Q3 2014 results

Hans Roelofs CEO & Aart Duijzer CFO

20 November 2014

Disclaimer

THIS PRESENTATION IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL SECURITIES. IT IS SOLELY FOR USE AT AN INVESTOR PRESENTATION AND IS PROVIDED AS INFORMATION ONLY. THIS PRESENTATION DOES NOT CONTAIN ALL OF THE INFORMATION THAT IS MATERIAL TO AN INVESTOR.

This presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of Refresco Gerber and its subsidiaries. We wish to caution you that these statements are only predictions and that actual events or results may differ materially.

Presenting team

Hans Roelofs, CEO

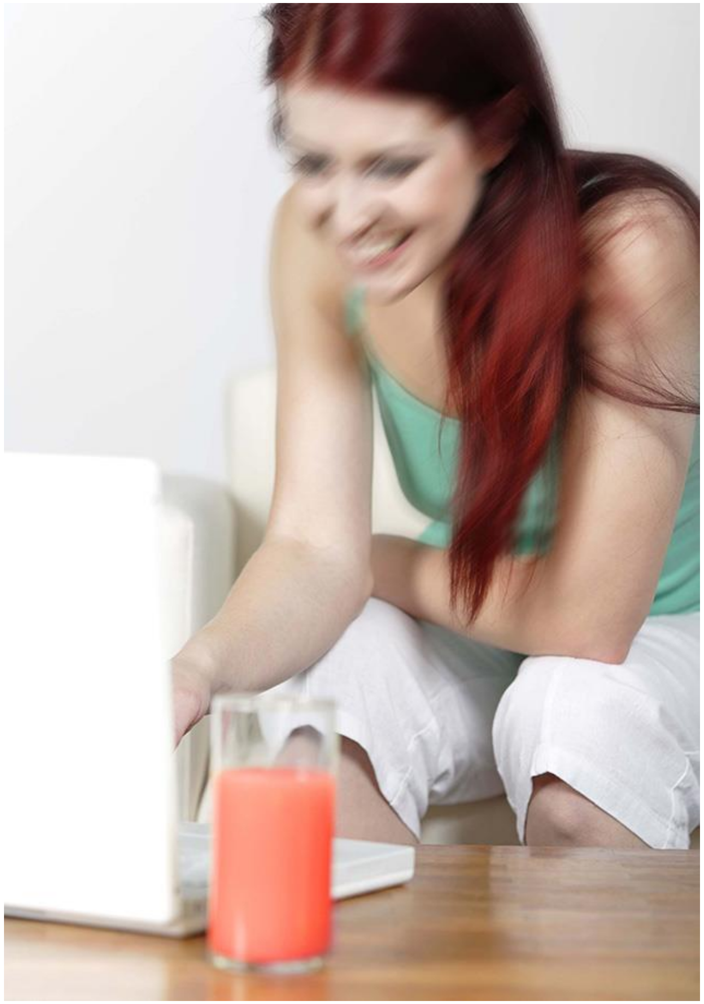
Joined Refresco in 2007 as CEO. Prior to this Hans was CEO of Dumeco, a private label meat producer and processor. Hans started his career at Nutreco, rising to Managing Director of the Agri-Food Business and is a graduate of Wageningen University.

Aart Duijzer, CFO

Joined Refresco in 2000 as CFO, one of the founders of the company. Aart previously worked as Finance Director of the Continental European division of Hazlewood Foods Plc. Aart started his career at KPMG and is a graduate of Erasmus University in Rotterdam.

