



Interim Report

1 January – 30 September 2014

27 November 2014

Significant earnings increase as expected

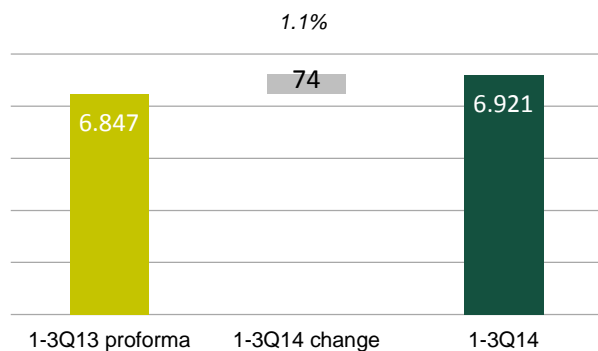
- Market positions marginally lower
- Organic volume growth of 1%. Organic revenue growth of 2%
- Pro forma net revenue increase of 2% to DKK 4.705m
- EBIT of DKK 712m. Pro forma growth of DKK 108m
- Pro forma EBIT margin increase from 13.1% to 15.1%
- Strong free cash flow of DKK 772m on increased earnings and property sale
- NIBD reduced by DKK 773m during the year to DKK 1,606m
- Continued good progress in Hartwall integration
- Revised August Outlook 2014 confirmed



Pro forma increase in volume, revenue and earnings

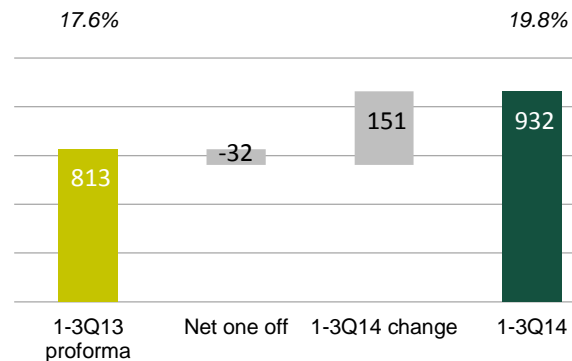
VOLUME – HL (000)

