

A close-up, low-angle shot of a woman's face in profile, drinking from a vintage glass Coca-Cola bottle. The bottle is condensation-covered and has the classic script logo. The background is blurred, showing other people in a social setting.

# RESULTS PRESENTATION

## HALF YEAR 2016

11 August 2016



**Coca-Cola**  
**Hellenic Bottling Company**

# Forward-looking statements

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Unless otherwise indicated, the condensed consolidated interim financial statements 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 the condensed consolidated interim financial statements included in this document, 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.

# Half-year highlights

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- Net sales revenue up 2.4% on an FX-neutral basis
- Substantial improvement of FX-neutral revenue per case
- Volume increased marginally
- Excluding one less selling day in Q1, first-half volume would have grown by 0.7%
- Operating expenses as percentage of net sales revenue improved by 45bps
- Comparable EBIT up by 5%, with 60bps margin expansion
- Comparable EPS up by 7% on prior year
- Operating profit and working capital improvements driving free cash flow growth



# Financial review

**Michalis Imellos**  
Chief Financial Officer



**Coca-Cola**  
**Hellenic Bottling Company**

# Financial performance overview



- Net sales revenue on an FX-neutral basis growing well
- Pricing actions and mix improvements driving FX-neutral NSR per unit case growth
- Marginal increase in volume
- FX headwinds impacting revenue
- Input cost tailwinds helping gross margin expansion
- Benefits from cost optimisation focus supported by operating leverage

	HY '16	HY '15	Ch.
Volume (m u.c.)	<b>1,007.3</b>	1,006.6	0.1%
Net Sales Revenue (€m)	<b>3,043.9</b>	3,150.9	<b>-3.4%</b>
FX-neutral Net Sales Revenue (€m)	<b>3,043.9</b>	2,972.5	2.4%
FX-neutral NSR per case (€)	<b>3.02</b>	2.95	2.4%
Comparable Gross Profit Margin	<b>36.6%</b>	36.5%	10 bps
Comparable OPEX as % of NSR	<b>29.1%</b>	29.5%	<b>-45 bps</b>

*Financial indicators on a comparable basis exclude the recognition of restructuring costs, unrealised commodity hedging results and non-recurring items.*

*Certain differences in calculations are due to rounding.*

# Financial performance overview



- Better price/mix and cost efficiencies, supported by input cost benefits, more than offsetting currency headwinds
- Significant EBIT margin expansion
- Good growth in earnings per share
- Strong free cash flow generation

	HY '16	HY '15	Ch.
Comparable EBIT (€m)	<b>229.6</b>	219.0	4.8%
Comparable EBIT Margin	<b>7.5%</b>	7.0%	60 bps
Comparable Net Profit (€m)	<b>150.4</b>	141.7	6.1%
Comparable EPS (€)	<b>0.416</b>	0.389	6.9%
Free Cash Flow (€m)	<b>239.8</b>	219.2	9.4%

*Financial indicators on a comparable basis exclude the recognition of restructuring costs, unrealised commodity hedging results and non-recurring items.  
Certain differences in calculations are due to rounding.*



