



Interim Report 1 January - 30 September 2017

November 23, 2017

COMPANY ANNOUNCEMENT NO 58/2017 — 22 NOVEMBER 2017

Interim Report for 1 January - 30 September 2017

Royal Unibrew increases earnings

Earnings before interest and tax (EBIT) for Q1-Q3 2017 were DKK 37 million higher than in 2016 and amounted to DKK 862 million (2016: DKK 825 million). EBIT margin increased by 0.8 percentage point to 17.7%. The increase reflects higher earnings in Western Europe and Baltic Sea. Net revenue for Q1-Q3 2017 was at the 2016 level and amounted to DKK 4,869 million compared to DKK 4,874 million for 2016. The net revenue development was positively affected by the expanded cooperation with PepsiCo in Denmark and the Baltic countries, whereas it was negatively affected by poorer summer weather in Northern Europe than in 2016 and changed customer agreements. Royal Unibrew generally maintained its market shares. Free cash flow for Q1-Q3 2017 amounted to DKK 711 million compared to DKK 835 million for Q1-Q3 2016, which was positively affected by approx DKK 160 million from the sale of the brewery site in Aarhus. In Q1-Q3 2017, dividend of DKK 782 million (2016: DKK 704 million) was distributed to shareholders, and net interest-bearing debt went up by DKK 71 million to DKK 1,062 million (30 September 2016: DKK 1,053 million). NIBD/EBITDA calculated on a running 12-month basis was 0.8 as in 2015/16. The previously announced outlook for 2017 is confirmed.

" Our performance for Q1-Q3 2017 was better than in 2016 and we delivered upon our strategic and financial objectives despite unusually adverse weather conditions in Northern Europe and currency challenges in the Malt Beverages and Export segment. In October, we acquired Terme di Crodo and their well-known, Italian soft drinks brands from Gruppo Campari. The acquisition will strengthen our competitive power in the Italian market — as we'll be able to offer our customers more products as well as to generate synergies with our existing beer business. We also continued improving our EBIT margin by improving our channel and product mix through continuous development of new products such as Royal Organic, Faxe Kondi Summer and Kissmeyer products. We confirm the previously announced outlook for 2017", says Hans Savonije, CEO.

Outlook

The previously announced net revenue and earnings outlook for the year is confirmed as follows:

- Net revenue: DKK 6,250-6,350 million
- EBITDA: DKK 1,320-1,370 million
- EBIT: DKK 1,030-1,080 million

Selected financial highlights and key ratios

mDKK	Q1-Q3 2017	Q1-Q3 2016	Q3 2017	Q3 2016
Sales (thousand hectolitres)	7,333	7,457	2,500	2,581
Net revenue	4,869	4,874	1,686	1,714
EBITDA	1,076	1,052	433	432
<i>EBITDA margin (%)</i>	22.1	21.6	25.7	25.2
Earnings before interest and tax (EBIT)	862	825	359	357

<i>EBIT margin (%)</i>	17.7	16.9	21.3	20.8
Profit before tax	853	818	355	355
Net profit for the period	668	641	278	277
Free cash flow	711	835	214	321
Net interest-bearing debt	1,062	1,053		
NIBD/EBITDA (running 12 months)	0.8	0.8		
Equity ratio (%)	46	46		

For further information on this Announcement:

Hans Savonije, President & CEO, tel +45 22 20 80 17

It will be possible for investors and analysts to follow Royal Unibrew's presentation of the Interim Report on Tuesday, 23 November 2017, at 9.00 by audiocast at one of the following numbers:

Danish participants: +45 32 71 16 59

United States participants: +1 646 254 3360

International number: +44 20 3427 0503

The presentation may also be followed at Royal Unibrew's website www.royalunibrew.com.

Financial Calendar for 2018

6 March 2018 Annual Report 2017

24 April 2018 Interim Report for the period 1 January-31 March 2018

24 April 2018 Annual General Meeting 2018

27 August 2018 Interim Report for the period 1 January-30 June 2018

21 November 2018 Interim Report for the period 1 January-30 September 2018

The Interim Report has been prepared in Danish and English.

In case of discrepancy the Danish version shall prevail.

Forward-looking statements

This Annual Report contains forward-looking statements, including statements about the Group's sales, revenue, earnings, spending, margins, cash flows, inventories, products, actions, plans, strategies, objectives and guidance with respect to the Group's future operating results. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the following words or phrases "believe, anticipate, expect, estimate, intend, plan, project, will be, will continue, likely to result, could, may, might", or any variations of such words or other words with similar meanings. Any such statements involve known and unknown risks, estimates, assumptions and uncertainties that could cause the Group's actual results, performance or industry results to differ materially from the results expressed or implied in such forward-looking statements. Royal Unibrew assumes no obligation to update or adjust any such forward-looking statements (except for as required under the disclosure requirements for listed companies) to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements.

Some important risk factors that may have direct bearing on the Group's actual results include, but are not limited to: economic and political uncertainty (including interest rates and exchange rates), financial and regulatory developments, development in the demand for the Group's products, introduction of and demand for new products, changes in the competitive environment and the industry in which the Group operates, changes in consumer preferences, increasing industry consolidation, the availability and pricing of raw materials and packaging materials, cost of energy, production- and distribution-related issues, information technology failures, breach or unexpected termination of contracts, price reductions resulting from market-driven price reductions, determination of fair value in the opening balance sheet of acquired entities, litigation, environmental issues and other unforeseen factors.

New risk factors may emerge in the future, which the Group cannot predict. Furthermore, the Group cannot assess the impact of each factor on the Group's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.