



REPORT FOR Q1 2010
28 April 2010

- Q1 results better than last year and slightly better than expected
- Volume up 3% (organic) primarily driven by an early Easter and stock building in some markets
- Market shares for branded products generally maintained and new products launched
- Gross margin improvement - driven by initiatives previously initiated, lower raw materials costs, product and market mix improvements and higher efficiencies primarily at Danish breweries - flows through to the bottom line
- Net interest bearing debt reduced by DKK 178m
- 2010 guidance maintained; however, earnings in the upper end of the range are expected



- **Trading performance**
- Business area review
- Financial results
- Outlook 2010



Volume and net revenue

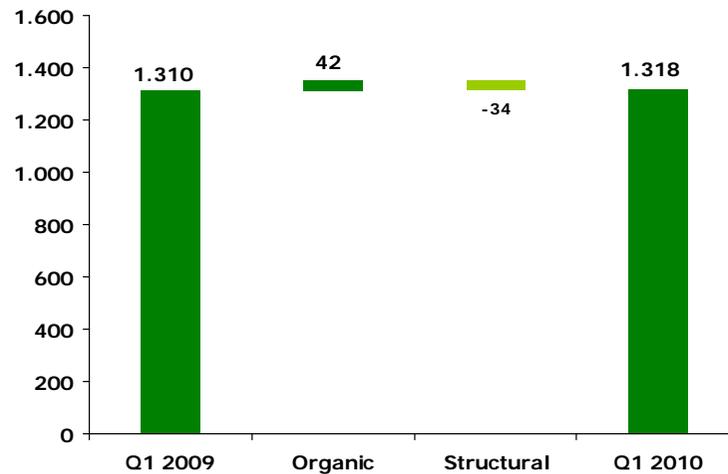
Slight increase in sales volume

- Volume 0.6% above Q1 2009
- Trend still down, possibly at lower rate, however still high volatility
- Early Easter and stock building

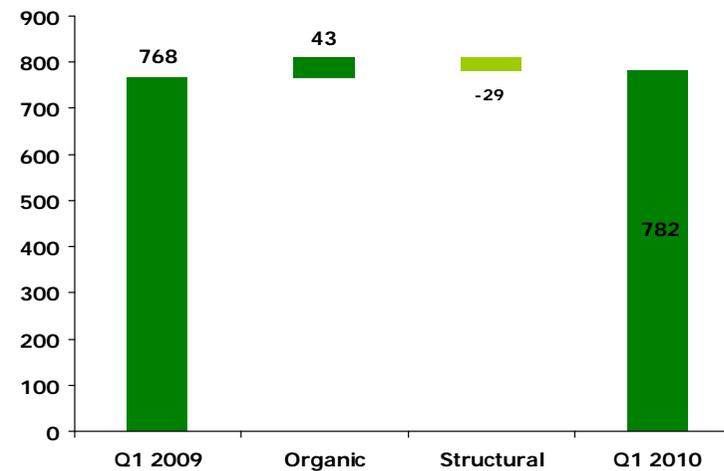
Net revenue 2% above Q1 2009

- 5% organic growth, driven by improvement in Western Europe and Malt and Overseas Markets
- Divestiture of Caribbean breweries and the brewery in Koszalin reduces net revenue by 3%