Change



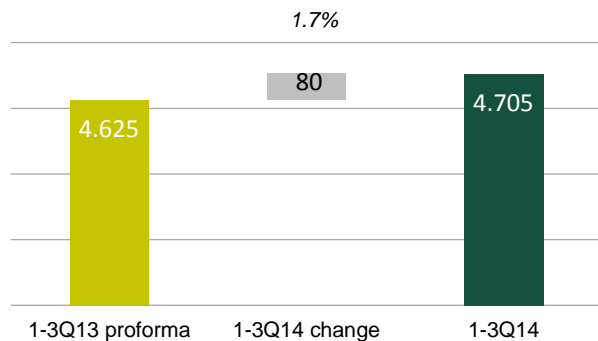
EBITDA - DKKM

Margin



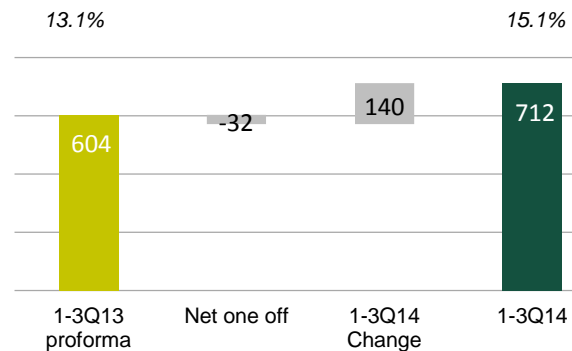
NET REVENUE - DKKM

Change

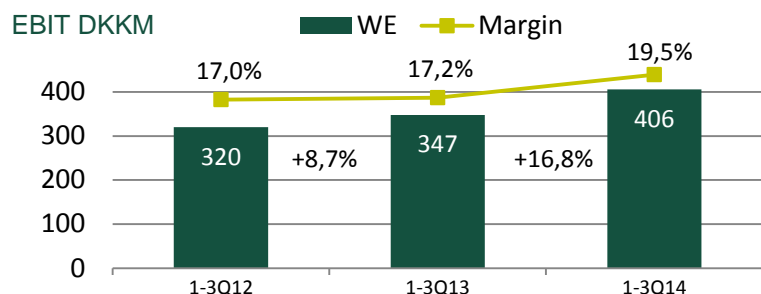
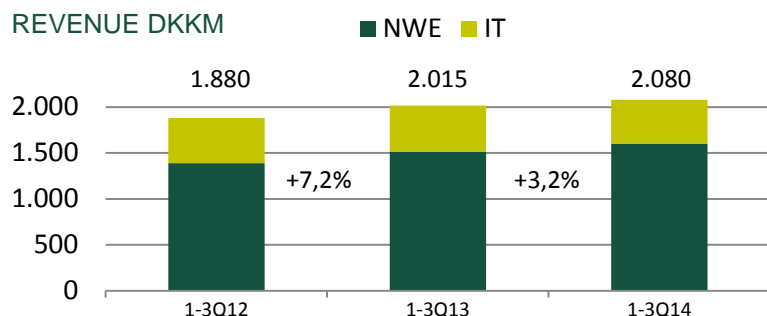
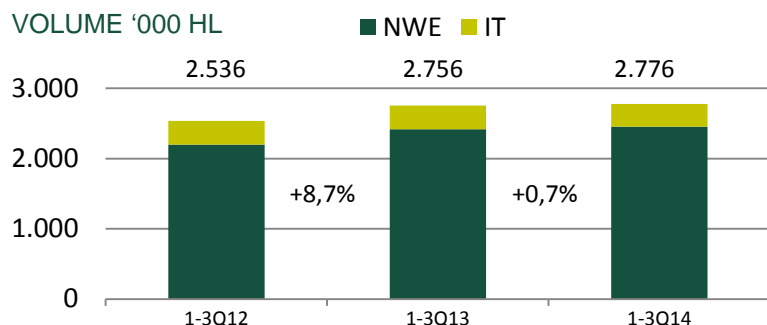


EBIT - DKKM

Margin



Western Europe – organic growth & earnings increase



- **North Western European** market positions declined slightly. Consumption slightly increased on excellent high season weather

Positive channel and product mix development

Branded segment gaining market share from non-branded products

- **Italy**, overall beer consumption significantly down in Q3 on poor high season weather

Super-premium and premium beer consumption decreasing. Market position marginally lower.

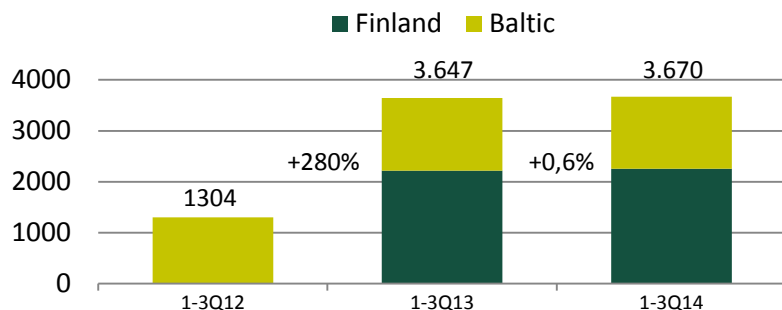
Consumer confidence and private consumption remaining under pressure by macro economic uncertainty.

- **Commercial initiatives** – focus on value creation and commercial execution.

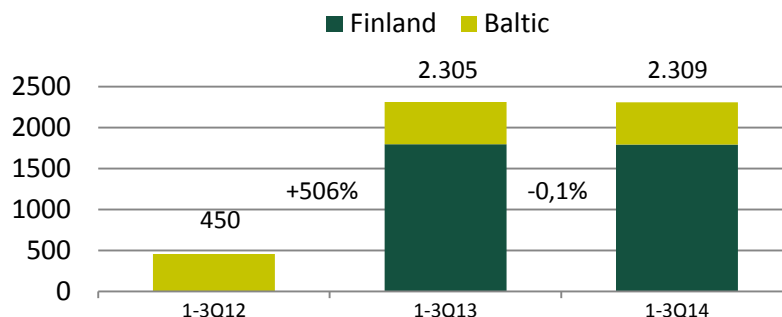
Several good innovations, strengthening the product portfolio.

