



C&C Group plc

C&C Group plc to acquire Irish, Northern Irish and Scottish businesses of Anheuser-Busch InBev, including the Tennent's brands, for £180 million

C&C Group plc ("C&C" or the "Company"), a leading manufacturer, marketer and distributor of branded alcoholic beverages in Ireland and the UK, today announces that it has entered into a conditional agreement to acquire the businesses of Anheuser-Busch InBev ("ABI") in Ireland, Northern Ireland and Scotland (the "Business") for a total consideration of £180 million (approximately €205 million) (the "Acquisition"). The Acquisition will be financed from a combination of the Group's own cash resources and existing bank facilities.

The Directors expect that the Acquisition will be immediately earnings accretive on a pro forma basis and will generate a return on invested capital that will exceed the Group's weighted average cost of capital in the first full financial year following the Acquisition. The Acquisition is subject to Shareholder approval, regulatory consent and employee consultation.

Scope of the Acquisition

The assets of the Business being acquired include:

- Tennent's, Scotland's leading lager brand;
- The Wellpark Brewery in Glasgow;
- An on-trade loan book of approximately £27 million; and
- Distribution rights to certain ABI brands in Ireland, Northern Ireland and Scotland, including Stella Artois and Beck's, as part of a strategic partnership with the world's largest brewer.

Tennent's Lager is Scotland's leading lager brand where it accounts for 55 per cent. of volumes of lager sold to the Scottish on-trade and around 30 per cent. of the Scottish off-trade. The Business is the leading brewer in Scotland by volume brewing Tennent's brands and also producing and selling the Stella Artois brand, which has a 5 per cent. volume share of on-trade lager in Scotland. In Northern Ireland, Tennent's brands have approximately 25 per cent. of the on-trade draught lager market.

The Business generated Net Sales of £162.2¹ million and EBITDA of £21.8² million in the year ended 31 December 2008. It employs approximately 300 employees in total in Ireland, Northern Ireland and Scotland.

¹ Financials have been taken from the carve-out financials for the Business and have been prepared according to C&C's accounting policies. The figures include various normalisation adjustments which have been further detailed in section 5 of the full announcement. The carve-out financials will be included in the Shareholder circular.

² See footnote 1. In addition, EBITDA is net of the royalty payment to ABI for sales of ABI brands.

Background to and reasons for the Acquisition

The Board of C&C believes that the Acquisition represents a logical platform to develop its existing business, with potential to increase the position of Magners outside its core market and providing portfolio diversification in Ireland. It is both strategically and financially attractive.

Specifically, the Acquisition:

- Provides a strengthened route to market for Magners cider in both Northern Ireland and Scotland;
- Provides the Group with an iconic leading brand, Tennent's, and a significant position in the on-trade draught lager sector in Northern Ireland;
- Creates a strategic partnership between the Group and ABI;
- Is expected to deliver cost savings and revenue synergies of £10 million per annum by 2012;
- Is immediately earnings accretive on a pro forma basis and accelerates the long-term earnings growth prospects of the Enlarged Group; and
- Is expected to generate a return on invested capital that will exceed the Group's weighted average cost of capital in the first full financial year after the Acquisition.

Comments

Tony O'Brien, Chairman of C&C said:

"This acquisition is an evolution of our stated strategy and clearly enhances the Group's position in the Long Alcoholic Drinks sector. Tennent's is a renowned Scottish brand, which, combined with our leading market position in cider, represents an attractive growth opportunity for the group. The acquisition will, we believe, create operating synergies and increase shareholder value. Our management team has a strong track record of successfully managing internationally branded beverages. The Board unanimously recommends that shareholders approve this acquisition."

John Dunsmore, CEO of C&C said:

"Tennent's is a celebrated brand and is a compelling strategic fit for the group to develop alongside Magners in Scotland and Northern Ireland. This is a great opportunity to strengthen our route to market and broaden our product portfolio by combining our cider brands with some of the world's leading beer brands."

Carlos Brito, CEO of Anheuser-Busch InBev said:

"The sale of these assets will unlock value for our shareholders and ensure continued support for our global brands in the region through distribution agreements with key partners. C&C is a strong strategic buyer who is well-positioned to invest in and advance these assets within their respective geographies."

