Coca-Cola
Hellenic Bottling Company

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DELIVERING RESULTS THROUGH OPERATIONAL FOCUS

Coca-Cola HBC AG, the second largest bottler of the brands of The Coca-Cola Company, reports its financial results for the full year ended 31 December 2014.

Fourth quarter and full-year highlights

- Volumes increased in the quarter compared to the prior-year quarter, with good performances in Russia, Nigeria, Poland, Austria and Greece; all three segments beat their nine-month volume trend, resulting in overall full-year volumes slightly better than expected
- Volume and value share continued to grow in the fourth quarter in the majority of our countries, ending the full year with higher or stable share in 16 markets in Sparkling beverages and in 10 markets in NARTD[1]
- In the fourth quarter, FX-neutral net sales revenue per unit case continued to improve, albeit at a slightly slower pace than in the first nine months, bringing the full-year increase to 2.5%
- In the quarter, more favourable input costs than expected in the quarter partly compensated for the significant adverse movements in currencies seen since the latter part of November, which exceeded our expectations by €15 million
- Persistent adverse currency movements and subdued volumes in the year were partly offset by revenue growth initiatives including pricing and improved package mix as well as favourable input costs, resulting in lower comparable EBIT than in the prior year; broadly stable comparable EBIT margin year on year
- Comparable EPS – down 5.6% in the year - benefited from the refinancing of debt in 2013
- The Board of Directors proposes a 0.36 Euro dividend per share (2013: 0.354 Euro)

	Q4 2014	**Q4 2013**	**Change**
Volume (m unit cases)	**485.1**	481.1	0.8%
Net Sales Revenue (€ m)	**1,510.0**	1,574.6	-4.1%
Net Sales Revenue per Unit Case (€)	**3.11**	3.27	-4.9%
Currency Neutral Net Sales Revenue per Unit Case (€)	**3.11**	3.05	2.0%
Comparable EBIT (€ m)	**56.9**	68.3	-16.7%
Comparable EBIT margin (%)	**3.8**	4.3	-50bps
Comparable Net Profit* (€ m)	**30.4**	34.3	-11.4%
Comparable EPS (€)	**0.083**	0.094	-11.7%
	Full Year 2014	**Full Year 2013**	**Change**
Volume (m unit cases)	**2,002.9**	2,060.5	-2.8%
Net Sales Revenue (€ m)	**6,510.2**	6,874.0	-5.3%
Net Sales Revenue per Unit Case (€)	**3.25**	3.34	-2.7%
Currency Neutral Net Sales Revenue per Unit Case (€)	**3.25**	3.17	2.5%
Comparable EBIT (€ m)	**424.7**	453.9	-6.4%
Comparable EBIT margin (%)	**6.5**	6.6	-10bps
Comparable Net Profit* (€ m)	**277.4**	293.1	-5.4%
Comparable EPS (€)	**0.761**	0.806	-5.6%

** Comparable Net Profit refers to comparable net profit after tax attributable to owners of the parent.*

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

"Our business, with its strategy focused on execution in the markets, has delivered in a difficult year. We have won share, protected our margin and generated solid free cash flow.

"In 2015, we will continue to pursue our strategy with a wide range of planned actions, from improving volumes through marketing initiatives and focusing on affordability to our proven self-help efficiency measures. These efforts, along with materially reduced input costs, will help to mitigate the negative impacts of currency volatility, and related uncertainty in some key markets. We anticipate a challenging year and are optimistic that our business will prove its strengths in adversity."

[1] Nielsen December data based on 24 measured markets in Sparkling beverages and 21 measured markets in NARTD; NARTD: non-alcoholic ready-to-drink

SPECIAL NOTE REGARDING THE INFORMATION SET OUT HEREIN

Unless otherwise indicated, the condensed consolidated 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 2015 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. You should not place undue reliance on such 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 UK Annual Financial Report for Coca-Cola HBC AG and its subsidiaries for the year ended 31 December 2013.

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 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.

Reconciliation of Reported to Comparable Financial Indicators *(numbers in € million except per share data)*

Group Financial Results	Fourth quarter 2014							
	COGS[1]	Gross Profit[2]	Operating Expenses[3]	EBIT[4]	Adjusted EBITDA[5]	Finance Costs[6]	Net Profit[7]	EPS[8] (€)
Reported	**(1,007.0)**	**503.0**	**(461.1)**	**17.2**	**129.4**	**(18.4)**	**66.5**	**0.182**
Restructuring costs[9]	**-**	**-**	**-**	**24.7**	**4.4**	**-**	**26.6**	**0.073**
Commodity hedging[10]	**15.0**	**15.0**	**-**	**15.0**	**15.0**	**-**	**10.6**	**0.029**
Non-recurring items[11]	**-**	**-**	**-**	**-**	**-**	**-**	**(73.3)**	**(0.201)**
Comparable	**(992.0)**	**518.0**	**(461.1)**	**56.9**	**148.8**	**(18.4)**	**30.4**	**0.083**

Group Financial Results	Fourth quarter 2013							
	COGS[1]	Gross Profit[2]	Operating Expenses[3]	EBIT[4]	Adjusted EBITDA[5]	Finance Costs[6]	Net Profit[7]	EPS[8] (€)
Reported	(1,040.3)	534.3	(469.0)	34.1	132.4	(23.5)	8.4	0.023
Restructuring costs	-	-	-	31.2	22.9	-	23.6	0.065
Commodity hedging[10]	3.0	3.0	-	3.0	3.0	-	2.3	0.006
Comparable	(1,037.3)	537.3	(469.0)	68.3	158.3	(23.5)	34.3	0.094

Group Financial Results	Full Year 2014							
	COGS[1]	Gross Profit[2]	Operating Expenses[3]	EBIT[4]	Adjusted EBITDA[5]	Finance Costs[6]	Net Profit[7]	EPS[8] (€)
Reported	**(4,192.5)**	**2,317.7**	**(1,901.4)**	**361.1**	**742.1**	**(72.9)**	**294.8**	**0.809**
Restructuring costs[9]	**-**	**-**	**-**	**55.2**	**34.2**	**-**	**50.4**	**0.138**
Commodity hedging[10]	**8.4**	**8.4**	**-**	**8.4**	**8.4**	**-**	**5.5**	**0.015**
Non-recurring items[11]	**-**	**-**	**-**	**-**	**-**	**-**	**(73.3)**	**(0.201)**
Comparable	**(4,184.1)**	**2,326.1**	**(1,901.4)**	**424.7**	**784.7**	**(72.9)**	**277.4**	**0.761**

Group Financial Results	Full Year 2013							
	COGS[1]	Gross Profit[2]	Operating Expenses[3]	EBIT[4]	Adjusted EBITDA[5]	Finance Costs[6]	Net Profit[7]	EPS[8] (€)
Reported	(4,438.5)	2,435.5	(2,006.3)	373.7	756.1	(91.5)	221.2	0.608
Restructuring costs	-	-	-	55.5	41.8	-	42.7	0.118
Commodity hedging[10]	5.5	5.5	-	5.5	5.5	-	4.1	0.011
Non-recurring items[12]	-	-	19.2	19.2	19.2	8.1	25.1	0.069
Comparable	(4,433.0)	2,441.0	(1,987.1)	453.9	822.6	(83.4)	293.1	0.806

[1] *Reported COGS refers to cost of goods sold.*

[2] *Reported Gross Profit refers to gross profit.*

[3] *Reported Operating Expenses refers to operating expenses.*

[4] *Reported EBIT refers to operating profit.*

[5] *Adjusted EBITDA refers to operating profit before deductions for depreciation and impairment of property, plant and equipment (included both in cost of goods sold and in operating expenses), amortisation and impairment of intangible assets, employee share options and other non-cash items, if any (refer to 'Supplementary information' section).*

[6] *Reported Finance Costs refers to total net finance costs.*

[7] *Reported Net Profit refers to profit after tax attributable to owners of the parent.*

[8] *Reported EPS refers to basic earnings per share.*

[9] *Net profit includes also restructuring within joint ventures of €6.5 million.*

[10] *The Group has entered into certain commodity derivative transactions in order to mitigate its exposure to commodity price risk. Although these transactions are economic hedging activities that aim to manage our exposure to sugar and aluminium price volatility, they do not qualify for hedge accounting. The fair value gains and losses on the derivatives are immediately recognised in the income statement in the cost of goods sold line item. The Group's comparable results exclude the unrealised gains or losses resulting from the mark-to-market valuation of this hedging activity. These gains or losses will be reflected in the comparable results in the period when the underlying transactions will occur, to match the profit or loss impact of the underlying transactions.*

[11] *Non-recurring items refer to the gain included within our share of results of equity method investments from the sale of Zagorka by Brewmasters Holdings Ltd, subsidiary of Brewinvest S.A. joint venture with Heineken of €59.9 million and one-off credits to income tax of €13.4 million.*

[12] *Non-recurring items refer mainly to the transactions costs related to the re-domiciliation and the admission of the Group to listing on the premium segment of the London Stock Exchange. Further to that, non-recurring finance costs also relate to the tender offer for the €500 million bond matured in January 2014.*

Group Operational Review

In the fourth quarter, sharp depreciation of currencies in some of our biggest markets and the worsening macroeconomic outlook due to the decline in the oil price added to the challenges we faced this year. Our volume grew in the quarter and we are pleased to have delivered better than expected volume growth in all segments, owing to successful commercial activation. We also maintained good levels of profitability as a result of our ongoing actions to improve net sales revenue per case and the favourable input costs environment.

Our commercial strategy also enabled us to improve our position in many of our markets. We gained or maintained share in volume and value in 16 markets[1] in Sparkling beverages and 10 markets[1] in NARTD in the year. The biggest improvements were in Austria, Ireland, Romania, Russia and Serbia.

Volume performance

Volumes increased by just under 1% in the quarter, reducing the rate of decline for the year to 2.8%. The decline in our Established markets volumes decelerated to 2.8% in the quarter, bringing the full-year decline to 5.4%. The weakness seen in the first nine months in Italy, and to some extent in Switzerland, has continued, while volumes in Greece and Ireland showed improvement, mainly as a result of good performance in the water category. Volume returned to growth in the Developing markets in the quarter after nearly two years of decline. Volumes in this segment were up 1.4% in the quarter, helped by good Sparkling performance in Hungary and improving volumes in Poland, where we have started cycling the early stages of our value-accretive volume strategy. Developing markets closed the year with an overall 6.0% decline. Quarterly performance in Emerging markets – up 2.8% - was the result of good performances in Nigeria, and Russia, the latter also benefiting from Juice outperformance, partly driven by increased Moya Semya distribution. Romania on the other hand, continues to be impacted by a declining market. Buoyed by the positive developments in the last quarter, Emerging markets volumes were stable overall in the year, despite the worsening macroeconomic conditions in a number of countries in the segment.