# Substantial improvement of FX-neutral net sales revenue per case growth



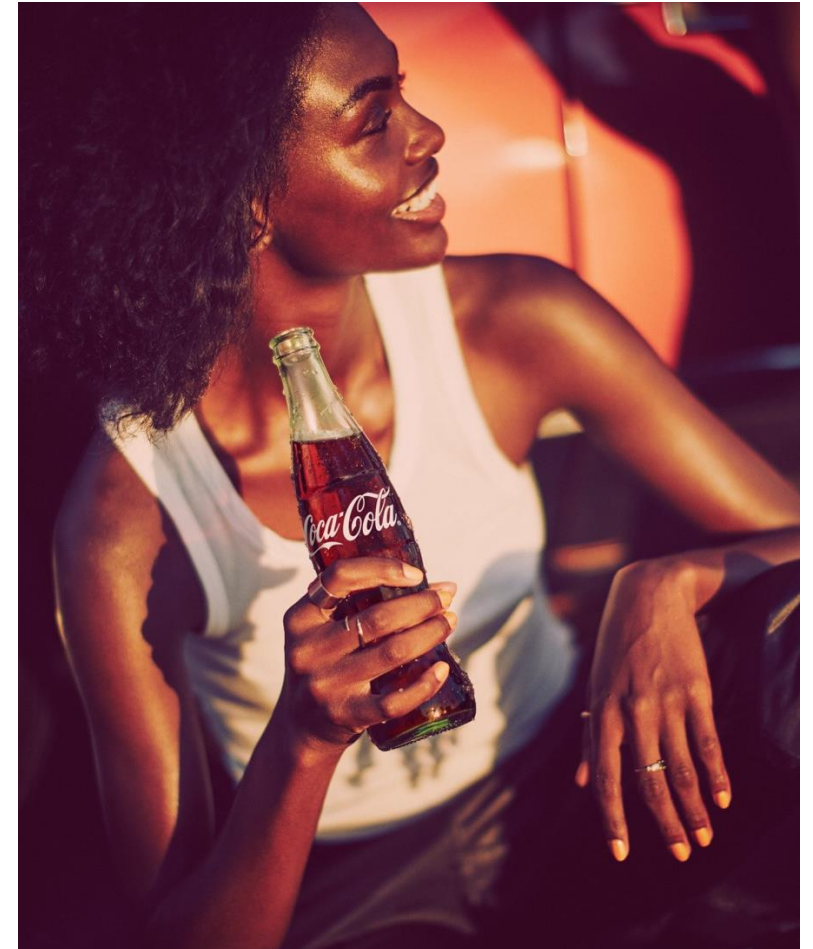
	HY '16 vs. HY '15
<b>Total CCH</b>	
Volume	0.1%
FX-neutral revenue per case	2.4%
<b>Established Markets</b>	
Volume	-2.8%
FX-neutral revenue per case	0.5%
<b>Developing Markets</b>	
Volume	3.5%
FX-neutral revenue per case	-1.1%
<b>Emerging Markets</b>	
Volume	0.5%
FX-neutral revenue per case	6.8%



# Input cost benefits and phasing



- Comparable FX-neutral input cost per case decreased by 3.8% in the period
- PET resin costs decreased significantly year on year, driven by lower oil prices
- Improvements in sugar costs
- Marginal increase expected for the full year





# Cost management initiatives delivering results supported by operating leverage



- Cost efficiencies supported by operating leverage, driving a 75 bps improvement
- 30 bps increase in marketing expenses as percentage of net sales revenue

	HY '16	HY '15	Change
Volume (m u.c.)	<b>1,007.3</b>	1,006.6	0.1%
Net Sales Revenue (€m)	<b>3,043.9</b>	3,150.9	-3.4%
Comparable operating Expenses (€m)	<b>885.1</b>	930.4	-4.9%
Comparable OPEX as % of NSR	<b>29.1%</b>	29.5%	-45 bps

# Operating leverage and input cost benefits delivering profitability



	Comparable EBIT (€m)		Comparable EBIT margin	
	HY'16	HY '15	HY '16	Change vs HY '15
Established	104	84	8.7%	190bps
Developing	43	45	8.2%	-40bps
Emerging	83	90	6.3%	-20bps
<b>Total CCH</b>	<b>230</b>	<b>219</b>	<b>7.5%</b>	<b>60bps</b>



Financial indicators on a comparable basis exclude the recognition of restructuring costs, unrealised commodity hedging results and non-recurring items.  
Certain differences in calculations are due to rounding.

