



Budweiser Budvar increased its gross profit by 7% last year

České Budějovice, 29th June 2011– Budweiser Budvar, N.C. has made its audited economic and business results for 2010 public today. Due to a difficult situation on the beer market the beer sales decreased by 5.2% last year. This slump was, however, fully compensated by efficient purchases of material and services, reduction of inefficient overhead costs, forex securing against the strengthening Czech koruna as well as many other precautions. Owing to that Budweiser Budvar's last year economic results before taxation noted a year-on-year increase of 7%, reaching an amount of CZK 220 million.

“Considering the economic situation in Europe and the Czech Republic and in view of the development of the Czech brewing industry, we see Budweiser Budvar's 2010 results as very good. 115 years after its foundation, the brewery is a modern company with a good technical base, high human potential, beer of excellent quality and the strong Budweiser Budvar brand,” says Budweiser Budvar's CEO Jiří Boček. The company's economic results provided the brewery with a chance to invest CZK 167.7 million etc. into modernisation of production capacities, sales support, logistics and the IT system.

Economic results

Last year, Budweiser Budvar sales noted a 2% year-on-year decrease. That represents a substantially better result than the result of the Czech brewing industry as a whole. The members of the Czech Brewers and Maltsters Association (hereinafter referred to as CBMA) actually registered a total sales decrease by 7.92%. Budweiser Budvar accomplished the highest export in its history last year: almost 605,000 hectolitres were exported to 58 countries, which is annually more by 4.3%. On the other hand, as the CBMA indicates, the overall export of its member breweries decreased by 4.2% in the same period. Budweiser Budvar thus became last year's second largest beer exporter in the Czech Republic, when its share of the Czech export amounted to 21.4%. Budweiser Budvar's 2010 domestic sales fell by 7.2%. Besides the economic insecurity of the consumers and the overall beer consumption decrease, the domestic sales were negatively affected also by the excise tax and VAT increase. Last year, Budweiser Budvar launched many new special beer packagings on the market as well as newly beginning to export to India.

Further information and queries:

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