

Registration number: 08055298

MOLSON COORS EUROPEAN HOLDCO LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

FRIDAY



A5GMMJK1

A10

30/09/2016

#217

COMPANIES HOUSE

MOLSON COORS EUROPEAN HOLDCO LIMITED

CONTENTS

Company Information	1
Strategic Report	2 - 3
Report of the Directors	4 - 5
Independent Auditors' Report	6 - 7
Statement of Comprehensive Income	8
Statement of Changes in Equity	9
Statement of Financial Position	10
Notes to the Financial Statements	11 - 19

MOLSON COORS EUROPEAN HOLDCO LIMITED

COMPANY INFORMATION

Company number 08055298

Registered office 137 High Street
Burton upon Trent
Staffordshire
DE14 1JZ

Directors D Heede
S Kerry
E Reichert
M Saks

Company secretary E Reichert

Independent auditors PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Donington Court
Pegasus Business Park
Herald Way
East Midlands
DE74 2UZ

MOLSON COORS EUROPEAN HOLDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their Strategic Report for the year ended 31 December 2015.

Review of the business

The principal activity of the Company is that of an intermediate holding company. The Company's sole investment represents a 38.5% holding in Molson Coors Lux 2, a company incorporated in Luxembourg which is a parent company holding the group of companies which constitute the Central European operations of Molson Coors Brewing Company.

There is not expected to be any change in the principal activity of the Company in the foreseeable future.

The directors have reviewed the performance of operations in Central Europe and have performed an assessment of the value in use of the investment by reference to a discounted cash flow forecast. Based on this assessment, an impairment of €187,940,000 was recognised in the year in respect of the Company's investment.

During the year, the Company completed a refinancing project, issuing loan notes and share capital, the proceeds of which were used to facilitate early redemption of existing debt in accordance with the terms of the relevant financing agreement. The shares were issued to the Company's existing sole shareholder.

As a result of the refinancing, there was an increase in the Company's net assets during the year. At 31 December 2015, the Company had net assets of €248.6 million (2014 - €121.9 million).

On 18 March 2016, the Company's loan notes, which are held by a fellow subsidiary of its immediate parent undertaking, were admitted to the Official List of the Channel Islands Securities Exchange Authority Limited. The value of those loan notes is approximately €244.5 million, with interest payable at a fixed rate of 4.3%. The notes are unsecured, with a redemption date of 10 December 2022.

Summary of key performance indicators

The Company's activities comprise the holding of its investment in Molson Coors Lux 2 and the payment of interest on borrowings at a fixed rate.

The Company's key performance indicator is considered to be the carrying value of its investment, which is linked to the performance of the Central European operations of Molson Coors Brewing Company.

Principal risks and uncertainties

Due to the nature of the Company's activities and the fact that all of its transactions are within the group headed by Molson Coors Brewing Company, the directors do not consider that there are any significant risks and uncertainties facing the Company as an individual entity.

MOLSON COORS EUROPEAN HOLDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2015

Financial instruments

The Company uses financial instruments comprising loans to and from other group undertakings and investments in non-puttable equity instruments.

The main risks arising from the Company's financial instruments are liquidity risk and credit risk.


The directors monitor balances due and ensure that sufficient liquidity is accessible from within the group to enable settlement of those balances by the due date.

Balances due from group undertakings are monitored by the Board of Directors on a regular basis and additional lending is subject to their approval

Interest is payable on the Company's borrowings at a fixed rate, so interest rate risk is not a significant risk.

Price risk is not considered to be applicable due to the nature of the Company's financial instruments.

On behalf of the Board



S Kerry, Director
29 September 2016

MOLSON COORS EUROPEAN HOLDCO LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report, together with the audited financial statements and the independent auditors' report for the year ended 31 December 2015.

Directors

The directors who served the Company during the year and up to the date of signing these financial statements were:

D Heede
S Kerry
E Reichert
M Saks

Results and dividends

The trading results for the year and the Company's financial position at the end of the year are shown in the attached financial statements, and are discussed further in the review of the business.

No dividends were declared or paid in the year ended 31 December 2015 (2014 - €Nil).

Future developments

There are not expected to be any significant changes in the activities of the Company in the foreseeable future.

Financial instruments

Details of financial instruments are provided in the Strategic Report on page 3.

Going concern

The directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore they continue to adopt the going concern basis of accounting in preparing the financial statements.

Political donations

No political donations were made during the year (2014 - €nil).

