

# Results for the Six Months Ended 26 June 2020\*

6 August 2020

**Great**  
*People Service Beverages*

\*Unaudited

# Forward looking statements



This document contains statements, estimates or projections that constitute "forward-looking statements" concerning the financial condition, performance, results, strategy and objectives of Coca-Cola European Partners plc and its subsidiaries (together "CCEP" or the "Group"). Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "plan," "seek," "may," "could," "would," "should," "might," "will," "forecast," "outlook," "guidance," "possible," "potential," "predict," "objective" and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks that could cause actual results to differ materially from CCEP's historical experience and present expectations or projections. As a result, undue reliance should not be placed on forward-looking statements, which speak only as of the date on which they are made. These risks include but are not limited to those set forth in the:

1. "Risk Factors" section of the 2019 Integrated Report / Annual Report on Form 20-F, including the statements under the following headings: Packaging (such as marine litter); Perceived health impacts of our beverages and ingredients, and changing consumer preferences (such as sugar alternatives); Legal, regulatory and tax change (such as the development of regulations regarding packaging, taxes and deposit return schemes); Market (such as disruption due to customer negotiations, customer consolidation and route to market); Cyber and social engineering attacks; Competitiveness and transformation; Climate change and water (such as net zero emission legislation and regulation, and resource scarcity); Economic and political conditions (such as continuing developments in relation to the UK's exit from the EU); The relationship with TCCC and other franchisors; Product quality; and Other risks, such as widespread outbreaks of infectious disease including the adverse impact that the COVID-19 pandemic and related social distancing measures implemented in many of our markets, and any associated economic downturn, may have on our financial results, operations, workforce and demand for our products;
2. "Principal Risks" section of the 2019 Integrated Report / Annual Report on Form 20-F, as updated in this document and including principal risks under the additional headings: Business continuity; People; and Stakeholders.

The full extent to which the COVID-19 pandemic will negatively affect our results of operations, financial condition and cash flows will depend on future developments that are highly uncertain and cannot be predicted, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic.

Due to these risks, CCEP's actual future results, dividend payments, and capital and leverage ratios may differ materially from the plans, goals, expectations and guidance set out in CCEP's forward-looking statements. Additional risks that may impact CCEP's future financial condition and performance are identified in filings with the SEC which are available on the SEC's website at [www.sec.gov](http://www.sec.gov). CCEP does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required under applicable rules, laws and regulations. CCEP assumes no responsibility for the accuracy and completeness of any forward-looking statements. Any or all of the forward-looking statements contained in this filing and in any other of CCEP's respective public statements may prove to be incorrect.

## Reconciliation & definition of alternative performance measures

The following presentation includes certain alternative performance measures, or non-GAAP performance measures. Refer to 2019 Integrated Report / Annual Report on Form 20-F, published on 16 March 2020, which details our non-GAAP performance measures and reconciles, where applicable, our 2019 and 2018 results as reported under IFRS to the non-GAAP performance measures included in this presentation. This presentation also includes certain forward looking non-GAAP financial information. We are not able to reconcile forward looking non-GAAP performance measures to reported GAAP measures without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact or exact timing of items that may impact comparability. For further information, please refer to pages 26-33 of the 2019 Integrated Report / Annual Report on Form 20-F.

# Our gratitude & thanks to...

The **healthcare community**

Our **colleagues**

Our **customers**

Our **suppliers**

**The Coca-Cola Company** & other  
**brand partners**

**Everybody Working**

To Keep Us Safe & Well



# Summary

## Key messages

### Solid

business: we come from a position of strength



### Rapid

response to the pandemic;  
business impact  
gradually improving



### Focused

on driving a strong  
recovery in H2



### Confident

in our future,  
led by green & digital



# We come from a position of strength



**Solid track record**  
of delivery & execution



**We enjoy unrivalled customer coverage**  
with whom we jointly create value



Added >€1bn to FMCG industry since 2017<sup>1</sup>

**Our category**  
is big & valuable



**We have a solid balance sheet,**  
strong cash generation &  
solid access to liquidity



**We have a great portfolio**  
of products & packs of the world's best brands  
with a leading market position



**We are more aligned with TCCC<sup>2</sup>**  
than ever before



**All underpinned by a strong sustainability agenda &  
supported by 23,500 talented & engaged colleagues**

1. Source: Nielsen Strategic Planner Data 1 Jan 2017 to WE 29.12.19 Countries inc. are ES, DE, GB, FR, BE, NL, SE & NO  
2. The Coca-Cola Company



## Safeguarding our people



## Securing business continuity



Proud of our  
colleagues'  
**rapid response**  
to the pandemic



## Supporting our communities



## Protecting our business

# H1 performance highlights

## Resilient performance despite challenging backdrop



Good momentum in Q1 more than offset by the impact of COVID-19 in Q2

## Gained value share



**NARTD:** +40bps value share<sup>1</sup>  
+150bps online value share<sup>2</sup>

## Strong digital momentum



**B2B2Home:**  
Online grocery +35%    Online food delivery +30%



**B2B:**  
Portal customers +300% vs 2019

## Great portfolio



**Coca-Cola Zero Sugar:**  
#1 NARTD brand for absolute value growth<sup>3</sup> +€141m



**Monster:**  
+7% volume growth  
+8% revenue growth

## Protecting our P&L



Delivered discretionary spend reductions in line with FY target of €200-250M

## Progress on sustainability



1. Nielsen Data to w/e IS 14.06.20, GB 27.06.20, ES PT DE FT BE NL SE & NO 28.06.20  
2. Nielsen Data for GB 27.06.20, FR NL ES 28.06.20  
3. Nielsen GTC NARTD database to w/e 28.06.20