Contents

- Q3 and YTD 2014 highlights
- Financial performance
- Integration update
- Summary



Strong Q3 and YTD operating results and cash flow

Refresco · gerber

Third quarter & YTD highlights

- Adjusted EBITDA increase of €17.5 million in Q3 and €50.5 million year to date.
- Net profit increase of €2.0 million for the quarter and €27.1 million for year to date. One-time costs in Q3 totaled €8.2 million.
- Strong cash flow of €68.6 million from operating activities in Q3 and €143.7 million year to date.
- Continued solid cash position at €107.5 million despite €75.0 million repayment of debt (Revolving Credit Facility) in Q3.
- Volume and revenue increases of 15.0% and 28.6% for the quarter and 19.3% and 30.8% for year to date. Underlying* volume decreases of 5.1% for the quarter and 2.2% for year to date were slightly below the total West Europe soft drinks market however broadly in line with the trends in the regions and categories where we operate.
- Gross profit margin per litre increased 2.5 euro cents compared to Q3 2013 and 2.1 euro cents compared to YTD last year.

*Combined Refresco and Gerber Emig volumes in 2013 excluding Waibstadt manufacturing site.

Market drivers Q3 2014

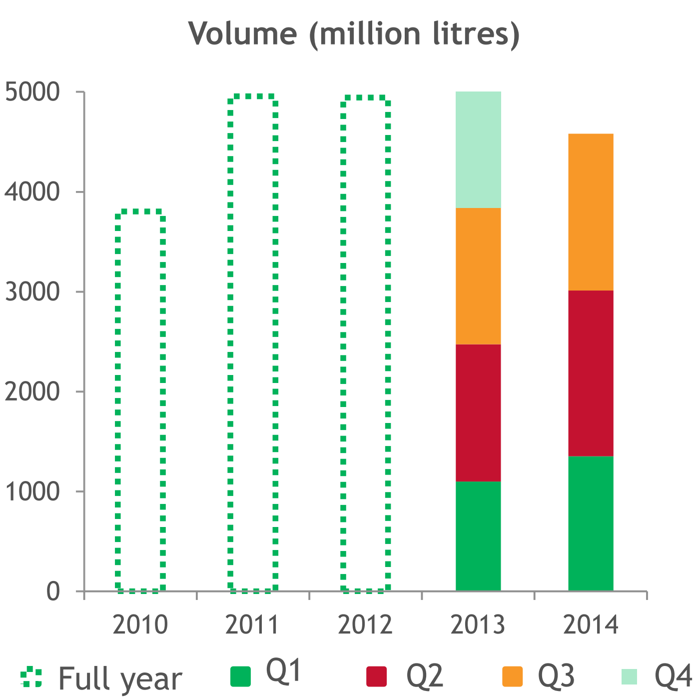
- A wet and cool August caused very disappointing volumes in August and September.
- Overall soft drinks market in West Europe noted a decline of 3.3%, water has shown a relatively steady performance, while ice tea and juice suffered significant decline during Q3.
- Hard discounters keep gaining market share versus traditional retail.
- Intense price competition reduces the price gap between A-brand and Private Label products.
- Most of the South European countries continue their revival. Italy is the exception with an almost double digit volume decline versus last year, caused by huge weather impact combined with the ongoing recession.
- Contract Manufacturing volumes keep showing a positive trend.
- Cans continue to increase their presence.

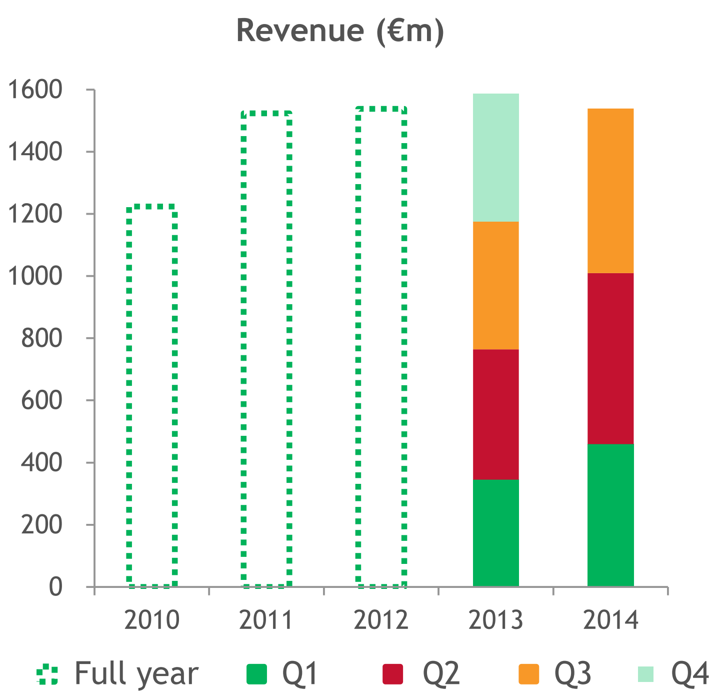
Sources: Canadean Quarterly Beverage Trackers 2014 and company information

