



## Interim Report for 1 January - 30 September 2013

November 21, 2013

COMPANY ANNOUNCEMENT No 56/2013 — 21 November 2013

# Growth reinforces Royal Unibrew's market positions and results

Net revenue for the nine months to 30 September 2013 increased by 14%, whereas sales volumes increased by 17%. In organic terms, net revenue and sales volumes went up by 10% and 11%, respectively. As expected, the highest growth was achieved in the malt beverages segment showing double-digit organic volume and net revenue growth, but also the North East Europe segment saw double-digit organic volume and net revenue growth (excluding the Hartwall acquisition).

Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to DKK 545 million (2012: DKK 490 million) and was positively affected by DKK 27 million from Hartwall. Earnings before interest and tax (EBIT) for the nine months to 30 September 2013 amounted to DKK 449 million — a DKK 49 million increase on last year, including DKK 9 million relating to Hartwall. Moreover, results were positively affected by really good summer weather and high supply chain efficiency. EBIT margin decreased by 30 bp to 14.7%. Organically, EBIT margin went up by 20 bp.

Based on the results achieved for the year to 30 September 2013, Royal Unibrew now expects net revenue of DKK 4,340-4,425 million, EBITDA of DKK 695-735 million and EBIT of DKK 510-550 million for 2013.

***"The really good summer and our continued focus on and investment in commercial activities had a positive effect on our sales and market shares — in spite of continued consumer restraint. Combined with high supply chain efficiency, this contributed towards a positive earnings development. Our malt beverages business saw the highest growth as a result of our focus on this area. But also the Baltic countries experienced a high growth rate, and consumers responded favourably to both our new beer and soft drinks products. In the Danish market, the Royal Beer and Faxe Kondi brands continue showing progress and contribute significantly to reinforcing Royal Unibrew's overall market position. In Finland we acquired Hartwall at the end of August, and integration is proceeding as planned", says Henrik Brandt, CEO.***

## HIGHLIGHTS

- Royal Unibrew has generally increased its market shares for branded beer as well as soft drinks and malt beverages.
- Net revenue for Q3 increased by 35% and for the nine months to 30 September 2013 by 14%. Organically (adjusted for the Hartwall acquisition and the divestment of Impec in 2012), net revenue for Q3 went up by 15% and for YTD by 10%.
- EBITDA for Q3 amounted to DKK 268 million compared to DKK 212 million in 2012 and for the nine months to 30 September 2013 to DKK 545 million compared to DKK 490 million. Organically, EBITDA went up by DKK 33 million YTD 2013.

- Earnings before interest and tax (EBIT) for Q3 went up by DKK 40 million to DKK 224 million and for the nine months to 30 September by DKK 49 million to DKK 449 million. Organically, EBIT went up by DKK 45 million YTD 2013. EBIT margin for the nine months to 30 September decreased by 30 bp to 14.7%. Organically, it went up by 20 bp.
- Profit before tax for the nine months to 30 September amounted to DKK 447 million compared to DKK 397 million in 2012.
- Free cash flow for Q3 was DKK 129 million below the 2012 figure and amounted to DKK 151 million. Free cash flow for the nine months to 30 September 2013 amounted to DKK 357 million compared to DKK 551 million in 2012.

## OUTLOOK

The results realised YTD reflect, among other things, the really good summer weather, market shares assessed to be temporarily high, better sales in Italy than expected and high supply chain efficiency. On this basis, the outlook in terms of net revenue, EBITDA and EBIT for the year is adjusted, after which the outlook for 2013 before integration costs related to Hartwall is as follows:

<b>Incl. Hartwall from 23 August 2013</b>	<b>Current outlook 2013*</b>	<b>Outlook 2013 previously announced*</b>	<b>Actual 2012 excluding Impec</b>
Net revenue (mDKK)	4,340-4,425	4,065-4,225	3,330
EBITDA (mDKK)	695-735	655-720	605
EBIT (mDKK)	510-550	460-525	480

\*Hartwall will unchanged be included with an expected net revenue of DKK 740-775 million, EBITDA of DKK 80-95 million and EBIT of DKK 10-25 million before integration costs but including transaction costs of approx DKK 15 million and amortisation of acquired intangible assets of DKK 10 million in 2013. Before extraordinary items and on a full-year basis, Hartwall is expected to realise net revenue at the level of DKK 2.3 billion and EBITDA at the level of DKK 350-370 million, whereas EBIT is expected to be at the level of DKK 200-220 million (excluding amortisation of acquired intangible assets) for 2013.

For further information on this Announcement: Henrik Brandt, CEO, tel +45 56 77 15 13

It will be possible for investors and analysts to follow Royal Unibrew's presentation of the Interim Report on Thursday, 21 November 2013, at 9.00 am by audiocast at one of the following dial-in numbers:

Danish participants dial: + 45 327 280 18  
 US participants dial: + 1 866 682 8490  
 International number: + 44 (0) 1452 555131.

The presentation may also be followed at Royal Unibrew's website [www.royalunibrew.com](http://www.royalunibrew.com).