North East Europe - earnings increase on efficiencies

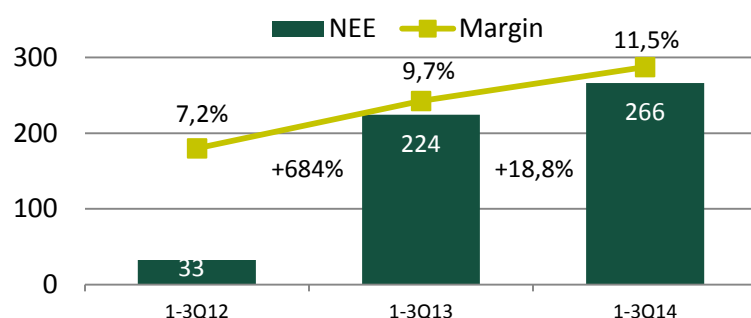
VOLUME '000 HL (2013 pro forma – incl. Hartwall from 01'13)



REVENUE DKKM (2013 pro forma – incl. Hartwall from 01'13)



EBIT DKKM (2013 pro forma – incl. Hartwall from 01'13)



- **Finland** – as expected underlying, weather adjusted, decline in consumption. Consumer confidence hit by negative macro-economic growth and austerity measures.

Underlying On-trade consumption declining by a medium single-digit percentage, Off-trade down by a lower single-digit percentage.

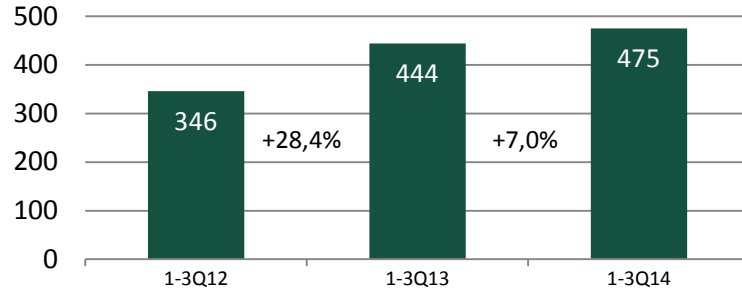
Hartwall market positions generally maintained. Net revenue pr. HL down by 2% year on year.

Efficiency agenda ahead of time schedule.

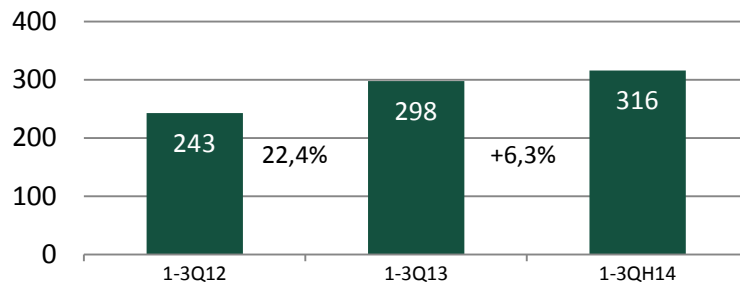
- **Baltic consumption** – overall consumption of beer slightly up. Juice, soft drink and still water consumption down. Market position marginally lower.
- **Commercial initiatives** – strong innovation pipeline with several successful product launches. Entering water category in Lithuania.

Malt Beverages – continued solid growth

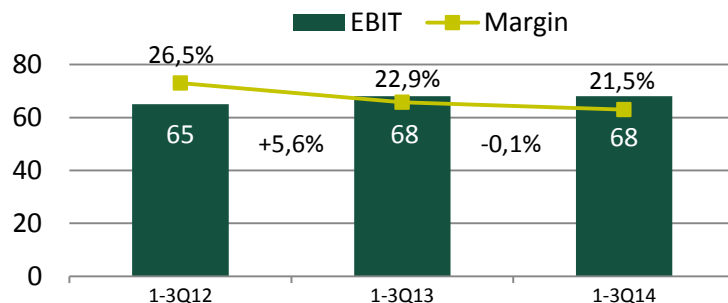
VOLUME '000 HL (2012 pro forma - excl. Impec)



