

Royal Unibrew A/S

by Lars Jensen, CFO

8 June 2016 – Handelsbanken - Nordic Mid/Small Cap Seminar 2016, Stockholm

Facts about Royal Unibrew

- Royal Unibrew is the second biggest brewer in the Nordic and Baltic region
- Revenue in 2015 of DKK 6.032 billion
- EBITDA in 2015 of DKK 1,225 million
- Approximately 2,300 employees worldwide
- Export to approx. 85 countries worldwide
- 5 breweries and 2 soft drink/water facilities
- Market Cap end December 2015 of DKK 15.5 billion or EUR 2.0 billion
- Daily average liquidity L12 months approx. DKK 25 million or EUR 3.4 million

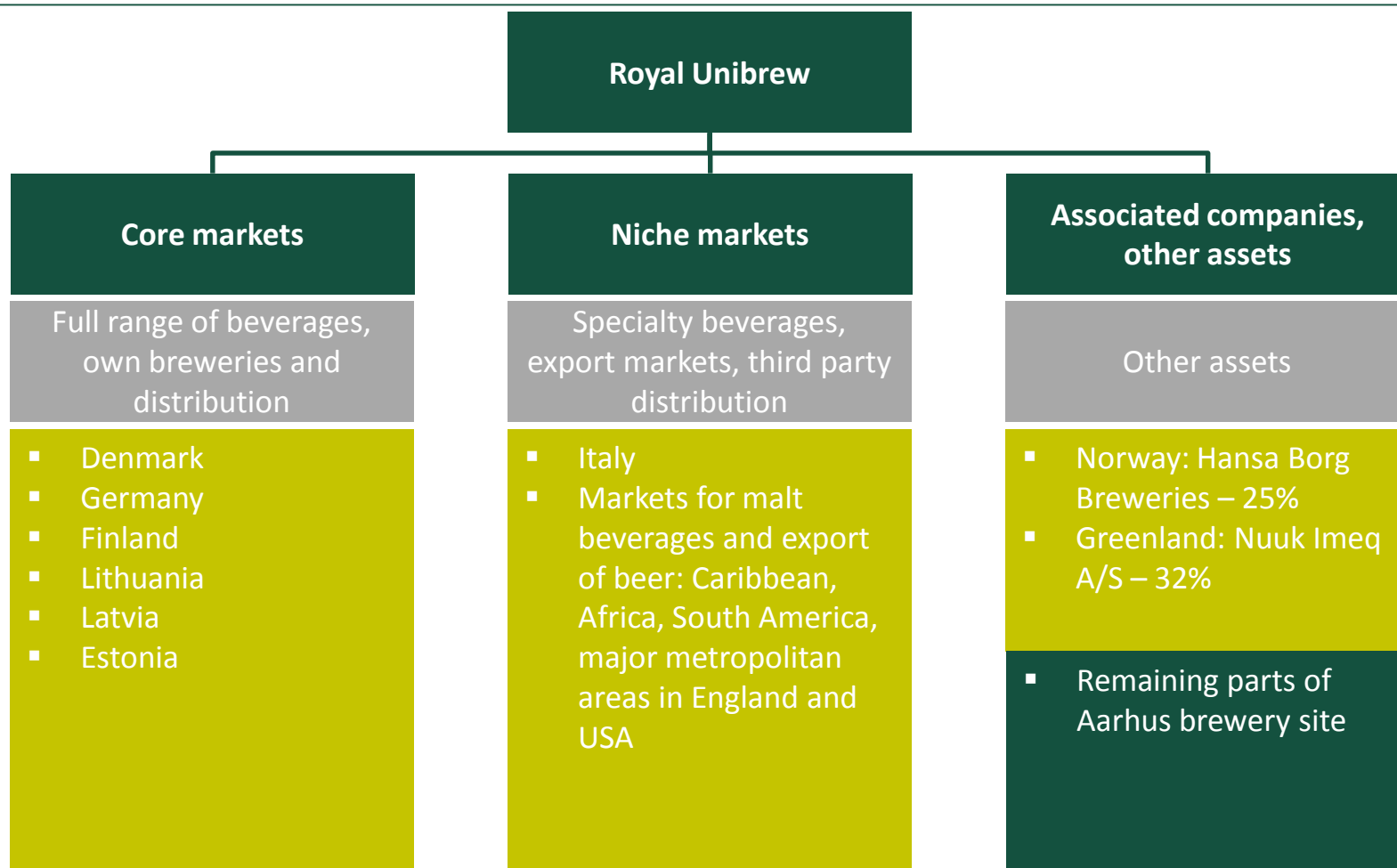


Royal Unibrew's goal is to be an efficient regional beverage player

- Positions, mainstream and niche
- Category, brands and international partnerships
- Growth agenda
- Commercial agenda
- Efficiency agenda
- Financial, competitive and strategic flexibility – and capital structure
- Our Leadership DNA

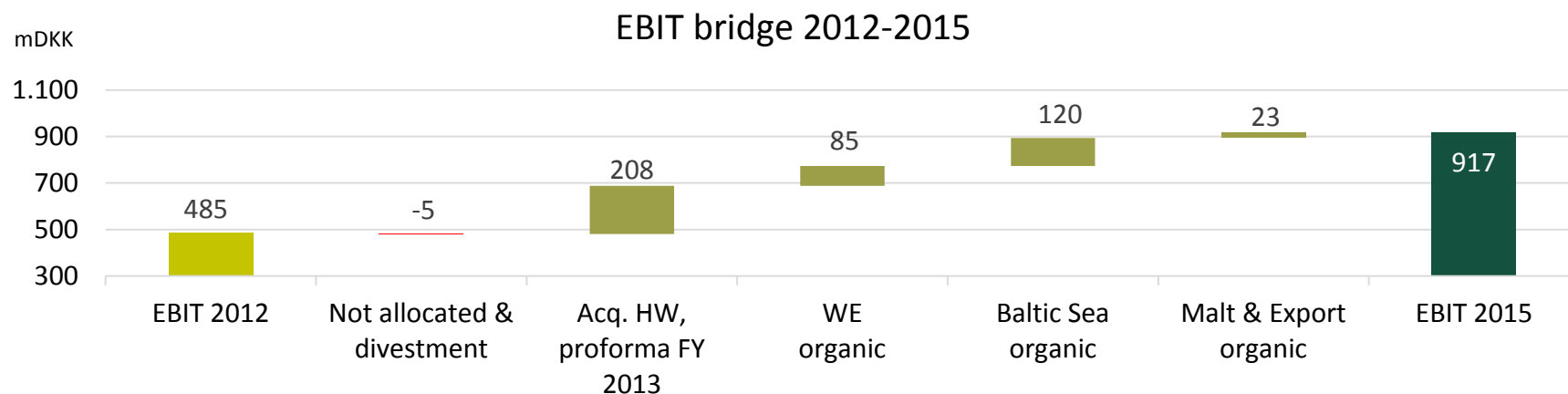
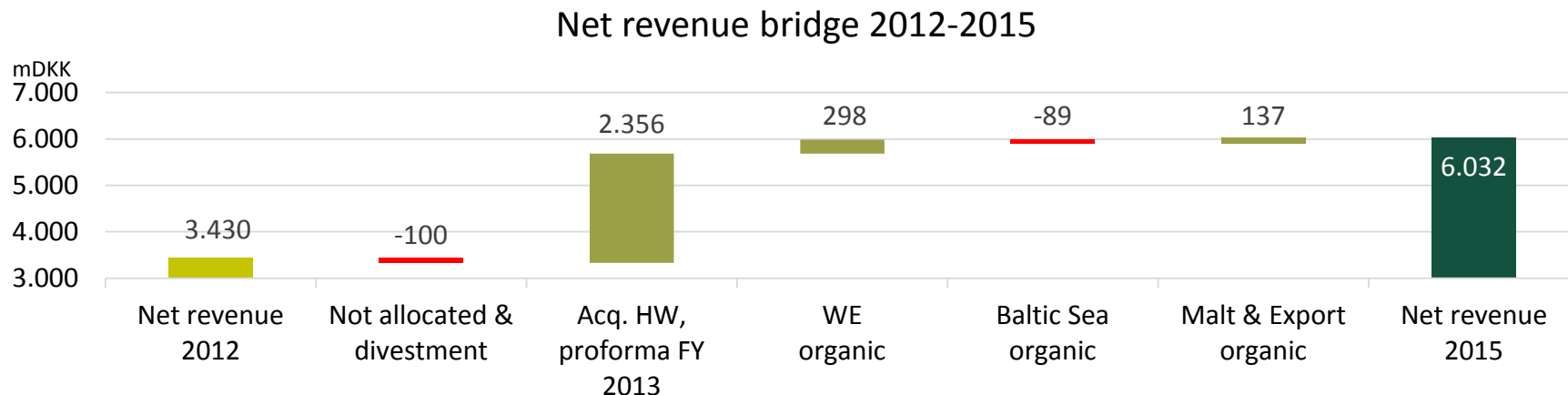


