ROYAL UNIBREW A/S

(a Danish public limited company, CVR no. 41 95 67 12)

Offering of up to 5,600,000 new shares with a nominal value of DKK 10 each at a price of DKK 75 per share with preemptive rights to the Existing Shareholders of Royal Unibrew A/S at the ratio of 1:1

This prospectus (the "Prospectus") has been prepared in connection with a capital increase comprising an offering (the "Offering") of up to 5,600,000 new shares (the "Offer Shares") with a nominal value of DKK 10 each in Royal Unibrew A/S ("Royal Unibrew") with preemptive rights to the Existing Shareholders (as defined below) of Royal Unibrew at the ratio of 1:1.

Prior to the Offering, Royal Unibrew had 5,600,000 shares with a nominal value of DKK 10 each (the "Existing Shares") and, consequently, a nominal share capital of DKK 56,000,000.

On 19 November 2009, under the authorisation adopted as article 7 of Royal Unibrew's articles of association, the supervisory board of Royal Unibrew (the "Supervisory Board") resolved to increase the share capital of Royal Unibrew by a nominal value of up to DKK 56,000,000 (5,600,000 Offer Shares of DKK 10 nominal value).

Each holder of shares in Royal Unibrew who is registered with VP Securities A/S ("VP Securities") on 25 November 2009 at 12.30 p.m. CET as a shareholder of Royal Unibrew (the "Existing Shareholders") will be allocated one (1) preemptive right ("Preemptive Right") for each Existing Share held. For every Preemptive Right, the holder is entitled to subscribe for one (1) Offer Share against payment of DKK 75 per Offer Share (the "Offer Price").

The trading period for the Preemptive Rights commences on 23 November 2009 at 9.00 a.m. CET and closes on 4 December 2009 at 5.00 p.m. CET. The subscription period for the Offer Shares (the "Subscription Period") commences on 26 November 2009 and closes on 9 December 2009 at 5.00 p.m. CET. Any Preemptive Rights that are not exercised during the Subscription Period will lapse with no value, and the holder of such Preemptive Rights will not be entitled to compensation. Once a holder of Preemptive Rights has exercised such rights and subscribed for Offer Shares, such subscription cannot be revoked or modified by the holder. The Preemptive Rights and the Offer Shares have been approved for trading and official listing on NASDAQ OMX Copenhagen A/S ("NASDAQ OMX").

Royal Unibrew's Shares are listed on NASDAQ OMX under the ISIN code DK0010242999.

The Offering is not underwritten.

Investors should be aware that an investment in the Preemptive Rights and the Offer Shares involves a high degree of risk. See "Risk factors" for a description of factors that should be considered in connection with a decision to invest in the Preemptive Rights and the Offer Shares.

The Preemptive Rights and the Offer Shares will be delivered in book-entry form through allocation to accounts with VP Securities. The Offer Shares have been accepted for clearance through Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear") and Clearstream Banking S.A. ("Clearstream").

In connection with the Offering, the Joint Global Coordinators may, from commencement of the Offering and until 30 days after the first day of trading and official listing of the Offer Shares, effect transactions that stabilise or maintain the market price of the Preemptive Rights (stabilising actions regarding the Preemptive Rights will only take place during the trading period for Preemptive Rights), the Offer Shares and the Existing Shares at levels above those that might otherwise prevail. The Joint Global Coordinators are not obliged to take any stabilising measures. Such stabilising, if commenced, may be discontinued at any time.

The Offering consists of a public offering in Denmark and private placements in certain other jurisdictions.

This Prospectus may not be distributed or otherwise made available, the Offer Shares may not be offered or sold, directly or indirectly, and the Preemptive Rights may not be exercised or otherwise offered or sold, directly or indirectly, in the United States, Canada, Australia or Japan, unless such distribution, offering, sale or exercise is permitted under applicable laws in the relevant jurisdiction, and Royal Unibrew and the Joint Global Coordinators must receive satisfactory documentation to that effect. This Prospectus may not be distributed or otherwise made available, the Offer Shares may not be offered or sold, directly or indirectly, and the Preemptive Rights may not be exercised or otherwise offered or sold, directly or indirectly, in any jurisdiction outside Denmark, unless such distribution, offering, sale or exercise is permitted under applicable laws in the relevant jurisdiction, and Royal Unibrew and the Joint Global Coordinators may require receipt of satisfactory documentation to that effect. Due to such restrictions under applicable laws, Royal Unibrew expects that some or all investors residing in the United States, Canada, Australia, Japan and other jurisdictions outside Denmark may not have the Prospectus delivered to them and may not be able to exercise the Preemptive Rights or subscribe for the Offer Shares. Royal Unibrew makes no offer or solicitation to any person under any circumstances that may be unlawful.

The Preemptive Rights and the Offer Shares have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of such regulatory authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Preemptive Rights and the Offer Shares have not been and will not be registered under the United States Securities Exchange Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws in the Unites States. Any transfer of Preemptive Rights and any offer and sale of the Offer Shares are not permitted except by offer and sale in accordance with Regulation S under the U.S. Securities Act ("Regulation S").

Joint Global Coordinators

Danske Markets   Nordea

The date of this Prospectus is 19 November 2009 (the "Prospectus Date").

GENERAL INFORMATION

Important information relating to this Prospectus
The Prospectus has been prepared in compliance with Danish legislation and regulations, including Consolidated Act no. 795 of 20 August 2009 on Securities Trading (the Danish Securities Trading Act), Commission Regulation (EC) no. 809/2004 of 29 April 2004 and Executive Order no. 885 of 14 September 2009 issued by the Danish Financial Supervisory Authority on prospectuses for securities admitted for trading on a regulated market and for public offerings of securities of at least EUR 2,500,000. The Prospectus is governed by Danish law.

This Prospectus has been prepared for the Offering.

In connection with the Offering and the admission to trading and official listing of the Offer Shares, this Prospectus has been prepared in a Danish-language and an English-language version. In the event of any discrepancy, the Danish Prospectus shall prevail. The Danish Prospectus is identical to this Prospectus, except that the Danish Prospectus contains responsibility statements made by the Joint Global Coordinators and Royal Unibrew's independent auditors.

Danske Markets (division of Danske Bank A/S) ("Danske Markets") and Nordea Markets (division of Nordea Bank Danmark A/S) ("Nordea Markets") are the Joint Global Coordinators in connection with the Offering and will in that connection receive a fee from Royal Unibrew. In connection with their usual business activities, Danske Markets and/or Nordea Markets or certain of their affiliates may have provided and may in future provide investment banking advice and carry on ordinary banking business with Royal Unibrew and any future subsidiaries and affiliates of Royal Unibrew.

No person is authorised to give any information or to make any representation in connection with the Offering not contained in this Prospectus. Any information or representation not so contained must not be relied upon as having been made or authorised by Royal Unibrew or Danske Markets or Nordea Markets. Royal Unibrew, Danske Markets and Nordea Markets accept no liability for any such information or representation. Royal Unibrew and other sources identified herein have provided the information contained in this Prospectus.

The information in this Prospectus relates to the date printed on the front cover, unless expressly stated otherwise. The distribution of this Prospectus shall not in any circumstances imply that there have been no changes in the affairs of Royal Unibrew since that date, or that the information contained in this Prospectus is correct as at any time subsequent to the date hereof.

Any material change as compared with the contents of this Prospectus that occurs or is ascertained between the time of approval of this Prospectus and the final completion of the Offering, i.e. until registration with the Danish Commerce and Companies Agency and admission to trading of the Offer Shares have taken place, will be published as a supplement to the Prospectus pursuant to applicable laws and regulations in Denmark. Investors who have accepted to exercise Preemptive Rights and/or purchase Offer Shares prior to publication of the supplement are entitled to withdraw their acceptance during two business days after the publication of the supplement.

Royal Unibrew is responsible for this Prospectus under applicable Danish legislation. Neither Danske Markets nor Nordea Markets nor any other person makes any direct or indirect representation for the accuracy and completeness of this Prospectus or the information or representations contained herein.

Prospective subscribers or purchasers of Preemptive Rights and/or the Offer Shares should make an independent assessment as to whether the information in this Prospectus is relevant, and any subscription or any purchase of Preemptive Rights and/or the Offer Shares should be based on the examinations that the prospective subscribers or purchasers may deem necessary.

This Prospectus may not be forwarded, reproduced or in any other way redistributed by anyone but the Joint Global Coordinators and Royal Unibrew. Investors may not reproduce or distribute this Prospectus, in whole or in part, and investors may not disclose any of the contents of this Prospectus or use any information herein for any purpose other than for considering the purchase of Preemptive Rights and the purchase of or subscription for the Offer Shares described in this Prospectus. Investors agree to the foregoing by accepting delivery of this Prospectus.

Selling Restrictions
The Offering consists of a public offering in Denmark and private placements in certain other jurisdictions.

The distribution of the Prospectus and the Offering may, in certain jurisdictions, be restricted by law and/or be subject to other restrictions, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any persons to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute an offer of or an invitation to purchase any Preemptive Rights or purchase or subscribe for any Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. Royal Unibrew and the Joint Global Coordinators require persons into whose possession this Prospectus comes to inform themselves of and observe such restrictions, including any tax issues and currency restrictions that may be relevant in connection with the Offering. All investors should examine the tax consequences of an investment in the Offer Shares through their own advisers. Neither Royal Unibrew nor the Joint Global Coordinators accept any legal liability for any violation of these restrictions by any person, irrespective of whether such person is an Existing Shareholder or a potential purchaser of Preemptive Rights and/or subscriber of the Offer Shares.

The delivery of this Prospectus and the marketing of Preemptive Rights or Shares are subject to restrictions in certain countries. Persons into whose possession this Prospectus may come are required to inform themselves about and observe such restrictions, including any tax issues and currency restrictions that may be relevant in connection with the Offering. All investors should examine the tax consequences of an investment in the Offer Shares through their own advisers. This Prospectus does not constitute an offer of or an invitation to purchase any Preemptive Rights or purchase or subscribe for any Offer Shares in any jurisdiction in which such offer or invitation would be unlawful.

The Preemptive Rights and the Offer Shares are subject to transfer and reselling restrictions in certain jurisdictions. By purchasing or subscribing for the Preemptive Rights or the Offer Shares, purchasers of or subscribers for Preemptive Rights or Offer Shares will be deemed to have confirmed that Royal Unibrew and the Joint Global Coordinators and their respective affiliates and other persons may rely on the accuracy of the representations, warranties, guarantees and agreements contained herein.

Each prospective purchaser of or subscriber for Preemptive Rights and Offer Shares must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, subscribes, offers or sells Preemptive Rights and/or Offer Shares or possesses or distributes this Prospectus and must obtain any consent, approval or permission required by it for acquiring Offer Shares.

This Prospectus may not be distributed or otherwise made available, the Offer Shares may not be offered or sold, directly or indirectly, and the Preemptive Rights may not be exercised or otherwise offered or sold, directly or indirectly, in the United States, Canada, Australia or Japan, unless such distribution, offering, sale or exercise is permitted under applicable laws in the relevant jurisdiction, and Royal Unibrew and the Joint Global Coordinators must receive satisfactory documentation to that effect. This Prospectus may not be distributed or otherwise made available, the Offer Shares may not be offered or sold, directly or indirectly, and the Preemptive Rights may not be exercised or otherwise offered or sold, directly or indirectly, in any jurisdiction outside Denmark, unless such distribution, offering, sale or exercise is permitted under applicable laws in the relevant jurisdiction, and Royal Unibrew and the Joint Global Coordinators may require receipt of satisfactory documentation to that effect.

Due to such restrictions under applicable laws, Royal Unibrew expects that some or all investors residing in the United States, Canada, Australia, Japan and other jurisdictions outside Denmark may not have the Prospectus delivered to them and may not be able to exercise the Preemptive Rights or subscribe for the Offer Shares. Royal Unibrew makes no offer or solicitation to any person under any circumstances that may be unlawful.

Notice to U.S. residents

The Preemptive Rights and the Offer Shares have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of such regulatory authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Preemptive Rights and the Offer Shares have not been and will not be registered under the United States Securities Exchange Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws in the Unites States. No transfer of Preemptive Rights and no offer and sale of the Offer Shares are permitted unless in connection with an offering or sale under Regulation S under the U.S. Securities Act ("Regulation S").

The Offering concerns securities in a Danish company. The Offering is subject to Danish disclosure requirements deviating from the disclosure requirements under U.S. law. Financial statements contained in this document have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, which may not be comparable with the financial statements of U.S. companies.

It may be difficult to enforce investors' rights and claims under U.S. federal securities laws because Royal Unibrew is domiciled in Denmark and some or all of Royal Unibrew's executive officers and board members may be residents of Denmark. It may not be possible to file a lawsuit against a non-U.S. company or its executive officers or board of directors with a court outside the U.S. concerning breach of the U.S. securities laws. It may be difficult to enforce judgments obtained in U.S. courts against a non-U.S. company and its affiliates.

Notice to investors in the United Kingdom

This Prospectus is being distributed only to and is directed only at (i) persons outside the United Kingdom, or (ii) investment professionals falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within article 49(2)(a) to (d) of the Order (all such persons being referred to collectively as "Relevant Persons"). The Preemptive Rights and the Offer Shares are only available to Relevant Persons, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Preemptive Rights or Offer Shares will be made only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

Notice regarding the European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each a "Relevant Member State"), no offering of Preemptive Rights or Offer Shares to the public will be made in any Relevant Member State prior to the publication of a prospectus concerning the Preemptive Rights and the Offer Shares which has been approved by the competent authority in such Relevant Member State or, where relevant, approved in another Relevant Member State and notified to the competent authority in such Relevant Member State, all pursuant to the Prospectus Directive, except that with effect from and including the date of implementation of the Prospectus Directive in such Relevant Member State, an offering of Preemptive Rights and Offer Shares may be made to the public at any time in such Relevant Member State:

(a) to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity fulfilling at least two of the following criteria: (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than EUR 43,000,000; and (iii) an annual net revenue of more than EUR 50,000,000, as shown in its last annual or consolidated accounts;

(c) to less than 100 individuals or legal persons (except for "qualified investors" as defined in the Prospectus Directive) subject to the prior written consent of Royal Unibrew and the Joint Global Coordinators; or

(d) in any other circumstances which do not require the publication by Royal Unibrew of a prospectus under Article 3 of the Prospectus Directive.

For the purposes of the above, the expression an "offer of Preemptive Rights and Offer Shares to the public" in relation to any Preemptive Rights and the Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering, the Preemptive Rights and Offer Shares so as to enable an investor to decide to purchase the Preemptive Rights or purchase or subscribe for the Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The term "Prospectus Directive" means Directive 2003/71/EC and includes all relevant implementation procedures in each Relevant Member State.

Notice to residents of Canada, Australia, Japan and other jurisdictions outside Denmark

The Preemptive Rights and the Offer Shares have not been approved, disapproved or recommended by any foreign securities commission, nor have any of such authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Prospectus.

Enforceability of judgments

Royal Unibrew is a public limited liability company incorporated in Denmark. Most of the members of Royal Unibrew's Supervisory Board and the executive board (the "Executive Board") are residents of Denmark, and all or a substantial share of Royal Unibrew's and such persons' assets are located in Denmark. As a result, it may not be possible for investors to effect service of process outside Denmark upon Royal Unibrew or such persons or to enforce against them judgments obtained in courts outside Denmark based upon applicable laws in jurisdictions outside Denmark.

Forward looking statements

Certain statements in this Prospectus may contain forward-looking statements. Such statements concern Management's expectations, beliefs, intentions or strategies relating to the future as at the Prospectus Date. The statements can be identified by the use of terminology such as "expect", "assess", "estimate", "anticipate", "intend", "may", "plan", "predict", "will", "should", "seek" or similar expressions. The forward-looking statements reflect Management's current views and assumptions with respect to future events and hence involve substantial risks and uncertainties. Actual and future results and performance may differ materially from those contained in such statements. Except for any prospectus supplements that Royal Unibrew may be required to publish under Danish law, Royal Unibrew does not intend to and does not assume any obligation to update the forward-looking statements in this Prospectus after the Prospectus Date.

Presentation of figures

Figures and percentages in this Prospectus have generally been rounded. Accordingly, the figures presented in the Prospectus may differ from the figures presented in the annual reports and interim reports of Royal Unibrew.

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PERSONS RESPONSIBLE

Statement by the Executive Board and the Supervisory Board

We hereby declare that we have taken all reasonable care to ensure that, to the best of our knowledge and belief, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect the import thereof.

Faxe, 19 November 2009

Executive Board

Henrik Brandt CEO	Johannes F.C.M. Savonije International Director	Ulrik Sørensen CFO

Supervisory Board

Steen Weirsøe (Chairman)	Tommy Pedersen (Deputy Chairman)	Ulrik Bülow
Erik Christensen	Erik Højsholt	Kirsten Wendelboe Liisberg
Hemming Van		

Steen Weirsøe is President & CEO of DT Group a/s
Tommy Pedersen is CEO of Chr. Augustinus Fabrikker Aktieselskab and Augustinus Fonden
Ulrik Bülow is CEO of Otto Mønsted A/S
Erik Christensen is head of equipment at Royal Unibrew A/S
Erik Højsholt is a director
Kirsten Wendelboe Liisberg is senior shop steward and a brewery hand at Royal Unibrew A/S
Hemming Van is CEO of Daloon A/S

SUMMARY

This summary should be considered an introduction to this Prospectus. Any decision to invest in the securities should be made on the basis of the information contained in this Prospectus as a whole. The individuals or legal entities that have prepared the summary or any translation thereof, and that have requested approval thereof, may be subject to civil liability, but only if it is misleading, incorrect or inconsistent when read in conjunction with the other parts of the Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might have to bear the costs of translating the Prospectus before such legal proceedings are initiated.

Royal Unibrew

The Royal Unibrew Group produces, markets, sells and distributes quality beverages focusing on branded products within beer, malt and soft drinks, including carbonated soft drinks, bottled water and fruit juices.

The Company operates as a regional player in a number of markets in Western and Eastern Europe and in the international markets for malt drinks. The Company's main markets in Western Europe are Denmark, Italy, the Cross-border Trade and Germany. The Eastern European markets comprise Lithuania, Latvia and Poland. The international markets for malt drinks cover a range of countries in the Caribbean and Africa as well as cities in Europe and North America with a high concentration of inhabitants from the Caribbean and Africa, where malt drinks are popular.

In 2008, the Company posted revenue of DKK 4.2 billion and sold 7.5 million hectolitres of beer, malt and soft drinks. The Group, which is domiciled in Faxe, Denmark, has a total of around 2,700 employees. Royal Unibrew is listed on NASDAQ OMX and has more than 14,000 shareholders.

The Company's strategy

The Company's strategy is to be an efficient, regional player in the beer, malt and soft drinks markets and to hold leading positions in the markets and segments in which it operates.

