

# Rodinný pivovar BERNARD

Beverage/Beer

14 Feb 2014



Czech Republic

## COMPANY DESCRIPTION

Rodinný pivovar BERNARD is a Czech Republic-based family brewery based in Humpolec with a history dating back to the 16th Century. In 1991, Stanislav Bernard, Josef Vávra and Rudolf Šmejkal won an auction for the small privatization of the bankrupt brewery in Humpolec. Since then, the Company has gone a long way to become a family brewery producing a premium beer. In 2009, the Company produced more than 200,000 hl of alcoholic and non-alcoholic beer and exported its products to 26 countries. Since 2000, the brewery has been part of a joint-stock company and in July of 2001, it increased its registered capital with the entry of strategic partners Duvel Moortgat from the Kingdom of Belgium.

**Main Shareholders:** DUVEL MOORTGAT, N.V. (50%)  
Ing. Stanislav Bernard (25%)

## INCOME STATEMENT

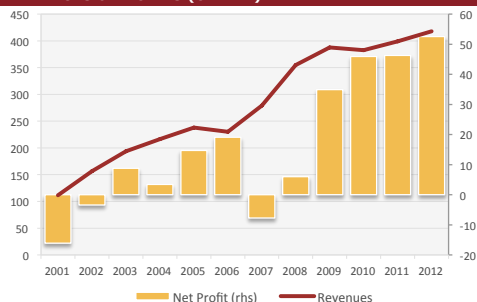
CZK '000	2008	2009	2010	2011	2012
<b>Sales</b>	<b>354,674</b>	<b>387,680</b>	<b>382,603</b>	<b>399,098</b>	<b>417,830</b>
Cost of Goods & Services	214,682	214,929	195,709	202,433	215,232
<b>Gross Profit</b>	<b>139,992</b>	<b>172,751</b>	<b>186,894</b>	<b>196,665</b>	<b>202,598</b>
Staff Cost	59,107	64,678	67,247	72,319	75,282
Other Cost	17,270	11,612	7,966	8,249	8,255
<b>EBITDA</b>	<b>63,615</b>	<b>96,461</b>	<b>111,681</b>	<b>116,097</b>	<b>119,061</b>
Depreciation	48,330	50,607	51,910	54,321	50,507
<b>EBIT</b>	<b>15,285</b>	<b>45,854</b>	<b>59,771</b>	<b>61,776</b>	<b>68,554</b>
Financing Cost	1,678	-2,077	-1,049	1,932	489
Extraordinary Cost	20	0	0	0	0
<b>Pre-Tax Profit</b>	<b>13,587</b>	<b>47,931</b>	<b>60,820</b>	<b>59,844</b>	<b>68,065</b>
Tax	7,606	13,001	14,870	13,583	15,518
Minorities	0	0	0	0	0
<b>Net Profit</b>	<b>5,981</b>	<b>34,930</b>	<b>45,950</b>	<b>46,261</b>	<b>52,547</b>
Dividends	4,000	8,000	20,000	20,000	0

<b>Sale Growth</b>	<b>27.1%</b>	<b>9.3%</b>	<b>-1.3%</b>	<b>4.3%</b>	<b>4.7%</b>
<b>EBIT Growth</b>	<b>-658.9%</b>	<b>200.0%</b>	<b>30.4%</b>	<b>3.4%</b>	<b>11.0%</b>
<b>Net Profit Growth</b>	<b>-177.5%</b>	<b>484.0%</b>	<b>31.5%</b>	<b>0.7%</b>	<b>13.6%</b>

