SUN Interbrew Plc

Non-Audited, Interim Condensed Consolidated Financial Statements
for the six-month period ended 30 June 2013

Contents

Board of Directors and other officers

Board of Directors

Andrii Gubka
Nand Khemka
Shiv Khemka
Uday Khemka
Denis Khrenov
Lyudmila Nakonechnaya
Matias Tavella
Olexander Balakhnov
Oraz Dyrdyev
Anton Chvanov
Inter Jura CY (Directors) LTD
Inter Jura (Management) LTD
Anna Gorodilova (resigned 26 February)

Company Secretary

Inter Jura CY (Services) Ltd
1 Lampousas Street
CY-1095 Nicosia
Cyprus

Registered office

1 Lampousas Street
CY-1095 Nicosia
Cyprus

The Non-Audited, Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2013 were approved by the Board of Directors on the 28th August 2013

Statement by the Members of the Board of Directors and other responsible officers of the Company for the preparation of the Non-Audited, Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2013

In accordance with the provisions of Section 10, sub- sections (3) (c)) and (7) of the Transparency Requirements (Securities for Trading on Regulated Markets) Law 2007 as amended (the "Law"), we, the Members of the Board of Directors and the other responsible persons for the preparation of the Non-Audited, Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2013 (the "Interim Condensed Consolidated Financial Statements") of SUN Interbrew Plc (the "Company") confirm to the best of our knowledge that:

(a) the Interim Condensed Consolidated Financial Statements which are presented in pages 7-10

  (i) have been prepared in accordance with the applicable International Financial Reporting Standard (IAS 34) and in accordance with the provisions of Section 10, sub-section (4) of the Law, and

  (ii) give a true and fair view of the assets, liabilities, the financial position and profit or loss of SUN Interbrew Plc and the undertakings included in the consolidated accounts as a whole, and

(b) the Interim Management Report in pages 5-6 includes a fair review of the information required under Section 10, subsection 6 of the Law.

Members of the Board of Directors

Name and surname	Signature
Andrii Gubka – Chief Executive Officer ("CEO")	
Nand Khemka – Director (Chairman of the Board)	
Shiv Khemka – Director	
Uday Khemka – Director	
Denis Khrenov – Director and Chief Legal Officer ("CLO")	
Lyudmila Nakonechnaya – Director	
Matias Tavella – Director and Chief Financial Officer ("CFO")	
Oleksandr Balakhnov – Director	
Oraz Durdyev – Director	
Anton Chvanov - Director	
Inter Jura CY (Directors) Limited – Director	
Inter Jura CY (Management) Limited – Director	

Responsible for the preparation of the consolidated financial statements

Name and surname	Position	Signature
Matias Tavella	Chief Financial Officer	

Interim Management Report

The Board of Directors presents its Interim Management report to be followed by the Non-Audited, Interim Condensed Consolidated Financial Statements for the Company and its subsidiaries (the "Group") for the six-month period ended 30 June 2013.

1. Principal activities of the group remain the same

The principal activities of the Group, which are unchanged from the beginning of the year, are manufacturing, marketing and distribution of beer and soft drinks.

2. Economic analysis of the results and comparative economic analysis in relation to the previous corresponding period

In Russia, beer volumes fell 13.1% in 1st semester 2013, as sales, marketing and distribution restrictions led to a weak industry performance.

In Ukraine, beer volumes declined 5.6% in 1st semester 2013, with weak industry performance.

Revenue decreased 9.0% in 1st semester 2013 as compared to 1st semester 2012, with revenue per hl[1] decline by 1.2% as compared with the 1st semester 2013. Cost of Sales (CoS) increased 8.5% in 1st semester 2013, or 1.7% per hl as compared to 1st semester 2012. EBITDA[2] grew 3.2% in 1st semester 2013 with a margin of 15.7%, an improvement of 184 basis points as compared to respective period in 2012. Net finance costs were 22,084 thousand Euro in 1st semester as compared to 35,717 thousand Euro in 1st semester 2012. The decrease in finance costs is mainly due to partial repayment of loan from an entity under common control. Normalized losses attributable to equity holders, declined in nominal terms to 25,787 thousand Euro in 1st semester 2013 from 46,866 thousand Euro in 1st semester 2012, mainly due to lower net finance costs and income tax expense. Normalized earnings per share (EPS) was -0.19 Euro in 1st semester 2013 compared with -0.35 Euro in 1st semester 2012.