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ("FRS102"), and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- Notify its shareholders in writing about the use of disclosure exemptions within FRS102 in the preparation of the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

MOLSON COORS EUROPEAN HOLDCO LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2015

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

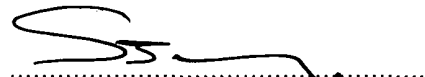
Statement as to disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

On behalf of the Board



S Kerry, Director
29 September 2016

Independent auditors' report to the members of Molson Coors European Holdco Limited

Report on the financial statements

Our opinion

In our opinion, Molson Coors European Holdco Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 31 December 2015;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Molson Coors European Holdco Limited

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the statement of directors' responsibilities set out on pages 4 and 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

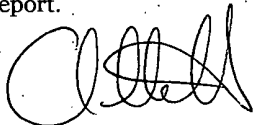
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Christopher Hibbs (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands
29 September 2016

MOLSON COORS EUROPEAN HOLDCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	2015 €'000	2014 €'000
Impairment of fixed asset investment		(187,940)	-
Operating loss	2	(187,940)	-
Interest receivable and similar income	4	4,092	3,907
Interest payable and similar charges	5	(45,270)	(44,275)
Loss on ordinary activities before taxation		(229,118)	(40,368)
Tax on loss on ordinary activities	6	15,498	(840)
Loss for the financial year		(213,620)	(41,208)
Other comprehensive income		-	-
Total comprehensive loss for the year		(213,620)	(41,208)

The above results were derived from continuing operations

The notes on pages 11 to 19 form part of these financial statements

MOLSON COORS EUROPEAN HOLDCO LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Called up share capital €'000	Accumulated losses €'000	Total equity €'000
Balance at 1 January 2015	527,399	(405,532)	121,867
Loss for the financial year	-	(213,620)	(213,620)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(213,620)	(213,620)
New shares issued	340,362	-	340,362
Balance at 31 December 2015	867,761	(619,152)	248,609

	Called up share capital €'000	Accumulated losses €'000	Total equity €'000
Balance at 1 January 2014	527,399	(364,324)	163,075
Loss for the financial year	-	(41,208)	(41,208)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(41,208)	(41,208)
Balance at 31 December 2014	527,399	(405,532)	121,867

The notes on pages 11 to 19 form part of these financial statements


MOLSON COORS EUROPEAN HOLDCO LIMITED
(Registration number:08055298)

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Note	2015 €'000	2014 €'000
Fixed assets			
Investments	7	467,794	655,530
Current assets			
Debtors (including €11,564,000 (2014 - €102,081,000) falling due after more than one year)	8	27,062	102,081
Creditors: amounts falling due within one year	9	(1,744)	(1,139)
Net current assets		25,318	100,942
Total assets less current liabilities		493,112	756,472
Creditors: amounts falling due after more than one year	10	(244,503)	(634,605)
Net assets		248,609	121,867
Capital and reserves			
Called up share capital	11	867,761	527,399
Accumulated losses		(619,152)	(405,532)
Total equity		248,609	121,867

The financial statements on pages 8 to 19 were approved by the Board of Directors on 29 September 2016 and signed on its behalf by


S Kerry
Director

The notes on pages 11 to 19 form part of these financial statements

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1. Accounting policies

Statement of compliance

Molson Coors European Holdco Limited is a company limited by shares, incorporated and domiciled in England & Wales. The address of its registered office is:

137 High Street
Burton upon Trent
Staffordshire
DE14 1JZ

The financial statements of Molson Coors European Holdco Limited have been prepared in accordance with the requirements of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS102") and the Companies Act 2006.

The Company transitioned from previously extant UK GAAP to FRS102 as at 1 January 2014. An explanation of how transition to FRS102 has affected the reported financial position and financial performance is given in note 15.

The financial statements of Molson Coors European Holdco Limited were approved for issue by the board of directors on 29 September 2016.

Basis of preparation

The financial statements have been prepared on the going concern basis and under the historical cost convention except that, as disclosed below, certain items are shown at fair value.

The financial statements are prepared in Euro, which is the functional currency of the Company. The Euro was selected as the functional currency of the Company because the Company's financing activities are transacted in this currency and also because the Company is part of the European segment of the Molson Coors Brewing Company group and management decisions are centred around the group's European operations which are reported in Euros.

The principal accounting policies of the Company, which are set out below, have been consistently applied to all the years presented, unless otherwise stated.