# Accelerated restructuring programmes

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## HY 2016

- €34m of pre-tax restructuring costs in the period
- Restructuring efforts focused mostly on Established and Emerging segments and to a lesser extent Developing

## FY 2016

- Going forward we are accelerating our efforts, expecting:
  - pre-tax restructuring charges totalling €48m for 2016
  - total annualised benefits from 2016 initiatives of c.€32m
  - savings in 2016 from 2015 and 2016 initiatives of c.€23m



# Strong free cash flow generation in the first half



- Free cash flow higher than prior year
- Key drivers of free cash flow generation are operating profitability and working capital improvements
- Increased capital expenditure in the period

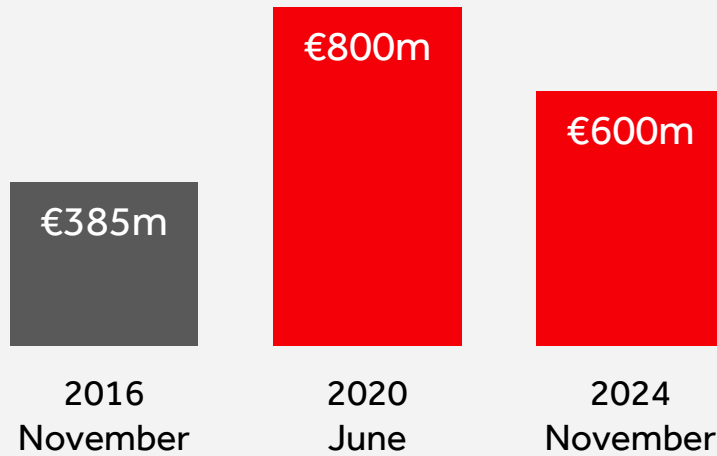
€m	HY '16	HY '15	Change
EBITDA	396	370	26
Working Capital change	16	-12	28
Net Capital Expenditure	-135	-117	-18
Free Cash Flow	240	219	21