Q3 volume and revenue increases of 15.0% and 28.6% respectively

Refresco · gerber

- Overall soft drinks performed poorly in Q3 14 compared to Q3 13, noting a total decline of 3.3%. The vast majority of categories saw a drop and it was usually the niche categories and water that managed to outperform this figure.*
- Refresco Gerber's volumes and revenue increased significantly due to the successful merger completed last year. Underlying** volumes decreased by 5.1% reflecting the impact of the poor weather conditions in August on our volumes in August and September, as well as weak economic conditions in certain markets.





* Canadean Quarterly Beverage Tracker West Europe Third Quarter 2014

** Combined Refresco and Gerber Emig volumes in 2013 excluding Waibstadt manufacturing site.

Revenue by location of sales

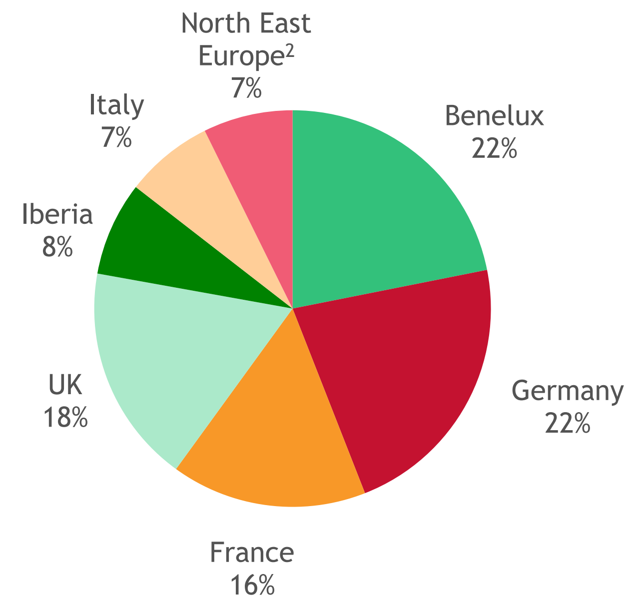
Third quarter

(€m)	2014	2013
Benelux[1]	**115.3**	126.5
Germany	**118.3**	86.4
France	**81.6**	67.8
UK	**94.5**	14.2
Iberia	**43.1**	43.1
Italy	**37.0**	45.3
North East Europe[2]	**39.9**	28.6
Total revenue	**529.7**	**411.9**

YTD

(€m)	2014	2013
Benelux[1]	**336.6**	369.8
Germany	**341.3**	255.3
France	**245.4**	196.3
UK	**274.4**	37.7
Iberia	**118.0**	113.4
Italy	**110.8**	120.1
North East Europe[2]	**112.4**	84.0
Total revenue	**1,538.9**	**1,176.6**