On 30 June 2013 the total assets of the Group were 1,394,267 thousand Euro (31 December 2012: 1,422,159 thousand Euro) and the net assets were 504,987 thousand Euro (31 December 2012: net assets 525,023 thousand Euro). The financial position, development and performance of the Group as presented in these financial statements are considered satisfactory.

3. Non-recurring or extraordinary activities for the 1st semester 2013

On 31 January 2013, the Group completed the sale of malting plant in Kursk. As a result assets with carrying value of 3,071 thousand Euro were disposed and profit were recognized by the Group. The amount of the profit is not significant to the Group.

On 10 June 2013, the Group completed the sale of brewery plant in Pushkin. As a result assets with carrying value of 19,378 thousand Euro were disposed and profit of 3,331 Thousand Euro were recognized by the Group.

4. Important Events during the first six months of the financial year, and their impact on the interim financial results

On June 4, the Company announced its decision to shut down the brewery in Novocheboksarsk

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[1] 1 hl (hectoliter) = 100 liters

[2] Earnings Before Interest, Taxes, Depreciation and Amortization

and reallocate production to other sites in Russia due to the fact of extra pressure on the beer industry and thwarted its growth, including quadrupling of the excise tax since 2009 and various legislative restrictions and bans.

5. Principal Risks and Uncertainties for the second semester of the financial year

The Group's activities expose it to a variety of financial risks: market risks (including currency risk, fair value rate risk, cash flow management rate risk and price risk), credit and liquidity risk.

The international sovereign debt crisis, stock market volatility and other risks could have a negative effect on the Group's financial and corporate sectors in second semester of 2013. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The management of the Group, manages each of these risks individually as well as on an interconnected basis, and defines strategies to manage the economic impact Group companies performance in line with its financial risk management policy.

The Group believes that cash flows from operating activities, available cash and cash equivalents and access to the Parent's borrowing facilities, will be sufficient to finance capital expenditures and debt. It is the Group's objective to continue to reduce its financial indebtedness in second semester of 2013 by using cash from operating activities.

Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group, primarily RUB. This provides an economic hedge without a need to enter into derivative contracts.

The principal risks and uncertainties faced by the Group are further elaborated in Notes 1 and 11 of the Non-Audited, Interim Condensed Consolidated Financial Statements.

The nature of the risks to which the Group is exposed is not expected to change significantly during the second half of 2013.

6. Related parties' transactions during the 1st semester of the financial year

The transactions of the Group with related parties are stated under note 12 of the Non-Audited, Interim Condensed Consolidated Financial Statement.

Nicosia, 28 August 2013

'000 Euro	Note	30 June 2013	31 December 2012
Assets			
Non-current assets			
Property, plant and equipment	6	570,126	620,310
Intangible assets	7	127,150	134,592
Investments		186	196
Deferred tax assets		50,476	42,819
Total non-current assets		**747,938**	**797,917**
Current assets			
Inventories	8	106,444	107,593
Loan granted to related party		379,544	109,524
Current tax assets		14,293	3,344
Trade and other receivables		92,317	48,230
Prepayments		4,473	4,792
Cash and cash equivalents		49,258	328,310
Total current assets		**646,329**	**601,793**
Assets classified as held for sale			22,449
Total assets		**1,394,267**	**1,422,159**
Equity and liabilities			
Equity	9		
Share capital		1,809	1,809
Share premium		459,105	459,105
Retained earnings		258,144	280,851
Translation reserve		(239,673)	(246,003)
Total equity attributable to the equity holders of the Company		**479,385**	**495,762**
Minority interest		**25,602**	**29,261**
Total equity		**504,987**	**525,023**
Non-current liabilities			
LT Loans and borrowings	10	315,103	334,602
Employee benefits		194	192
Deferred tax liabilities		-	-
Total non-current liabilities		**315,297**	**334,794**
Current liabilities			
Loans and borrowings	10	126,133	171,394
Trade and other payables		447,287	390,418
Current tax liabilities		563	530
Total current liabilities		**573,983**	**562,342**
Total liabilities		**889,280**	**897,136**
Total equity and liabilities		**1,394,267**	**1,422,159**

These condensed consolidated interim financial statements were approved by management on 28 August 2013 and were signed on its behalf by:
Andrii Gubka Chief Executive Officer
Matias Tavella Chief Financial Officer

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 11 to 17.