A Leading Regional Beverage Group



Royal Unibrew is a leading regional beverage group

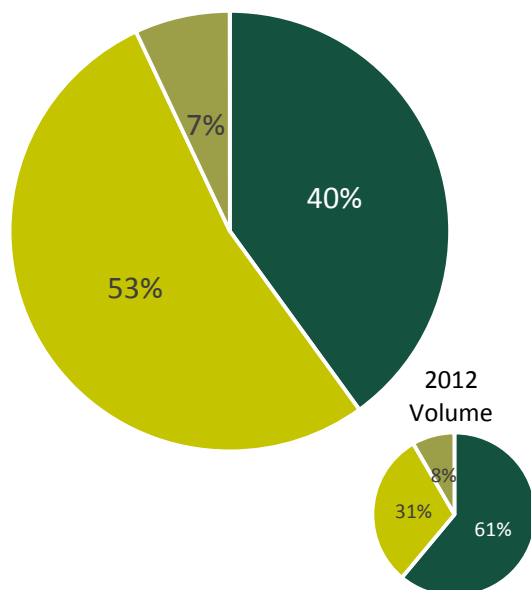
Significant organic improvement from 2012 to 2015 in all segments – EBIT growth of 89%



Business segment overview – significant change since 2012

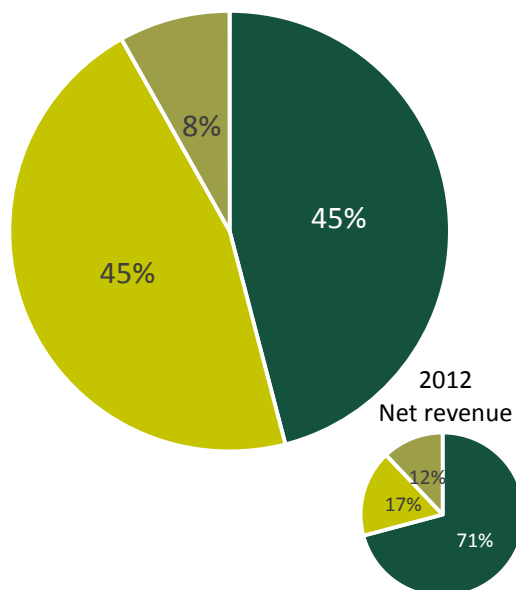
2015 Volume

- Western Europe
- Baltic Sea
- Malt Beverages & Export



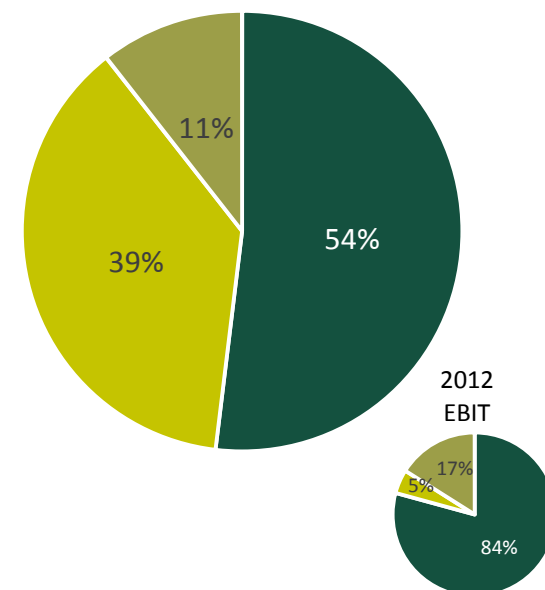
2015 Net revenue

- Western Europe
- Baltic Sea
- Malt Beverages & Export



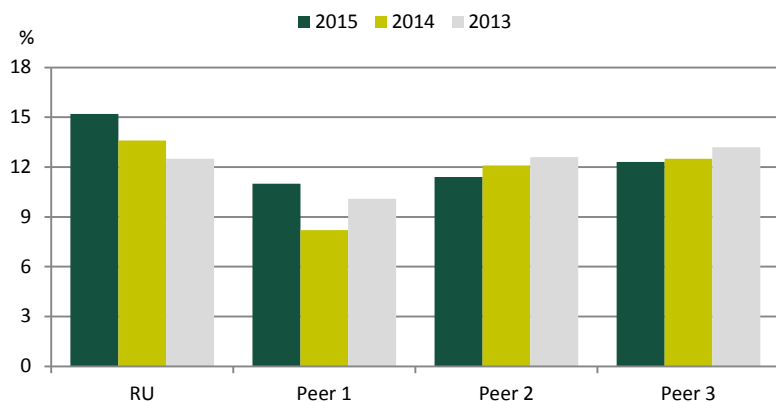
2015 EBIT

- Western Europe
- Baltic Sea
- Malt Beverages & Export

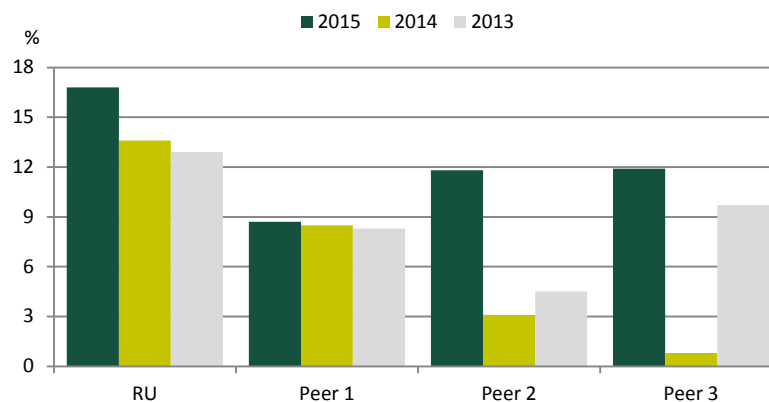


Solid performance to peers 2015

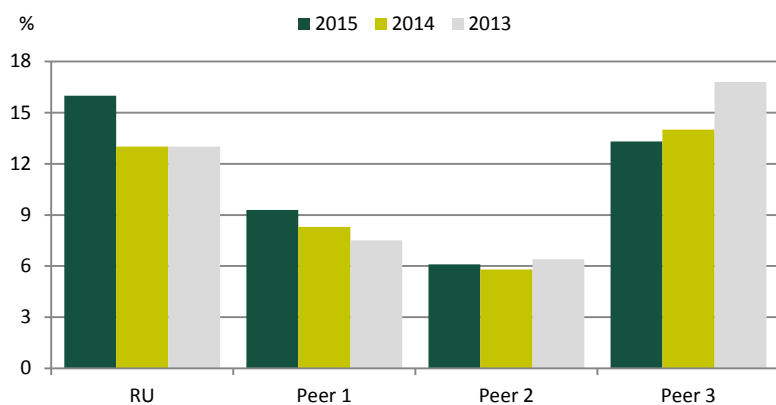
EBIT MARGIN (COMPARABLE REGION)*