REVENUE DKKM (2012 pro forma - excl. Impec)



EBIT DKKM (2012 pro forma - excl. Impec)



- **Increased market coverage and penetration** – solid revenue growth in Americas, Africa and Asia in spite of difficult macroeconomic and FX situation in some emerging markets and Ebola epidemic.
- **Good results of expanded product offerings** – Faxe beer revenue increasing.
Net revenue pr. HL down by 1% year on year on negative exchange rate changes and market mix.
- **Commercial initiatives** – further leverage of existing markets whilst also seeking selective geographic expansion
- **Marketing and organizational** investment continues as planned. Focus on brand building.
- **Mid-term guidance unchanged**

Significant earnings increase as expected

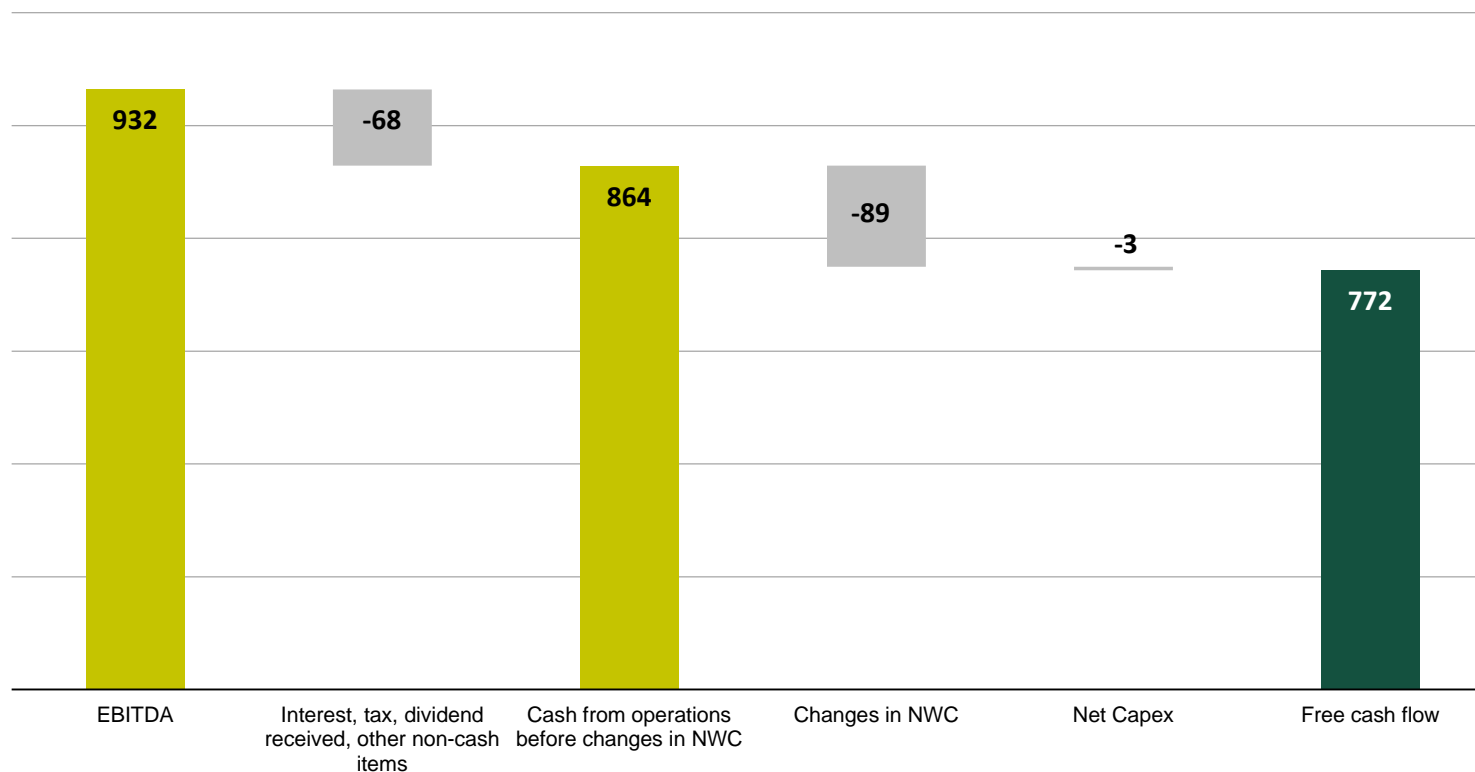
DKKm	1-3Q14	Pro forma 1-3Q13	Change <i>pro forma</i>	Reported 1-3Q13	Change <i>reported</i>
P&L ITEMS:					
Net revenue	4,705	4,625	80	3,056	1,649
Gross margin	53.0%	53.8%	-1.5%	51.6%	+2.7%
EBIT	712	604	108	449	263
EBIT margin	15.1%	13.1%	+15.3%	14.7%	+2.7%
Profit before tax	695			447	248
Consolidated profit	539			356	183
BALANCE SHEET ITEMS:					
Net interest bearing debt	1,606			2,604	-998
Net working capital	-757			-583	-174
Total assets	7,068			7,235	-167
Equity	2,717			2,025	692
Equity ratio	38.4%			28.0%	37.1%