Following very dissatisfactory financial results in 2008, the Company appointed a new senior management which has carried out a number of adjustments in the course of 2009. These comprise the on-going restructuring of activities in Poland, efficiency enhancements in the Danish organisation, the establishment of a new management and management structure in Latvia and Lithuania and improvements of cash flows and capital structure, among other things through focusing on a reduction of the capital tied-up. These adjustments are to support the strategy, the main elements of which are described below;

- **Focus on markets and segments in which the Company has or can achieve a significant position.** Going forward, the Company will focus on further developing its established market or segment positions where the Company has a leading position, e.g. in Denmark and the Baltic countries, or significant and leading niche positions, as e.g. in Italy and in the international markets for malt drinks. In addition, the Company will exploit structural growth opportunities which could strengthen or add new leading positions and which may create long-term shareholder value.

- **Focus on developing the Company's brands, products and market positions.** The Company owns a number of well-known brands holding solid market positions which it will continue to develop. *Royal, Albani, Ceres, Faxe, Kalnapilis, Lacplesis* and *Tauras* are some of the Company's beer brands that are particularly well-known. Within soft drinks, fruit juices and mineral water, the Company has brands such as *Faxe Kondi, Egekilde, Nikoline, Cido* and *Mangali* and within malt drinks *Vitamalt* and *Supermalt*. Through licence agreements with Heineken and the Pepsi group, *Heineken* beer and a number of Pepsi products, including *Pepsi, Mirinda* and *7UP* are part of the Company's range in Denmark and they support the sales of the Company's own products, which strengthens its distribution operations. Development of the product portfolio comprises the Company's in-house development of new flavours, brands and products and the conclusion of new licence agreements.

- **Focus on operational efficiency in all elements of the Company's value chain.** Through the merger of breweries in Denmark, Lithuania and Latvia, the Company has enhanced its production facilities and the Company will continue to exploit any enhancement opportunities. Similarly, the Company will continue to focus on enhancing its sales and distribution systems.

- **Focus on ensuring the Company's financial flexibility and freedom of action through a capital structure in which the net interest-bearing debt amounts to a maximum of 2.5. times EBITDA.**

Based on the above and assuming that the Company is able to maintain an unchanged ratio between net selling prices and costs, the Company aims in the longer term to achieve an EBIT margin of around 10%.

The Company's markets

The Company is organised into three market segments;

The Western Europe market segment comprises primarily the markets for beer and soft drinks in Denmark, Italy, the Cross-border Trade and Germany. For the period 1 January to 30 September 2009, Western Europe accounted for 50% of total Group sales and 64% of revenue. In Denmark, the Company is the second-largest supplier of beer and soft drinks with a number of strong brands, in particular *Royal, Albani, Faxe Kondi* and *Egekilde*. In Denmark, the Company has its own nationwide distribution. With the *Ceres Strong Ale* brand, the Company is among the market leaders in Italy in the super premium segment, where it has a substantial market share. The Company exports a number of branded products to Germany and the Company's sales to the German market comprise mainly sales to the Cross-border Trade, in which the Company is a significant player, and sales to retail customers in Germany.

The Eastern Europe market segment comprises primarily the markets for beer, fruit juices and soft drinks in Lithuania, Latvia and Poland. For the period 1 January to 30 September 2009, Eastern Europe accounted for 42% of total Group sales and 24% of revenue. The Company's activities in Lithuania are the result of acquisitions and the Company holds a significant market position within beer as well as soft drinks. The Company is the second largest brewery company in Lithuania. In the Lithuanian market for beer, the Company has, *inter alia*, the brands *Kalnapilis* and *Taurus*. The Company's activities in Latvia are also the result of acquisitions and the Company is the market leader within fruit juices and soft drinks and the third-largest provider of beer. The Company's most important brands in Latvia are *Cido, Lacplesis* and *Mangali*. In Poland, the Company operates within beer mainly in the country's north-eastern and central region and in the southern part of the country. In these areas, the Company has a number of local mainstream brands, including *Lomza*.

The Malt and Overseas Markets segment comprises the international markets for malt drinks and exports of beer and soft drinks to markets where the Company does not have local representation. Malt and Overseas Markets for the period 1 January to 30 September 2009 accounted for 8% of total Group sales and 12% of total Group revenue. Within malt drinks, the Company has several internationally strong brands that are sold in the premium segment. *Vitamalt* is estimated to be the third-largest global premium malt brand.

Market

The brewery industry consists mainly of four types of companies; *Global* brewery businesses with global, regional and local brands, *regional* brewery businesses, including Royal Unibrew, which operate in several geographical markets but not on a global scale, *local* brewery businesses, which operate in a limited geographical market, and *special breweries* or *micro breweries*, which typically operate in local niche markets.

Management believes that the 10 largest global brewery businesses account for 60% of industry sales but that regional and local brands continue to account for

80% – 85% of the brewery industry's total sales. The soft drinks industry is significantly more concentrated on a few global brands than the brewery industry and comprises a few global companies as well as several regional or local companies.

The geographical markets for beer consist of segments, the sizes and composition of which depend, among other things, on the beer brewing traditions in the individual markets and on the general economic development of that society. Overall, four segments exist: super premium, premium, mainstream and the private label and discount segments, of which the three former segments comprise branded products, while the latter segment comprises non-branded products.

In the soft drinks market, the market for carbonated soft drinks can be divided into three segments: global brands, local brands and private labels. Global brands account for a much larger share of the soft drinks market than of the beer market. Within the other soft drinks products, such as fruit juices and bottled water, the markets are extremely fragmented and local products hold dominant positions.

Distribution to the users takes place through customers in two main distribution channels; retail and HoReCa.

The most important factors for sales volumes are developments in disposable incomes in the individual markets and consumers' preferences of beverages in general. The Company's markets are currently affected by the economic crisis. Overall, Management believes that market developments in the longer term and under normal economic conditions will revert to the trends prevailing before the economic crisis.

Prospective financial information

2009

For the financial year 2009, the Company expects total revenue of about DKK 3.8 billion.

EBITDA before special items for the financial year 2009 is expected to be in the range of DKK 425 – 450 million, and EBIT is expected to be DKK 210 – 235 million.

With estimated net funding costs and a profit after tax on investments in associates of approximately DKK 115 million and special items (expense) of approximately DKK 35 million, the profit before tax for the year is expected to be in the region of DKK 60 – 85 million.

At the end of 2009, the Company is expected to have net interest-bearing debt of approximately DKK 2 billion exclusive of the Offering and before completion of the divestment of the Caribbean Companies.

2010

For the financial year 2010, the Company expects total revenue of DKK 3.4 – 3.6 billion.

EBITDA before special items for the financial year 2010 is expected to be in the range of DKK 450 – 500 million, and EBIT is expected to be DKK 250 – 300 million.

At the end of 2010, the Company is expected to have net interest-bearing debt of about DKK 1.6 billion exclusive of the Offering but after divestment of the Caribbean Companies.

Reasons for the offering and use of proceeds

The Company expects to receive gross proceeds of DKK 420 million from the Offering (if the maximum number of Shares is subscribed), which would give the Company net proceeds of DKK 395 million (if the maximum number of Shares is subscribed) after deduction of the estimated costs of the Offering.

The Offering is made to secure the Company structural and financial flexibility and competitive strength, *inter alia* in the light of the uncertainty as to the market outlook created by the financial crisis. Management believes that the Group's net interest-bearing debt should be reduced from the existing level to no more than 2.5 times EBITDA.

The net proceeds will be used to reduce the Company's interest-bearing debt to Danske Bank A/S and Nordea Bank Danmark A/S, among others.

Risk factors

There are major risks associated with investing in the Offer Shares and the Preemptive Rights, including risks in connection with the Company's industry and operations and in connection with the Offering, that should be considered before making a decision on acquiring or exercising Preemptive Rights and/or on subscribing for the Offer Shares. A more detailed analysis of each of the following risks is provided in "Risk factors". Investors should carefully consider each of the risk factors and other information in this Prospectus in connection with a decision to acquire or exercise Preemptive Rights and/or subscribing for the Offer Shares. Some of the most important risks are:

- Risks related to the Company's financial results and financial resources
- Risks related to currency and other financial risks
- Risks related to the Company's production and production facilities
- Risks related to the Company's business and the market in which it operates
- Risks related to litigation and divested and closed companies
- Risks related to employees
- Risks related to the Offering

SUMMARY OF THE OFFERING

Issuer:	Royal Unibrew A/S, Faxe Allé 1, DK-4640 Faxe, Denmark. Royal Unibrew A/S' ISIN code is DK0010242999 (RBREW). Royal Unibrew A/S' CVR No. is 41 95 67 12.
The Offering:	The Offering comprises 5,600,000 Offer Shares of DKK 10 nominal value each, which are offered with preemptive rights to Existing Shareholders.
Offer Price:	All Offer Shares are offered at DKK 75 per Share of DKK 10 nominal value.
Proceeds:	The gross proceeds from the Offering will be DKK 420 million. The net proceeds (gross proceeds less the estimated expenses of Royal Unibrew A/S relating to the Offering) are expected to be DKK 395 million.
Subscription ratio and allocation of Preemptive Rights:	The Offer Shares are offered with preemptive rights to the Existing Shareholders of Royal Unibrew A/S at the ratio of 1:1. On 25 November 2009 at 12.30 p.m. CET, any person registered with VP Securities as a shareholder of Royal Unibrew A/S will be allocated one (1) Preemptive Right for each Existing Share held. As from 23 November 2009 at 9.00 a.m. CET, the Shares will be traded ex Preemptive Rights, assuming that such Shares are traded at customary three-day settlement.
Trading in Preemptive Rights:	The Preemptive Rights will be traded on NASDAQ OMX in the period from 23 November 2009 to 4 December 2009 inclusive. Holders wishing to sell their Preemptive Rights should instruct their custodian bank or other financial intermediary accordingly.
Subscription Period:	The Offer Shares may be subscribed in the period from 26 November 2009 to 9 December 2009 at 5.00 p.m. CET. During this period, the Offer Shares will thus be allocated temporarily through VP Securities upon exercise of Preemptive Rights against payment of the Offer Price.
Subscription method:	The Preemptive Rights are negotiable instruments, which are traded on NASDAQ OMX. Holders of Preemptive Rights who wish to subscribe for Offer Shares will be required to do so through their own custodian bank in accordance with the rules of such bank. For holders of the Preemptive Rights, the deadline for notice of exercise depends on the agreement with and the rules and procedures of the relevant custodian institution or other financial intermediary, and the deadline may be earlier than the last day of the Subscription Period. When a holder has exercised its Preemptive Rights, such exercise cannot be withdrawn or changed.

Upon exercise of the Preemptive Rights and payment of the Offer Price in the course of the Subscription Period, the Offer Shares will, at the end of a trading day, be allocated temporarily through VP Securities. The Offer Shares will not be traded on NASDAQ OMX under a temporary ISIN code.

Payment:

Upon exercise of the Preemptive Rights, the holder must pay DKK 75 per Offer Share subscribed. Payment for the Offer Shares shall be made in Danish kroner on the subscription date and shall be made not later than on 9 December 2009 for subscription on the last day of the Subscription Period – against registration of the Offer Shares in the holder's account with VP Securities under the temporary ISIN code.

Unexercised Preemptive Rights:

Any Preemptive Rights that are not exercised during the Subscription Period will lapse with no value, and the holder of such Preemptive Rights will not be entitled to compensation. The Subscription Period closes on 9 December 2009 at 5.00 p.m. CET.

Joint Global Coordinators:

Danske Markets and Nordea Markets are Joint Global Coordinators.

Termination of the Rights Issue Agreement and withdrawal of the Offering:

The completion of the Offering is subject to no events occurring before 22 November 2009, which is the last day before trading in Preemptive Rights begins, which would make the completion of the Offering inadvisable in the opinion of Royal Unibrew or the Joint Global Coordinators or both parties.

Furthermore, in the period until registration of the capital increase with the Danish Commerce and Companies Agency, the Joint Global Coordinators are each entitled, in certain exceptional and/or unpredictable circumstances (including *force majeure*) to terminate the Rights Issue Agreement and in such case, Royal Unibrew shall withdraw the Offering. The Rights Issue Agreement also contains conditions for the completion of the Offering which Management believes are usual in such offerings, including that the completion of the Offering is subject to compliance with all conditions set out in the Rights Issue Agreement. If one or more conditions for completion of the Offering are not met, the Joint Global Coordinators may, at its discretion, terminate the Rights Issue Agreement and thereby require that the Company withdraw the Offering.

Any withdrawal will be notified immediately to NASDAQ OMX and announced as soon as possible in the same Danish daily newspapers in which the Offering was announced.

If the Offering is not completed, the exercise of Preemptive Rights that has already taken place will automatically be cancelled, the subscription price for Offer Shares will be refunded (less any brokerage fees), all Preemptive Rights will be null and void, and no Offer Shares will be issued, which means that investors who have acquired Preemptive Rights (in off-market transactions) may incur a loss. However, trades in Preemptive Rights executed during the trading period for the Preemptive Rights will not be affected. As a result, investors who acquired Preemptive Rights will incur a loss corresponding to the purchase price of the Preemptive Rights and any brokerage fees.

ISIN codes: Existing Shares DK0010242999 (RBREW)
Offer Shares (temporary code) DK0060195360.
Preemptive Rights DK0060194710

Voting rights: Each Offer Share of DKK 10 carries one vote.

Dividend rights: The Offer Shares carry the same rights as existing shares to full dividends as from the financial year 2009.

Issuing agent: Royal Unibrew's issuing agent is Nordea Bank Denmark A/S, Issuer Services/HH7371, P.O. Box 850, DK-0900 Copenhagen C, Denmark.

Governing law and jurisdiction: The Offering is subject to Danish law. This Prospectus has been prepared in compliance with the standards and requirements of Danish law, including the rules issued by NASDAQ OMX. Any dispute which may arise as a result of the Offering shall be brought before the Danish courts of law.

Selling and transfer restrictions: The Preemptive Rights and the Offer Shares are subject to certain selling and transfer restrictions. See Part II, "Terms and conditions of the Offering – Jurisdictions in which the Offering will be made and restrictions applicable to the Offering".

How to order this Prospectus: Requests for copies of this Prospectus may be addressed to:

Danske Bank A/S	**Nordea Bank Danmark A/S**
Corporate Actions	**Securities Operations/HH7324**
Holmens Kanal 2-12	P.O. Box 850
DK-1092 Copenhagen K	DK-0900 Copenhagen C
Denmark	Denmark
Tel: +45 70 23 08 34	Tel: +45 33 33 50 92
Fax: 43 55 12 23	Fax: 33 33 31 82
E-mail:	E-mail:
prospekter@danskebank.dk	prospekt.ca@nordea.com

This Prospectus can also, with certain exceptions, including prohibition on access by persons located in the United States, be downloaded from the Company's website: www.royalunibrew.com

Expected timetable of principal events

Last day of trading in Existing Shares including Preemptive Rights:	22 November 2009
First day of trading in Existing Shares excluding Preemptive Rights:	23 November 2009
Trading period for Preemptive Rights commences:	23 November 2009
Allocation Time of Preemptive Rights:	25 November 2009 at 12.30 p.m. CET
Date of commencement of the Subscription Period of the Offer Shares:	26 November 2009
End date of trading period of the Preemptive Rights:	4 December 2009 at 5.00 p.m. CET
End date of the Subscription Period of the Offer Shares:	9 December 2009 at 5.00 p.m. CET
Announcement of the result of the Offering:	No later than two Business Days after expiry of the Subscription Period (expected to be on 11 December 2009)
Completion of the Offering:	The Offering will only be completed if and when the Offer Shares subscribed are issued by Royal Unibrew upon registration of the capital increase with the Danish Commerce and Companies Agency (expected to be on 11 December 2009).
The Offer Shares are admitted to trading and official listing under the ISIN code of the Existing Shares:	16 December 2009

SUMMARY FINANCIAL INFORMATION

The table below presents selected historical consolidated financial information extracted from the annual reports for the financial years ended 31 December 2008, 2007 and 2006, which were prepared in accordance with IFRS as adopted by the EU, and selected unaudited interim financial information extracted from the interim report for the nine months ended 30 September 2009 (Q1-Q3 2009) with comparative figures for the nine months ended 30 September 2008 (Q1-Q3 2008), which were prepared in accordance with IAS 34, "Interim Financial Reporting", as adopted by the EU.

Ernst & Young Godkendt Revisionspartnerselskab has reviewed the interim report for the nine months ended 30 September 2009 (Q1-Q3 2009). The comparative figures have been not been reviewed.