Presentation and conference call details

Analysts and Investors

- C&C will host a presentation for analysts and institutional investors today, 27 August, at 8.30am in the Forum 1 room at the London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS. It will also be possible to participate in the presentation and Q&A session via conference call using the dial in details below:

Ireland	+353 (0)1 4860922
UK & Europe	+44 (0)20 7806 1953
USA	+1 718 354 1387

- C&C will also host a second conference call today for analysts and institutional investors at 3.00pm (10.00am ET). Dial in details to access this conference call are outlined below:

Ireland	+353 (0)1 4860922
UK & Europe	+44 (0)20 7806 1951
USA	+1 718 354 1387

For further details, or for conference call replay numbers, please contact K Capital Source on the contact details at the end of this release.

Media

- C&C will host a conference call for news wires today, 27 August at 7.30am. Dial in details to access this conference call are outlined below:

Ireland	+353 (0)1 4860916
UK & Europe	+44 (0)20 7806 1967

- C&C will host a presentation for media today, 27 August at 10.30am in the Forum 1 room at the London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS. It will also be possible to participate in the presentation and Q&A session via conference call using the dial in details below:

Ireland	+353 (0)1 4860916
UK & Europe	+44 (0)20 7136 6285

Notes to Editors

About C&C

C&C Group plc is a leading manufacturer, marketer and distributor of branded beverages in Ireland and the UK. C&C manufactures the leading Irish cider brand, Bulmers, and the international cider brand, Magners, for export to the United Kingdom, the United States and Continental Europe. C&C also exports spirits and liqueurs, including the Irish whiskey brand, Tullamore Dew, to over 80 international markets.

C&C is headquartered in Dublin and its manufacturing operations are based in Clonmel, Co. Tipperary. C&C is listed on the Irish and London Stock Exchanges.

For further information, please contact:

C&C: John Dunsmore, Chief Executive Stephen Glancey, Chief Operating Officer Kenny Neison, Strategy Director	+353 (0) 1 616 1100
Rothschild (Financial Adviser): Akeel Sachak / Robert Plowman	+44 (0) 20 7280 5000
Davy (Sponsor): Hugh McCutcheon / John Frain	+353 (0) 1 679 7788
K Capital Source (Investor Relations): Mark Kenny / Jonathan Neilan	+353 (0) 1 663 3680
Cardew Group (UK & International Media): Robert Ballantyne / Shan Shan Willenbrock	+44 (0) 20 7930 0777
Drury (Irish Media): Paddy Hughes / Anne-Marie Curran	+353 (0) 1 260 5000

This announcement contains forward-looking statements, including statements about C&C's intentions, beliefs and expectations and expected tax rates. These statements are based on C&C's current plans, estimates and projections, as well as C&C's expectations of external conditions and events. In particular the words 'expect', 'anticipate', 'predict', 'estimate', 'project', 'may', 'could', 'should', 'would', 'will', 'intend', 'believe' and similar expressions are intended to identify forward-looking statements. Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. The Company undertakes no duty to and will not necessarily update any of them in light of new information or future events, except to the extent required by any applicable law or regulation. Shareholders are therefore cautioned that a number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements.

Nothing in this announcement is intended or is to be construed as a profit forecast or to be interpreted to mean that earnings per Share for the current or future financial years, or those of the Enlarged Group, will necessarily match or exceed the historical published earnings per share. Notwithstanding anything in this announcement to the contrary, there is and can be no assurance that the Acquisition will be consummated in the manner described herein.

Davy, which is regulated in Ireland by the Irish Financial Regulator, is acting exclusively for the Company, as sponsor to the Company in connection with the requirements of the Irish Stock Exchange and the UK Listing Authority relating to the Acquisition and for no-one else and will not be responsible to anyone other than Company for providing the protections afforded to clients of Davy or for providing advice in relation to the Acquisition or any other matters referred to in this document.

Rothschild, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for the Company as financial adviser in connection with the Acquisition and no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Rothschild or for providing advice in relation to the Acquisition or any other matters referred to in this document.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms any part of, this announcement.

