

CADBURY SCHWEPPE'S PUBLIC LIMITED COMPANY

ANNUAL GENERAL MEETING HELD AT THE BREWERY, CHISWELL STREET, LONDON EC1Y 4SD ON FRIDAY, 11 APRIL 2008 AT 10:45AM

Chairman

[Chairman opens meeting]

Let me turn now to performance.

While underlying earnings per share fell slightly from 2006 levels, the operating performance of the group was strong with both our confectionery and beverage businesses benefiting from the strategic and commercial improvements made in recent years.

The performance of the confectionery operations, in particular, was very encouraging. Revenues grew at 7%, the strongest performance for at least a decade. This was driven particularly by very good performances in gum – where our Trident brand grew by a remarkable 26%; and in chocolate – where the Cadbury Dairy Milk brand grew by 5%.

The company also made creditable progress towards improving its efficiency and profitability, despite a challenging cost environment with many input costs rising markedly.

Underlying margins improving by 30 basis points during the year and the second half run-rate of an 80 basis point improvement was even more encouraging, lending credibility to the company's medium-term margin targets.

Our beverages business in the US also did well in a tough market, growing revenues by 4%. We gained 40 basis points of market share in the competitive carbonates market, the third year of such success, driven by A&W and Sunkist. Snapple also performed well.

Margins were lower, but this was in line with the business case of moving towards a more integrated business model with other benefits more than offsetting this decline.

So how did this performance translate into benefits for our shareowners? On shareowner returns and specifically share price performance, as this chart shows, you can see that 2007 was a good year' We finished the year

with a share price rise of 14% which compares very favourably with benchmarks such as the FTSE 100 (up 4%), the S&P 500 (up 2%).

Shareowner return however, is made up of share price and dividends which I know are of particular interest to many shareowners here today. With this in mind, I am happy to say that at our results in February we announced a rise in the final dividend for Cadbury Schweppes of 6% to 10.5p per share which gives us a total dividend of 15.5 pence – an increase in 2007 of 11%, well above our recent historic rate and a pay-out ratio that's gone from 40 to over 50% as you can see from the chart.

Our Total Shareowner Return has increased by an average of 10% over each of the past five years on average, which compares well against our peers.

Finally in this brief review let me update you on performance and developments so far this year. In our Interim Management Statement released this morning we reported that that confectionery had a strong start to the year with revenues ahead by 7 per cent in the first quarter on a like-for-like basis, excluding the impact of acquisitions and foreign exchange. This revenue growth reflects continued progress from our gum businesses around the world and higher pricing we are taking to offset the increase in commodity costs during 2007. We are on track for our margin targets for the year.

Americas Beverages expects to report first quarter revenue growth of around 3 per cent under US GAAP accounting.

While the economic outlook in 2008 is challenging, we are encouraged by the performances of our businesses. In 2008 we expect both businesses to develop in line with the expectations we announced at our February Results announcement.

A word too on our debt financing arrangements. Approximately half of the debt required to finance DPSG has been successfully syndicated to over 35 banks. The other half is a bridge loan which has been underwritten or covered by a consortium of five banks. This bridge loan will be repaid when DPSG issues its fixed term bonds.

Much attention is drawn these days to the social responsibility of corporations. Cadbury Schweppes has a long history of commitment in this area. Perhaps I could give you two recent examples.

We have recently announced our Cocoa Partnership a 10 year programme to transform the lives of around a million cocoa farmers and their communities. Our aim in this is to create a new model of assistance to cocoa growing communities allowing them to benefit from the knowledge and expertise of the international development community.

A second initiative is on the environment - our Purple goes Green programme where we have pledged to reduce absolute carbon emissions

by 50% by 2020. We believe we are the first major food manufacturer to make such a commitment.

Full details of these and other plans can be found on our corporate website.

Finally a moment of historical reflection. Today is the final AGM of Cadbury Schweppes plc, which was formed in 1969 when Cadbury and Schweppes merged, the year after I joined Cadbury.

It has been a story of four decades of evolution. When Cadbury and Schweppes merged, it was a marriage borne at least in part of necessity – they needed scale to survive in a quickly consolidating industry. Back then Cadbury's turnover was 262m pounds and it made around 20m pounds of profit.

The Cadbury plc that will list next month could not be more different.

Based on 2007 results, it would have made an underlying operating profit of around 500m pounds on sales of about 5 billion. And it will be the world's largest confectionery company, with number one or two positions in 20 of the world's 50 largest markets – truly a position of enviable strategic strength.

But this is not the only way the business will have changed. Forty years ago – and, indeed, much more recently – Cadbury was predominantly a chocolate focused business in the UK and Commonwealth countries. Now it is a global company, operating, unlike its competitors, across all the key categories in its market.

And here it is worth saying just how successful the growth of our gum business has been – from a market share of around 2% in 2000 to a strong number two now with a global market share of 27%.

But while much has changed during this period other aspects have remained constant. Being a successful consumer goods company must still be built upon the foundation of great brands, great marketing and great innovation – all of which need great people. All of which we have and all of which are underpinned by our legacy of core business values and an ethical trading culture.

These are great competitive strengths which I am confident will continue to serve Cadbury and its Shareowners well in the future.

It had always been my intention to serve as Chairman for five years only. As announced, I will therefore be retiring in July. In closing, I would like just to say a word or two about my successor Roger Carr.

Roger has served on the board since 2001 and as Deputy Chairman since 2003. He has broad international business experience, chaired several major corporations and is on the Court of the Bank of England. He knows the Company and its issues well and this combination of experiences

eminently qualify him to chair your company, particularly during such a period of change.

[Formal business of the Annual General Meeting]