## CASH FLOW

CZK '000	2008	2009	2010	2011	2012
Net Profit	5,981	34,930	45,950	46,261	52,547
Depreciation	48,330	50,607	51,910	54,321	50,507
Non-Cash Items	44,769	-60,152	10,852	-99,182	-47,444
Change in Working Capital	-8,496	63,625	-1,191	-5,077	11,609
<b>Total Cash From Operations</b>	<b>90,584</b>	<b>89,010</b>	<b>107,521</b>	<b>-3,677</b>	<b>67,219</b>
Capital Expenditures	-79,794	-43,084	-38,690	-36,417	-40,870
Other	5,771	171	469	1,966	874
<b>Total Cash From Investing</b>	<b>-74,023</b>	<b>-42,913</b>	<b>-38,221</b>	<b>-34,451</b>	<b>-39,996</b>
Dividends Paid	0	-4,000	-8,000	-20,000	-20,000
Issuance Of Shares	0	0	0	0	0
Issuance Of Debt	-18,464	-4,491	-15,820	4,594	0
<b>Total Cash From Financing</b>	<b>-18,464</b>	<b>-8,491</b>	<b>-23,820</b>	<b>-15,406</b>	<b>-20,000</b>
<b>NET CHANGE IN CASH</b>	<b>-1,903</b>	<b>37,606</b>	<b>45,480</b>	<b>-53,534</b>	<b>7,223</b>

## REVENUES & PROFITS (CZK mil)



## BALANCE SHEET

CZK '000	2008	2009	2010	2011	2012
<b>Non-Current Assets</b>	<b>290,172</b>	<b>284,991</b>	<b>271,612</b>	<b>253,543</b>	<b>249,402</b>
Property, Plant & Equipment	271,658	264,977	249,629	226,158	216,341
<b>Current Assets</b>	<b>119,453</b>	<b>166,206</b>	<b>202,135</b>	<b>255,863</b>	<b>294,009</b>
Inventories	119,453	36,265	43,407	44,620	42,898
Receivables	57,241	64,366	42,738	47,710	37,276
Cash & Cash Equivalents	8,580	46,186	91,666	138,133	205,356
<b>Total Assets</b>	<b>480,783</b>	<b>506,329</b>	<b>518,906</b>	<b>547,690</b>	<b>577,227</b>
<b>Shareholders' Equity</b>	<b>282,791</b>	<b>313,628</b>	<b>348,758</b>	<b>380,000</b>	<b>418,149</b>
<b>Liabilities</b>	<b>197,992</b>	<b>192,701</b>	<b>170,148</b>	<b>167,690</b>	<b>159,078</b>
<b>Non-Current Liabilities</b>	<b>4,820</b>	<b>7,228</b>	<b>6,914</b>	<b>6,527</b>	<b>5,953</b>
Long-Term Debt	18,500	16,000	0	0	0
<b>Current Liabilities</b>	<b>120,573</b>	<b>120,114</b>	<b>111,404</b>	<b>109,948</b>	<b>117,561</b>
Short-Term Debt	64,375	58,000	56,010	55,043	60,778
Trade Payables	52,905	40,467	24,790	25,898	25,351

<b>Asset Growth</b>	<b>5.1%</b>	<b>5.3%</b>	<b>2.5%</b>	<b>5.5%</b>	<b>5.4%</b>
<b>Net Debt Growth</b>	<b>-10.2%</b>	<b>-62.6%</b>	<b>-228.2%</b>	<b>133.0%</b>	<b>74.0%</b>
<b>Equity Growth</b>	<b>6.2%</b>	<b>10.9%</b>	<b>11.2%</b>	<b>9.0%</b>	<b>10.0%</b>

## RATIOS & OTHER

	2008	2009	2010	2011	2012
Gross Margin	39.5%	44.6%	48.8%	49.3%	48.5%
EBITDA Margin	17.9%	24.9%	29.2%	29.1%	28.5%
EBIT Margin	4.3%	11.8%	15.6%	15.5%	16.4%
Net Margin	1.7%	9.0%	12.0%	11.6%	12.6%
ROE	2.2%	11.7%	13.9%	12.7%	13.2%
ROCE	1.5%	9.2%	13.6%	14.2%	16.8%
Net Debt/Equity	26%	9%	-10%	-22%	-35%
Net Debt/EBITDA	1.2	0.3	-0.3	-0.7	-1.2
Cost of Financing	1.9%	-2.6%	-1.6%	3.5%	0.8%
Payout Ratio	66.9%	22.9%	43.5%	43.2%	0.0%
Cash Conversion Cycle	172	53	75	77	62
FX TO USD (Average)	17.0	19.1	19.1	17.7	19.6
FX TO USD (Year-End)	19.2	18.4	18.7	19.7	19.0

