**FOR IMMEDIATE RELEASE**

**Coca-Cola HBC AG**

**Publication of the 2014 Integrated Annual Report**

**Zug, Switzerland – 20 March 2015** - Coca-Cola HBC AG (Coca-Cola HBC or the Company or the Group) announced today the publication of its integrated annual report for the year ended 31 December 2014 (Annual Report). A copy of the Annual Report will be submitted to the National Storage Mechanism and will be shortly available for inspection at [www.morningstar.co.uk/uk/nsm](http://www.morningstar.co.uk/uk/nsm).

The Annual Report is also available on the Company’s website at: [http://www.coca‑colahellenic.com/investorrelations/annualreports](http://www.cocacolahellenic.com/investorrelations/annualreports)

Printed copies of the Annual Report will be available from 6 April 2015 and can be requested by any interested shareholder, free of charge, at: [http://www.coca‑colahellenic.com/investorrelations/annualreports/orderareport](http://www.cocacolahellenic.com/investorrelations/annualreports/orderareport)

In accordance with the Disclosure and Transparency Rule (DTR) 6.3.5R and the requirements it imposes as to how to make public annual financial reports, we are required to disclose such information from the Annual Report as is of a type that would be required to be disseminated in compliance with DTR6.3.5R(2). A condensed set of the Company’s consolidated financial statements and information on important events that have occurred during the financial year of 2014 and their impact on the financial statements were included in the results announcement released on 18 February 2015 (results announcement). That information, together with the information set out in the Appendix to this announcement, which is extracted from the Annual Report, constitutes the material required by DTR6.3.5R to be communicated to the media in unedited full text through a Regulatory Information Service. Page numbers and notes to the accounts mentioned in the extracts from the Annual Report, refer to page numbers and notes to the accounts in the Annual Report. Terms used, but not otherwise defined in this announcement, have the meanings given to them in the Annual Report. This material is not a substitute for reading the Annual Report in its entirety.

**Enquiries**

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APPENDIX

**1. Principal risks and uncertainties**

The principal risks and uncertainties relating to the Company are as set out in the “Risks and opportunities” section of the Annual Report, pages 52 to 53.

We have adopted a strategic Enterprise Wide Risk Management approach that provides a common, integrated framework to manage risks and leverage opportunities across the Group. Through a continuous process of identifying, assessing, managing and escalating risks and opportunities, we seek to minimise our exposure to unforeseen events and identified risks, and create a stable environment for delivering on our strategic objectives.

The following is extracted in full and unedited text from the Annual Report and is repeated here solely for the purpose of complying with DTR6.3.5R:

**Defining our principal risks**

Our strategic priorities provide the context for guiding us in the management of the risks faced by our business. The most important risk categories are macroeconomic and operational. Macroeconomic risks relate to the external environment and the markets in which we operate. We have less control over these risks than we do over operational risks, such as product quality.

The overview of our most important risks does not include all the risks that may ultimately affect our Company. Some risks not yet known to us, or currently believed to be immaterial, could ultimately have an impact on our business or financial performance. We remain constantly alert to changes to our economic and regulatory operating environments, to ensure that new risks are identified and assessed in a timely way.

**Our principal risks**

| Principal Risks | Specific Risk that we face | Mitigation | Link to strategy |
| --- | --- | --- | --- |
| Beverage Category Acceptability | **Consumer Health**Consumer tastes and behaviours are constantly evolving at an increasingly rapid rate. Ensuring effective responses, including addressing any significant misperceptions of the health impact of soft drinks, is important to our business. | We maintain a focus on innovation in the products we offer, including expanding our range of reduced and zero-calorie beverages and reducing the calorie content of many products in our portfolio. We promote active lifestyles and clearer labelling on packaging, supported by broader community engagement programmes focused on health and wellness. In these ways we actively counteract misperceptions. | Consumer Relevance |
| Political and Security Instability | **Declining Consumer Demand**Challenging market conditions continue to impact consumer confidence and disposable income. Our long-term sustainable growth depends on managing challenging and volatile macroeconomic conditions, such as the political and security instability experienced in Russia, Ukraine, and Nigeria. | Our OBPPC approach seeks opportunities by identifying and aligning the right brands, at the right price, in the right package and through the right channel. This enables us to expand our product offering in the marketplace and to win or maintain market share. Robust security management, crisis response and business continuity strategies support our ability to remain resilient in areas with heightened security risk. | Customer Preference |
| Employee engagement & Retention | **People and Talent**It is essential that we develop and maintain management capability across our markets. Our growth depends on our ability to attract and retain sufficient numbers of qualified and experienced employees. | Our focus on developing our leadership talent ensures the right people are in the right positions across the business. Our ongoing focus on employee engagement supports our values and promotes operational excellence. By focusing on managing our business in ways that are responsible and creating shared value with communities in which we work, we also seek to ensure that we are an attractive employer. | Community Trust |
| Product Quality & Food Safety | **Quality**Quality issues, or contamination of our products, could result in reputational damage and a reduction in volume and net sales revenue. | We have stringent processes in place to minimise the occurrence of quality issues. However, when issues arise, we have robust processes and systems in place that enable us to deal with them quickly and efficiently, thus ensuring that our customers and consumers retain confidence in our products. | Consumer Relevant |