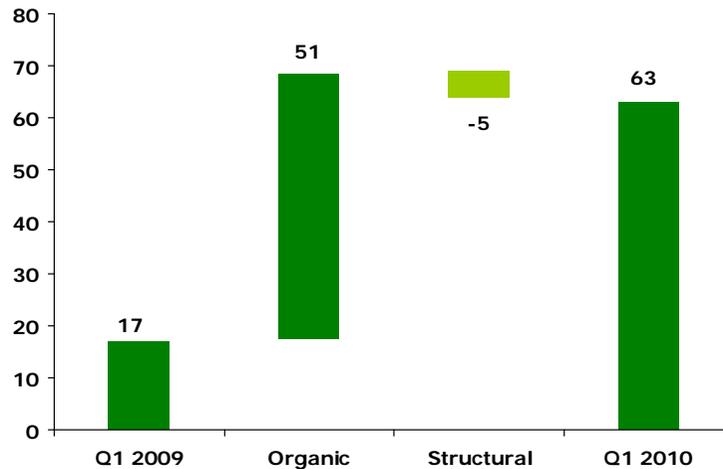
Volume - hl



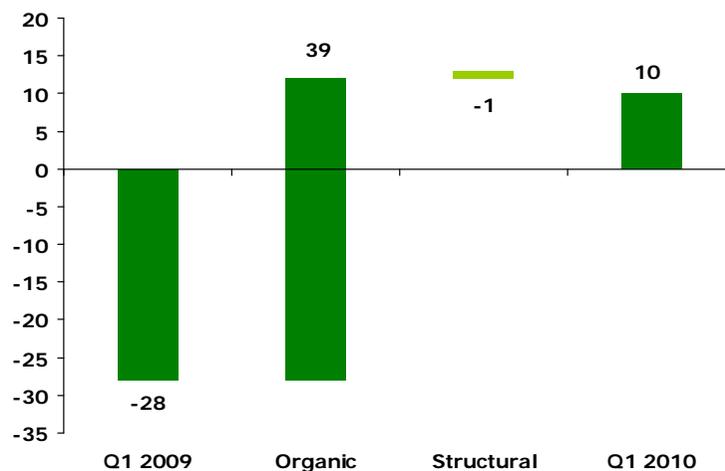
Net revenue DKKm



EBITDA before special items - DKKm



EBIT before special items - DKKm



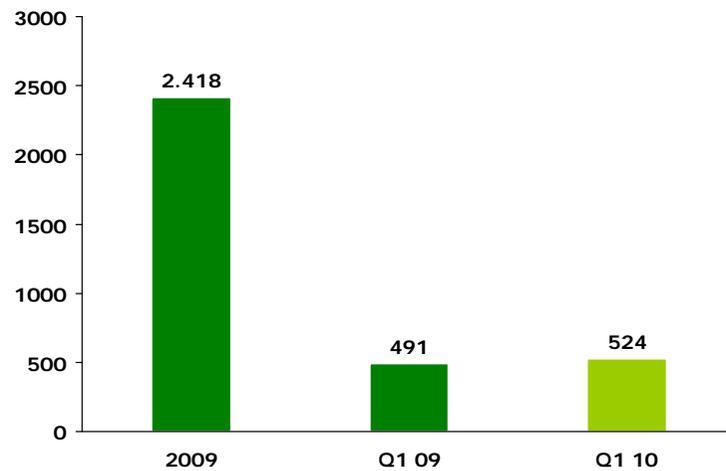
- **Earnings increase driven by initiatives previously initiated, lower raw materials costs, and product and market mix improvements and higher efficiencies primarily at Danish breweries:**
- Gross profit up by DKK 42m to DKK 349m. Gross margin up by 4.5 PP to 44.6%
- EBITDA before special items up by DKK 46m to DKK 63m (Q1 2009: DKK 17m)
- EBIT before special items up by DKK 38m to 10m (Q1 2009: DKK -28m)
- Operating cost level stable as increase in sales and marketing costs absorbed by more efficient Danish distribution structure
- Structural changes as expected

- Trading performance
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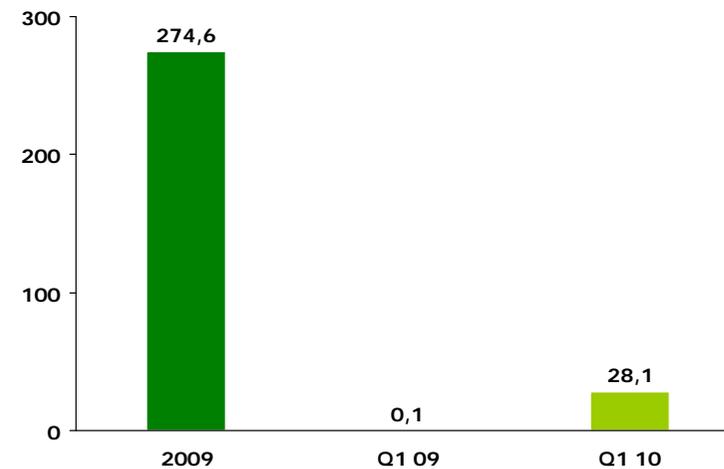