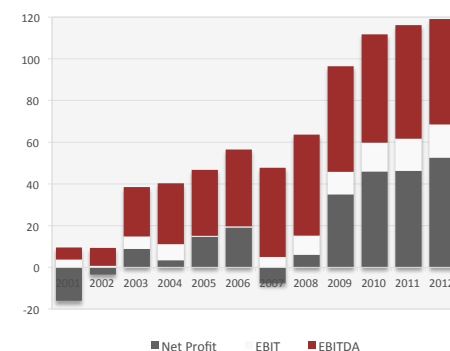
Source: Company data, Helgi Analytics calculation



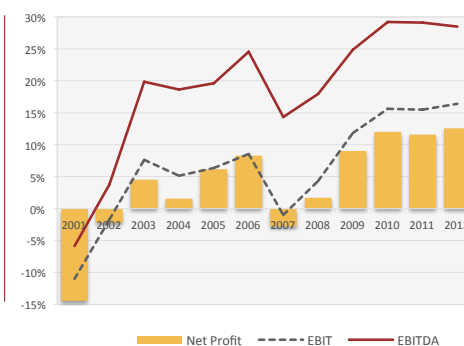
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## Financials

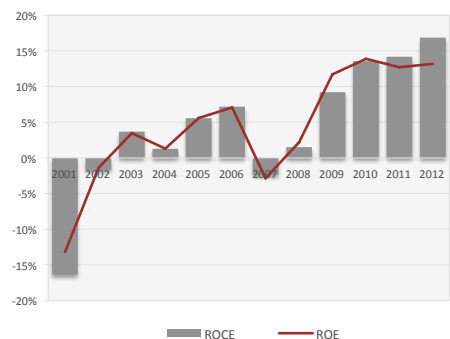
### FROM EBITDA TO NET PROFIT (CZK mil)