Category performance

Sparkling beverages volumes were stable on a strong quarter in the prior year, supported by good contributions from Nigeria, Russia, Poland and Hungary, which helped offset the poor performance in Italy, Romania and Switzerland. Within the category, Trademark Coca-Cola was stable, supported by 8.4% growth in Coke Zero, which continued to outperform the sparkling category. Fanta volumes were up by 4.7%, while Sprite declined by 2.4%. The full-year decline for Sparkling beverages was 3.3%.

Juice accelerated its growth trend in the quarter. Increased distribution of our newly listed Moya Semya juice brand in Russia and continued growth of Cappy Pulpy benefitted the category, which grew by 10.2% in the quarter and 5.4% in the full year. Fourth quarter volumes were up 0.9% in Water, helped by positive contributions from Greece, Austria and Poland, although with continued SKU rationalisation in some of our big countries, Water volumes contracted in the full year. Energy increased marginally in the quarter, driven by strong performance in Established markets, offsetting the weakness in Developing markets. Ready-to-Drink Tea performance was weak across the board, with volumes declining by 2.7% in the quarter.

Package mix improved by 0.2 percentage points in the quarter as a result of the volume of beverages sold in single-serve packages increasing by 1.3%, while multi-serve packages increased by 0.5%. This is the seventh quarter of improvement in package mix, with the biggest contributions coming from Water and Sparkling single-serve packages. All segments achieved better package mix in the year, and share of single-serve beverages has now reached 43% for Sparkling and 40% for the portfolio overall.

We distribute certain premium spirits brands in twelve of our markets. Our primary brand partners are Brown Forman Corporation and The Edrington Group. Our Premium Spirits business typically grows at higher rates than our non-alcoholic beverage portfolio and generated revenues of €198.9 million in 2014. This business helps us to accelerate the growth of our single-serve NARTD business by strengthening our customer relationships and by allowing us to better address important adult consumption occasions through mixing promotions.

[1] *Nielsen December data based on 24 measured markets in Sparkling beverages and 21 measured markets in NARTD ; NARTD: non-alcoholic ready-to-drink*

Group Operational Review (continued)

Key financials

A 2.0% increase in currency-neutral net sales revenue per case marked the 14th consecutive quarter of growth.

Net sales revenue declined by 4.1% in the quarter and 5.3% in the full year, ending the year at €6.5 billion. The significant foreign currency translation impact and the volume shortfall were only partly offset by the revenue growth initiatives including pricing taken during the year.

As oil prices hit new lows in the fourth quarter, our business benefited from lower PET resin costs. The result was a 7% decline in currency-neutral input cost per case in the quarter, reflected in all three market segments. Overall in the year, currency-neutral input cost per case declined by just under 5%.

We achieved further savings in operating costs in the quarter; however the impact of increased marketing investment in some of our countries and certain one-off items resulted in a 75 basis point deterioration in operating expense as a percentage of net sales revenue. In the full year, operating expense as a percentage of net sales revenue deteriorated by 30 basis points.

We delivered comparable EBIT amounting to €56.9 million in the quarter, translating to a 50 basis point contraction in EBIT margin. EBIT growth in Established and Developing markets only partly offset the decline in Emerging markets. Comparable EBIT for the full year was €424.7 million, compared to €453.9 million in 2013, and EBIT margin remained broadly stable on a year-on-year basis. Positive pricing and favourable input costs were not enough to offset the adverse impact of currency movements, which reached €100 million in the full year, volume decline and the concentrate cost increase.

We incurred €31.2 million in pre-tax restructuring charges in the quarter. For the full year pre-tax restructuring costs amounted to €61.7 million, the majority of which was due to planned restructuring actions in the Established segment. We continue to execute on our restructuring plans ultimately creating a more agile and efficient organisation.

As announced during our third quarter results, we sold to Heineken our interest in the Bulgarian brewery Zagorka A.D. Zagorka was a non-core investment, managed separately from our NARTD business in Bulgaria, and was accounted for on an equity accounting basis. The gain was treated as a non-recurring item and not included in our comparable financial indicators.

We generated free cash flow of €332.7 million in the full year which was €80.0 million lower than in the prior year. The key driver for the deterioration was the slowing pace of improvement in working capital. This follows five years of steady improvement in this key performance measure and reflects the reduced scope for further significant change. Working capital fundamentals remain intact as both the balance sheet working capital position at the end of December 2014 and the working capital days improved compared to the prior year.

At €277.4 million, comparable net profit for the year was 5.4% lower compared to the prior year. Comparable earnings per share were 0.761 Euros.

In line with our progressive dividend policy, the Board of Directors proposes a full-year dividend of 0.36 Euros per share. The dividend payment will be subject, among other things, to shareholders' approval at our 2015 annual general meeting.

Operational Review by Reporting Segment

Established markets

	Q4 2014	Q4 2013	Change	**Full Year 2014**	Full Year 2013	Change
Volume (m unit cases)	**142.1**	146.2	-2.8%	**615.2**	650.6	-5.4%
Net sales revenue (€ m)	**560.5**	554.6	1.1%	**2,448.9**	2,539.6	-3.6%
Net Sales Revenue per Unit Case (€)	**3.94**	3.79	4.0%	**3.98**	3.90	2.1%
Currency Neutral Net Sales Revenue per Unit Case (€)	**3.94**	3.82	3.1%	**3.98**	3.92	1.5%
Operating profit / (loss) (EBIT in € m)	**13.5**	(16.8)	n/a	**123.7**	88.6	39.6%
Comparable operating profit (Comparable EBIT in € m)	**17.0**	13.7	24.1%	**146.7**	149.6	-1.9%
Comparable EBIT margin (%)	**3.0**	2.5	50bps	**6.0**	5.9	10bps

- Unit case volume decline in our Established markets segment was 2.8% in the fourth quarter, bringing the full-year decline to 5.4%. This follows a stable performance and a 4.2% decline in the respective prior-year periods. Volume grew in the majority of our countries in the segment, supported by good performance in Water, although this was outweighed by declines in Italy and Switzerland.
- Net sales revenue grew by 1.1% in the quarter. The volume shortfall and negative category mix were more than offset by the benefits of favourable price and package mix, as well as the positive currency impact. Growth in currency-neutral revenue per case accelerated, rising by 3.1% in the quarter and by 1.5% in the full year.
- Volume decline in Italy moderated to high single digits in the fourth quarter, cycling a low single-digit decline in the prior-year period and resulting in a 10% decline in the full year. The underlying trading environment remains challenging with unemployment at near record high levels of 13% and disposable income still under pressure. At the same time, we continue to see volume impact on our business from tighter liquidity in the trade. As a result, volume pressure was evident across all brands and categories, with only Coke Zero and Energy registering positive performances. Single-serve contribution increased in the quarter, driven by Water packages.
- Volume in Greece maintained the positive momentum and increased by low single digits in the fourth quarter, cycling a low single-digit decline in the prior-year quarter. Volume in the full year grew by 2%, leading to the first annual volume growth since 2008, with Water being the key growth driver in the country. Coke Zero grew by 7% in the quarter, and Energy continues to build its base growing by 8%. Looking ahead, whilst we are pleased to see improving volume trends in Greece, we remain cautious. The macroeconomic environment remains fragile and contingent on political developments. Trading conditions are still challenging; and unemployment remains at near historic highs of 26%.
- Volume in Switzerland declined by mid single digits in the fourth quarter and by 7% in the full year, cycling a low single-digit increase in both respective prior-year periods. Water recovered in the quarter growing by 2%, helped by strong performance in single-serve packs and increased distribution, although this was not enough to offset the Sparkling volume decline. Overall, despite Sparkling being the main underperformer in the full year, we gained volume share in the category. Package mix improved in both the sparkling and water categories for both periods.

Operational Review by Reporting Segment (continued)

Established markets

- Volume trends in Ireland remained volatile, with volume increasing by low single digits in the quarter, cycling a mid single-digit increase in the prior-year quarter. Volume was stable in the full year. In the quarter volume grew in all key categories, with the exception of Juice which is cycling a 24% increase in the prior-year quarter. Within the sparkling category, Coke Zero and Sprite maintained their double-digit growth momentum, while Water growth accelerated. Package mix improved in the quarter driven by good performance of single-serve multi-packs in Sparkling.
- Comparable operating profit in the Established markets segment improved by 24.1% to €17.0 million in the fourth quarter. In the quarter, benefits from our revenue growth management, optimisation initiatives supported by restructuring, as well as lower input costs more than offset the impact of lower volume and the concentrate cost increase. Comparable operating profit in the full year was €146.7 million, which is €2.9 million lower than in the prior year. The negative volume impact and concentrate cost increase, offset the benefit from revenue growth management initiatives including pricing, lower input costs and benefits from restructuring and lower operating expenses.

Operational Review by Reporting Segment (continued)

Developing markets

	Q4 2014	Q4 2013	Change	**Full Year 2014**	Full Year 2013	Change
Volume (m unit cases)	**87.8**	86.6	1.4%	**358.3**	381.0	-6.0%
Net sales revenue (€ m)	**246.2**	246.7	-0.2%	**1,054.1**	1,105.6	-4.7%
Net Sales Revenue per Unit Case (€)	**2.80**	2.85	-1.8%	**2.94**	2.90	1.4%
Currency Neutral Net Sales Revenue per Unit Case (€)	**2.80**	2.79	0.4%	**2.94**	2.86	2.8%
Operating (loss) / profit (EBIT in € m)	**(3.1)**	(1.5)	>100%	**52.0**	36.6	42.1%
Comparable operating profit (Comparable EBIT in € m)	**2.8**	0.2	>100%	**57.9**	41.6	39.2%
Comparable EBIT margin (%)	**1.1**	0.1	100bps	**5.5**	3.8	170bps

- Unit case volume in our Developing markets segment returned to growth in the fourth quarter, increasing by 1.4%. This was outweighed by declines in the previous three quarters, resulting in a 6.0% decline in the full year. This follows declines of 5.1% and 3.2% in the respective prior-year periods. Volume performance in the segment was driven by Trademark Coke in Poland, Hungary and the Czech Republic.
- Net sales revenue was broadly stable in the quarter. Benefits of improved volume, category and price mix were offset by unfavourable channel mix and negative currency impact. On a currency-neutral basis, net sales revenue per unit case increased by 0.4% in the fourth quarter and 2.8% in the full-year period.
- In Poland, volume increased by mid single digits in the fourth quarter while it declined by 7% in the full-year period. This follows a high single-digit decline and a 3% decline in the respective prior-year periods. Volume in the quarter increased across all categories with the exception of Juice, while Sparkling beverages grew by mid single digits, driven by good results in the organised trade. Still beverages posted a mid single-digit increase driven by fragmented trade performance. Package mix deteriorated by 1.1 percentage points in the quarter, driven by the strong performance of Sparkling multi-serve packages in the discounters channel.
- Volume in Hungary increased by low single digits in the quarter, cycling a low single-digit decline in the prior-year period. For the full-year period volume declined by 1%, cycling a 6% decline in the prior year. Sparkling beverages increased by high single digits, with positive performance across almost all categories and continued strong double-digit growth in Coca-Cola Zero. Volume in Energy maintained the positive trend and grew by high teens, cycling very strong growth in the prior-year period and reflecting the solid performance of our new product and flavour launches. Juice volumes were stable, helped by the growth of Cappy Pulpy. In line with our focus to increase single-serve contribution, package mix improved by 1.7 percentage points in the quarter, driven by increased volume of single-serve packages in the sparkling beverages category.
- In the Czech Republic volume was stable in the quarter, bringing the full-year rate of decline to 11%. In a year shaped by our strategic decision to focus on value-accretive volume, the strong performance in Trademark Coke in the fourth quarter boosted volumes to some degree. Sparkling increased by low single digits, while Water recorded a mid single-digit decline due to lower promotional activity. Package mix improved by 0.4 percentage points in the quarter, driven by the increased contribution of single-serve packages in the sparkling beverages category.

