



26.02.2015

Lefkosia, Cyprus

## **ANNOUNCEMENT**

### **Re: SUN Interbrew Plc - Approval and publication of consolidated Indicative Results for the financial year ended 31 December 2014**

SUN Interbrew Plc (the "Company"), has today approved the indicative, unaudited, consolidated results for the financial year ended 31 December 2014, pursuant to the applicable provisions of the Transparency Requirements (Securities Admitted to Trading on a Regulated Market) Laws of 2007 to 2013, of the Republic of Cyprus.

The Indicative Results are attached, and will also be uploaded on the website of the Company ([www.suninterbrew.com](http://www.suninterbrew.com)) from where they may be printed, and will be published and made available according to the applicable Transparency legislation and stock exchange rules.

### **NAP Regulatory Compliance Services Ltd Regulatory Compliance Officer for the Company**

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CC: Cyprus Securities and Exchange Commission

## Indicative Results for the year ended 31 December, 2014.

The indicative results relate to the Company and all its subsidiary companies (together referred to as the “Group”) and have been prepared in accordance with the accounting standards (IFRS as adopted by the European Union) applicable to the preparation of the consolidated annual financial statements of the Group. They have not been subjected to an external audit.

	Year ended 31 December 2014		Year ended 31 December 2013	
	<u>Unaudited result</u>		<u>Audited result</u>	
Profit / (Loss) after tax	000' € (163,590)	000' USD (198,729)	000' € (68,320)	000' USD (90,790)

## EXPLANATORY REPORT

### 1. Economic and comparative analysis

<b>Russia and Ukraine, million USD</b>	<b>2013</b>	<b>Organic growth</b>	<b>2014</b>	<b>Organic growth</b>
<b>Total volumes (thousand hls)</b>	<b>19,291</b>	-	<b>16,424</b>	<b>-14.9%</b>
<b>Revenue</b>	<b>1,458</b>	<b>(124)</b>	<b>1,335</b>	<b>-8.5%</b>
Cost of sales	(781)	89	(692)	11.4%
<b>Gross profit</b>	<b>677</b>	<b>(34)</b>	<b>643</b>	<b>-5.1%</b>
Distribution expenses	(146)	10	(136)	7.0%
Sales and marketing expenses	(380)	3	(376)	2.4%
Administrative expenses	(96)	10	(86)	23.3%
Other operating income/(expenses)	3	-	3	0%
<b>Normalized profit before operation</b>	<b>59</b>	<b>(12)</b>	<b>48</b>	<b>18.6%</b>
Depreciation, amortization, impairment	174	(16)	158	9.0%
<b>Normalized EBITDA</b>	<b>232</b>	<b>(29)</b>	<b>206</b>	<b>11.4%</b>
Normalized EBITDA margin	15.9%	-	15.4%	

- Combined beer volumes in Russia and Ukraine decreased by 14.9% in FY14 and by 13.6% in 4Q14 as compared with 4Q13.
- In **Russia**, beer volumes declined by 15.5% in FY14 as compared with FY 2013 and 21.1% in 4Q14 as compared with 4Q13, driven by industry weakness following overall economic situation and GDP reduction, and market share loss in the value segment in line with our premiumization strategy.
- In **Ukraine**, beer volumes declined by 13.9% in FY14 as compared with FY 2013, and increased by 5.3% in 4Q14 as compared to the respective period

of last year, with the political and economic instability in the country significantly impacting beer consumption.

- EBITDA declined 11.4% to 206 million USD in FY14 as compared with FY 2013 mainly due to the weak industry performance during the year.

## 2. Income from non-recurring / extraordinary activities for FY14

- In fourth quarter, the Group recognised impairment for closed breweries in Angarsk and Perm for the total amount of EUR 76 million.
- In fourth quarter, the Group received a subsidy from Omsk region governance to support volume growth in the region. As a result, a profit of 1,397 thousand Euro (or 1,698 thousand USD) was recognized by the Group.

## 3. Other information and prospects

Top line performance in 2014 is not considered satisfactory and continues to be impacted by macroeconomic headwinds in a number of our markets. However, the Group remains focused on what it can impact and influence and on taking the right steps towards building a healthy business for the long run. The Group has a very strong portfolio of focus premium brands, supported by strong local brands, and its plans are in place for a fast start in 2015.

Given the declining industry and challenging regulatory environment that has been experienced, especially in Russia, the Group is concentrating on premiumizing and improving the profitability of its brand portfolio. The Group is also undertaking significant restructuring of its cost base, as well as optimizing cost of sales and distribution expenses. In 2014, the Group completed the closure of its breweries in Perm and Angarsk in Russia.

### **SUN Interbrew Plc contact:**

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#### **About SUN Interbrew Plc**

SUN Interbrew Plc, a Cypriot law public company (with registration number HE 277915 and registered office at 1 Lampousas Street, 1095 Nicosia, Cyprus), is the second largest brewer in Russia and the largest brewer in Ukraine.

Through its subsidiaries SUN InBev OJSC ([www.suninterbrew.ru](http://www.suninterbrew.ru)) and SUN InBev Ukraine PJSC ([www.suninterbrew.ua](http://www.suninterbrew.ua)) in Russia and Ukraine and its own distribution network, the Company manufactures, markets and distributes beer and soft drinks. SUN Interbrew Plc's main brands (including those for which it has a license) are Stella Artois®, Beck's®, Staropramen®, Sibirskaya Korona®, Klinskoye® and Tolstiak® in Russia, and Stella Artois®, Beck's®, Chernigivske®, Rogan® and Yantar® in Ukraine.

SUN Interbrew Plc is part of the Anheuser-Busch InBev group, which is the leading global brewer and one of the world's top five consumer products group.

SUN Interbrew Plc is listed on the Luxembourg Stock Exchange and has also a global depositary receipts program that is listed on the Luxembourg Stock Exchange and admitted to trading on the over-the-counter ("Freiverkehr") markets of the Berlin Stock Exchange, Stuttgart Stock Exchange and Frankfurt Stock Exchange.