*Differences in the absolute year-on-year change are due to rounding*

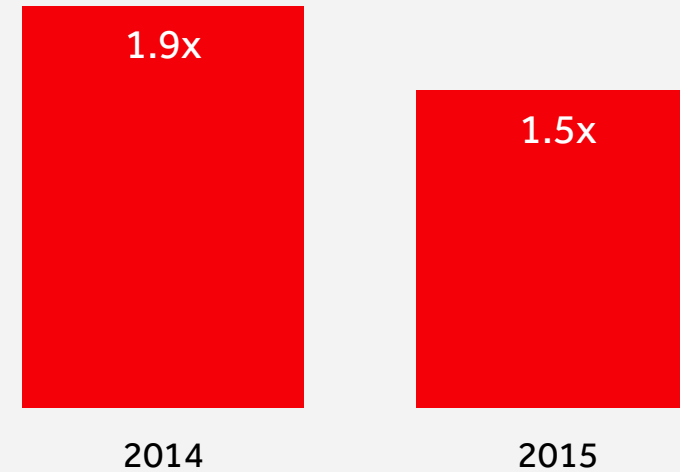
# Diversified financial profile



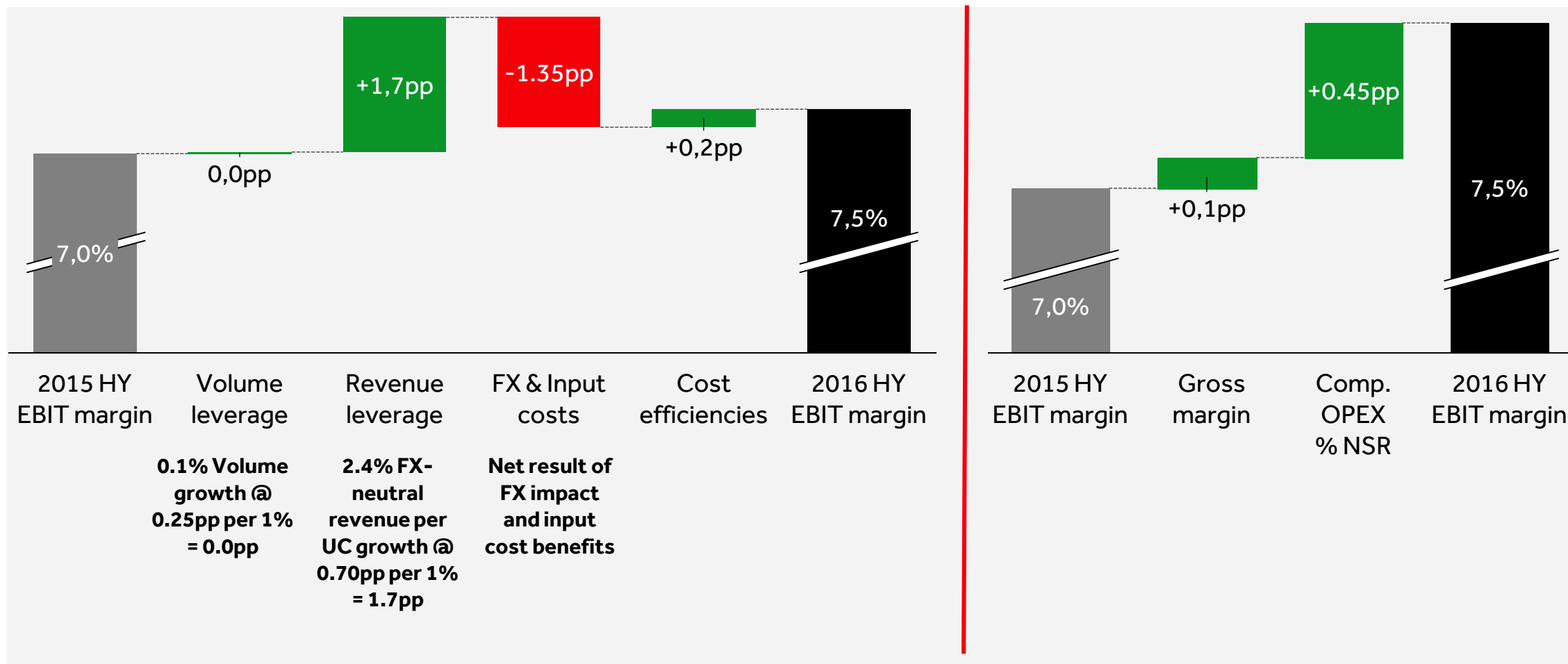
## Debt maturity profile



## Net debt / Comparable EBITDA



# Benefitting from operating leverage



Not to scale



A background image showing three people drinking from Coca-Cola bottles. In the foreground, a woman with blonde hair is drinking from a clear glass bottle. Behind her, a man with curly hair is drinking from a green glass bottle labeled 'Coca-Cola zero'. To the left, another person is drinking from a red glass bottle. The image has a soft, slightly blurred aesthetic.