# H1 sustainability progress



GHG<sup>1</sup> reduction target included in LTI<sup>2</sup> for the first time

Sweden became first 100% rPET market in the Coke system

Entered strategic partnership with CuRe (enhanced recycling)

Refillable packaging trial in GB with Loop & Tesco

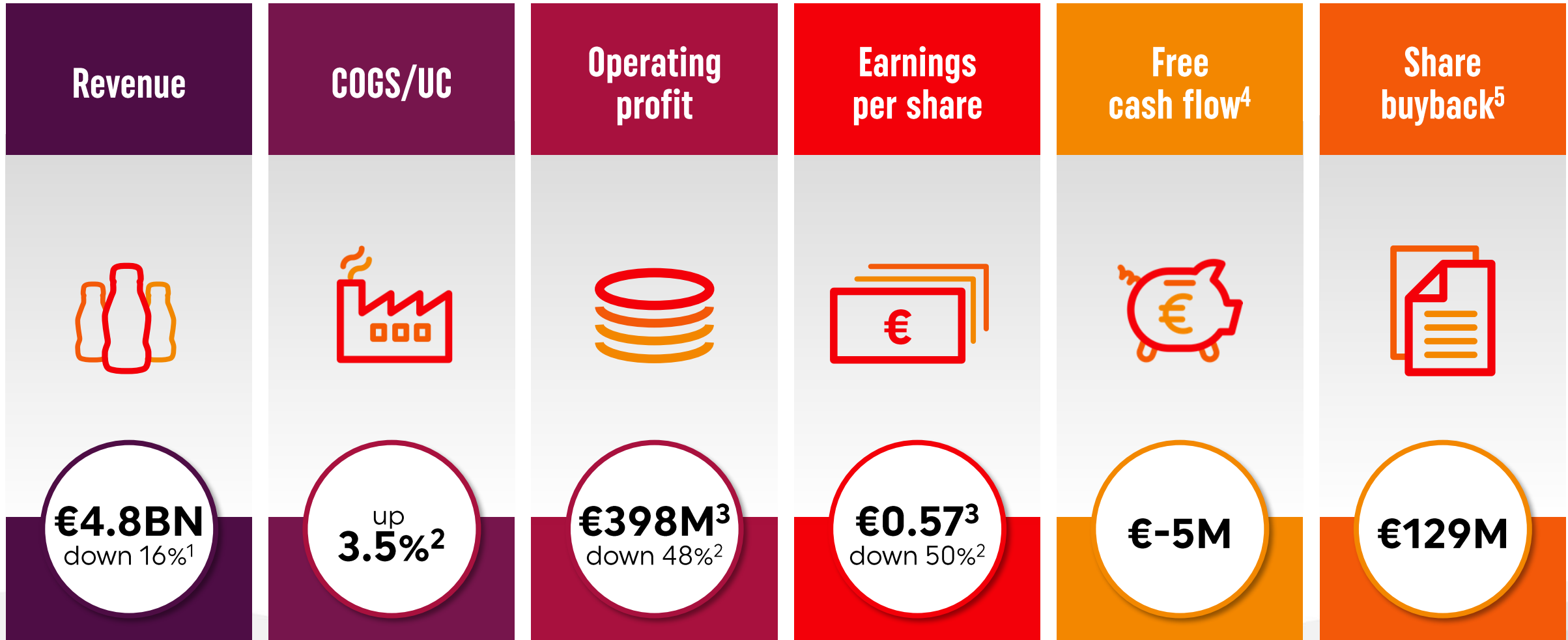


Signed **'Recover Better'** business statement  
Pandemic strengthening our determination to go further & faster

1. GHG = greenhouse gas  
2. 15% of the 2020 LTI (long-term incentive) award will be based on the extent to which CCEP reduces its greenhouse gas emissions over the next three years



# H1 financial summary



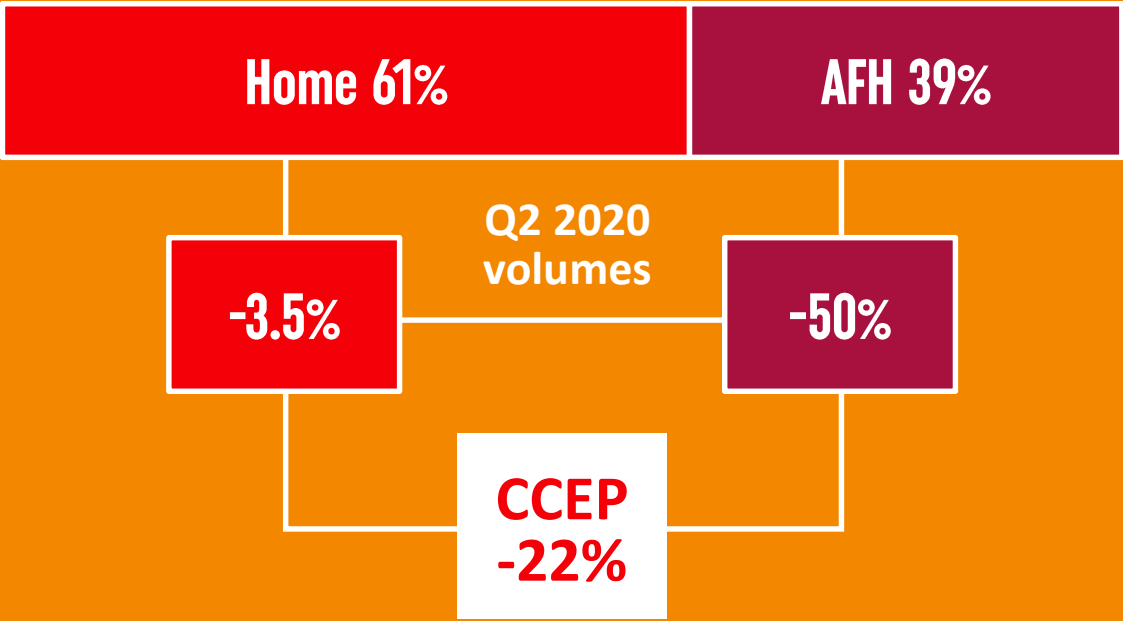
1. Fx-neutral
2. Comparable and fx-neutral (non-GAAP performance measures - refer to slide 2).
3. Comparable (non-GAAP performance measures - refer to slide 2).
4. Non-GAAP performance measure - refer to slide 2.
5. Prior to the suspension of share buyback programme (announced 23 March 2020)