This summary should be read in conjunction with the full text of the following announcement.

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C&C Group plc to acquire Irish, Northern Irish and Scottish businesses of Anheuser-Busch InBev, including the Tennent's brands, for £180 million

1. INTRODUCTION

C&C Group plc ("C&C" or the "Company"), a leading manufacturer, marketer and distributor of branded alcoholic beverages in Ireland and the UK, today announces that it has entered into a conditional agreement to acquire the businesses of Anheuser-Busch InBev ("ABI") in Ireland, Northern Ireland and Scotland (the "Business") for a total consideration of £180 million (approximately €205 million) (the "Acquisition"). The principal assets of the Business include the rights to Tennent's brands worldwide (subject to a license back of Tennent's Super and Tennent's Pilsner), the Wellpark Brewery in Glasgow and trade loans made to customers of the Business. Further details regarding the nature of the Business and the terms of the Acquisition are set out in Sections 3 and 4 of this announcement.

The total consideration for the purchase of the Business is £180 million (approximately €205 million) of which £153 million (approximately €174 million) will be payable on completion of the Acquisition and a further £27 million (approximately €31 million) will be payable on the first anniversary of completion. The consideration is subject to an adjustment for working capital. The Acquisition will be financed from a combination of the Group's own cash resources and existing bank facilities..

2. BACKGROUND TO AND REASONS FOR THE ACQUISITION

The C&C Group is a leading manufacturer, marketer and distributor of cider, a category within the LAD market. It also owns, produces and distributes a range of niche spirits and liqueur brands across a number of international markets. The C&C Group's principal markets for cider are Ireland and the United Kingdom, whilst for spirits and liqueurs its main markets are the United States of America and Eastern Europe.

As explained in the C&C Group's business presentation on 3 March 2009, which can be found on its website, the C&C Group's strategy is to become a successful manager of alcoholic drinks brands in international markets. The principal elements of this strategy are creating and maintaining outstanding product integrity, continuing product innovation, brand management, retaining competitive and agile operations and developing strategic alliances.

The C&C Group's short-term strategic initiatives include creating a new business structure to improve profit-focused decision-making, strengthening brand propositions in Ireland and the United Kingdom by meeting consumer and customer needs, and improving its cost position by reducing its cost base.

The medium-term strategic goals for the C&C Group are to develop new routes to market through strategic alliances in existing and new markets, continue innovation in respect of both existing and new products and to build strategic alliances to help maximise the use of assets and further enhance C&C Group profits.

The Board believes that the Acquisition represents a logical platform to develop its existing business, with potential to increase the position of Magners in its core market and providing portfolio diversification in Ireland. It is both strategically and financially attractive for the following reasons:

- The Acquisition strengthens the route to market for Magners cider by providing a further distribution platform for Magners cider in both Northern Ireland and Scotland;
- The addition of the Tennent's brands to the Enlarged Group's brand portfolio is highly important. Tennent's Lager is Scotland's leading lager brand where it accounts for 55 per cent. of volumes of lager sold to the Scottish on-trade and around 30 per cent. of the Scottish off-trade. In Northern Ireland, Tennent's brands have approximately 25 per cent. of the on-trade draught lager market.³
- The Acquisition establishes a long-term strategic partnership between the C&C Group and ABI;
- The combination of acquiring the Tennent's brands and establishing long-term arrangements to distribute certain ABI beer products throughout Ireland, Northern Ireland and Scotland strengthens and broadens the Enlarged Group's portfolio of products;
- Combining the Business with the existing C&C Group offers potential cost savings and revenue synergies of £10 million per annum by 2012. The Board believes the cider and beer brands owned by the Enlarged Group and those brands of ABI which the Enlarged Group will distribute will be highly complementary and that the combined portfolio will enhance the prospects of each such brand in each territory; and
- It is expected that the Acquisition will be immediately earnings accretive on a pro forma basis, will accelerate the long-term earnings growth profile of the Enlarged Group and will exceed the C&C Group's weighted average cost of capital in the first full financial year after the Acquisition.

Costs savings and revenue synergies

As described above, the cost savings and revenue synergies are currently expected to generate incremental group operating profit of £10 million per annum by 2012.

