

## Seeking Alpha $\alpha$

# Coca Cola Hellenic Bottling S.A. Q4 2008 Earnings Call Transcript

## Question-and-Answer Session

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### Operator

Thank you. We will now begin our question and answer session. (Operator Instructions).

Your first question comes from Ian Shackleton from Nomura. Please go ahead.

### Ian Shackleton - Nomura

Good afternoon, Doros and Rob. Two questions. Firstly on currency, can you give us some idea of the magnitude of that assuming current spot rates when I look at 2009. It looks like in Q4 you had a rate of something like 7% or 8% going to what Rob said earlier of the net income level. And secondly I know that at the end of last year, with Nik's new role, you talked quite a lot about the new move initiatives you are looking at tweaking around distribution the way you could maximize that. Could you give us an update on your thinking on that area?

### Rob Murray

I guess the key things for us to keep in mind for currency is that we manage our currency on a portfolio basis and that from a hedging point of view, our policy in the past has been really focused on forward buying where we cover 50% of our exposure on a going forward basis and with that weighted very heavily to the near period. However, in a lot of our markets, the cost of hedging has become too expensive for that method and we have developed some other method to protect ourselves. I think the other thing to keep in mind for us is that some of our risk is mitigated with our incident concentrate deal with Coca-Cola Company as they share in that risk. We are using our cost savings as another lever to offset any currency risk. As far as detailed guidance, we are not going to provide that at this time due to the volatility of the situation.

### Doros Constantinou

Ian, this is Doros. I will take your second question regarding leveraging our distribution strength. I guess you are referring to the explore part of our strategy to look into areas where we can use our existing infrastructure and distribution network. I will say that we continue to do that and the appointment of Nik will enable us to look more closely in a more structured way at opportunities however as I said, we always do that in a very balanced and very careful way and in a way that does not jeopardize the core business. We are looking at opportunities that we can use synergies and extract additional value, no really something that will make or break our 2009 numbers.

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