YTD revenue per location of sales

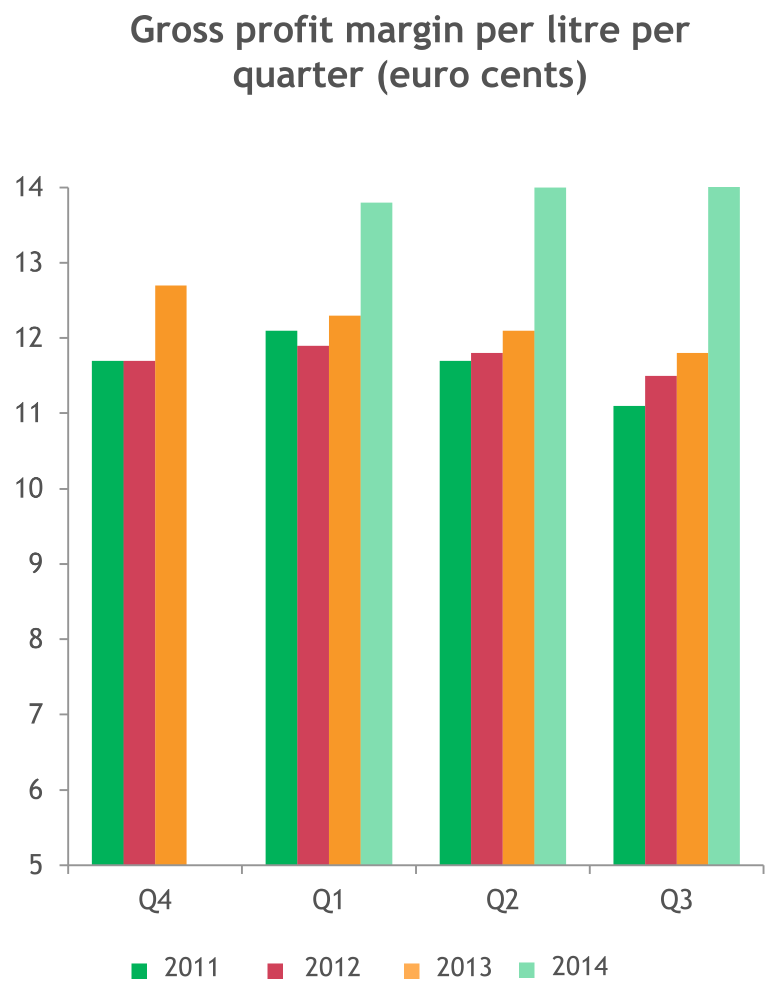


1 Part of the Benelux revenue decline relates to changes in reporting principles & intercompany transfers.
2 Poland and Finland.

Key financial indicators

(€m)	Q3		YTD	
	2014	2013	2014	2013
Revenue	**529.7**	411.9	**1,538.9**	1,176.6
Sales in litres, millions of litres	**1,569.3**	1,364.3	**4,581.8**	3,839.8
Margin per litre, euro cents	**14.3**	11.8	**14.1**	12.0
Adjusted EBITDA	**61.6**	44.1	**159.9**	109.4
Merger, restructuring and other one-time costs	**8.2**	1.5	**9.8**	9.1
Operating profit	**30.7**	26.6	**86.1**	48.5
Net profit	**12.0**	10.0	**33.9**	6.8
Cash and cash equivalents at the end of the period	**107.5**	113.6	**107.5**	113.6