TABLE 1: SELECTED CONSOLIDATED FINANCIAL HIGHLIGHTS

(DKKm)	Q1-Q3 2009 Unaudited	Q1-Q3 2008 Unaudited	2008 Audited	2007 Audited	2006 Audited
Income statement					
Net revenue	2,986.9	3,234.4	4,178.7	3,881.8	3,439.0
Production costs	-1,702.6	-1,849.0	-2,433.3	-2,129.2	-1,742.9
Gross profit	1,284.3	1,385.4	1,745.4	1,752.6	1,696.1
Sales and distribution expenses	-888.7	-1,071.4	-1,387.5	-1,268.8	-1,191.2
Administrative expenses	-160.7	-168.7	-223.0	-239.7	-157.2
Operating profit (EBIT before special items)	234.9	145.3	134.9	244.1	347.7
Special items, net	-28.9	-56.8	-50.1	20.2	-14.3
Impairment losses	0.0	0.0	-385.0	0.0	0.0
Profit/loss before financial income and expenses	206.0	88.5	-300.2	264.3	333.4
Income after tax from investments in associates	20.2	14.2	22.7	28.0	26.1
Impairment losses on other investments	0.0	0.0	-70.1	0.0	0.0
Net financials	-100.1	-80.9	-105.4	-72.2	-39.1
Profit/loss before tax	126.1	21.8	-453.0	220.1	320.4
Tax on the profit/loss for the period	-39.4	-7.0	-30.2	-65.0	-90.0
Net profit/loss for the period	86.7	14.8	-483.2	155.1	230.4
Parent company shareholders' share of net profit/loss	84.5	14.1	-484.3	151.7	227.6
Depreciation, amortisation and impairment and gain on sale of long-term assets	132.0	138.4	554.8	128.1	202.5
Cash flows					
Cash flows from operating activities	406.2	74.3	103.2	151.5	425.2
Cash flows from investing activities	-88.8	-395.8	-589.0	-372.3	-304.4
Cash flows from financing activities	-275.6	233.9	418.1	11.7	-39.4
Total cash flows	41.8	-87.6	-67.7	-209.1	81.4
Free cash flow	290.9	-192.0	-356.2	157.0	206.0

TABLE 1: SELECTED CONSOLIDATED FINANCIAL HIGHLIGHTS (CONTINUED)

(DKKm)	Q1-Q3 2009 Unaudited	Q1-Q3 2008 Unaudited	2008 Audited	2007 Audited	2006 Audited
Balance sheet					
Assets					
Total assets	3,769.2	4,222.4	4,051.4	3,781.3	3,413.6
Intangible assets	483.9	808.9	486.4	774.7	507.5
Property, plant and equipment	2,056.6	1,853.3	2,079.4	1,557.0	1,426.9
Financial assets	168.3	274.5	177.1	265.8	280.6
Current assets	1,060.3	1,285.6	1,308.5	1,183.8	1,198.6
Liabilities and equity					
Total liabilities and equity	3,769.2	4,222.4	4,051.4	3,781.3	3,413.6
Equity	611.2	1,058.9	574.8	1,119.5	1,148.1
Non-current liabilities	2,204.9	1,921.6	1,882.9	1,667.7	1,371.6
Current liabilities	953.1	1,241.9	1,593.7	994.1	893.9
Net interest-bearing debt	1,894.8	2,026.2	2,191.9	1,586.1	1,047.8
Net working capital	-41.7	320.4	186.1	316.0	165.5

(DKKm)	Q1-Q3 2009 Unaudited	Q1-Q3 2008 Unaudited	2008 Audited	2007 Audited	2006 Audited
Key figures					
EBITDA	338.1	225.3	254.6	392.5	535.9
Operating profit (EBIT before special items)	234.9	145.3	134.9	244.1	347.7
EBIT	206.0	88.5	-300.2	264.3	333.4
EBITDA margin, %	11.3	7.0	6.1	10.1	15.6
Profit margin (%)	7.9	4.5	3.2	6.3	10.1
EBIT margin (%)	6.9	2.7	-7.2	6.8	9.7
Return on assets (%)	6.4	4.0	3.8	8.0	12.9
Return on invested capital including goodwill (ROIC) (%)	6.0	3.6	3.1	7.4	12.1
Return on equity after tax (%)	10.4	1.3	-57.0	13.7	20.0
Free cash flow as a percentage of revenue	9.7	-5.9	-8.5	4.0	6.0
Net interest-bearing debt to EBITDA	5.6	8.9	8.6	4.0	2.0
Current ratio	0.9	1.0	0.8	1.2	1.3
Equity ratio (%)	16.2	25.1	14.2	29.6	33.6
Debt ratio (%)	310.0	191.3	381.3	141.7	88.7

TABLE 1: SELECTED CONSOLIDATED FINANCIAL HIGHLIGHTS (CONTINUED)

(DKKm)	Q1-Q3 2009 Unaudited	Q1-Q3 2008 Unaudited	2008 Audited	2007 Audited	2006 Audited
Per share data					
Earnings per share (nom. DKK 10), DKK	15.4	2.6	-89.0	26.4	38.0
Diluted earnings per share (nom. DKK 10), DKK	15.4	2.6	-89.0	26.2	37.6
Cash flow per share (nom. DKK 10), DKK	73.9	13.5	19.0	26.3	70.9
Diluted cash flow per share (nom. DKK 10), DKK	73.9	13.5	19.0	26.1	70.2
Book value per share (nom. DKK 10), DKK	102.9	182.8	96.4	183.2	183.7
Market price as at 31 December	175.0	350.0	118.5	534.0	740.0
Price/earnings	11.4	134.6	-1.3	20.2	19.5
Price/earnings, diluted	11.4	134.6	-1.3	20.4	19.7
Market price/book value per share (nom. DKK 10), DKK	1.7	1.9	1.2	2.9	4.0
Proposed dividend per share (nom. DKK 10), DKK	0.0	0.0	0.0	10.0	10.0
Dividend payout ratio	0.0	0.0	0.0	38.9	27.2
Number of shares	5,600,000	5,600,000	5,600,000	5,900,000	6,180,000
Number of treasury shares	106,674	106,674	106,674	316,847	366,343
Average number of shares in circulation	5,493,000	5,502,000	5,500,000	5,755,000	5,998,000
Average dilutive effect of outstanding share options	0	0	0	37,000	62,000
Average number of shares in circulation, diluted	5,493,000	5,502,000	5,500,000	5,792,000	6,060,000
Employees					
Average number of employees	2,730	2,750	2,755	2,659	2,278

With the exception of ROIC, the financial highlights have been prepared on the basis of IFRS and "Recommendations and key figures 2005" issued by The Danish Society of Financial Analysts. See "Definitions – Definitions of key ratios".

RISK FACTORS

Investing in the Preemptive Rights, the Offer Shares or the Existing Shares involves a high degree of risk. You should consider carefully the following risk factors, which Management considers material, in conjunction with other information contained in this Prospectus in connection with making any investment decision with respect to the Preemptive Rights, the Offer Shares or the Existing Shares.

These risks are not the only ones the Company faces. They should be taken as an expression of the risk factors which Management believes are particularly important and relevant for the Company at present. Should any of the following risks occur, it could have a material adverse effect on the Company's results of operations, cash flows and financial position. However, additional risks not presently known to Management or that Management currently deems immaterial may also have a material adverse effect on the Company's business operations and development. In addition, the section includes certain risks in connection with the Offering which could also have a material adverse effect on the Shares.

This Prospectus also contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the risks the Company faces as described below and elsewhere in this Prospectus.

The risk factors set out below are not listed in any order of priority with regard to significance or likelihood of occurrence. It is not possible to quantify the significance to the Company of each individual risk factor as each of the risk factors mentioned below may materialise to a greater or lesser degree and have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Risks related to the Company's financial results and financial resources

The Company generated a significant loss in the financial year 2008

The Company generated a significant loss in the financial year 2008 of DKK 483 million after tax. The loss was materially adversely impacted by a DKK 455 million impairment loss relating to the Company's assets in Poland, as well as special non-recurring expenses of DKK 50 million relating to a restructuring of the Danish production and distribution activities. In addition, the results were adversely impacted by a general fall in economic growth in most of the Company's markets, as well as rising raw material prices and higher funding costs as a result of a significant increase in the net interest-bearing debt.

During 2009, Management has made several adjustments to improve earnings. In Poland, the brewery in Koszalin and the local brands were divested, which in combination with other adjustments will result in a reduction of the staff by 125 full-time employees in 2009. Also, the Company completed the planned restructuring of its production and distribution activities in Denmark and reduced the number of salaried staff by 100 to counter-act the effects of a general decline in demand. In relation to its Baltic operations, the Company has set up a joint operative management and integrated the organisations in Lithuania and Latvia. In August 2009, the Company announced the signing of a conditional agreement for the divestment of the Caribbean Companies.

Despite the above-mentioned adjustments, there can be no assurance that the Company will generate a profit in the future.

Future actual financial results may differ significantly from forecasts made

Like most other enterprises, the Company is directly and indirectly exposed to the crisis that hit the financial sector in 2007 – and which later developed into a general economic crisis - as well as the resulting negative economic developments. The outlook for the financial years 2009 and 2010 contained in this Prospectus are based on a number of assumptions, including that impairment tests do not indicate a need for material write-downs. If these assumptions fail to materialise, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position. Under the present market conditions, Management's forecasts – and hence the below-stated assumptions – will be more uncertain than usual, all other things being equal, and the risk of future actual financial results deviating from the expected future financial results will be correspondingly higher.

Management believes that the principal assumptions for the Company's forecasts relate to:

2009 assumptions

The Company's expectations to revenue and profit for 2009 are based on the following main assumptions:

- The conditional agreement on the sale of the Company's Caribbean Companies is assumed to be finally completed around the 2009/2010 year end, and the Caribbean Companies are thus fully consolidated in the income statement and balance sheet in 2009.

- Sales and net revenue in the fourth quarter of 2009 are assumed to fall relative to 2008. However, it is estimated that the negative growth rate for sales developments relative to 2008 has recently declined in a number of the Company's markets.

- The intensified price competition in 2009 in several markets in Northern Europe is expected to continue in the fourth quarter of 2009.

- An expansion or retention of the market shares for the Company's principal brands in the key markets is still expected.

- Implementation of the investment programme for 2009 totalling DKK 240 million.

- Depreciation and amortisation is estimated at DKK 215 million.

- Special costs are expected to amount to DKK 35 million, primarily deriving from the adjustment of activities in Poland and organisational restructuring in Denmark.

- The Company's principal risks in connection with currency transactions for the remainder of the year are hedged using exchange rate hedging pursuant to the Company's policy.

- The Company's estimated tax is expected to be 32% of expected EBIT less an amount corresponding to about 13% of the Company's net funding costs.

2010 assumptions

The Company's expectations to revenue and profit for 2010 are based on the following main assumptions:

- The conditional agreement on the sale of the Company's Caribbean Companies is assumed to be finally completed around the 2009/2010 year end at the carrying amount, and the Caribbean Companies are thus not consolidated in the income statement and balance sheet in 2010. This is expected to reduce the Company's revenue by approximately DKK 150 million and EBITDA by about DKK 30 million.

- It is estimated that consumption in the Company's key markets will continue to decline compared with 2009, and consumption in the Western European markets is not expected to stabilise until in the second half of 2010. In Eastern Europe and the markets for malt drinks, the impact of the global economic crisis is still expected to push down consumption – also in the second half of 2010.

- It is estimated that the risk of continuing intense price competition is highest in Northern Europe. Thus, only selective list price increases are assumed.

- The Company expects to increase or retain its market share for the principal products in the key markets.
- Sales and net revenue in 2010 are projected to be lower than in 2009 after adjustment for the divest-

ment of the Caribbean Companies due to the expected market developments.

- Net production costs are expected to be lower in 2010 than in 2009, among other things due to efficiency improvements, improved raw materials prices, rising maintenance costs and a certain amount of inflation adjustment of various other expenses.

- Net sales and distribution costs are expected to be somewhat lower in 2010 than in 2009, among other things due to efficiency improvements in connection with the changed distribution structure in Denmark, savings due to the organisational adjustments in Denmark, Poland and the Baltic countries and an increase in marketing costs in connection with the focus on selective growth opportunities and innovation.

- Administrative expenses are expected to be somewhat lower in 2010 than in 2009 due to the organisational adjustments in Denmark, Poland and the Baltic countries.

- In Poland, initiatives launched and planned are expected to result in break even at the EBITDA level.

- Pursuant to the Company's policy for hedging raw materials prices, during 2009 hedging agreements were concluded for the most important raw materials (cans (aluminium), malt (barley), hops and energy) covering most of the estimated need for 2010.

- The exchange rates applied in the expectations are 5.30 DKK/USD, 7.46 DKK/EUR, 8.70 DKK/GBP, 1.85 DKK/PLN, 2.16 DKK/LTL and 10.6 DKK/LVL.

- No special items are assumed for 2010.

- Investments are expected to amount to DKK 130 million.

- Depreciation and amortisation is estimated at DKK 200 million after divestment of the Caribbean Companies.

- The Company's estimated tax is expected to be 27% of expected EBIT and less an amount corresponding to about 17% of the Company's net funding costs.

There can be no assurance that the assumptions on which the prospective financial information is based will materialise, and unexpected events may have a negative impact on future actual results, notwithstanding that the assumptions relating to the financial years ended 31 December 2009 and 2010 otherwise prove correct. As a result, future actual results may differ significantly from forecasts.

The Company has built up substantial financial gearing

At 30 September 2009, the Company had total net interest-bearing debt of around DKK 1,895 million and total assets of DKK 3,769 million. Adjusted for the net proceeds from the Offering if the maximum number of Shares is subscribed, the overall net interest-bearing debt would have been DKK 1,500 million at 30 September 2009. The Company has had and also expects in the future to have a certain debt level for the financing of its operations.

If the Company is unable to meet certain obligations in the future, including covenants of the Company's loan agreements in relation to its debt funding, *inter alia* as a result of cross default provisions, the Company may be faced with a demand to repay substantial parts of its debt. See "Capital resources".

Also, if the Company is unable to repay or refinance its debt on reasonable terms as it falls due, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Should the Company need additional funding in future, such funding may be difficult to obtain

If the Company's expectations to the future do not materialise, the Company may need further funding in the future and when the expected proceeds from the Offering have been spent, there can be no assurance that the Company will be able to attract the capital required to ensure its continued operations, or that it will be able to attract such capital on attractive terms. This could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Risks related to currency and other financial risks

The Company is exposed to changes in exchange rates

The Company is exposed to foreign exchange risks through the geographical diversification of its operations. In particular, this exchange rate exposure relates to the Company's export activities, in which income and cash flows are in foreign currency, and to the Company's purchases of aluminium cans which involve an indirect USD risk in respect of the part of the can's purchase price relating to the raw material (aluminium).

The Company's currency cash flows are mainly denominated in EUR, GBP, LTL and LVL but relative to the Company's reporting currency, the DKK, the most important currency risks are related to USD, GBP, LTL, LVL, PLN and SEK. At present, external hedging of the Company's exposure to LTL and LVL is not possible.

Purchases are to a high degree made in currencies in which the Company generates income, which helps to reduce the overall foreign exchange exposure.

Based on the expected currency cash flows in 2010, the gross risk relating to exchange rate fluctuations accounts for around 5% of expected EBITDA expressed as the maximum loss at 95% probability. However, the Company seeks continuously to hedge such foreign exchange risks to account for a maximum of 1% of expected EBITDA in order to reduce the adverse effects on the Company's results of operations and cash flows.

Historically, foreign exchange risks have existed in connection with converting loans to and from the Company's subsidiaries and in connection with the Company's net debt, if such debt was not raised in DKK. However, intra-group loans do currently not exist to any major degree.

Also, the Company is exposed to a currency translation risk, mainly in relation to Latvia and Lithuania, because any devaluation of the local currencies of these countries (LVL and LTL) could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company has invested in assets and enterprises outside Denmark, but as a main rule, foreign exchange risks related to such investments will not be hedged. Financial risks – e.g. loss of competitiveness resulting from long-term exchange rate fluctuations - are also not hedged by way of financial instruments, but form part of the Company's strategic considerations.

Any developments unfavourable to the Company in the mentioned currencies could have a materially adverse effect on its future performance, results of operations, cash flows and financial position.

The Company is exposed to changes in interest rates

The Company is exposed to interest rate risks through its loan portfolio because changes in interest rates will impact the market value of fixed-rate loans, including interest rate swaps, and the interest payments on floating-rate obligations. Debt is only raised in currencies in which the Company has commercial activities. Interest rate movements unfavourable to the Company may, however, either increase its interest expenses or reduce its interest income, which could have a material adverse effect on the Company's results of operations, cash flows and financial position.

The Company sees the immediate effect of interest rate changes on its interest payment flows as the most significant interest rate risk. However, it is the Company's policy to reduce the effect of interest rate changes on its results of operations and payment flows - *inter alia* through hedging by way of interest rate swaps.

The Company is exposed to losses on debtors or other counterparties

The Company is mainly exposed to credit risks in relation to the risk of loss on trade receivables and in relation to general counterparty risks. The Company's counterparties comprise, *inter alia*, insurance companies relative to the Company's insurance cover and banks relative to the Company's bank debt and financial instruments entered into to hedge financial risks, including interest rate swaps and forward contracts on raw materials prices.

The Company seeks to reduce risks relating to credit granting to customers outside Denmark by applying insurance coverage. If insurance cover is not established or if it is exceeded, the Company has procedures for approving such risks. However, there are no material credit risks related to individual customers.

There can be no assurance, however, that the Company will not suffer major losses on debtors or other counterparties in the future or that such losses will be sufficiently covered through credit insurance, and this could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Risks related to the Company's production and production facilities

The Company relies on efficient and up-to-date production facilities

The Company has a number of production facilities, and the continuous upgrading of such facilities is very cost-intensive. Hence, the Company has invested heavily in upgrading facilities in recent years, including the transfer of brew house capacity from Aarhus to Faxe and Odense, the setup of PET bottling lines in Faxe, Latvia and Lithuania, as well as the establishment of a new line for aseptic carton filling and packaging in Latvia. There can be no assurance that the Company will have sufficient capital to carry out the required upgrading of the production facilities in the future and there can be no assurance that the Company will have the capital required to build new production facilities, should this become necessary – for instance if technology leaps within production were to result in the Company's production facilities or parts thereof becoming obsolete.

Even if Management believes that the Company's investments in new production facilities and current preventive investments, as well as maintenance of existing production facilities are sufficient to ensure unrestricted supplies to customers, it cannot be ruled out that breakdowns in equipment could occur which could result in the Company becoming unable to supply markets with individual goods for a shorter or longer period of time, which would have an adverse effect on the Company's sales and earnings.

Management believes that having cost-efficient production is a prerequisite for the Company's profitability. In addition to costs of raw materials and energy, the largest production costs relate to wages and maintenance and depreciation of production facilities.

Should the Company in the future not have sufficient capital at its disposal to carry out the required upgrading of the production facilities or to build new production facilities, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position. Also, if the Company is unable to maintain a competitive cost level, it would have a material effect on the assumptions for the Company's future profitability.

The Company risks being exposed to product liability – e.g. as a result of contaminated products

The Company risks being exposed to claims related to product liability as a result of the Company's activities within the food industry.

There can be no assurance that product liability claims will not be filed against the Company or that compensation or other relief will not be sought from the Company for any such claims.

There is a risk of contamination of the Company's products in each step of the value chain, including production and delivery of raw materials, brewing and bottling/canning, storing and delivery of the products at the distributors and dealers, as well as the final storage in connection with sales to consumers. Even if Management is confident that the Company takes the required precautions to ensure that its products are not contaminated – including quality control of the production input, the production process and the finished product – there can be no assurance to that effect, and if any of the Company's products were to become contaminated, the Company risks production disruption, as well as product recalls and litigation, which could have a material adverse effect on the Company's reputation, its future performance, results from operations, cash flows and financial position.

Although the Company has taken out product liability insurance, it may prove impossible to obtain or maintain adequate insurance cover against potential liabilities on feasible and acceptable terms.

