of this financial year. If you please note as well, that we will be making available a copy of the transcript and the webcast on the Investor Relations site on britvic.com; both will be available during tomorrow afternoon, but the slides that we will take you through now, have also already been put on the website.

So today we report our Half Year Results for the 28 weeks through to 11th April 2010. Despite the challenging economic environment that we've had, we've continued to build on our track record of growth lead by the top line. This has leveraged strongly down the P&L account, with brand contribution and related margin improving materially across all four of our operating divisions.

Group EBIT margin has improved by 150 basis points, with Britvic Ireland returning to profit this year. EPS growth momentum also continues with an increase of almost 38% at the Half Year.

The strength of these results has given the Board confidence to propose an Interim Dividend of 4.7p per share, that's an increase of almost 15% on last year. And just to be clear, the shares that we'll talk about later in terms of [placing] will also qualify for the Interim Dividend payment as well.

This year is unusual in that it's a 53-week year, with the additional week coming through in early October. Many of you have probably already captured the EBIT impact of that, but also bearing in mind that that will push us through into an October year end, which means that we'll have

some additional payment runs, which will impact on our working capital, probably by an adverse of around £10 million at the Full Year.

Moving onto the financial headlines. The Group revenue growth of 4.6% has translated into an EBIT at the Half Year of 40.7 million, which as you can see is an increase of around 28% on last year. In addition to the improved operational leverage, the key margin driver was a benefit from the 2009 price increase, which if you remember we had significant raw material inflation to cover this time last year and that pretty much absorbed that. So this will disproportionately benefit half one, which reflects the benefit of that price increase versus a backdrop of much more stable raw material cost environment.

We are confident, however, with the guidance we gave last Half Year, around the Group EBIT margin growth, over the next four years, of 50 basis points per annum, so an improvement of 200 basis points over the four years.

Moving on to the first of our reporting segments in GB Stills; and this has seen a very strong First Half performance. The volume growth of 3.3% means that we've outperformed the market by 1.2% and our key brands of Robinsons Squash, J₂O and Fruit Shoot, have all delivered revenue and market share growth.

ARP in the Half Year has improved by 2.2% on last year. The key driver being the continued growth of Fruit Shoot brand, but also the return to growth of our most premium priced brand, J20. The brand contribution margin, you can see of 43.7%, represents an improvement of last year of 230 basis points. This is a result of the timing difference between the price increase from last year and the decelerating rise in raw material cost inflation i.e. the reversal of the margin erosion that you would have seen at this time last year. As I said earlier, this is essentially a half one impact and we anticipate a stabilized margin through the balance of the year.

Turning now to Carbonates. Volumes are up by 8.2% on last year, which is a 7.5 percentage point outperformance of the market. Encouragingly Pepsi, 7UP and Tango have all performed well, each enjoying volume, revenue and ARP growth. At a revenue level, this has translated into revenue growth of 11% on last year.

Strong improvement here also, brand contribution margin, this time up by 220 basis points to 38.2%, as with the Stills margin improvement, this is essentially a half one improvement.

Our International division has delivered another outstanding performance with volume up by 29%, but revenues up by 20%; and an increase in

brand contribution of 37% as we've effectively managed our A&P investment.

The ARP decline you can see here, is essentially a factor of the growth being driven from the benefit of new contracts in the travel industry, we announced last year, with Easyjet and Ryanair. We will start to lap those in Q3, but we can also announce today that we've acquired further contracts with both Virgin Rail and Virgin Atlantic Airways.

Fruit Shoot in Holland, continues to perform very well, with both effective promotional activity driving volume and an ever increasing base sales level as the brand establishes itself in the market place.

Trading contributions in Ireland continue to be very difficult; volume is down by 8% and revenue down by 11%, with underlying Euro revenues down further, at 14%. The Irish grocery market is seeing price deflation, demonstrated by a decline of 11% in soft drinks, whilst the decline in Licensed has continued, this time by 13%. Our business has responded with a series of pricing initiatives and as a result of this and the difficult conditions in the market place, our ARP is down by 6% in Euro terms.

Recent market data suggests that although volumes are improving, value continues to decline. We remain extremely cautious as a result, on short term prospects, with the balance of 2010 being difficult. However, the near six percentage point increase in Irish brand contribution margin, is encouraging, reflecting the benefit of the synergies coming through in this business. We will have reached €25 million cumulative by the end of the Full Year, with the implementation of SAP and Siebel in early March, being implemented very successfully; the remaining synergies that of €2 million will come through during 2011.

Moving down the Profit and Loss account, we have seen A&P as a percentage of revenue, fall marginally to 6.1%. The overall spend, however, on advertising, is up by £1 million. This is through our use of more cost effective ways to reach the consumer, such as digital and viral advertising. Despite this slight increase, this remains a very busy year for our A&P activity behind our brands.

Overheads and Other are up significantly on last year, as a result of a number of factors. Incentive plans, both short and long term, are expected to achieve pay-out towards the top end of the performance level. Increased pension costs reflect the increase in the accounting deficit, you will see in the balance sheet.

