



Baltika Breweries

9M 2005 Results

November 14, 2005



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Financial Results





Overview of Developments in 9M'05

- Excellent profit performance
 - EBITDA 238.8 MEUR, up 37.3%
 - EBIT 187.6 MEUR, up 44.1%
- Strong volume growth
 - Total volumes 17.8 MHL, up 16.9%
 - Export +16%
 - Market share in Russia 24.4%
- Russian market volume growth of 4.8%

9M'05 Financial Results



Good volume growth and excellent development of profitability

MEUR	9M 2005	9M 2004	Change
Volume	17.806 MHL	15.233 MHL	+16.9%
Net sales	757.7	620.8	+22.1%
EBITDA	238.8	174.0	+37.3%
EBITDA Margin	31.5%	28.0%	+3.5%pts
EBIT	187.6	130.1	+44.1%
EBIT Margin	24.8%	21.0%	+3.8%pts

3Q'05 Financial Results



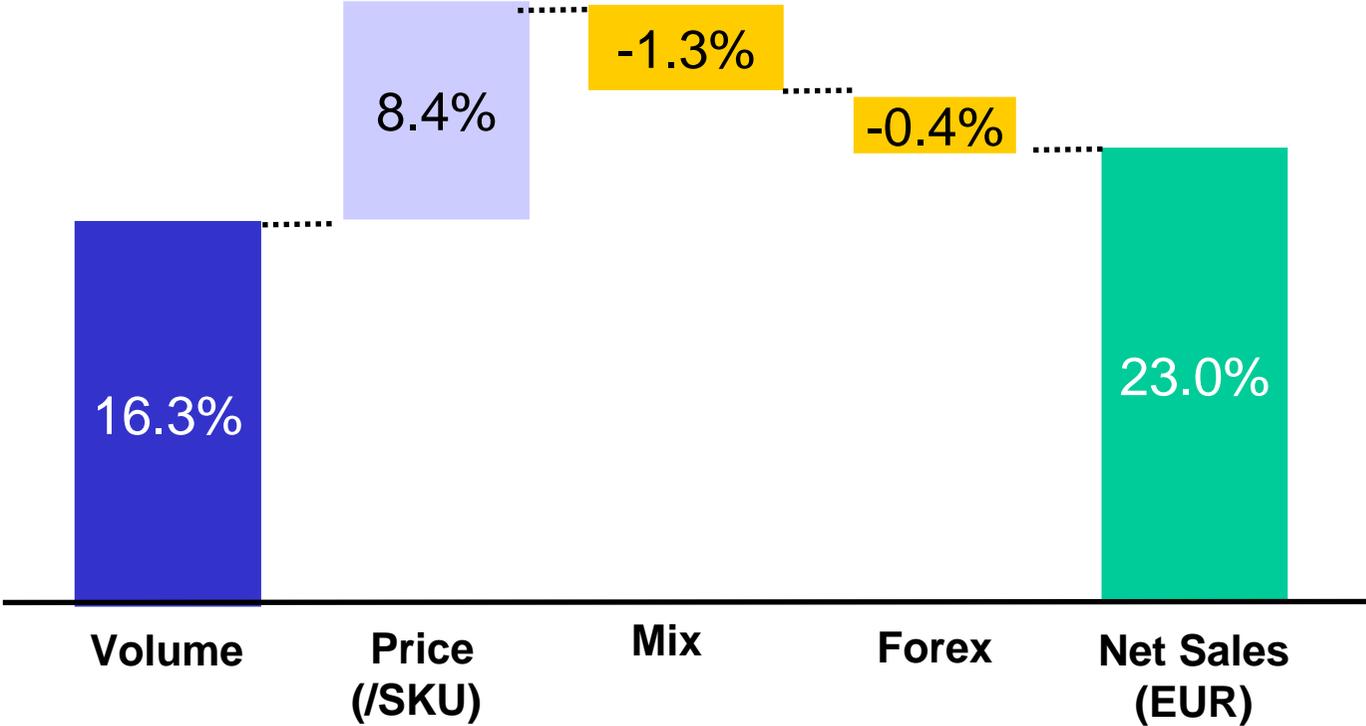
Baltika again performed better than the market in general, even with the lower growth rates mainly caused by tougher comparisons in Q3'04.