'000 Euro	**Note**	**2013**	**2012**
Revenue		564,207	634,387
Cost of sales		(339,040)	(370,985)
Gross profit		**225,167**	**263,401**
Selling, marketing and distribution expenses		(197,715)	(237,122)
General and administrative expenses		(47,371)	(50,430)
Other income, net		(1,563)	1,385
Results from operating activities		**(21,481)**	**(22,766)**
Finance income		188	3,092
Finance costs		(22,084)	(35,714)
Net finance costs		**(21,896)**	**(32,621)**
Profit before income tax		**(43,377)**	**(55,387)**
Income tax expense		17,590	8,521
Profit for the period		**(25,787)**	**(46,866)**
Other comprehensive income			
Foreign currency translation difference		5,751	6,955
Other comprehensive income for the period		**5,751**	**6,955**
Total comprehensive income for the period		**(20,036)**	**(39,910)**
Profit/(loss) attributable to:			
Owners of the Company		(22,707)	(40,458)
Minority interest		(3,080)	(6,408)
Profit for the period		**(25,787)**	**(46,866)**
Total comprehensive income attributable to:			
Owners of the Company		(16,377)	(34,597)
Minority interest		(3,659)	(5,313)
Total comprehensive income for the period		**(20,036)**	**(39,910)**
Earnings per share			
Basic and diluted earnings per share (Euro)		**(0.19)**	**(0.35)**

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 11 to 17.

	Attributable to equity holders of the Company						
'000 Euro	**Share capital**	**Share premium**	**Retained earnings**	**Translation reserve**	**Total**	**Minority interest**	**Total**
Balance at 1 January 2012	**1,809**	**459,105**	**347,378**	**(234,567)**	**573,725**	**38,527**	**612,252**
Profit for the period	-	-	(40,458)	-	**(40,458)**	(6,408)	**(46,866)**
Other comprehensive income							
Translation difference	-	-	-	5,860	**5,860**	1,095	**6,955**
Total comprehensive income for the period	-	-	-	**5,868**	**(34,590)**	**(5,313)**	**(39,903)**
Balance at 30 June 2012	**1,809**	**459,105**	**306,920**	**(228,699)**	**539,135**	**33,214**	**572,349**

	Attributable to equity holders of the Company						
'000 Euro	**Share capital**	**Share premium**	**Retained earnings**	**Translation reserve**	**Total**	**Minority interest**	**Total**
Balance at 1 January 2013	**1,809**	**459,105**	**280,851**	**(246,003)**	**495,762**	**29,261**	**525,023**
Profit for the period	-	-	(22,707)	-	**(22,707)**	(3,080)	**(25,787)**
Other comprehensive income							
Translation difference	-	-	-	6,330	**6,330**	(579)	**5,751**
Total comprehensive income for the period	-	-	-	**6,330**	**(16,377)**	**(3,659)**	**(20,036)**
Balance at 30 June 2013	**1,809**	**459,105**	**258,144**	**(239,673)**	**479,385**	**25,602**	**504,987**

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 11 to 17.