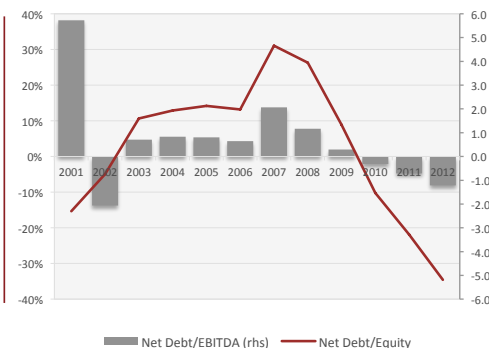
### PROFIT MARGIN



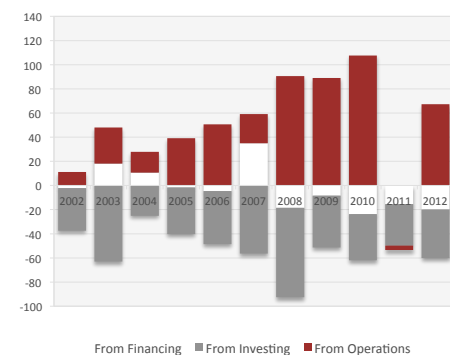
### ROE & ROCE



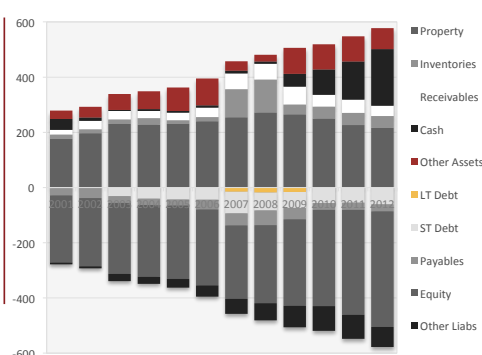
### INDEBTEDNESS



### CASH FLOW SUMMARY (CZK mil)



### BALANCE SHEET STRUCTURE (CZK mil)



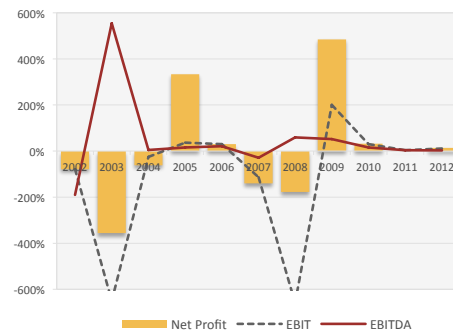
Source: Company data, Helgi Analytics calculation



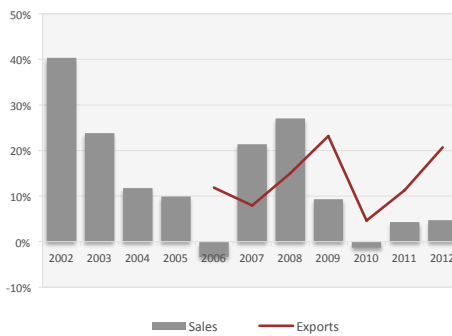
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## Momentum

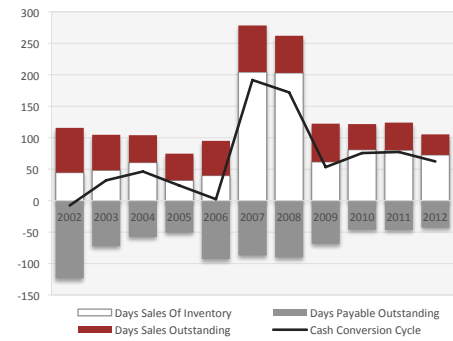
### PROFIT GROWTH



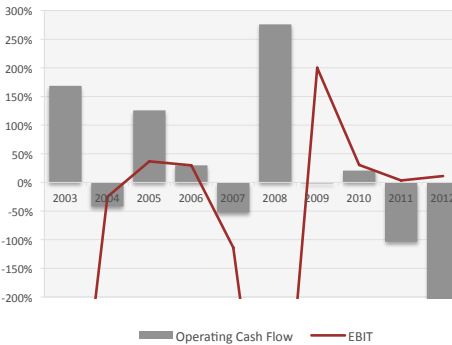
### SALES GROWTH



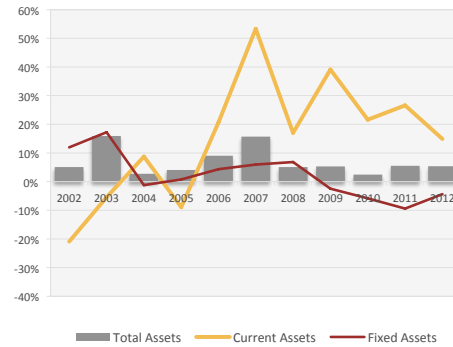
### CASH CONVERSION CYCLE (days)