# COVID-19 trading impact



## Channel mix

2019 volume mix

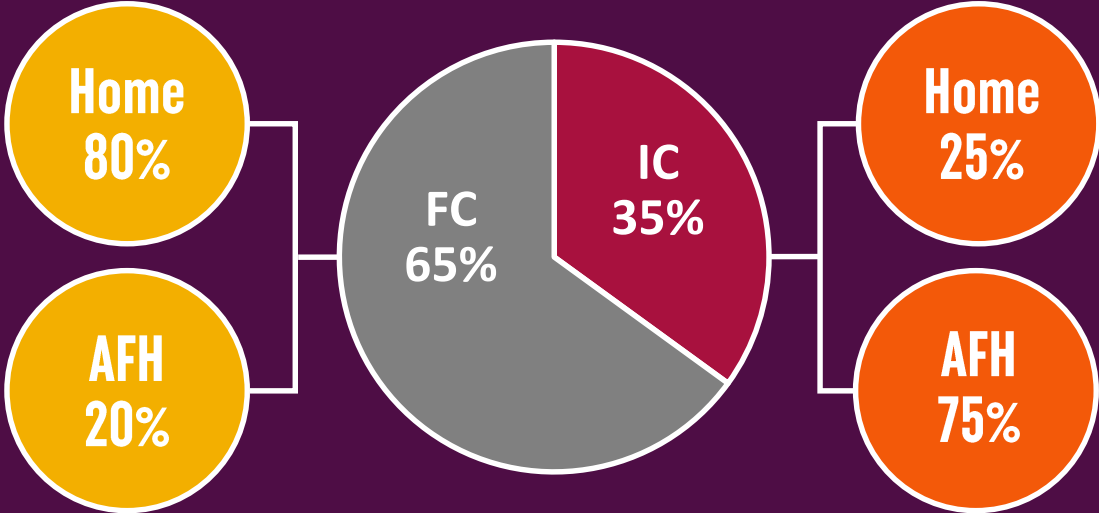


Less frequent Home shopping trips but bigger baskets

~75%<sup>1</sup> of AFH outlets initially closed during lockdown period (now ~30%<sup>1</sup>)

## Pack mix

2019 volume mix



Immediate consumption (IC) & small priority packs significantly impacted (affects both AFH & Home channels)

Future consumption (FC) packs performing better (e.g. multipack large cans, large PET)