Operational Review by Reporting Segment (continued)

Developing markets

- Developing markets posted a €2.6 million increase in comparable operating profit to €2.8 million in the fourth quarter. Favourable price/mix, lower input costs and improved volume more than offset the impact of higher concentrate costs and marketing expenses, and the negative impact of foreign exchange movements. In the full year, comparable operating profit increased by €16.3 million to €57.9 million, as improved price mix, lower input costs and lower operating expenses, more than offset the negative effect of lower volume, concentrate price increase and adverse foreign exchange movements.

Operational Review by Reporting Segment (continued)

Emerging markets

	Q4 2014	Q4 2013	Change	Full Year 2014	Full Year 2013	Change
Volume (m unit cases)	**255.2**	248.3	2.8%	**1,029.4**	1,028.9	-
Net sales revenue (€ m)	**703.3**	773.3	-9.1%	**3,007.2**	3,228.8	-6.9%
Net Sales Revenue per Unit Case (€)	**2.76**	3.11	-11.3%	**2.92**	3.14	-7.0%
Currency Neutral Net Sales Revenue per Unit Case (€)	**2.76**	2.68	3.0%	**2.92**	2.82	3.5%
Operating profit (EBIT in € m)	**6.8**	52.4	-87.0%	**185.4**	248.5	-25.4%
Comparable operating profit (Comparable EBIT in € m)	**37.1**	54.4	-31.8%	**220.1**	262.7	-16.2%
Comparable EBIT margin (%)	**5.3**	7.0	-170bps	**7.3**	8.1	-80bps

- Unit case volume in our Emerging markets segment grew by 2.8% in the fourth quarter, resulting in stable performance for the full year. This follows increases of 3.6% and 1.7% respectively in the prior-year periods. Volume performance in the quarter was driven by sustained growth momentum in Nigeria, combined with a sequential improvement in Russia and positive performance from Ukraine, which more than offset the weak volumes in Romania.
- Net sales revenue declined by 9.1% in the fourth quarter and 6.9% in the full year. Benefits of improved volume, positive pricing and category mix in the quarter only partly compensated for the substantial negative impact from currency movements and negative channel mix. Currency-neutral revenue per case grew by 3.0% in the quarter, sustaining the good performance seen in the first nine months of the year, while for the full-year currency-neutral revenue per case grew by 3.5%.
- Volume in Russia resumed the growth momentum and increased by mid single digits in the fourth quarter, following a high single-digit increase in the prior-year period. Volume for the full year increased by 1%, following a 5% increase in the prior-year period. Performance was positive despite the continued adverse geopolitical developments and general macroeconomic trends which had a negative effect on disposable income. Sparkling increased by 3% and Trademark Coca-Cola by 7%, supported by improved volume in the organised trade and successful trade activations. Positive performance from Sparkling was augmented by impressive growth in the juice category. Juice volumes grew by high teens in the quarter, supported by high single-digit volume growth in our mainstream brand Dobry and the inclusion of the Moya Semya brand in the portfolio. In the full year, we expanded our volume and value share in Juice.
- In Nigeria, we maintained the volume growth momentum seen in the previous quarter, delivering high single-digit growth in the fourth quarter despite cycling a high single-digit growth rate. In the full year, volume increased by 4%. Strong execution helped Sparkling and Trademark Coke grow by 9% and 8% respectively in the quarter. The juice category also continued to grow. Nigeria remains a key growth driver for the Group, although the recent significant decline in oil prices and the consequent currency depreciation, coupled with the elections in March and April, may impact macroeconomic trends as the year progresses.
- Volume in Romania maintained the negative trend and recorded a high single-digit decline in the fourth quarter, following a low single-digit decline in the prior-year period. As a result, in the full year Romania volumes declined by mid single digits. In what remains a highly competitive environment, Sparkling declined by 7%, as higher volume in Sprite and Coca-Cola Zero did not fully offset the negative performance of Brand Coca-Cola. Juice continued its solid growth and delivered a high single-digit increase, driven by Cappy Pulpy. Package mix improved for yet another quarter driven by low single-digit growth in the single serve packages in both water and sparkling.

Operational Review by Reporting Segment (continued)

Emerging markets

- Ukraine delivered mid single-digit volume growth in the fourth quarter, following a high single-digit decline in the prior-year quarter. This resulted in a 4% decline in the full year, following a low double-digit decline in the prior year. The overall environment remains very difficult, severely impacting consumer demand and in some cases product distribution. Against this backdrop, we have intensified our promotional activities, while adjusting our route-to-market and consistently focusing on strong execution, leading to 3% growth in Sparkling beverages in the fourth quarter. Overall, we gained volume and value share in Sparkling beverages.
- Our Emerging markets segment posted a €17.3 million deterioration in comparable EBIT in the fourth quarter to €37.1 million. In the fourth quarter, price/mix improvements, higher volume and lower input costs were more than offset by the significant negative currency impact, higher concentrate costs and operating expenses. As a result, in the full year, comparable operating profit reached €220.1 million. This was €42.6 million below the prior year, as the benefits from positive price/mix and favourable input costs were more than offset by the negative impact of foreign exchange movements, higher concentrate costs and operating expenses.

Business Outlook

The volatile environment seen in 2014 has continued into 2015, creating varying dynamics in the business. We are encouraged by the macroeconomic outlook in our Established and Developing markets, which are expected to benefit to some degree from quantitative easing in the Eurozone and the lower oil price. We expect volumes to stabilise in these markets, supporting operational leverage and enhancing country mix. In the Emerging markets, Russia and Ukraine are expected to continue to face continued difficult trading conditions, whereas our business in Nigeria has all the right ingredients for further growth.

The initiatives we put in place in 2014 to improve revenue ahead of volume delivered the expected positive results. We will continue to utilise similar OBPPC initiatives to achieve higher FX-neutral net sales revenue per case through better mix. We also plan on taking additional pricing in markets impacted by foreign currency depreciation. The pricing we took in 2014 to compensate for the increased concentrate cost will not need to be repeated this year.

The magnitude of the currency headwinds that the business may face in the year are difficult to quantify due to continued volatility in a number of our Emerging markets. Therefore, our plans for the year are also focused on the factors that can mitigate the potential impact of currency movements. These factors can be grouped under three areas. Firstly, we are prepared to take price increases to offset currency depreciation and accompanying inflation in the relevant countries. Secondly, in the light of lower sugar and PET resin costs, we expect to achieve a high single-digit percentage decrease in full-year currency-neutral input cost per case year on year. It is important to note that raw material costs are expected to partially offset incremental currency headwinds due to the correlation between currencies, oil prices and PET resin costs. Where necessary we will deploy self-help measures to ensure that the operating costs are in line with the realities of the business. Finally, the operational leverage from the expected recovery in volumes from -2.8% seen in 2014 and positive country mix should help alleviate the impact of currencies.

Operating expense management will continue to be a key element of our plans for the year. Further action in 2015 should support our EBIT margin, assuming that volumes progress as expected in the year.

We manage our business for the long term. We are confident that we have the right strategy in place to grow in a sustainable and profitable way. Our product portfolio contains some of the world's best known and loved brands and we operate across 28 countries, largely characterised by low per capita consumption of our products, giving us excellent growth opportunities.

Technical guidance

We continue to implement initiatives that further improve operational efficiencies, including SAP Wave 2 exploitation, expansion of the scope of our shared services centre, route-to-market optimisation and other restructuring initiatives. For 2015, we have identified restructuring initiatives of approximately €45 million. We expect these initiatives to yield €30 million in annualised benefits from 2016 onwards, while the initiatives already taken in 2014 and those that we will take in 2015 are expected to yield €44 million of total benefits in 2015.

Considering the dynamics of the evolving mix of profitability in our country portfolio, we continue to expect our comparable effective tax rate to range between 24% and 26%.

The emphasis on free cash flow generation and tight working capital management delivered good results in 2014, and we believe we can make further progress in 2015 on both fronts. However, due to the adverse impact of currency depreciation on cash in 2014 and 2015, we are changing our target for free cash flow to €1.1-1.2 billion during the three-year period between 1 January 2013 and 31 December 2015.

Annual capital expenditure over the medium term is still expected to range between 5.5% and 6.5% of net sales revenue, reflecting our commitment to invest in the long-term development of our business.

Following the recent guidance from the Financial Reporting Council and Coca-Cola HBC's de-listing from the New York Stock Exchange and de-registration from the Securities and Exchange Commission, we have taken the decision to discontinue our practice of quarterly reporting. In line with UK practice, we will adopt half-year and full-year reports, and Q1 and Q3 trading updates effective from Q1 2015.