MEUR	3Q 2005	3Q 2004	Change
Volume	6.995 MHL	6.379 MHL	+9.7%
Net sales	308.0	257.0	+19.8%
EBITDA	105.1	77.2	+36.1%
EBITDA Margin	34.1%	30.0%	+4.1%pts
EBIT	86.8	62.2	+39.5%
EBIT Margin	28.2%	24.2%	+4.0%pts

Baltika Net Sales Development 9M'05* vs. 9M'04*



Favorable volume growth and price increases led to net sales growth.



* Baltika beer volumes only

9M'05 Results Breakdown



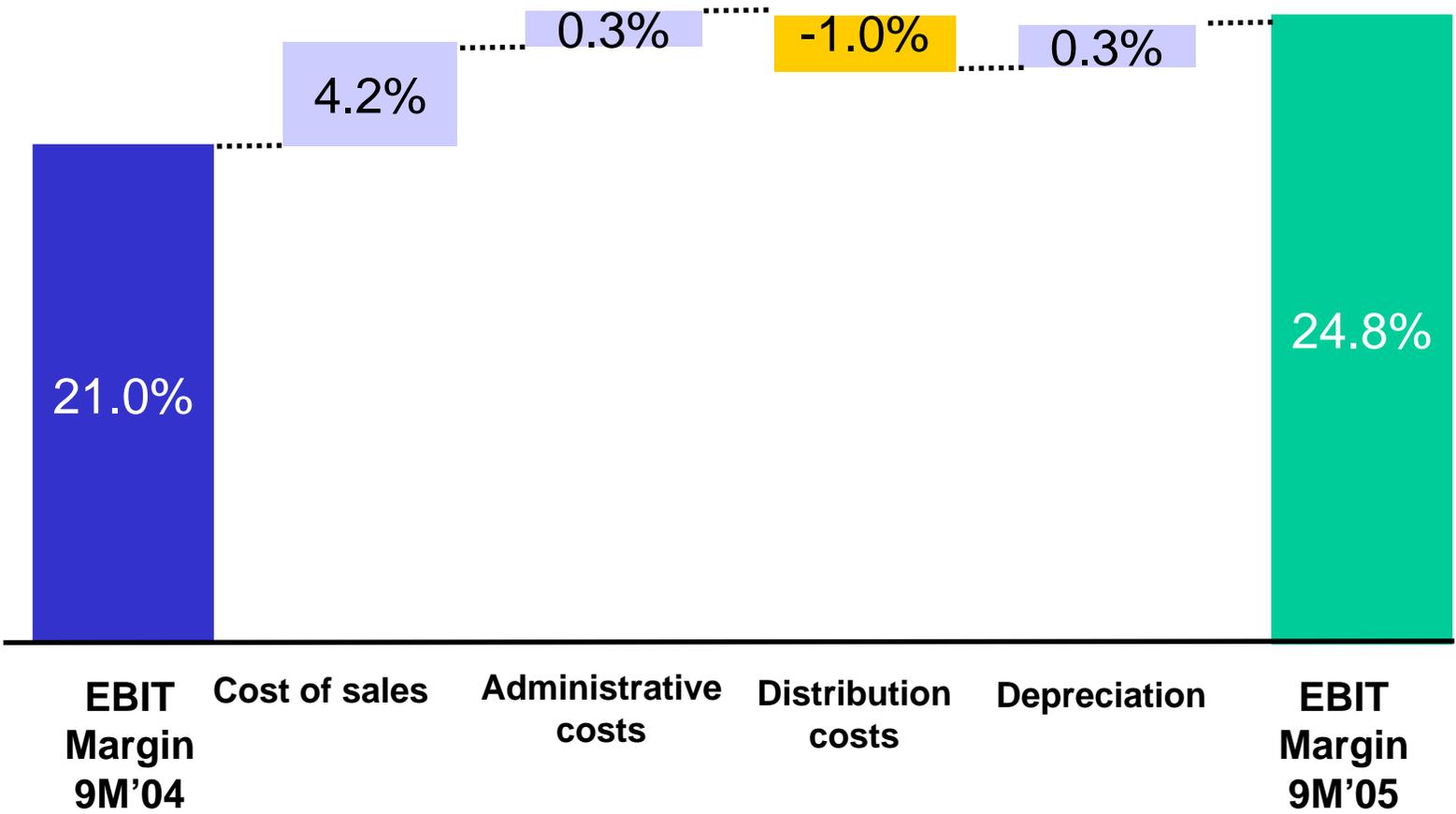
MEUR	9M 2005	9M 2004	Change
Net Sales	757.7	620.8	22.1%
Cost of sales*	363.2	328.2	10.7%
Gross profit	394.5	292.5	34.8%
Distribution expenses*	176.7	135.8	30.2%
Administrative expenses*	28.7	26.2	9.4%
Other operating expenses	1.5	0.4	245.4%
EBIT	187.6	130.1	44.1%
Net Profit	154.2	99.6	54.8%

