Announcement of Annual Results for 2008

Company Announcement No 02/2009
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In 2008 Royal Unibrew saw a net revenue increase of 8% as well as increased market shares in most key markets. In spite of this, the Group was affected by the globally declining economic growth, which particularly showed impact in H2. At the same time, the acquired business units in Poland did not develop as expected, which resulted in a requirement for recognising material impairment losses on the Polish activities as well as a requirement for refinancing the Company's debts, which has been accomplished. Due to these circumstances, revenue and operating profit did not develop satisfactorily in 2008. Management has assessed that the basis of the "double up" strategy no longer exists, and it has been decided to change the strategy and priorities with a view to creating a basis of significant earnings improvement and continued strengthening of the Group's strategic brands.

"My first months as CEO of Royal Unibrew proved to me that there are material strong points on which to build. Our products and key brands are doing really well and are our platform for the future. Having said that, I acknowledge that 2008 was a very challenging year to Royal Unibrew, and our challenges grew in H2. Key elements of our ambitious "double up" strategy were put under pressure, and we were unable to reach the targets set. The effects of the financial crisis aggravated our problems, and an evident need arose for firmly addressing the challenges facing use. That is what we are doing now by focusing on a number of structural and operational adjustments and on reducing the level of our debts. Our objective now is to strengthen profitability, and we are implementing a number of important measures to reorganise our Polish activities, further streamline the Danish organisation and consolidate activities in the Baltic region," says Henrik Brandt, CEO.

HIGHLIGHTS

- Net revenue in 2008 amounted to DKK 4,178 million corresponding to an 8% increase over 2007 (organic growth of some 3%), which reflects continued increased markets shares in most key markets. In H2, beer and soft drinks consumption declined in key markets due to the accelerating global economic crisis.

- Operating profit before special items amounted to DKK 135 million (2007: DKK 244 million). The negative profit development is attributable to H2 reflecting the declining economic growth.

- Special expenses relating to the closure of the Aarhus brewery, the Danish distribution reorganisation and the changes in Group Management affect results for 2008 negatively by some DKK 50 million (compared to a net income of some DKK 20 million in 2007).

- Profit before tax and impairment of the assets in Poland but after special expenses amounted to DKK 2 million (2007: DKK 220 million), which is in accordance with the expectations expressed in the Interim Report for 1 January – 30 September 2008 of 20 November 2008.

- In continuation of Management's decision to change the strategy for the Polish market, impairment losses of DKK 455 million have been recognised on the assets in Poland.

- The total loss after impairment and provision for tax of DKK 30 million amounted to DKK 483 million in 2008 (2007: a profit of DKK 155 million).

- Total net interest-bearing debt at the end of 2008 amounted to DKK 2,192 million. After year end, the total bank debt has been refinanced and there will be launched a process with a view to ensuring a more appropriate capital structure.

- It is proposed that no dividend be distributed for 2008.

- The "double up" strategy is replaced by a number of strategic main priorities focusing on structural and operational adjustments.

- Based on a general uncertainty concerning the economic development, possible changed consumption habits and difficult financial conditions it is expected that the net revenue in 2009 will show a minor decline compared to 2008. EBIT (before "special expenses" and impairment) is expected to improve compared to 2008.

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Investors and analysts may follow Royal Unibrew's presentation of the financial statements today at 10:30 by webcast. Please register at Royal Unibrew's website www.royalunibrew.com.

The Announcement has been prepared in Danish and English. In case of discrepancy, the Danish version shall prevail.

This Company Announcement consists of 28 pages

*The primary activities of **Royal Unibrew** are to market, sell, distribute and produce quality beverages focusing on branded products primarily within beer, malt and soft drinks. The Group's products are sold in approx. 65 markets with special focus on Northern Europe (the Nordic countries, the Baltic countries, Northern Germany and Poland), Italy, Canada and the international malt drinks markets (the Caribbean, Africa and the UK). Royal Unibrew comprises the Albani and Faxe breweries in Denmark, Kalnapilis in Lithuania, Livu Alus and the soft drinks producer SIA Cido Grupa in Latvia, Brok, Strzelec and Browar Lomza in Poland as well as Antigua Brewery, Dominica Brewery and St. Vincent in the Caribbean. To read more, visit www.royalunibrew.com.*

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FINANCIAL HIGHLIGHTS AND KEY RATIOS

	2008	2007	2006	2005	2004
SALES (million hectolitres)	**7.5**	7.1	6.4	5.8	**4.8**
FINANCIAL HIGHLIGHTS (mDKK)					
Income Statement					
Net revenue	**4,178.7**	3,881.8	3,439.0	3,191.0	2,869.0
Operating profit before special items	**134.9**	244.1	347.7	302.7	307.1
Special items, net	**(50.1)**	20.2	(14.3)	5.0	0.0
Impairment losses	**(385.0)**	0.0	0.0	0.0	0.0
Profit/loss before financial income and expenses	**(300.2)**	264.3	333.4	307.7	307.1
Impairment of investments	**(70.1)**	0.0	0.0	0.0	0.0
Other financials, net	**(82.7)**	(44.1)	(13.0)	(25.6)	(36.8)
Profit/loss before tax	**(453.0)**	220.2	320.4	282.1	270.3
Consolidated profit/loss	**(483.2)**	155.2	230.3	220.6	194.9
Royal Unibrew A/S' share of profit/loss	**(484.3)**	151.7	227.6	221.1	194.1
Balance Sheet					
Total assets	**4,051.4**	3,781.3	3,413.6	3,187.8	2,530.8
Equity	**574.8**	1,119.5	1,148.1	1,149.8	1,080.4
Net interest-bearing debt	**2,191.9**	1,586.1	1,047.8	1,007.3	693.5
Free cash flow	**(356.2)**	157.0	206.0	252.2	232.7
Per share					
Royal Unibrew A/S' share of earnings per share (DKK)	**(89.0)**	26.4	38.0	35.4	30.6
Royal Unibrew A/S' diluted share of earnings per share (DKK)	**(89.0)**	26.2	37.6	35.4	30.6
Cash flow per share (DKK)	**19.0**	26.3	70.9	61.2	64.5
Diluted cash flow per share (DKK)	**19.0**	26.1	70.2	61.2	64.5
Dividend per share (DKK)	**0.0**	10.0	10.0	10.0	9.0
Closing price per share (DKK)	**118.5**	534.0	740.0	532.0	377.0
Employees					
Average number of employees	**2.755**	2.659	2.278	2.202	1.628
Key figures (mDKK)					
EBITDA	**254.6**	392.5	535.9	493.2	495.1
EBIT	**(300.2)**	264.3	333.4	307.7	307.1
Key ratios (%)					
Return on invested capital (ROIC)	**3.1**	7.4	12.1	11.7	11.8
Profit margin	**3.2**	6.3	10.1	9.5	10.7
EBIT margin	**(7.2)**	6.8	9.7	9.6	10.7
Free cash flow as a percentage of net revenue	**(8.5)**	4.0	6.0	7.9	8.1
Net interest-bearing debt/EBITDA	**8.6**	4.0	2.0	2.0	1.4
Equity ratio	**14.2**	29.6	33.6	36.1	42.7
Debt ratio	**381.3**	141.7	88.7	85.1	64.2
Asset turnover	**1.0**	1.0	1.0	1.0	1.1
Return on net assets	**3.8**	8.0	12.9	12.1	13.5
Return on equity after tax	**(57.0)**	13.7	20.0	19.8	18.7
Dividend rate	**0.0**	38.9	27.2	28.8	29.5

The key ratios have been calculated in accordance with the “Recommendations and Financial Ratios 2005” of the Danish Society of Financial Analysts.

MANAGEMENT'S REVIEW

NEW STRATEGIC MAIN PRIORITIES

2008 was a very challenging year to Royal Unibrew, and both internal and external challenges grew in H2. Results were particularly affected by a requirement for recognising impairment losses in Poland. The developments necessitated reassessment of Royal Unibrew's overall strategy.