Group Financial Review

Selected income statement and other items	Fourth Quarter		
	2014 € million	2013 € million	% Change
Volume (m unit cases)	**485.1**	481.1	0.8%
Net sales revenue	**1,510.0**	1,574.6	-4.1%
Net Sales Revenue per Unit Case (€)	**3.11**	3.27	-4.9%
Currency Neutral Net Sales Revenue per Unit Case (€)	**3.11**	3.05	2.0%
Cost of goods sold	**(1,007.0)**	(1,040.3)	-3.2%
Comparable cost of goods sold[1]	**(992.0)**	(1,037.3)	-4.4%
Gross profit	**503.0**	534.3	-5.9%
Comparable gross profit[1]	**518.0**	537.3	-3.6%
Operating expenses	**(461.1)**	(469.0)	-1.7%
Comparable operating expenses[1]	**(461.1)**	(469.0)	-1.7%
Operating profit (EBIT)	**17.2**	34.1	-49.6%
Comparable operating profit (EBIT)[1]	**56.9**	68.3	-16.7%
Adjusted EBITDA[2]	**129.4**	132.4	-2.3%
Comparable adjusted EBITDA[1]	**148.8**	158.3	-6.0%
Total net finance costs	**(18.4)**	(23.5)	-21.7%
Comparable total net finance costs[1]	**(18.4)**	(23.5)	-21.7%
Tax	**14.5**	(2.7)	n/a
Profit after tax attributable to owners of the parent	**66.5**	8.4	>100%
Comparable profit after tax attributable to owners of the parent[1]	**30.4**	34.3	-11.4%
Basic earnings per share (€)	**0.182**	0.023	>100%
Comparable basic earnings per share (€)[1]	**0.083**	0.094	-11.7%
Net cash from operating activities[2]	**113.7**	182.4	-37.7%
Capital expenditure[2]	**(125.7)**	(114.8)	9.5%
Free cash flow[2]	**(12.0)**	67.6	n/a

Selected income statement and other items	Full Year		
	2014 € million	2013 € million	% Change
Volume (m unit cases)	**2,002.9**	2,060.5	-2.8%
Net sales revenue	**6,510.2**	6,874.0	-5.3%
Net Sales Revenue per Unit Case (€)	**3.25**	3.34	-2.7%
Currency Neutral Net Sales Revenue per Unit Case (€)	**3.25**	3.17	2.5%
Cost of goods sold	**(4,192.5)**	(4,438.5)	-5.5%
Comparable cost of goods sold[1]	**(4,184.1)**	(4,433.0)	-5.6%
Gross profit	**2,317.7**	2,435.5	-4.8%
Comparable gross profit[1]	**2,326.1**	2,441.0	-4.7%
Operating expenses	**(1,901.4)**	(2,006.3)	-5.2%
Comparable operating expenses[1]	**(1,901.4)**	(1,987.1)	-4.3%
Operating profit (EBIT)	**361.1**	373.7	-3.4%
Comparable operating profit (EBIT)[1]	**424.7**	453.9	-6.4%
Adjusted EBITDA[2]	**742.1**	756.1	-1.9%
Comparable adjusted EBITDA[1]	**784.7**	822.6	-4.6%
Total net finance costs	**(72.9)**	(91.5)	-20.3%
Comparable total net finance costs[1]	**(72.9)**	(83.4)	-12.6%
Tax	**(57.8)**	(72.9)	-20.7%
Profit after tax attributable to owners of the parent	**294.8**	221.2	33.3%
Comparable profit after tax attributable to owners of the parent[1]	**277.4**	293.1	-5.4%
Basic earnings per share (€)	**0.809**	0.608	33.1%
Comparable basic earnings per share (€)[1]	**0.761**	0.806	-5.6%
Net cash from operating activities[2]	**686.3**	784.9	-12.6%
Capital expenditure[2]	**(353.6)**	(372.2)	-5.0%
Free cash flow[2]	**332.7**	412.7	-19.4%

1 *Refer to the 'Reconciliation of Reported to Comparable Financial Indicators' section.*

2 *Refer to 'Supplementary Information' section.*

Group Financial Review (continued)

Net sales revenue

Net sales revenue per unit case decreased by 5% during the fourth quarter and by 3% during the full year of 2014, compared to the respective prior year periods, on a reported basis. On a currency neutral basis, net sales revenue per unit case increased by 2% during the fourth quarter and by 3% in the full year of 2014 compared to the respective prior year periods.

Cost of goods sold

Comparable cost of goods sold decreased by 4% in the fourth quarter and by 6% for the full year of 2014, compared to the respective prior year periods, as the input cost environment continued to be favourable.

Gross profit

Comparable gross profit margin increased slightly from 34.1% in the fourth quarter of 2013 to 34.3% in the fourth quarter of 2014 and from 35.5% in 2013 to 35.7% in the full year of 2014.

Operating expenses

Comparable operating expenses decreased by 2% during the fourth quarter and by 4% during the full year of 2014 versus the respective prior year periods, mainly reflecting the benefits of our restructuring initiatives. For the full year of 2014, the decrease is more evident in the warehousing and distribution areas as well as in the marketing expenses.

Operating profit

Comparable operating profit decreased by 17% in the fourth quarter of 2014 as the benefits from our revenue growth initiatives, the favourable input costs and the positive volume impact were not enough to offset the higher foreign currency impact and concentrate costs. For the full year of 2014, comparable operating profit decreased by 6% as the benefit from our revenue growth initiatives and the favourable input costs were more than offset by the negative impact of the volume shortfall, the higher concentrate costs and the significant adverse foreign currency movements.

Total net finance costs

Comparable total net finance costs decreased by €5.1 million during the fourth quarter and by €10.5 million during the full year of 2014, compared to the respective prior year periods.

Tax

On a comparable basis, Coca-Cola HBC's effective tax rate was approximately 23% for both 2014 and 2013. The Group's effective tax rate varies quarterly depending on the mix of taxable profits by territory, the non-deductibility of certain expenses, non-taxable income and other one-off tax items across its territories.

Profit after tax attributable to owners of the parent

On a comparable basis, profit after tax attributable to owners of the parent decreased by 11% for the fourth quarter of 2014 and 5% during the full year of 2014 compared to the respective prior year period, mainly driven by lower operating profitability.

Net cash from operating activities

Net cash from operating activities decreased by 38% in the fourth quarter of 2014 compared to the respective prior year period, mainly reflecting the decreased operating profitability and the lower pace of improvement in working capital compared to the respective prior year. For the full year of 2014, net cash flow from operating activities decreased by 13% compared to the respective prior year, mainly on the back of the lower pace of improvement in working capital compared to the respective prior year.

Group Financial Review (continued)

Net cash from operating activities (continued)

For the full year of 2014, cash flow from operating activities net of capital expenditure decreased by 19% versus the previous year, mainly on the back of the decreased cash from operating activities which was partially counterbalanced by decreased capital expenditure.

Capital expenditure

Capital expenditure, net of receipts from the disposal of assets and including principal repayments of finance lease obligations, increased by 9% in the fourth quarter of 2014 and decreased by 5% in the full year, compared with the respective prior year periods. In the full year of 2014, capital expenditure amounted to €353.6 million of which 51% was related to investment in production equipment and facilities and 25% to the acquisition of marketing equipment. In 2013, capital expenditure amounted to €372.2 million of which 48% was related to investment in production equipment and facilities and 20% to the acquisition of marketing equipment.

Supplementary Information

The financial measures Adjusted EBITDA, Capital Expenditure and Free Cash Flow consist of the following reported amounts in the condensed consolidated financial statements:

	Fourth quarter	
	2014	**2013**
	€ million	**€ million**
Profit after tax	**66.0**	8.4
Tax (credited) / charged to the income statement	**(14.5)**	2.7
Total finance costs, net	**18.4**	23.5
Share of results of equity method investments	**(52.7)**	(0.5)
Operating profit (EBIT)	**17.2**	**34.1**
Depreciation and impairment of property, plant and equipment	**110.2**	96.0
Amortisation of intangible assets	**0.1**	0.1
Employee share options	**2.7**	2.2
Other non-cash items	**(0.8)**	-
Adjusted EBITDA[1]	**129.4**	**132.4**
Losses / (gains) on disposal of non-current assets	**0.2**	(9.3)
Decrease in working capital	**7.1**	75.7
Tax paid	**(23.0)**	(16.4)
Net cash from operating activities	**113.7**	**182.4**
Payments for purchases of property, plant and equipment	**(136.3)**	(127.1)
Principal repayments of finance lease obligations	**(4.4)**	(3.8)
Proceeds from sale of property, plant and equipment	**15.0**	16.1
Capital expenditure	**(125.7)**	**(114.8)**
Net cash from operating activities	**113.7**	182.4
Capital expenditure	**(125.7)**	(114.8)
Free cash flow	**(12.0)**	**67.6**

	Full Year	
	2014	**2013**
	€ million	**€ million**
Profit after tax	**294.2**	221.2
Tax charged to the income statement	**57.8**	72.9
Total finance costs, net	**72.9**	91.5
Share of results of equity method investments	**(63.8)**	(11.9)
Operating profit (EBIT)	**361.1**	**373.7**
Depreciation and impairment of property, plant and equipment	**368.8**	375.1
Amortisation of intangible assets	**0.4**	1.0
Employee share options	**12.1**	6.3
Other non-cash items	**(0.3)**	-
Adjusted EBITDA[1]	**742.1**	**756.1**
Gains on disposal of non-current assets	**(1.8)**	(13.6)
Decrease in working capital	**15.0**	98.5
Tax paid	**(69.0)**	(56.1)
Net cash from operating activities	**686.3**	**784.9**
Payments for purchases of property, plant and equipment	**(362.6)**	(380.2)
Principal repayments of finance lease obligations	**(14.0)**	(16.5)
Proceeds from sale of property, plant and equipment	**23.0**	24.5
Capital expenditure	**(353.6)**	**(372.2)**
Net cash from operating activities	**686.3**	784.9
Capital expenditure	**(353.6)**	(372.2)
Free cash flow	**332.7**	**412.7**

[1] *Adjusted EBITDA refers to operating profit before deductions for depreciation and impairment of property, plant and equipment (included both in cost of goods sold and in operating expenses), amortisation and impairment of intangible assets, employee share options and other non-cash items, if any.*

Supplementary Information (continued)

The volume, net sales revenue and net sales revenues per unit case on a reported and currency neutral base, are provided for NARTD and premium spirits, as set out below:

	Q4		%	Full Year		%
NARTD	**2014**	**2013**	**change**	**2014**	**2013**	**change**
Volume (m unit cases) [1]	484.1	480.3	0.8%	2,000.3	2,058.6	-2.8%
Net Sales Revenues (€ m)	1,435.8	1,497.1	-4.1%	6,311.3	6,692.1	-5.7%
Net Sales Revenue per Unit Case (€)	2.97	3.12	-4.8%	3.16	3.25	-2.8%
Currency Neutral Net Sales Revenue per Unit Case (€)	2.97	2.93	1.4%	3.16	3.10	1.9%

	Q4		%	Full Year		%
Premium Spirits	**2014**	**2013**	**change**	**2014**	**2013**	**change**
Volume (m unit cases)[1]	0.985	0.820	20.1%	2.553	1.946	31.1%
Net Sales Revenues (€ m)	74.2	77.5	-4.3%	198.9	181.9	9.4%
Net Sales Revenue per Unit Case (€)	75.30	94.55	-20.4%	77.91	93.49	-16.7%
Currency Neutral Net Sales Revenue per Unit Case (€)	75.30	74.21	1.5%	77.91	81.77	-4.7%

	Q4		%	Full Year		%
Total	**2014**	**2013**	**change**	**2014**	**2013**	**change**
Volume (m unit cases) [1]	485.1	481.1	0.8%	2,002.9	2,060.5	-2.8%
Net Sales Revenues (€ m)	1,510.0	1,574.6	-4.1%	6,510.2	6,874.0	-5.3%
Net Sales Revenue per Unit Case (€)	3.11	3.27	-4.9%	3.25	3.34	-2.7%
Currency Neutral Net Sales Revenue per Unit Case (€)	3.11	3.05	2.0%	3.25	3.17	2.5%

[1] For NARTD volume, one unit case corresponds to approximately 5.678 litres or 24 servings, being a typically used measure of volume. For premium spirits volume, one unit case also corresponds to 5.678 litres.