- **Volume** up 3%; **net revenue** up 7% to DKK 524m (Q1 2009: DKK 491m), in part driven by the early Easter and stock building
- **EBIT** before Special Items increased by DKK 28m to DKK 28.1 (Q1 2009: DKK 0.1m).
- **Profit margin** at 5.4% (+5.4 PP)

Net revenue DKKm



EBIT before special items DKKm



Western European markets

Denmark

- Branded beer market down 4%, but soft drinks stable
- RU's net revenue stable despite 2% volume decline
- RU's net revenue – adjusted for discontinued low margin private label business – increased by 1%
- Slight erosion in market position for beer; stable market position for soft drinks

Italy

- Overall beer market slightly down
- RU's net revenue up by 21% and volume up by 22%, largely due to stock building
- Ceres Strong Ale sales volume lifted and market share strengthened in both HoReCa and Retail segments

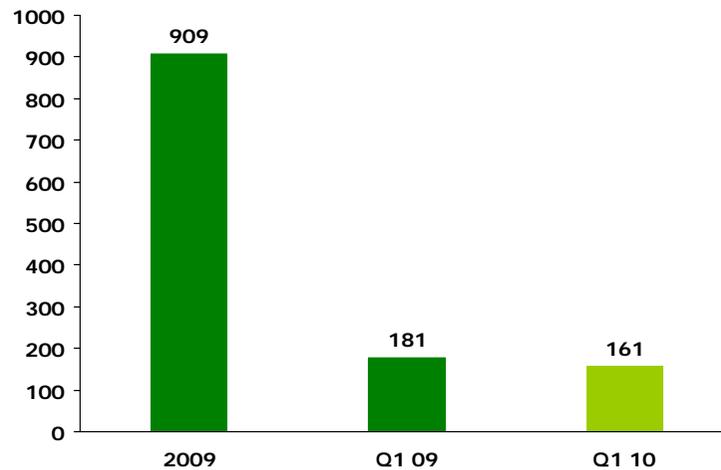
Border trade and Germany

- Increase in both volume and net revenue of 6%
- Early Easter positively impacts performance

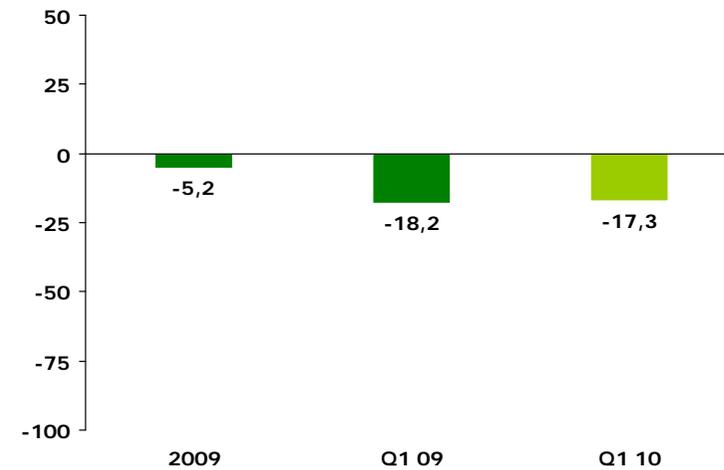


- **Volume** down 7%; **net revenue** down 11% to DKK 161 m (DKK 181m)
- **EBIT** before Special Items at DKK -17.3m (DKK -18.2)
- **Profit margin** at -10.8% (-10.1%)

Net revenue DKKm



EBIT before special items DKKm



Lithuania

- Beer market down by 3%, JNSD market down by 22%
- RU total volume down by 10%
- Market share maintained within juice, but decreased in beer as private label products gain share against branded products

Latvia

- Juice market down by 24%. Beer market slightly up
- Combined RU volume down by 15%
- RU's market share for branded beer increased; share of juice market maintained