The main challenge in 2008 was the development in Poland. In recent years, focus has been on growth and investments, and Royal Unibrew has acquired three regional breweries and a major shareholding in a fourth regional brewery. These investments were made based on an expectation that Royal Unibrew would be able to develop and strengthen the companies with the relating brands and reap synergies, thus creating increased earnings in a continuously growing beer market. The established strategy did not yield the expected results due to inadequate growth and a product mix that has not been optimal.

Moreover, in consequence of the international financial crisis, market conditions deteriorated, which led to a decline in beer and soft drinks demand in H2.

These circumstances necessitated considerable changes by the Company. Against this background, at the end of September 2008, the Supervisory Board announced the withdrawal of Poul Møller as CEO and the appointment of his successor, Henrik Brandt, who is to chart and follow a new course for Royal Unibrew.

As announced in the Interim Report for Q3 2008, the new Group Management has now reviewed the "double up" strategy. The structural and operational assumptions of the strategy as well as the current market conditions make the overall basis of growth in revenue and results under ”double up” unrealistic. In light of this, Royal Unibrew will no longer report on progress measured against the ”double up” strategy and the initiatives defined in this strategy.

The "double up" strategy is replaced by a number of strategic main priorities focusing on necessary structural and operational adjustments. The objective is material earnings improvement as well as more efficient capitalisation on the Company's market positions.

The main priorities are as follows:

- In Poland sales and marketing efforts will be concentrated. The production structure will be adapted by closing the brewery in Koszalin. Production will be transferred primarily to the brewery in Łomza, which is Royal Unibrew's largest and most efficient brewery in Poland. At the same time, the activity at the head office in Warsaw will be reviewed. These material changes to Royal Unibrew's strategy in Poland result in an adjustment of future earnings expectations. On this basis, it has been considered necessary to recognise impairment losses on the Polish activities of DKK 455 million. These value adjustments, which have no cash flow effect, affect the income statement and equity negatively in 2008. The changes in Poland are expected to make redundant some 100 full-time employees.

- In Denmark, Royal Unibrew is, as planned, completing a major change of the production platform and the distribution system. These activities, which are expected to be completed in April 2009, will provide Royal Unibrew's Danish business with a more competitive and profitable base. In order to further simplify and enhance the efficiency of the business, a broad structural and organisational adjustment is now launched. This is expected to result in a reduction of the number of employees in staff and administrative functions by some 100 full-time employees.

- In order to strengthen the already strong market positions in the Baltic countries, joint operating management will be established. The combination will enable improved resource utilisation within product development, production, logistics and administration while maintaining strong local market presence.

- With a view to boosting the Group's cash flow, 2009 will have special focus on optimising the Group's working capital and investments. At the same time, a process will be launched to ensure a more appropriate capital structure.

Management expects these measures to strengthen the Company. With the recently realised investments in new, competitive types of packaging, a more efficient distribution and production structure as well as increased sales and marketing efforts directed at strategic brands, the Company's overall competitiveness is expected to be enhanced.

RESULTS 2008

Royal Unibrew's net revenue amounted to DKK 4.2 billion in 2008, a 7.6% increase over 2007. Operating profit before special items amounted to DKK 135 million or DKK 109 million below the 2007 figure. The consolidated loss (after tax) amounted to DKK 483 million (2007: a profit of DKK 155 million).

Except for impairment losses on the Polish activities, the Company's results are in accordance with the latest expectations announced for 2008, see Interim Report for the period 1 January - 30 September 2008 of 20 November 2008.

Total group sales in 2008 aggregated 7.5 million hectolitres of beer, malt and soft drinks, corresponding to a 5.4% increase over 2007, of which some 5 percentage points are attributable to the acquisition of Polish, Caribbean and Latvian activities not included in all of 2007.

Beer and malt drinks sales aggregated 5.3 million hectolitres in 2007, corresponding to an approximate increase of 9% over 2007, whereas soft drinks sales (including mineral water and fruit juices, etc) were at the 2007 level, some 2.2 million hectolitres.

Net revenue increased by 7.6% amounting to DKK 4.2 billion. Organic growth represented some 3 percentage points, whereas some 4 percentage points related to acquisitions.

The organic growth is the result of positive growth in H1, whereas growth in H2 and in particular Q4 was negative and affected by the economic decline, which set off a general consumption reduction in markets that are key to Royal Unibrew. Royal Unibrew strengthened its market position by increasing or maintaining its market shares.

Developments in sales and revenue in the market areas were as follows:

Developments 2007-2008	Western Europe (including misc. revenue)		Eastern Europe		Malt and Overseas Markets *)		Royal Unibrew total	
	Growth	Total	Growth	Total	Growth	Total	Growth	Total
Sales (thousand hectolitres)	-1.5%	3,707	14.9%	3,158	4.8%	593	5.4%	7,458
Share of sales		50%		42%		8%		100%
Net revenue (mDKK)	1.9%	2,537	24.2%	1,129	6.2%	513	7.6%	4,179
Share of net revenue		61%		27%		12%		100%

Gross profit for the year amounting to DKK 1.7 billion was at the level of the gross profit for 2007. The gross margin was 41.8% and thus 3.3 percentage points lower than in 2007. The gross margin reduction is partly due to inability to compensate for higher raw materials prices by customer price increases in declining markets, partly to a shift in sales towards products and markets with lower realisable values. Both gross profit and gross margin were positively affected by the increased productivity at the Danish breweries as compared to 2007.

Operating profit before special items amounted to DKK 135 million in 2008, or DKK 109 million below the 2007 figure. The development is primarily due to a 9% increase in sales and distribution expenses over 2007, of which 2% is attributable to acquisitions. This increase in expenses was primarily related to increased sales and marketing expenses (some DKK 80 million) to strengthen market shares for the Group's strategic brands, which has now been achieved in all key markets. Administrative expenses were reduced by 10%, including an organic reduction of 15 percentage points - primarily due to the resource adjustment implemented in 2007.

Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to DKK 255 million compared to DKK 393 million in 2007.

"Special items" amounting to an expense of some DKK 50 million comprise expenses of DKK 84 million relating to the closure of the breweries in Aarhus and Maribo, change of the Danish distribution structure and of Group Management as well as income due to lower required impairment losses on brewery assets from the Aarhus and Maribo breweries than assessed in 2007.

"Impairment losses" of DKK 455 million relate partly to impairment of intangible assets and property, plant and equipment related to the Group's Polish subsidiary, Royal Unibrew Polska, of DKK 385 million, partly impairment of DKK 70 million of the value of investments in the Polish company Perla Browary Lubelskie, see the following section "Impairment losses".

Income from investments in associates decreased by DKK 5 million from 2007 amounting to DKK 23 million compared to DKK 28 million in 2007. The Norwegian Hansa Borg Bryggerier saw considerably improved results. The investments in Banjul Breweries were sold in 2007, and, as of mid 2007, St. Vincent Breweries has been recognised in the consolidated financial statements as a subsidiary, which, combined with lower earnings by Solomon Breweries, has reduced income from associates as compared to 2007.

The Group's net interest expenses increased by DKK 33 million to DKK 105 million due to the increase in net interest-bearing debt of some DKK 600 million.

The loss before tax of the Royal Unibrew Group for 2008 amounted to DKK 453 million compared to DKK 220 million in 2007.

Consolidated loss (after tax) amounted to DKK 483 million, a decrease by DKK 638 million from the profit of DKK 155 million in 2008.

The effective tax rate is materially affected by the impairment losses and the considerable loss of the Polish subsidiary not affecting the tax expense.

IMPAIRMENT LOSSES

Due to the established strategy for Poland not having produced the expected results and to the market decline, it has been necessary to reassess the value of the underlying activities. The reassessment disclosed material impairment of the value of intangible assets, property, plant and equipment as well as financial assets. In connection with preparing the Annual Report for 2008, Management has made an estimate of the value of the assets leading to recognition at 31 December 2008 of an impairment loss on intangible assets of DKK 261 million, and on property, plant and equipment of the Group's Polish subsidiary of DKK 124 million, a total of DKK 385 million. Moreover, the value of the investments in the Polish company Perla Browary Lubelskie has been adjusted downwards by DKK 70 million.