* Including depreciation



Baltika Margin Development

Despite increased distribution costs, the good control on production, administrative and material costs lead to stronger margins.





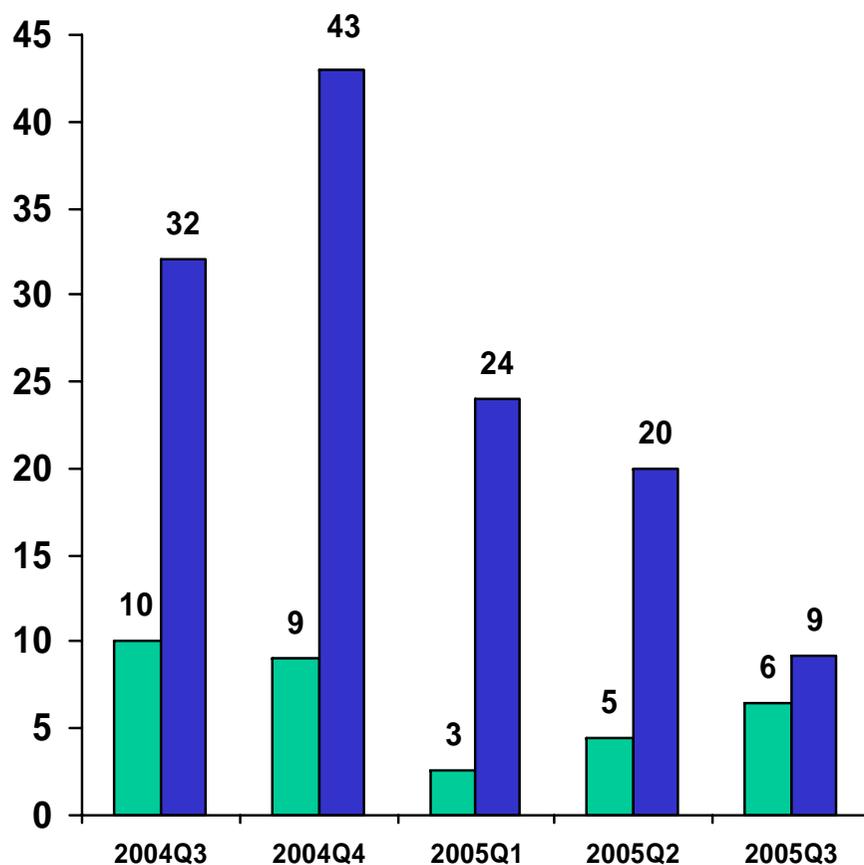
Russian Beer Market Trends



Russian Beer Market Development



Baltika has outperformed market during past 5 quarters.



■ Market growth, % ■ Baltika volume growth

Source: BBH, State Statistics Committee, Breweries

Note: Domestic Volumes

Baltika 9M Results

Market share % in	9M'04	9M'05
Baltika	22.0	24.4
Sun Interbrew*	15.6	17.3
Heineken*	9.2	8.3
Efes	5.9	6.7
Yarpivo	6.5	6.4
Krasny Vostok	6.9	6.0
Ochakovo	6.5	5.9
SABMiller**	4.5	4.8
Vena	3.8	4.5
Other	19.1	15.7
	100%	100%