We've seen further investment in the establishment of our Group infrastructure, which given today's announcement, is obviously a very important piece of work. And finally, we've added additional investments to drive the capability to support our drive into the [on-the-road] arena with NGB, behind convenience and impulse and food service.

Moving down to earnings. Importantly remember that this is a 28-week period, but the Second Half actually generates the majority of our profits for the Group.

Interest has increased by £1 million, reflecting the cost of the new bank and private placement debt facilities that we put in place last year. The blended group tax rate of 26.3% has slightly increased on last year, due to an increase in proportion of profits coming from GB, as opposed to our Irish business. Despite this, profit after tax is up by nearly 39%, continuing our strong performance in spite of the current climate. Importantly, there are no exceptional items in the period, compared to £12.8 million in the first half last year.

Moving on to our cash flow. We have seen a 16% increase in our EBITDA in the first half, though this has been tempered by increasing calls on our cash in the period.

Firstly, the implementation of our business transformation programme in Ireland, has had a temporarily adverse impact on working capital, which is not untypical of implementations of this size, as you tend to build coverage, for example, of stocks, to mitigate against any operational issues.

Secondly, the business is now paying additional contributions into the pension schemes in both Northern Ireland and the Republic of Ireland, in addition to those already being made within GB.

The agreed schedule of contributions for the Northern Ireland scheme, include £1 million this year and then a further – sorry – a total of £1.5 million per annum from FY11.

In the Republic of Ireland, the plan is actually going under an actuarial valuation at the moment, and until that is concluded, the company is making additional contributions of £200,000 per month, through to the end of the year.

In respect to the GB pension plan, as you will know, a formal actuarial valuation takes place based on a March 2010 valuation and we may be able to give you some further insight into this at our Prelims in December. Our expectation is in common with many UK pension schemes, our

funding deficit is likely to have increased significantly, since three years ago and it will be prudent, therefore, to assume that the £10 million annual payment that we've been making up to now, will continue beyond 2010 and in all likelihood, may increase as well.

Lastly, as we mature as a PLC, we continue to buy a number of shares in the market place, to satisfy the success of the employee base share [safe] schemes. The cash cost of these in Half One, has been £1 million, with the Full Year cost anticipated to be £7 million. If these schemes continue at the current level of performance, then we'll be looking towards a cost between £7 – 10 million on an ongoing basis.

Turning to guidance; underlying revenue guidance for the year remains unchanged, though we remain cautious on the prospects for the consumer confidence in Half Two. In Ireland, there is little sign of consumer confidence improving and continuing price deflation, we believe, is likely. As previously guided, we do not expect to see an improvement in the Irish market, until 2011.

Our innovation plans announced at our Investor Seminar in March, have been well received by the trade and last year's innovation, especially Juicy Drench continues to drive growth. As a result, we remain confident that innovation will add, as guided, between 1% and 2% to our Full Year revenue in GB.

Raw material inflation is still anticipated to be in the range of 0 -1% increase, even though we expect trading conditions in Ireland to remain difficult, the Irish P&L account will be underpinned by this year's synergies of £9 million, which will be delivered mostly in the Second Half.

Capex remains stable and this year has seen the last of the remaining additional capex in Ireland, as a result of the business transformation implementation, before returning to its underlying run-rate of £8 million per annum.

So to summarise on our Half One performance, we continue to drive earnings momentum and shareholder return, lead first and foremost by top line growth. Our GB and International business continues to perform very well and despite ongoing market challenges in Ireland, we've increased brand contribution and EBIT margins across the business.

I'll now hand over to Paul, who will give you some further colour around our First Half performance, our balance of year plans, as well as details on our proposed acquisition in France.

Paul Moody:

Good morning everybody, thank you John. So this morning I will give you an overview of our market and brand performance, with maybe a lighter touch on innovation and channel development, given the details shared at our recent Investor Seminar at the end of March. Clearly, I will spend some time providing you with insight into the strategic rationale for our proposed acquisition in France, that we announced today.

But let me first move to the GB Soft Drinks market by volume, a chart that I'm sure you're very familiar with. The take-home market continued to perform well in the First Half of the year and was ahead of last year, with volumes up 1.4%, but more importantly, value increased by 4.5%.

As illustrated by the chart, the current year, shown in red, indicates material market growth in the first quarter, with the impact of the extreme winter weather in January and February, slowing the growth rate in the second quarter.

Brands continue to lead the market growth, with Private Label losing 0.9% volume share in the First Half. Over the same period, Britvic increased both its volume and value share.

Once again, a chart that you'll be very familiar with. As you look at the individual category performance within GB in the First Half, the significance Carbonates category performance is Glucose and Stimulant, with growth at 14.4%, illustrating the consistently strong growth of a category that we have entered recently, with Mountain Dew Energy.

The growth in Stills of 2.1% is an encouraging reversal of the trend this time last year, when volumes declined by 5.9%. The driver of growth has been Plain Water, where volumes are up 6.5%, though relatively premiumised categories such as Sports, Water Plus and Smoothies, are also showing an encouraging return to growth.