DEVELOPMENTS IN INDIVIDUAL MARKET SEGMENTS

Financial highlights of the Group's activities broken down on market segments were as follows in 2008:

	Western Europe	Eastern Europe	Malt and Overseas Markets *)	Unallocated	Group
Sales (million hectolitres)	3.7	3.2	0.6	-	7.5
Share of sales	50%	42%	8%		100%
Net revenue (mDKK)	2,537	1,129	513	-	4,179
Share of net revenue	61%	27%	12%		100%
Operating profit/loss (before special items) (mDKK)	185	-51	51	-50	135
Profit margin	7.3%	-4.5%	10.0%		3.2%
EBIT (excluding impairment losses) (mDKK)	137	-52	50	-50	85
EBIT margin	5.4%	-4.6%	9.6%		2.0%
Assets (mDKK)	2,466	1,203	382	-	4,051
Liabilities (mDKK)	971	406	106	1,994	3,477

Western Europe

Western Europe	2008	2007	% change
Sales (million hectolitres)	3.7	3.8	-2
Net revenue (mDKK)	2,537	2,490	2
Operating profit (before special items) (mDKK)	185	252	-28
Profit margin (%)	7.3	10.2	
EBIT (mDKK)	137	161	-14
EBIT margin (%)	5.4	6.4	

The **Western Europe** segment comprises the markets for beer and soft drinks in Denmark and the Nordic countries as well as in Germany, Italy and France. Western Europe accounts for 50% of total sales and 61% of net revenue.

Royal Unibrew's activities in the Western European markets developed positively in H1 2008 with increases in both sales and revenue. In Q3 and more significantly in Q4, general economic conditions in the region resulted in consumer and customer reluctance. The declining market also resulted in increased price competition. In spite of this development, Royal Unibrew saw a 2% revenue increase in 2008, whereas sales were reduced by 2% from 2007. Supported by increased marketing efforts, Royal Unibrew succeeded in winning market shares in all key markets in Western Europe.

Net selling price increases only partly compensated for the higher raw materials prices, and sales in 2008 shifted towards markets where the selling price per product unit is lower than the Western European average. These circumstances as well as the increased marketing efforts affected operating profit negatively, whereas the figure was positively affected by the adjustment of staff resources at the end of 2007 and by the higher production efficiency at the Danish breweries. Overall, the operating profit before special items realised in Western Europe is DKK 67 million below that of 2007, and profit margin has been reduced from 10.2% to 7.3% of net revenue.

”Special expenses” amounted to DKK 48 million in 2008 compared to DKK 91 million in 2007, after which EBIT in 2008 amounted to DKK 137 million compared to DKK 161 million in 2007. In 2008 ”special expenses” comprised expenses relating to the closure of the brewery in Aarhus as well as changes to the Danish distribution structure and to Group Management. Moreover, the required impairment losses on the brewery activities of the closed breweries in Maribo and Aarhus turned out to be lower than those recognised in the financial statements for 2007, which has reduced ”special expenses”.

Western Europe	**Actual 2008**		**Growth over 2007**	
	Net revenue (mDKK)	**Sales (thousand hectolitres)**	**Net revenue (%)**	**Sales (%)**
Denmark	1,276	1,714	2	-4
Italy	657	463	-9	-15
Germany	484	1,236	22	11
Nordic countries	44	117	-12	-25
Other markets	76	177	6	6
Total Western Europe	**2,537**	**3,707**	**2**	**-2**

In **Denmark** Royal Unibrew won market shares both on branded beer and on soft drinks. Revenue increased by 2%, whereas total demand was declining. The increase in market shares is, among other things, attributable to several successful campaigns.

The Royal brand increased its market share to more than 10% in the branded beer market. Ceres, Albani and Thor maintained their shares, whereas Heineken’s market share went up.

Royal Unibrew’s brands in the soft drinks segment hold a market share slightly below 30%. The market shares of both Pepsi, Faxe Kondi and Egekilde have been increasing. Egekilde now holds a market share of more than 30%. The increasing soft drinks market shares are substantially due to the introduction of new PET containers.

In **Italy** total beer sales were declining, primarily due to the weather in Q2 and a general economic decline, which especially affected consumption in the HoReCa segment negatively. Royal Unibrew’s revenue in Italy declined by 9% in 2008. Ceres won market shares in both the HoReCa and the retail segment. As an element in Royal Unibrew’s strategy of expanding the market for Ceres Strong Ale, several line extensions were launched during the year. Results in Italy were negatively affected by a significant reduction in customers’ inventories towards the end of the year.

In **Germany** (including cross-border trade) net revenue increased by 22% as sales of branded beer, particularly the Royal brand, as well as Egekilde went up.

Eastern Europe

Eastern Europe	2008	2007	% change
Sales (million hectolitres)	3.2	2.7	15
Net revenue (mDKK)	1,129	909	24
Operating loss (before special items) (mDKK)	-51	-23	-118
Profit margin (%)	-4.5	-2.6	
EBIT (excluding impairment losses) (m DKK)	-52	88	-156
EBIT margin (%)	-4.6	9.7	

The **Eastern Europe** segment comprises the markets for beer, fruit juices and soft drinks in Latvia, Lithuania and Poland. Eastern Europe accounts for 42% of total sales and 27% of net revenue.

Sales and revenue in Eastern Europe went up by 15% and 24%, respectively, in 2008. Organic growth (excluding the acquisition effect from the acquisition of the Polish brewery Lomza at 1 May 2007 and of the Latvian brewery Livu Alus at 1 January 2008) was 5% and 12%, respectively, in 2008.

The segment showed a significantly higher operating loss in 2008 than in 2007. The primary reason is that the established strategy for the Polish marked did not produce the expected results. The Polish companies did not meet the expectations for organic growth and product mix. Poland realised a highly unsatisfactory and material operating loss, which more than offsets the profits realised in Lithuania and Latvia. The decrease in EBIT (before impairment losses) is furthermore related to "special income and expenses", which in 2007 represented a net income of DKK 111 million comprising a profit on the sale of a brewery property in Vilnius and impairment losses on production assets due to the closure of the breweries in Vilnius in Lithuania and Lielvarde in Latvia.

EBIT in Eastern Europe, including the recognised impairment losses of DKK 385 million on the values of intangible assets and property, plant and equipment related to the Polish activities, was a negative DKK 437 million in 2008.

Eastern Europe	Actual 2008		Growth over 2007	
	Net revenue (mDKK)	Sales (thousand hectolitres)	Net revenue (%)	Sales (%)
Lithuania	397	918	24	16
Latvia	365	1,186	10	4
Poland	354	1,028	46	31
Other markets	13	26	-17	-22
Total Eastern Europe	**1,129**	**3,158**	**24**	**15**

In **Lithuania** Kalnapilio-Tauro Grupe increased its market shares on both beer and fruit juices in 2008, and total revenue increased by 24%. The Kalnapilis brand developed satisfactorily with an increasing market share – eg due to the launch of a new high-profile bottle for the entire Kalnapilis range. At the same time, a new 1.5-litre PET Kalnapilis was launched, which increased the market share in the PET segment. Tauras also increased its market share. Kalnapilis and Tauras are the two fastest growing brands in Lithuania and combined the two brands now represent some 25% of beer sales. In spite of a declining market for fruit juices, both the Cido fruit juice and the Cido nectar products won market shares.

In **Latvia** revenue went up by 10% in 2008. The Livu brand was relaunched with new formulas, design and marketing, which resulted in an increasing market share measured by value. Lacplesis also increased its market share measured by value as well as volumes due to a positive development in can sales. The fruit juice market is declining due to the unfavourable economic conditions in Latvia. The Latvian market is seeing intensified competition, but Cido has managed to maintain its market share measured by both value and volumes remaining Latvia's leading fruit juice brand. Cido XL was relaunched in a new design, which was successful. The launch of the Mangali near-water products in 2008 was successful and contributed towards increasing the Mangali brand market share significantly.

In early 2008, Royal Unibrew acquired Livu Alus, the number 3 Latvian brewery business in terms of size, and the brewery has been fully integrated with the Group's existing brewery activities in Latvia. The production of Lacplesis at the Lielvarde brewery has been transferred to the Livu brewery, and simultaneously the Lielvarde brewery was closed.

In **Poland** the Group invested significantly in executing the marketing and sales strategy for regional brands, but during H2 2008 the beer consumption slowed down, and due to an insufficient growth and a non optimal product mix the strategy did not lead to the expected results.