Basis of consolidation

The financial statements present information about the Company as an individual undertaking and not about its group. The Company has not prepared group accounts as it is exempt from the requirement to do so by Section 401 of the Companies Act 2006 as it is a subsidiary undertaking of Molson Coors Brewing Company, a company registered in the USA, and is included in the consolidated accounts of that company.

Judgements

In preparing these financial statements, the directors have not had to make any significant judgements.

Key sources of estimation uncertainty

In considering the appropriateness of the carrying value of the Company's investment in Molson Coors Lux 2, the directors have estimated the value in use of the investment by preparing a discounted cash flow forecast for the Central European operations of Molson Coors Brewing Company. This exercise has involved estimating future cash flows and discounting those estimates using country specific discount rates and terminal growth rates.

The discount rates and terminal growth rates discussed above are consistent with estimated country specific rates determined and used by Molson Coors Brewing Company group for forecasting and planning purposes.

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Equity investments

The Company's equity investments are not publicly traded and the fair value of those investments cannot be reliably measured. Equity investments are therefore held at cost less provision for impairment, with cost including transaction costs.

In the event of a reliable measure of fair value becoming available, equity investments are re-measured at fair value with the movement in the carrying value being recognised in profit and loss. Where an equity investment has been measured at fair value but a reliable measure of fair value is no longer available, the fair value on the last date on which a reliable measure of fair value was available is treated as the cost of the investment.

Revenue recognition

Finance income is credited to the statement of comprehensive income in the period to which it relates, using the effective interest method.

Revenue relating to dividends from investments are recognised when the Company's right to receive payment is established.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation at the reporting date as a result of a past event, it is probable that the Company will be required to settle the obligation and the amount of the obligation can be reliably estimated.

Provisions are charged as an expense in the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate of the amount required to settle the obligation at the date of the Statement of Financial Position, taking into account relevant risks and uncertainties.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge or credit attributable to an item of income or expense recognised in other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred tax is accounted for to recognise the impact of timing differences between the recognition of gains and losses in the financial statements and their recognition for tax purposes. A deferred tax liability is recognised where a transaction or event that occurred prior to the reporting date results in the Company having an obligation to pay tax in future periods in excess of the amount which would be payable if the transaction or event had not occurred. A deferred tax asset is recognised where a transaction or event that occurred prior to the reporting date gives the Company the right to pay less tax in the future than would have been payable if the transaction or event had not occurred.

Deferred tax assets are only recognised if it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the period end.

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as loans to and from related parties and investments in non-puttable ordinary shares.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the Company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Debt instruments like loans and other receivables and payables are initially measured at the present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction such as a short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Investments in non-puttable ordinary shares are measured at cost less impairment.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

Financial assets and liabilities are offset and the net amount recognised in the Statement of Financial Position where there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Interest bearing loans and borrowings

Interest bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable, including interest. After initial recognition, they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in the statement of comprehensive income as interest payable and similar charges.

Summary of disclosure exemptions

The Company is a subsidiary of Molson Coors Lux 1 and is included in the consolidated financial statements of the ultimate parent company, Molson Coors Brewing Company (a company incorporated in the USA), which are publicly available.

The Company has taken advantage of the exemption available within FRS102 paragraph 1.12 from the requirement to prepare a Statement of Cash Flows and the requirement to disclose details of transactions with group companies as the requirements of FRS102 paragraph 1.11 have been satisfied.

Name of parent of group

These financial statements are consolidated in the financial statements of Molson Coors Brewing Company.

The financial statements of Molson Coors Brewing Company may be obtained from the Company Secretary at 1801 California Street, Suite 4600, Denver, Colorado 80202, USA.

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

2. Operating loss

Auditors' remuneration for audit services of €3,650 (2014 - €3,650) was borne by another group company. There were no non-audit services performed in the year (2014 - £nil).

3. Staff costs

The Company has no employees other than the directors. The directors received no emoluments during the year (2014 £nil).