1. CCEP internal estimate  
Note: comparable volumes, changes versus Q2 2019

# COVID-19 trading impact



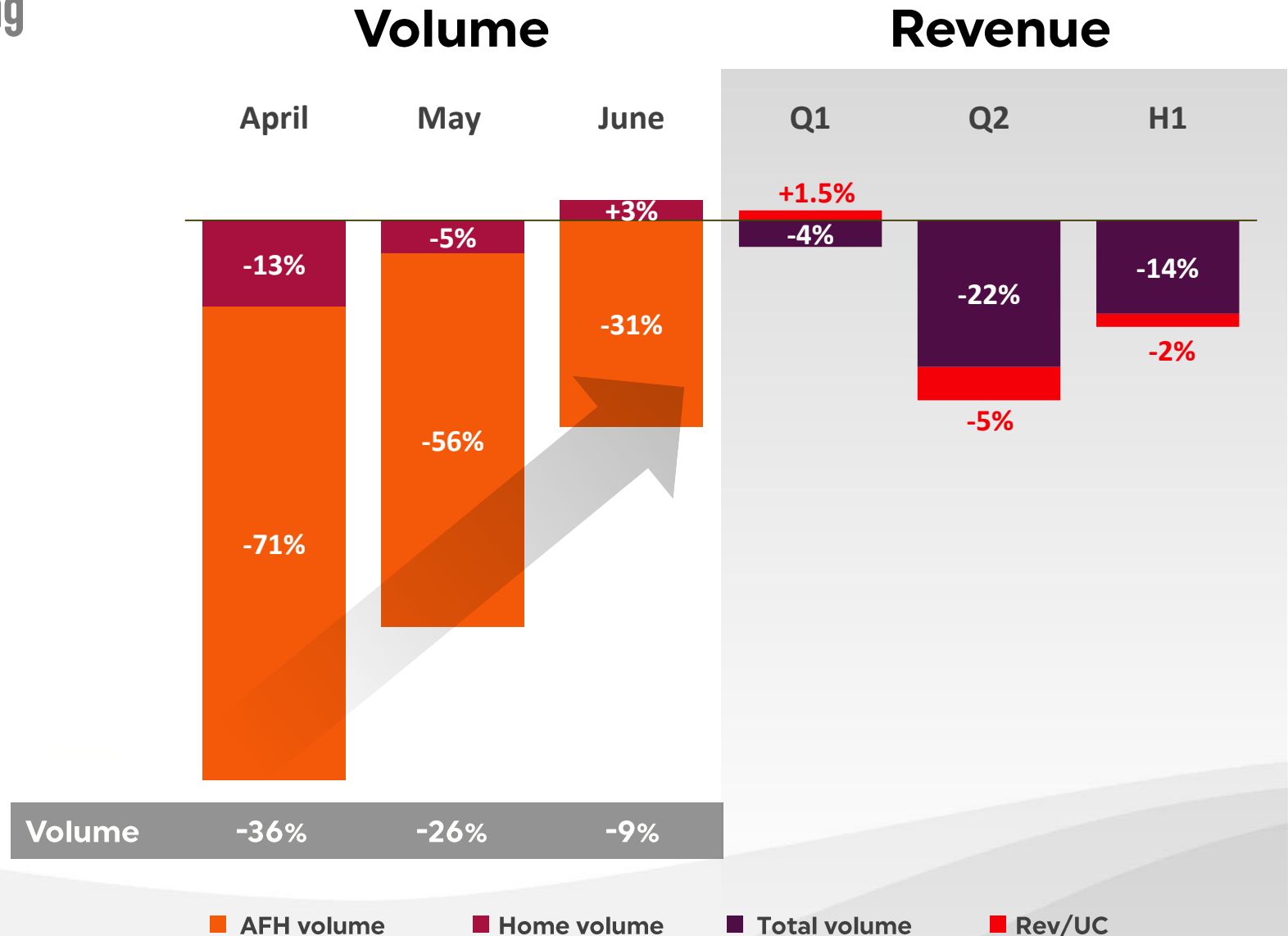
Pandemic impact gradually improving

Volume decline of 22% in Q2 driven by away-from-home (AFH) weakness & outlet closures

Volumes sequentially improved across both channels as social distancing measures lifted & AFH outlets started reopening albeit at lower capacity

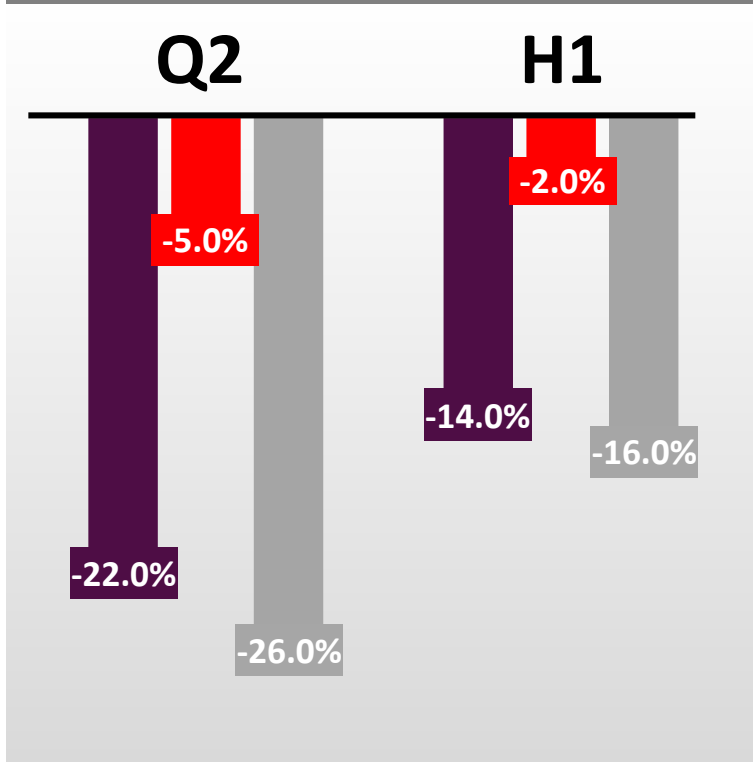
July volumes in line with June

Revenue/UC negatively impacted by channel, pack & geographic mix



Note: comparable volumes; revenue/UC growth is FX-neutral and not adjusted for selling days

