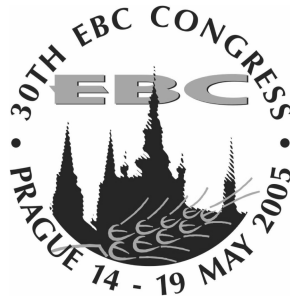


PRESS RELEASE



Czech Beer

THERE ARE NOT MANY COUNTRIES OR NATIONS AROUND the world where beer means as much as it does to the Czechs. It's a matter of history. Beer brewing has a long tradition here. The ancient Celts began brewing beer several thousand years ago and beer has been brewed from hops in what is now Prague since the year 993. It therefore comes as no surprise that the Czech Republic is the "Promised Land" for beer. Beer is such a sacred potion for the Czechs that its patron is no other than the famous patron of all Czechs, St. Wenceslas.

BEEER IS NOT ONLY A DELICIOUS DRINK BUT IS ALSO AN inherent part of Czech culture – from literature to poetry and theatre and film. Many writers, poets, and even musicians have written or write about beer. Songs about beer are really popular and are even sung in the most famous of Czech operas. Alfons Mucha and a number of famous Czech painters painted beer in various settings. Beer was and still is an important social phenomenon because a Czech pub or even a first-class restaurant serving good beer is a place where you can discuss anything and everything, from politics to sport.

CZECH BEER HAS A LONG AND RICH HISTORY. THE FIRST written record related to the brewing of beer is from 1088. The right to brew was a time-honoured privilege, at first only for royalty and later for burgher towns. Each citizen living within the walls of a town had the right to brew beer. The oldest breweries were established in Teplá (1200), Hodonín (1228), Olomouc (1250), Brno (1325) and Třeboň (1379). In 1712 there were 1,294 breweries in Bohemia with a total output of 1,333,650 hectolitres of beer. But more than 120 years later, however, there were 1,087 breweries in Bohemia producing an overall output of 1,966,004 hectolitres.

EVEN IN THE 1850'S BEER WAS BREWED ALMOST EXCLUSIVELY as a craft. At that time the craft was organised by a guild of brewers. Beer was brewed in numerous small breweries. With advances in scientific knowledge and brewing equipment the craft of brewing quickly became an industry. Also accompanying this change was a switch from top fermentation to bottom fermentation.

FROM THE TECHNOLOGICAL VIEWPOINT AND WITH RESPECT to the Czech brewing industry's influence on the development of this branch throughout the world the establishment of the Burgess brewery (Prazdroj) in Plzeň in 1842 was a historic milestone. Its bottom fermented pale lager quickly became the

global prototype for lager. The popularity of Czech beer boomed abroad. Besides Plzeňský Prazdroj (a.k.a. Pilsner Urquell), other beers also gained in popularity abroad, e.g. Budvar from the brewery in České Budějovice and others. In 1900 output had reached 11,967,813 hectolitres. After a lull during World War I another boom occurred between 1920 and 1939, which was, however, interrupted by World War II. After the war further concentration occurred within the brewing industry, nationalisation took place, and hardly any new breweries were built for decades. After 1990 there was a major boom accompanied by the modernisation of brewery facilities, which still continues to this day.

AT PRESENT, THERE ARE 38 COMPANIES BREWING BEER in the Czech Republic in 48 industrial breweries. There are also 36 restaurant micro-breweries in operation, the oldest of which is U Fleků, established in 1499. In 2003 the total output of beer from these breweries reached 18,548,314 hectolitres, with almost 12% of that earmarked for export. The largest producer of beer here is the Plzeňský Prazdroj group owned by SABMiller. The group controls the Prazdroj and Gambrinus breweries in Plzeň, Velkopopovický Kozel brewery in Velké Popovice (near Prague), and Radegast brewery in Nošovice (in north Moravia). In second place is the Staropramen brewery of the InBev group, which owns the Smíchov and Braník breweries in Prague and Ostravar in Ostrava. Budvar from České Budějovice takes third place. Beer exports have increased significantly even though Czechs proudly claim that they hold first position in per capita consumption of beer – around 160 litres per annum. The truth is, however, that foreign visitors to the Czech Republic are helping out more and more. No one can deny that beer-drinkers here have a vast array of choices. In fact, today more than 300 kinds of beer are produced in the Czech Republic. Whereas it is easy to say which beer is the most famous or most popular, it is much harder to determine which beer is the best.

CZECH MALTING AND BREWING ARE NOT ONLY AMONG the oldest of crafts; today they are also amongst the most respected industrial activities in the Czech Republic. Their role is all the more significant in that they not only have the task of defending tradition but also of spreading the repute of a drink which is a phenomenon in the Czech Republic and throughout the world and which gives pleasure to all who consume it in moderate quantities.