

## FIRST QUARTER 2016 TRADING UPDATE

### A GOOD START TO THE YEAR

Coca-Cola HBC AG, a leading bottler of the brands of The Coca-Cola Company, today announces its Q1 2016 trading update.

#### First quarter highlights

- Reported volumes were stable in the quarter<sup>1</sup> with an improving underlying trend in Established and Emerging market segments
  - Good growth in Nigeria, Romania and Poland, offset weak performance in Russia
  - Premium sparkling brands, water and energy drinks performed well
- FX-neutral net sales revenue per unit case improved substantially, up 2%. Net sales revenue was adversely impacted by weak emerging market currencies and the strong Euro.
- Established markets volumes declined by 2.7% while Italy maintained positive momentum. On a FX-neutral basis, pricing was up marginally in the segment compared to the prior-year quarter despite the continuing deflationary environment in certain countries.
- Developing markets volumes grew in nearly all categories and countries resulting in overall volume growth of 1.9% despite tough comparatives. Pricing remains weak, particularly in the Czech Republic and Poland.
- Emerging markets volumes were robust; Nigeria was the key driver with low-teens percentage volume growth in a seasonally important quarter; in Russia, we outperformed in a declining market with our volumes continuing to decline across the categories with the exception of Coke Zero and energy drinks.

<sup>1</sup> 1.4% adverse impact on reported volumes from one less selling day compared to the prior-year quarter; please also see Trading on page 2

Q1 2016 vs. Q1 2015 growth	Volume (%)	Net sales revenue (%)	Net sales revenue per unit case (%)	FX-neutral net sales revenue per unit case (%)
<b>Total Group</b>	<b>0.1</b>	<b>-2.7</b>	<b>-2.6</b>	<b>2.0</b>
Established markets	-2.7	-3.6	-1.0	0.2
Developing markets	1.9	-1.9	-3.8	-1.8
Emerging markets	1.3	-2.1	-3.1	6.5

#### Dimitris Lois, Chief Executive Officer of Coca-Cola HBC AG, commented:

*"We had a good start to the year with Q1 trading in line with our plans. Our commercial initiatives delivered beneficial results, improving currency-neutral revenue per case by 2%.*

*"We are encouraged by the ongoing volume growth in Emerging and Developing markets and the improving underlying trend in Established markets. While soft in the quarter, pricing trends in Developing markets are improving. We are confident we have the right initiatives in place to continue our progress in the remainder of the year."*

## Trading

The varying trends experienced in our markets during 2015 continued in the first quarter of 2016, and we tailored our commercial initiatives accordingly, either to address opportunities or mitigate adverse macroeconomic conditions as necessary. Overall, our actions were successful in delivering good results.

Volume was broadly stable in the quarter. This is a good performance within the context of the one less selling day which represents a 1.4% adverse impact. Volume commentary in this trading update is based on reported volumes and reported volume growth, with no adjustment for the one less selling day.

Our commercial focus has led to an improvement in package mix. This, coupled with the implementation of pricing initiatives, mainly in markets facing currency depreciation, resulted in a substantial improvement in FX-neutral net sales revenue per unit case which grew by 2.0% in the quarter. The 4.6% adverse currency impact on net sales revenue in the quarter resulted in a 2.6% decline in net sales revenue compared to the prior-year quarter.

### Established markets segment

Established markets volumes declined by 2.7% in the quarter. Despite the slow start, we are encouraged by the underlying trends in many of our markets and the early results of our initiatives. While most key categories declined, we registered good volume growth from Coke Zero and Energy.

Italy volumes were broadly flat with locally relevant marketing initiatives and the introduction of products such as Coke Life and Monster, helping to offset a decline in Water. We are encouraged by the continued momentum in our business.

Greece volumes declined by mid single digits in the quarter. Water was the key positive performer supported by Juice and Energy, while Sparkling was the only key declining category. Amidst difficult trading conditions and new austerity measures being considered, we remain cautious about the remainder of the year.

Switzerland posted a mid single-digit decline in the quarter. With the exception of Energy, all key categories declined, partly due to a slow ski season, although package mix improved.

In Ireland, we continued to face difficult trading conditions, leading to a mid single-digit decline. Good growth from Energy with Monster outpacing the market, further supported by Water, led to a significant improvement in the package mix.

