



## Annual Report 2018

March 6, 2019

Company Announcement No. 8/2019 — 6 March 2019

### Annual Report 2018

Royal Unibrew achieved the best results ever due to strong execution boosted by a historically warm summer in 2018

- Total net revenue increase of 14%
- Solid organic improvement of topline (9%) and topline improvement from acquisitions (5%)
- Royal Unibrew generally increased its market shares in 2018
- EBITDA-margin and EBIT-margin increased
- Earnings per share up from DKK 16.0 to DKK 20.6 (+29%)
- Expected distribution to shareholders of DKK 950 million (2017: DKK 870 million) allocated on:
  - Dividend of DKK 10.80 per share (2017: DKK 8.90)
  - New share buy-back program of DKK 400 million (2017: DKK 400 million)
- Three acquisitions completed
- Royal Unibrew maintains its strategic flexibility

“During 2018, Royal Unibrew continued to see good momentum in the business delivering a solid development in both net revenue and earnings – and we achieved our best results ever. Our performance is attributable to a solid organic development across markets, the acquisitions carried out in the course of the past year as well as a historically warm summer in Northern Europe. Noting the foundation of our earnings improvement and considering our future earnings potential, we increase our EBIT-margin target from about 17% to a 18-19% range. At the same time, we launch a share buy-back program for 2019 of up to DKK 400 million and propose a distribution of ordinary dividend of DKK 10.80 per share, corresponding to a 21% increase on 2017. With this distribution of a total of DKK 950 million we maintain our strategic flexibility”, says Hans Savonije, President & CEO.

#### Selected Financial Highlights and Ratios

MDKK	Q1-Q4		Q4	
	2018	2017	2018	2017
Volumes (thousand hectolitres)	10,805	9,912	2,404	2,313
Net revenue	7,298	6,384	1,674	1,516
EBITDA	1,673	1,362	331	286
EBITDA-margin (%)	22.9	21.3	19.7	18.9
Earnings before interest and tax (EBIT)	1,339	1,069	248	208
EBIT-margin (%)	18.4	16.7	14.8	13.7
Profit before tax	1,328	1,056	247	203
Net profit for the year	1,040	831	188	163
Free cash flow	942	950	-92	239

MDKK	Q4 2018	Q4 2017	Q4 2016	Q4 2015
Net interesting-bearing debt	2,522	975	991	1,184
NIBD/EBITDA (current 12 months)	1.5	0.7	0.8	1.0
Equity ratio (%)	36	42	48	43

#### Outlook for 2019

MDKK	Outlook 2019	Actual 2018	Actual 2017
Net revenue	7,400-7,650	7,298	6,384
EBIT	1,340-1,465	1,339	1,069

The Annual Report 2018 has been published via Nasdaq Copenhagen A/S and is enclosed with this announcement.

The Annual Report 2018 is also available on [www.royalunibrew.com](http://www.royalunibrew.com).

**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 Annual Report 2018 on Thursday, 7 March 2019, at 9 am (CET) by audiocast at one of the below dial-in numbers followed by the confirmation code.

Denmark: +45 32 72 80 42

United Kingdom: +44 (0) 2071 928000

United States of America: +163 151 074 95

Confirmation code: **2729049**

**Financial Calendar 2019**

25 April 2019	Interim Report for the period 1 January — 31 March 2019
25 April 2019	Annual General Meeting at Odense Congress Center in Odense
27 August 2019	Interim Report for the period 1 January — 30 June 2019
13 November 2019	Interim Report for the period 1 January — 30 September 2019

**Disclaimer**

This announcement contains forward-looking statements, including statements about the Group's sales, revenues, earnings, spending, margins, cash flow, inventory, 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. The Group assumes no obligation to update any such forward-looking statements 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, 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 can 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.

The Annual Report 2018 has been prepared in English. An excerpt of the Annual Report 2018 in Danish is available on [www.royalunibrew.com](http://www.royalunibrew.com). In case of discrepancy the Annual Report 2018 shall prevail.

**Attachment**

- [Royal Unibrew\\_AR18\\_UK\\_print final](#)