The Board believes that by 2012 an estimated £5 million in annual pre-tax cost savings are achievable. The Board believes that these savings will be achieved by optimising sourcing, improving the efficiency of the Enlarged Group and by reducing overlap where appropriate. They believe that optimising sourcing will yield lower costs, particularly in respect of procurement and transport, and that savings will be achieved in Great Britain and Northern Ireland by removing duplicated activities. The Board believes that these savings can be delivered without disruption to the underlying operations of the business of the Enlarged Group.

The revenue synergies which will be created by the increased sales opportunities for Magners and the Tennent's brands and the distribution of certain ABI beer products

³ AC Nielsen

are estimated by the Board to create additional C&C Group profit of £5 million by 2012.

The Board believes that the cash cost of achieving the forecast synergies will be approximately £8 million and that this will be incurred during the C&C Group's financial year ending 28 February 2011. The Board believes that approximately half of the total forecast synergies will be delivered during the C&C Group's financial year ending 28 February 2011.

3. INFORMATION ON THE BUSINESS

The Business comprises the business and assets of ABI in Ireland, Northern Ireland and Scotland. The Business is a manufacturer and distributor of LAD products (principally lager) in these territories. The principal assets of the Business include the rights to all Tennent's brands worldwide (subject to a licence back of Tennent's Super and Tennent's Pilsner as described in the following paragraph), the Wellpark Brewery in Glasgow, the trade loans made to customers of the Business together with certain other assets.

The principal brand of the Business is Tennent's which has a significant share in its territories as described below. Tennent's Lager is supported by a range of other Tennent's brands. However, following completion of the Acquisition, Tennent's Super and Tennent's Pilsner products will not be manufactured or sold by the Enlarged Group but will be licensed to ABI. Following the Acquisition, the Enlarged Group will also distribute a range of ABI's products including Stella Artois, Beck's, Hoegaarden, Leffe, Budweiser in Scotland and packaged Budweiser in Northern Ireland. It will also sell and distribute a range of third party products to on-trade and off-trade customers in Ireland, Northern Ireland and Scotland.

For the year ended 27 December 2008, the Business generated Net Sales of £162.2 million and EBITDA of £21.8 million based on carve-out numbers normalised to exclude non-recurring costs and including a pro forma royalty payment to ABI.

Further details concerning the business and assets of the Business in Ireland, Northern Ireland and Scotland are set out below:

Ireland

The customer base in Ireland is small and is supplied from Northern Ireland. The Enlarged Group will be able to sell and distribute the specified ABI products to on-trade and off-trade customers save for off-trade national multiple retail customers and the duty free sector.

The Acquisition provides the Enlarged Group with portfolio diversification through long-term distribution rights of well-known LAD brands.

Northern Ireland

The Business has been present in Northern Ireland since 1897. Tennent's Lager enjoys a 25 per cent. share of the on-trade draught lager sector.⁴ The Business does not manufacture any Tennent's products in Northern Ireland.

⁴ AC Nielsen

The Business has a substantial on-trade loan book of approximately £21 million covering approximately 450 outlets, as a result of which these outlets are tied to the Business. Supplies to loan-tied outlets comprise a majority of the Business's on-trade draught volumes. The Business also supplies draft and packaged volumes to the free trade.

The Business supplies on-trade and off-trade customers both directly and through wholesalers. The Business has its own wholesaling operation supplying both the on-trade and the off-trade.

In Northern Ireland, following the Acquisition the Business Purchaser will sell and distribute the specified ABI products to all on-trade and off-trade customers save for national multiple retail customers, the duty free sector, procurement offices, military bases and embassies.

Scotland

All manufacturing operations are based at the Wellpark Brewery, Glasgow. The Business has been brewing Tennent's on this site since 1885. In 2008, it brewed approximately 1.7 million hectolitres of Tennent's brands and a further 0.5 million hectolitres of other beer brands at the Wellpark Brewery, which has capacity of up to 2.5 million hectolitres per annum.