Volume decline and the adverse impact from currencies, primarily the weaker Swiss Franc, drove a net sales revenue decline of 3.6%. FX-neutral net sales revenue per case was up by 0.2% driven by improving package and category mix, reversing the 2.4% decline in the full year 2015.

### Developing markets segment

Volumes in Developing markets increased by 1.9%, building on the strong results in the prior-year quarter. Most of the countries in the segment demonstrated good growth, with nearly every key category growing as a result of our initiatives and improving underlying conditions.

Volumes in Poland grew, registering a mid single-digit increase. Good growth in Sparkling, particularly in the organised trade, was further supported by strong Water performance. Juice and Energy were also positive contributors.

Volumes in the Czech Republic declined by low single digits, following very tough comparatives in Q1 2015, with growth in Juice and Energy partly offsetting a decline in Sparkling.

Hungary continued to grow, achieving a low single-digit increase. The majority of our categories posted positive growth while Sparkling was stable. Volume growth from trademark Coca-Cola, which benefitted from Occasion Brand Price Pack Channel (OBPPC) initiatives and our 1.25L entry pack, was further supported by a good still beverages performance mainly driven by Water and Juice.

Net sales revenue in the Developing markets declined by 1.9% in the quarter. The volume growth contribution was more than offset by the adverse impact of currencies, primarily the weaker Polish Zloty and the Hungarian Forint, and pricing. The 1.8% deterioration in FX-neutral net sales revenue per case was mainly driven by limited pricing opportunities amidst a mostly deflationary environment and unfavourable mix.

### Emerging markets segment

Emerging markets volumes increased by 1.3% in the quarter, with strong performances from most of the countries in the segment, particularly Nigeria, partly offset by a volume decline in Russia where we continue to operate against a challenging backdrop.

Russia volumes maintained the negative momentum driven by the difficult underlying macroeconomic and trading environment, leading to a high single-digit decline. Strong performance from Coke Zero and Energy only partially offset declines in all other categories. Within this framework, we continue to expect to outperform the declining market in the year.

Nigeria maintained its strong performance for the eighth consecutive quarter with low-teens volume growth. Successful initiatives such as the Share a Coke campaign coupled with the introduction of our new 600ml PET pack and strong Juice volumes contributed to this performance, allowing us to maintain our confidence for the remainder of the year. However, the impact of low oil prices on the economy and the potential devaluation of the currency remain a risk.

Volumes grew in Romania for the fifth consecutive quarter reaching high single digits. We achieved good growth in all categories, driven by Sparkling and further supported by Water and Juice. Package mix also improved by 1.8 percentage points driven by Sparkling single-serve packs.

Ukraine posted another good performance, growing by mid single digits. Sparkling was the key growth contributor, more than offsetting declines in the still beverages category on tough comparatives. The macroeconomic environment remains difficult in the country.

Overall, net sales revenue was under considerable pressure from foreign exchange headwinds, ending the quarter with a 2.1% decline. A 6.5% improvement in FX-neutral net sales revenue per case, driven by our pricing initiatives and favourable package mix only partly offset the impact of adverse currency movements on revenue.

### Category highlights

Our initiatives to capitalise on occasions such as meals and socialising, our focus on our OBPPC plans and more relevant and targeted marketing initiatives in each country, have delivered well in the quarter.

In Sparkling beverages, we achieved 0.6% volume growth, with Nigeria, Romania, Poland and Ukraine delivering strong results, more than offsetting the weakness in Russia, Greece and Ireland. Within the category, trademark Coca-Cola grew marginally. The launch of Coke Zero in Russia in May last year contributed to the good performance of the brand which grew across all segments.

Water volumes grew by low single digits, with good growth in Developing and Emerging market segments helping to offset a small decline in Established markets. Good high single-digit growth for Juice in the Developing segment, only partly compensated for the decline in the Emerging markets segment driven by Russia, leading the overall category to a low single-digit decline. The energy category increased volumes by 24%, helped by the introduction of Monster in Russia.

Single-serve contribution improved in the quarter, with Sparkling single-serve packs up by 1.4 percentage points and Water up by 0.8 percentage points.