4. Interest receivable and similar income

	2015 €'000	2014 €'000
Interest receivable from group undertakings	4,092	3,907
Total interest income on financial assets not measured at fair value through profit or loss	4,092	3,907

5. Interest payable and similar charges

	2015 €'000	2014 €'000
Interest payable to group undertakings	45,270	44,275
Total interest expense on financial liabilities not measured at fair value through profit or loss	45,270	44,275

6. Tax on loss on ordinary activities

	2015 €'000	2014 €'000
Current tax:		
- UK Corporation tax on loss for the year	(15,200)	840
- UK Corporation tax adjustments to previous periods	(298)	
Total current tax	(15,498)	840
Deferred tax:		
- Origination and reversal of timing differences	11,727	(3,835)
- Changes in recoverable amounts of deferred tax assets	(11,727)	3,835
Total deferred tax	-	-
Tax on loss on ordinary activities	(15,498)	(840)

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

The tax credit on loss on ordinary activities for the year is lower than (2014 – lower than) the standard rate of Corporation tax in the UK of 20.25% (2014 – 21.5%).

The differences are reconciled below:

	2015 €'000	2014 €'000
Loss on ordinary activities before taxation	(229,118)	(40,368)
Corporation tax at standard rate	(46,396)	(8,679)
Expenses not deductible for tax purposes	43,598	5,397
Other timing differences	(11,727)	4,122
Adjustments in respect of previous periods	(298)	-
Losses carried back	791	-
Effect of difference between current tax rate and deferred tax rate	(1,466)	-
Tax on loss on ordinary activities	(15,498)	840

The Company has an unrecognised deferred tax asset of €673,000 (2014 - €13,775,000). The directors do not believe that this asset will be recovered in the short to medium term against future profits of the Company.

Factors affecting current and future tax charges:

The main rate of Corporation tax in the UK was reduced to 20% on 1 April 2015. Finance No. 2 Bill 2015, which was substantively enacted on 26 October 2015, provided for further reductions in the main rate of Corporation tax in the UK to 19% with effect from 1 April 2017 and to 18% from 2020. These changes will reduce the Company's future tax.

On 16 March 2016, the Chancellor announced that the main rate of Corporation tax in the UK from 2020 will be 17% rather than the 18% previously announced. At 31 December 2015, this legislation had not been substantively enacted.

7. Investments

	Shares in associated undertaking €'000
Cost	
At 1 January 2015	962,333
Addition	19,250
Reimbursement from associate	(19,046)
At 31 December 2015	962,537
Provision for impairment	
At 1 January 2015	306,803
Provided during the year	187,940
At 31 December 2015	494,743
Carrying amount	
At 31 December 2015	467,794
At 31 December 2014	655,530

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

Details of investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of Incorporation	Proportion of voting rights and shares held		Nature of business
		2015	2014	
Molson Coors Lux 2	Luxembourg	38.5%	38.5%	Holding company

Through its investment in Molson Coors Lux 2, the Company indirectly holds 20% or more of the nominal value of any class of share capital in the following companies:

Undertaking	Country of Incorporation	Proportion of voting rights and shares held		Nature of business
		2015	2014	
Molson Coors Netherlands B.V.	Netherlands	38.5%	38.5%	Holding company
Starbev Netherlands B.V.	Netherlands	38.5%	38.5%	Holding company
Bergenbier S.A.	Romania	38.4%	38.4%	Beer production and sales
Trebjesa d.o.o.	Montenegro	38.5%	38.5%	Beer production and sales
Borsodi Sörgyar Kft	Hungary	38.5%	38.5%	Beer production and sales
Molson Coors Europe s.r.o.	Czech Republic	38.5%	38.5%	Group HQ company
Kamenitza AD	Bulgaria	36.1%	36.1%	Beer production and sales
Molson Coors SER d.o.o. Apatin	Serbia	38.5%	38.5%	Holding company
Apatinska Pivara Apatin d.o.o.	Serbia	38.5%	38.5%	Beer production and sales
Pivovary Staropramen s.r.o.	Czech Republic	38.5%	38.5%	Beer production and sales
Cervesia Zagreb d.o.o.	Croatia	38.5%	38.5%	Holding company
Zagrebacka Pivovara d.o.o.	Croatia	38.5%	38.5%	Beer production and sales
TIA Partner d.o.o.	Croatia	38.5%	38.5%	Beverage wholesaler
K Pivovari d.o.o.	Croatia	38.5%	38.5%	Pub and restaurant
Molson Coors d.o.o. Banja Luka	Bosnia	38.5%	38.5%	Sales administration
Staropramen Slovakia s.r.o.	Slovakia	38.5%	38.5%	Sales administration
MC Canada European Imports ULC	Canada	38.5%	38.5%	Sales administration

On 5 June 2015, the Company contributed capital of €19,250,000 to its associated undertaking, Molson Coors Lux 2.