Poland saw a slowdown in beer consumption in 2008, particularly in Q4 which saw an actual decline. This follows a number of years with strong growth. In January 2008, Royal Unibrew moved its Polish head office from Cracow to Warsaw, and new joint management was established of the three breweries. Considerable investments were made in a new marketing and sales strategy for the strongest brands Lomza, Brok, Strelec and Rybnicki, and a national brand, Cooler, was launched.

Malt and Overseas Markets

Malt and Overseas Markets	2008	2007	% change
Sales (million hectolitres)	0.6	0.6	5
Net revenue (mDKK)	513	483	6
Operating profit (before special items) (mDKK)	51	63	-20
Profit margin (%)	10.0	13.1	
EBIT (mDKK)	50	63	-23
EBIT margin (%)	9.6	13.1	

The "**Malt and Overseas Markets**" segment comprises, in addition to all malt drinks markets, the beer and soft drinks activities in the UK, Caribbean and North American markets. "Malt and Overseas Markets" accounts for 8% of total sales and 12% of net revenue.

In this segment growth was realised in both sales and revenue in 2008. The acquisition-related growth from the breweries in St. Vincent, Antigua and Dominica, which were acquired in mid 2007, represented 12% and 13%, respectively; thus organic sales and revenue reduction of some 7% has been realised measured in DKK, whereas the decrease was 3% measured in local currencies. It is estimated that the declining USD and GBP rates have affected revenue and results in the segment negatively by DKK 20 million and DKK 15 million, respectively, in 2008. The development in the underlying demand should be viewed especially in light of the decline in the Caribbean economies, see below.

Malt and Overseas Markets	Actual 2008		Growth over 2007	
	Net revenue (mDKK)	Sales (thousand hectolitres)	Net revenue (%)	Sales (%)
The Caribbean	296	277	10	12
The UK	79	82	-3	1
Africa	71	140	17	11
USA/Canada	37	50	-4	2
Other European markets	18	20	-3	-5
The Middle East	12	24	-18	-39
Total Malt and Overseas Markets	**513**	**593**	**6**	**5**

Developments in **the Caribbean** in 2008 were affected by increasing raw materials prices and reduced disposable income in the region, primarily due to the financial crisis in the USA and its spill-over effect on Royal Unibrew's markets by way of declining tourism, increasing unemployment and fewer money transfers from residents of the USA. Therefore, 2008 has been a very difficult year in the region. Product price increases have resulted in declining market shares, and earnings have been reduced. In the markets where Royal Unibrew is represented, the market share held is typically 40-45%, whereas the market share in the islands in which Royal Unibrew has its own breweries is between 50% and 80%. No new products have been launched in the region in 2008.

In **Africa** revenue went up by 17% in 2008 in a strongly growing market. The main part of the growth was realised in Tanzania, where Vitamalt holds a market share of some 44%.

In **the UK** market Supermalt maintained its market share. In H2 Supermalt Light was successfully launched in several major chains including Tesco and Asda-Walmart.

In **the USA** Royal Unibrew saw declining sales due to the dollar rate and lost market shares due to price increases. In **Canada** Faxe 10% maintains its position in the strong-beer segment.

SHARE OPTIONS

Royal Unibrew has two ongoing share option programmes covering the 2008 financial year and the 2008-2010 Strategic Plan period, respectively. The share option programmes apply to the Executive Board and some 20 executives. Under these programmes, the participants may annually be granted options corresponding to a maximum number of shares of 126,578 based on a share price of 118.5*) and 20,460 shares based on a share price of 510, respectively. Half of the options relating to the financial year will be granted without any performance conditions, whereas the other half will be granted depending, in part or in full, on the realisation of the targets for ROIC (return on invested capital) and profit growth. Only the half of the options not subject to performance conditions relating to the 2008 financial year will be granted. The options related to the Strategic Plan will be exercisable only if certain of the Strategic Plan targets are realised.

On a total basis, the following share options remain unexercised:

Granted	Total number unexercised	Number held by Executive Board	Exercise price	Exercise period
Re 2003	5,993	0	401	4/2007 - 4/2009
Re 2004	8,080	2,092	478	4/2008 - 4/2010
Re 2005	15,832	2,462	648	4/2009 - 4/2011
Re 2006	16,172	2,756	695	4/2010 - 4/2012
Re 2007	12,362	2,231	510	4/2011 - 4/2013
Re 2008	63,289	9,283	*)118.5	4/2012 - 4/2014
Re Strategic Plan 2008-2010	20,460	2,231	510	4/2011 - 4/2013
Total	142,186	21,055		

*) The options will be priced on the basis of average market price over the 10 trading days following the publication of the Annual Report of the Company for 2008. The value of the unexercised options is calculated on the basis of the share price at 31 December 2008.

The Company's option obligations under the option programmes are expected to be covered by the portfolio of treasury shares.

The market value of the unexercised options is estimated at DKK 4.7 million (under the Black-Scholes formula).

In accordance with the accounting policies adopted, an expense of DKK 2.2 million has been charged in the Annual Report for 2008 corresponding to the share of the market value vesting in 2008.

BALANCE SHEET AND CASH FLOW STATEMENT

Royal Unibrew's balance sheet total amounted to DKK 4,051 million at the end of 2008, which is an increase of DKK 270 million over 2007. The recognised impairment losses on the assets related to the Polish business reduced the balance sheet total by DKK 455 million, whereas revaluation of the brewery property in Aarhus (see below) increased the balance sheet total by DKK 240 million. Disregarding these two items, the balance sheet total increased by DKK 485 million due to the development in the Group's other activities. This increase is primarily related to considerable investments in production facilities, totalling some DKK 520 million, primarily the strategic investments in PET bottling units in Denmark and the Baltic countries and the transfer of production plant in Denmark from Aarhus to Faxe and Odense as well as some DKK 125 million relating to the acquisition of the Latvian brewery Livu Alus. The market value of the contracts entered into to hedge raw materials purchase prices is recognised in "prepayments" in assets and in "other payables" in current liabilities and contributes materially to the increase of the balance sheet total.

The brewery activities in Aarhus were discontinued in the autumn of 2008 and the work of preparing for alternative use of the centrally situated areas with a view to sale of the site was commenced. Analyses and project descriptions are progressing as planned and a changed local plan is expected in mid 2010. Due to the changed conditions in the real property market, the value of the property is considered to be lower than previously indicated (DKK 600 – 900 million).

The brewery property in Aarhus has been reclassified from "land and buildings" to "project development properties" in the balance sheet, and based on valuations, its carrying amount has been re-valued by DKK 240 million to DKK 400 million. The revaluation has been recognised directly in equity less the deferred tax liability of DKK 60 million, and therefore does not affect net profit/loss for the year.

Group equity amounted to DKK 575 million at the end of 2008, which is DKK 544 million below the 2007 figure. The reduction is primarily attributable to the negative comprehensive income of DKK 447 million for the year as well as payment of dividend and acquisition of shares for treasury of DKK 100 million. Comprehensive income was positively affected by DKK 180 million (after tax) by the revaluation of the brewery property in Aarhus. Moreover, comprehensive income comprises the loss for the year of DKK 483 million, value adjustments of foreign group enterprises by a negative DKK 99 million and of hedging instruments by a negative DKK 45 million. The equity ratio represented 14.2% compared to 29.6% at the end of 2007.

Free cash flow before investments in acquisitions amounted to a negative DKK 356 million in 2008 comprising positive cash flows from operating activities of DKK 103 million and negative cash flows from net investments of DKK 473 million. Dividends received from associates amounted to DKK 14 million. Cash flows from operating activities were DKK 48 million lower in 2008 than in 2007. The cash result with deduction of interest and tax payments amounted to DKK 12 million and was DKK 210 million lower than in 2007. A reduction in working capital increased cash flows by DKK 94 million in 2008, which was a DKK 164 million improvement on 2007.

At the end of 2008 , the Group's cash resources, in addition to cash and bank balances of DKK 90 million, comprised committed, unutilised credit facilities of some DKK 225 million. As described in the below section on capital structure, the Group's credit facilities were renegotiated in 2009.