Today the Business commands a large share of sales across the Scottish beer sector. Tennent's Lager accounts for around 55 per cent. of volumes of lager sold to the Scottish on-trade and around 30 per cent. of the Scottish off-trade.

The Business is not only the leading brewer in Scotland by volume with Tennent's lagers, but also produces and sells the Stella Artois brand, which has a 5 per cent. volume share of the on-trade in Scotland. Other ABI brands that will be distributed by the Business, including Beck's and Budweiser, also have a solid position in the Scottish lager sector.

The Enlarged Group will be able to continue to sell and distribute ABI products to all on-trade customers save for on-trade national multiple retail customers, the duty free sector, procurement offices, military bases and embassies. In Scotland, the Enlarged Group will not be permitted to sell or distribute ABI products to off-trade customers.

The Business is strong in the on-trade segment and has a direct on-trade sales force and a pub loan book of approximately £6 million.

In Scotland, the Business has a broad customer base. It supplies pubs including pubs tied to it through trade loans as referred to above. It also distributes its products through wholesalers. A significant proportion of its revenue is generated from a large number of on-trade customers including Belhaven, which is owned by Greene King plc.

The Tennent's brand is supported by a range of high profile marketing initiatives in Scotland, notably its sponsorship of the largest outdoor music festival in Scotland, "T in the Park", and sponsorship of the Scottish national football team.

Further information on other aspects of the Business is set out below:

Suppliers

As part of ABI, the Business currently procures some raw materials and other supplies on shared contracts with other parts of the ABI Group. These contracts will be split in due course. ABI will use reasonable endeavours to ensure that its procurement terms for some products will continue to be made available for a three year period.

To help ensure continuity, ABI has agreed to provide certain services for a maximum period of 12 months following completion of the Acquisition on a transitional basis.

Belhaven is a supplier of ale into the Business and is also a contract packager. Distribution to on-trade customers is mainly carried out by Tradeteam and other contractors. Some dispense equipment services are provided by third party contractors.

Competitors

In Scotland, the principal competing suppliers of beer are Heineken NV, Belhaven Ltd and certain wholesalers. In Northern Ireland, the principal competing suppliers are Diageo plc, WaverleyTBS and other regional wholesalers.

Management and employees

The Business has approximately 300 employees whose employment will transfer to the C&C Group. The principal terms and conditions of employment of transferring employees will be safeguarded. The Board currently expects to bring the centralised service functions of the Business in-house during the first 12 months following the Acquisition as part of the proposed integration process.

The ABI Group's telesales operation at Wellpark Brewery will not transfer to the C&C Group but these services will be supplied to the Business on a transitional basis.

4. TERMS OF THE ACQUISITION

The Tennent's brands are being acquired by the Brands Purchaser and the remainder of the Business by the Business Purchaser. The Company will guarantee the obligations of the Purchasers in connection with the Acquisition.

Purchase price

The total consideration for the purchase of the Business is £180 million (approximately €205 million) of which £153 million (approximately €174 million) will be payable on completion of the Acquisition and a further £27 million (approximately €31 million) will be payable on the first anniversary of completion. The consideration is subject to an adjustment for working capital, is payable in Euro and the exchange rate has been fixed based on an exchange rate of €1:£0.877.

Conditions precedent

In addition to obtaining the approval of Shareholders, the Acquisition is conditional upon a satisfactory outcome to the employee consultation with respect to the acquisition of the Business and clearance by the Irish Competition Authority.

Break fee payment

The Seller may terminate the Acquisition Agreement if the resolution approving the Acquisition is not passed within six weeks of the date of the Acquisition Agreement. In such event, C&C has agreed to pay the Seller a break payment of £4.5 million, or if less, 1 per cent. of C&C's market capitalisation.

Warranties, indemnities and liabilities

Under the terms of the Acquisition Agreement, ABI has provided the Business Purchaser with certain warranties usual for a transaction of this nature. In addition, ABI has agreed to give specific indemnities covering certain matters identified as a result of the legal and financial due diligence exercise undertaken in respect of the Business.

The Business Purchaser has also provided various indemnities to ABI in respect of the C&C Group's ongoing obligations pursuant to the terms of Acquisition.