# Operational review and strategy

**Dimitris Lois**  
Chief Executive Officer

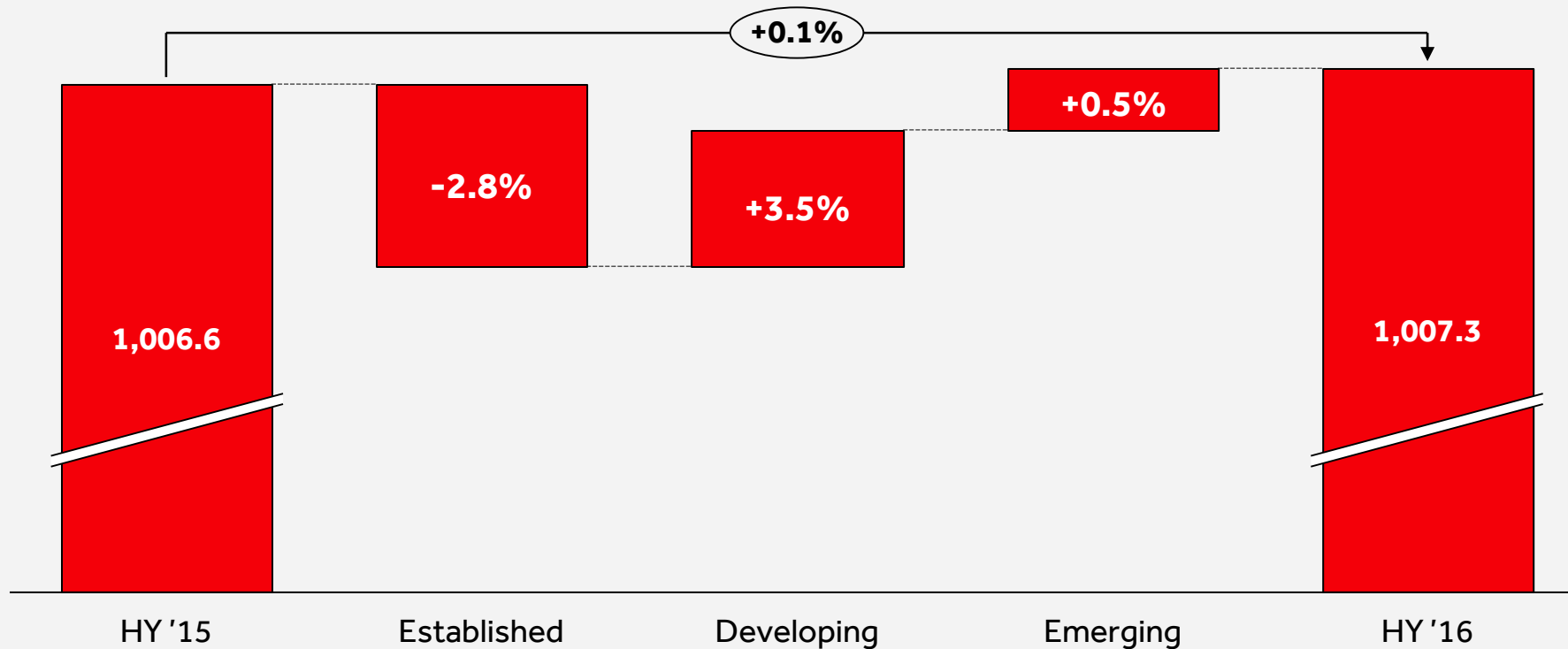


**Coca-Cola**  
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# Stable volume performance



## HY volume by segment



Volumes in m UC

# Excellent contribution from Sparkling and Energy



YoY growth	HY '16	HY '15
<b>Sparkling</b>	<b>1%</b>	3%
Trademark Coca-Cola	<b>0.3%</b>	4%
Coca-Cola Zero	<b>11%</b>	17%
<b>Juice</b>	<b>-5%</b>	19%
Multon brands	<b>-11%</b>	34%
<b>Water</b>	<b>-</b>	4%
<b>Energy</b>	<b>23%</b>	9%
<b>Tea</b>	<b>-6%</b>	-2%