Coca-Cola HBC Group

Coca-Cola HBC is the second-largest bottler of the brands of The Coca-Cola Company in terms of volume with sales of more than 2 billion unit cases. It has a broad geographic footprint with operations in 28 countries serving a population of approximately 585 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 has a premium listing on the London Stock Exchange (LSE: CCH) and its shares are listed on the Athens Exchange (ATHEX: EEE). Coca-Cola HBC is included in the Dow Jones Sustainability and FTSE4Good Indexes. For more information, please visit http://www.coca-colahellenic.com.

Financial information in this announcement is presented on the basis of International Financial Reporting Standards ('IFRS').

Conference call

Coca-Cola HBC will host a conference call for financial analysts and investors to discuss the fourth quarter and 2014 financial results on 18 February 2015 at 10:30 am, Swiss time (9:30 am London, 11:30 am Athens, and 4:30 am New York time). Interested parties can access the live, audio webcast of the call through
Coca-Cola HBC's website (www.coca-colahellenic.com/investorrelations/webcasts).

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Condensed consolidated balance sheet (unaudited)

	Note	As at 31 December 2014 € million	As at 31 December 2013 € million
Assets			
Intangible assets	4	**1,884.8**	1,921.3
Property, plant and equipment	4	**2,624.1**	2,901.9
Other non-current assets		**308.0**	300.0
Total non-current assets		**4,816.9**	**5,123.2**
Inventories		**414.2**	429.0
Trade and other receivables		**1,011.6**	985.1
Cash and cash equivalents	5	**636.3**	737.5
Total current assets		**2,062.1**	2,151.6
Total assets		**6,879.0**	**7,274.8**
Liabilities			
Short-term borrowings	5	**548.6**	446.2
Other current liabilities		**1,647.3**	1,619.9
Total current liabilities		**2,195.9**	**2,066.1**
Long-term borrowings	5	**1,556.3**	1,853.6
Other non-current liabilities		**335.7**	387.8
Total non-current liabilities		**1,892.0**	**2,241.4**
Total liabilities		**4,087.9**	**4,307.5**
Equity			
Owners of the parent		**2,787.0**	2,962.2
Non-controlling interests		**4.1**	5.1
Total equity		**2,791.1**	**2,967.3**
Total equity and liabilities		**6,879.0**	**7,274.8**

The accompanying notes form an integral part of these condensed consolidated financial statements

Condensed consolidated income statement (unaudited)

	Note	Three months to 31 December 2014 € million	Three months to 31 December 2013 € million
Net sales revenue	3	**1,510.0**	1,574.6
Cost of goods sold		**(1,007.0)**	(1,040.3)
Gross profit		**503.0**	**534.3**
Operating expenses		**(461.1)**	(469.0)
Restructuring costs	7	**(24.7)**	(31.2)
Operating profit	3	**17.2**	**34.1**
Total finance costs, net	8	**(18.4)**	(23.5)
Share of results of equity method investments	9	**52.7**	0.5
Profit before tax		**51.5**	**11.1**
Tax	10	**14.5**	(2.7)
Profit after tax		**66.0**	**8.4**
Attributable to:			
Owners of the parent		**66.5**	8.4
Non-controlling interests		**(0.5)**	-
		66.0	**8.4**
Basic and diluted earnings per share (€)	11	**0.182**	**0.023**

The accompanying notes form an integral part of these condensed consolidated financial statements

Condensed consolidated statement of comprehensive income (unaudited)

	Three months to 31 December 2014 € million	Three months to 31 December 2013 € million
Profit after tax for the period	**66.0**	**8.4**
Other comprehensive income:		
Items that may be subsequently reclassified to income statement:		
Available-for-sale financial assets:		
Valuation (losses)/ gains during the period	**(0.3)**	0.3
Cash flow hedges:		
Amounts of gains / (losses) during the period	**6.8**	(3.8)
Amounts of losses reclassified to profit and loss for the period	**1.5**	2.1
Transfers to inventory for the period	**(7.7)**	1.1
Foreign currency translation	**(245.4)**	(37.6)
Share of other comprehensive income of equity method investments	**(0.9)**	(0.3)
Income tax relating to items that may be subsequently reclassified to income statement	**(5.0)**	0.2
	(251.0)	**(38.0)**
Items that will not be subsequently reclassified to income statement:		
Actuarial losses	**(4.0)**	(14.6)
Income tax relating to components of other comprehensive income	**(0.3)**	3.1
	(4.3)	**(11.5)**
Other comprehensive income for the period, net of tax	**(255.3)**	**(49.5)**
Total comprehensive income for the period	**(189.3)**	**(41.1)**
Total comprehensive income attributable to:		
Owners of the parent	**(188.8)**	(41.1)
Non-controlling interests	**(0.5)**	-
	(189.3)	**(41.1)**

The accompanying notes form an integral part of these condensed consolidated financial statements

Condensed consolidated income statement (unaudited)

	Note	**Year ended 31 December 2014 € million**	Year ended 31 December 2013 € million
Net sales revenue	3	**6,510.2**	6,874.0
Cost of goods sold		**(4,192.5)**	(4,438.5)
Gross profit		**2,317.7**	**2,435.5**
Operating expenses		**(1,901.4)**	(2,006.3)
Restructuring costs	7	**(55.2)**	(55.5)
Operating profit	3	**361.1**	**373.7**
Total finance costs, net	8	**(72.9)**	(91.5)
Share of results of equity method investments	9	**63.8**	11.9
Profit before tax		**352.0**	**294.1**
Tax	10	**(57.8)**	(72.9)
Profit after tax		**294.2**	**221.2**
Attributable to:			
Owners of the parent		**294.8**	221.2
Non-controlling interests		**(0.6)**	-
		294.2	**221.2**
Basic earnings per share (€)	11	**0.809**	**0.608**
Diluted earnings per share (€)	11	**0.807**	**0.606**

The accompanying notes form an integral part of these condensed consolidated financial statements

Condensed consolidated statement of comprehensive income (unaudited)

	Year ended 31 December 2014 € million	Year ended 31 December 2013 € million
Profit after tax for the period	**294.2**	**221.2**
Other comprehensive income :		
Items that may be subsequently reclassified to income statement:		
Available-for-sale financial assets:		
Valuation (losses) / gains during the period	**(0.6)**	0.7
Cash flow hedges:		
Amounts of gains / (losses) during the period	**5.4**	(3.2)
Amounts of losses reclassified to profit and loss for the period	**7.4**	10.8
Transfers to inventory for the period	**(6.4)**	(2.5)
Foreign currency translation	**(322.0)**	(124.3)
Share of other comprehensive income of equity method investments	**-**	(0.9)
Income tax relating to items that may be subsequently reclassified to income statement	**(6.6)**	(0.2)
	(322.8)	**(119.6)**
Items that will not be subsequently reclassified to income statement:		
Actuarial (losses) / gains	**(38.7)**	11.4
Income tax relating to items that will not be subsequently reclassified to income statement	**6.6**	(1.4)
	(32.1)	**10.0**
Other comprehensive income for the period, net of tax	**(354.9)**	**(109.6)**
Total comprehensive income for the period	**(60.7)**	**111.6**
Total comprehensive income attributable to:		
Owners of the parent	**(60.1)**	111.6
Non-controlling interests	**(0.6)**	-
	(60.7)	**111.6**

The accompanying notes form an integral part of these condensed consolidated financial statements

Condensed consolidated statement of changes in equity (unaudited)

	Attributable to owners of the parent									
	Share capital[2] € million	Share Premium[2] € million	Group Reorganization reserve[2] € million	Treasury shares[2] € million	Exchange equalisation reserve € million	Other reserves € million	Retained earnings € million	**Total € million**	Non-controlling interests € million	**Total equity € million**
Balance as at 1 January 2013	**370.2**	**569.3**	**-**	**(54.3)**	**(168.1)**	**376.6**	**1,895.0**	**2,988.7**	**17.8**	**3,006.5**
Shares issued to employees exercising stock options	6.5	9.9	-	-	-	-	-	**16.4**	-	**16.4**
Share-based compensation:										
Options	-	-	-	-	-	6.3	-	**6.3**	-	**6.3**
Movement in treasury shares	-	-	-	-	-	(0.1)	-	**(0.1)**	-	**(0.1)**
Hyperinflation impact	-	-	-	-	-	-	1.8	**1.8**	-	**1.8**
Appropriation of reserves	-	-	-	-	-	(1.2)	1.2	**-**	-	**-**
Purchase of shares held by non-controlling interest	-	-	-	-	-	-	(5.1)	**(5.1)**	(8.2)	**(13.3)**
Change of parent company to Coca-Cola HBC AG	1,620.7	4,832.6	(6,472.1)	(16.4)	-	1.5	-	**(33.7)**	-	**(33.7)**
Dividends (note 14)	-	(124.7)	-	-	-	-	1.0	**(123.7)**	(4.5)	**(128.2)**
	1,997.4	**5,287.1**	**(6,472.1)**	**(70.7)**	**(168.1)**	**383.1**	**1,893.9**	**2,850.6**	**5.1**	**2,855.7**
Profit for the period net of tax	-	-	-	-	-	-	221.2	**221.2**	-	**221.2**
Other comprehensive income for the period, net of tax	-	-	-	-	(125.2)	5.6	10.0	**(109.6)**	-	**(109.6)**
Total comprehensive income for the period, net of tax[1]	-	-	-	-	(125.2)	5.6	231.2	**111.6**	-	**111.6**
Balance as at 31 December 2013	**1,997.4**	**5,287.1**	**(6,472.1)**	**(70.7)**	**(293.3)**	**388.7**	**2,125.1**	**2,962.2**	**5.1**	**2,967.3**

[1] *The amount included in the exchange equalisation reserve of €125.2 million loss for 2013 represents the exchange loss attributed to the owners of the parent of €124.3 million plus the share of equity method investments of €0.9 million loss.*

The amount included in other reserves of €5.6 million gain for 2013 consists of gains on valuation of available-for-sale financial assets of €0.7 million, cash flow hedges gain of €5.1 million (of which € 3.2 million represents revaluation losses for the period, €10.8 million represents revaluation losses reclassified to profit and loss for the period and €2.5 million represents revaluation gains reclassified to inventory for the period) and the deferred income tax loss of €0.2 million.