* Without 2005 acquisitions but incl. Stepan Razin/Heineken

** Estimate

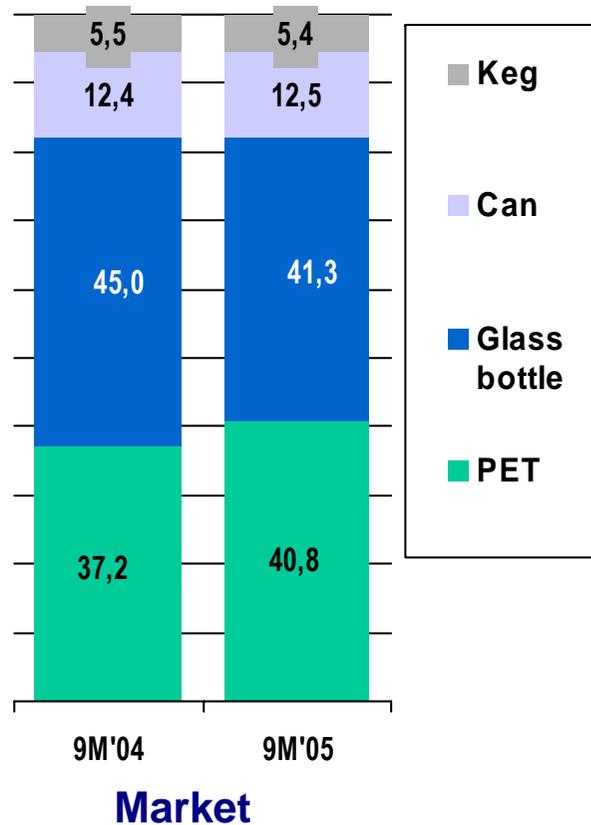
Source: BBH, State Statistics Committee, Breweries



Packing Segments Development

Baltika has increased its share in growing packaging segments and high value on-trade

Share of the different packaging segments of the total beer market volumes



Source: Business Analitika

Baltika's share in segment	9M'04	9M'05
Keg	12.5	15.9
Can	34.1	41.8
Glass bottle	19.7	23.0
PET	18.5	24.6