Free cash flow – significantly higher on increased earnings and additional sale of Aarhus property

CASH FLOW – DKKM

2013: 545 -29 516 -78 -81 357



Hartwall integration in good progress

Strengthening Hartwalls position as a leading Finnish beverage company

- Increasing agility and customer/market orientated organization
 - Organizational adaptation in progress according to the Change Plan
- Improved efficiency
 - Ahead of schedule
- Focus on the commercial agenda and execution
 - Aim is to create a market leading beverage company in Finland during next periods

Outlook 2014 – August guidance confirmed

DKKM	Revised August outlook 2014	Original March outlook 2014	Pro forma realized 2013*	Actual 2013**
Net revenue	5.950 – 6.100	5.750 - 6.050	6,050	4,481
EBITDA	1.090 – 1.140	965 - 1.015	1.015	732
EBIT	790 – 840	665 – 715	730	560

* Including Hartwall full year 2013 excluding transaction cost.

** Including Hartwall as from 23 August 2013; net revenue DKK 787m, EBITDA DKK 94m and EBIT DKK 38m including transaction cost



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.

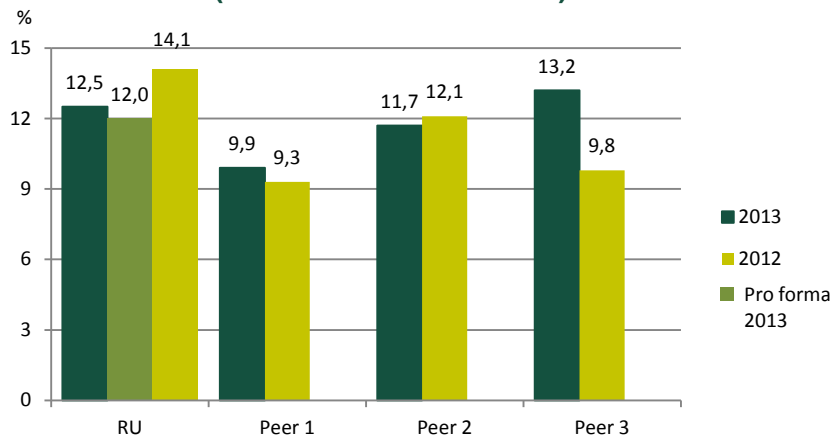
Financial targets confirmed

	August 2014 revised Targets	Post acquisition Targets	Pre acquisition Targets
Earnings	EBIT margin 14%	EBIT margin 13%	EBIT margin 14%
Equity ratio	Minimum 30%	Minimum 30%	Minimum 30%
NIBD/EBITDA	Maximum 2.5x	Maximum 2.5x	Maximum 2.5x