# H1 revenue by geography



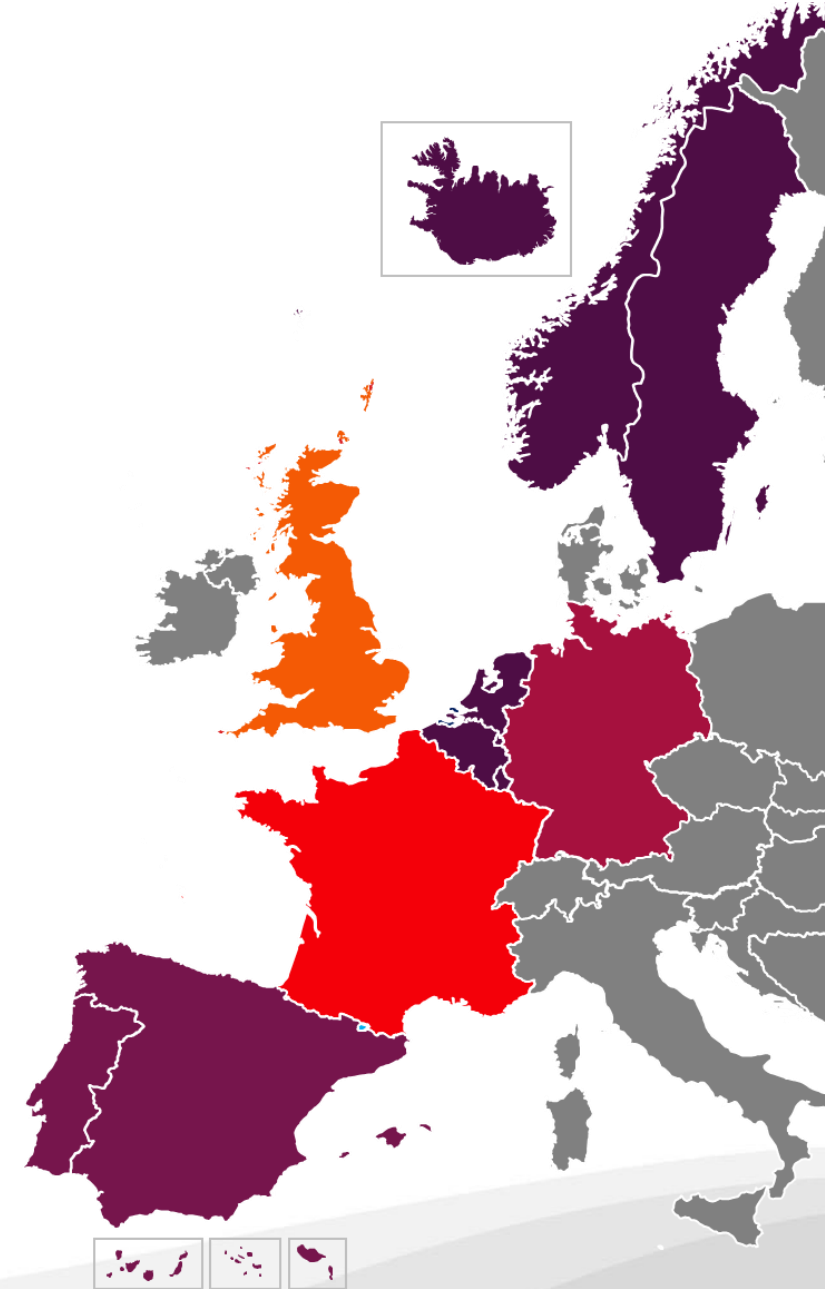
■ Volume<sup>1</sup>
■ Rev/UC<sup>2</sup>  
■ Total Revenue<sup>2</sup>

## Revenue by Geography<sup>3</sup>

	Q2	H1
Great Britain	-13.5%	-10.5%
France	-25.0%	-16.5%
Germany	-22.5%	-13.5%
Iberia	-48.0%	-28.5%
Northern Europe	-17.5%	-11.0%