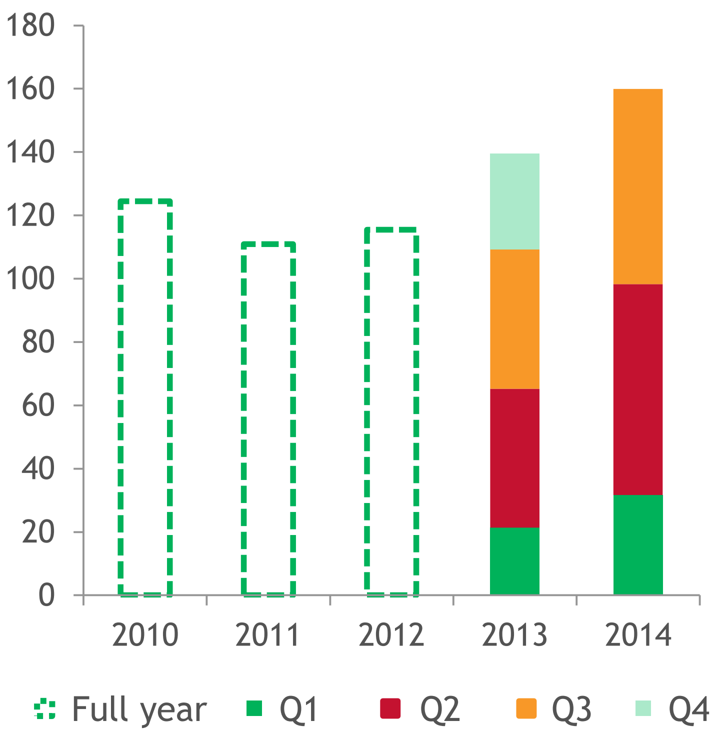
Margin development



- Gross profit margin per litre increased to 14.3 euro cents compared to 11.8 euro cents in Q3 2013.
- Increase reflects merger synergies, our strategy to focus on higher margin products and the shift in product mix arising from the merger. These factors were supported by slightly more favorable input costs.

EBITDA development

Adjusted EBITDA (€m)



Reconciliation of operating profit to adjusted EBITDA

	Q3		YTD	
(€m)	2014	2013	2014	2013
Operating profit	**30.7**	26.6	**86.1**	48.5
Depreciation, amortization and impairment costs	**22.7**	16.1	**64.0**	51.8
EBITDA	**53.4**	42.7	**150.1**	100.3
Merger and restructuring costs	**4.8**	1.4	**6.4**	9.1
Other one-time costs	**3.4**	-	**3.4**	-
Adjusted EBITDA	**61.6**	44.1	**159.9**	109.4

Cash flow statement

	Q3		YTD	
€m	2014	2013	2014	2013
Operating profit	**30.7**	26.6	**86.1**	48.5
Net cash flow from operating activities	**68.6**	35.2	**143.7**	46.8
Net cash flows from investing activities	**8.0**	(7.8)	**(17.4)**	(26.3)
Net cash flows from financing activities	**(75.5)**	(0.6)	**(102.2)**	(2.4)
Translation adjustment	**(0.9)**	(0.4)	**(2.1)**	0.2
Movement in cash / cash equivalents	**0.2**	26.4	**22.0**	18.3

- Change in net cash flows from operating activities mainly related to higher overall results and improved working capital across the group.
- Change in net cash flows from investing activities mainly due to disposal of fixed assets related to sale of Waibstadt manufacturing site and its inventory.
- Change in net cash flows from financing activities mainly related to the RCF repayment of €75.0m in Q3 2014.
- Capex spending was €13.0m compared to €7.7m in Q3 2013.

