



First Half 2014 Financial Results

27 August 2014



Pivovary
LOBKOWICZ
NAVRAT K TRADICI



Agenda

- Introduction
- 1H 2014 Financial Results
- Market & Strategy
- 2014 Outlook



Presentation Team



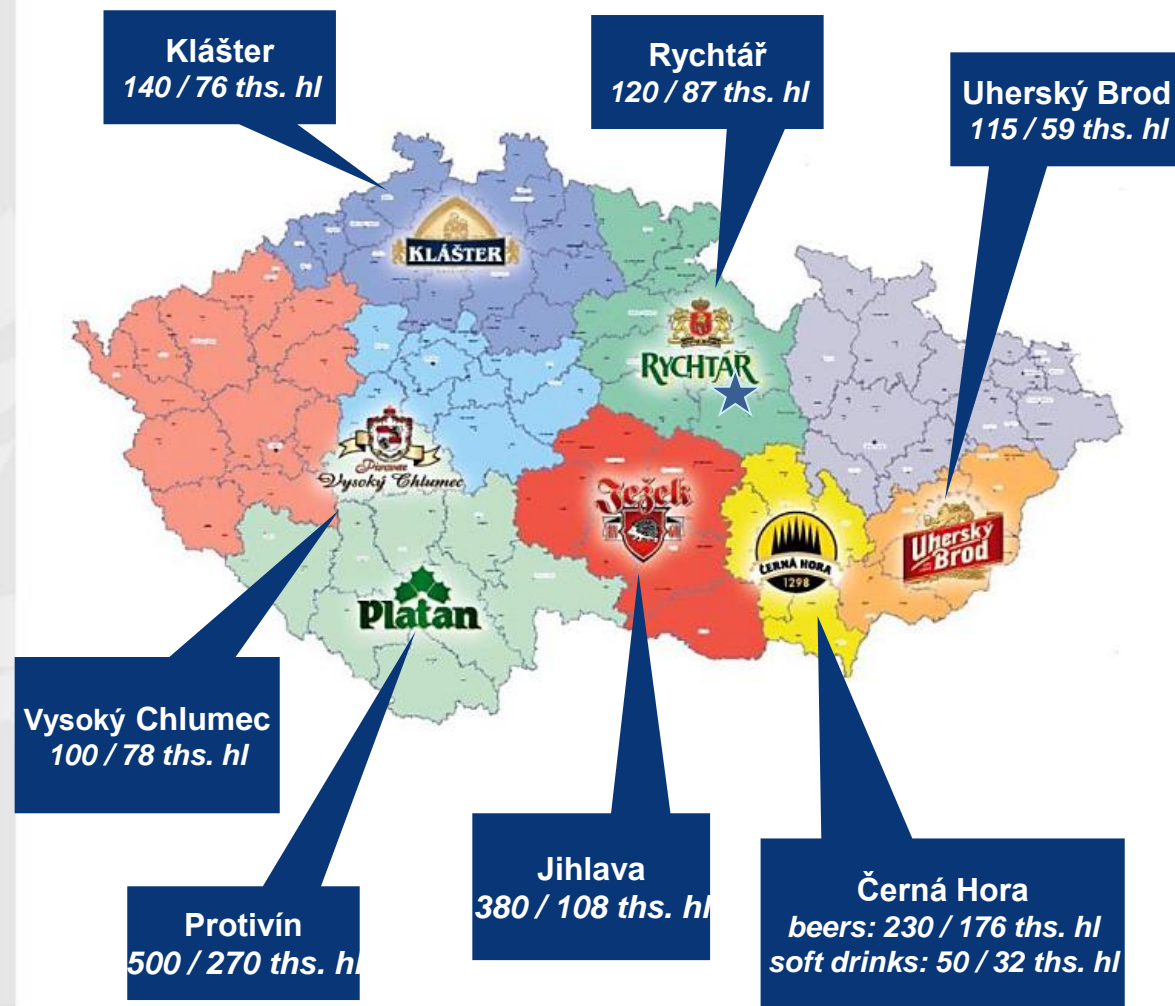
Zdeněk Radil, CEO and
Chairman of the Board