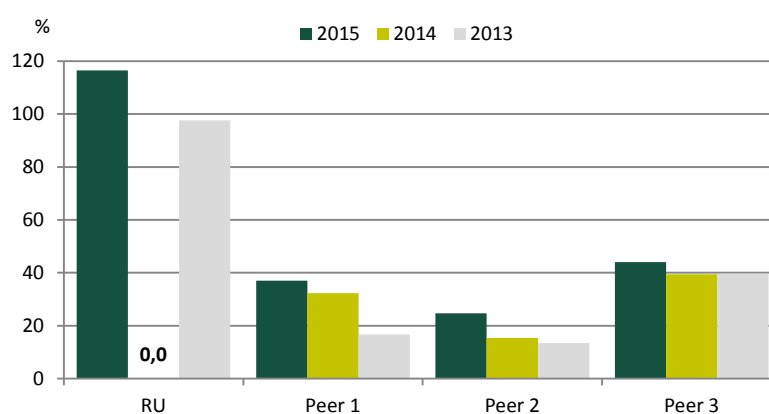
FREE CASH FLOW – % OF REVENUE



RETURN ON INVESTED CAPITAL**



CASH RETURN TO SHAREHOLDERS



* Based on FY2013 and FY2014 results on comparable basis. RU proforma 2013 EBIT margin 12,0%

** Based on average invested capital vs. previously on year end figures

Q1 2016 - Performance improvement - in line with expectations

- Maintained market positions
- Volume increase of 10% to 2.1mHL
- Net revenue increase of 5% to DKK 1.4bn
- EBIT increase of 5% to DKK 138m
- Unchanged EBIT-margin of 10.2%
- Free cash flow up DKK 127m to DKK 5m on additional Aarhus sale
- Maintained outlook for 2016

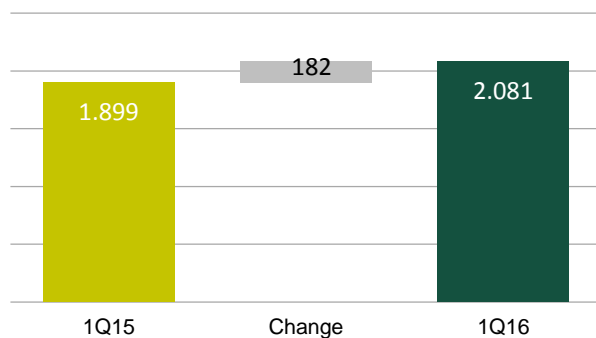


Increasing first quarter activity and results

VOLUME – HL (000)