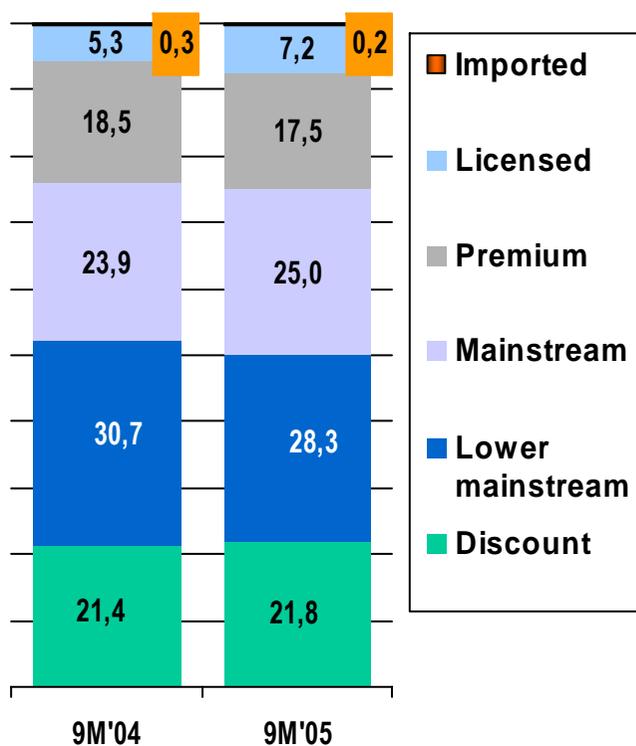
Source: Business Analitika



Price Segments Development

Baltika has increased its market share in all price segments

Share of the different price segments of the total beer market volumes



Market

Source: Business Analitika

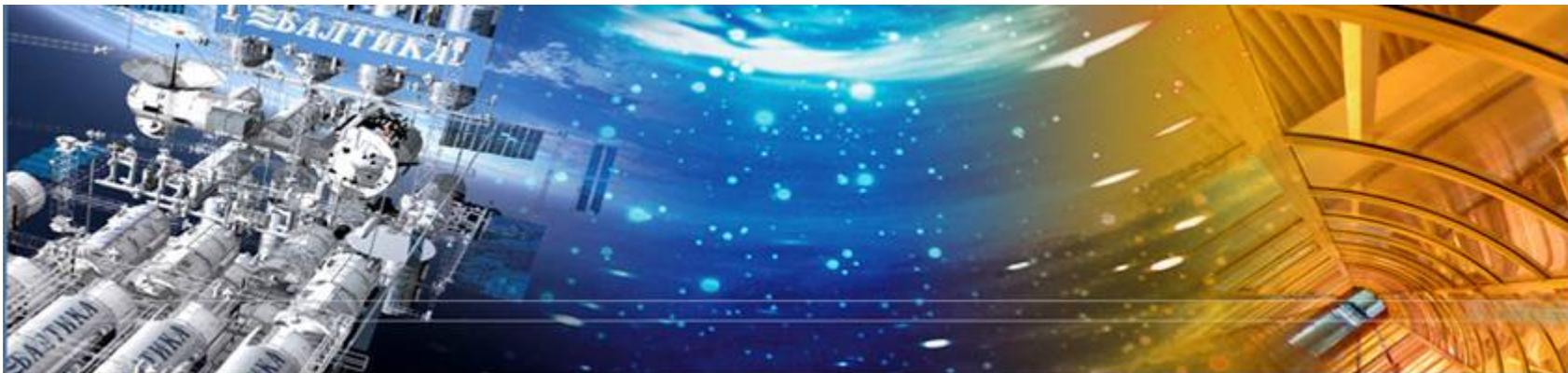
Baltika's share in segment	9M'04	9M'05
Licensed	6.3	8.0
Premium	23.3	30.4
Mainstream	31.1	36.5
Lower mainstream	26.3	29.4
Discount	4.7	13.4

Source: Business Analitika



Baltika – Strong Position of Brands

- Baltika and Arsenalnoye - two leading brands of Russia
- Baltika brand volumes in 9M'05 up 15%, Arsenalnoye up 6.7%
- New sub-brand Arsenalnoye *Zakalennoye* with spicy chilli
- Regional brands show great potential, e.g. Don up 21.7%
- Share of the premium segment in 9M'05 30.4%, up 7.1% pts
- Share of the mainstream segment in 9M'05 36.7%, up 5.7% pts





Outlook



Vision for the Future

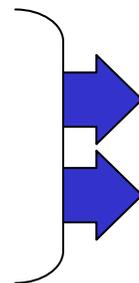


“To be the Champion of our industry”

Clear leader in growth, size, brands, excellence and efficiency



Integration
Business excellence
Organic growth
Efficiency



Improved market share

Strong margins



Great Opportunities with Integration

- An unbeatable brand portfolio
- The strongest sales force with the best brands
- An unrivalled distribution network
- The most efficient production platform
- The highest quality human resources

➡ Improved value proposition to customers, consumers



Update on Co-Operation

- Operational integration with focus on sharing best practices continues
- Legal integration is a separate process
 - In September 2005 Baltika Board of Directors proposed principles for the merger to all shareholders of Baltika, Yarpivo, Pikra and Vena
 - Independent valuation of all businesses and detailed merger proposal will be presented in due course to all shareholders
 - Shareholders can choose cash or equity in 'New Baltika' – BBH has decided to accept equity
 - Communication to shareholders under way
- We are confident shareholders will see the long-term benefit of the integration