If the Company fails to maintain insurance or other protection against potential product liability claims, if such insurance cannot be taken out on feasible and acceptable terms, or if the insurance is insufficient to cover potential claims, the Company could incur material obligations and/or costs, which could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company is exposed to risks relating to changes in existing regulation, increased regulation or non-compliance with existing licence, trade or other regulation

The Company's brewing, bottling, marketing, sales and distribution activities are subject to national legislation and regulation in the countries in which the Company operates in terms of e.g. licence claims, trade and pricing practice, labelling, advertising, commercial and marketing practices, relations to distributors, as well as environmental, tax, work-related and other matters. Non-compliance with such rules and regulations could result in loss, withdrawal or termination of the Company's licences, permits or authorisations. Furthermore, changes in each of these rules and regulations or other laws could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position. There can be no assurance that the Company will not incur significant costs or liabilities in connection with the compliance with applicable regulatory requirements or that such rules will not affect or restrict the Company's business. This could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The scope of regulation that the Company must comply with may be impacted by changes in the public perception of beer and soft drinks consumption. In respect of beer, public authorities may react to public pressure to restrict the consumption of alcohol by raising the age for the legal consumption of alcohol, further restrict the number, type and opening hours of retail outlets or expand the approval requirements to outlets in the retail trade. In respect of soft drinks, public authorities may react to public pressure to prevent obesity by restricting the consumption of soft drinks at schools and other public institutions. Furthermore, public authorities may define additional restrictions for the advertising style used and as to which media or messages may be used in the marketing of beer and soft drinks. Such developments or restrictions on the sale and consumption of beer or increasing retail prices on beer or soft drinks as a result of further public regulation, taxation or the like could force the Company to raise its prices, which could result in a decline in the Company's sales or a fall in its margins. This could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Changes in existing legislation on bottle and can deposits, VAT, duties and other fees or in respect of packaging forms permitted could have an effect on the Company's sales in the individual markets. In particular, changes in existing legislation in Denmark or Germany could have an adverse effect on the cross-border trade in beer and soft drinks between the two countries. This could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position because the Company's share of the Cross-border Trade is higher than its market share in Denmark.

Furthermore, the Company's activities require access to significant amounts of water. If a general shortage of water were to occur in any of the markets in which the Company operates, the local or central governments or other authorities could restrict the water supply to the Company and other enterprises with a view to maintaining sufficient supplies for drinking water and other public necessities. A prolonged disruption of the Company's water supplies or significant increases in water charges could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Amendments to existing standards, laws and regulations, introduction of new ones and implementation of supervision, investigation and receipt of injunctions could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company is exposed to environmental risks

The Company's activities are subject to a number of environmental protection acts and regulations, including acts on the recycling of cans and bottles, emission of polluting substances in the air and water, handling and disposal of hazardous substances and waste, as well as cleaning up pollution. The Company could incur substantial costs relating to cleaning up, penalties and civil or criminal sanctions, claims for damage to property or persons, or reduction or discontinuation of operations due to breach of or liability for damages under environmental legislation or non-compliance with the environmental approvals required for the Company's production facilities. Complying with environmental law adopted or introduced in the future may involve significant costs and there can be no assurance that the Company will not incur environmental liability in the future. Management believes that the Company generally complies with current environmental legislation and possesses the necessary permits.
However, there can be no assurance that the sites used by the Company now or in the past are not or will not become polluted and, similarly, there can be no assurance that the Company's activities have not resulted in or will not result in pollution of soil or groundwater. If the Company is ordered to clean up any potential pollution present at the sites used by the Company now or in the past, or is otherwise required to take steps to limit the effects of a potential source of pollution, or is faced with claims for remedial work, fines or civil penalties, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

In connection with its acquisitions of other enterprises, the Company has generally performed environmental studies as part of the acquisition process. At the acquisition of the Livu Alus brewery in Latvia in 2008, environmental studies were not performed, however, and hence, there can be no assurance that pollution does not exist in connection with the brewery to a degree which extends beyond usual expectations and which is not covered by the environmental guarantees relating to the Livu Alus purchase agreement.

The Company wishes to sell the brewery site in Aarhus and has performed initial environmental studies for that purpose. These studies indicate pollution on the site to the degree to be expected for a site which has been used for brewing operations for more than 100 years. In addition, significant amounts of fly ash have been used in the establishment of the driving area. Based on the environmental studies performed so far, Management does not expect the environmental issues to have any material adverse effect on the sales process or the valuation. However, there can be no assurance that new examinations of the site or buildings on the site will not show pollution of an otherwise unknown nature which could hamper the sale or reduce the value of the site. If this were to happen, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company is exposed to risks in relation to damage to its production facilities

The Company owns a number of production facilities which could temporarily or permanently cease to operate in full or in part if an accident, fire or other incident were to occur.

The total loss of a production plant due to fire constitutes the single most important risk for the Company, as the re-establishment of production facilities would be very time-consuming, thus involving the risk of losing market share and the risk of consequential loss. Following the merger of the Danish production facilities, the consequences of this risk have increased, since production is now consolidated at two production locations, in Odense and Faxe, each of which represent a larger part of the overall production than they did previously.

Historically, the Company has not been hit by material damage to its production locations but has taken out all risk insurance for all production facilities, *inter alia* comprising damage from fire, water and theft, as well as consequential loss. In addition, the Company works systematically to prevent damage, and most production facilities have 24-hour surveillance, and all facilities have had fire fighting procedures and sprinkler systems installed in critical areas.

There can be no assurance that these measures are adequate or that the insurance policies taken out cover any potential damage or that they may be maintained on feasible terms. If one or more production facilities temporarily or permanently cease to operate in full or in part and/or if the Company has failed to take out or is unable to maintain the required insurance policies, including if this cannot be effected on feasible terms, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Risks related to the Company's business and the market in which it operates

Several factors relating to consumer preferences and consumer behaviour may reduce demand for the Company's products

The beverages industry is very competitive and the beer segment in particular also experiences strong competition from other types of beverages. Retaining the Company's competitive position depends on the Company's continued ability to offer products that appeal to consumers. Consumer demand for beer and soft drinks depends on a number of factors, such as changes in demographic developments or social conditions, health perceptions (e.g. concerns of whether soft drinks contribute to obesity or health problems in connection with artificial sweeteners used instead of sugar in certain diet products) the launch of alternatives and negative changes in the economy that could make consumers less inclined to buy beer products and soft drinks, and/or which could lead to consumption of alternative products. Reduced consumption of beer and soft drinks in the Company's main markets or a change in consumer preferences in markets where the Company is only represented by selected products could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The alcohol segment has attracted significant public and political attention in recent years due to increased focus on alcohol-related social problems, including drunk driving, the alcohol habits of minors and on the health consequences of alcohol abuse, including alcoholism and obesity. In addition, a number of anti-alcohol groups advocate increased public intervention in a number of areas to the disadvantage of the beer industry, including legislation on new labelling and packaging requirements and restrictions on advertising, which could have an adverse effect on the sale of the Company's products. If beer consumption in general is discredited by consumers or if the alcohol industry becomes subject to more public regulation, it could have an adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company is exposed to the risk of economic downturn or recession and to a reduction in per capita income

Like most other enterprises, the Company is directly and indirectly exposed to the crisis that hit the financial sector in 2007 – and which later developed into a general economic crisis - as well as the resulting negative economic developments. The effect is global and has hit many countries, sectors and industries in Europe and the USA in particular and hence the Company's markets which have seen a general decline in the demand for beer and soft drinks.

The Company will continue to be exposed to the risk of economic downturn or recession, either globally or on one or more of its main markets, and the Company may risk that the present global economic trends deteriorate in the future. All of this may lead to falling beer and soft drink prices, lower net revenue and reduced earnings and could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The consumption of beer and soft drinks on new markets and growth markets, where the Company operates, is related to general economic trends and tends to increase during periods of rising per capita income and to fall during periods of falling per capita income. In addition to moving with the per capita income, beer consumption also rises and falls with changes in disposable incomes. Any fall in disposable incomes as a result of higher income taxes, costs of living or other factors could have an adverse effect on the demand for beer and soft drinks, which could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company's future performance, results of operations, cash flows and financial position may be impacted by higher duties and taxes

From time to time, the various regulatory authorities in the countries in which the Company operates consider proposals to impose new taxes and duties on the production and sale of alcoholic beverages, including beer, and soft drinks. Changes in the duties imposed on the Company's products affect the price at which the products can be sold and may result in changed demand for the Company's products. Increases in taxes and duties may have a material adverse effect on sales volumes. There can be no assurance that local, national or foreign authorities will not impose higher taxes and duties on the activities in the Company's breweries and other facilities, which could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Global and regional disasters and other accidents may have an adverse impact on the Company's future performance, results of operations, cash flows and financial position

The Company's business and results of operations may be impacted by various disasters or other accidents, including acts of terrorism, natural disasters and epidemics, or other events (such as power failure, loss of water supply, etc.). If such events were to occur in a geographical area in which the Company operates, it could have a material adverse effect on sales volumes, raw material supplies, costs, earnings and generally on the Company's future performance, results of operations, cash flows and financial position.

The Company operates in several markets and is exposed to political and financial risks in these markets

The Company operates in a number of markets and is exposed to risks relating thereto, including political and financial unrest and any lack of law enforcement. Such factors and other potential factors could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Also, growth in some of these markets may not meet the Company's expectations, the markets may be hit by recession and inflation, and the currency may depreciate, which could have an adverse effect on the demand for the Company's products, the price the customers pay or the costs of operating the Company.

Negative publicity may harm the Company's business

Media coverage and publicity in general may have a significant impact on consumer behaviour and actions. For instance, reduced social acceptance of beer and soft drinks may result in lower sales of the Company's products. The alcohol trade has been subject to increasing public and political focus in recent years. This focus is the result of public attention to alcohol-related issues, such as drunk driving, the alcohol habits of minors and the health consequences of alcohol abuse as well as soft drinks related issues, such as the health effect of excessive consumption of soft drinks. Negative publicity in respect of the consumption of alcohol or soft drinks, the publication of studies indicating that the consumption of alcohol or soft drinks entails a significant health risk, or changes in consumers' general perception of beer or soft drinks may have an adverse impact on the demand for the Company's products and may harm the Company's future performance, results of operations, cash flows and financial position as consumers and customers change their purchasing patterns.

If Royal Unibrew, one of its subsidiaries or licencees is exposed to negative publicity and if such negative publicity results in consumers and customers changing their purchasing patterns, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company operates in a competitive market, which may have an adverse effect on the Company's profitability

The Company is subject to competition from existing competitors and potential new players in the market and from other beverages. The Company competes with small local players, as well as large global ones, some of which have substantially larger resources at their disposal than the Company does. In general, breweries compete on the basis of brand image, innovation skills, price, customer service, quality, operational efficiency and distribution networks. Also, competing breweries may launch new brands, packaging, products, campaigns with lower prices or other competitive advantages in the individual markets, which could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

There can be no assurance that significant increases in advertising and marketing costs, loss of sales volumes, falling prices or a combination of these or other factors resulting from increased competition will not have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company's reliance on dealers may in the longer term reduce the Company's net revenue and competitive strength

The Company mainly sells its products directly to external dealers in the retail trade, including supermarkets, specialty shops selling beer and alcohol, bars, restaurants and, to a lesser degree, wholesalers, who sell the products to retailers. The Company's products compete for shelf space in retail stores because the retailers offer other similar products (including own brands) and because large dealers and large bar chains have achieved substantial market share and negotiating power through consolidation and organic growth. If external dealers prefer other products, reduce their purchases of the Company's products or provide insufficient marketing support to the Company's products, this could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position. Changes in the Company's relationship with external dealers (and wholesalers) including as a result of greater consolidation in the sales channels or for other reasons could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company may not be able to protect its intellectual property rights

The Company's future success significantly depends on its ability to protect its existing and future brands and products and defend its intellectual property rights. The Company has obtained several licences and trademark registrations covering its brands and products and has filed and expects to continue to file trademark applications in order to protect newly-developed brands and products. There can be no assurance that the trademark registrations applied for will be granted. There is also a risk that the Company fails to renew a trademark or a licence in due time, or that the Company's competitors challenge, reverse or circumvent existing or future trademarks issued to the Company or which the Company has licensed to other parties.

Any event or series of events which materially harm the reputation of one or more of the Company's brands could have an adverse effect on the value of the relevant brands and the income generated by such brands. There can be no assurance that the measures taken by the Company to protect its portfolio of intellectual property rights (including trademark registration and registration of domain names) are sufficient or that third parties will not infringe or unlawfully use the intellectual property rights. Furthermore, it is more difficult to enforce the protection of intellectual property rights in some of the Company's markets than it is in Europe. If the Company is unable to protect its intellectual property rights against infringement or unlawful use, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company relies on licence agreements with other breweries

Royal Unibrew has signed licence agreements with other breweries for the production, marketing and sale of selected products in a number of its markets.

Royal Unibrew has signed an agreement with Pepsico regarding the production and sale of the products Pepsi, Pepsi Max, 7UP, Lipton Ice Tea, Evervess, Mirinda and Aqua Minerale covering the markets of Denmark, Greenland and the Faroe Islands. In respect of the Pepsi agreement, Pepsico has the right to terminate the agreement in the event of certain changes to the ownership structure of Royal Unibrew, in which case Pepsico would be entitled to demand payment of a penalty equivalent to twice the value of Royal Unibrew's purchases of Pepsi concentrate during the 12-month period prior to the change of ownership structure. The value of the penalty, if any, calculated on the basis of the past 12 months' purchases of Pepsi concentrates, is DKK 120 million. The penalty provision may also be applied in certain breach of contract situations.

Furthermore, Royal Unibrew has an exclusive right to produce and sell Heineken in Denmark. See "Material contracts".

If any of the Company's licence agreements were to be terminated, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Dependence on business decisions made by co-shareholders due to part ownership of certain assets and activities

Some of Royal Unibrew's activities are owned together with other breweries or investors, including the enterprises Nuuk Imeq A/S operating in Greenland and Hansa Borg Skandinavisk Holding A/S operating in Norway. Royal Unibrew owns 32% and 25%, respectively, of the share capital in these enterprises and hence does not have full control of their operational and financial management. The terms governing the operation and ownership are specified in the shareholder agreements, and the co-owners of the individual enterprises must consent to any changes thereof.

Furthermore, Royal Unibrew owns 35% of the shares in Solomon Breweries Ltd. and the shareholder issues in this respect are regulated by this company's articles of association. Also, Royal Unibrew owns 48% of the shares in Perla Browary Lubelskie, S.A. which does not have any shareholder protection other than under Polish legislation.

The other co-shareholders of the above-mentioned enterprises may make decisions which are not in the interest of Royal Unibrew or which do not comply with Royal Unibrew's strategic aims, and such potential decisions could have a material adverse effect on the activities and the financial position of these enterprises and, in turn, a material adverse effect on Royal Unibrew's future performance, results of operations, cash flows and financial position. See "Material contracts".

Unusual seasonal and other fluctuations in the Company's sales may occur

Seasonal consumption may result in fluctuations in the demand for the Company's products. The demand for beer and soft drinks in the Company's largest markets and hence the Company's revenue is usually lowest during the first three months of the year, while the summer months usually see higher net revenue.

However, extremely low or high summer temperatures in the Company's main markets may result in temporary negative fluctuations in the demand for the Company's products, because consumers reduce their consumption or replace beer with alternative beverages, which could have a material adverse effect on the Company's results of operations, cash flows and financial position.

As a result, the Company has experienced significant fluctuations in net revenue and financial performance by its business activities over the course of the year, and Management expects that fluctuations will continue to occur in the future.

The Company is exposed to changes in raw material and energy prices and to shortage of raw materials and packaging

Management cannot predict the future availability or prices of the raw materials and packaging used by the Company in its production. The markets for the relevant raw materials have been and continue to be subject to price fluctuations. The Company's performance, results of operations, cash flows and financial position have been and will in the future be impacted by the availability and the prices of certain raw materials – in particular cans (aluminium), malt (barley), hops and energy, as well as glass and PET bottles and carton packaging.

Raw material and packaging prices are determined, *inter alia*, by the suppliers' relative strength, global supply and demand and other factors, such as changes in exchange rates, energy prices, the global yield of crops, public regulation and legislation in the agricultural area; all factors which are beyond the Company's control. Furthermore, the supply and prices of raw materials will be affected by factors, such as frost, drought, or other poor weather conditions, economic factors impacting the choice of crops, and various plant diseases and vermin. If such factors impact the ingredients used to manufacture the Company's products, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

A significant increase in the prices of the mentioned materials, if it cannot be passed on to the price paid by the customer, non-availability of materials or prolonged disruption in the supply hereof could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Energy prices, including oil, natural gas, petrol and diesel prices, are important to the costs of operating, and continued high energy prices could have an adverse effect on the Company's results of operations and the demand for its products. Events such as natural disasters may have an adverse effect on fuel supplies and the timely delivery of the Company's products to the customers. Historically, the Company has seen significant increases in energy costs resulting in higher transport, freight and other operating costs. The Company's future operating costs and margins depend on the Company's ability to control the impact of higher costs. There can be no assurance that the Company will be able to incorporate higher energy costs into the prices paid by the customers.

The basis for procurement and hedging differ for the various raw materials used by the Company. To counter-act sudden changes in raw materials prices, the Company signs fixed-price agreements with relevant suppliers and sets up financial contracts to partially hedge the risk of higher aluminium prices and oil prices in respect of the Company's procurement of cans and bottles. However, there can be no assurance that the Company does not experience rising raw material prices in the future which are not covered by fixed-price agreements or financial contracts, and this could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company relies on the timely delivery of raw materials of a satisfactory quality

The Company contracts with a number of suppliers of raw materials used in the production of its products. This applies mainly to the procurement of cans (aluminium), malt (barley), hops and energy, as well as glass and PET bottles and carton packaging. In respect of certain raw materials, the Company has a limited number of suppliers. See "Material contracts". Hence, any termination of the contracts with one or more suppliers or non-observance by a supplier (for whatever reason) of their obligations in relation to the required volume and quality could result in the non-delivery of the required raw materials. This would force the Company to buy from alternative suppliers, which may not be possible on feasible terms or with timely delivery. See also "Material contracts".

Sudden pollution, closedown or drying-out of springs providing water to the production of bottled water could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

If the Company cannot obtain timely delivery of the necessary raw materials at competitive prices and in the right quality, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company relies on certain major customers

Part of the Company's revenue is generated from sales to major customers, particularly in the retail segment. The largest individual customer accounts for around 5% of Group revenue.

If one or more of the Company's major customers terminates contracts with the Company or ceases to buy its products, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company relies on its ability to freely produce and sell its products without infringing upon third-party rights

If third-party rights exist or will exist in the future (such as other enterprises' trademarks) which prevent the Company from producing or selling its products, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

Risks related to litigation and divested and closed companies

The Company may become involved in litigation or arbitration and may become exposed to such cases in the future

The Company may become involved in litigation and arbitration and could be held liable in damages, if the cases have a negative outcome for the Company. This could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.
If the Company is not successful in possible litigation and arbitration cases, the Company may be ordered to pay substantial amounts to other parties. See "Litigation" for a description of pending disputes. If the Company's assessment of whether provisions for losses should be made is not at a given time reflective of subsequent developments or the final outcome of a case, and of potential future related claims, the Company's future performance, results of operations, cash flows and financial position could deviate substantially from expectations.

