

THIS FORM WAS NOT FILED WITH THE U.S SECURITIES AND EXCHANGE COMMISSION

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT**

**Date of Report (Date of Earliest Event Reported): May 15, 2017**

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**ROUST CORPORATION**

(Exact Name of Registrant as Specified in Its Charter)

**New York**  
(State or Other Jurisdiction Of  
Incorporation)

(Commission  
File Number)

**54-1865271**  
(I.R.S. Employer Identification  
No.)

**232 Madison Ave., Suite 1600, New York, NY**  
(Address of principal executive offices)

**10016**  
(Zip Code)

**(7495) 642 82 80**  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition.**

On May 15, 2017 Roust Corporation (“ROUST”) announced its preliminary, unaudited results of operations for the quarterly period ended March 31, 2017 (the “Earnings Release”). The Earnings Release can be obtained at [www.roust.com](http://www.roust.com)

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, Roust Corporation has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ROUST CORPORATION

By: /s/ Goran Ljubicic  
Goran Ljubicic

Global Chief Financial Officer

Date: May 15, 2017



**MOSCOW, Russia – May 15, 2017** - Roust Corporation announces its preliminary, unaudited results of operations for the quarterly period ended March 31, 2017 ("Earnings Release"). The Company will publish its quarterly report on form 10-Q for the quarterly period ended March 31, 2017 by June 14, 2017, in accordance with the requirements of the Indenture for its notes.

## ***Executive summary***

Roust Corporation (previously Central European Distribution Corporation, collectively with its subsidiaries referred to as "ROUST", "we", "us", "our" or "the Company") is one of the world's largest vodka producers, maintaining leading positions in all its key markets: Poland, Russia and Hungary. Its brand portfolio includes well-known brands such as *Żubrówka*, *Soplica*, *Bols* and *Absolwent* in Poland; *Green Mark* and *Parliament* in Russia; *Russian Standard Vodka* in Russia and Internationally; and *Royal Vodka* in Hungary. Each of these brands is a leader in its segment in those markets.

The Company's objective is to be a leading global player in every major category of alcoholic beverages, including vodka, sparkling wines, still wines, brown spirits, liquors and ready-to-drink beverages, as well as in every price segment.

**Successful completion of Balance Sheet restructuring** - On February 17, 2017 Roust Corporation announced that the Company's Prepackaged Plan of Reorganization (the "Plan"), previously confirmed by the court, has been declared effective. The transaction strengthened the Company's capitalization and considerably deleveraged its balance sheet. The transaction has resulted in the reduction of the Company's existing debt as at the Effective Date by \$518.2 million, plus funding of \$55.0 million in new equity capital and the contribution of strategic assets, including Russian Standard Vodka, LLC ("RSV") and Russian Standard Vodka brand, to the Company by Roust Trading Ltd.

The Company's new capital structure positions the Company for accelerated revenue and profit growth within the global alcohol market, thereby strengthening the Company's position as the number 2 vodka company by volume worldwide, and the number 1 alcohol company in Central/Eastern Europe and Russia by volume. The successful completion of the transaction, the reduction in the Company's indebtedness and the liquidity provided by the new equity capital, enables the Company to more effectively execute its business strategy, take advantage of growth opportunities worldwide, to ensure that it is well positioned for an Initial Public Offering ("IPO") within the next two to three years.

*From the first quarter of 2017 Roust Corporation reporting includes results of the assets acquired as a result of this restructuring, in particular includes results of Russian Standard Vodka. According to US GAAP rules applicable to business combination under common control, all previous periods have been recast to include results of newly acquired entities, starting from the period of the common control first taking effect.*

**Volumes - In first quarter of 2017 volumes increased by 613 thousand nine-liter cases (or 12.1%),** as compared to first quarter of 2016. Volumes grew in all segments of our business: in Poland domestic segment by 10.2%, in Russia domestic segment by 25.4% and in International segment by 2.8%.

In Poland the volumes grew despite unfavorable phasing of Easter which in 2017 falls into the second quarter, whereas it was in the first quarter of 2016. *Soplica* brands were positively impacted by restyled packaging launch and introduction of *Mirabelle* flavor. *Żubrówka* portfolio was developed with brand new clear innovation *Żubrówka with hint of Mint* and *Żubrówka with hint of Juniper*. Above actions enabled us to further expand our market share within flavored vodka to 44.6% in March 2017, as well as helped us to hit another all-time high result and reach 44.1% of vodka market share in March 2017, which means 3.9 p.p. growth as compared to prior year. We also continuously increase our market share in traditional trade channel and in March 2017 it was 45.1% (growth of 3.8 p.p. as compared to prior year).

International volumes grew mainly due to outstanding performance of *Russian Standard Vodka* on international markets, which was partially offset by lower sales in Hungary after increase of Health Tax from January 2017.



In the first quarter of 2017 our volumes in Russia grew by 25.4% versus last year (42% growth in volumes excluding ready-to-drink). Such positive change in trend is driven by significant growth of the legal vodka market and strong ROUST involvement in market activation. We resolved some temporary supply issues and optimized the stock level. In the first quarter the Company has started production of value segment brands which are door opener to increase shelf share for mass vodka segment.

**Revenues - Total net sales of ROUST increased in first quarter of 2017 by 15.4% (+\$17.3 million)**, from \$112.7 million in first quarter of 2016 to \$130.0 million in first quarter of 2017. Main positive impact was from growing revenues in Russia that resulted from improved market conditions, and from further growth in Poland.

**Gross profit increased** from \$41.7 million for the quarter ended March 31, 2016 to \$46.8 million for the quarter ended March 31, 2017.

**Operating results improvement** - Our operating result for first quarter of 2017 improved by \$2.0 million (75.3%) year on year, from \$2.6 million loss in first quarter of 2016 to \$0.7 million loss in first quarter of 2017. Operating result for 2016 includes impact of one-off restructuring costs amounting to \$0.7 million and \$5.0 million of promotional, brand building and new product development investments in Poland and Russia.

**Improved reported EBITDA** - Our reported EBITDA increased by \$2.3 million, or 357.0%, from \$0.6 million for the quarter ended March 31, 2016 to \$2.9 million for the quarter ended March 31, 2017. The management is focused on assessing the results based on the reported EBITDA and reducing aggressively any excluded items.

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#### **Cautionary Statement about Forward-Looking Information**

*This release may contain projections and other forward-looking statements reflecting the Company's current views with respect to future events and financial performance. Forward-looking statements are based on information available to management at the time, and they involve judgments and estimates. These forward-looking statements are made based on expectations and beliefs concerning future events affecting the Company and are subject to various risks, uncertainties and factors relating to Company's operations and business environment, all of which are difficult to predict and many of which are beyond the Company's control, which could cause actual results to differ materially from those matters expressed in or implied by these forward-looking statements. The Company has no duty to, and does not intend to, update or revise the forward-looking statements in this announcement, except as may be required by law.*