Baltika Outlook for 2005



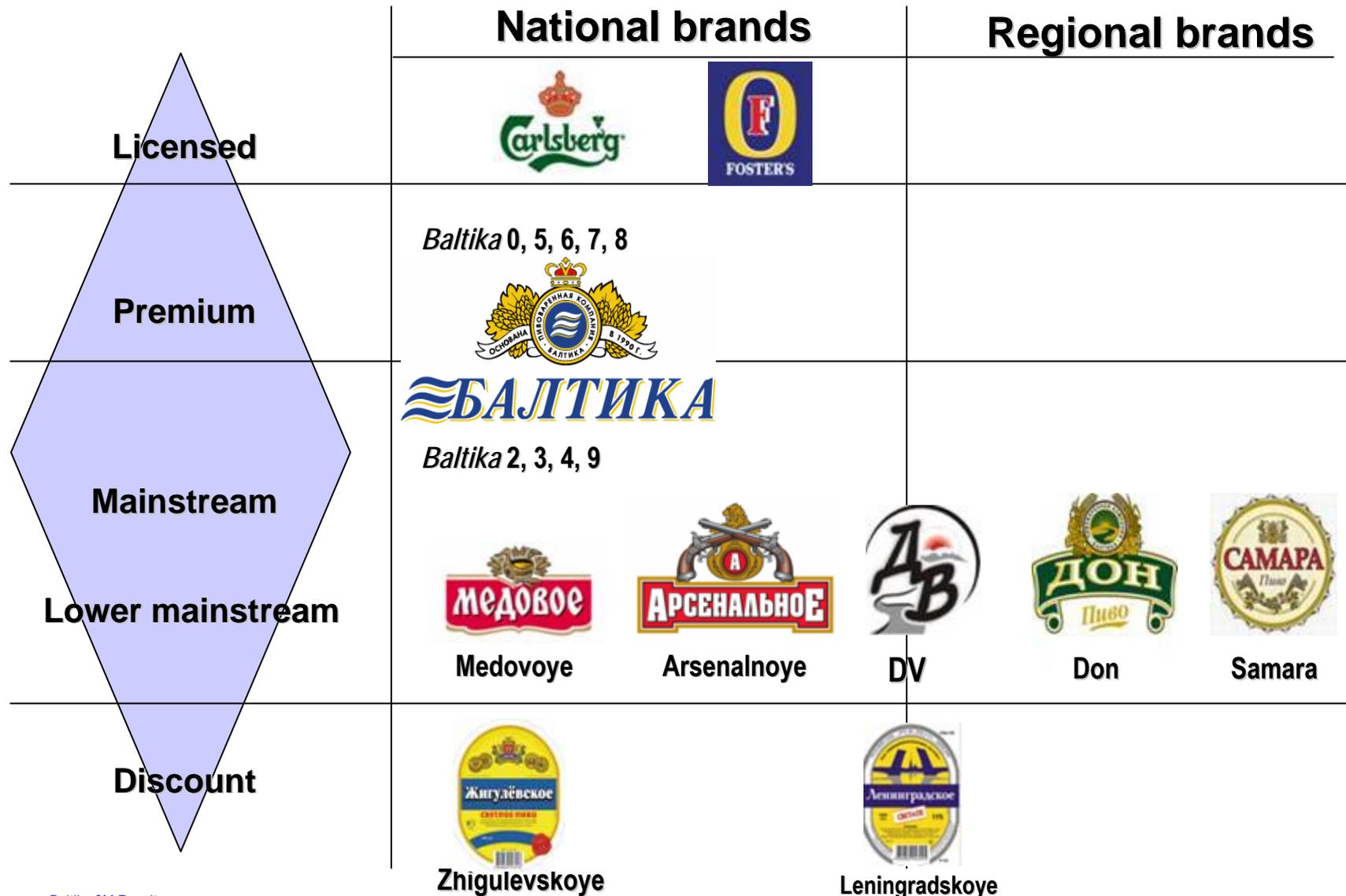
- Russian market growth of mid-single digit
- Pricing to grow in line with Russian food & beverages inflation
- Volume growth rates may be temporarily influenced by
 - tougher comparisons in fourth quarter of 2004
 - changes in distribution necessary for the sales of unified brand portfolio
- Operational integration continues
- Confidence in strong financial performance