The amount of €231.2 million gain comprises a gain for the year of €221.2 million, plus actuarial gains of €11.4 million less deferred income tax charge of €1.4 million.

[2] *As these condensed consolidated financial statements are a continuation of the consolidated financial statements of Coca-Cola Hellenic Bottling Company S.A., for the period 1 January 2013 to 25 April 2013 these components of equity reflect the capital structure of Coca-Cola Hellenic Bottling Company S.A. and following the reorganisation reflect the capital structure of Coca-Cola HBC AG.*

The accompanying notes form an integral part of these condensed consolidated financial statements

Condensed consolidated statement of changes in equity (unaudited)

	Share Capital € million	Share Premium € million	Group Reorganization reserve € million	Treasury shares € million	Exchange equalisation reserve € million	Other reserves € million	Retained earnings € million	**Total € million**	Non-controlling interests € million	**Total equity € million**
	Attributable to owners of the parent									
Balance as at 1 January 2014	**1,997.4**	**5,287.1**	**(6,472.1)**	**(70.7)**	**(293.3)**	**388.7**	**2,125.1**	**2,962.2**	**5.1**	**2,967.3**
Shares issued to employees exercising stock options	0.7	0.7	-	-	-	-	-	**1.4**	-	**1.4**
Share-based compensation:										
Options	-	-	-	-	-	12.1	-	**12.1**	-	**12.1**
Movement in treasury shares	-	-	-	-	-	(2.3)	-	**(2.3)**	-	**(2.3)**
Hyperinflation impact	-	-	-	-	-	-	3.2	**3.2**	-	**3.2**
Share of other changes in equity of equity method investments	-	-	-	-	-	-	(0.5)	**(0.5)**	-	**(0.5)**
Appropriation/transfer of reserves	-	-	-	-	-	(138.0)	138.0	-	-	-
Dividends (note 14)	-	(130.2)	-	-	-	-	1.2	**(129.0)**	(0.4)	**(129.4)**
	1,998.1	**5,157.6**	**(6,472.1)**	**(70.7)**	**(293.3)**	**260.5**	**2,267.0**	**2,847.1**	**4.7**	**2,851.8**
Profit for the period net of tax	-	-	-	-	-	-	294.8	**294.8**	(0.6)	**294.2**
Other comprehensive income for the period, net of tax	-	-	-	-	(322.0)	(0.8)	(32.1)	**(354.9)**	-	**(354.9)**
Total comprehensive income for the period net of tax[3]	-	-	-	-	(322.0)	(0.8)	262.7	**(60.1)**	(0.6)	**(60.7)**
Balance as at 31 December 2014	**1,998.1**	**5,157.6**	**(6,472.1)**	**(70.7)**	**(615.3)**	**259.7**	**2,529.7**	**2,787.0**	**4.1**	**2,791.1**

[3] *The amount included in the exchange equalisation reserve of €322.0 million loss for 2014 represents the exchange loss attributed to the owners of the parent of €322.0 million.*

The amount included in other reserves of €0.8 million loss for 2014 consists of loss on valuation of available-for-sale financial assets of €0.6 million, cash flow hedges gains of €6.4 million (of which €5.4 million represents revaluation gain for the period, €7.4 million represents revaluation loss reclassified to profit and loss for the period and €6.4 million represents revaluation gain reclassified to inventory for the period) and the deferred income tax charge of €6.6 million.

The amount of €262.7 million gain comprises a gain for the period of €294.8 million plus actuarial loss of €38.7 million less deferred income tax credit of €6.6 million.

The amount of €0.6 million loss included in non-controlling interests for 2014 represents the share of non-controlling interests in retained earnings.

The accompanying notes form an integral part of these condensed consolidated financial statements

Condensed consolidated cash flow statement (unaudited)

	Note	Year ended 31 December 2014 € million	Year ended 31 December 2013 € million
Operating activities			
Profit after tax for the period		**294.2**	221.2
Total finance costs, net	8	**72.9**	91.5
Share of results of equity method investments		**(63.8)**	(11.9)
Tax charged to the income statement		**57.8**	72.9
Depreciation and impairment of property, plant and equipment	4	**368.8**	375.1
Employee share options		**12.1**	6.3
Amortisation of intangible assets	4	**0.4**	1.0
Other non- cash items		**(0.3)**	-
		742.1	**756.1**
Gain on disposal of non-current assets		**(1.8)**	(13.6)
(Increase) / decrease in inventories		**(38.0)**	6.4
(Increase) / decrease in trade and other receivables		**(53.9)**	95.2
Increase / (decrease) in trade and other payables		**106.9**	(3.1)
Tax paid		**(69.0)**	(56.1)
Net cash from operating activities		**686.3**	**784.9**
Investing activities			
Payments for purchases of property, plant and equipment		**(362.6)**	(380.2)
Payments for purchase of intangible assets	18	**(14.1)**	-
Proceeds from sales of property, plant and equipment		**23.0**	24.5
Net receipts from investments		**6.6**	15.2
Interest received		**10.0**	9.7
Net cash used in investing activities		**(337.1)**	**(330.8)**
Financing activities			
Payments for buy-out minorities of Coca-Cola Hellenic Bottling Company SA		**-**	(1.0)
Payment for purchase of own shares		**-**	(1.6)
Proceeds from shares issued to employees exercising stock options		**1.4**	16.4
Proceeds from / (payments for) shares held by non-controlling interests	13	**2.6**	(18.1)
Dividends paid		**(129.4)**	(128.2)
Proceeds from external borrowings		**1,137.9**	1,596.7
Repayments of external borrowings		**(1,347.2)**	(1,488.6)
Principal repayments of finance lease obligations		**(14.0)**	(16.5)
Interest paid		**(91.3)**	(113.7)
Net cash used in financing activities		**(440.0)**	**(154.6)**
(Decrease) / increase in cash and cash equivalents		**(90.8)**	**299.5**
Movement in cash and cash equivalents			
Cash and cash equivalents at 1 January		**737.5**	439.1
(Decrease) / increase in cash and cash equivalents		**(90.8)**	299.5
Effect of changes in exchange rates		**(11.4)**	(4.1)
Effect of consolidation of Coca-Cola HBC AG		**-**	1.8
Hyperinflation impact on cash		**1.0**	1.2
Cash and cash equivalents at 31 December		**636.3**	**737.5**

The accompanying notes form an integral part of these condensed consolidated financial statements

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

1. Accounting policies

The accounting policies used in the preparation of the condensed consolidated financial statements of Coca-Cola HBC AG ('Coca-Cola HBC', the 'Company' or the 'Group') are consistent with those used in the annual financial statements for the year ended 31 December 2013, except for the adoption, as of 1 January 2014, of the amendment to IAS 32 *Financial Statement Presentation*, on asset and liability offsetting; amendment to IAS 36 *Impairment of assets*, on recoverable amount disclosures; amendment to IAS 39 *Financial Instruments: Recognition and Measurement*, on novation of derivatives; and IFRIC 21 *Levies*. In addition, as of 1 July 2014 the Group adopted the amendments to IFRS *2 Definitions relating to vesting conditions, IFRS 3 Accounting for contingent consideration in a business combination* and *IFRS 13 Short term receivables and payables,* all of which were part of the *Annual improvements to IFRSs 2010-2012 Cycle.* The adoption of the new interpretation and amended standards did not have a significant impact on the current or prior periods.

During 2014, the IASB issued the following new standards and amendments to standards which the Group has not yet adopted and is currently assessing what effect they will have on the consolidated financial statements of the Group:

- IFRS 15 *Revenue from Contracts with Customers*; effective 1 July 2017.
- Amendments to IAS 36 and IAS 38: *Clarifications of acceptable methods of depreciation and amortisation;* effective 1 July 2016.
- Amendments to IFRS 11: *Accounting for acquisitions interest of joint operations;* effective 1 July 2016
- Annual improvements to IFRSs (2012-2014 Cycle) which contain amendments to IFRS 5 - *Changes in methods of disposals*, IFRS 7 - *Servicing contracts*, IFRS 7 *Applicability of the offsetting disclosures to condensed interim financial statements*, IAS 19 *Discount rate: regional market issue*, IAS 34 *Disclosure of information elsewhere in the interim financial report* which are generally effective for annual periods beginning on or after 1 January 2016.
- Amendment to IFRS 10 and IAS 28 *Sale or contribution of assets between an investor and its associate or joint venture*; effective for annual period beginning on or after 1 January 2016.
- Amendment to IAS 1 *Materiality/Aggregation*; effective for annual period beginning on or after 1 January 2016.

Basis of preparation

These condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to Interim Financial Reporting ("IAS 34"). These condensed consolidated financial statements should be read in conjunction with the 2013 annual financial statements, which include a full description of the Group's accounting policies.

Comparative figures have been reclassified and adjusted where necessary to conform with changes in presentation in the current year. More specifically in Note 18 Related party transactions, the amounts of €36.3 million and €7.3 million for the full year and the fourth quarter of 2013 respectively, regarding total purchases of finished goods from TCCC and its subsidiaries, were reclassified to purchases of finished goods from Joint Ventures. In addition, an amount of €9.9 million regarding amounts due to TCCC as at 31 December 2013 was reclassified to amounts due to Joint Ventures. As a result, transactions with Joint Ventures undertaken with TCCC are reported under "Joint Ventures".

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

2. Exchange rates

The Group's reporting currency is the euro (€). Coca-Cola HBC translates the income statements of subsidiary operations to the euro at average exchange rates and the balance sheet at the closing exchange rate for the period, except for subsidiaries operating in a hyperinflationary environment as explained in Note 8.