In 2008 Royal Unibrew A/S acquired a total of 252,186 shares for treasury at DKK 46 million under the share buy-back programme launched in 2007 and completed in Q1 2008. In August 2008, a capital reduction of DKK 3 million was realised by cancellation of 300,000 treasury shares. After this, the Company held a total of 106,674 treasury shares at the end of 2008, equal to some 1.9% of the Company's total capital. These shares are expected to be used to cover the Company's share option programme.

CAPITAL STRUCTURE, SHARE BUY-BACK PROGRAMME AND DIVIDEND POLICY

The adopted strategy and market development have, as previously mentioned, led to a requirement for recognising impairment losses on the assets in Poland. This has resulted in a material reduction of the Group's equity. As agreed limits of loan agreements in terms of solvency ratio and debt ratio would thus not be observed, the Company has conducted negotiations with its main bankers. These negotiations led to the Company entering into an agreement with the banks that these will make the credit facilities considered necessary by the Company available to the Company for the next two years. As part of the agreement, new underlying covenants have been established, and the agreement is subject to rules on provision of security and distribution of dividend.

The Supervisory Board finds the Company's financial structure inappropriate. Therefore, a process has been launched to ensure a more appropriate financial structure. In that connection, the Supervisory Board will consider all relevant possibilities. It has been important for the Supervisory Board to secure the required time for this process, which has been achieved by establishing the above credit facilities, irrespective of this resulting in an increase in total financial expenses due to, among other things, the increased interest differential.

The Company's net interest-bearing debt increased significantly during 2008, primarily due to considerable investments in new technology and production structure reorganisation in Denmark as well as the acquisition of Livu Alus in Latvia in early 2008, amounting to almost DKK 2.2 billion at the end of 2008. A reduction of the debt will therefore be a key focus in future years, to which, among other things, the process launched by the Supervisory Board should contribute.

At the operational level, continuous efforts will be directed at freeing as much cash as possible. However, due to the necessary investment programme, including completion of changes to the Danish production and distribution structure and the increased expenses relating to the establishment of the required credit facilities, operating activities alone are not expected to contribute towards reducing net interest-bearing debt during 2009.

However, the target of reducing interest-bearing debt to a level corresponding to three times EBITDA is maintained.

Consequently, the Supervisory Board has found it natural to recommend to the Annual General Meeting that no dividend be distributed for the financial year 2008. Similarly, it is the intention not to recommend dividend in the financial year 2009 as well as there will not be realised share buy-backs until the ratio of net interest-bearing debt to EBITDA has been reduced to the targeted level.

MANAGEMENT CHANGES

Henrik Brandt took up the position as CEO on 1 November 2008 (see Announcement RU31/2008 of 29 September 2008), and Hans Savonije took up the position as Executive Director of Northern Europe on 1 October 2008 (see Announcement RU28/2008 of 1 August 2008).

RESOLUTIONS BY THE SUPERVISORY BOARD AND RECOMMENDATIONS FOR THE ANNUAL GENERAL MEETING

The Supervisory Board recommends to the Annual General Meeting that, due to the Company's considerable interest-bearing debt, Royal Unibrew A/S should not pay any dividend for 2008 and 2009. The Supervisory Board proposes that the net loss of the Parent Company be allocated to retained earnings.

Furthermore, the Supervisory Board will propose that the Annual General Meeting authorise the Supervisory Board to acquire up to 10% shares for treasury, cf section 48 of the Danish Companies Act, in the period up until the next Annual General Meeting.

Finally, the Supervisory Board will propose that the future Annual General Meetings of Royal Unibrew be held in either Odense, Faxe or somewhere in Greater Copenhagen.

PROSPECTS

During H2, market conditions changed significantly due to the globally declining economic growth, and several markets are now seeing recession. Both customers and consumers were affected by the general uncertainty resulting in consumer reluctance and reduction of inventories in the distribution chain.

In spite of beer and soft drinks being considered less sensitive to market fluctuations than many other product categories, the considerable market volatility and inadequate visibility are expected to continue in 2009.

The general uncertainty of the economic development, possibly changed consumption habits and difficult financial conditions imply that predictions of the future are significantly more difficult to make than previously, and that expectations of future developments, even in the short term, are subject to considerable uncertainty.

In 2008 Royal Unibrew won market shares in most key markets, and Royal Unibrew is still expecting to see a favourable development in market positions and thus defend the market share wins. However, the key markets to which Royal Unibrew has exposure (Denmark, Italy, the Baltic countries and Poland) are not expected to show growth, and there are considerable signs of recession. Consequently, only moderate net selling price increases are anticipated in most markets in 2009. Royal Unibrew's sales and revenue are therefore expected to be slightly declining in 2009 as compared to 2008. It is assumed in that connection that consumer behaviour will not show any material negative trends as compared to the last months of 2008 as regards for example choice of price categories and sales channels.

Moreover, 2009 is expected to continue to bring moderate net selling price increases in most markets to compensate for the increased costs of significant raw materials relating to contracts entered into in 2008. It is assumed in that connection that consumer behaviour will not show any material negative trends as compared to the last months of 2008 as regards for example choice of price categories and sales channels.

The development in expenses in 2009 will be affected by an approximate 6% increase in raw material costs compared to 2008 due to the contracts and hedges made in 2008, whereas pay increases in most markets are expected to moderate as compared to previously.

The comprehensive projects commenced in Denmark in 2008 in connection with the reorganisation of the Danish production structure (closure of the Aarhus brewery) and the change of the distribution system will have a positive effect on profitability in 2009 as projects are completed during H1 2009.

In connection with the change of Royal Unibrew's strategic focus mentioned above, a number of initiatives will be launched:

- In Poland sales and marketing efforts will be concentrated. The production network structure will be simplified by closing the brewery in Koszalin, and activities at the head office in Warsaw will be adjusted. The total staff is expected to be reduced by some 100, and EBIT is expected to improve.

- In continuation of the changes to the production platform and the distribution system in Denmark, a structural and organisational adjustment will be initiated in order to further simplify and enhance the efficiency of the Danish business. The staff is expected to be reduced by some 100 salaried employees, and EBIT is expected to improve.

- In order to strengthen the already strong market positions in Latvia and Lithuania, joint operating management will be established. The combination enables improved resource utilisation within product development, production, logistics and administration while maintaining strong local market presence. These initiatives are expected only to have a limited effect in 2009.

- With a view to boosting the Group's cash flow, 2009 will have special focus on optimising the Group's working capital and investments. It is, however, expected that operating activities alone will not contribute towards a material reduction of interest-bearing debt during 2009. At the same time, a process will be launched to ensure a more appropriate capital structure.

Due to the material investments made in 2008, depreciation will increase in 2009 as compared to 2008.

Based on the above, EBIT (before "special items" and impairment) is expected to be better than the corresponding figure in 2008 (DKK 135 million).

"Special items" – primarily related to the above-mentioned reorganisation in Poland and Denmark – are expected to affect results for the year negatively by DKK 35 million in Q1 2009.

Royal Unibrew's net financials in 2009 are expected to amount to DKK 160 – 180 million. The level of net financials is especially affected by the increased interest differential due to refinancing as well as by the increased average indebtedness.

It is assumed that the general interest level will remain unchanged in 2009.

The tax rate for 2009 is expected to be at DKK 45 million since, due to the size of the Company's debt, financial expenses are not fully deductible

As to cash flow focus will be on reducing the basic working capital. Likewise, investments apart of those already started in 2008 will be held at a low level. Totally, it is expected that the interest-bearing debt will not be reduced in 2009, but it is a continuing objective to reduce the interest-bearing debt to a level of three EBITDA. A process will be launched with a view to ensuring a more appropriate capital structure.

The expected development in 2009 is – in addition to the above-mentioned issues – subject primarily to the general economic situation not deteriorating further and to no significant changes occurring in consumer behaviour during the year. Increased duties on beer and soft drinks and potentially increasing VAT rates may have a negative effect on any affected markets.

Intensified competition may obstruct the net price increases assumed by Royal Unibrew.

In terms of foreign exchange, it has been assumed that DKK will remain stable to EUR. Material changes to the exchange rates at the end of 2008, primarily LAT, LTL and GBP, may affect the above expectations.