Supplementary Information



Baltika Brand Portfolio



Baltika in Licensed Segment



Market share 9M'05 in segment 8%, up 1.7% pts



Baltika in Premium Segment



Market share 9M'05 in segment 30.4%, up over 7.1% pts

Baltika№7
Leader of
Premium
Segment



Baltika in Mainstream Segment



Market share 9M'05 in segment 36.5%, up 5.4% pts



Baltika No. 3
Leader of
Mainstream
Segment



Baltika in Lower Mainstream Segment

Market share 9M'05 in segment 29.4%, up 3.1% pts



Arsenalnoye
Brand №2 in
Russia,
Leader of Lower
Mainstream
Segment





Baltika in Discount Segment

Market share 9M'05 in segment 13.4%, up 8.7% pts

Zhigulevskoye
Brand №1 in
Discount
Segment

Leningradskoe

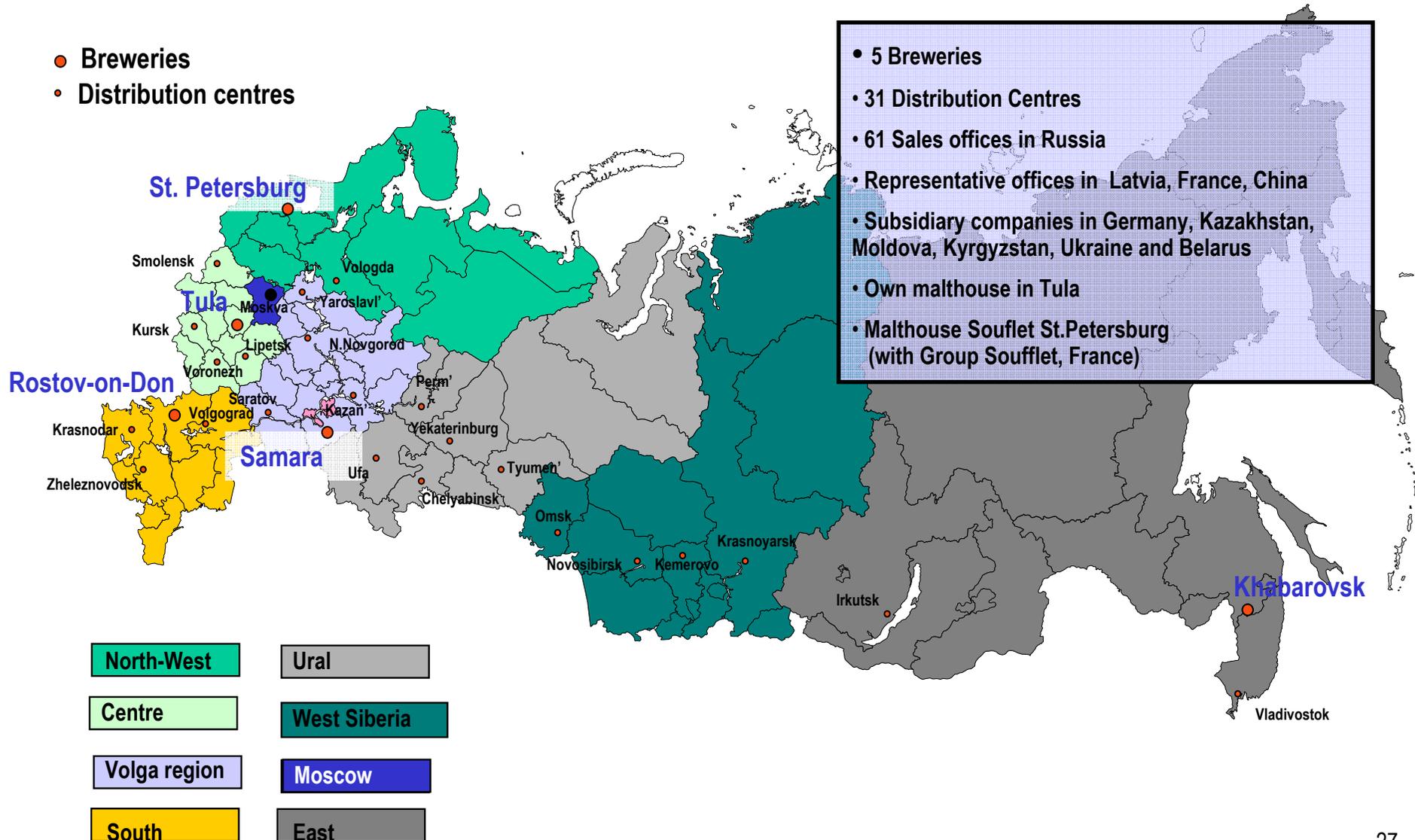
Zhigulevskoye
Re-launch in 2003



Baltika Breweries Distribution Network



- Breweries
- Distribution centres

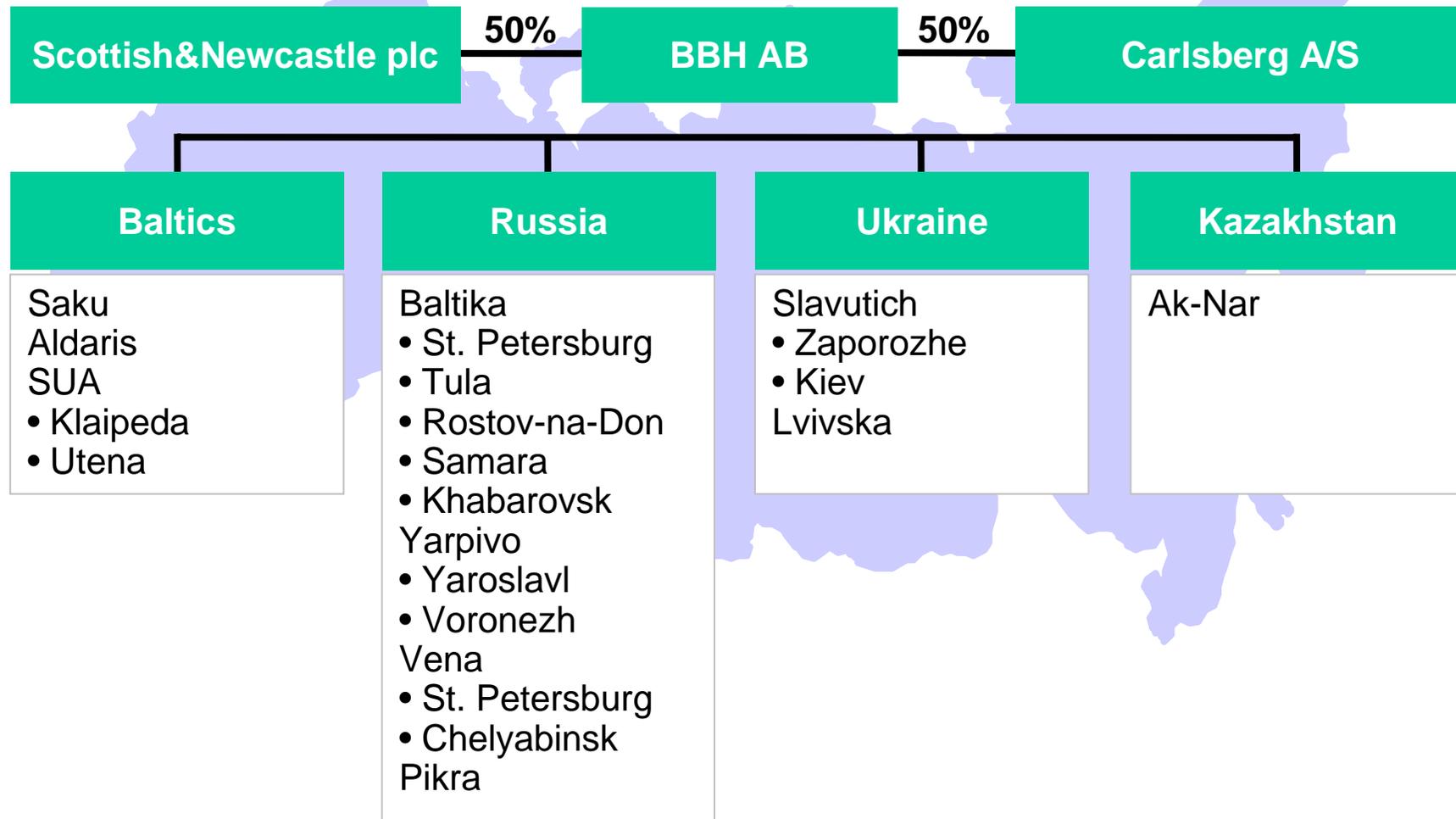


- 5 Breweries
- 31 Distribution Centres
- 61 Sales offices in Russia
- Representative offices in Latvia, France, China
- Subsidiary companies in Germany, Kazakhstan, Moldova, Kyrgyzstan, Ukraine and Belarus
- Own malthouse in Tula
- Malthouse Soufflet St.Petersburg (with Group Soufflet, France)

Group Brewery Network in Russia



BBH Group Structure





Baltika Breweries 9M 2005 Results

Thank You!

Questions?
Please call +7 812 326 66 37