The GB Licensed On-Premise Soft Drinks market has seen sustained stability in the recent quarters, with volumes up 0.9% in the Quarter to the end of January 2010, up from 0.3% in the Quarter to the end of November 2009.

If we look at a similar chart for the last 12 weeks, this demonstrates the slowing of growth in the Second Quarter. The Glucose Stimulant category has again however, delivered strong growth. The Stills category continues to grow ahead of Carbonates for the third consecutive quarter, possibly

reflecting improving consumer confidence, as they broaden again their Soft Drinks repertoire, whilst pressure on discretionary spending possibly eases. As the market laps the volume impact of last year's introduction of Double Concentrate in Private Label Squash, the overall Squash category has returned to its long term growth rate.

So let me now turn to a brands review. The First Half of the year has seen continued strong performance for our brands, as they go from strength driven by our through-the-line execution, which has continued to drive/deliver market share growth.

Pepsi's share continues to grow in take-home, up 0.3% on last year. In the Licensed trade, we continue to be the number one cola. Likewise, both 7UP and Tango have enjoyed excellent Half Year performances; and the recent launch of our Carbonates range in no-added sugar format in 600ml creates a tangible point of difference for the growing on-the-go market.

If I move now to our Stills brands. Our portfolio is benefiting from the return to robust growth in the overall Stills market. For the second year, we have innovated with Premium Squash under the Robinsons brand and in Fruit Shoot, we now have an even more compelling range to consolidate its position, as the number one overall kids brand in the UK grocery market, with the addition of "My 5."

With the return to growth of the Stills category, as well as the Licensed On-Premise market, J2O has seen material growth in both volume and value and indeed market share. The recent addition of J2O "White Blend", will add further momentum to the brand.

Let me now move to Ireland. It won't be any surprise to you, that the market continues to track the macro economic conditions. Though market volumes in grocery are up 2.8% year-to-date, the focus on price and value by consumers, has seen this volume growth translate into a value decline of nearly 11%. This reflects significant challenges that both retailers and suppliers currently face. The licensed market also continues to be under acute pressure, with market volume decline now, of around 13%.

Looking at a similar chart; whilst the overall volume performance may look encouraging at a volume level, the value performance does not. All categories without exception, are in value decline. To illustrate the issue, water volume growth of 10.8%, converts into a value decline of over 8%.

Given the conditions and the tough trading environment in Ireland, where experimentation with new brands and products is unlikely to be consumer

priority, it was again appropriate this year to focus our major innovation efforts on the GB market.

We are bringing to market a new brand in Mountain Dew Energy, offering real innovation in the high growth glucose sub category. Mountain Dew is a \$1 billion PepsiCo brand that will play strongly within our overall on-the-go growth strategy that focuses on impulse and food service distribution. Once again, we have strengthened our relationship with our most important commercial partner, bringing real value to both PepsiCo and Britvic.

Our core brands see price and margin accretive extensions, through sub brands such as J2O White Blend; Fruit Shoot, My-5 and Robinsons Select. This continues our strategy of leveraging the value of our core brands that consumers know and trust.

For the Licensed trade, we've introduced a simplified pack for juices and mixes and as already mentioned, we have launched a new 600ml carbonates pack for impulse and food service primarily.

2010 is undoubtedly one of the strongest brand equity programmes ever and here we illustrate some of those key programmes. Be it Pepsi World Cup, J2O Pub Quiz, Gatorade Sports Result Rewards, Fruit Shoot Skills Programme and of course, Robinsons 75th Wimbledon Anniversary. A truly fantastic array of consumer facing programmes, designed to build equity, but crucially to drive volume and revenue share, leading to outstanding performance.

The brand investment in Ireland, is where we continue to keep a focus on our core brands. Here are just a few examples of the campaigns.

The recently launched Ballygowan association with the Breast Cancer Awareness programme sees a limited edition bottle available across Ireland, with every bottle sold raising much needed funds for cancer charities such as the Marie Keating Foundation. But as you can see, despite the challenging environment in Ireland, we continue to focus aggressively on building our brand equity.

So in summary, I think what John and I have talked to you about today, is a resilient market, certainly in GB, that's now demonstrating some sustained growth. We clearly have very strong core brands that are continuing to win share, but we're then complimenting that with creative innovation that builds on the brand's strength, but adds great value to the Britvic P&L. Of course, we have an incredibly strong equity programme, that we believe will play out very well during the course of the Summer.

Clearly, what we are demonstrating is consistent, organic growth in the core business.

What I'd now like to do is turn to you, to talk about the proposed acquisition of Fruité Entreprises. The next chart is truly an eye-chart but I'm required to show it. I'll assume that you've very quickly understood all that's contained in that chart. [Regulatory disclaimer].

So this morning I'll talk about the strategic rationale for the acquisition, the financial highlights of the deal and provide some insight on the French Soft Drinks market, the Fruité business as it currently exists and an outline of the opportunities that we believe Britvic can exploit to drive top and bottom line growth.