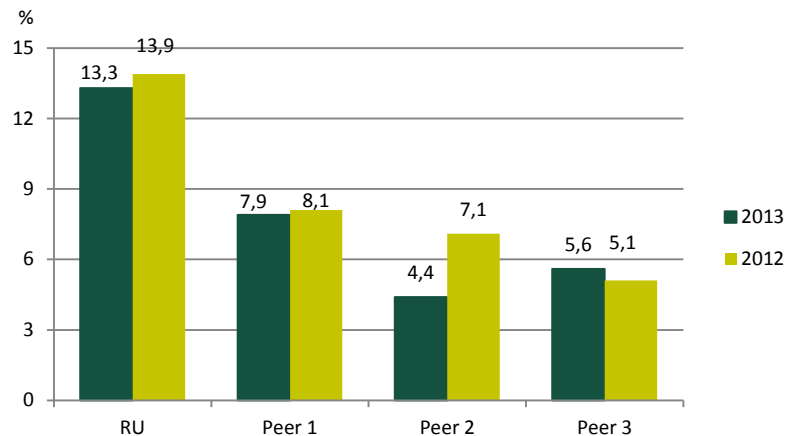
Dividends and share buy-backs expected to be resumed in 2015 after accelerated debt reduction during 2014 (unchanged)

Solid performance to peers*

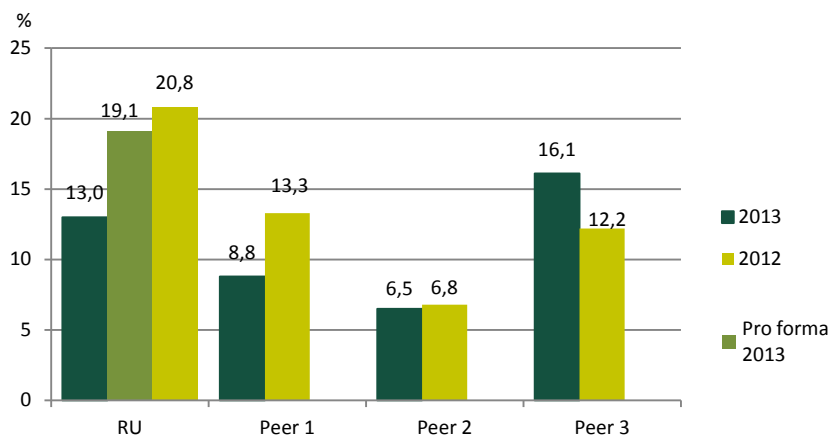
EBIT MARGIN (COMPARABLE REGION)