The principal exchange rates used for transaction and translation purposes in respect of one euro were:

	Average for the year ended		**Closing as at**	
	31 December 2014	31 December 2013	**31 December 2014**	31 December 2013
US dollar	**1.33**	1.33	**1.22**	1.38
UK sterling	**0.81**	0.85	**0.78**	0.84
Polish zloty	**4.19**	4.19	**4.31**	4.15
Nigerian naira	**208.35**	207.33	**204.99**	214.41
Hungarian forint	**308.58**	296.44	**315.45**	296.36
Swiss franc	**1.22**	1.23	**1.20**	1.23
Russian Rouble	**50.82**	42.26	**68.34**	44.98
Romanian leu	**4.45**	4.41	**4.47**	4.46
Serbian dinar	**117.26**	113.08	**120.41**	114.62
Czech koruna	**27.55**	26.05	**27.69**	27.48
Ukrainian hryvnia	**15.86**	10.62	**19.23**	10.94

3. Segmental analysis

The Group has one business, being the production, sale and distribution of ready -to- drink primarily non-alcoholic, beverages. The Group operates in 28 countries and its financial results are reported in the following three reportable segments:

Established markets: Austria, Cyprus, Greece, Italy, Northern Ireland, Republic of Ireland and Switzerland.

Developing markets: Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

Emerging markets: Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, FYROM, Moldova, Montenegro, Nigeria, Romania, the Russian Federation, Serbia (including the Republic of Kosovo) and Ukraine.

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

Information on the Group's segments is as follows:

	Three months ended		Year ended	
	31 December 2014	**31 December 2013**	**31 December 2014**	**31 December 2013**
Volume in unit cases[1] (million)				
Established countries	**142.1**	146.2	**615.2**	650.6
Developing countries	**87.8**	86.6	**358.3**	381.0
Emerging countries	**255.2**	248.3	**1,029.4**	1,028.9
Total volume	**485.1**	**481.1**	**2,002.9**	**2,060.5**
Net sales revenue (€ million)				
Established countries	**560.5**	554.6	**2,448.9**	2,539.6
Developing countries	**246.2**	246.7	**1,054.1**	1,105.6
Emerging countries	**703.3**	773.3	**3,007.2**	3,228.8
Total net sales revenue	**1,510.0**	**1,574.6**	**6,510.2**	**6,874.0**
Operating profit (€ million)				
Established countries	**13.5**	(16.8)	**123.7**	88.6
Developing countries	**(3.1)**	(1.5)	**52.0**	36.6
Emerging countries	**6.8**	52.4	**185.4**	248.5
Total operating profit	**17.2**	**34.1**	**361.1**	**373.7**
Reconciling items (€ million)				
Finance costs, net	**(18.4)**	(23.5)	**(72.9)**	(91.5)
Tax	**14.5**	(2.7)	**(57.8)**	(72.9)
Share of results of equity method investments	**52.7**	0.5	**63.8**	11.9
Non-controlling interests	**0.5**	-	**0.6**	-
Profit after tax attributable to owners of the parent	**66.5**	**8.4**	**294.8**	**221.2**

[1] *One unit case corresponds to approximately 5.678 litres or 24 servings, being a typically used measure of volume. Volume data is derivec from unaudited operational data.*

Additional information by product type:

	Three months ended		Year ended	
	31 December 2014	**31 December 2013**	**31 December 2014**	**31 December 2013**
Volume in unit cases[1] (million)				
NARTD[2]	484.1	480.3	2,000.3	2,058.6
Premium spirits	1.0	0.8	2.6	1.9
Total volume	**485.1**	**481.1**	**2,002.9**	**2,060.5**
Net sales revenue (€ million)				
NARTD[2]	1,435.8	1,497.1	6,311.3	6,692.1
Premium spirits	74.2	77.5	198.9	181.9
Total net sales revenue	**1,510.0**	**1,574.6**	**6,510.2**	**6,874.0**

[1] *For NARTD volume, one unit case corresponds to approximately 5.678 litres or 24 servings, being a typically used measure of volume. For premium spirits volume, one unit case corresponds also to 5.678 litres. Volume data is derived from unaudited operational data.*

[2] *Non alcoholic, ready-to-drink beverages*.

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

4. Tangible and intangible assets

	Property, plant and equipment € million	Intangible assets € million
Opening net book value as at 1 January 2014	2,901.9	1,921.3
Additions	366.7	14.1
Reclassified to assets held for sale	(1.0)	-
Disposals	(18.4)	-
Depreciation, impairment and amortisation	(368.8)	(0.4)
Foreign exchange differences	(257.6)	(50.2)
Effect of hyperinflation	1.3	-
Closing net book value as at 31 December 2014	**2,624.1**	**1,884.8**

5. Net debt

	As at	
	31 December 2014 € million	31 December 2013 € million
Long-term borrowings	**1,556.3**	1,853.6
Short-term borrowings	**548.6**	446.2
Cash and cash equivalents	**(636.3)**	(737.5)
Net debt	**1,468.6**	1,562.3

During January 2014, the remaining amount of the €500 million bond issued in 2008 (€317.0 million) was repaid using part of the cash balance. During September 2014, the outstanding bond of $400 million maturing in September 2015 was reclassified to short term debt.

6. Fair value

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk, and commodity price risk), credit risk, liquidity risk and capital risk. There have been no changes in the risk management policies since the year end.

The Group's financial instruments recorded at fair value are included in Level 2 within the fair value hierarchy and comprise derivatives. There have been no changes in valuation techniques and inputs used to determine their fair value since 31 December 2013 (as described in the 2013 Annual Report available on the Coca-Cola HBC's web site: www.coca-colahellenic.com). As at 31 December 2014, the total financial assets included in Level 2 was €53.9 million and the total financial liabilities €86.3 million.

There were no transfers between level 1, 2 and 3 during 2014. The fair value of bonds and notes payable as at 31 December 2014, including the current portion, is €1,831.6 million, compared to their book value of €1,727.6 million, including the current portion.

7. Restructuring costs

Restructuring costs amounted to €24.7 million before tax in the fourth quarter of 2014. The Group recorded €3.1 million, €5.7 million and €15.9 million of restructuring charges in its established, developing and emerging countries respectively. For the fourth quarter of 2013, restructuring costs amounted to €31.2 million. The Group recorded €29.8 million, €0.9 million and €0.5 million of restructuring charges in its established, developing and emerging countries respectively. The restructuring costs mainly concern redundancy costs and impairment of property, plant and equipment.

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

7. Restructuring costs (continued)

Restructuring costs amounted to €55.2 million before tax in 2014. The Group recorded €25.6 million, €7.3 million and €22.3 million of restructuring charges in its established, developing and emerging countries respectively. For 2013, restructuring costs amounted to €55.5 million. The Group recorded €52.9 million, €0.7 million and €1.9 million of restructuring charges in its established, developing and emerging countries respectively. The restructuring costs mainly concern redundancy costs and impairment of property, plant and equipment.

8. Total finance costs, net

	Three months ended	
	31 December 2014	31 December 2013
	€ million	€ million
Interest income	**(2.7)**	(3.4)
Finance costs	**18.2**	25.2
Net foreign exchange losses	**3.8**	0.3
(Gain) / loss on net monetary position	**(0.9)**	1.4
Total finance costs, net	**18.4**	**23.5**

	Year ended	
	31 December 2014	31 December 2013
	€ million	€ million
Interest income	**(10.0)**	(10.0)
Finance costs	**69.6**	98.3
Net foreign exchange losses	**10.9**	0.5
Loss on net monetary position	**2.4**	2.7
Total finance costs, net	**72.9**	**91.5**

Hyperinflation

Belarus has been considered to be a hyperinflationary economy since the fourth quarter of 2011. The three year cumulative inflation exceeded 100% and therefore Belarus was consolidated in terms of the measuring unit at the balance sheet date and translated at the closing exchange rate. The restatement was based on conversion factors derived from the Belarus Consumer Price Index (CPI) as compiled by the National Statistical Committee of the Republic of Belarus. The conversion factor used for December 2014 was 1.145 which resulted in a net monetary loss for 2014 of €2.4 million.

9. Share of results of equity method investments

On 27 October 2014, Brewmasters Holdings Ltd, subsidiary of Brewinvest S.A. joint venture with Heineken, sold its participation in Zagorka A.D. to Heineken. The consideration for the Group amounted to €76.5 million. The transaction resulted in a gain of €59.9 million, net of tax.

10. Tax

The Group's effective tax rate for 2014 may differ from the parent company statutory tax rate as a consequence of a number of factors, the most significant of which are: the statutory tax rates of the countries in which the Group operates, the non-deductibility of certain expenses, non-taxable income and one off tax items.

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

11. Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to the owners of the parent by the weighted average number of shares outstanding during the period (fourth quarter of 2014: 364,352,108, 2014 full year: 364,304,795, fourth quarter of 2013: 364,221,669, 2013 full year: 363,551,433). Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive ordinary shares arising from exercising employee stock options.

12. Share capital

On 25 April 2013, Coca-Cola HBC acquired 96.85% (355,009,014 shares) of the issued Coca-Cola Hellenic Bottling Company SA ("CCHBC SA") shares, including shares represented by American depositary shares, following the successful completion of its voluntary share exchange offer and became the new parent company of the Group.

On 17 June 2013, Coca-Cola HBC completed its statutory buy-out of the remaining shares of CCHBC SA that it did not acquire upon completion of its voluntary share exchange offer. Consequently, CCHBC SA is now a 100% owned subsidiary of Coca-Cola HBC. Out of the remaining 3.15% interest acquired in CCHBC SA, representing 11,544,493 shares, 11,467,206 shares were exchanged for equal number of Coca-Cola HBC shares and 77,287 shares were acquired for a cash consideration of €1.0 million.

In 2013, the share capital of Coca-Cola HBC increased by the issue of 1,199,080 new ordinary shares following the exercise of stock options pursuant to the Coca-Cola HBC AG's employees' stock option plan. Total proceeds from the issuance of the shares under the stock option plan amounted to €16.4 million.

In 2014, the share capital of Coca-Cola HBC increased by the issue of 129,022 new ordinary shares following the exercise of stock options pursuant to the Coca-Cola HBC AG's employees' stock option plan. Total proceeds from the issuance of the shares under the stock option plan amounted to €1.4 million.

Following the above changes, and including 3,445,060 ordinary shares held as treasury shares, out of which 14,925 shares represent the initial ordinary shares of Coca-Cola HBC, on 31 December 2014 the share capital of the Group amounted to €1,997.8 million and comprised 367,819,247 shares with a nominal value of CHF 6.70 each.