Poland

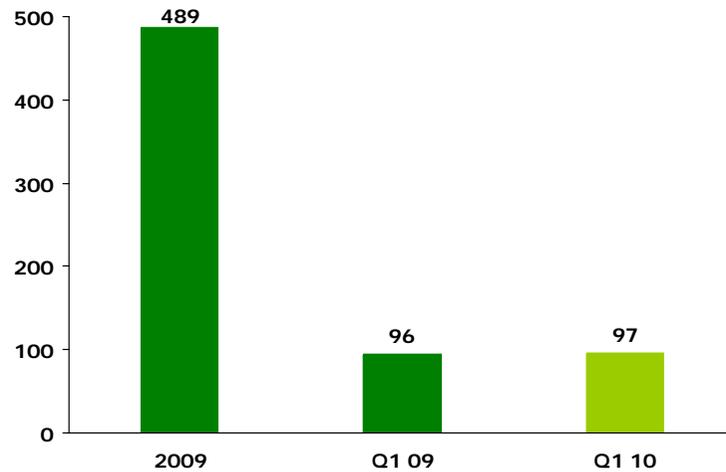
- Overall beer market down by around 3%
- RU's volume up by 3%. Adjusted for Koszalin brewery disposal, volume increased by 8%



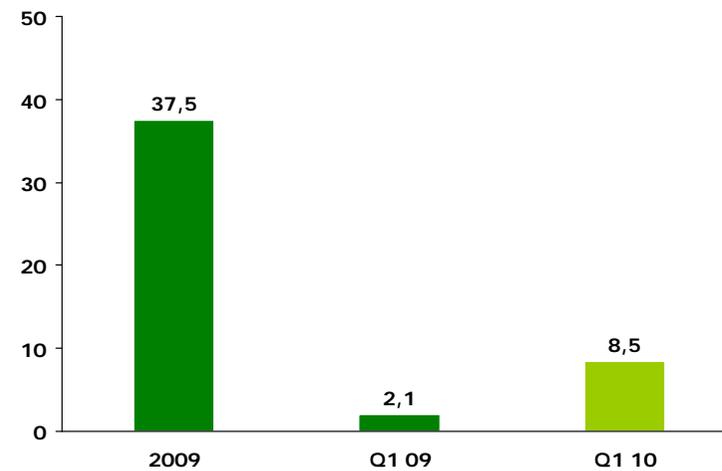
Malt and Overseas Markets

- **Volume** up 24%; **net revenue** up 2% to DKK 97m (DKK 96m). Organic growth in volume was 45% and in net revenue 42%
- **EBIT** before Special Items at DKK 8.5m (DKK 2.1m)
- **Profit margin** at 8.7% (+2.2%)

Net revenue DKKm



EBIT before special items DKKm



Caribbean

- Divestiture of shares in Caribbean breweries completed as planned
- Export and license business performing better than last year, which was affected by general strike in Guadeloupe
- Some effect of stocking

England

- Sales to England normalized

Africa and other markets

- Increases in volume and net revenue, driven partly by licensees' stocking and partly by phasing



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Income statement Q1 2010

DKKm	Q1 2010	Q1 2009	2009
Net revenue	781.9	767.6	3,816.4
<i>Gross margin</i>	<i>44.6%</i>	<i>40.1%</i>	<i>42.1%</i>
EBITDA before special items	63.5	17.4	460,5
EBIT before special items	10.0	-27.9	243.3
<i>Margin</i>	<i>1.3%</i>	<i>-3.6%</i>	<i>6.4%</i>
Special items, net	0.0	-16.5	-34.9
EBIT	10.0	-44.4	208.4
Net financial items	-30.5	0.3	-131.8
Profit before tax	-20.5	-44.1	76.6
Consolidated profit	-18.0	-34.6	52.5

Free Cash Flow

Free cash flow of DKK -5.7m (DKK -129.9m)

Components:

Cash operating profit after interest, dividends and taxes of DKK 1.5m (DKK -5.5m)

Net working capital driven negative cash flow of DKK 0.4m (2009: negative cash flow of DKK 23.3m)

Net investments decreased to DKK -6.8m (DKK 101.1m) as projects initiated in 2008 were completed in 2009