So, Fruité is the leading independent soft drink company in France. The business products focuses on syrup, a much more concentrated form of squash, that I'm sure you are more familiar with; and in addition, they have a material position in the ambient pure juice market.

Revenues are split evenly between brand and own label; and in private label element on the other. Profitability, however, is significantly skewed towards the branded portfolio, which is obviously of particular interest to our business, given our focus as brand creators and builders.

We are proposing to pay a consideration of €237 million for Fruité, which equates to an EV to EBITDA multiple of 9.6x. This will be funded from both our current and new debt facilities, as well as an equity placing, up to just under 10%. And I'm delighted to say that that placing has been strongly supported by the market this morning.

In expanding Britvic's physical presence into Continental Europe, we will deliver substantial synergies through rapid integration into the wider group. We'll also satisfy our two key financial criteria for any deal, namely earnings accretion in the first full year and coverage of our cost of capital by the end of the second full year.

To clarify, this acquisition is subject to local Works Council consultation and we expect the deal to be completed, given a successful consultation with the employees, by the end of May.

So this acquisition marks another important strategic step for Britvic. We will add powerful Stills brands to an already strong portfolio, with the potential for our UK, Irish and hope to be soon – French brands, to travel further afield. It provides complimentary expertise from the operation of a pure juice business of scale and delivers a platform for broader soft drinks penetration into new markets.

In particular, with physical assets now in Continental Europe and local on the ground expertise we are acquiring, we have the potential to drive the Group's wider portfolio of strong brands, across a significantly enhanced distribution platform and of course, the breadth of customers.

We've also filled some important category gaps, in what is an increasingly international brand portfolio. We can also offer an enhanced position to our UK consumers. The acquisition is consistent with our strategic focus on acquiring soft drinks businesses in two clear areas.

Firstly, Still brands and operations in European markets, where the new infrastructure would allow Britvic to drive its brands into that market and of course vice-a-versa, whilst realising material cost synergies. Secondly, the Carbonated Soft Drinks market predominantly in Northern and Western Europe, broadly but not limited to the Pepsi franchise infrastructure, where significant cost synergies can be realised and where Britvic can drive accelerated revenue growth.

The experience of driving material synergies in [Ireland] gives us full confidence in respect of our new French business; and it's important to stress that the acquisition of Fruité represents one strand of our ambition around international expansion, that association potentially in the future with Pepsi, is equally important.

Let me now move and talk about the synergies. They do in this acquisition first and foremost, come from the cost side, with significant procurement and supply chain based savings identified already. A key part of what will be an accelerated integration of the business, will be in the introduction of our SAP based business transformation programme, that delivered significant working capital and operating cost savings in GB; and most recently with the conclusion of the programme in Ireland after just six months of integration in Ireland as well.

In addition, there are also material revenue synergies, where for example, we can take Fruit Shoot to France. Not currently included in our estimates for revenue synergies and as such an upside, is the potential for taking other Britvic brands into France at a later date, as well as the franchising of Fruité brands over the longer term.

The business has posted some impressive results in recent years, with strong revenue growth and even stronger increases in EBITDA and operating profit. Current trading remains strong, well in line with expectations, although we would anticipate over the medium term, the

growth rates in this business to be more reflective of those we've guided on the GB and international business here.

To achieve the synergies we've identified, we will need to spend an additional €35 million in capex, the majority of which will be spent next year on business transformation and a new production capability in France for Fruit Shoot, as well as the potential for an installation of aseptic technology.

Seasonality in syrups is broadly similar to our UK and Irish sales lines, although pure juice volumes tend to demonstrate a flatter shape through the year.

Let me just briefly give you an insight to the actual market in France. As you can see the size of the market is around €12.5 billion and the market is differently skewed towards Stills, with Carbonates making up around one third. As you can see there, the juice market is around 24% of the total, which is clearly one half of the business, whereas concentrates realise 7%. It's important to recognise that that is 7% as sold, not as drunk and if you apply the multiplier of probably an average of eight parts water to one part syrup, you can see there the genuine scale of the category and our role within it.

This is the market for syrups. It's enjoyed good growth over recent years, as squash has done in the UK. As a dilutable, most syrups are sold in the off-trade, although a material amount is also sold in bars and restaurants to make up drinks and food. The rebound of the market over the past three years is in large part due to the re-focus of the Fruité business on the category, with the Teisseire and the Moulin de Valdonne brands enjoying a significant portion of the syrup market and driving the growth.

The Pure Juice category is also attractive, with over a 5% CAGR over the past six years, with ambient juices making up the largest segment of the category, our newly acquired ambient juice portfolio would provide a tangible scale opportunity within a growth category.

Let me now talk about the brands that we are going to acquire. Teisseire was founded in 1720 and has a very strong brand equity and offers expertise and trustworthiness, while never compromising on quality. Thanks to a clear, distinctive identity built around values such as joy, know-how, innovation and discovery of new flavours, the brand has become part of the French gastronomic heritage. It enjoys near universal appeal in France, holding an undisputed leadership on the syrup market, with 95% spontaneous awareness. This year as a major sponsor of the Tour de France, brand equity and innovation are key to the success of

Teisseire, such as the launch of the 0% variation three years ago, which has already achieved significant share amongst the sugar-free variants.