Petr Blažek, CFO

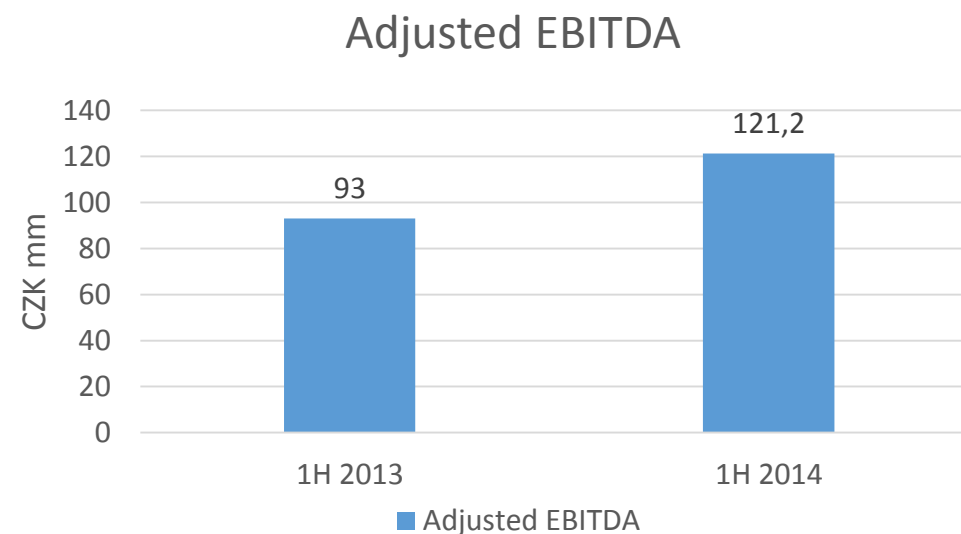
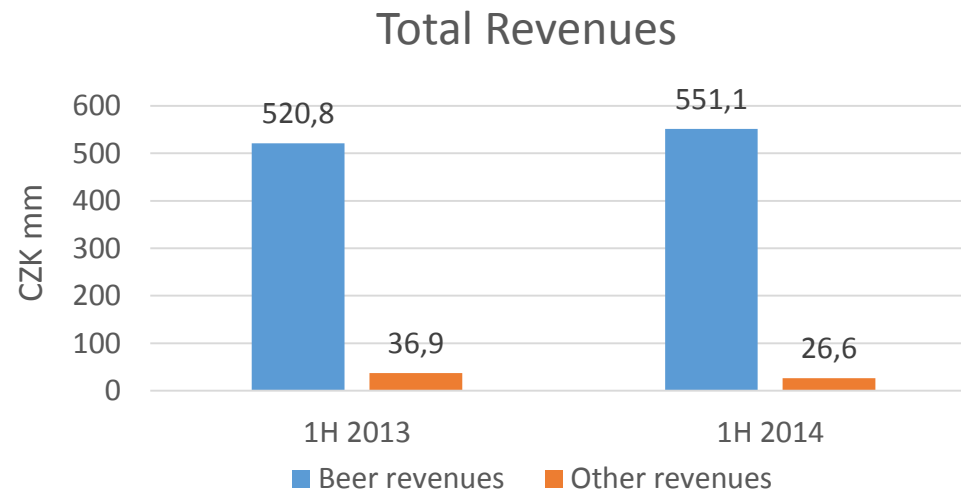
Introduction

- No. 4 brewing group in the Czech Republic by domestic sales, No. 5 by total sales (2013)
- 1H 2014 total sales of CZK 557.7 million , beer revenues 95% of total revenues
- Centrally managed, optimised group consisting of seven regional medium-sized breweries
- Wide product portfolio of approx. 70 beer brands, unique on the Czech market
- Above average on-trade sales, opportunity to benefit from changing customer behavior
- IPO in May 2014, 20.6% free float, rest owned by private shareholders and management



1H 2014 Financial Results

- Total consolidated revenues CZK 557.7 mm +3.6% yoy
- Beer revenues CZK 551.1 mm +5.8% yoy
- Adjusted EBITDA¹ CZK 121.2 mm + 30.3% yoy
- Operating profit (EBIT) CZK 28.9 mm +9.4% yoy
- Net loss attributable to equity holders CZK 26 mm -5.3% yoy