On 16 September 2015, Molson Coors Lux 2 returned surplus share capital to the Company of €7,496,062. This has been accounted for as a reduction in the cost of the Company's investment in Molson Coors Lux 2 as it represents a partial return of the initial investment.

The directors have performed an assessment of the value in use of the Company's investment in Molson Coors Lux 2. The assessment has involved a review of a discounted cash flow forecast for the Central European operations of the group headed by Molson Coors Brewing Company for the period to December 2022. As a result of the assessment, the carrying value of the Company's investment has been written down to the directors' estimate of the value in use.

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

The key assumptions used in the value in use calculation are discount rates and terminal growth rates. These are summarised, by country as follows:

	Discount rate %	Terminal growth rate %
Romania	10.5	3.8
Bulgaria	10.0	3.5
Montenegro	12.5	4.2
Serbia	14.5	5.1
Croatia	12.1	3.6
Hungary	10.5	2.9
Czech Republic	9.0	2.4

The discount and terminal growth rates are consistent with the estimate country specific rates as determined and used by the group headed by Molson Coors Brewing Company for forecasting and planning purposes.

A reduction in the terminal growth rate of 1% would have an impact on the carrying value of the investment of €40.4 million. An increase in the discount rate of 1% would have an impact on the carrying value of the investment of €57.9 million.

8. Debtors

	2015 €'000	2014 €'000
Amounts falling due after more than one year:		
Amounts owed by group undertakings	27,062	102,081

The Company is party, as a lender, to a €250 million revolving loan facility agreement with its immediate parent undertaking which matures on 15 January 2018. Interest is receivable on amounts loaned under this agreement at a rate of 4.5% per annum.

At 31 December 2015, the balance due to the Company in respect of the above facility was €11,564,000 (2014 - €102,081,000).

Other amounts owed by group undertakings are unsecured, interest free and repayable on demand.

9. Creditors: Amounts falling due within one year

	2015 €'000	2014 €'000
Amounts owed to group undertakings	1,139	1,139
Accruals and deferred income	605	-
	1,744	1,139

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

10. Creditors: Amounts falling due after more than one year

	2015 €'000	2014 €'000
Amounts owed to group undertakings	244,503	634,605

Amounts owed to the group undertakings at 31 December 2014 related to Original Issue Discount Notes and associated interest with a maturity date of 15 June 2022 which were redeemed on 10 December 2015 in accordance with an early redemption clause in the instrument.

On 10 December 2015, the Company issued an Unsecured Note with a nominal value of €244,503,000 and a redemption date of 10 December 2022. Interest is payable on a quarterly basis at 4.3% per annum.

11. Called up share capital

Allotted, called up and fully paid shares:

	2015 No. '000	2015 €'000	2014 No. '000	2014 €'000
Ordinary shares of €1 each	867,761	867,761	527,399	527,399

On 10 December 2015, the Company allotted 340,362,014 Ordinary shares with an aggregate nominal value of €340,362,014 for consideration of €340,362,014.

12. Non-adjusting events after the balance sheet date

On 18 March 2016, the Unsecured Note issued by the Company on 10 December 2015 was admitted to the Official List of the Channel Islands Securities Exchange Authority Limited.

13. Related party transactions

The Company is a wholly owned subsidiary of Molson Coors Lux 1 and has taken advantage of the exemption in FRS 102 from disclosing transactions with other wholly owned subsidiaries of the group headed by Molson Coors Brewing Company.

14. Parent and ultimate parent undertaking

The Company's immediate parent company, by virtue of its 100% shareholding in the Company, is Molson Coors Lux 1, a company incorporated in Luxembourg.

The ultimate parent company is Molson Coors Brewing Company, a company incorporated in the State of Delaware, USA.

The parent of the largest group and the smallest group in which these financial statements are consolidated is Molson Coors Brewing Company. The address of Molson Coors Brewing Company is:

1801 California Street
Suite 4600
Denver
Colorado 80202
USA

The most senior parent entity producing publicly available financial statements is Molson Coors Brewing Company. These financial statements are available from the Company Secretary at the above address.

The ultimate controlling party is Molson Coors Brewing Company.

MOLSON COORS EUROPEAN HOLDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

15. Transition to FRS102

The Company's effective date of transition to FRS102 was 1 January 2014. The most recent financial statements presented under previous UK GAAP were for the year ended 31 December 2014.

The directors have not identified any adjustments arising from the transition to FRS102.