For the 6 months ended 30 June '000 Euro	Note	2013	2012
Cash flows from operating activities			
Profit for the year		**(25,788)**	**(46,866)**
Adjustments for:			
Depreciation and amortization		64,445	76,429
Impairment losses on property, plant and equipment		2,670	827
Gain on disposal of property, plant and equipment	6	3,755	(1,241)
Interest expense, net of interest income		20,065	33,861
Unrealized foreign exchange gain		1,642	(1,933)
Income tax expense	5	17,590	(8,521)
Other non-cash items		1,393	63
Cash from operating activities before changes in working capital and provisions		**47,826**	**52,620**
Change in inventories		(4,170)	(8,162)
Change in prepayments		319	(920)
Change in trade and other receivables		(61,131)	(15,484)
Change in trade and other payables		87,458	126,075
Change in provisions and employee benefits		(504)	(386)
Cash flows from operations before income tax and interest paid		**67,798**	**153,744**
Income tax paid		(3,866)	(2,105)
Interest paid		(21,367)	(36,762)
Net cash from operating activities		**44,565**	**114,876**
Cash flow from investing activities			
Loans granted		(267,726)	(1,329)
Interest received		1,286	1,747
Repayments of loans granted		41	11,711
Proceeds from sale of property, plant and equipment		23,992	2,104
Acquisition of property, plant and equipment	6	(35,862)	(52,922)
Acquisition of intangible assets		(275)	(727)
Net cash used in investing activities		**(278,544)**	**(39,417)**
Cash flow from financing activities			
Proceeds from borrowings		103,074	45,185
Repayment of borrowings		(140,230)	(75,447)
Dividends paid		-	(38)
Net cash used in financing activities		**(37,156)**	**(30,300)**
Net increase in cash and cash equivalents		**(271,135)**	**45,160**
Cash and cash equivalents at 1 January 2011		328,310	30,170
Effect of exchange rate changes on cash and cash equivalents		(7,917)	428
Cash and cash equivalents at 30 June		**49,258**	**75,757**

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 11 to 17.

1 Background

(a) Business environment

The Russian Federation and Ukraine have been experiencing political and economic change that has affected, and may continue to affect, the activities of enterprises operating in this environment. Consequently, operations in the Russian Federation and Ukraine involve risks that typically do not exist in other markets. In addition, the contractions in the capital and credit markets and its impact on the Russian and Ukrainian economies have further increased the level of economic uncertainty in the environment. These consolidated financial statements reflect management's assessment of the impact of the Russian and Ukrainian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

(b) Organisation and operations

SUN Interbrew Plc (the "Company") was redomiciled in Cyprus on December 2010, as a public limited company in accordance with the provisions of the Cyprus Companies Law, Cap. 113. The Company's registered office is 1 Lampousas Street, 1095 Nicosia, Cyprus. Before December 2010 the company, was registered under the name "Sun Interbrew Limited" and, was incorporated in Jersey, the Channel Islands.

The majority of the Group's funding comes from other entities within the group headed by AB InBev. As a result, the Group is economically dependent upon the Group headed by AB InBev. In addition, the activities of the Group are closely linked with the requirements of the Group headed by AB InBev and determination of the pricing of the Group's services to the Group headed by AB InBev is undertaken in conjunction with other companies in the Group headed by AB InBev. Related party transactions are disclosed in note 12.

2 Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2012.

These Interim Condensed Consolidated Financial Statements have not been audited by the external auditors of the Group.

(b) Basis of measurement

The consolidated financial statements are prepared on the historical cost basis.

(c) Functional and presentation currency

The Company's functional currency is the Euro.

The functional currencies of the Russian and Ukrainian subsidiaries are the Russian Rouble and Ukrainian Hryvna respectively. Management has elected to use the Euro as the presentation currency for the consolidated financial statements. All financial information presented in Euro has been rounded to the nearest thousand.

(d) Going concern

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and the satisfaction of liabilities in the normal course of business. As at 30 June 2013 the Group's current assets exceeded its current liabilities by 72,346 thousand Euro (31 December 2012: 39,451 thousand Euro). A significant portion of current assets represent loans received from related parties (see note 10).

The consolidated financial statements do not include any adjustments should the Group be unable to continue as a going concern.

(e) Use of estimates and judgements

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from those estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2012.

3 Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012.