Balance sheet

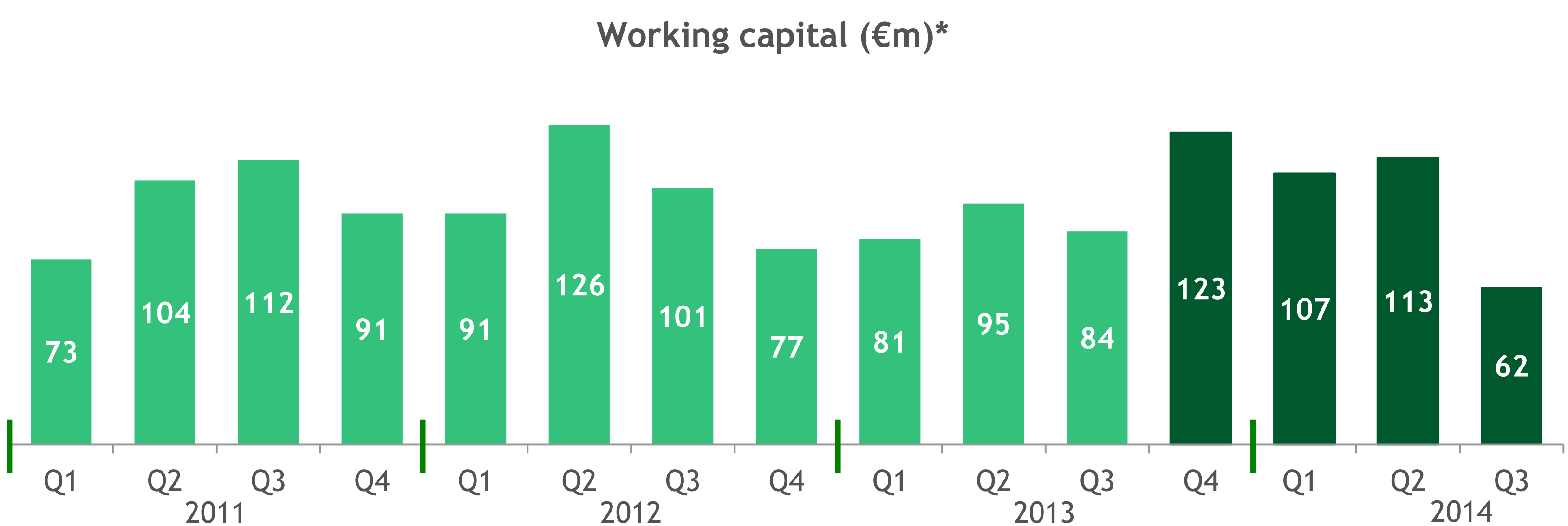
(€m)	Sept 30 2014	Dec 31 2013	Sept 30 2013
Total assets	**1,662.5**	1,621.9	1,237.0
Total non-current liabilities	**749.7**	847.7	698.7
Total current liabilities	**554.7**	456.3	366.1
Total equity	**358.1**	317.9	172.2
Cash and cash equivalents	**107.5**	86.1	113.6

- Liquidity on September 30, 2014:
  - Cash and cash equivalents €107.5m
  - Undrawn RCF €150.0m
- A solid cash position of €107.5 million at the end of Q3 2014 despite repayment of €75.0m on RCF.
- Strong equity position at €358.1m.

Working capital

- Working capital* decreased by €22.0 million compared to Q3 2013 mainly due to alignment of payment terms across the group and inventory optimization. Provisions for restructurings further reduced the working capital in Q3 2014.

- Working capital management continues to be a key area of attention.



* Including items not reported in cash flow statement under changes in working capital.

Integration update

- Synergies continued to flow through in the Q3 results and the integration is well on track to be completed before the end of 2015.
- Substantial procurement synergies realized earlier than foreseen. These synergies are visibly accumulating in the gross margin per liter.
- Implementation of manufacturing efficiency improvements plans are ongoing. Calvörde (Germany) restructuring announced and started.
- Considerable working capital reduction by aligning commercial conditions and optimizing operations/supply chain.

Summary

- Strong operating profits and cash flow for the third consecutive quarter as a result of synergies.
- Continued focus on the proven margin strategy and cost control across the business.
- Integration progressing well and on schedule to be completed within the two year timeframe we set earlier.
- Significant increases in volume and revenue due to the successful merger. Underlying volume development slightly below the total market however broadly in line with the market trends in the regions and categories where we operate.
- The successful merger has triggered a new phase of development and we are currently actively exploring capital structure alternatives to support us in capturing private label and contract manufacturing growth opportunities we see in Europe and beyond.

Q&A

IR Calendar and contacts

For further information, please contact us:

Corporate Communications

Tel. +31 10 440 5165
Email: communications@refrescogerber.com

*To join quarterly conference calls, please register with Minna Lyijynen by email minna.lyijynen@refrescogerber.com.

Next financial reporting

Refresco Gerber B.V. fourth quarter and full year 2014 result are scheduled for publishing on Thursday, March 26, 2015. Investor Conference Call at 15.00 CET