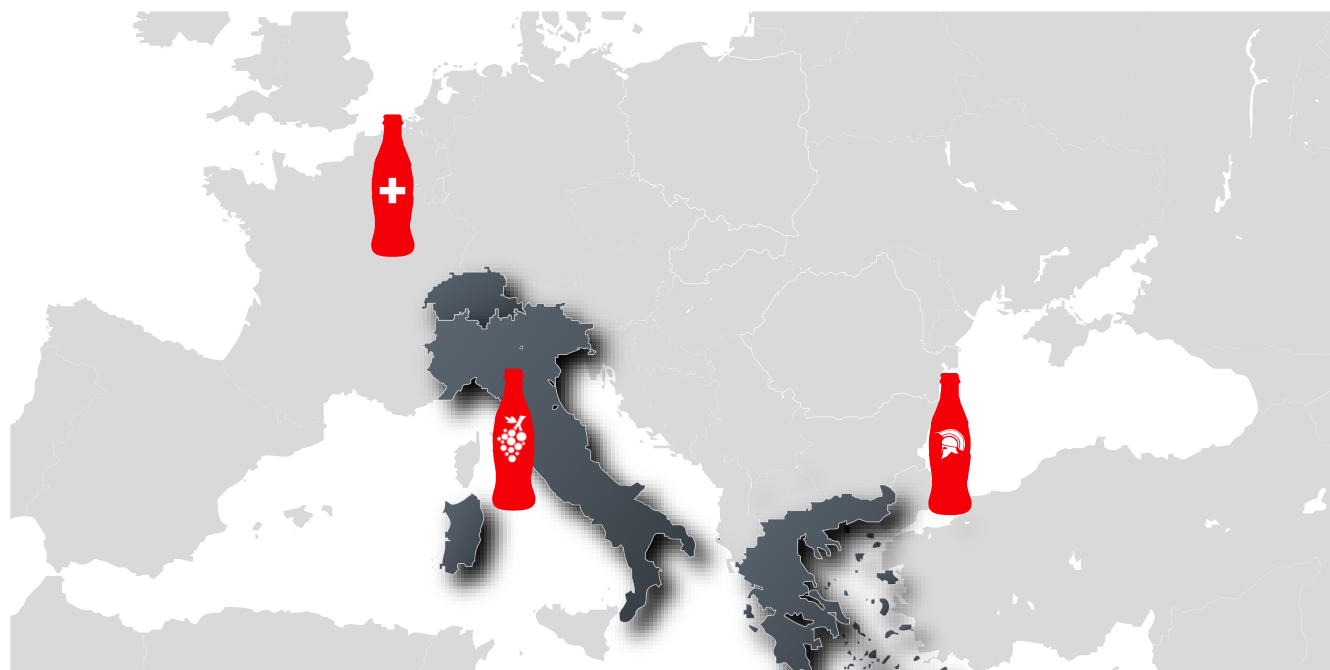


*HY '15 growth rates include the benefit of four extra selling days compared to HY '14*



# Established markets

## Decline partly impacted by weather



### Italy

Volume decline impacted by weather  
Sparkling decline – good growth from Coke Zero and Fanta  
Water growing excluding b-brands

### Greece

Stable volume reversing Q1 performance  
Performance driven by Still drinks and Energy  
Macroeconomic environment remains uncertain

### Switzerland

Decline across most key categories impacted by wet weather  
Good growth in Brand Coca Cola and Coke Zero  
Energy also growing

Trademark  
Coca-Cola  
**-4%**



Coca-Cola  
Zero  
**+4%**



Water  
**-2%**



Volume  
**-3%**

Currency-neutral  
net sales revenue  
per case  
**+0.5%**



*All figures refer to half-year 2016, unless otherwise stated*

# Developing markets

## Continuing growth



### Poland

Volume up mid single digits  
Growth across all categories  
Good Water and Sparkling growth  
Robust growth in Energy

### Czech Republic

Volume decline of mid single digits  
Sparkling flavours and Juice growing well  
Declines in Sparkling and Water

### Hungary

Volume up by low single digits  
All categories grew  
Focus on increasing single-serve contribution delivered good results