Change

9.6%

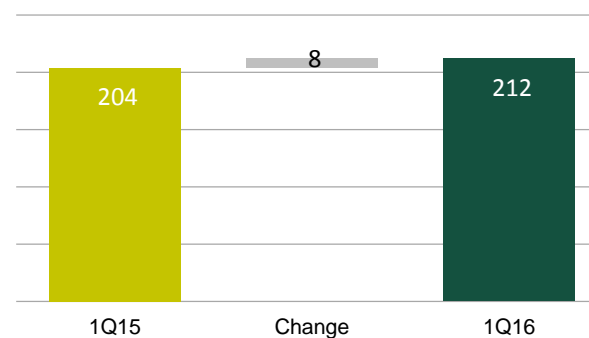


EBITDA - MDKK

Margin

15.8%

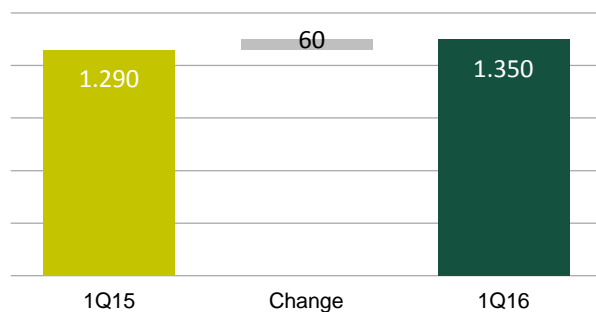
15.7%



NET REVENUE - MDKK

Change

4.7%

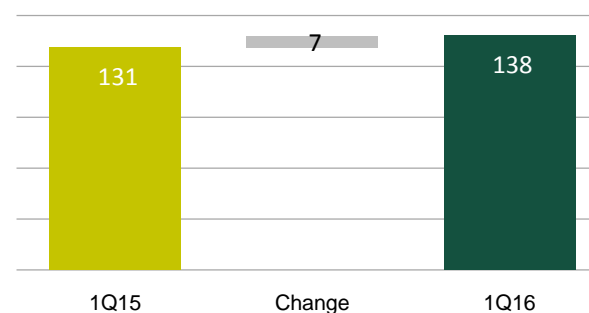


EBIT - MDKK

Margin

10.2%

10.2%



Outlook 2016

mDKK	Outlook 2016	Realized 2015	Realized 2014
Net revenue	6,150 – 6,400	6,032	6,056
EBITDA	1,190 – 1,290	1,225	1,130 *)
EBIT	885 – 985	917	826 *)

*) Incl. 50 mDKK one-time restructuring costs



Q&A



DISCLAIMER:

- This announcement contains forward-looking statements. Undue reliance should not be placed on forward-looking statements because they relate to and depend on circumstances that may or may not occur in the future and actual results may differ materially from those in forward-looking statements. Forward-looking statements include, without limitation, statements regarding our business, financial circumstances, strategy, results of operations, financing and other plans, objectives, assumptions, expectations, prospects, beliefs and other future events and prospects. We undertake no obligation, and do not intend to publicly update or revise any of these forward-looking statements, unless prescribed by law or by stock exchange regulations.

Annual Report 2015: Selected 2016 outlook assumptions