Brand recognition of Moulin de Valdonne founded in 1972 is also strong, demonstrating significant awareness as the second leading brand on the market and is the clear leader in the premium and organic segment. Fruité with its long history with French consumers is associated with conviviality, pleasure, trust, convenience and innovation and the brand has grown significantly in the last decade. Again innovation is paramount with the 2009 launch of the first ambient smoothie in the market which is already proving to be successful.

Pressade, now the undisputed leader of the ambient organic fruit juice market has built its success around quality and authenticity. Interestingly both Fruité and Pressade brands together now account for nearly half of the value of brand innovations in the ambient pure juice category over the last three years.

The French soft drinks market as you have seen has a unique Private Label dynamic compared to the UK, in that it has a characteristically significant role to play with both shoppers and retailers. In the way that Pepsi bottling provides us with scale, platform in the UK and Ireland, Private Label will perform a similar role for us in France, but in particular in syrups with the inclusion of Private Label with the brand and Private Label penetration we have the opportunity to much more closely manage the market very much in a similar way to how we manage the squash market in the UK.

Moving to the existing network. Syrup production is entirely carried out at a production unit in Crolle, near Grenoble with a number of other sites each producing pure juice products, there is an extensive coverage of the entire French geography and significant capacity to grow the business. As you will see the Head Office is in Annecy and in overall terms the business employs 518 full time equivalents.

We're clear that the business we have bought or potentially will complete on by the end of May, presents huge opportunities to grow its top line as well as delivering strong cost synergies. By retaining the successful management team, we can overlay the Britvic category expertise and also look to penetrate routes to market where we have significant experience in the UK and Ireland, including for example the On-Premise Channel where Fruité is currently under-represented. As I mentioned we're also clear on the cross border opportunities for our brands, such as Fruit Shoot and we will maintain and leverage the scale platform of the Private Label business in the near term.

In terms of the consideration, we have been clear with our shareholders that we want to take a prudent approach to gearing levels and therefore have decided to ask for shareholder support to part fund the transaction. We have utilised an element of our debt facilities and we will take our full year debt-to-EBITDA ratio currently to around three times.

In summary we believe that the Fruité [brand] is an excellent strategic fit for Britvic. It extends our soft drinks focus into Continental Europe, an ambition that we have discussed for certainly the last couple of years. We're moving to a position where we are undisputed leaders of the syrup and squash category throughout Europe where we have proven category leadership. As I have explained there are significant costs and revenue synergies associated with this transaction, and from an EPS and WACC perspective, meeting our internal criteria for acquisitions. That completes the formal part of this morning's presentation. I will now take my seat and invite questions. As ever, there will be a roving mic, if you could state your name and your organisation then we will be happy to take your questions.

John Fell Deutsche Bank

A couple on the French acquisition then. On slide 36 you have been through the capex that will be required to generate the cost synergies. There are also two lines referring to one-off benefits and one-off costs. I wondered if you could just explain a bit more about what they refer to? Secondly, with the Private Label business in France, can you tell us a little bit about the competitive dynamics there; how long are the contracts that the business has with French retailers; what are the prospects that you face having to re-bid for that business fairly shortly?

John Gibney

Morning Jonathan I will take the first part of the question shall I. In terms of the one-offs, there are probably three things in there I think Jonathan and they're fairly relative to the timing when they will occur. There are some one-off benefits around tax. There are some one-off benefits around property and there is a one-off benefit in there as well around a chunk of land which we think is probably disposable as well. They're reasonably certain issues.

Paul Moody

In relation to the Own Label business, each of the contracts are one year's term and therefore by definition renegotiated annually. There are none that are due for renegotiation earlier than the end of this calendar year. The way that it operates in France is not dissimilar to the GB market where there is annual negotiation. As you would expect on Own Label whilst quality is important, price is the final discriminator. As we have looked at the landscape of Own Label contracts across French juice businesses, there appears to be a high degree of stability insofar as retailers spread their volume across more than one supplier and those suppliers tend not to move around, so it would suggest a degree of stability in the market. Clearly we have had conversations with the management regarding Own Label and they are confident in their ability to continue and develop the business potentially.

Andrew Holland Evolution Securities

A couple of questions. Can you tell us how you're actually going to account for the acquisition? Is that going to be like in the GB down to brand contribution, or are you going to go all the way down to EBIT? Secondly, just pursuing a little more on the syrup market; are there other branded players in there? You have told us that you're getting the market leader. Is the rest of the market Own Label or are there other branded players and if so can you tell us who they are also who the other Own Label supplier companies are?

John Gibney

Morning Andrew I will take the first part of the question. Our intention is to report on this as a further segment within the Britvic business. The likelihood is that we will take it down to brand contribution margin. To be frank once we go below there now we're getting a bit blurred between local market costs and centralised costs, so it will probably be helpful I think to continue to do that. What we will do is we will keep, as we have done in Ireland, very well informed of how the synergy delivery programme is going.