Trademark  
Coca-Cola  
**+2%**



Coca-Cola  
Zero  
**+6%**



Water  
**+10%**



Volume  
**+4%**

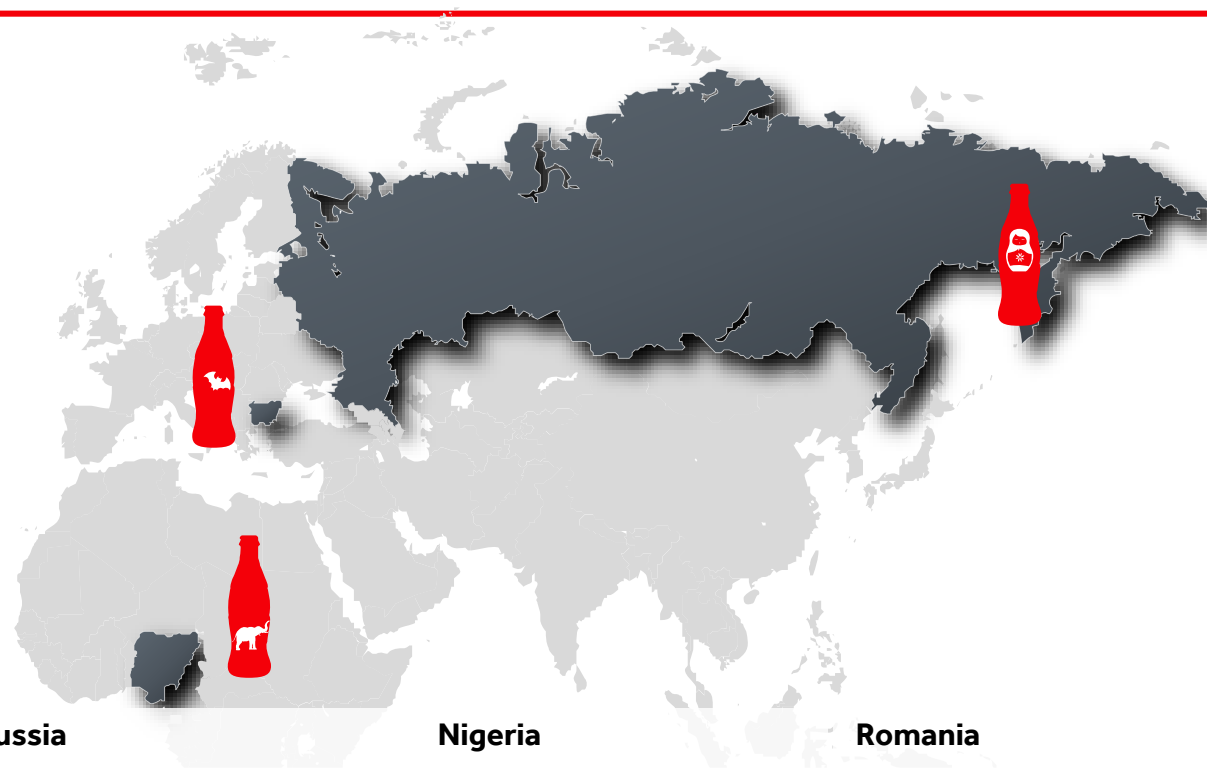
Currency-neutral  
net sales revenue  
per case  
**-1.1%**



*All figures refer to half-year 2016, unless otherwise stated*

# Emerging markets

## Balancing varying trends



### Russia

Volume decline by high single digits  
Challenging environment  
Good growth of Coke Zero and Fanta  
Strong Energy performance

### Nigeria

Strong performance at high single-digit rate  
Very good performance across all categories  
Pack and product innovation delivering results

### Romania

Accelerating volume growth to low teens  
Sixth consecutive quarter of growth  
Strong performance across all categories  
Improvement in package mix

Trademark  
Coca-Cola  
**+2%**



Juice  
**-7%**



Water  
**-2%**



Volume  
**+1%**

Currency-neutral  
net sales revenue  
per case  
**+6.8%**



*All figures refer to half-year 2016, unless otherwise stated*



# Looking ahead



- We are confident that 2016 will be a year of strong FX-neutral revenue growth and progress on margins based on our expectations for
  - a substantial improvement in FX-neutral net sales revenue per case
  - volume growth overall
  - input costs a marginal headwind
  - adverse FX impact of c.€115m
  - significant reduction in operating expenses as a percentage of net sales revenue



# Q&A



**For further information on Coca-Cola Hellenic please  
visit our website at:**

[WWW.COCA-COLAHELLENIC.COM](http://WWW.COCA-COLAHELLENIC.COM)

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# Clear strategy

## Delivering results