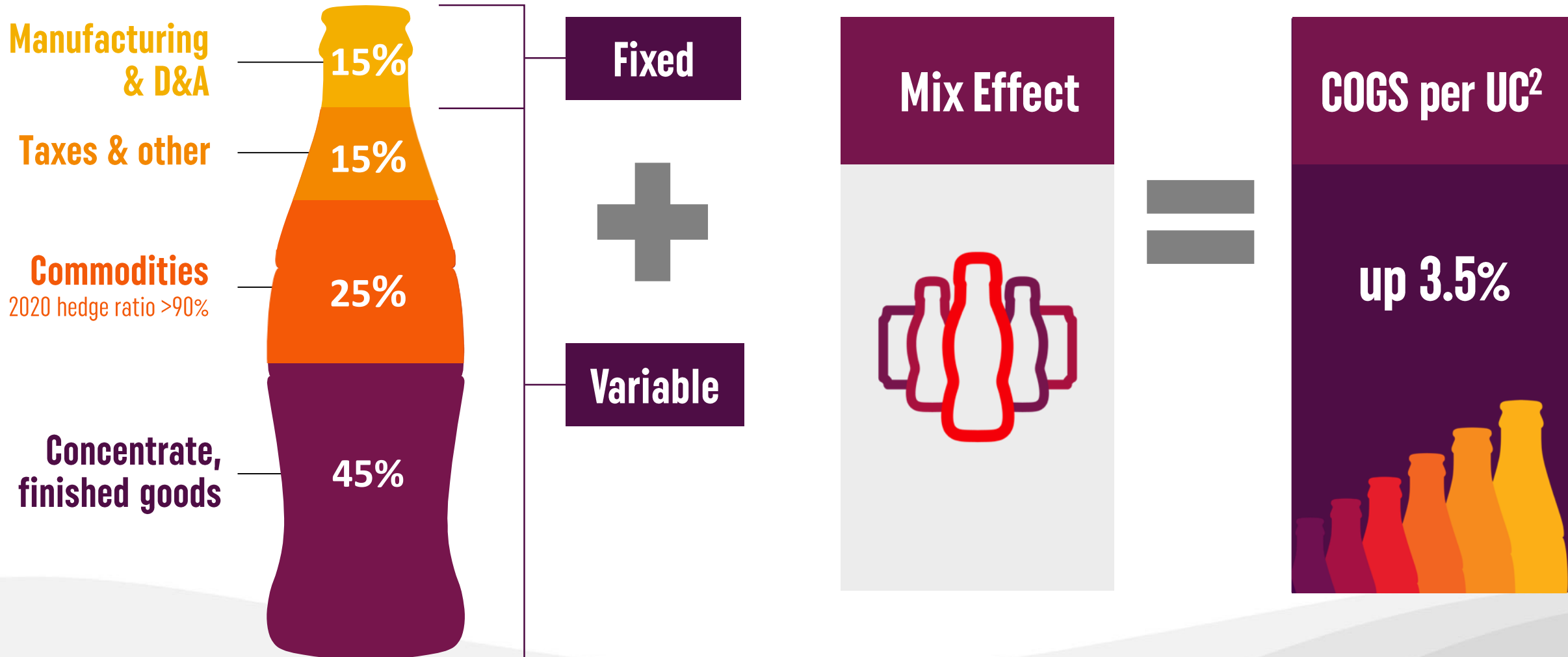
Revenue -26.0% -16.0%



1. Comparable (adjusted for selling day shift in Q1, no selling day shift in Q2).  
 2. Not adjusted for selling days; FX-neutral  
 3. FX-neutral  
 Note: Changes versus Q2 and H1 2019

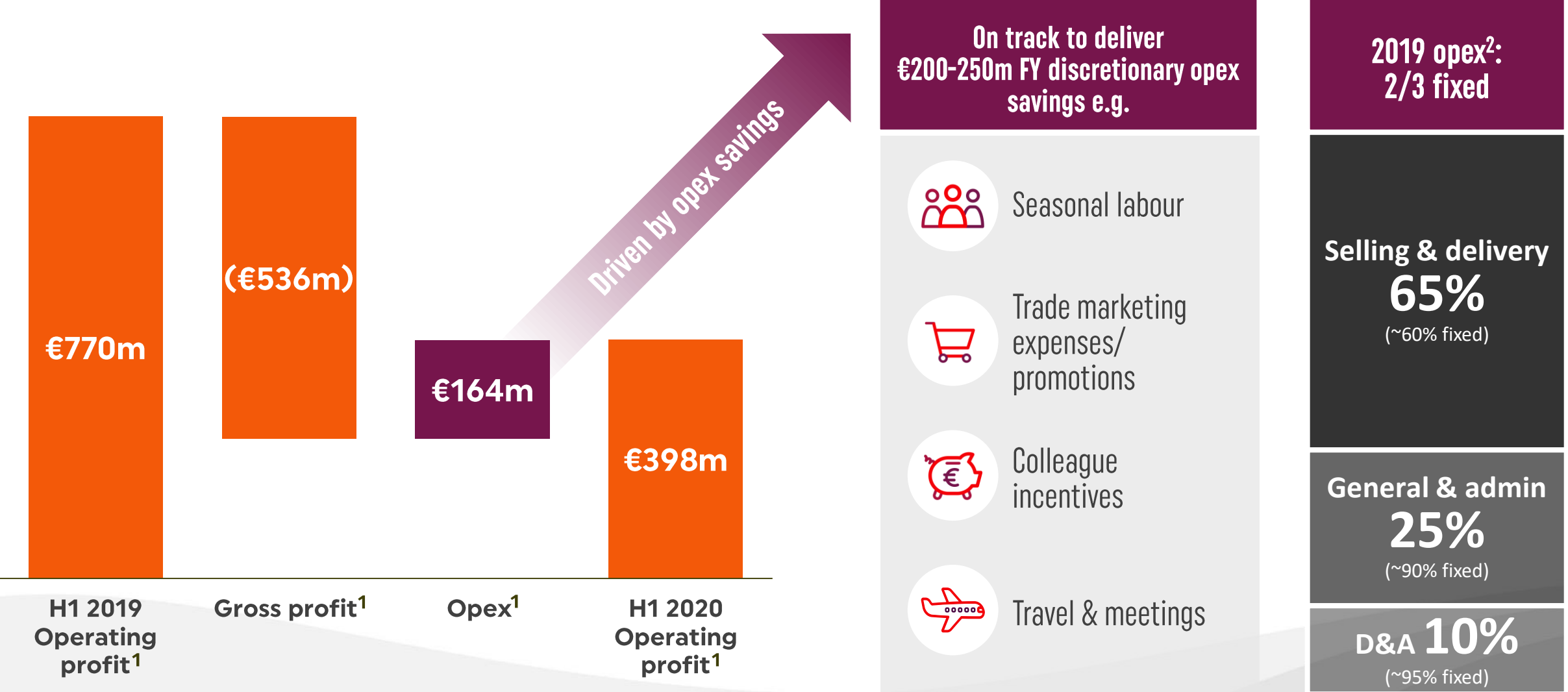


# H1 cost of sales



1. Cost of good mix rounded to nearest 5%, 2019 mix  
2. COGS/UC growth is comparable and fx-neutral (non-GAAP performance measure - refer to slide 2).