STATEMENTS ABOUT THE FUTURE

The statements about the future made in the Annual Report for 2008 reflect Management's expectations in respect of future events and financial results, as well as of economic trends in key markets and developments in international money, foreign exchange and interest rate markets. Statements about the future will inherently involve uncertainty and may be affected by – in addition to global economic conditions - market-driven price reductions, market acceptance of new products, packaging and container types, unforeseen termination of working relationships and changes to regulatory aspects (taxes, environment, packaging), etc. The actual results may therefore deviate from the expectations stated.

Royal Unibrew is a party to a limited number of legal actions. These legal actions are not expected to have any material impact on the financial position of Royal Unibrew.

ANNUAL GENERAL MEETING

The Annual General Meeting of Royal Unibrew will be held on 29 April 2009, at 17:00 in Odense.

FINANCIAL CALENDAR FOR 2009

Annual General Meeting:

29 April 2009	Annual General Meeting in Odense

It has been decided that as of 2009 there will no longer be held Shareholders' Meetings in Royal Unibrew A/S.

Announcements of financial results:

29 April 2009	Q1 Report 2009
25 August 2009	H1 Report 2009
11 November 2009	Q3 Report 2009

ANNOUNCEMENTS TO NASDAQ OMX COPENHAGEN IN 2008

3 January 2008	01/2008	Share Buy-back at Royal Unibrew A/S
4 January 2008	02/2008	Royal Unibrew's acquisition of all activities of Livu Alus – Latvia's number 3 brewery in terms of size – now realised
7 January 2008	03/2008	Royal Unibrew's brewery in Aarhus
8 January 2008	04/2008	New Strategic Plan of Royal Unibrew A/S
11 January 2008	05/2008	Share Buy-back at Royal Unibrew A/S
17 January 2008	06/2008	Royal Unibrew sets new goals with double up
21 January 2008	07/2008	Section 29 announcement from Lonmodtagernes Dyrtidsfond
22 January 2008	08/2008	Share Buy-back at Royal Unibrew A/S
24 January 2008	09/2008	Kempen Capital Management NV owns 5% of the share capital in Royal Unibrew A/S
31 January 2008	10/2008	Share Buy-back at Royal Unibrew A/S
1 February 2008	11/2008	Royal Unibrew's brewery in Aarhus
11 February 2008	12/2008	Share Buy-back at Royal Unibrew A/S
20 February 2008	13/2008	Share Buy-back at Royal Unibrew A/S
25 February 2008	14/2008	Share Buy-back at Royal Unibrew A/S
26 February 2008	15/2008	Change in the Financial Calendar – Announcement of Annual Results 2007 of Royal Unibrew A/S
29 February 2008	16/2008	Annual Results 2007
26 March 2008	17/2008	Executive Director Northern Europe moves on to new challenges
28 March 2008	18/2008	Reporting according to the Danish Securities Act section 28a
3 April 2008	19/2008	Notice of the Annual General Meeting of Royal Unibrew A/S
9 April 2008	20/2008	Guidelines for incentive pay programme
28 April 2008	21/2008	Q1 Report 2008
28 April 2008	22/2008	Annual General Meeting of Royal Unibrew A/S
6 May 2008	23/2008	Reporting according to the Danish Securities Act section 28a
7 May 2008	24/2008	Reporting according to the Danish Securities Act section 28a
7 May 2008	25/2008	Reporting according to the Danish Securities Act section 28a
8 May 2008	26/2008	Reporting according to the Danish Securities Act section 28a
19 June 2008	27/2008	Executive Director Technics & Supply Povl Friis moves on to new challenges
1 August 2008	28/2008	New director in Royal Unibrew A/S
25 August 2008	29/2008	Interim Report for Q2 and H1 2008
26 August 2008	30/2008	Reduction of Capital and cancellation of treasury shares, amendment of Articles of Association
29 Sept. 2008	31/2008	Poul Møller resigns and Henrik Brandt will be new managing director (CEO) in Royal Unibrew A/S At the same time the outlook for 2008 is reduced
5 October 2008	32/2008	Expectations for Royal Unibrew's results for 2008 – elaboration on Company Announcement No 31/2008 of 29 September 2008
20 Nov. 2008	33/2008	Interim Report for Q3 2008 and the Period 1 January - 30 September 2008
26 Nov. 2008	34/2008	Reporting according to the Danish Securities Act section 28a
18 Dec. 2008	35/2008	Changes in Royal Unibrew A/S' Financial Calendar for 2009

ANNUAL REPORT

The Annual Report is expected to be available on 2 April 2009.

MANAGEMENT'S STATEMENT ON THE REPORT

The Executive and Supervisory Boards have presented the Annual Report of Royal Unibrew A/S. The Annual Report has today been considered and adopted.

The Annual Report was prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for listed companies.
We consider the accounting policies applied appropriate and the accounting estimates made reasonable, and, in our opinion, the Consolidated and Parent Company Financial Statements provide the information relevant to assess the financial circumstances of the Group and the Parent Company. Accordingly, in our opinion, the Consolidated and Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company as well as of the results of the Group and Parent Company operations and cash flows for the financial year 2008.

In our Opinion, Management's Review gives a true and fair view of the development in the activities and financial circumstances of the Group and the Parent Company, of results of operations for the year and of the overall financial position of the enterprises comprised by the Consolidated Financial Statements as well as of the financial position of the Parent Company, and a description of the key risks and uncertainties facing them.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Faxe, 25 February 2009

Executive Board

Henrik Brandt
CEO

Ulrik Sørensen
CFO

Hans Savonije
Executive Director

Supervisory Board

Steen Weirsøe
Chairman

Tommy Pedersen
Deputy Chairman

Henrik Brandt

Ulrik Bülow

Erik Christensen

Erik Højsholt

Allan Meier Jensen

Kirsten Liisberg

Hemming Van

INCOME STATEMENT FOR 2008 (DKK '000)

Parent Company 2007	Parent Company 2008		Group 2008	Group 2007
2,894,423	**3,088,400**	Revenue	**4,918,600**	4,574,173
(309,738)	**(337,332)**	Beer and mineral water excises	**(739,897)**	(692,411)
2,584,685	**2,751,068**	**Net revenue**	**4,178,703**	**3,881,762**
(1,400,478)	**(1,559,763)**	Production costs	**(2,433,298)**	(2,129,173)
1,184,207	**1,191,305**	**Gross profit**	**1,745,405**	**1,752,589**
(809,934)	**(866,806)**	Sales and distribution expenses	**(1,387,543)**	(1,268,783)
(167,648)	**(150,627)**	Administrative expenses	**(226,844)**	(249,042)
3,824	**3,830**	Other operating income	**3,835**	9,289
210,449	**177,702**	**Operating profit before special items**	**134,853**	**244,053**
		Special income		128,068
(76,611)	**(51,231)**	Special expenses	**(50,125)**	(107,823)
		Impairment losses	**(384,957)**	
133,838	**126,471**	**Profit/loss before financial income and expenses**	**(300,229)**	**264,298**
		Income after tax from investments in associates	**22,654**	27,998
39,760	**99,290**	Dividend from subsidiaries and associates		
	(709,071)	Impairment losses on investments and balances	**(70,104)**	
25,294	**52,666**	Financial income	**33,899**	26,704
(101,509)	**(143,057)**	Financial expenses	**(139,185)**	(98,836)
97,383	**(573,701)**	**Profit/loss before tax**	**(452,965)**	**220,164**
(28,783)	**(32,000)**	Tax on the profit/loss for the year	**(30,200)**	(64,930)
68,600	**(605,701)**	**Net profit/loss for the year**	**(483,165)**	**155,234**
		distributed as follows:		
		Parent Company shareholders' share of net profit/loss	**(484,333)**	**151,747**
		Minority shareholders' share of net profit/loss	**1,168**	3,487
		Net profit/loss for the year	**(483,165)**	**155,234**
		Parent Company shareholders' share of earnings per share (DKK)	**(89.0)**	**26.4**
		Parent Company shareholders' share of diluted earnings per share (DKK)	**(89.0)**	**2.2**

BALANCE SHEET, ASSETS AT 31 DECEMBER 2008 (DKK '000)

