



For Immediate Release

## **BIG ROCK BREWERY INC. ANNOUNCES 2013 FINANCIAL RESULTS, QUARTERLY DIVIDEND AND ANNUAL MEETING**

March 17, 2014 Calgary, Alberta - Big Rock Brewery Inc. (TSX: BR) ("Big Rock" or the "Corporation") announced its financial results today for the year ended December 30, 2013.

Big Rock reported a decline in both net income and operating profit in 2013 as compared to the previous year. Net income for the year ended December 30, 2013 was \$2.6 million compared to \$4.1 million in the year ended December 30, 2012. Operating profit for 2013 was \$3.3 million compared to \$5.6 million in 2012. The declines were attributed to a 15 per cent reduction in the total volume of Big Rock's sales, which decreased from 217,646 hectolitres ("hl") for 2012 to 184,802 hl for 2013.

Volume-driven price promotions utilized in 2011 had been reduced in 2012 and were scaled back even further for 2013, resulting in comparatively lower sales volumes but higher profit margin per hl. However, Big Rock's sales volumes were also negatively impacted in its core Alberta market by both a significant influx of craft beer products in the marketplace and the lingering effects on some customers of severe flooding in the second quarter.

"The past year was an extremely busy and eventful one at Big Rock," said Bob Sartor, the Corporation's Chief Executive Officer. "We continued the rationalization of our full-time beer portfolio, which was started in 2012, by eliminating beers that were incongruous with our vision of being an innovative craft brewer. We fully executed our innovation program of 23 new beers, refocused our sales force and continued to improve our revenues per hl sold. We re-thought our brand architecture and completely repackaged our full-time Signature series of beers. Finally, we also transitioned away from the industry standard bottle to our own proprietary Big Rock bottle."

As 2013 was a year of transition for Big Rock, the Corporation faced some significant non-recurring costs. Selling expenses included one-time costs of \$932 thousand due to restructuring of the sales force and a major rebranding of the Corporation's products. Non-recurring costs in Cost of Sales of \$916 thousand resulted from accelerated depreciation on the transition to a proprietary bottle and packaging write-offs due to the product rebranding. Despite these non-recurring costs, selling expenses were reduced in 2013 to \$12.0 million as compared to \$14.0 million in 2013. Had these one-time costs not been incurred, Operating Profit would have been \$5.1 million.

The Financial Statements and Management Discussion and Analysis dated March 17, 2014 can be viewed on Big Rock's website at [bigrockbeer.com/corporate](http://bigrockbeer.com/corporate) and on SEDAR at [sedar.com](http://sedar.com) under Big Rock Brewery Inc.

Big Rock is pleased to announce that a dividend of \$0.20 per common share will be paid on April 15, 2014 to shareholders of record on March 31, 2014. All dividends paid by Big Rock are "eligible dividends" for Canadian tax purposes, unless otherwise indicated.

Big Rock is also pleased to announce that the annual meeting of Big Rock shareholders will be held on Wednesday, May 14, 2014 at 2:00 p.m. (Calgary time) at the Big Rock Brewery, 5555 - 76th Avenue S.E., Calgary, Alberta. In accordance with Big Rock's advance notice by-law, the board of directors has set 5:00 p.m. (Calgary time) on March 27, 2014 as the deadline for receiving any

nominations. Big Rock further announces that subsequent to the re-election of directors at the upcoming annual meeting of shareholders, the board of directors intends to appoint Mr. John Hartley, long-time director of the Corporation, as Chairman. Mr. Edward McNally, founder of Big Rock, will be appointed Chairman Emeritus and Ms. Kathleen McNally-Leitch will be reconfirmed as Vice Chair.

#### **About Big Rock Brewery Inc.**

Big Rock Brewery Inc. produces premium, all-natural craft beers. Big Rock boasts a family of exceptional ales and lagers, Rock Creek Cider®, an ongoing selection of seasonal beers released through the Brewmaster's Limited Edition and cutting-edge, small-batch brews released through the Alchemist Edition.

For more information on Big Rock Brewery visit [bigrockbeer.com](http://bigrockbeer.com)

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