Proceedings, including law suits are from time to time initiated against enterprises in the beverage trade in respect of alcohol advertising, alcohol abuse programs or the health consequences of excessive alcohol consumption, in particular in respect of persons under the age for lawful consumption of alcohol. Furthermore, proceedings, including law suits are from time to time initiated against enterprises in the soft drinks trade in respect of the health effects of excessive consumption of soft drinks, particularly in relation to obesity. If such law suit were initiated against the Company it may result in fines, damages or reputational damage and could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company is exposed to risks related to divested and closed operations/companies

The Company is exposed to risks related to any divestment or closedown of operations. Such risks involve claims by the purchasers of the sold activities and any regulatory requirements in the countries in which the divested or closed operations are located.

Hence, circumstances relating to the Company's historical divestments and closedowns of operations, including possible claims, disputes or law suits, may result in the Company being held liable in damages, which could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

However, Management believes that no circumstances exist as at the Prospectus Date relating to divested or closed operations which could lead to material claims for damages.

In respect of the agreement signed by the Company on the sale of its Caribbean Companies, there is a risk that the agreement will be cancelled prior to closing because it is conditional on a large number of factors, including approval by the Antigua government and certain licensors' acceptance of the change of ownership. A number of these factors must be clarified by 15 January 2010 and the remaining factors on or before 12 February 2010. If the factors which must be clarified by 15 January 2010 have not been resolved by that time and the parties have not agreed on an extension of the time limit, the buyer will be entitled to cancel the agreement. If the agreement lapses on 12 February 2010 as a result of non-compliance with the terms and conditions of the transaction, the parties will be free to make other arrangements. However, for a period of two years from the lapse of the conditional agreement, Cerveceria Nacional Dominicana C. por A. will have a right of first refusal to Royal Unibrew's shares in the Caribbean Companies if certain special circumstances apply at the time of the lapse of the conditional agreement. Alternatively, under such special circumstances, Cerveceria Nacional Dominicana C. por A. will, during the mentioned two-year period, have a right to receive a share of Royal Unibrew's proceeds from any subsequent sale of the Caribbean Companies. Final closing of the transaction is expected to take place at year-end 2009. Also, Royal Unibrew has undertaken not to set up competing business on Dominica, St. Vincent and Antigua for a period of five years from the final closing of the agreement. See "Material contracts" for further details.

The Company wishes to divest the brewery site in Aarhus. The Company is awaiting the adoption of a local development plan in this respect. A number of factors, including late adoption of the local development plan or unfavourable market conditions may delay the divestment of the site and perhaps reduce its value. Furthermore, changes to the local development plan may adversely affect a divestment of the brewery site and the value of the site.

Risks related to employees

The Company relies on its ability to attract and retain qualified employees

The ability to recruit and retain qualified employees is key to the Company.
There can be no assurance that the Company will be able to attract and retain such employees on acceptable terms in the future, and if this is not the case, it could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company may become involved in industrial injury cases

The Company has been and risks becoming involved in industrial injury cases. If it is unable to obtain or maintain adequate insurance coverage for its liabilities related to industrial injuries, including if insurance coverage cannot be obtained on feasible terms, or if the insurance coverage is insufficient, the Company may incur substantial liabilities and/or costs, and this could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position.

The Company has not been involved in industrial injuries which have resulted in material claims for damages. The Company had a working accident in Poland in 2008 that had fatal consequences and actions relating to this incident have now been finalised.

Labour disputes may cause work stoppages, strikes and/or disruptions

The Company has implemented and may continue to implement restructuring measures including divestment and closedown of subsidiaries, closedown of production facilities and reductions in the workforce. In particular restructurings, but also other factors such as disagreements concerning ordinary collective bargaining, may damage the Company's reputation and the relationship to its employees and lead to labour disputes, including work stoppages, strikes and/or disruptions, which could have a material adverse effect on the Company's future performance, results of operations, cash flows and financial position. However, no significant cases of this kind have occurred in the past.

Risks related to the Offering

The market price of the Company's Shares and the Preemptive Rights may be highly volatile

The market price of the Company's Shares and the Preemptive Rights may be highly volatile. The stock market in general has experienced high volatility that has often been unrelated to the operating performance of the particular companies. There can be no assurance that such fluctuations, even if otherwise unrelated to the Company's business, will not have a material adverse effect on the price of the Company's Shares and Preemptive Rights.

Royal Unibrew may issue additional Shares or other securities in the future, which could have an adverse impact on the price of the Shares

After the Offering, Royal Unibrew is restricted by a lock-up arrangement which, *inter alia*, regulates Royal Unibrew's opportunities for issuing additional Shares in future. See Part II, "Lock-up agreement in connection with the Offering" for a more detailed description of the agreement, including any exceptions thereto. Following the end of the lock-up period, Royal Unibrew will be free to issue new Shares, which could cause the market price of the Shares to decline. An additional offering of Shares or a public perception that an offering may occur could have an adverse effect on the market price of the Shares.

The Offering may not be completed and may be withdrawn in certain extraordinary and unpredictable circumstances

The completion of the Offering is subject to no events occurring before 22 November 2009, which is the last day before trading in Preemptive Rights begins, which would make the completion of the Offering inadvisable in the opinion of Royal Unibrew or the Joint Global Coordinators or both parties.

Furthermore, in the period until registration of the capital increase with the Danish Commerce and Companies Agency, the Joint Global Coordinators are each entitled, in certain exceptional and/or unpredictable circumstances (including *force majeure*) to terminate the Rights Issue Agreement and, in such case, Royal Unibrew shall withdraw the Offering. The Rights Issue Agreement also contains conditions for the completion of the Offering which Management believes are usual in such offerings, including that the completion of the Offering is subject to compliance with all conditions of the Rights Issue Agreement. If one or more conditions for completion of the Offering are not met, the Joint Global Coordinators may, at their discretion, terminate the Rights Issue Agreement and thereby require that the Company withdraw the Offering.

Any withdrawal will be notified immediately to NASDAQ OMX and announced as soon as possible in the same Danish daily newspapers in which the Offering was announced.

If the Offering is not completed, the exercise of Preemptive Rights that has already taken place will automatically be cancelled, the subscription price for Offer Shares will be refunded (less any brokerage fees), all Preemptive Rights will be null and void, and no Offer Shares will be issued, which means that investors who have acquired Preemptive Rights (in off-market transactions) may incur a loss. However, trades in Preemptive Rights executed during the trading period for the Preemptive Rights will not be affected. As a result, investors who acquired Preemptive Rights will incur a loss corresponding to the purchase price of the Preemptive Rights and any brokerage fees.

Purchasers of rights to Offer Shares prior to completion of the Offering may lose their investment if the Offering is not completed

If the Offering is not completed, the Offer Shares will not be issued, and investors having acquired rights to the Offer Shares in an off-market transaction, may lose their investment if the seller of the rights to the Offer Shares does not refund the price for such rights.

If the market price of the Shares declines significantly, the Preemptive Rights may become null and void

The market price of the Preemptive Rights depends on the price of the Shares. A decline in the price of the Shares may have an adverse effect on the value and market price of the Preemptive Rights.

The market for the Preemptive Rights may only offer limited liquidity, and if a trading market develops, the price of the Preemptive Rights may be subject to greater volatility than the price of the Existing Shares

The trading period for the Preemptive Rights on NASDAQ OMX commences on 23 November at 9.00 a.m. CET and ends on 4 December at 5.00 p.m. CET. There can be no assurance that a market for the

Preemptive Rights will develop when they are initially traded on NASDAQ OMX, and if such a market develops, the Preemptive Rights may be subject to greater volatility than the Existing Shares.

Non-exercise of Preemptive Rights before 9 November at 5.00 p.m. CET will result in the holder's Preemptive Rights becoming null and void
Failure to exercise the Preemptive Rights by 9 December at 5.00 p.m. CET will result in the holder's Preemptive Rights becoming null and void, and the holder will not be entitled to receive compensation. Accordingly, Existing Shareholders and other holders of Preemptive Rights must ensure that all required exercise instructions are received by such Existing Shareholders' or other holders' banks before expiry of the time limit.

If Existing Shareholders fail to exercise their Preemptive Rights in full, their ownership interests will be diluted
The issue of Offer Shares will cause Existing Shareholders who do not exercise their Preemptive Rights to experience a dilution of their ownership interests and voting rights. Even if Existing Shareholders decide to sell their Preemptive Rights, the selling price may not be sufficient to offset the financial dilution.

There are additional risks to investors resident outside Denmark, which could have an impact on the value of the Shares for the investors in question
Royal Unibrew is a public limited company organised under the laws of Denmark, which may make it difficult for shareholders of Royal Unibrew resident outside Denmark to exercise or enforce certain rights.

The rights of the Company's shareholders are governed by Danish law and by Royal Unibrew's articles of association. These rights may deviate from the typical rights of shareholders in the United States and other jurisdictions outside Denmark. See Part II "Terms and conditions of the Offering – Jurisdictions in which the Offering will be made and restrictions applicable to the Offering".

For example, it may be difficult or impossible for shareholders outside Denmark to serve process on or enforce judgments against Royal Unibrew in connection with the Offering or their rights as shareholders.

Shareholders outside Denmark may experience difficulties in exercising their voting rights.

There is a risk that a preemptive right cannot be acquired and/or exercised by shareholders in jurisdictions outside Denmark
Holders of Offer Shares in jurisdictions outside Denmark may be unable to exercise any preemptive rights for securities in respect of their shareholdings in Royal Unibrew, unless the Offer Shares or any rights or other securities being offered have been registered with the relevant authorities in such jurisdictions. Royal Unibrew is under no obligation and does not intend to file a registration statement in any other jurisdiction outside Denmark as to the availability of any exemption from the registration requirement under the laws of any other jurisdiction outside Denmark in respect of any such rights in the future.

Shareholders outside Denmark are subject to foreign exchange risks
The Preemptive Rights and the Offer Shares are priced in Danish kroner. Accordingly, the value of the Preemptive Rights and the Offer Shares is likely to fluctuate as the exchange rate between the local currency of the country in which an investor outside Denmark is based and the Danish krone fluctuates. If the value of Danish kroner depreciates against the local currency of the country in which an investor outside Denmark is based, the value of the Preemptive Rights and the Offer Shares will decrease.

PART I. DESCRIPTION OF ROYAL UNIBREW

1. PERSONS RESPONSIBLE

See the responsibility statements in “Persons responsible”.

2. AUDITORS

Royal Unibrew's independent auditors are:

Ernst & Young Godkendt Revisionspartnerselskab
By Leif Shermer and Henrik Kofoed, State Authorised Public Accountants
Gyngemose Parkvej 50
DK-2860 Søborg
Denmark

The annual report for the financial year ended 31 December 2008 was audited by Ernst & Young Statsautoriseret Revisionsaktieselskab represented by Leif Shermer and Eskild Jacobsen, State Authorised Public Accountants.

The annual report for the financial year ended 31 December 2007 was audited by Ernst & Young Statsautoriseret Revisionsaktieselskab represented by Leif Shermer and Eskild Jacobsen, State Authorised Public Accountants and by PricewaterhouseCoopers Statsautoriseret Revisionsaktieselskab represented by Fin. T. Nielsen and Torben Jensen, State Authorised Public Accountants.

The annual report for the financial year ended 31 December 2006 was audited by Ernst & Young Statsautoriseret Revisionsaktieselskab represented by Leif Shermer and Eskild Jacobsen, State Authorised Public Accountants and by PricewaterhouseCoopers Statsautoriseret Revisionsaktieselskab represented by Jens Røder and Torben Jensen, State Authorised Public Accountants.

The business address of PricewaterhouseCoopers Statsautoriseret Revisionsaktieselskab is Strandvejen 44, DK-2900 Hellerup, Denmark.

Ernst & Young has issued reports in this Prospectus.

The signing state authorised public accountants and Eskild Jacobsen, Jens Røder, Torben Jensen and Fin T. Nielsen are members of the Institute of State Authorized Public Accountants in Denmark as at the date of issuance of their reports.

Eskild Jacobsen, State Authorised Public Accountant, resigned as auditor of Royal Unibrew in accordance with the statutory rotation requirement.

Jens Røder, State Authorised Public Accountant, resigned as auditor for the Company in accordance with the statutory rotation requirement and PricewaterhouseCoopers Statsautoriseret Revisionsaktieselskab's rotation requirement. PricewaterhouseCoopers Statsautoriseret Revisionsaktieselskab resigned as auditors after a tender round as a result of Royal Unibrew's wish to use only one auditor firm as from 2008.

3. SELECTED FINANCIAL INFORMATION

For financial information see “Operating and financial review”.

4. RISK FACTORS

Reference is made to “Risk factors.”

5. INFORMATION ABOUT ROYAL UNIBREW

5.1 THE COMPANY'S HISTORY AND DEVELOPMENT

The Company is rooted in the oldest brewery businesses in Denmark founded in the 19th century, and the basis of the Company's present structure was established by a merger in 1989 of the listed companies Faxe Bryggeri A/S and Jyske Bryggerier A/S, which comprised Ceres Bryggerierne and Thor Bryggerierne. This combination created a national brewery business holding significant market positions in all major segments and good positions in export markets. In 1992, the Company changed its name to Bryggerigruppen A/S.

In 1999, the first investment outside Denmark was made in the Vilnius Tauras brewery in Lithuania. The national and international expansion continued with the acquisition of Albani Bryggerierne in 2000 – which further supported the group's position as Denmark's second-largest provider of beer and soft drinks – and in 2001 with the acquisition of Kalnapilis, the third-largest brewery in Lithuania.

In 2004, Latvia's largest soft drinks provider, Cido, was acquired together with a leading supplier of beer in Latvia, Lacplesa Alus. The activities of the Polish Brok and Strzelec breweries were acquired in the spring of 2005. Later in 2005, the name of the Company was changed from Bryggerigruppen A/S to Royal Unibrew A/S.

In the first half of 2007, the Company acquired the shares in the Polish Lomza brewery and majority stakes in Antigua Brewery, Dominica Brewery & Beverages and St. Vincent Breweries in the Caribbean. The site, on which the Tauras brewery was located, was divested that same year. In 2008, the Livu Alus brewery in Latvia was acquired, while the Lielvarde brewery in Latvia was closed down, the brewery in Aarhus was closed down and the brewery in Maribo was divested.

Following several years of growth in net revenue and profit, the Company recorded a very dissatisfactory loss in 2008. On 1 November 2008, Henrik Brandt, who had been a member of the Supervisory Board of Royal Unibrew for a number of years, was appointed CEO. The new management changed the Company's strategies and put focus on re-establishing the Company's profitability and solvency and on ensuring the Company's financial basis by renegotiating its banking agreements.

5.2 NAME, REGISTERED OFFICE, ETC.

Royal Unibrew A/S
CVR no. 41 95 67 12
Faxe Allé 1
DK-4640 Faxe
Denmark
Tel: +45 56 77 15 00
Website: www.royalunibrew.com
E-mail: contact@royalunibrew.com

Royal Unibrew A/S has not registered any secondary names.

Royal Unibrew A/S' registered office is located in the Municipality of Faxe.

Purpose

According to article 3 of its articles of association, the object of Royal Unibrew A/S is to carry on industry in Denmark or abroad, including brewery activities, trade, agriculture and transport and to provide technical or commercial assistance, to acquire and own real property or otherwise to carry on or be interested in other activities deemed by the Supervisory Board to be related to the above objects.

Date of incorporation and governing law

Royal Unibrew was incorporated as a Danish limited company before 1 January 1900 and is governed by Danish law.

ISIN code

The Existing Shares are listed on NASDAQ OMX under the ISIN Code DK0010242999.

Financial year and financial reporting

Royal Unibrew's financial year runs from 1 January to 31 December.

Royal Unibrew publishes interim reports for the first, second and third quarters of the financial year and a full-year report.

2010 Financial calendar

Full-year profit announcement 2009	5 March 2010
Annual report 2009	Week 14 2010
Interim report – Q1 2010	27 April 2010
Annual general meeting in Odense	27 April 2010
Interim report – H1 2010	26 August 2010
Interim report – Q3 2010	25 November 2010

Principal bankers

Royal Unibrew's principal bankers are Danske Bank A/S, Nordea Bank Danmark A/S and Nykredit Realkredit A/S.

Issuing agent

Nordea Bank Denmark A/S
Issuer Services/HH7371
P.O. Box 850
DK-0900 Copenhagen C
Denmark

Registrar

VP Securities A/S
Weidekampsgade 14
P.O. Box 4040
DK-2300 Copenhagen S
Denmark

Transactions with financial advisers

The Joint Global Coordinators have in the past and may in the future at any time provide investment banking services to Royal Unibrew, for which they have received and in the future may receive remuneration and commission.

Royal Unibrew has concluded a market maker agreement with Danske Bank under which Danske Bank acts as market maker for Royal Unibrew's Shares.

Royal Unibrew's auditors, Ernst & Young Godkendt Revisionspartnerselskab, provide advisory services in addition to the statutory audit.

5.3 INVESTMENTS

Investments for the years 2006-2008

See "Operating and financial review – Investments".

6. BUSINESS OVERVIEW

This business overview contains a number of observations, judgments and estimates especially in relation to market sizes, market shares and market trends that are based on Management's assessments as well as publicly available information. Management's assessments are generally based on the Company's knowledge of the market and various external analyses and sector reports. Third-party sources have only been used to a limited extent. However, there can be no assurance that other sources may not have different opinions of the market etc. than those on which the Management rests. The information relating to market conditions is based on Management's assessments. The forward-looking statements are subject to considerable uncertainty. In this section, sales are denoted in volumes (hectolitres), whilst net revenue is denoted in DKK.

6.1 MARKETS AND COMPETITORS

The Royal Unibrew Group is a regional brewery and soft drinks company operating in the markets for beer, malt and soft drinks, including carbonated soft drinks, bottled water and fruit juices, in Western Europe (mainly Denmark, Italy, the Cross-border Trade and Germany) and Eastern Europe (Lithuania, Latvia and Poland), and in the international markets for malt drinks (mainly the Caribbean, the UK and Africa).

Industry structure

The brewery industry

Breweries have existed for centuries as local enterprises supplying local markets. Technological breakthroughs, *inter alia* in fermentation processes, gave certain breweries competitive advantages, which allowed them to outgrow others, which resulted in industrialisation and gradual consolidation in the sector, and a smaller although still significant number of brewery businesses gained leading positions in their local markets.

The brewery industry presently consists of the following four main types of companies: *Global* brewery businesses, which through organic growth and acquisitions of local breweries have achieved global presence with global, regional and local brands, *regional* brewery businesses, including Royal Unibrew, which operate in several geographical markets but not on a global scale, *local* brewery businesses, which operate in a limited geographical market, and *special breweries* or *micro breweries*, typically operating in local niche markets.

Despite the brewery industry having gone through significant consolidation, which, according to Management's estimates, has resulted in the ten largest global brewery businesses accounting for almost 60% of global sales, the core of even the largest brewery business is their ownership of a number of local breweries operating in local markets, in which they also produce and sell local brands in addition to their global brands. The consolidation was driven by several factors, including the desire to grow, the possibility of generating economies of scale and the desire to spread brands across markets. Nevertheless, Management believes that regional and local brands still account for 80% - 85% of the brewery industry's overall sales. By owning local breweries in the individual geographical markets, the brewery businesses that own the international brands can increase their geographical span, because transport costs often define limits as to how far away from the production site a brewery's products can be sold at a profit.