Parent Company 2007	Parent Company 2008		Group 2008	Group 2007
		NON-CURRENT ASSETS		
80,645	**80,645**	Goodwill	**311,275**	487,861
2,990	**4,048**	Trademarks	**167,885**	278,351
7,589	**6,406**	Distribution rights	**7,186**	8,524
91,224	**91,099**	**Intangible assets**	**486,346**	**774,736**
468,006	**326,745**	Land and buildings	**643,363**	770,679
	400,000	Project development properties	**400,000**	
162,824	**263,163**	Plant and machinery	**529,291**	488,715
150,397	**131,685**	Other fixtures and fittings, tools and equipment	**214,997**	240,091
36,573	**210,477**	Property, plant and equipment in progress	**291,787**	57,536
817,800	**1,332,070**	**Property, plant and equipment**	**2,079,438**	**1,557,021**
1,462,026	**1,014.696**	Investments in subsidiaries	**0**	0
179,231	**113,470**	Investments in associates	**87,650**	225,691
134,529	**76.386**	Receivables from subsidiaries	**0**	0
25,481	**20,634**	Receivables from associates	**20,634**	25,481
2,519	**56,432**	Other investments	**56,900**	3,018
10,763	**10,556**	Other receivables	**11,939**	11,592
1,814,549	**1,292,174**	**Financial assets**	**177,123**	**265,782**
2,723,573	**2,715,343**	**Non-current assets**	**2,742,907**	**2,597,539**
		CURRENT ASSETS		
56,647	**56,590**	Raw materials and consumables	**122,194**	169,316
13,083	**12,014**	Work in progress	**27,177**	25,816
87,507	**152,456**	Finished goods and purchased finished goods	**265,302**	156,461
157,237	**221,060**	**Inventories**	**414,673**	**351,593**
168,340	**180,098**	Trade receivables	**541,566**	577,847
285,342	**276,156**	Receivables from subsidiaries	**0**	0
1,012	**1,008**	Receivables from associates	**1,008**	1,012
48,829	**93,570**	Other receivables	**113,679**	64,035
15,087	**134,466**	Prepayments	**147,191**	31,435
518,610	**685,298**	**Receivables**	**,803,444**	**674,329**
20,597	**36,055**	**Cash at bank and in hand**	**90,384**	**157,832**
696,444	**942,413**	**Current assets**	**1,308,501**	**1,183,754**
3,420,017	**3,657,756**	**Assets**	**4,051,408**	**3,781,293**

BALANCE SHEET, LIABILITIES AND EQUITY AT 31 DECEMBER 2008 (DKK '000)

Parent Company			Group	
2007	2008		2008	2007
		EQUITY		
59,000	**56,000**	Share capital	**56,000**	59,000
0	**180,000**	Revaluation reserves	**180,000**	0
0	**0**	Translation reserve	**(102,279)**	(7,694)
9,994	**(34,289)**	Hedging reserve	**(34,603)**	10,057
924,695	**283,618**	Retained earnings	**440,788**	960,411
59,000	**0**	Proposed dividend	**0**	59,000
1,052,689	**485,329**	**Equity of Parent Company shareholders**	**539,906**	**1,080,774**
0	**0**	**Minority interests**	**34,922**	38,689
1,052,689	**485,329**	**Equity**	**574,828**	**1,119,463**
96,094	**169,731**	Deferred tax	**179,378**	127,718
734,503	**734,655**	Mortgage debt	**734,655**	749,751
645,203	**770,504**	Credit institutions	**968,888**	790,260
1,475,800	**1,674,890**	**Non-current liabilities**	**1,882,921**	**1,667,729**
0	**0**	Mortgage debt	**0**	953
145,278	**488,286**	Credit institutions	**599,335**	228,433
84,141	**59,572**	Repurchase obligation, returnable packaging	**74,056**	97,533
207,382	**391,175**	Trade payables	**523,175**	350,407
281,118	**234,491**	Payables to subsidiaries	**0**	0
12,730		Corporation tax	**0**	54,759
54,862	**37,177**	VAT, excise duties, etc	**61,439**	98,764
106,017	**286,836**	Other payables	**335,654**	163,252
891,528	**1,497,537**	**Current liabilities**	**1,593,659**	**994,101**
2,367,328	**3,172,427**	**Liabilities**	**3,476,580**	**2,661,830**
3,420,017	**3,657,756**	**Liabilities and equity**	**4,051,408**	**3,781,293**

STATEMENT OF CHANGES IN EQUITY FOR 1 JANUARY – 31 DECEMBER (DKK '000)
GROUP

	Share capital	Revaluation reserves	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority share	Total
Equity at 31 December 2006	**61,800**	**0**	**(9,194)**	**1,975**	**1,018,823**	**61,800**	**12,917**	1,148,121
Value and exchange adjustment, foreign subsidiaries			(1,750)		(4,699)		(4,590)	(11,039)
Tax on value and exchange adjustment			3,250					3,250
Value adjustment of hedging instruments, end of period				13,443				13,443
Reversal of value adjustment of hedging instruments, beginning of period				(2,743)				(2,743)
Tax on hedging instruments				(2,618)				(2,618)
Net gains recognised directly in equity	**0**	**0**	**1,500**	**8,082**	**(4,699)**	**0**	**(4,590)**	**293**
Profit for the period					**92,747**	**59,000**	**3,487**	**155,234**
Comprehensive income	**0**	**0**	**1,500**	**8,082**	**88,048**	**59,000**	**(1,103)**	**155,527**
Minority shares of acquired businesses							26,875	26,875
Dividend distributed to shareholders						(57,722)		(57,722)
Dividend on treasury shares					4,078	(4,078)		0
Acquisition of shares for treasury					(162,598)			(162,598)
Sale of treasury shares					6,854			6,854
Share-based payment					3,100			3,100
Reduction of capital	(2,800)				2,800			0
Tax on equity movements					(694)			(694)
Total shareholders	**(2,800)**	**0**	**0**	**0**	**(146,460)**	**(61,800)**	**26,875**	**(184,185)**
Total equity movements in 2007	**(2,800)**	**0**	**1,500**	**8,082**	**(58,412)**	**(2,800)**	**25,772**	**(28,658)**
Equity at 31 December 2007	**59,000**	**0**	**(7,694)**	**10,057**	**960,411**	**59,000**	**38,689**	**1,119,463**

STATEMENT OF CHANGES IN EQUITY FOR 1 JANUARY – 31 DECEMBER (DKK '000)
GROUP

	Share capital	Revaluation reserves	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority share	Total
Revaluation of project development property		240,000						240,000
Tax on revaluation of project development property		(60,000)						(60,000)
Value and exchange adjustment, foreign subsidiaries			(94,585)		86		(4,935)	(99,434)
Tax on value and exchange adjustment			0					0
Value adjustment of hedging instruments, end of period				(34,902)				(34,902)
Reversal of value adjustment of hedging instruments, beginning of period				(13,443)				(13,443)
Tax on hedging instruments				3,685				3,685
Net gains recognised directly in equity	**0**	**180,000**	**(94,585)**	**(44,660)**	**86**	**0**	**(4,935)**	**35,906**
Profit/loss for the period					**(484,333)**	**0**	**1,168**	**(483,165)**
Comprehensive income	**0**	**180,000**	**(94,585)**	**(44,660)**	**(484,247)**	**0**	**(3,767)**	**(447,259)**
Minority shares of acquired businesses								0
Dividend distributed to shareholders						(54,901)		(54,901)
Dividend on treasury shares					4,099	(4,099)		0
Acquisition of shares for treasury					(46,244)			(46,244)
Sale of treasury shares					1,551			1,551
Share-based payment					2,218			2,218
Reduction of capital	(3,000)				3,000			0
Tax on equity movements, shareholders					0			0
Total shareholders	**(3,000)**	**0**	**0**	**0**	**(35,376)**	**(59,000)**	**0**	**(97,376)**
Total equity movements in 2008	**(3,000)**	**180,000**	**(94,585)**	**(44,660)**	**(519,623)**	**(59,000)**	**(3,767)**	**(544,635)**
Equity at 31 December 2008	**56,000**	**180,000**	**(102,279)**	**(34,603)**	**440,788**	**0**	**34,922**	**574,828**