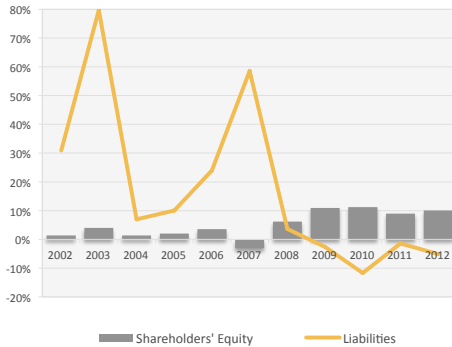
### OPERATING CASH FLOW GROWTH



### ASSET GROWTH



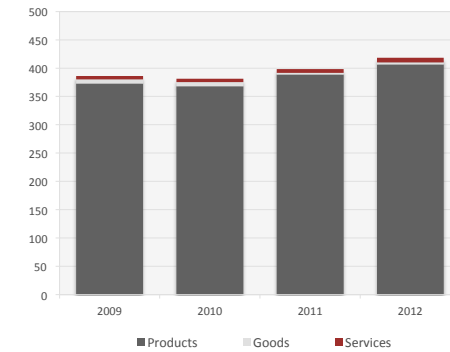
### EQUITY & LIABILITIES GROWTH



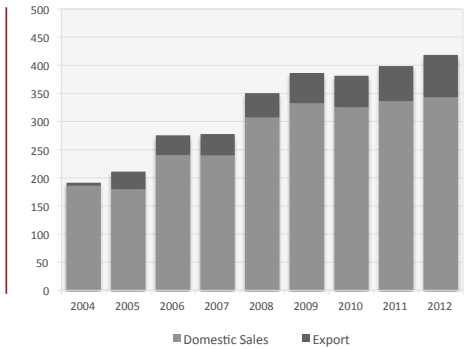
Source: Company data, Helgi Analytics calculation

## Business & Market Specifics

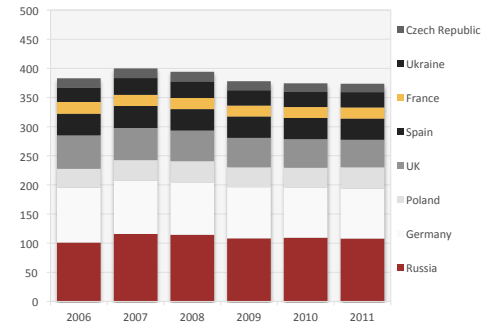
### BERNARD's SALES (CZK mil)



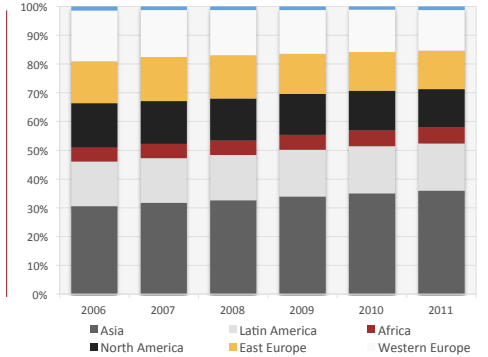
### BERNARD's DOMESTIC SALES & EXPORT (CZK mil)



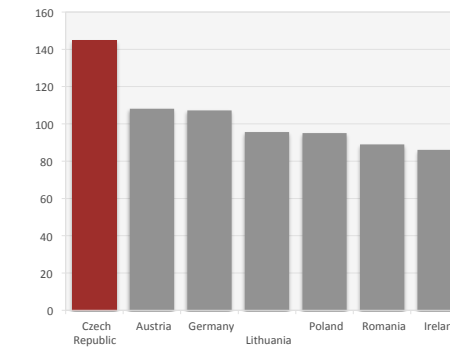
### CONSUMPTION OF BEER IN EUROPE (hl).....



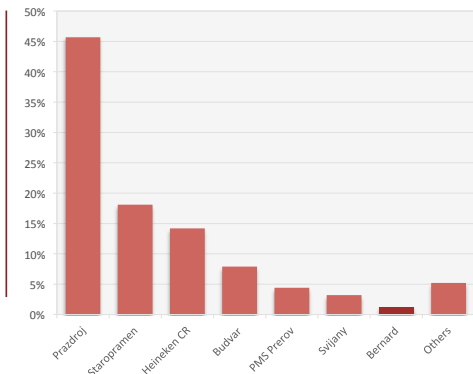
### ...AND WORLDWIDE



### THE BIGGEST DRINKERS OF BEER (Liters per Capita)



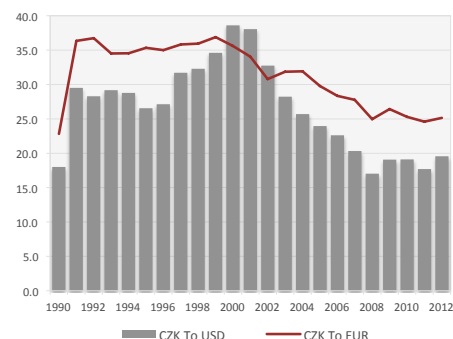
### WHAT BEER DO CZECHS DRINK?