The Business Purchaser will assume the liabilities of the Business excluding pension liabilities, financial indebtedness, tax, intra-group indebtedness and liabilities relating to properties not being acquired.

Distribution arrangements

The Business Purchaser will enter into distribution arrangements with members of ABI for the distribution of certain ABI beer products, including Stella Artois, Beck's, Budweiser, Hoegaarden and Leffe. The Business Purchaser will obtain exclusive distribution rights in respect of Ireland and Northern Ireland (subject to certain carve outs) and non-exclusive distribution rights for certain ABI beer products in the on-trade in Scotland (again, subject to certain carve outs).

Products of ABI will be supplied at cost. A royalty will be payable to ABI based on Net Sales.

The distribution arrangements contain minimum purchase obligations, volume share retention targets and growth targets, prohibitions on purchasing competing brands, as well as obligations to spend a minimum amount on marketing each year.

The arrangements will be for a term of 20 years. In addition to termination rights for material breach, either party may terminate the three distribution arrangements together at will on 12 months' notice after the first five years subject to making a termination payment.

Transitional services

ABI has agreed to provide certain services (mainly relating to centrally provided head office services) for a maximum period of 12 months following completion of the Acquisition on a transitional basis.

Contract brewing

The Business Purchaser will enter into a contract brewing arrangement for a period of three years whereby it will continue brewing, kegging and canning ABI products at the Wellpark Brewery or other qualified unit.

The Business undertakes to provide a minimum brewing capacity and to use reasonable efforts to fulfil excess orders, having regard to available capacity. ABI undertakes to order certain minimum quantities during the term.

Tennent's Super and Tennent's Pilsner

Tennent's Super and Tennent's Pilsner are respectively high (9.0% ABV) and low (3.2% ABV) strength lagers. Although the trademarks of these brands will be acquired by the Business Purchaser, the rights to them in the UK and Ireland (and in certain other territories in respect of Tennent's Super) will be licensed back to ABI on a royalty free and long-term basis (renewable for further terms) for restricted use. The Brand Purchaser has undertaken not to use the trademarks in any territory and thus they form no part of the business of the Enlarged Group.

5. FINANCIAL INFORMATION

A summary of the carve-out financials for the Business for the years ended December, according to C&C's accounting policies, is set out below.

Year-end December	2006 £m	2007 £m	2008 £m
Revenue	310.5	298.3	291.4
Excise duties	(119.5)	(124.3)	(125.9)
Net Sales	191.0	174.0	165.5
Operating costs excluding excise duties	(181.3)	(162.3)	(157.7)
Operating profit	9.7	11.7	7.8
Depreciation and amortisation	12.3	11.9	13.1
EBITDA	22.0	23.6	20.9

The operating costs and operating profit figures set out in the table above are stated before taking into account exceptional items.

In 2006, 2007 and 2008 operating costs included certain charges that will cease to be incurred following the Acquisition. These include, inter alia, intra-group management fees and intra-group royalties payments and totalled £3.0 million in 2006, £2.4 million in 2007 and £3.7 million in 2008. Additionally, in 2006, 2007 and 2008, the financials included revenue and costs associated with a brand, Dutch Gold, that was sold by the Business but are not part of the Acquisition. These increased the Business's Net Sales by £3.5 million in 2006, £3.6 million in 2007 and £3.3 million in 2008 and EBITDA by £0.1 million in 2006, £0.8 million in 2007 and £0.6 million in 2008.

Year-end December	2006 £m	2007 £m	2008 £m
Normalised Net Sales	187.5	170.4	162.2
Normalised EBITDA	25.0	25.1	23.9

After Completion the Enlarged Group will incur a royalty fee payable to ABI which was not incurred by the Business before completion and is therefore not included in the carve-out financials. Assuming the royalty rate agreed between the parties based on Net Sales of ABI beer products in the year ending 27 December 2008, then an incremental cost of £2.1 million would have been incurred in that year.

6. FINANCING

The C&C Group is financing the Acquisition through a combination of its cash resources and existing bank facilities. The current net debt position of the Group is approximately €180 million.

7. INTEGRATION

Following the Acquisition, the Enlarged Group will continue to be managed by the current executive Directors of the Company. No changes to the Board are anticipated.