Paul Moody

Andrew in response to the question around the syrup market, there are some other branded players, but the branded players tend to be regional. Teisseire from the work that we have done would seem to be the only truly national syrup brand. To be frank I don't have the detail of who the other Own Label suppliers of syrup would be. I am sure we have that detail, if that will be helpful. In terms of Own Label it is an important part of the

market, clearly, but one of the things that you would observe is that the Teisseire pack, the metal bottle is iconic and so most Own Label tends to be in glass bottle rather than the metal bottle. But from our perspective, just to reiterate the earlier point, given our participation clearly in brand but also with Own Label it does give us the opportunity to manage the market very much in the same way as we would do with Robinsons in the UK squash market.

Wayne Brown Altium Securities

Just looking at slide 38 and 39 at the growth rate over the past few years; can you by any chance break that down between the brands and the Private Label and maybe also give us an indication of pricing and volume over the past few years?

Paul Moody

Not immediately no, in terms of relative rate of growth of Own Label and brand. In terms of pricing, certainly in the case of syrups, what has been kind of interesting is the degree to which the price stability has been maintained. It is probably worth observing those of you that are very familiar with the business will know the promotional penetration within our brands. We have talked, I think, consistently about GB volume around 60% being at a promoted level. In the syrups market and certainly in the case of Teisseire that level of penetration is less than 5% on promotion. It is a very robust, clearly premium price and has held up very well, particularly over the last 12-18 months in terms of still representing a great value solution to drinking, very much in the same way as squash is.

As far as juice is concerned, given that the market is 70%-odd I think Own Label, the retailers themselves I guess govern retail pricing. Again we have seen a degree of stability, but I think with Own Label you're always vulnerable to the retailers competing with each other on core price. There is no evidence that we have seen that that has been particularly volatile in the near term. But we would have to recognise in the same way as we do in GB that that potential always exists, but there is no evidence that that will play through.

John Gibney

Wayne just in terms of the growth, in terms of syrups, as you can see it is very much value growth which we're talking about there. That has been led by the Teisseire brand in particular. I can't give you the degree to that but certainly the majority has been driven by Teisseire. In the pure juice market, again I can't be certain, but my sense will be because it is quite a well serviced market from the point of view of Private Label, it is about

70%. Our sense is there has not been a lot of drift out of the brand to Own Label during that period of time.

Jonathan Cook RBS

Can I just ask two questions? One, could you explain a little bit more about the distribution capability that you're buying here. Is it full service, full distribution and direct delivery, or will you have to invest in distribution capability; do you think that they were currently under-exploited in terms of reach? Then secondly, on the Carbonate side; what does this mean for your relationship with Pepsi that you're now a competitor to them in France and other European markets?

Paul Moody

I will take both of those Jonathan. In terms of distribution, as you will have seen around 70-80% of their volume, certainly on the syrup and indeed on the juice brand as well products goes via the hyper and supermarkets, so that distribution is, as we would use the language, primary distribution, either direct from factory or via a central warehouse. There is then a route to market via wholesalers and distributors that they use to get to places other than the hyper and super. In terms of sales force they have a very wide coverage of both hyper and super but also what we would term high street convenience and impulse which clearly is a very different market within France.

In terms of the opportunity around distribution, clearly we see that as a great route to accessing the French market for potentially GB brands. But where they have relative weakness and underdeveloped capabilities in On-Premise or as they would call it -The Third Channel. We believe that with our experience in GB and knowledge of the market, we will be able to help them develop their distribution capability both in selling. Physical distribution is less of a challenge, because as in GB there are many different third party operators that could drive there, but predominantly their physical distribution is third party.

In terms of relationship with Pepsi, clearly Pepsi are aware of the deal. They're very supportive of Britvic and its ambition to grow internationally and for sure if you look at the French market clearly, Pepsi have Tropicana both in chilled and ambient. Not just technically but in reality we will be competing. Actually I would draw your attention to the GB market where we have successfully worked very closely with Pepsi over,

as you know many, many years, but they arguably compete against Fruit Shoot with one of their brands called Tropicana Go. In my view it is a signal of the maturity of the relationship that they have to do the best by their brand but they recognise we too also have to do the best by ours. Whilst they will be sensitive to it at a very low level, it won't in any material way impact on our relationship with Pepsi.

Simon Hales Evolution Securities

Two questions please. Firstly, just going back to the synergies; can you talk a bit about the phasing of those synergies, how they're going to play through. Just to be clear, just on the revenue synergy numbers; were you saying Paul that would all be from Fruit Shoot, the 7 million, or there will be other brands in there driving that number? Secondly, I think Paul you were on the wires this morning saying that you were still looking at potential other M&A in Continental Europe. Given that you're tapping investors this morning for some financing of this deal, should we assume anything else that perhaps is on your agenda or may crop up over the next 12 months, will be debt funded rather than equity funded in any way?