The soft drinks industry

The soft drinks industry is significantly more concentrated on a few global brands than the brewery industry and comprises a few global companies as well as several regional or local companies. The local companies produce and sell their own brands and products in the markets where they are physically present. The largest global companies most often operate internationally on the basis of a two-tier business model, according to which the global company owns the brands, is in charge of the marketing and produces the ingredients which are provided on a licence basis for local companies which are in charge of production, sales and distribution in the geographical markets in which they operate.

Segmentation

The brewery industry

The geographical markets for beer consist of segments, the sizes and composition of which depend, among other things, on the beer brewing traditions in the individual markets and on the general economic development of that society. Overall, four segments exist: super premium, premium, mainstream and the private label and discount segments, of which the three former segments comprise branded products, while the latter segment comprises non-branded products.

The super premium and premium segments typically offer specialty products, such as beer from the local micro breweries, beer with a strong brand or beer of a special type which is considered to be exclusive. In the mainstream segment, which accounts for the major part of total volumes and which typically consists of local brands, most breweries offer one or more brands of the pilsner type. Products in the discount and private label segments are mainly sold through large retail stores wishing, *inter alia*, to market low price beverages under their own brands.

Mainstream, super premium and premium products are offered to the retail trade as well as the HoReCa sector, while discount and private label products are only sold to the retail trade.

The brewery industry also manufactures malt beverages, which are non-alcoholic beverages with high nutritional values.

The soft drinks industry

In the soft drinks market, the market for carbonated soft drinks can be divided into three segments: global brands, local brands and private labels. Global brands account for a much larger share of the soft drinks market than of the beer market. Within the other soft drinks products, such as fruit juices and bottled water, the markets are extremely fragmented, and local products hold dominant positions.

Distribution channels

Distribution to the users takes place through customers in two main distribution channels; retail and HoReCa. The retail segment comprises hyper and supermarkets as well as convenience stores, including petrol stations and small drug stores, while the HoReCa segment consists primarily of hotels, restaurants and bars. In some markets, the retail segment is relatively more concentrated, which gives large retail chains stronger negotiating power. The breweries typically generate higher margins in the HoReCa segment than in the retail segment, but in return, the HoReCa segment requires larger investments, as the breweries typically pay for installation and maintenance of dispensing equipment used in bars and restaurants.

The relative importance of the retail and HoReCa segments varies from market to market on the basis of individual market traditions. This has an impact on profitability in the individual market, which also depends on product type, scope of marketing efforts and the choice of packaging.

In addition to their own production facilities, international and regional breweries also use licence production to obtain additional market coverage for their international and regional brands. A licence agreement is typically a fixed-term agreement, which entitles the licensee to market and sell a brand in a defined market.

Sales factors

The brewery and soft drinks industry is subject to a number of factors affecting annual sales. The most important factors for sales volumes are developments in disposable incomes in the individual markets and consumers' preferences of beverages in general. In addition, breweries are subject to natural fluctuations in sales as a result of seasonal changes. Hence, breweries' sales volumes are typically lower during the autumn, winter and spring months than during the summer months. During the summer months, sales volumes depend on weather conditions. In periods of poor summer weather, sales are usually lower than in periods of good weather. General increases in sales are typically seen around Easter and Christmas and in some markets around mid-summer.

General market trends

General market trends develop differently in the Company's various markets. See "The Company's markets" for a more detailed description of the individual markets in which the Company operates.

The mature markets in Western Europe saw stable to slightly falling beer sales until 2008 but with large differences between the individual markets. For instance, beer sales in Denmark have followed a declining trend in recent years. The brewery industry has sought to increase profitability by launching products with higher prices per unit and by enhancing efficiency in all parts of the value chain. Going forward, the declining trend in sales volumes is expected to continue in most of the mature markets, while the industry's revenue is expected to remain stable to slightly increasing, as the specialty products, which sell at a higher price per unit, are gaining ground and to some extent setting off the effect of lost sales volumes. Sales of certain soft drinks are also expected to stagnate or see a slight fall. However, consumption of drinks with no or less sugar added, such as certain fruit juices and spring water and natural mineral water, still or sparkling and in various flavours, is expected to offset the reduction in soft drinks consumption. Overall, a limited increase in volumes and revenue is expected for soft drinks. Finally, certain substituting products, such as cider, are expected to win a limited volume from beer and soft drinks.

Beer and soft drinks consumption per capita in the growing markets of Eastern Europe followed an increasing trend until 2008, among other things as a result of changes in consumer habits. Furthermore, a shift towards more expensive products has occurred, among other things due to rising disposable incomes and more focused marketing efforts. Longer term, beer consumption is expected to increase moderately. Within soft drinks, markets are expected to grow in terms of volumes and sales in step with economic developments. Furthermore, a shift from local soft drinks to more expensive global brands is expected to boost markets and, also, the product categories within fruit juices, spring water and natural mineral water are expected to grow.

The international markets for malt drinks in Africa and the Caribbean increased slightly until 2008, driven by positive economic trends. In future, market trends are expected to correlate closely with general economic developments.

The economic crisis

Since 2008, the global economic crisis has caused a general reduction in sales of beer, malt and soft drinks in largely all markets, although to a varying degree. Overall, it is believed that the growth markets in those parts of Eastern Europe where the Company operates have been hit harder by the economic crisis than the more mature markets of Western Europe.

Furthermore, the economic slow-down in all markets has reduced consumption in the HoReCa segment, although some of the consumption has moved to the retail segment. In addition, consumers are generally focusing more on price as a purchase parameter.

6.2 DESCRIPTION OF THE COMPANY'S BUSINESS

Introduction

The Company produces, markets, sells and distributes quality beverages focusing on branded products within beer, malt and soft drinks, including carbonated soft drinks, bottled water and fruit juices.

The Company operates as a regional player in a number of markets in Western and Eastern Europe and in the international markets for malt drinks. The Company's main markets in Western Europe are Denmark, Italy, the Cross-border Trade and Germany. The Eastern European markets comprise Lithuania, Latvia and Poland. The international markets for malt drinks cover a range of countries in the Caribbean and Africa as well as cities in Europe and North America with a high concentration of inhabitants from the Caribbean and Africa, where malt drinks are popular.

In Denmark, the Company is a leading supplier of beer and soft drinks with a number of strong brands, in particular *Royal, Albani, Faxe Kondi* and *Egekilde*. In Italy, the Company holds a leading market position in the super premium segment with the brand *Ceres Strong Ale*. In Latvia and Lithuania, the Company is among the two leading beverage companies holding significant market positions within beer and soft drinks, including fruit juices. The Company's brands in the Baltic countries comprise in particular *Kalnapilis, Taurus, Lacplesis, Cido* and *Mangali*. In the international markets for malt drinks, Management believes its premium brand, *Vitamalt*, is the third-largest in the world. The Company's most important market in Poland is in the north-east region, where the *Lomza* brand holds a significant position.

Furthermore, the Company owns non-controlling interests in Hansa Borg Bryggerierne in Norway, Nuuk Imeq in Greenland, Solomon Breweries on the Solomon Islands and in Perla Browary Lubelskie in Poland. On 12 August 2009, the Company announced a conditional agreement for the divestment of its controlling interests in the three breweries and a soft drinks producer in the Caribbean.

In 2008, the Company posted net revenue of DKK 4.2 billion and sold 7.5 million hectolitres of beer, malt and soft drinks. The Group, which is domiciled in Faxe, Denmark, has a total of around 2,700 employees. Royal Unibrew is listed on NASDAQ OMX and has more than 14,000 shareholders.

The Company's development and strategy

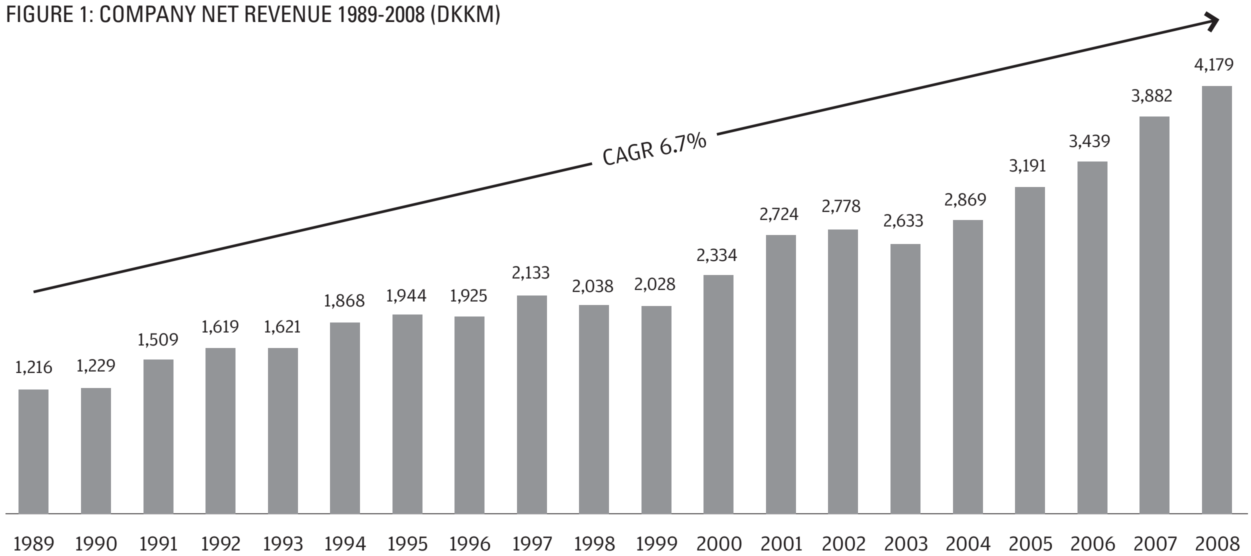
Company developments

Royal Unibrew, which dates its brewery operations back to the 19th century, was founded in 1989 through the merger of Faxe Bryggeri A/S and Jyske Bryggerier A/S (Ceres Bryggerierne and Thor Bryggerierne), both successful local brewery businesses. The purpose of the merger was to establish a company that was able to compete efficiently in the Danish market in all important segments, using nationwide distribution, and to build a platform for expansion.

Following the merger, the Company has focused on growth and development and has hence generated organic as well as acquisitive growth. Net revenue has grown from DKK 1.2 billion in 1989 to DKK 4.2 billion in 2008.

Following the acquisition of Albani in 2000, which strengthened the Company's aim of becoming a national Danish brewery business, the Company expanded in Lithuania with the acquisitions of Vilnius Taurus and Kalnapilis. These acquisitions gave the Company a leading position in Lithuania and it is today the second-largest brewery business in that country. In Latvia, the Company acquired the leading soft drinks producer Cido in 2004, and in 2005 the brewery business Lacplecis Alus, which laid the foundation of a strong platform in the Latvian market. The Company's business in Latvia is the third-largest within beer and within branded soft drinks the Company is a market leader in the fruit juice and bottled water segments.

FIGURE 1: COMPANY NET REVENUE 1989-2008 (DKKM)



Concurrently with the structural expansion, the Company has worked on the organic development of its activities and the Company has retained or expanded its market shares in several markets, including Denmark, where the launch of two new brands, *Royal* and *Egekilde*, which have both achieved substantial market shares, has strengthened the Company's position. In the important Italian market, where *Ceres Strong Ale* is among the market leaders in the super premium segment, the Company has expanded its product portfolio. In the international markets for malt drinks, the Company has expanded its Vitamalt series and developed new markets.

Following the successful establishment in Latvia and Lithuania, Royal Unibrew sought new growth opportunities and in 2005, the Company acquired the activities of the Brok and Strzelec breweries, which, *inter alia*, had market positions in the north- eastern and the southern parts of Poland. The deal included a large minority interest in the Perla Browary Lubelskie brewery, which is located in Lublin in south-east Poland. In 2007, the Company furthermore acquired the Lomza brewery located in the town of that name in north-east Poland.

In 2008 it became clear, however, that the strategy pursued in Poland had not led to the expected results due to insufficient growth and a less than optimum product mix. The international economic crisis aggravated market conditions. As a result, the Company has refocused its operations in the Polish market and restructured the business, *inter alia* by divesting the Koszalin brewery and the related brands. The restructuring work continues and the Company aims to create the basis for positive EBITDA levels from 2010 onwards. All initiatives necessary in this respect are being considered.

The situation after 2008

Following several years of growth in revenue and profit, the Company generated a very dissatisfactory result in 2008. On 1 November 2008, Henrik Brandt, who had served on the Supervisory Board of Royal Unibrew for a number of years, was appointed CEO. The new management changed the Company's strategies and put focus on re-establishing the Company's profitability and solvency and on ensuring the Company's financial basis by renegotiating its banking agreements. This has resulted in four strategic main priorities:

- **Poland.** Improvement of profitability through refocusing and adapting sales and marketing activities for the most important brands in the most important local markets, consolidation of production on fewer units and reduction of central functions and staff.

- **Denmark.** Completion of the restructuring of the distribution system and production platform that was initiated in 2008. Enhancement of the organisation across function areas with a view to reducing staff and hence cost levels.

- **The Baltic countries.** Integration of the local operative management teams in Latvia and Lithuania with a view to better utilising experience and resources in product development, marketing, production, logistics and administration, as the Latvian business holds a leading position in soft drinks and the Lithuanian business holds a significant position in the beer market.

- **Improvement of cash flows and capital structure.** Following a period of substantial investments, including production and distribution restructuring in Denmark, investments were reduced. Furthermore, focus was increased on reducing the working capital. Finally, it was decided to consider the Company's possibilities of improving its capital structure.

In 2009, the Company has carried out the following adjustments as a result of the above-stated strategic main priorities:

- The Polish operations are being restructured, and the brewery in Koszalin has been divested together with the associated brands and 125 employees have been laid off. The restructuring work continues. The Company aims to create the basis for positive EBITDA levels from 2010 onwards.

- The Danish organisation has been enhanced through a centralisation of the brewery activities at the breweries in Faxe and Odense. The distribution system has been restructured and a telesales function has been established. The Company has made a structural change in the organisation which has resulted in a staff reduction by 100 salaried employees. In addition, the Company has decided to transfer administrative staff from Aarhus to Faxe with expected implementation at the end of the first quarter of 2010.

- A new management has been established for Latvia and Lithuania and the two companies are now operated as one. The number of employees has been reduced by around 90, including 30 salaried employees.

- The Company's cash flows and capital structure have improved because an increased focus on reducing the capital tied up in the Company has resulted in a significant reduction of the working capital. The completion of the conditional sale of the Caribbean breweries will further reduce the Company's interest-bearing debt by close to DKK 200 million.

As a result of these measures, the Company's results of operations for 2009 are expected to have improved substantially compared with 2008, and the Company expects to generate EBIT before special items of DKK 210 – 235 million in 2009, equal to an increase of DKK 75 – 100 million compared with 2008.

Strategy

The Company's strategy is to be an efficient, regional player in the beer, malt and soft drinks market and to hold leading positions in the markets and segments in which it operates. The strategy covers the following main elements:

- **Focus on markets and segments in which the Company has or can achieve a significant position.** Going forward, the Company will focus on further developing its established market or segment positions where the Company has a leading position, e.g. in Denmark and the Baltic countries, or significant and leading niche positions, as e.g. in Italy and in the international markets for malt drinks. In addition, the Company will exploit structural growth opportunities which could strengthen or add new leading positions and which may create long-term shareholder value.

- **Focus on developing the Company's brands, products and market positions.** The Company owns a number of well-known brands holding solid market positions which it will continue to develop. *Royal, Albani, Ceres, Faxe, Kalnapilis, Lacplesis* and *Tauras* are some of the Company's beer brands that are particularly well-known. Within soft drinks, fruit juices and mineral water, the Company has brands such as *Faxe Kondi, Egekilde, Nikoline, Cido* and *Mangali* and within malt drinks *Vitamalt* and *Supermalt*. Through licence agreements with Heineken and the Pepsi group, *Heineken* beer and a number of Pepsi products, including *Pepsi, Mirinda* and *7UP* are part of the Company's range in Denmark and they support the sales of the Company's own products, which strengthens its distribution operations. Development of the product portfolio comprises the Company's in-house development of new flavours, brands and products and the conclusion of new licence agreements.

- **Focus on operational efficiency in all elements of the Company's value chain.** Through the merger of breweries in Denmark, Lithuania and Latvia, the Company has enhanced its production facilities and the Company will continue to exploit any enhancement opportunities. Similarly, the Company will continue to focus on enhancing its sales and distribution systems.

- **Focus on ensuring the Company's financial and structural flexibility and competitiveness through a capital structure in which the net interest-bearing debt amounts to a maximum of 2.5 times EBITDA.**

Long-term goals

The organisational adjustments and efficiency enhancements that the Company has carried out and is expected to carry out on a current basis, combined with the refocusing and adjustments in Poland, as well as a trimming of the balance sheet due to, *inter alia*, the divestment of the Caribbean Companies and the completion of the Offering form the basis of solid earnings in the Company's three market areas; Western Europe, Eastern Europe and Malt and Overseas Markets. To this should be added that, following recent years' significant investments, the Company has up-to-date production facilities and available capacity.

Hence, all other things being equal, a normalisation of the global economy and the competitive situation would make it possible for the Company to reap significant earnings advantages.

Longer term, the Company's annual investments are expected to be at the level of 4 – 6% of revenue depending on the need for maintenance investments and efficiency and capacity related investments.

Based on the above and assuming that the Company is able to maintain an unchanged ratio between net selling prices and costs, the Company aims to achieve an EBIT margin of around 10%.

Value chain

Based on Royal Unibrew's strategy, the Company's value chain comprises five main elements:

Marketing

The marketing activities are performed to retain and develop the value of the Company's brands, thus ensuring targeted and cost efficient marketing efforts.

The marketing activities are performed locally on each market or market area, and the marketing functions are in charge of developing products and line extensions, as well as conducting consumer tests and for developing marketing strategies, messages and material.

The Company's marketing comprises *above the line marketing*, i.e. marketing through mass media, such as television, radio, print, telephony, billboards and the internet, as well as *below the line marketing*, i.e. sales efforts through offers or through exposure and sales of products using sampling or other activities directed at trade customers and at consumers in the retail outlets.

The Company's marketing efforts are targeted towards selected consumer groups and in addition, sponsorships in, *inter alia*, certain sports or major events, such as music festivals, are used.

Development of product range

Efforts within development of the Company's product range are made to ensure that the Company has a wide portfolio of products and brands at all times which are in demand by customers and end-users.

