Interim Management Statement

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Dublin, London | 14 January, 2015: C&C Group plc ("C&C" or the "Group"), a manufacturer, marketer and distributor of branded cider, beer, wine and soft drinks today issues an Interim Management Statement covering the period from 1 September 2014 to the date of this statement.

Three Months to 30 November, 2014

Trading conditions in the third quarter were below C&C's expectations.

In Ireland, following solid performance in the first six months of the year, volume (excluding Gleesons) was down 3.4% in the quarter. The market was slow in the period with October and November proving to be particularly quiet months. In Scotland, a similar trading profile was evident and volume (excluding Wallaces) in the period was down 2.4%. The Group's core markets, however, are expected to continue to provide resilient levels of profitability and cash flow.

In England and Wales, pressure on pricing increased in the off trade channel, reflecting intensifying competition at both retail and brand owner points in the supply chain. Our cider volume in the quarter was down 9.8% with net revenue down 18.2%. C&C has, and continues to explore, a range of initiatives within these markets to deliver improved profitability.

In the US, volume declined 16.2% in the period representing an improvement on the first half but still some way from a return to growth. However, the disruptive impact of new entrants to the market has receded. Retail data for the multi-outlet and convenience retail ('MULC') channel since July 2014 highlights that Woodchuck is performing broadly in line with the month-on-month movement in the category. The underlying performance trends of the second half provide increased confidence in the brand's prospects for FY16. We believe that the opening of the new cidery in August, product innovations and better sales execution are having a positive impact. The US cider category remains very attractive and the Group is firmly committed to capitalising on the long-term growth potential.

Excluding the US, underlying performance in other export markets was strong. Volume in Europe increased 18.6% in the quarter with Magners up 7.1% and Tennent's up 62.1%. Distribution issues in Australia depressed overall volume in the segment for the quarter but those issues are now resolved. We anticipate a solid distribution platform in Australia in FY16 and the removal of the drag that Australia has proven to be over the last 18 months.

Trading since 1 December, 2014

Trading over the Christmas period was again below C&C's expectations in the domestic markets and volume trends are broadly consistent with the third quarter performance.

New Banking Facility

In December 2014 the Group put in place a new €450 million five year committed banking facility, extending the maturity profile of its debt and lowering the Group's overall cost of capital.

Capital Allocation

The Group remains highly cash generative and free cash flow conversion for FY15 is expected to be within the normalised range of 55% to 70% of EBITDA. The combination of good cash conversion and low leverage provides the Group with continued balance sheet strength and flexibility.

Against this background, the Board expects to commence buying back shares in the market. Any decision to buy back shares will be within the existing authority granted by shareholders with the Board being satisfied that the repurchase meets the Group's strict returns criteria and the Group maintaining suitable financing flexibility for its needs – both medium and long term. The Board will keep this programme under review and will provide further guidance when results are reported for the financial year.

Outlook

Following weaker than expected trading conditions in the third quarter, conditions that continued during the Christmas period, C&C is updating its operating profit guidance for FY15. Operating profit in the region of €115 million is now anticipated.

Looking beyond FY15, the Group expects the core markets of Ireland and Scotland to continue delivering resilient performance through strong, brand-led multi-beverage operating models. In the US, the significant investments and focussed activity in FY15 should begin to have a positive impact on performance in FY16.

In England and Wales, C&C is advancing plans to significantly reduce costs which will return the cider business to acceptable levels of profitability, expand margins and increase investment behind the brand portfolio.

C&C Group plc | Contacts

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Change on prior year
The tables below outline the results, on a constant currency basis, for the 9 month period ended 30 November, 2014 in comparison to the equivalent period in the prior year.

Ireland	**9 months ended 30 November 2014**
Volume (excl Gleeson)	(3.1%)
Net Revenue (incl Gleeson)	(8.7%)

Scotland	**9 months ended 30 November 2014**
Volume (excl Wallaces)	(1.5%)
Net Revenue (incl Wallaces)	66.2%

England & Wales	**9 months ended 30 November 2014**
Volume	(9.5%)
Net Revenue	(16.9%)

US	**9 months ended 30 November 2014**
Volume	(19.4%)
Net Revenue	(21.3%)

Export	**9 months ended 30 November 2014**
Volume	(3.2%)
Net Revenue	(10.0%)

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Note regarding forward-looking statements

This announcement includes forward-looking statements, including statements concerning current expectations about future financial performance and economic and market conditions which C&C believe are reasonable. However, these statements are neither promises nor guarantees, but are subject to risks and uncertainties, including the specific factors discussed on page 18 and 19 of the FY14 Annual Report, that could cause actual results to differ materially from those anticipated.

About C&C Group plc

C&C Group plc is a manufacturer, marketer and distributor of branded cider, beer, wine and soft drinks. The Group manufactures Bulmers, the leading Irish cider brand, Magners, the premium international cider brand, Gaymers cider and the Shepton Mallet Cider Mill range of English ciders and the Tennent's beer brand. C&C Group also owns Woodchuck and Hornsby's, two of the leading craft cider brands in the United States. The Group's Irish wholesaling subsidiary, Gleeson Group, owns and manufactures Tipperary Water and Finches soft drinks. The Group also distributes a number of beer brands in Scotland, Ireland and Northern Ireland, primarily for Anheuser-Busch Inbev, and owns Wallaces Express a Scottish drinks wholesaler.

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