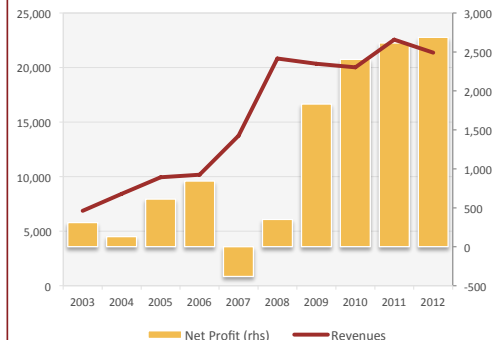
Source: Company data, Helgi Analytics calculation

## Financials (USD)

### FX TO USD & EUR



### REVENUES & PROFITS (USD '000)



### INCOME STATEMENT

USD '000	2008	2009	2010	2011	2012
<b>Sales</b>	<b>20,820</b>	<b>20,343</b>	<b>20,020</b>	<b>22,566</b>	<b>21,361</b>
Cost of Goods & Services	12,602	11,278	10,241	11,446	11,004
<b>Gross Profit</b>	<b>8,218</b>	<b>9,065</b>	<b>9,779</b>	<b>11,120</b>	<b>10,358</b>
Staff Cost	3,470	3,394	3,519	4,089	3,849
Other Cost	1,014	609	417	466	422
<b>EBITDA</b>	<b>3,734</b>	<b>5,062</b>	<b>5,844</b>	<b>6,564</b>	<b>6,087</b>
Depreciation	2,837	2,656	2,716	3,071	2,582
<b>EBIT</b>	<b>897</b>	<b>2,406</b>	<b>3,128</b>	<b>3,493</b>	<b>3,505</b>
Financing Cost	99	-109	-55	109	25
Extraordinary Cost	1	0	0	0	0
<b>Pre-Tax Profit</b>	<b>798</b>	<b>2,515</b>	<b>3,182</b>	<b>3,384</b>	<b>3,480</b>
Tax	446	682	778	768	793
Minorities	0	0	0	0	0
<b>Net Profit</b>	<b>351</b>	<b>1,833</b>	<b>2,404</b>	<b>2,616</b>	<b>2,686</b>
Dividends	235	420	1,047	1,131	0
<b>Sale Growth</b>	<b>51.5%</b>	<b>-2.3%</b>	<b>-1.6%</b>	<b>12.7%</b>	<b>-5.3%</b>
<b>EBIT Growth</b>	<b>-766.2%</b>	<b>168.2%</b>	<b>30.0%</b>	<b>11.7%</b>	<b>0.3%</b>
<b>Net Profit Growth</b>	<b>-192.4%</b>	<b>422.1%</b>	<b>31.2%</b>	<b>8.8%</b>	<b>2.7%</b>