4 Operating segments

(i) _Information about reportable segments_

For the six-month period ended 30 June 2013 **'000 Euro**	**Russia**	**Ukraine**	**Total**
External and segment revenue	382,004	184,399	566,403
Inter-segment revenue	(2,140)	(56)	(2,196)
Reportable segment profit before income tax	**(24,445)**	**(1,343)**	**(25,788)**

For the six-month period ended 30 June 2012 **'000 Euro**	**Russia**	**Ukraine**	**Total**
External and segment revenue	445,584	195,480	641,064
Inter-segment revenue	-	(6,677)	(6,677)
Reportable segment profit before income tax	**(55,737)**	**8,872**	**(46,866)**

As at 30 June 2013 **'000 Euro**	**Russia**	**Ukraine**	**Total**
Assets			
Reportable segment assets	1,106,158	291,805	1,397,963
Inter-segment loans issued	(2,141)	(1,555)	(3,697)
Total	**1,104,017**	**290,250**	**1,394,267**
Liabilities			
Reportable segment liabilities	752,722	140,254	892,976
Inter-segment borrowings	(1,555)	(2,141)	(3,696)
Total	**751,167**	**138,113**	**889,280**

As at 31 December 2012 **'000 Euro**	**Russia**	**Ukraine**	**Total**
Assets			
Reportable segment assets	1,165,512	258,862	1,424,375
Inter-segment loans issued	(112)	(2,104)	(2,216)
Total	**1,165,400**	**256,758**	**1,422,159**
Liabilities			
Reportable segment liabilities	793,105	106,246	899,352
Inter-segment borrowings	(2,104)	(112)	(2,216)
Total	**791,001**	**106,134**	**897,136**

(ii) _Information about reportable segments_

The major change in segment assets of Russia and Ukraine relates to decrease the in cash and equivalents in amount of 279,052 thousand Euro, increase in loan granted to related party in amount of 270,020 thousand Euro and decrease in property, plant and equipment in amount of 50,184 thousand Euro. The major change in liabilities of Russia and Ukraine relates to the increase of trade and other payables equivalents by 56,869 thousand Euro which resulted primarily from realized measures targeted at improvement of working capital.

5 Income tax expense

Income taxes are provided for based on taxable income and the varying tax rates applicable in Russia, Ukraine, the Netherlands and Cyprus. Certain costs and expenses, including some types of employees' compensation, benefits, and interest, which are included as expenses in the condensed consolidated statement of comprehensive income are not deductible when determining taxable income.

The statutory income tax rate applicable to the Russian companies is 20% (six-month period ended 30 June 2012: 20%). The statutory income tax rate applicable to the Ukrainian companies is 19% (six-month period ended 30 June 2012: January – March 25%, April – June – 21%). The statutory income tax rate applicable to the Cyprus companies is 12.5% (six-months ended 30 June 2012: 10%)

The Group's consolidated effective tax rate for the six-month period ended 30 June 2013 was 41% (six-month period ended 30 June 2012: 15%).

For the six-month period ended 30 June **'000 Euro**	**2013**	**2012**
Current tax	(7,592)	(6,506)
Deferred income tax	9,998	15,027
	17,590	**8,521**

6 Property, plant and equipment

Acquisitions and disposals

During the six-month period ended 30 June 2013 the Group acquired assets with a cost, excluding capitalized borrowing costs, of 36,137 thousand Euro (six-month period ended 30 June 2012: 42,169 thousand Euro).

Assets with a carrying amount of 18,670 thousand Euro were disposed of during the six-month period ended 30 June 2013 (six-month period ended 30 June 2012: 9,991 thousand Euro), resulting in a gain on disposal of 1,812 thousand Euro (six-month period ended 30 June 2012: 1,229 thousand Euro), which is included in other income.

Capital commitments

As at 30 June 2013 the Group had contracts to purchase property, plant and equipment for about 10,438 thousand Euro (31 December 2012: 20,728 thousand Euro); delivery is expected during one-year period.

7 Intangible assets

As at 30 June 2013 management reviewed intangible assets and property, plant and equipment for indications of impairment since the end of 2012 to determine whether a detailed impairment calculation at the end of interim period was required. No such indications were identified. As a result no impairment losses were recognized in the interim financial statement for the six-month period ended 30 June 2013 (six-month period ended 30 June 2012: nil).

8 Inventories

During the six-month period ended 30 June 2013 an impairment loss of 593 thousand Euro has been recognized (six-month period ended 30 June 2012: Euro 399 thousand Euro). The impairment is included in cost of sales and selling, marketing and distribution expenses in the condensed consolidated interim statement of comprehensive income.