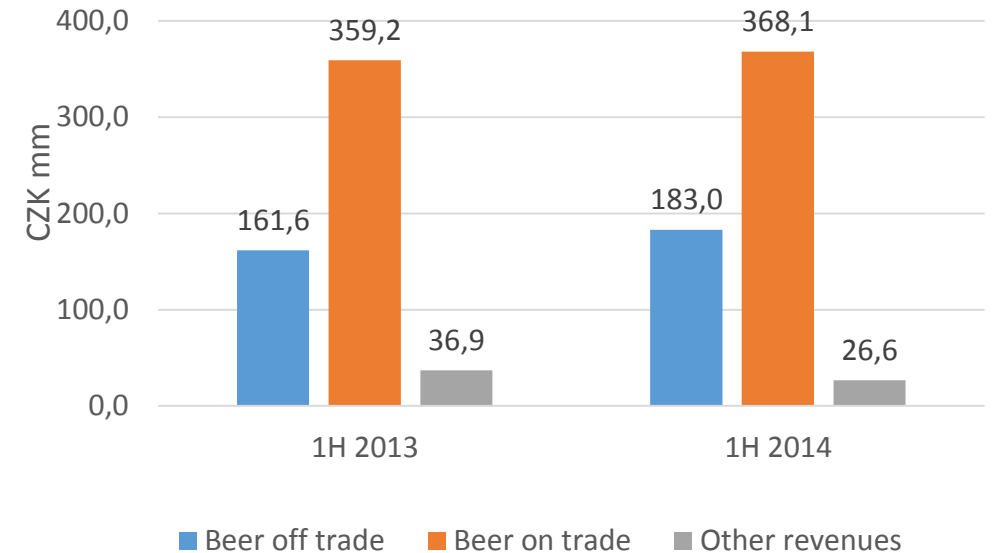
¹ Earnings before Interest, Taxes, Depreciation and Amortization adjusted by assets sale in 2013 and one-off IPO costs
Unaudited consolidated financial results for the 1H 2014 according to IFRS

1H 2014 Segments

- Beer revenues CZK 551.1 mm +5.8% yoy or 95% of total revenues
 - Beer revenues off trade CZK 183 mm +13.2% yoy
 - Beer revenues on trade CZK 368.1 mm +2.5% yoy
- Slovakia, Germany, Russia and Poland major export locations



Revenues Breakdown



Consolidated Income Statement

In CZK thous.	1H 2013	1H 2014	Change in %
Revenues	557,692	577,693	3.6%
Other Income	37,582	59,893	59.4%
Changes in inventory and assets in progress	69,427	61,285	(11.7%)
Total expenses (incl. depreciation)	(638,285)	(669,964)	5.0%
EBITDA	117,725	113,281	(3.8%)
Adjusted EBITDA	92,993	121,157	30.3%
<i>Adjusted EBITDA Margin</i>	16.7%	21%	4.3 pp
Net finance expenses	(44,629)	(49,378)	10.6%
Income tax expense	(376)	(45)	(88.1%)
Loss of current accounting period	(18,588)	(20,516)	10.4%
Minorities	6,113	5,491	(10.2%)
Net loss of the period (attributable to equity holders)	(24,701)	(26,007)	5.3%



Unaudited consolidated financial results for the 1H 2014 according to IFRS

Consolidated Balance Sheet

In CZK thous.	31.12. 2013	30.6.2014	Change in %
Property, plant & equipment	937 611	906 024	(3.37%)
Goodwill and other intangible assets	301 305	291 023	(3.41%)
Other investments and receivables	69 305	51 687	(25.42%)
Deferred tax assets	12 493	11 681	(6.50%)
Total non-current assets	1 320 714	1 260 416	(4.57%)
Inventories	184 781	208 897	13.05%
Trade and other receivables	378 386	342 634	(9.45%)
Prepayments and accrued income	84 640	90 995	7.51%
Cash and cash equivalents	44 122	135 664	207.47%
Total current assets	691 929	778 190	12.47%
Total assets	2 012 643	2 038 606	1.29%