STATEMENT OF CHANGES IN EQUITY FOR 1 JANUARY – 31 DECEMBER (DKK '000)
PARENT COMPANY

	Share capi-tal	Revaluation reserves	Hedging reserve	Retained earnings	Proposed dividend for the year	Total
Equity at 31 December 2006	**61,800**	**0**	**2,637**	**1,061,274**	**61,800**	**1,187,511**
Value and exchange adjustment, foreign subsidiaries			13,356			13,356
Value adjustment of hedging instruments, end of year						0
Reversal of value adjustment of hedging instru-ments, beginning of year			(3,662)			(3,662)
Tax on hedging instruments			(2,337)			(2,337)
Net gains recognised directly in equity	**0**	**0**	**7,357**	**0**	**0**	**7,357**
Net profit for the year				**9,600**	**59,000**	**68,600**
Comprehensive income	**0**	**0**	**7,357**	**9,600**	**59,000**	**75,957**
Dividend distributed to shareholders					(57,722)	(57,722)
Dividend on treasury shares				4,078	(4,078)	0
Acquisition of shares for treasury				(162,598)		(162,598)
Sale of treasury shares				6,854		6,854
Share-based payments				3,100		3,100
Reduction of capital	(2,800)			2,800		0
Tax on equity movements				(413)		(413)
Total shareholders	**(2,800)**	**0**	**0**	**(146,179)**	**(61,800)**	**(210,779)**
Total changes in equity in 2007	**(2,800)**	**0**	**7,357**	**(136,579)**	**(2,800)**	**(134,822)**
Equity at 31 December 2007	**59,000**	**0**	**9,994**	**924,695**	**59,000**	**1,052,689**

STATEMENT OF CHANGES IN EQUITY FOR 1 JANUARY – 31 DECEMBER (DKK '000)
PARENT COMPANY

	Share capital	Revaluation reserves	Hedging reserve	Retained earnings	Proposed dividend for the year	Total
Revaluation of project development property		240,000				240,000
Tax on revaluation of project development property		(60,000)				(60,000)
Value adjustment of hedging instruments, end of year			(34,289)			(34,289)
Reversal of value adjustment of hedging instruments, beginning of year			(13,356)			(13,356)
Tax on hedging instruments			3,362			3,362
Net gains recognised directly in equity	**0**	**180,000**	**(44,283)**	**0**	**0**	**135,717**
Net profit/loss for the year				**(605,701)**	**0**	**(605,701)**
Comprehensive income	**0**	**180,000**	**(44,283)**	**(605,701)**	**0**	**(469,984)**
Dividend distributed to shareholders					(54,901)	(54,901)
Dividend on treasury shares				4,099	(4,099)	0
Acquisition of shares for treasury				(46,244)		(46,244)
Sale of treasury shares				1,551		1,551
Share-based payments				2,218		2,218
Reduction of capital	(3,000)			3,000		0
Total shareholders	**(3,000)**	**0**	**0**	**(35,376)**	**(59,000)**	**(97,376)**
Total changes in equity in 2008	**(3,000)**	**180,000**	**(44,283)**	**(641,077)**	**(59,000)**	**(567,360)**
Equity at 31 December 2008	**56,000**	**180,000**	**(34,289)**	**283,618**	**0**	**485,329**

Only the hedging reserve and retained earnings may be used for distribution of dividend to Parent Company shareholders. Retained earnings include share premium account of DKK 53.9 million for which a separate restricted reserve is no longer required due to changes to the Danish Companies Act.

CASH FLOW STATEMENT (DKK '000)

Parent Company 2007	Parent Company 2008		Group 2008	Group 2007
68,600	(605,701)	Net profit/loss for the year	(483,165)	155,234
238,777	814,986	Adjustments for non-cash operating items	744,950	239,666
307,377	209,285		261,785	394,900
		Change in working capital:		
75,504	10,126	+/- change in receivables	51,578	(45,364)
17,660	(63,823)	+/- change in inventories	(81,622)	(14,472)
(26,533)	93,807	+/- change in payables	123,737	(10,812)
374,008	**249,395**	**Cash flows from operating activities before financial income and expenses**	**355,478**	**324,252**
25,148	52,660	Financial income	34,003	26,923
(80,281)	(104,423)	Financial expenses	(151,865)	(92,823)
318,875	**197,632**	**Cash flows from ordinary activities**	**237,616**	**258,352**
(82,401)	(77,354)	Corporation tax paid	(134,408)	(106,895)
236,474	**120,278**	**Cash flows from operating activities**	**103,208**	**151,457**
39,760	99,290	Dividends received from subsidiaries and associates	14,336	15,958
116	0	Sale of securities		
42,902	9,244	Sale of property, plant and equipment	45,349	212,141
(130,489)	(363,045)	Purchase of property, plant and equipment	(519,107)	(222,543)
188,763	*(134,233)*	*Free cash flow*	*(356,214)*	*157,013*
6,000	0	Sale of associates		17,990
(424,817)	0	Acquisition of subsidiaries	(126,546)	(393,477)
(57,265)	(38,400)	Acquisition of intangible and financial assets	(3,045)	(2,340)
(523,793)	**(292,911)**	**Cash flows from investing activities**	**(589,013)**	**(372,271)**
300,123	125,453	Proceeds from raising of non-current debt	141,986	300,123
(65,652)	0	Repayment of non-current debt	(16,049)	(69,923)
(10,737)	343,008	Change in current debt to credit institutions	391,799	(5,036)
(15,851)	(180,776)	Change in financing of subsidiaries		
(57,722)	(54,901)	Dividends paid	(54,901)	(57,722)
(162,598)	(46,244)	Acquisition of shares for treasury	(46,244)	(162,598)
6,854	1,551	Sale of treasury shares	1,551	6,854
(5,583)	**188,091**	**Cash flows from financing activities**	**418,142**	**11,698**
(292,902)	**15,458**	**Change in cash and cash equivalents**	**(67,663)**	**(209,116)**
313,499	20,597	Cash and cash equivalents at 1 January	157,832	368,320
0	0	Exchange adjustment	215	(1,372)
20,597	**36,055**	**Cash and cash equivalents at 31 December**	**90,384**	**157,832**

DEFINITIONS OF KEY FIGURES AND RATIOS

Net interest-bearing debt	Mortgage debt and debt to credit institutions less cash at bank and in hand, interest-bearing current investments and receivables
Free cash flow	Cash flow from operating activities less net investments in property, plant and equipment and plus dividends from associates
Dividend per share (DKK)	Proposed dividend per share
Earnings per share (DKK)	Royal Unibrew A/S' share of the profit for the year/number of shares in circulation
Cash flow per share (DKK)	Cash flow from operating activities/number of shares in circulation
Diluted earnings and cash flow per share (DKK)	Royal Unibrew A/S' share of earnings and cash flow, respectively, from operating activities/average number of shares in circulation including share options "in-the-money"
EBITDA	Earnings before interest, tax, depreciation, amortisation and impairment losses as well as profit from sale of property, plant and equipment and amortisation of intangible assets
EBIT	Earnings before interest and tax
Return on invested capital after tax including goodwill (ROIC)	Operating profit before special items net of tax as a percentage of average invested capital (equity + minority interests + non-current provisions + net interest-bearing debt – financial assets)
Profit margin	Operating profit before special items as a percentage of net revenue
EBIT margin	EBIT as a percentage of net revenue
Free cash flow as a percentage of net revenue	Free cash flow as a percentage of net revenue
Net interest-bearing debt/EBITDA	The ratio of net interest-bearing debt at year end to EBITDA
Equity ratio	Equity at year end as a percentage of total assets
Debt ratio	Net interest-bearing debt at year end as a percentage of year-end equity
Asset turnover	Net revenue/total assets at year end
Return on net assets	Operating profit before special items as a percentage of average operating assets. Operating assets comprise total assets less cash and cash equivalents, other interest-bearing assets and investments in associates
Net return on equity	Consolidated profit after tax as a percentage of average equity
Dividend rate	Dividend calculated for the full share capital as a percentage of the Parent Company shareholders' share of consolidated profit after tax for the year