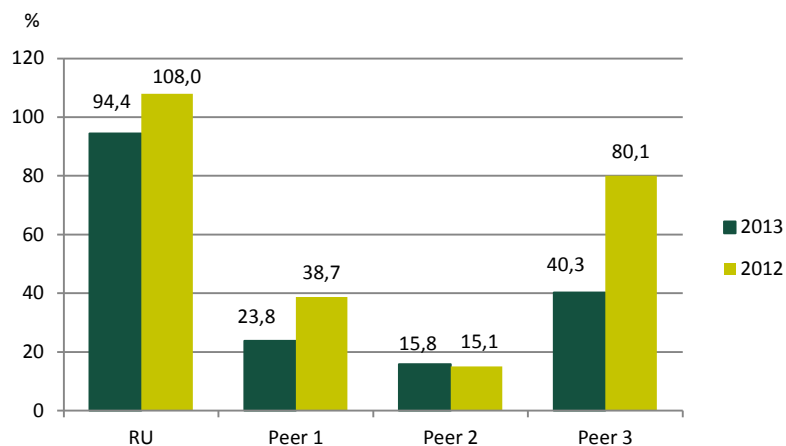
FREE CASH FLOW – % OF REVENUE



RETURN ON INVESTED CAPITAL



CASH RETURN TO SHAREHOLDERS



* Based on FY2013 and FY2013 results on comparable basis

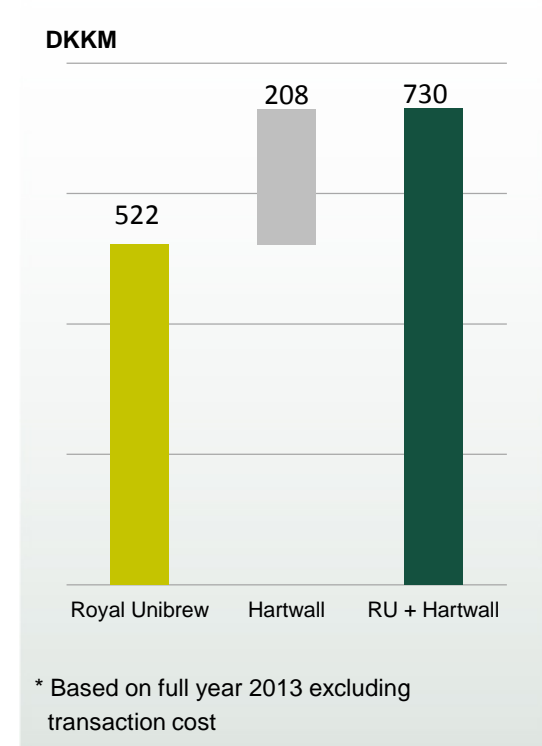
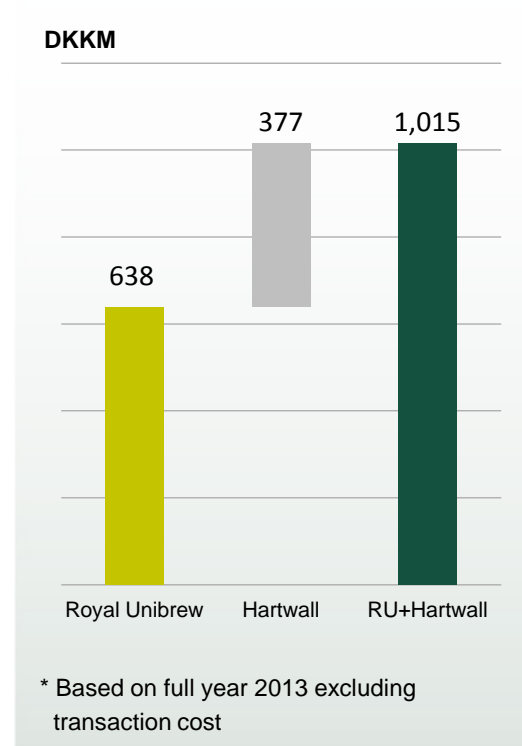
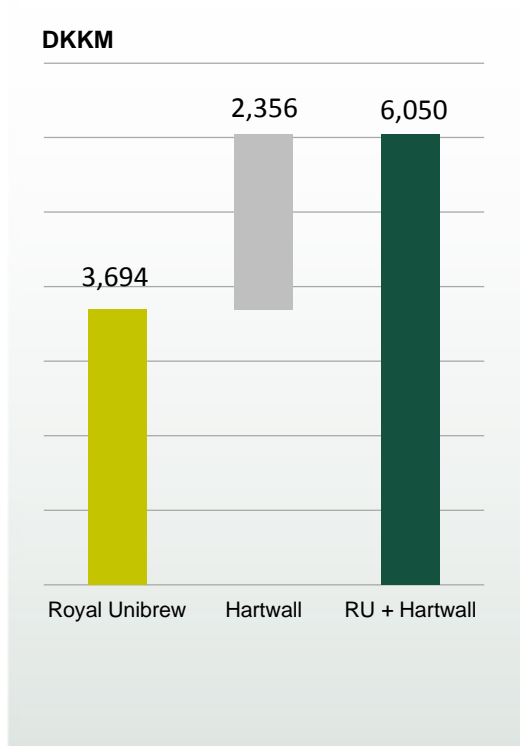
Hartwall acquisition takes Royal Unibrew to a new level with 5 million more consumers