John Gibney

On the synergies Simon. The phasing is laid out there on slide 36. They are, pretty much, frontloaded by cost synergies so we expect to be able to realise the cost synergies first off although we've been relatively conservative, I think, about the timing of those only about 4 million coming through in the first year. The revenue synergies will be much more back-loaded as we build the capability of the organisation and take some of our brands in there as well. Bear in mind that this is, also, just a three-year plan so with new brands that we might well bring into the marketplace, we would expect that by no means would they be mature by 2013 and, therefore, we would expect to see further growth thereafter as well.

Paul Moody

With regard to the revenue synergies, that's not exclusively Fruit Shoot. The way that we would encourage you to look at it is that there's some opportunity for Fruit Shoot and maybe one or two other of our brands that we think we would have fit, to a degree. Whilst we researched Fruit Shoot very well, the other couple we need to do a bit more work to understand their fit but we think they would also be appropriate. The second strand is that the capability that we can transfer into the French business around category, consumer insight, channel management, we believe will drive accelerated organic growth of the existing brands and, therefore, we can exploit ours. I think the third aspect is the distribution opportunities for their brands as well, that we can identify by bringing new expertise in will

drive that. So whilst Fruit Shoot, I suppose in loose language, would be the headline of the synergy play because we have a good understanding of that, it's by no means the sole deliverer of those synergies.

John Gibney

On the question on M&A. So this deal, as Paul says will take us off the rail three times debt-to-EBITDA. However, as we go through the year towards the year-end, do we expect that to come down reasonably quickly as well? So the year-end is going to be maybe 2.6 - 2.7 debt-to-EBITDA; so that will create some head room. I think your assumption about whether or not a further deal will be funded entirely by debt, to be frank, would depend on what the opportunity was and, inevitably, the size of that deal. So, that kind of headroom we would have, maybe something in the order of £100 million available which clearly wouldn't have been sufficient to fund a deal the size of Fruité. But, I think, again we've built the capability from a structural point of view to be able to absorb acquisitions relatively quickly so our focus is, clearly, on absorbing this acquisition fairly quickly but we don't think capability itself would be necessarily an inhibitor to us doing a further deal if the right deal was to come along. If that deal was more than 100 million and we felt it was in our interest and in the interest of the shareholders and for sure we would have a further conversation around that.

Question [off microphone]

You gave us three years of financials. Would you be able to give us what brand investment or A&P spend has been doing over that period for the acquisition? Secondly, obviously, you're buying a Euro asset. Could you give us a feel for what degree of the cost base is non-Euro related and what measures you'll be taking to hedge against potential Euro movements from here on in?

John Gibney

In terms of brand investment, the level of A&P spend behind the brands, I think, is somewhere in the order of 10% and that's been pretty consistent over the period of time that you can see there. In terms of exposure, probably the biggest exposure to other currencies will be US Dollars which is around juice, so that's one of the biggest commodities that we have here. That is pretty much closed out already for the rest of the calendar year by the business and then we'll put it onto our own hedging policy

which would be to cover exposure for at least 75% of future expectation there a year out.

Also, of course, because this is a business generating revenues in Euros we consume quite a lot of Euros within GB. Then this, together with the Irish business, further enhances our natural hedge, if you like, that we have within the business now.

Question

Could you give us a rough feel for the Dollar juice amount purchased within the acquisition?

John Gibney

I'd be guessing at the moment so we'll get that and then we'll come back to you.

Question

Thank you.

Paul Moody

Anymore questions?

Nico Lambrechts Bank of America Merrill Lynch

On the cost synergies could you, maybe, compare that to the cost synergies maybe a percentage of total cost what you took out in Ireland and are you similar or more conservative here taking into account it's France and not Ireland? Then, if you maybe could give specific examples what does supply chain mean; is that reduced number of trucks et cetera? Procurement synergies are you going to buy more on a global book or a UK/France combined basis or how would you actually get procurement synergies? Then if you could say, what management team will you be sending into this business to manage it? Thank you.

John Gibney

I think I've captured four questions there, thanks Nico we'll try and make sure we get those. I'll start and, I think then, Paul will probably pick up the rest of them. I think in terms of the cost synergies. Ireland is quite different to France. Within Ireland we initially estimated €11 million of cost synergies which is very similar, obviously, to what we've talked about within France. What we subsequently did was we increased that by a

further €13 million really on the back of the implementation of our Group structures and also on the back of business transformation and implementation. We already have those group structures in place now and we already have the business transformation system available to go live, so if you're anticipating us to suddenly come out and double these synergies, you should not, because I think we're already there.

I think the reason why this is different to Ireland is we always anticipated that revenue synergies would make up a higher proportion of deals that we did on contact with Europe. Simply because we don't have the coverage that we have in Ireland with our brand, so we already had Robinsons, Fruit Shoot et cetera within the Irish marketplace and we didn't, therefore, have that same opportunity to exploit, that we do in France. I think, equally, the rationalisation of the production infrastructure in Ireland was a big piece of what we were doing there and, clearly that's not part of our plan within the French business. You talk about supply chain?