DKKm	Q1 2010	Q1 2009
EBITDA before special items	63.5	17.4
Cash impact from special items	0.0	-14.5
Non-cash operating items	0.7	7.2
Interest payments	-47.0	3.3
Dividends received	0.2	0
Tax Payments	-15.9	-18.9
Cash flow from operations before working capital	1.5	-5.5
Receivables	-57.6	37.2
Inventories	-44.6	4.8
Creditors	101.8	-65.3
Change in working capital	-0.4	-23.3
Net investments	-6.8	-101.1
Free cash flow	-5.7	-129.9

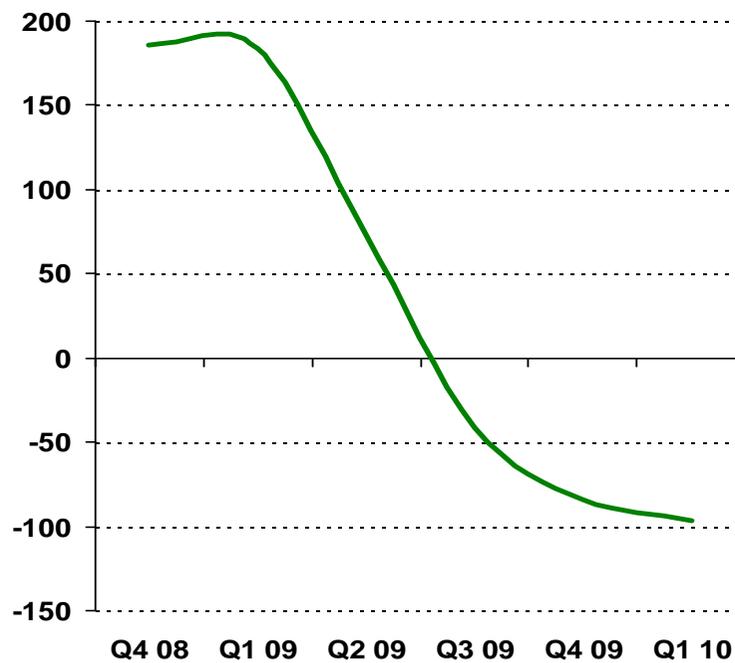
Balance sheet

DKKm	31 March 2010	31 March 2009	31 December 2009
Intangible assets	403.3	488.3	479.9
Fixed assets	1,868.2	2,131.0	2,013.7
Financial assets	181.7	180.6	180.5
Current assets	882.4	1,216.6	815.6
Total assets	3,335.7	4,016.5	3,489.7
Equity	965.2	522.2	995.1
Non current liabilities	1,460.6	2,547.2	1,680.7
Current liabilities	909.9	947.1	813.9
Total equity and liabilities	3,335.7	4,016.5	3,489.7
Net interest bearing debt	1,238.2	2,325.7	1,416.3
Net working Capital	-96.2	184.2	-84.6

Net working capital

- Focus on working capital management
- Significant cash effect has been realized

Net working capital



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- **Outlook 2010**



DKKm	Outlook 2010 March 2010	Outlook 2010 November 2009	2009
Net revenue	3,400 – 3,600	3,400 – 3,600	3,816
EBITDA before special items	475 – 525	450 - 500	461
EBIT before special items	275 – 325	250 - 300	243
Profit before tax	205 - 255	180 - 230	76
NIBD	Approx 1,000	Approx 1,200	1,416
NIBD/EBITDA before special items	1.9x - 2.1x	2.4x - 2.7x	3.1x

* 2010 figures exclude Caribbean breweries, which annually contributed net revenue of DKK 150m; EBITDA of DKK 30m

Long term objective: Achieving an EBIT-margin of approximately 10%



Henrik Brandt
CEO



Peter Ryttergaard
CFO



Hans Savonije
Executive Director
Northern Europe

Royal Unibrew A/S

Faxe Allé 1
DK-4640 Faxe
Denmark
Telephone: +45 56 77 15 13
Facsimile: +45 56 71 47 64

www.royalunibrew.com
investorrelations@royalunibrew.com

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