The integration of the Business into the C&C Group's existing business will be overseen by Stephen Glancey (Chief Operating Officer). A dedicated integration team comprising members of the C&C Group's operational management is currently being established and will be in place upon completion of the Acquisition. This team will include Kenny Neison (Strategy Director), together with individuals with experience in production, finance, sales and human resources. ABI is also in the process of finalising a similarly skilled integration team to assist with transitional issues which will arise as a result of the Acquisition.

8. EXTRAORDINARY GENERAL MEETING

In view of its size, the Transaction constitutes a Class 1 transaction under the Irish Listing Rules and, accordingly, it is subject to Shareholder approval at an Extraordinary General Meeting. A circular to Shareholders will be posted as soon as practicable containing further details of the Acquisition together with a notice of the Extraordinary General Meeting to approve the Acquisition.

For further information, please contact:

C&C: John Dunsmore, Chief Executive Stephen Glancey, Chief Operating Officer Kenny Neison, Strategy Director	+353 (0) 1 616 1100
Rothschild (Financial Adviser): Akeel Sachak / Robert Plowman	+44 (0) 20 7280 5000
Davy (Sponsor): Hugh McCutcheon / John Frain	+353 (0) 1 679 7788
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Appendix 1 – Definitions

The following definitions apply throughout this document, unless stated otherwise:

ABI	InBev UK Ltd (as a subsidiary of Anheuser-Busch InBev NV/SA) or where appropriate, the relevant member of the ABI Group
ABI Group	Anheuser-Busch InBev NV/SA and its Affiliates
ABV	alcohol by volume
Acquisition	the proposed acquisition by the Purchasers of the Business from ABI and other members of the ABI Group
Acquisition Agreement	the agreement between ABI, the Business Purchaser and the Company relating to the Acquisition,
Affiliate	in relation to any party, any subsidiary or parent company of that party and any subsidiary of any such parent company, in each case from time to time
Announcement	the announcement made by the Company on 27 August 2009 in connection with the Acquisition
Board	the board of Directors of the Company
Brands Purchaser	C&C International Limited, being a subsidiary of the Company and the acquirer of the Business brands and other intangible assets
Business	(a) the business of manufacturing, marketing, distributing and selling Tennent's alcoholic beverages in Scotland, Northern Ireland and Ireland (save for Tennent's Super and Tennent's Pilsner); (b) the business of selling and distributing specified ABI Group products directly and/or indirectly to all on-trade customers in Scotland and all on-trade and off-trade customers in Ireland and Northern Ireland (save in each case for certain multiple national retail customers and other limited exceptions); (c) the business of selling and distributing specified third party products directly and/or indirectly to all on-trade and off-trade customers in Scotland, Northern Ireland and Ireland; and (d) the business of making trade loans in connection with any of the above

Business Purchaser	Lawgra (No. C6934.2) Ltd, being a subsidiary of the Company and the acquirer of the Business (other than the Business brands and other intangible assets) pursuant to the terms of the Acquisition Agreement
C&C or the Company	C&C Group plc
Davy	J&E Davy, trading as Davy
Directors	the directors of the Company
EBITDA	earnings before interest, taxes, depreciation and amortization
Enlarged Group	the enlarged Group following completion of the Acquisition
Extraordinary General Meeting	the extraordinary general meeting of the Company to be held in due course to consider the Acquisition
Financial Regulator	the Irish Financial Services Regulatory Authority, as part of the Central Bank and Financial Services Authority of Ireland
Group or C&C Group	the Company and its Affiliates
Ireland	Republic of Ireland
LAD	long alcoholic drinks
Listing Rules	the listing rules published by The Irish Stock Exchange Limited, as revised from time to time
Net Sales	Revenue less excise duties
Purchasers	both the Business Purchaser and the Brands Purchaser
Rothschild	N M Rothschild & Sons Limited of New Court, St Swithin's Lane, London EC4P 4DU
Shareholder	a holder of a Share
Shares	the ordinary shares of €0.01 each in the capital of the Company
UK or United Kingdom	United Kingdom of Great Britain and Northern Ireland