- Slight structural decline in consumption to continue in Nordics. Normal high season weather is expected to have a positive impact in Denmark & Germany and Finland, negative in Italy
- Unchanged market for malt beverages in Europe and Caribbean. Slightly increasing consumption of malt beverages and beer in Africa
- Overall stable beverages consumption in the Baltic. Higher than usual uncertainty in Lithuania due to excise increases and launch of deposit system
- Unchanged to slightly declining net selling prices due to deflationary environment and competition
- Input cost prices for major raw materials basically unchanged
- Other Costs, net expected to follow inflation
- Gross investments of DKK 230-250m.
- Free cash flow to be positively affected by net DKK 35m in 2016 on “extraordinary” items
- Tax rate at 21-22%

Financial targets

	November 2015 revised target	August 2014 revised target	Post Hartwall acquisition target**	Pre Hartwall acquisition target*
EARNINGS	EBIT margin 15%	EBIT margin 14%	EBIT margin 13%	EBIT margin 14%
EQUITY RATIO	Minimum 30%	Minimum 30%	Minimum 30%	Minimum 30%
NIBD/EBITDA	Maximum 2.5x	Maximum 2.5x	Maximum 2.5x	Maximum 2.5x

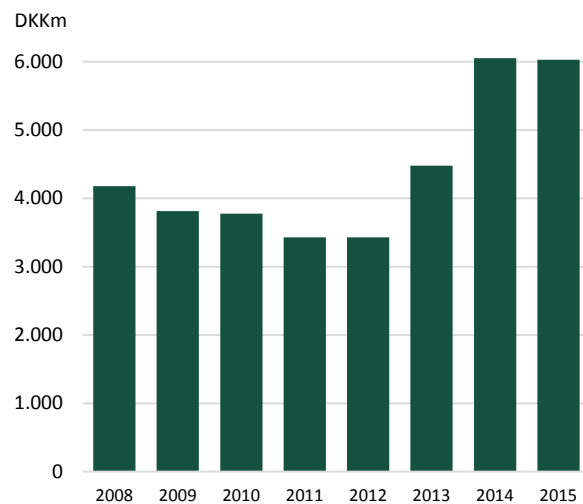
- Dividends and share buy-backs resumed in 2015
- Distribution policy:
 - Dividends 40-60% of net result
 - Share buy-back to adjust capital structure