9 Share Capital and Premium

The authorized share capital of the Group is comprised of 125.278.614 Class A shares (with no right to vote) and 30.000.000 Class B shares (with right to vote) with nominal par value of one 0,01 GBP each. The issued share capital is comprised of 88.832.710 Class A shares and 27.796.220 Class B shares with a nominal value of one 0,01 GBP. All issued shares are fully paid.

Share premium is the difference between the fair value of the consideration receivable for the issue of shares and the nominal value of shares. Share premium account can only be resorted to limited purposes, which do not include the distribution of dividends and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

10 Loans and borrowings

				30 June 2013		31 December 2012	
'000 Euro	**Currency**	**Interest rate nominal**	**Year of maturity**	**Face value**	**Carrying amount**	**Face value**	**Carrying amount**
Non-current loan from an entity under common control	RUB	8.25%	2018	315,103	315,103	334,602	334,602
Bank overdraft	EUR	6.15% - 6.80%	n/a	19,204	19,204	19,100	19,100
Current loans from an entity under common control	RUB	Mosprime + 2%	2013	123,163	123,163	168,342	168,342
Current interest payable	n/a	n/a	n/a	2,970	2,970	3,052	3,052
				460,440	**460,440**	**525,096**	**525,096**

During the six-month period ended 30 June 2013 there were no new issuances of loans and borrowings.

11 Taxation contingencies

(a) Taxation contingencies in the Russian Federation

The taxation system in the Russian Federation is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities. Taxes are subject to review and investigation by a number of authorities, which have the authority to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years; however, under certain circumstances a tax year may remain open longer. Recent events within the Russian Federation suggest that the tax authorities are taking a more assertive position in their interpretation and enforcement of tax legislation.

These circumstances may create tax risks in the Russian Federation that are substantially more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable Russian tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

(b) Taxation contingencies in Ukraine

The Group performs a significant part of its operations in Ukraine and therefore within the jurisdiction of the Ukrainian tax authorities. The Ukrainian tax system can be characterized by numerous taxes and frequently changing legislation which may be applied retroactively, open to wide interpretation and in some cases are conflicting. Instances of inconsistent opinions between local, regional, and national tax authorities and between the Ministry of Finance and other state authorities are not unusual. Tax declarations are subject to review and investigation by a number of authorities that are enacted by law to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years, however under certain circumstances a tax year may remain open longer.

These facts create tax risks substantially more significant than typically found in countries with more developed systems. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

12 Related party transactions

(a) Management remuneration

Key management received the following remuneration during the year, which is included in personnel costs:

For the six-month period ended 30 June '000 Euro	2013	2012
Salaries and bonuses	361	626
Contributions to State pension fund	1	1
Other service benefits provided	81	230
	443	**858**

(b) Other transactions

The Group has entered into various service agreements with other entities controlled by AB InBev. These services include management support, general technical assistance, provision of loans, publicity, marketing, use of brands and various other services. The amount of the service fees is agreed annually between the parties. During the six-month period ended 30 June 2012 service expenditures and royalties amounted to 35,112 thousand Euro (six-month period ended 30 June

2012: 30,223 thousand Euro) under these agreements. Interest expense charged by related parties amounted to 21,277 thousand Euro (six-month period ended 30 June 2012: 35,478 thousand Euro).

The outstanding balances with related parties were as follows:

'000 Euro	**30 June 2013**	**31 December 2012**
Accounts receivable from the Parent	-	-
Accounts receivable from entities under common control	-	-
Prepayments from entities under common control	3,908	4,140
Accounts payable to the Parent	(22,048)	-
Accounts payable to the entities under common control	(9,050)	(23,419)
Loan granted to an entity under common control	379,544	109,524
Current loans from entities under common control	(123,163)	(168,342)
Interest payable to the entities under common control	(2,970)	(3,052)
Non-current loans from entities under common control	(315,103)	(334,602)
	(98,959)	**(415,751)**

13 Events after the balance sheet date

There were no material post balance sheet events, which have a bearing on the understanding of the consolidated financial statements.