The Company works actively with its product range, including development of brands, products, flavours and packaging types to ensure that the market positions for own brands are retained or expanded. The development of the product range is based on a current analysis and assessment of consumer preferences in the markets where the Company is present.

The launch of new products can be made following in-house product development or by complementing the Company's product portfolio by international products and brands through licence agreements. In the mainstream segment, the depth of the product portfolio is seen as an important sales parameter and

FIGURE 2: THE COMPANY'S VALUE CHAIN

the Company produces and sells beer from the Heineken brewery and soft drinks from the Pepsi group under licence agreements.

Over the past two years, the Company has launched three new brands and launched around 30 new products and flavours within these and existing brands. In addition, the Company regularly launches new packaging and packaging variants. Hence, the investment in a PET line at the Faxe brewery facilitated the introduction of one-way bottles for the packaging of soft drinks and mineral water. The PET unit can be used for several bottle sizes and the design of the bottles can be changed by replacing the moulds.

The development of variants is often based on international market and flavour trends, according to which new variants are developed within the framework of an existing brand. Hence, the Company launched a fourth flavour within its *Egekilde* brand in the spring of 2009. Within beer, several flavours have been developed over the past years to extend the *Royal* brand.

Finally, the product range can also be developed by the Company launching products or variants which have been successful in one market in other markets in which the Company operates. Hence, fruit juices of the Cido brand, which is a well-established brand in Latvia, have now also been successfully marketed in Lithuania.

Purchasing

The most important raw materials in the brewing process are water, malt (barley), hops and yeast. Malt and hops are sourced externally, whereas the Company produces its own yeast. In addition to raw materials for the brewing process, the Company also incurs substantial costs for packaging materials, including cans, glass and PET bottles (pre-forms), as well as energy. Furthermore, large volumes of steel kegs, caps and screw caps, wet glue labels and other packaging products are purchased.

In 2007, the Company established a group purchase function with a view to generating purchase and process oriented synergies. The group purchase organisation is responsible for assessment of the possibilities of pooling purchases with other breweries and the purchasing organisation presently collaborates with Hansa Borg Bryggerierne.

The group purchase organisation collaborates with local purchase staff based in each of the Company's production units with a local employee in charge of purchasing activities.

The group purchase organisation coordinates purchases and the conclusion of agreements with the Company's primary suppliers across markets to achieve a balance between the best possible price and reliability of supply at all times. The local purchase staff works on the basis of the Company's group purchase agreements and handle the relations to local suppliers.

The Group's suppliers of raw materials and packaging products are assessed on a current basis. The purchase strategy specifies whether group and/or local purchase agreements should be concluded. Group agreements committing suppliers to provide a number of the Group's enterprises with goods typically have a term of up to two years, whereas local purchase agreements usually have shorter terms.

Production

Following the divestment of the Caribbean Companies, production will take place at seven locations. The Company uses external sub-suppliers to a limited extent.

The Company's Danish production units supply the Danish market and the main part of the exports markets including the malt drinks markets. The production units in Lithuania and Latvia supply the Company's two Baltic markets and the Polish breweries supply mainly the Polish market.

With a view to achieving the lowest possible production costs in the long term, the Company seeks to generate economies of scale by merging production units, where feasible. Hence, the activities of the now closed brewery in Aarhus were transferred to the breweries in Faxe and Odense. Furthermore, the Com-

TABLE 2: PRODUCTION UNITS

Production unit	Products	Location	Annual capacity (hectolitres)	Production for
Faxe	Beer, soft drinks, water, malt drinks	Faxe, Denmark	3.5 mio. hl	Denmark, Italy, Cross-border Trade and Germany, other export markets
Albani	Beer, malt drinks	Odense, Denmark	0.9 mio. hl	Denmark, Italy, other export markets
Livu	Beer	Liepaja, Latvia	0.5 mio. hl	Latvia, Lithuania
Cido	Fruit juices and water	Riga, Latvia	2.4 mio. hl	Latvia, Lithuania
Kalnapilis	Beer and cider	Panevezys, Lithuania	1 mio. hl	Lithuania, Latvia
Lomza	Beer	Lomza, Poland	0.8 mio. hl	Poland
Strzelec	Beer	Jedrzejow, Poland	0.4 mio. hl	Poland

Note: The table does not cover the production units from the Caribbean Companies that have been divested under a conditional agreement. The total annual capacity of these production units is 0.2 million hectolitres.

pany continuously seeks to optimise and enhance the efficiency of its production units.

The Company gives priority to adapting the packaging sections at the production units so that they have the type of packaging equipment which corresponds to current customer and consumer preferences in terms of types and sales packagings. Most recently, the production unit at Faxe was expanded to handle one-way PET bottles, the type of packaging used for, *inter alia, Faxe Kondi, Egekilde* and *Pepsi*.

Sales and distribution

The Company's customers are found in the retail trade, including convenience stores, and in the HoReCa segment.

In the retail segment, a large part of sales is delivered to a few, large customers, and sales are typically handled by Key Account Managers. In the HoReCa segment, sales are typically handled by sales persons, but in certain parts of the HoReCa segment sales are made as telesales, which is seen as an efficient way of working the customers, who typically consist of smaller units than in the retail segment. Furthermore, sales to certain HoReCa customers outside Denmark are handled by wholesalers and agents.

Depending on the market, the distribution of the Company's products takes place through own distribution or through external distributors. Since 2009, the physical distribution in Denmark has been carried out by Royal Unibrew supplying customers directly from the production unit or from one of seven terminals. Before 2009, the physical distribution was carried out by 21 independent beer depots, which traded for their own accounts. In Latvia and Lithuania, the Company also handles the physical distribution of all its products, while distribution in Italy and Poland is handled by external transport providers.

The largest individual customer accounts for around 5% of total Group revenue and the ten largest customers account for less than 20% of total Group revenue.

Due to high transport costs, local production based on licence agreements may be appropriate in distant markets. Hence, the Company's strategy for *Vitamalt,* which is sold on a number of overseas markets, mainly in the Caribbean and in Africa, includes the application of licence production as a prerequisite for expanding market coverage of the brand. Currently, the Company's malt products are manufactured on licence at seven breweries in the Caribbean and in Africa and from 2009, *Faxe* beer will be brewed on licence to the Russian market, to Belarus and Kazakhstan. Around 100,000 hectolitres of *Vitamalt* was produced on licence in 2008, equal to 1% of the Company's overall sales.

The Company's markets

The Company is organised into three market segments;

- Western Europe, primarily comprising the markets for beer and soft drinks in Denmark, Italy, the Cross-border Trade and Germany. For the period

TABLE 3: SALES AND NET REVENUE PER MAIN MARKET IN 2008

Main market	Market	Sales, hectolitres ('000)	Net revenue (DKKm)
Western Europe	Denmark	1,714	1,276
	Italy	463	657
	Cross-border Trade and Germany	1,236	484
	Nordic Region	117	44
	Other	177	76
Western Europe, total		3,707	2,537
Eastern Europe	Lithuania	918	397
	Latvia	1,186	365
	Poland	1,028	354
	Other	26	13
Eastern Europe, total		3,158	1,129
Malt and Overseas Markets	The Caribbean	277	296
	UK	82	79
	Africa	140	71
	Other	94	67
Malt and Overseas Markets, total		593	513
Total		7,458	4,179

1 January to 30 September 2009, Western Europe accounted for 50% of total Group sales and 64% of revenue.

- Eastern Europe, primarily comprising the markets for beer, fruit juices and soft drinks in Lithuania, Latvia and Poland. For the period 1 January to 30 September 2009, Eastern Europe accounted for 42% of total Group sales and 24% of revenue.

- Malt and Overseas Markets, comprising the international markets for malt drinks and exports of beer and soft drinks to markets where the Company does not have local representation. Sales and revenue for the period 1 January to 30 September 2009 accounted for 8% of total Group sales and 12% of total Group revenue.

Western Europe

Denmark

In Denmark, where the Company has its own nationwide distribution, Royal Unibrew is the second-largest supplier of beer and soft drinks. Management believes that the three largest companies, Carlsberg, Royal Unibrew and Harboe cover slightly more than 80% of the market in aggregate. The Company's main competitor is Carlsberg, as Harboe operates mainly in the discount and private label segments (non-branded products). Management believes that branded products account for 70% of the overall market for beer and 60% of the soft drinks market, excluding JNSD (juice, nectars and still drinks) in Denmark.

In the Danish beer market, the Company offers a combination of strong international, national and local brands. In 2008, the Company's private label agreements, which were assessed be unprofitable, discontinued. *Royal* and the international licence brand *Heineken* are offered to the entire Danish market, whereas brands such as *Albani, Ceres* and *Thor* are offered in the areas in which they have a strong local base. Within the individual brands, the Company offers various flavours as required and certain brands feature seasonal products, such as

FIGURE 3: THE COMPANY'S MOST IMPORTANT BRANDS IN THE DANISH MARKET

Royal is the Company's most important brand in Denmark. The Royal series comprises the variants *Royal Export, Royal Pilsner, Royal Classic, Royal Brown Ale* and *Royal Red. Royal* is a national mainstream brand

Ceres, Albani and *Thor* are strong mainstream brands based in local markets

Heineken is a leading global premium brand, which the Company produces on licence for the Danish market

Faxe Kondi is the market leader in the lemon/lime segment

Nikoline is a strong brand, particularly within carbonated soft drinks

Pepsi, Pepsi Max, 7UP, Mirinda and *Lipton Ice Tea* are produced on licence for the Pepsi group

Egekilde comprises several flavours and is a leading brand within natural mineral water

Royal X-Max and *Royal Easter*. The Company has bottled and distributed Heineken beer since 2002 and it has brewed *Heineken* on licence since 2008. The Company's overall market share for branded beer is estimated to be 20%.

Within soft drinks, the Company offers its own brands as well as licensed brands. The Company's own brands comprise *Faxe Kondi*, which is the leading brand in the lemon/lime segment, and *Nikoline*. The Company bottles and distributes Pepsi products in Denmark on the basis of licence agreements, including the *Pepsi, Pepsi Max, 7UP* and *Mirinda* products. The Company's market share within branded soft drinks, excluding JNSD, spring water and natural mineral water, is estimated to be 25%.

Egekilde has gained a leading position in the Danish market for branded spring water and natural mineral water. *Egekilde* was developed and launched in 2006 and is estimated to have a market share of 30% in this segment.

Management believes that the overall market for beer (branded and non-branded) for the period from 2000 to 2008 has declined by 21% from 5.5 million hectolitres to 4.3 million hectolitres. During the same period, sales of soft drinks, excluding JNSD spring water and natural mineral water, are estimated to have declined from 4.8 million hectolitres to 4.3 million hectolitres, equal to 49%, while sales of bottled water, including spring water and natural mineral water, are estimated to have increased by more than 152% from 0.7 million hectolitres to 1.8 million hectolitres.

The per capita consumption of beer is estimated to have declined from 102 litres in 2000 to 90 litres in 2008, which still remains high in European terms. The per capita consumption of soft drinks, excluding JNSD spring water and natural mineral water is estimated to have declined from 87 litres in 2000 to 77 litres in 2008. The bottled water segment is estimated to have increased in volumes consumed from 14 litres per capita in 2000 to 35 litres per capita in 2008. The figures have not been adjusted for developments in cross-border trade.

During the period 2008 to 2009, the economic crisis intensified the negative developments in sales of beer as well as soft drinks. Market volumes for beer are estimated to have fallen by around 8%, and the fall was particularly evident in the HoReCa segment, while market volumes for soft drinks, including bottled water, are estimated to have declined by slightly more.

Management believes that the overall Danish market for beer and soft drinks in the longer term and under normal economic conditions will see a slight annual decline in sales, whereas sales of spring water and natural mineral water are estimated to see a slight annual increase. Management expects that, once the economic crisis is over, the market will see a minor positive correction, driven among other things by a moderate increase in sales to the HoReCa segment.

The expected negative sales developments are not expected to reflect equally negative developments in net revenue, because demand is expected to go up for products, packaging types and sales channels with higher average prices.

Italy

With *Ceres Strong Ale,* the Company is among the market leaders in Italy in the super premium segment, where it has a substantial market share. Furthermore, the Company sells *Ceres Old 9* in the super premium segment and the pilsners *Ceres Top Pilsner* and *Faxe* in the mainstream segment.

In addition to the Company, four international brewery groups serve the Italian market; Heineken, SAB-Miller, Anheuser-Busch Inbev and Carlsberg.

The Company's Italian organisation carries out sales and marketing activities, as e.g. *Ceres Strong Ale* is brewed in Denmark and exported to Italy. The sales efforts focus on the large retail chains and on wholesalers serving customers in the retail trade and the HoReCa segment and who also handle the physical distribution. The Company pursues an intensive and persistent *above the line* marketing strategy focused on the end-user with, *inter alia*, TV commercials, out-door posters and trade marketing activities to

FIGURE 4: THE COMPANY'S MOST IMPORTANT BRANDS IN THE ITALIAN MARKET

Ceres Strong Ale is a recognised and leading brand in the super premium segment	 
Ceres Top Pilsner is a pilsner beer sold in the mainstream segment	
Ceres Old 9 is a strong beer and like *Ceres Strong Ale*, it is regarded as a super premium brand	
Faxe is an important export brand	

retain and expand *Ceres Strong Ale*'s position as a leading brand in its segment. The market position in Italy is furthermore characterised by one of the trade's highest distribution rates in the HoReCa segment, with *Ceres Strong Ale* being available in more than 75% of the estimated 175,000 HoReCa outlets in Italy.

Italy does not have the same tradition for drinking beer as countries of Northern Europe, and Italy's per capita consumption of beer is among the lowest in Europe. However, from 2000 to 2008, the overall market is estimated to have grown by 9% in terms of volumes from 28 litres to 31 litres per capita.

The economic crisis has also impacted the consumption of beverages in Italy and from 2008 to 2009, the market saw a small decline.

Management believes that the overall Italian market for beer in the longer term and under normal economic conditions will see a slight annual increase in sales.

Cross-border Trade and Germany

The Company exports a number of products to the retail trade in Germany, mainly for sale relating to cross-border trade. In addition, the Company supplies to a smaller extent retail customers in the German market.

The Company is an important player in the cross-border trade, primarily with the beer products *Royal, Thor* and *Slots* and the soft drink *Egekilde*. In the German market in general, the Company's main product is *Faxe*.

The cross-border trade is estimated to have been stable from 2000 to 2008, but the Company grew its sales during the period. Management believes that sales to retail customers in Germany which serve the cross-border trade in the longer term and under normal economic conditions and unchanged duties, including packaging legislation in Denmark and Germany, will be stable.

Nordic Region

In Sweden, the Company has sold and marketed beer of the *Faxe* brand through the retail trade for many years. Furthermore, certain of the Company's products are exported to Greenland, Iceland and the Faroe Islands.

Eastern Europe

Lithuania

The Company's subsidiary Kalnapilio-Tauro is the second-largest brewery business in Lithuania, where the Company has built up strong market positions within beer as well as soft drinks.

The Company's activities in Lithuania were established in 1999 by the takeover of the brewery Vilnius Tauras and later expanded through the acquisition in 2001 of Kalnapilis, the country's third-largest brewery. The brewery in Vilnius was closed down in 2006 and the production was moved to Panevezys, which has contributed to ensuring an efficient production platform for the Company.

The brewery industry in Lithuania is concentrated on three major suppliers. Carlsberg's Baltic Beverage Holding, Royal Unibrew and Ragutis, which is owned by Finnish company Olvi, cover around 75% of the market in aggregate.

FIGURE 5: THE COMPANY'S MOST IMPORTANT BRANDS IN THE LITHUANIAN MARKET

Kalnapilis is a mainstream brand in Lithuania	
Tauras is a mainstream brand in Lithuania	
Cido is a leading brand for fruit juices	

In the Lithuanian beer market, the Company owns the *Kalnapilis* and *Taurus* brands, which are both national brands, as well as *Faxe*, which is an international brand in the market. The Company's overall market share for the retail segment for beer is estimated to be 25%.

In Lithuania, soft drinks are imported from the Company's business in Latvia and *Cido* is the third-largest brand in Lithuania within fruit juices. The Company's market share in the retail segment for JNSD products is estimated to be 20%.

In 2008, the Company launched a range of cider products marketed under the name of *Sun Cider*, which are estimated to have achieved a market share of 10% in the retail segment.

In Lithuania, the Company itself handles sales and distribution to the retail trade as well as the HoReCa segment.

Management believes that total beer volumes in the Lithuanian market increased by 34% during the period 2000-2008, while soft drinks volumes (excluding bottled water) are believed to have increased by 91%. The bottled water segments, including spring water and mineral water, increased by an estimated 150% during the period.

Due to the economic crisis, the overall beer market is estimated to have declined by 5% from 2008 to 2009. Despite this, Lithuania is still one of Europe's most beer consuming countries with 83 litres per capita. Among soft drinks, the fruit juice segment is estimated to have fallen by 23%.

Management believes that the Lithuanian market for beer in the longer term and under normal economic conditions will see a limited annual rise and increasing preference for premium products. A similar development is expected for soft drinks, although the effect on volumes is expected to be stronger than for beer.

Latvia

In Latvia, the Company is the market leader within fruit juices and soft drinks and the third-largest provider of beer.

In 2004, Royal Unibrew acquired Cido, the largest supplier of soft drinks in Latvia which also held substantial market shares in Lithuania, as well as a leading supplier of beer, Lacplesa Alus. In 2007, the platform in Latvia was further strengthened with the acquisition of Livu Alus, the third-largest supplier of beer in Latvia. These enterprises have now been integrated and the Company is among the largest beverage companies in Latvia. Relocation of the production from Lielvarde to the brewery in Liepaja in 2008 helped to provide an efficient local production platform for the Company.

The brewery industry in Latvia is concentrated on three major suppliers, Carlsberg's Baltic Beverage Holding, Cesu Alus, which is owned by Finnish company Olvi, and Royal Unibrew, and combined they cover around 75% of the market.

Within soft drinks, a range of fruit juices is sold under the *Cido* brand, which is one of Latvia's most well-known brands. Furthermore, the Company sells mineral water under the *Mangali* brand, offering both natural mineral water and flavoured variants, so-called near-water products, and nectar products under the *Fruts* brand. In 2008, the Company launched a range of cider products under the *Sun Cider* brand. The Company is estimated to have a 40% market share of the retail segment within JNSD and a 30% share within spring water and natural mineral water.

In the beer segment, the Company's most important brands are *Lacplesis* and *Livu Alus*, which are both sold in the mainstream segment. The Company's overall market share for the retail segment for beer is estimated to be 15%. *Lacplesis* is particularly strong in the HoReCa segment.

Sales and distribution to the retail trade as well as the HoReCa segment are handled by the Company.