* Basically no amortization

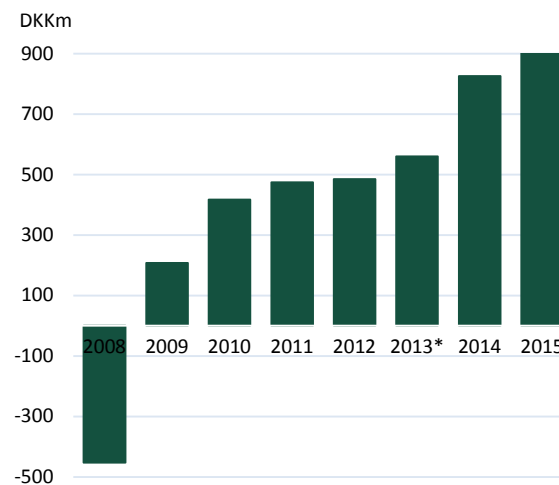
** Amortization from the acquisition decreased EBIT-margin by approx. 50bp

Financial Performance 2008-2015

Net revenue



EBIT

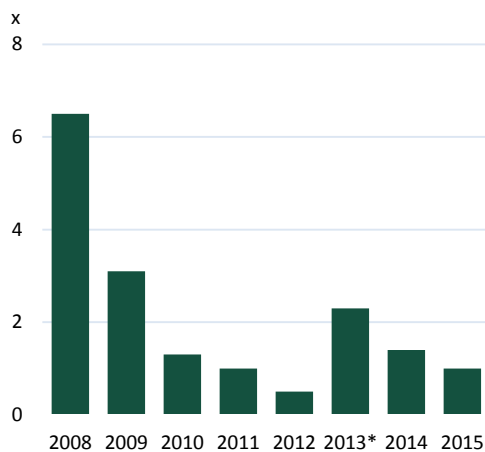


* Hartwall contribution DKK 38m

Financial Performance 2008-2015

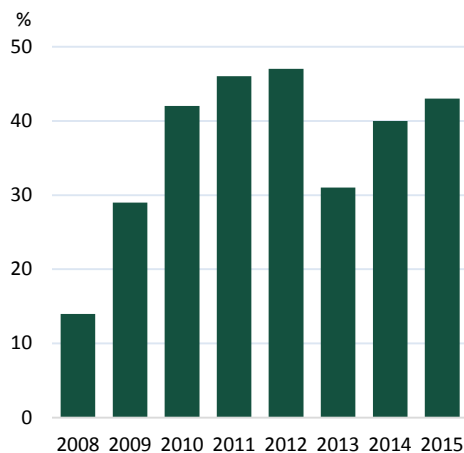
OPERATING IMPROVEMENTS AND SALE OF NON-CORE ASSETS

NIBD/EBITDA



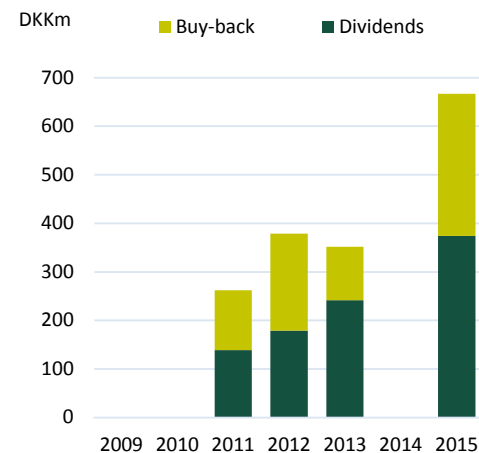
* Calculated pro forma with Hartwall's realized full-year EBITDA