**Supplementary information**

<b>Group</b>	<b>Q1 2016</b>	<b>Q1 2015</b>	<b>% Change</b>
Volume (m unit cases)	439.6	439.0	0.1%
Net sales revenue (€ m)	1,317.0	1,353.3	-2.7%
Net sales revenue per unit case (€)	3.00	3.08	-2.6%
FX-neutral net sales revenue per unit case (€)	3.00	2.94	2.0%
<b>Established markets</b>			
Volume (m unit cases)	132.0	135.7	-2.7%
Net sales revenue (€ m)	534.5	554.6	-3.6%
Net sales revenue per unit case (€)	4.05	4.09	-1.0%
FX-neutral net sales revenue per unit case (€)	4.05	4.04	0.2%
<b>Developing markets</b>			
Volume (m unit cases)	81.1	79.6	1.9%
Net sales revenue (€ m)	224.1	228.5	-1.9%
Net sales revenue per unit case (€)	2.76	2.87	-3.8%
FX-neutral net sales revenue per unit case (€)	2.76	2.81	-1.8%
<b>Emerging markets</b>			
Volume (m unit cases)	226.5	223.7	1.3%
Net sales revenue (€ m)	558.4	570.2	-2.1%
Net sales revenue per unit case (€)	2.47	2.55	-3.1%
FX-neutral net sales revenue per unit case (€)	2.47	2.32	6.5%

**Coca-Cola HBC Group**

Coca-Cola HBC is a leading bottler of The Coca-Cola Company with a sales volume of more than 2 billion unit cases. It has a broad geographic footprint with operations in 28 countries serving a population of approximately 594 million people. Coca-Cola HBC offers a diverse range of non-alcoholic ready to drink beverages in the sparkling, juice, water, sport, energy, tea and coffee categories. Coca-Cola HBC is committed to promoting sustainable development in order to create value for its business and for society. This includes providing products that meet the beverage needs of consumers, fostering an open and inclusive work environment, conducting its business in ways that protect and preserve the environment and contribute to the socio-economic development of the local communities. Coca-Cola HBC is ranked beverage industry leader in the Dow Jones Sustainability World and Europe Indices, and is also included in the FTSE4Good Index.

Coca-Cola HBC has a premium listing on the London Stock Exchange (LSE: CCH) and its shares are listed on the Athens Exchange (ATHEX: EEE). For more information, please visit <http://www.coca-colahellenic.com>.

**Conference call**

Coca-Cola HBC will host a conference call for financial analysts and investors to discuss the trading update for the first quarter of 2016 on Friday, 13 May 2016 at 10:00am Swiss time (9:00am London, 11:00am Athens and 4:00am New York time). A recording of the call in downloadable MP3 format and its transcript will be made available on the Company website ([www.coca-colahellenic.com/investorrelations](http://www.coca-colahellenic.com/investorrelations)).

**Next event**

11 August 2016

Half-year financial statements and results announcement

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**SPECIAL NOTE REGARDING THE INFORMATION SET OUT HEREIN**

Unless otherwise indicated, this trading update and the financial and operating data or other information included herein relate to Coca-Cola HBC AG and its subsidiaries ("Coca-Cola HBC" or the "Company" or "we" or the "Group").

This document contains forward-looking statements that involve risks and uncertainties. These statements may generally, but not always, be identified by the use of words such as "believe", "outlook", "guidance", "intend", "expect", "anticipate", "plan", "target" and similar expressions to identify forward-looking statements. All statements other than statements of historical facts, including, among others, statements regarding our future financial position and results, our outlook for 2016 and future years, business strategy and the effects of the global economic slowdown, the impact of the sovereign debt crisis, currency volatility, our recent acquisitions, and restructuring initiatives on our business and financial condition, our future dealings with The Coca-Cola Company, budgets, projected levels of consumption and production, projected raw material and other costs, estimates of capital expenditure, free cash flow, effective tax rates and plans and objectives of management for future operations, are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they reflect our current expectations and assumptions as to future events and circumstances that may not prove accurate. Our actual results and events could differ materially from those anticipated in the forward-looking statements for many reasons, including the risks described in the 2015 Integrated Annual Report for Coca-Cola HBC AG and its subsidiaries.

Although we believe that, as of the date of this document, the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we, nor our directors, employees, advisors nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. After the date of this trading update, unless we are required by law or the rules of the UK Financial Conduct Authority to update these forward-looking statements, we will not necessarily update any of these forward-looking statements to conform them either to actual results or to changes in our expectations.