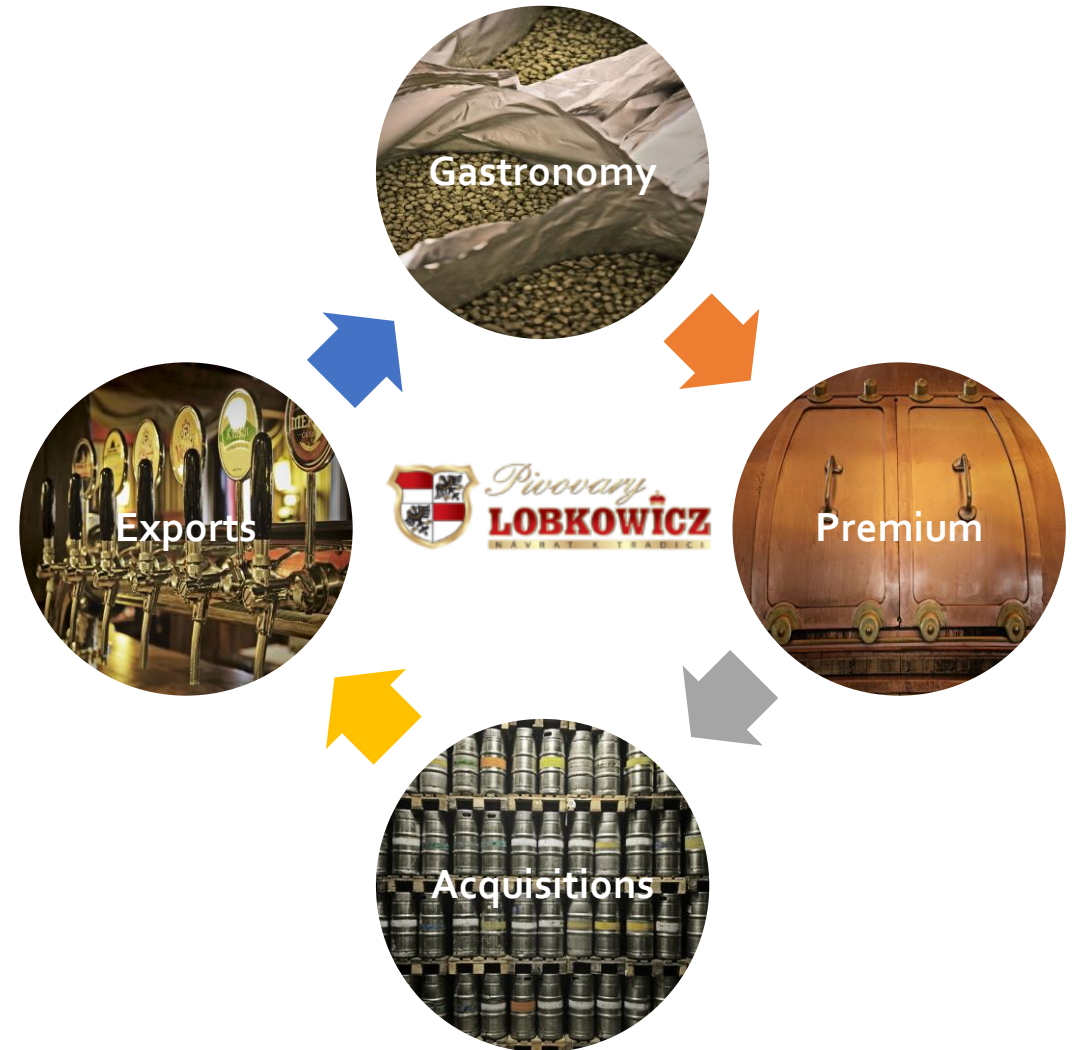
Consolidated Balance Sheet- cont.

In CZK thous.	31.12. 2013	30.6.2014	Change in %
Share capital	2 000	1 870 000	na
Reserves and other equity operations	(204 287)	60 147	(129.44%)
Accumulated losses from previous years	(550 618)	(611 345)	11.03%
Net Loss of the period	(73 781)	(26 007)	(64.75%)
Equity attributable to equity holders	(826 686)	1 292 795	(256.38%)
Non-controlling interests	67 103	69 723	3.90%
Total equity	(759 583)	1 362 518	(279.38%)
Loans and borrowings	1 805 022	254 301	(85.91%)
Deferred tax liabilities	34 283	28 477	(16.93%)
Other liabilities	1 792	10 438	482.45%
Total non-current liabilities	1 841 097	293 215	(84.07%)
Borrowings and overdrafts	288 818	76 841	(73.39%)
Provisions	14 555	21 811	49.85%
Trade and other payables	551 960	219 223	(60.28%)
Tax liabilities	75 399	64 634	(14.28%)
Accrued expenses	397	363	(8.44%)
Total current liabilities	931 129	382 872	(58.88%)
Total liabilities	2 772 226	676 088	(75.61%)
Total equity and liabilities	2 012 643	2 038 606	1.29%



Market & Strategy

- Distribution network expansion by acquisitions of new customers
- Focus on higher margin premium beers, special beers and 12⁰ beers
- Aim to increase revenues per hectolitre sold
- Further exports growth through cooperation with foreign distribution partners
- Acquisition opportunities to be evaluated on case-by-case basis



2014 Outlook

- Sustainable revenue
- Focus on profitability and margin improvements
- Option to acquire the remaining 30% in Pivovar Rychtář, a.s. for CZK 43.6 mm during 2H 2014
- Further expansion in gastro segment via customers acquisitions



Reporting Dates and Contacts

12 November 2014 – Interim Report Publication

Contact for media

Renata Melíšková
Spokeswoman
+420 731 635 199
media@pivovary-
lobkowicz.cz

IR Contact

Klára Klímová
IR Consultant
+420 724 255 715
klara.klimova@pivovary-
lobkowicz.cz