# Quickly reacted on **cost base** to protect profit



1. Comparable (non-GAAP performance measures - refer to slide 2).  
 2. Opex (operating expenditure) mix rounded to nearest 5%, 2019 mix

# Robust balance sheet & solid access to liquidity



Supported by balanced mix of long-term maturities & strong cash flow generation

## Strong balance sheet

(net debt/adjusted EBITDA of 2.7 times<sup>1</sup>)

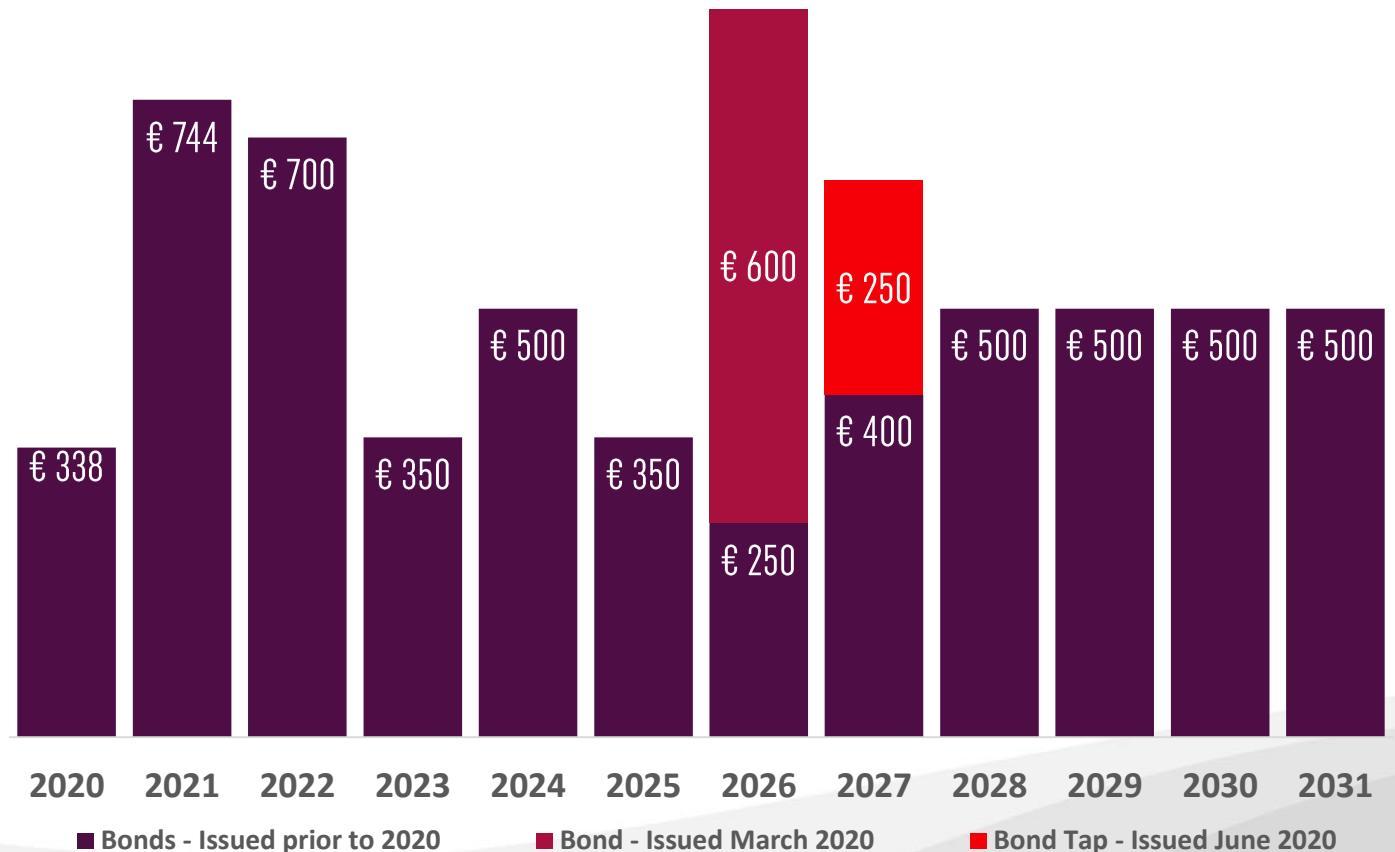
## Strong investment

grade debt rating  
(Moody's<sup>2</sup> A3/P2; S&P<sup>2</sup> BBB+/A2)

## No covenants

on debt or facilities

Bond maturity<sup>3</sup> (€'M)



1. As at 31 December 2019. Non-GAAP performance measure – refer to slide 2  
 2. Stable outlook  
 3. As at 26 June 2020

UNABLE TO PROVIDE FY20 FINANCIAL OUTLOOK

BELIEVE Q2 WILL BE THE MOST IMPACTED OF THE YEAR

COGS/UC<sup>1</sup> HEADWINDS FROM MANUFACTURING UNDERRECOVERY & MIX

FY20 DISCRETIONARY OPEX SAVINGS OF €200-250M; CAPEX OF €350M<sup>2,3</sup>

FY20 UNDERLYING TAX RATE<sup>2</sup> ~24%

DEFERRED CONSIDERATION OF FY20 DIVIDEND UNTIL Q3

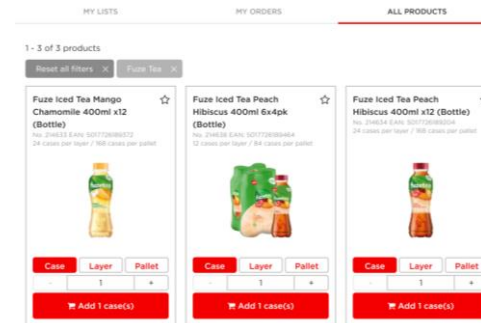
1. Comparable and fx-neutral (non-GAAP performance measure - refer to slide 2).  
2. Comparable (non-GAAP performance measure - refer to slide 2)  
3. Excluding payments of principal on lease obligations