### BALANCE SHEET

USD '000	2008	2009	2010	2011	2012
<b>Non-Current Assets</b>	<b>15,111</b>	<b>15,507</b>	<b>14,495</b>	<b>12,901</b>	<b>13,120</b>
Property, Plant & Equipment	14,147	14,418	13,322	11,508	11,381
<b>Current Assets</b>	<b>6,221</b>	<b>9,044</b>	<b>10,787</b>	<b>13,019</b>	<b>15,466</b>
Inventories	6,221	1,973	2,316	2,270	2,257
Receivables	2,981	3,502	2,281	2,428	1,961
Cash & Cash Equivalents	447	2,513	4,892	7,029	10,803
<b>Total Assets</b>	<b>25,037</b>	<b>27,550</b>	<b>27,692</b>	<b>27,869</b>	<b>30,365</b>
<b>Shareholders' Equity</b>	<b>14,726</b>	<b>17,065</b>	<b>18,612</b>	<b>19,336</b>	<b>21,997</b>
<b>Liabilities</b>	<b>10,310</b>	<b>10,485</b>	<b>9,080</b>	<b>8,533</b>	<b>8,368</b>
<b>Non-Current Liabilities</b>	<b>251</b>	<b>393</b>	<b>369</b>	<b>332</b>	<b>313</b>
Long-Term Debt	963	871	0	0	0
<b>Current Liabilities</b>	<b>6,279</b>	<b>6,536</b>	<b>5,945</b>	<b>5,595</b>	<b>6,184</b>
Short-Term Debt	3,352	3,156	2,989	2,801	3,197
Trade Payables	2,755	2,202	1,323	1,318	1,334
<b>Asset Growth</b>	<b>-0.5%</b>	<b>10.0%</b>	<b>0.5%</b>	<b>0.6%</b>	<b>9.0%</b>
<b>Net Debt Growth</b>	<b>-15.0%</b>	<b>-60.9%</b>	<b>-225.7%</b>	<b>122.2%</b>	<b>79.9%</b>
<b>Equity Growth</b>	<b>0.5%</b>	<b>15.9%</b>	<b>9.1%</b>	<b>3.9%</b>	<b>13.8%</b>

### CASH FLOW

USD '000	2008	2009	2010	2011	2012
Net Profit	351	1,833	2,404	2,616	2,686
Depreciation	2,837	2,656	2,716	3,071	2,582
Non-Cash Items	2,628	-3,156	568	-5,608	-2,426
Change in Working Capital	-499	3,339	-62	-287	594
<b>Total Cash From Operations</b>	<b>5,318</b>	<b>4,671</b>	<b>5,626</b>	<b>-208</b>	<b>3,437</b>
Capital Expenditures	-4,684	-2,261	-2,024	-2,059	-2,089
Other	339	9	25	111	45
<b>Total Cash From Investing</b>	<b>-4,345</b>	<b>-2,252</b>	<b>-2,000</b>	<b>-1,948</b>	<b>-2,045</b>
Dividends Paid	0	-210	-419	-1,131	-1,022
Issuance Of Shares	0	0	0	0	0
Issuance Of Debt	-1,084	-236	-828	260	0
<b>Total Cash From Financing</b>	<b>-1,084</b>	<b>-446</b>	<b>-1,246</b>	<b>-871</b>	<b>-1,022</b>
<b>NET CHANGE IN CASH</b>	<b>-112</b>	<b>1,973</b>	<b>2,380</b>	<b>-3,027</b>	<b>369</b>

### RATIOS & OTHER

	2008	2009	2010	2011	2012
Gross Margin	39.5%	44.6%	48.8%	49.3%	48.5%
EBITDA Margin	17.9%	24.9%	29.2%	29.1%	28.5%
EBIT Margin	4.3%	11.8%	15.6%	15.5%	16.4%
Net Margin	1.7%	9.0%	12.0%	11.6%	12.6%
ROE	2.2%	11.7%	13.9%	12.7%	13.2%
ROCE	1.5%	9.2%	13.6%	14.2%	16.8%
Net Debt/Equity	26%	9%	-10%	-22%	-35%
Net Debt/EBITDA	1.2	0.3	-0.3	-0.7	-1.2
Cost of Financing	1.9%	-2.6%	-1.6%	3.5%	0.8%
Dividend Payout	66.9%	22.9%	43.5%	43.2%	0.0%
Cash Conversion Cycle	172	53	75	77	62
FX TO USD (Average)	17.0	19.1	19.1	17.7	19.6
FX TO USD (Year-End)	19.2	18.4	18.7	19.7	19.0

Source: Company data, Helgi Analytics calculation



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## ABOUT HELGI ANALYTICS

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