13. Non-controlling interests

On 8 June 2011, the Board of Directors of the Coca-Cola HBC's subsidiary Nigerian Bottling Company plc ("NBC") resolved to propose a scheme of arrangement between NBC and its minority shareholders, involving the cancellation of part of the share capital of NBC. The transaction was approved by the Board of Directors and General Assembly of NBC on 8 June 2011 and 22 July 2011 respectively and resulted in the acquisition of the remaining 33.6% of the voting shares of NBC bringing the Group's interest in the subsidiary to 100%. The transaction was completed in September 2011 and NBC was de-listed from the Nigerian Stock Exchange. The consideration for the acquisition of non controlling interests was €100.2 million, including transaction costs of €1.8 million, out of which €72.6 million was paid as of 31 December 2014. The difference between the consideration and the carrying value of the interest acquired (€60.1 million) has been recognised in retained earnings while the accumulated components recognised in other comprehensive income have been reallocated within the equity of the Group.

On 14 January 2013, the Group acquired 14% of Coca-Cola Hellenic Bottling Company Bulgaria AD, bringing the Group's interest in the subsidiary to 99.39%. The consideration paid for the acquisition of non controlling interests acquired was €13.3 million and the carrying value of the additional interest acquired was €8.2 million. The difference between the consideration and the carrying value of the interest acquired has been recognised in retained earnings.

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

14. Dividends

The shareholders of Coca-Cola HBC AG approved the dividend distribution of 0.354 euro cents per share at the Annual General Meeting held on 25 June 2014. The total dividend amounted to €130.2 million and was paid on 29 July 2014.

On 19 June 2013, the extraordinary general meeting of Coca-Cola HBC AG approved the distribution of a €0.34 dividend per share. The total dividend amounted to €124.7 million and was paid on 23 July 2013.

15. Contingencies

There have been no significant adverse changes in contingencies since 31 December 2013 (as described in the 2013 UK Annual Financial Report available on the Coca-Cola Hellenic's web site: www.coca-colahellenic.com). On 4 December 2014 the Serbian Competition Authority dismissed the previously reported case against our Serbian subsidiary without any penalties or negative findings.

16. Commitments

As of 31 December 2014 the Group has capital commitments of €81.0 million (31 December 2013: €80.0 million), which mainly relate to plant and machinery equipment.

17. Number of employees

The average number of full-time equivalent employees in 2014 was 36,362 (38,089 for 2013).

18. Related party transactions

a) The Coca-Cola Company

As at 31 December 2014, The Coca-Cola Company and its subsidiaries (collectively, "TCCC") indirectly owned 23.1% (2013: 23.1%) of the issued share capital of Coca-Cola HBC.

Total purchases of concentrate, finished products and other materials from TCCC and its subsidiaries during the full year and the fourth quarter of 2014 amounted to €1,381.1 million and €252.4 million (€1,396.4 million and €345.8 million in the respective prior year periods). Total net contributions received from TCCC for marketing and promotional incentives during the same period amounted to €78.7 million and €29.0 million (€99.2 million and €32.9 million in the respective prior year periods) while the Group received contributions for purchases of coolers amounting to €0.3 million for both the full year and the fourth quarter of 2014 (nil for both prior year periods under review).

During the full year and the fourth quarter of 2014, the Group sold €28.1 million and €6.8 million of finished goods and raw materials respectively to TCCC (€28.2 million and €5.5 million in the respective prior year periods) while other income from TCCC was €18.2 million and €6.3 million respectively (€20.6 million and €8.3 million in the prior year periods). Other expenses from TCCC amounted to €3.2 million and €2.5 for the full year and fourth quarter of 2014 (€2.8 million and nil in the respective prior year periods).

As at 31 December 2014, the Group had a total amount of €88.2 million due from TCCC (€73.6 million as at 31 December 2013), and had a total amount of €214.7 million due to TCCC including loans payable of €7.3 million (€205.5 million as at 31 December 2013 with loans payable nil).

An amount of €14.1 million was paid to TCCC in the second quarter of 2014 in relation to the acquisition of certain intangible assets.

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

18. Related party transactions (continued)

b) Frigoglass S.A. ('Frigoglass')

Frigoglass, a company listed on the Athens Exchange, is a manufacturer of coolers, cooler parts, glass bottles, crowns and plastics. Truad Verwaltungs AG, currently indirectly owns 44.5% of Frigoglass and also indirectly controls Kar Tess Holding, which holds approximately 23.2% (2013: 23.2%) of Coca Cola HBC's total issued capital. Frigoglass has a controlling interest in Frigoglass Industries Limited, a company in which Coca-Cola HBC has a 23.9% effective interest, through its investment in NBC.

During the full year and the fourth quarter of 2014, the Group made purchases of €91.4 million and €33.0 million respectively (€118.9 million and €37.9 million in the prior-year periods) of coolers, raw materials and containers from Frigoglass and its subsidiaries and incurred maintenance and other expenses of €14.1 million and €3.6 million respectively (€10.6 million and €2.6 million in the prior-year periods). The Group recorded other income of €0.1 million and nil from Frigoglass during the full year and the fourth quarter of 2014 (€0.3 million and €0.2 million for prior-year periods under review). As at 31 December 2014, Coca-Cola HBC owed €12.1 million (€11.7 million as at 31 December 2013) to, and was owed €0.4 million (€0.5 million as at 31 December 2013) by Frigoglass.

c) Beverage Partners Worldwide ("BPW")

BPW is a 50/50 joint venture between TCCC and Nestlé. The Group purchased finished goods and raw materials of €79.0 million and €3.1 million during the full year and the quarter respectively (€89.4 million and €10.9 million in the prior year periods). As at 31 December 2014, the Group owed €3.6 million (€0.3 million as at 31 December 2013) to, and was owed €0.9 million (nil as at 31 December 2013) by BPW.

d) Other related parties

During the full year and the fourth quarter of 2014, the Group purchased €21.5 million and €10.1 million of raw materials and finished goods respectively (€19.5 million and €4.4 million in the prior year periods) while the Group recorded sales of finished goods of €0.3 million and €0.2 million for the full year and fourth quarter of 2014 respectively (nil for both prior year periods under review). In addition, the Group received reimbursement for direct marketing expenses €0.2 million and nil for the full year and the fourth quarter of 2014 respectively (nil for both the respective prior year periods under review). Furthermore the Group added €1.4 million and €0.1 million of tangible fixed assets during the full year and the fourth quarter of 2014 respectively, (nil for both prior year periods under review). During the full year and the fourth quarter of 2014 the Group incurred other expenses of €31.2 million and €8.0 million (€36.6 million and €10.7 million in the prior year period) and recorded income of €0.5 million and €0.1 million respectively (€3.9 million and nil in the respective prior year periods). As at 31 December 2014, the Group owed €18.7 million (€6.5 million as at 31 December 2013) to, and was owed €2.3 million including loans receivable of €0.2 million (€5.7 million as at 31 December 2013 with loans receivable nil) by other related parties.

Selected explanatory notes to the condensed consolidated financial statements (unaudited)

18. Related party transactions (continued)

e) Joint Ventures

During the full year and the fourth quarter of 2014, the Group purchased €56.5 million and €39.0 million of finished goods (€61.9 million and €13.7 million in the prior-year periods) from joint ventures while the Group recorded sales of finished goods to joint ventures of €0.7 million and €0.1 million for the full year and fourth quarter of 2014 respectively (€0.5 million and €0.1 million for both prior year periods under review). In addition, the Group received reimbursement for direct marketing expenses €0.3 million for both the full year and the fourth quarter of 2014 (€0.6 million and nil in the prior year periods). Furthermore, during the full year and the fourth quarter of 2014, the Group incurred expenses of €0.9 million and €0.3 million (€0.5 million and €0.3 million for the respective prior year periods) and recorded other income for the full year and the fourth quarter of €2.7 million and €1.0 from joint ventures (€1.1 million and €0.6 million in the prior-year periods). As at 31 December 2014, the Group owed €163.7 million including loans payable of €150.2 (€73.5 million as at 31 December 2013 including loans payable of €61.3) to, and was owed €17.4 million including loans receivable of €5.1 (€9.1 million as at 31 December 2013 including loans receivable of €5.3m) by joint ventures.

There were no transactions between Coca-Cola HBC and the directors and senior management except for remuneration for the year ended 31 December 2014, as well as the prior year.

There were no other significant transactions with related parties for the period ended 31 December 2014.

19. Recent developments in Ukraine and the Russian Federation

We disclosed in our financial statements and annual report for the year ended 31 December 2013 information on the recent events involving Ukraine and the Russian Federation, including those related to the Crimean peninsula, which have, among other things, resulted in the depreciation of the Russian Ruble and the Ukrainian Hryvnia, and thus affected the Group's operational and financial performance. The ongoing situation in Ukraine and the Russian Federation, and any further economic sanctions that may be imposed on the Russian Federation by the US and the European Union, could further adversely affect the Group's operational and financial performance. We are continuously monitoring developments in that region.

20. Subsequent events

Following 31 December 2014 the Group incurred €6.7 million of restructuring costs before tax, of which €6.3 million, €0.2 million and €0.2 million in its established, developing and emerging markets respectively.

Volume by country for 2014 and 2013			
Million unit cases	**2014**	2013	% change 2014 vs 2013
Established Markets			
Austria	**89.6**	91.6	- 2%
Cyprus	**15.8**	15.8	-
Greece	**100.0**	97.9	+ 2%
Italy	**259.9**	289.8	- 10%
Republic of Ireland and Northern Ireland	**72.8**	72.5	-
Switzerland	**77.1**	83.0	- 7%
Total	**615.2**	**650.6**	**- 5%**
Developing Markets			
Baltics	**26.0**	25.5	+ 2%
Croatia	**23.9**	26.0	- 8%
Czech Republic	**49.1**	55.3	- 11%
Hungary	**77.5**	77.9	- 1%
Poland	**155.2**	167.0	- 7%
Slovakia	**20.7**	22.9	- 9%
Slovenia	**5.9**	6.4	- 8%
Total	**358.3**	**381.0**	**-6%**
Emerging Markets			
Armenia	**8.8**	7.8	+ 13%
Belarus	**43.9**	42.7	+ 3%
Bosnia and Herzegovina	**15.6**	16.6	- 6%
Bulgaria	**54.7**	55.7	- 2%
Moldova	**6.2**	5.9	+ 6%
Nigeria	**210.6**	202.5	+ 4%
Romania	**139.2**	148.5	- 6%
Russian Federation	**390.2**	388.0	+ 1%
Serbia(including the Republic of Kosovo) and Montenegro	**84.7**	82.6	+ 2%
Ukraine	**75.5**	78.6	- 4%
Total	**1,029.4**	**1,028.9**	**-**
Total Coca-Cola HBC	**2,002.9**	**2,060.5**	**- 3%**