# Growth mindset

Leveraging our solid capabilities to drive a strong recovery in H2

- ✓ Reassessed our price pack architecture
- ✓ Optimising promotional efficiency
- ✓ Maintaining great customer service levels
- ✓ Reallocated resource against revenue opportunities
- ✓ Leveraging our digital capabilities:
  - data to identify outlets as they reopen
  - B2B2Home (grocery & food delivery)
  - B2B (myccep.com)
- ✓ Continuing to invest in our people, wellbeing being our number one priority



## Creating momentum for FY21

- ✓ Running a number of scenarios
- ✓ Focused on sustainable value creation for our customers & shareholders

# Confident in future led by green & digital



**Grow** the sparkling category & our share where we lead

**Build** share where we don't lead

**Double** energy business<sup>1</sup>



**Build** a platform for growth in coffee

**World-class RGM** to drive mix & profit

**Unrivalled** execution & customer service



## Green future

- Accelerate This Is Forward
- Incentivise science-based carbon reduction through LTI<sup>2</sup>



## Digital future

- Advance digital revenue & tools
- Empower sales force
- Leverage analytics & AI<sup>3</sup>
- Enable future workplace

Supported by future-ready culture & accelerate competitiveness programmes to become an even more efficient business

1. Base year of 2019  
2. Long term incentive  
3. Artificial Intelligence

# Build a platform for growth in coffee with Costa



GB Costa RTD gaining value share<sup>1</sup>

Launching Costa into all other markets

Germany in H2

Remaining markets to follow



**FRISCHE BOHNEN,  
FRISCHE MILCH,  
WO DU'S NICHT  
ERWARTEST.  
HIER!**



Kaffee, frisch gedacht. **COSTA** COFFEE

**FRESH BEANS, FRESH MILK,  
WHERE YOU WOULDN'T EXPECT  
IT. HERE!**

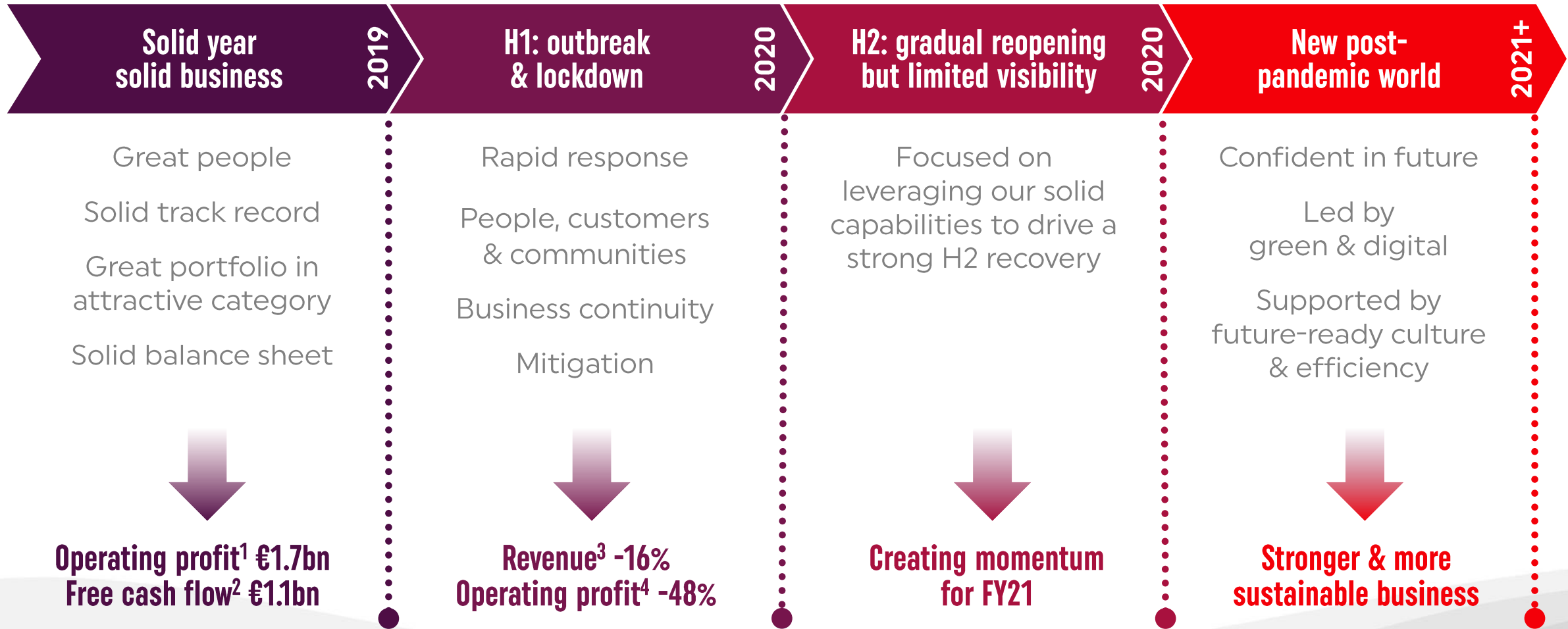


1. GB Nielsen Data to w/e 27.06.20

# Summary



## On the road to a stronger and even more sustainable business



1. Comparable (non-GAAP performance measure - refer to slide 2)  
 2. Non-GAAP performance measure - refer to slide 2  
 3. Fx-neutral  
 4. Comparable & fx-neutral (non-GAAP performance measure - refer to slide 2)



# Thank you

Questions & answers

**Great**  
*People Service Beverages*