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| --- | --- | --- | --- |
| Commercial & Competition | **Channel Mix**The increasing concentration of retailers and independent wholesalers, on whom we depend to distribute our products, could lower our profitability. The immediate consumption channel remains under pressure as consumers increasingly switch to at-home consumption. | We continued to increase our presence in the discounter channel during 2014 and are working closely with our customers to identify opportunities for joint value creation. Our Right Execution Daily (RED) strategy continues to support our commitment to operational excellence, which enables us to respond to changing customer needs and channels. | Customer Preference |
| Tax & Treasury | **Foreign Exchange**Our foreign exchange exposure arises from changes in exchange rates between the Euro, the US dollar, and other currencies used in the markets we serve. During 2014, this exposure was particularly notable against currencies in Russia, Ukraine, and Nigeria. | To reduce currency risk and limit volatility, our treasury policy requires the hedging of 25% to 80% of rolling 12-month forecasted transactional exposures. Hedging beyond a 12-month period may occur if forecast transactions are highly probable. Where available, we use derivative financial instruments to reduce our net exposure to currency fluctuations. These contracts normally mature within one year. | Cost Leadership |
| **Taxation**Regulations around consumer health and the risk of taxation on our products, could impact demand and affect our profitability. In 2014, a number of governments continued to contemplate taxes targeting our products and packaging waste recovery. This is a trend we expect to continue. | We continue to proactively work with regulators to ensure that the facts are understood and our products are not singled out unfairly. |
| Stakeholder Relationships | **Strategic Stakeholder Relationships**The Group relies on our strategic relationships and agreements with The Coca-Cola Company, Monster Energy and our premium spirits partners. Any termination of agreements, or renewal at terms less favourable than currently experienced, could adversely impact our business. | Our management across the business focuses on effective day-to-day interaction with our strategic partners to ensure that we work together as effective partners for growth. We engage in joint projects and business planning, focus on strategic issues, and participate in ‘Top to Top’ senior management forums. | Community Trust |

**2. Directors’ responsibility statement**

The following statement relates to and is extracted from the Annual Report, page 103. It is repeated here solely for the purpose of complying with DTR6.3.5R. It is not connected to the extracted information presented in this announcement or in the Company’s results announcement published on 18 February 2015.

**Statement of Directors’ Responsibilities**

The Directors, whose names and functions are set out on page 68 to page 70 confirm to the best of their knowledge that:

(a) The Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group’s performance, business model and strategy.

(b) The consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards, as issued by the IASB, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation of the Group taken as a whole.

(c) The Annual Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidated Coca-Cola HBC Group taken as a whole, together with a description of the principal risks and uncertainties that they face.

(d) The Directors are responsible for preparing the Annual Report, including the consolidated financial statements and the Company financial statements, the Corporate Governance Report including the Remuneration Report and the Strategic Report, in accordance with applicable law and regulations.

(e) The activities of the Group, together with the factors likely to affect its future development, performance, the financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Strategic Report (pages 2 and 65). In addition, notes 8 ‘‘Financial instruments’’, 15 ‘‘Borrowings’’, 18 ‘‘Share capital and share premium’’ and 29 ‘‘Financial risk management’’ to the financial statements include the Company’s objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk. The Group has considerable financial resources together with long-term contracts with a number of customers and suppliers across different countries. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual consolidated financial statements.

By order of the Board

Dimitris Lois

Chief Executive Officer

20 March 2015

**About Coca‑Cola HBC**

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 589 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>.