EQUITY RATIO



CREATING SHAREHOLDER VALUE

DISTRIBUTION



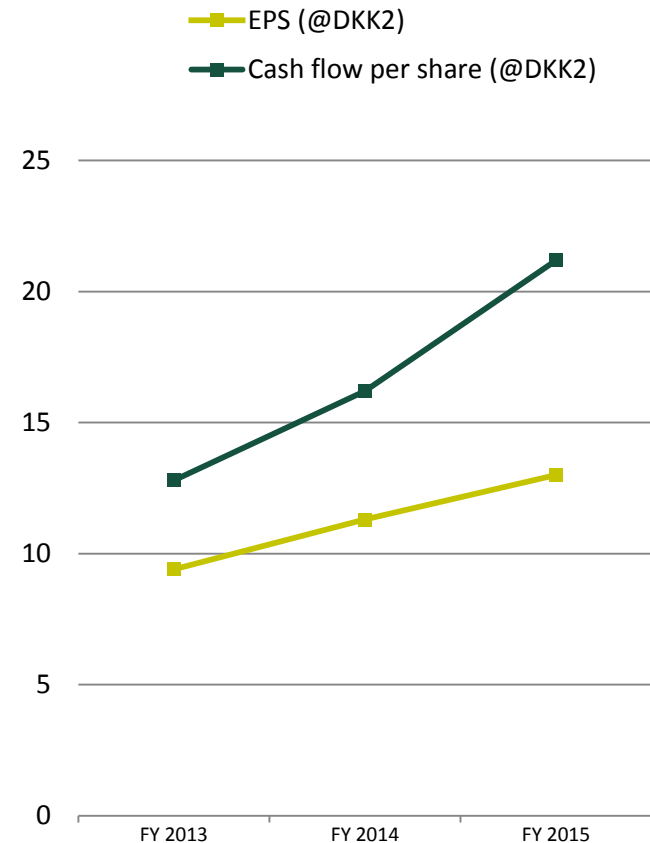
Annual Report 2015: Shareholder distribution

Dividend of DKK 400m to be proposed at the AGM

- Dividend of DKK 7,20 per share

DKK 450m share buy-back

- Safe harbor program initiated
- Maximum 12 month period



Shareholder Structure

Largest shareholders

- Chr. Augustinus Fabrikker A/S – 10.4% (notified 11 December 2009)
- Hartwall Capital Oy Ab – 7.1% (notified 6 May 2015)

- Approx 15,000 shareholders in total

One share class

No restrictions in ability to pay dividend or buy back shares

Hartwall transaction rationale – growing the earnings base (pro forma 2013 and 2012 figures)

DKK m	2013			2012		
	Royal Unibrew	Hartwall*	Combined	Royal Unibrew **	Hartwall	Combined
Volume, HL m	5.4	3.0	8.4	5.4	3.0	8.4
Revenue	3,694	2,356	6,050	3,330	2,302	5,632
EBITDA	638	377	1,015	605	373	978
EBIT	522	208	730	480	209	689
EBITDA margin, %	17.3	16.0	16.8	18.2	16.2	17.4
EBIT margin, %	14.1	8.8	12.0	14.4	9.1	(11.7***) 12.1
Employees	1,643	825	2,468	1,635	862	2,497

* Hartwall realized full year 2013 before deduction of DKK 15m in transaction costs

** Excluding Impec

*** EBIT-margin including estimated amortization derived from the acquisition

- Unique chance to create a stronger and more diversified business platform
- Larger and broader earnings base and expansion of portfolio of own brands

2013 Hartwall acquisition

- EV of DKK 3.3 billion
- Paid to Heineken for 100% of the shares in Hartwall DKK 2.8 billion
- NIBD in Hartwall DKK -109 million
- Difference from EV is cash payment to Heineken
 - Factoring for accounts receivables
 - Various regulations agreed with Heineken
- Consolidation as of 23 August 2013

Management



Henrik Brandt President & CEO

MSc (Economics and Business Administration), MBA Stanford University, US

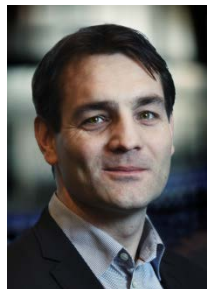
Joined as CEO on 1 November 2008

Past experience

Unomedical A/S, CEO

Sophus Berendsen, CEO

House of Prince (Scandinavian Tobacco), CEO



Lars Jensen CFO

Diploma in Business Economics, Informatics and Management Accounting

Joined Royal Unibrew in 1993

Joined the Executive Board on 30 November 2011

Past experience:

Head of Finance, Royal Unibrew A/S



Hans Savonije COO

BA Business administration

Joined the Executive Board on 29 September 2008

Past experience:

Beverage Partners Worldwide, Coca-Cola & Nestlé, CEO

SVP Global Markets, Remy Cointreau Associés, CEO, France

World Lotteries Association, CEO, Switzerland