Paul Moody

Talk about the, in terms of what sits within the supply chain savings. Procurement is in two chunks; clearly direct procurement as in raw materials used in production of products both liquid and packaging. Again, very simple, we buy sugar they buy sugar we know the relative pricing and, therefore, can realise those savings. Indirect is an interesting opportunity because they, in each of their four factories they operate effectively their indirect purchasing. So, simply by consolidating into one central point, reducing the number of suppliers, straightening out buying power therefore driving down cost, we think that that will work very well and we've done that both in GB and, more recently, within Ireland.

A further area of focus would be product value optimisation which, I think, we've talked often about with you guys. There is, in our view, some opportunity to take out costs of packaging. Less so on the products probably, but as you know within GB we deliver 2 million of [PBO] savings every year. We're very good at identifying non-added value cost and we'll be taking that out. Then the fourth component, I think John's touched on, is the impact of business transformation. A long winded answer to say this is not about closing factories or taking out lorries or sheds, it's much more about, as it were, the intangible elements rather than the physical assets.

In terms moving on, I think, the next question around the management structure. The management we are acquiring, if that's not too harsh a description with the business are long-standing. The MD has been with the business for, I think, 12 years he's been absolutely the heart of the success of both Fruité and the subsequent acquisition of Teisseire. His

senior team, have got an average length of service of around 9 years. Clearly a number of the Britvic executive committee have met and spent time with those guys in their own environment, as it were, within Annecy. They are very committed to the business. We're very committed to them. We think that they will be driving a very strong growth agenda for us.

In terms of the integration lessons learnt from Ireland, to John's point, we are much more ready to go to integrate them within a Group structure because we now actually have one. I've appointed a director of integration who is currently our production director in GB. He's been with our business for about 15 years. He's going to go and base himself in Annecy and for the next 3 months, at least, will be leading the integration effort in conjunction with the management team. We've identified our integration team all of whom have experience from Ireland and they'll be working almost as a shadow group with the new management team.

So, we're very clear that we've got the infamous 100-day plan. We've got the people and resources in place and we're confident that the management team will do us a very strong job. Clearly, I've got a high level of involvement as well in the near-term as we try to integrate them into the way that Britvic does things around here, but being very clear and very sensitive to the fact that in France they might not do it quite in the same way.

Nico

Okay.

Jason DeRise UBS

Can you talk a bit about some of the nuances, maybe, between the two markets GB and French? In terms of what you've seen in your research about your ways of marketing brands and how applicable that is in France or is this not an issue do you think that consumers are looking for the same types of things?

Paul Moody

I'll take that. I think, I suppose at it's very highest level the method by which you promote brands in France is not dissimilar to how you do it here, so it's a combination of above the line TV or poster or any other media together with some in-market, in-store execution. I think there are some interesting differences in terms of what you can or cannot do within the French market in terms of what's permissible. I don't have a long list of those Jason but I'm sure there are some subtleties or nuances to your word that we need to be aware of.

I think what's really important though is that as you look at the modern trade as typically as they would be described, you've got some very big, powerful, very experienced global players like [Carrefour], [Oceania] and so on and they manage their categories very much in the same way as Tesco, Sainsbury do.

So, we believe that our way of going about business is going to be absolutely consistent with the way they operate within France. As an example, very much a cornerstone of our management, of our relationship with Tesco, for example, is an annual plan which we call a 'joint business plan'. Within that you detail what you're expecting to get in return for your investment in the business be that distribution, promotions and so on. In fact, that's exactly the way that Fruité enterprises work with their customers. So in that sense the parallels are quite close. I think to my earlier observation we've got some capability and experience that, I think, will be new and different and will help us accelerate their performance. Beyond that, I think, the parallels are pretty close.

As an observation, our marketing director who's been with us now for coming up for 3 years has lived and worked on and off in France for the last 15 years, so he worked for publicists shortly before he joined us. Whilst he's not the sole representative of our knowledge and understanding of France, he clearly has a good feel for how that works. So, a combination of our own experience and that which we've bought into the business over the last year or so gives us confidence that we know how to manage the market.

Andrew Holland Evolution Securities

Could you just remind us what the debt coupon is on the debt that you'll be using for this and, also, can you say what the impact on the group tax rate will be as a result of the acquisition?

John Gibney

The coupon on the debt, as you know, we got one big chunk of debt which was fixed, which was a private [placement] we did in back in 2007. So that's around £230 million which is fixed at 6%. The rest of the debt is currently floating and that will be floating somewhere between, I would think, around 200 to 250 basis points above LIBOR.

In terms of the Group tax rate, corporate tax rate in France is higher it's 35%. So that will probably move us up from the current 26.3% on a full-year basis somewhere closer to, I'd imagine, around 28-28.5%.

Gerald Corbett

I don't think I've ever been to one where we've gone into quite so much detail about an acquisition and the characteristics of this business and the synergies we're going to deliver and all the rest of it. So I think we really, the team have done you all proud. I hope you agree and thank you very much for the meeting and we'll see you with a further report on progress in November...

John Gibney

December with the prelims.

Gerald Corbett

For the prelims. Thanks again.