Pro forma figures 2013

NET REVENUE UP BY 62%*

EBITDA UP 54%*

EBIT UP BY 34%*



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

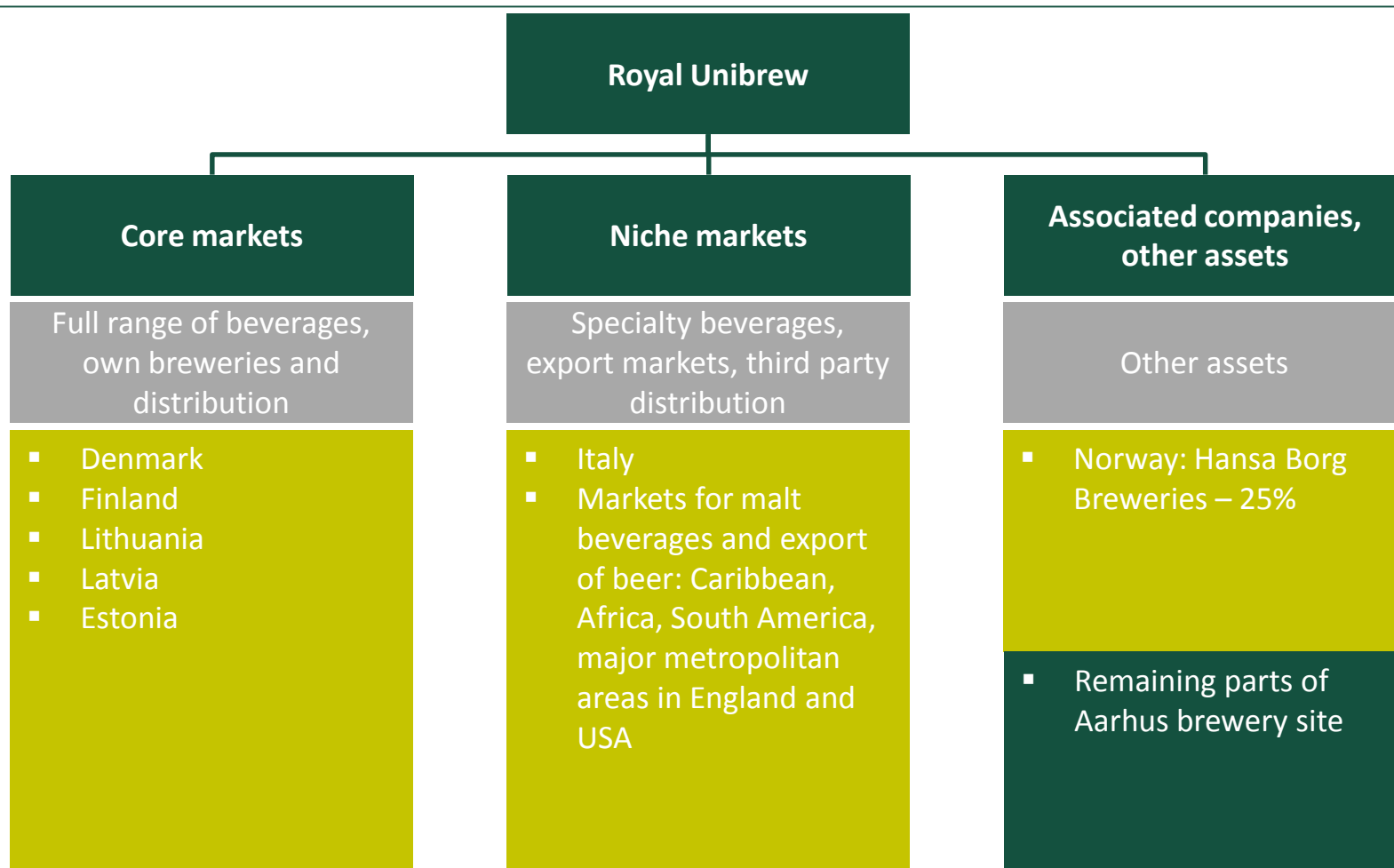
* Hartwall realized full year 2013 before deduction of DKK 15m in transaction costs

** 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

Royal Unibrew after acquisition of Hartwall



Royal Unibrew is a leading regional brewery group

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

Focus on:

- Markets and segments in which Royal Unibrew holds or may achieve a considerable position
- Innovation and development of Royal Unibrew's products and brands
- Operational efficiency
- Maintaining Royal Unibrew's financial flexibility, competitiveness and strategic maneuverability through an appropriate capital structure