FIGURE 6: THE COMPANY'S MOST IMPORTANT BRANDS IN THE LATVIAN MARKET

Cido is the largest fruit juice brand in Latvia	
Mangali is the leading bottled water brand. The Mangali family counts natural spring water and near-water flavoured products	
Fruts is the name of a range of nectar and still drinks	
Lacplesis is a mainstream brand in Latvia	
Livu Alus is a mainstream brand	

The overall Latvian beer market is estimated to have increased from 1 million hectolitres in 2000 to 1.5 million hectolitres in 2008, equal to an increase of 49%. During the same period, the market for soft drinks is estimated to have increased from 0.9 million hectolitres to 1.6 million hectolitres, equal to an increase of 86%. Bottled water product sales, including spring water and natural mineral water, are estimated to have increased from 0.6 million hectolitres to 1.1 million hectolitres during the same period, equal to 80%.

As a result of the global economic crisis, overall beer sales are estimated to have fallen by 3% during the period 2008-2009. Management believes that sales in the fruit juice segment have gone down by 25%.

Management believes that the Latvian market for beer in the longer term and under normal economic conditions will see limited growth and an increasing preference for premium products. Similar developments are expected for soft drinks, in particular juice products, which are expected to see increasing volumes.

FIGURE 7: THE COMPANY'S MOST IMPORTANT BRANDS IN THE POLISH MARKET

Lomza is a leading brand in the mainstream segment in north-eastern Poland

Strzelec is a mainstream brand in southern Poland

Rybnicki is a local mainstream brand in southern Poland

Faxe is a recognised premium brand widely marketed in Poland

Poland
In Poland, the Company operates within beer mainly in the country's north-eastern region, in the region around Warsaw and in the southern part of the country. In these areas, the Company offers a number of local mainstream brands.

In north-eastern Poland, the Company is the third-largest supplier of beer with the *Lomza* brand, which has an estimated market share of 15% in the retail segment of that region.

Beer consumption in Poland has for a number of years developed favourably, and during the period 2000-2008, consumption is estimated to have gone up by 45%, corresponding to growth in volumes from 25 million hectolitres to 36 million hectolitres.

Poland's per capita beer consumption is 97 litres, which is among the highest in Europe. Management believes that beer sales in Poland declined by 5% from 2008 to 2009 as a result of the global economic crisis and higher duties and taxes.

Management believes that the Polish market for beer in the longer term and under normal economic conditions will see moderate growth and an increasing preference for premium products.

Malt and Overseas Markets
The Malt and Overseas Markets segment comprise export and licence businesses, the principal products of which are malt drinks, and controlling interests in three Caribbean breweries and a soft drinks producer. The Company announced on 12 August 2009 that it

FIGURE 8: THE COMPANY'S MOST IMPORTANT BRANDS FOR MALT AND OVERSEAS MARKETS

Vitamalt is estimated to be the world's third-largest premium brand within non-alcoholic malt drinks The brand comprises a number of variants, including *Vitamalt Classic, Vitamalt Plus, Vitamalt Ginseng* and *Vitamalt Light*	
Supermalt is sold in the UK market where it is the leading premium malt brand	
Powermalt is sold in a number of markets, often as a fighting brand	

had concluded a conditional agreement to divest the three breweries and the soft drinks producer. When the divestment has been completed, the Company will focus on expanding its market positions for malt drinks in existing markets and on expanding the geographical market coverage through exports and licence agreements.

Within malt drinks, the Company has several internationally strong brands that are sold in the premium segment. *Vitamalt* is estimated to be the third-largest global malt brand. *Supermalt* is the Company's second-largest brand within malt drinks and is believed to be the leading malt brand in the UK.

Malt drinks are non-alcoholic brewery products with high nutritional values and initially, the Company's sales were part of a food aid programme more than 30 years ago. However, the malt drinks soon became a preferred product by consumers in a number of markets, and commercial operations were established. Sales have followed an increasing trend for a number of years and the most important markets for the Company's malt drinks include countries in Africa and the Caribbean as well as ethnic groups from these areas living in and around major cities in Europe and the USA.

The malt drinks markets are supplied through exports from the Company's Danish breweries or on the basis of licence agreements. In the UK and on the Caribbean islands of Guadeloupe and Martinique, the export activities are supported by the Company's own sales. In order to expand the distribution of the *Vitamalt* brand, the Company has concluded agreements for licence production of *Vitamalt* with local breweries for the markets of Tanzania and Ghana in Africa and for the markets of Guyana, the Bahamas, Grenada and St. Kitts in the Caribbean. Following the completion of the conditional divestment of the Caribbean breweries on St. Vincent, Antigua and Dominica, the new owners will continue to produce and sell *Vitamalt* on a licence for these markets. As part of the deal, a licence agreement has been concluded for the launch, production and sale of *Vitamalt* in the Dominican Republic. Hence, the Company expects to achieve a higher exposure of *Vitamalt* in the Caribbean, because the Dominican Republic with its population of more than

10 million is a significantly larger market than the current markets of the Caribbean put together.

The global markets for malt drinks are estimated to have been on an increasing trend for quite some time, but the general economic crisis has resulted in lower sales which Management believes to be temporary. Management believes that the global markets for malt drinks in the longer term and under normal economic conditions will expand, among other things driven by a growing population. Furthermore, the Company's sales in the African markets are estimated to offer a development potential through an increasing number of business partners in relevant markets.

Other business activities

Interests in breweries

The Company has minority interests in four breweries which were acquired on the basis of a desire to distribute the Company's products as part of a planned structural expansion or establishment of strategic alliances;

- Hansa Borg Bryggerierne, Norway, in which the Company holds a 25% stake, is the second-largest Norwegian brewery and soft drinks business. This company posted net revenue of NOK 1.2 billion in 2008 and EBIT of NOK 55 million.

- Nuuk Imeq in Greenland, in which the Company holds a 32% stake. Nuuk Imeq posted revenue of DKK 140 million in 2008 and EBIT of DKK 30 million. The company sells its own products as well as beer brewed by its shareholders and bottled locally and soft drinks. Sales are made primarily in the West Greenland market.

- Solomon Breweries, in which the Company holds a 35% stake, is the only brewery on the Solomon Islands. In 2008, this company posted revenue of DKK 55 million and EBIT of DKK 9 million.

- Perla Browary Lubelskie, in which the Company holds a 48% stake, is located in the city of Lublin in south-eastern Poland. In 2008, this company posted revenue of DKK 375 million and an EBIT loss of DKK 5 million. The brewery has an annual capacity of 900,000 hectolitres and its *Perla* mainstream brand holds a good position in south-eastern Poland.

The former three breweries are recognised in the Company's financial statements under associates, while Perla Browary Lubelskie is recognised under other investments.

The brewery site in Aarhus, Denmark

On the basis of an assessment of how to develop the Company's Danish production structure most efficiently and in order to release capital, Royal Unibrew decided in January 2008 to close down the brewery in Aarhus and relocate the activities to the breweries in Faxe and Odense. As a result of the close-down of the brewery, the Company owns an idle site of 74,500 m^2 located centrally in Aarhus, Denmark's second-largest city.

The brewery site in Aarhus is not part of the Company's core activities, and Royal Unibrew has no intention of participating in a construction project but wishes to divest the site which has a carrying amount of DKK 400 million. A proposal for a plan to build up the area was submitted to the Municipality of Aarhus in April 2009 to form the basis of a revised local development plan. A mix of mainly commercial and residential property is expected to be applied. The final proposal for a construction plan for the area was submitted in October 2009. Management believes the best price for the site in relative terms can be obtained when a revised local development plan has been adopted. At present, it is expected that such a plan will be adopted during the second half of 2010. When the local development plan has been finally adopted, the Company intends to initiate an actual selling process. A sale at the carrying amount would reduce the Company's net interest-bearing debt after tax by around DKK 300 million.

7. ORGANISATIONAL STRUCTURE

7.1 GROUP STRUCTURE

Royal Unibrew A/S is the parent company of the Group and owns the following subsidiaries and associates:

TABLE 4: GROUP STRUCTURE

Segment		Ownership	Currency	Share capital
Western Europe				
Subsidiaries	Aktieselskabet Cerekem International LTD., Faxe, Denmark	100.0%	DKK	1,000,000
	Albani Sverige AB, Sweden	100.0%	SEK	305,000
	Centre Nordique d'Alimentation EURL, France	100.0%	EUR	200,000
	Ceres S.p.A., Italy	100.0%	EUR	206,400
	Faxe Getränke-Vertrieb GmbH, Germany	100.0%	EUR	127,823
	Maribo Bryghus A/S, Maribo, Denmark	100.0%	DKK	1,805,500
Associates	Nuuk Imeq A/S, Godthåb, Greenland	32.0%	DKK	38,000,000
	Hansa Borg Skandinavisk Holding A/S, Faxe, Denmark	25.0%	DKK	53,577,400
	• Hansa Borg Holding ASA, Norway	100.0%	NOK	54,600,000
	• Hansa Borg Bryggerierne ASA, Norway	100.0%	NOK	29,065,000
Eastern Europe				
Subsidiaries	AB Kalnapilio-Tauro, Lithuania	100.0%	LTL	62,682,000
	Royal Unibrew Services UAB, Lithuania	100.0%	LTL	150,000
	SIA "Cido Grupa", Latvia	100.0%	LVL	785,074
	Royal Unibrew Polska Sp. Z. o. o., Poland	100.0%	PLN	107,302,400
Malt and Overseas Markets				
Subsidiaries	Supermalt UK Ltd., England	100.0%	GBP	9,700,000
	• Vitamalt (West Africa) Ltd., England	100.0%	GBP	10,000
	Drinktech Holding AG, Schweiz	100.0%	CHF	100,000
	Impec Holding SAS, Guadeloupe	51.0%	EUR	5,294,000
	• Import-Export Compagnie S.A., Guadeloupe	100.0%	EUR	304,898
	• Impec Martinique S.A., Martinique	100.0%	EUR	8,000
	The Danish Brewery Group Inc., USA	100.0%	USD	100,000
	St. Vincent Breweries Ltd., St. Vincent*	76.5%	XCD	18,310,000
	Antigua Brewery Ltd., Antigua*	93.0%	XCD	21,747,075
	Antigua PET Plant Ltd., Antigua*	75.0%	XCD	1,500,000
	Dominica Brewery & Beverages Ltd., Dominica*	58.0%	XCD	10,000,000
	Royal Unibrew Caribbean Ltd., Puerto Rico	100.0%	USD	200,000
Associates	Solomon Breweries Limited, Solomon Islands	35.2%	SBD	21,600,000

*These subsidiaries have been divested under a conditional agreement.

8. PROPERTY, PLANT AND EQUIPMENT

8.1 FACILITIES

Land and buildings owned

In Denmark, Royal Unibrew owns the Faxe (Faxe, Denmark) and Albani (Odense, Denmark) breweries. In Lithuania, it owns the Kalnapilis brewery (Panevezys, Lithuania), and in Latvia the Livu brewery (Liepaja, Latvia), and the soft drinks producer Cido (Riga, Latvia). In Poland, Royal Unibrew owns the Lomza (Lomza, Poland) and the Strzelec (Jedrzejow, Poland) breweries. In the Caribbean, the Company holds majority interests in three breweries in Antigua, Dominica and St. Vincent, respectively. However, with regard to these breweries, Royal Unibrew has signed a conditional agreement for the sale of all shares. See "Material contracts".

Royal Unibrew owns, either directly or through its fully controlled subsidiaries, land and buildings with related production facilities and other equipment in the countries in which its breweries are located. In Denmark, Royal Unibrew also owns a number of other sites and properties, mainly located on or near the sites and properties at which production takes place.

The Company owns land of a total area of 723,773m^2 with 246,764m$_2$ of buildings distributed on 12 business locations. The operations in Denmark represent 65% of the Company's total land, with the Company's headquarters in Faxe accounting for most of that land. The brewery site in Aarhus, which the Company wishes to divest, is 74,696m^2. At 30 September 2009, the Company owned land and buildings with a carrying amount of DKK 1,130 million, of which the brewery site in Aarhus had a carrying amount of DKK 400 million following the revaluation by DKK 240 million in 2008. Breweries partly controlled by Royal Unibrew are not included in the table.

TABLE 5: LAND AND BUILDINGS OWNED

Country:	No. of business locations	Land	Floor space
	Units	m^2	m^2
Denmark	3	468,839	121,682
Poland	2	89,420	29,403
Latvia	2	126,248	49,194
Lithuania	1	1,561	27,569
Italy	1	n,a,	1,095
The Caribbean	3	37,705	17,821
Total	**12**	**723,773**	**246,764**

Note: Business locations are defined as single units, e.g. the single production site at Faxe Bryggeri. Hence, one business location may consist of several title numbers.

Land and buildings leased

The Company has had and still has a significant number of leases in the countries in which it operates, including a large number in Denmark. Historically, a large part of the Company's Danish leases was related to the distribution structure with 21 depots driven by independent depot owners. However, as an important part of its main strategic priorities, the Company changed this structure during 2009 and distribution is now carried out through seven major terminals driven by the Company itself, including six leased facilities.

In connection with the change of the distribution structure in Denmark, a number of leases became superfluous, and some of them have been phased out. Five leases representing an annual rental cost of DKK 5.2 million are being phased out and either have been or will be terminated within the next couple of years, when this is possible under the various lease contracts.

Furthermore, the Company holds a substantial number of leases in relation to its operations outside Denmark, including a number of leases in Lithuania. Many of the Lithuanian leases (13) consist of smaller outlets with marginal annual rental costs.

In the Baltic countries and on Antigua, Royal Unibrew leases the land on which the Company's buildings are located, while it owns the buildings.

The Company disposes of a total of 57 lease locations with a total floor space of 76,131m^2. Royal Unibrew typically signs lease agreements for a long period of time and with a period of non-terminability, after which the lease will be terminable, typically at six months' notice. The leases for the land in the Baltic countries and on Antigua run for many years (until 2046) and the costs of these leases are moderate.

TABLE 6: LAND AND BUILDINGS LEASED

Area:	Lease locations	Floor space	Annual rent
	Units	m^2	(DKKm)
Denmark	18	40,295	16.3
UK	1	55	0.3
France	1	100	0.2
Poland	6	7,306	2.2
Latvia	3	0	0.2
Lithuania	20	23,160	5.0
The Caribbean	8	5,215	3.3
Total	**57**	**76,131**	**27.5**

Note: Lease locations are defined as single units, e.g. the single production site at the Faxe Bryggeriet. One lease location may consist of several title numbers (and hence several individual leases).
Note: Leases in Latvia consist of land only.

TABLE 7: CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT AT 30 SEPTEMBER 2009

	(DKKm)
Land and buildings	728,646
Project properties	401,454
Plant and machinery	680,568
Other fixtures and fittings, tools and equipment	235,518
Property, plant and equipment under construction	10,428
Total	**2,056,614**

8.2 INSURANCE

The Company has a comprehensive insurance programme which reflects the scope and extent of its operations and their geographical location.

Once a year, the insurance programme is reviewed together with the Group's advisor, a global insurance broker group, to ensure that adjustments are made on an ongoing basis in support of the Company's development and, thus, that the possible effect on the Company's financial performance is minimised.

Any total loss of the brewery in Faxe due to fire constitutes the single most important risk to the Company, as the re-establishment of production facilities would be very time-consuming and involve the risk of losing market share, and the risk of business interruption. The Company has not been hit by damage to its breweries due to fire in the past.

The Group's liability

The Group has taken out professional and product liability insurance to cover all group enterprises with an insurance sum of DKK 75 million per year. However, in respect of the Caribbean Companies, the group liability insurance provides only secondary coverage if the insurance taken out locally does not provide cover or if the insurance sum has been exceeded. Hence, group insurance ensures uniform liability insurance for all group enterprises.

Insurance cover for property, plant and equipment, inventories and business interruption

The Company has a comprehensive insurance programme for all production and sales companies. The insurance has been established according to the principle of reconstruction/replacement value today. The insurance is taken out on all risk terms and also covers traditional damage such as fire, theft and water damage. Furthermore, the insurance covers business interruption following damage and a sum to pay additional costs relating to the maintenance/restructuring of production to the extent possible immediately after the damage has occurred. The business interruption insurance has a cover period of 15 months and a maximum compensation of DKK 1.6 billion per claim for the Faxe brewery and DKK 0.9

billion for other production and sales companies. Additional costs are covered by up to DKK 10 million on a first loss basis.

Most production facilities have 24-hour surveillance and fire fighting and sprinkler systems have been installed in critical areas.

The Company's other insurance policies are subject to customary deductible provisions.

The Company works with damage prevention, and its insurance broker performs annual engineer inspections, followed by the preparation of engineering reports and recommendations for up to three of the Group's production facilities. This service is used to identify and minimise the risk level.

The Company's insurance programme for property, plant and equipment, inventories and business interruption covers risks adapted to local conditions and has been hedged through group insurance taken out with recognised insurance companies.

The risk of loss during transport of raw materials and finished goods is covered at group level.

Other insurance

In addition to the above-mentioned general insurance, the Company in collaboration with its insurance broker has taken out compulsory and customary insurance applicable to the specific locations for all enterprises of the Group.

Management believes that the Company's insurance cover is adequate and that ordinary risks have been covered. The Company's insurance broker also believes that the Company's ordinary risks have been covered.

8.3 ENVIRONMENT

The Company's business, including production, use, storage and disposal and sale of products, is subject to a number of environmental laws and regulations.

Management believes that the Company complies in all material aspects with applicable environmental law and holds the required permits, and Management is not aware of any environmental factors which could have a material impact on the Company's use of fixed assets.

9. OPERATING AND FINANCIAL REVIEW

The table below presents selected historical consolidated financial information extracted from the annual reports for the financial years ended 31 December 2008, 2007 and 2006, which were prepared in accordance with IFRS as adopted by the EU, and selected unaudited interim financial information extracted from the interim report for the nine months ended 30 September 2009 (Q1-Q3 2009) with comparative figures for the nine months ended 30 September 2008 (Q1-Q3 2008), which were prepared in accordance with IAS 34, "Interim Financial Reporting", as adopted by the EU.

Ernst & Young Godkendt Revisionspartnerselskab has reviewed the interim report for the nine months ended 30 September 2009 (Q1-Q3 2009). The comparative figures have been not been reviewed.

TABLE 8: SELECTED CONSOLIDATED FINANCIAL HIGHLIGHTS

(DKKm)	Q1-Q3 2009 Unaudited	Q1-Q3 2008 Unaudited	2008 Audited	2007 Audited	2006 Audited
Income statement					
Net revenue	2,986.9	3,234.4	4,178.7	3,881.8	3,439.0
Production costs	-1,702.6	-1,849.0	-2,433.3	-2,129.2	-1,742.9
Gross profit	1,284.3	1,385.4	1,745.4	1,752.6	1,696.1
Sales and distribution expenses	-888.7	-1,071.4	-1,387.5	-1,268.8	-1,191.2
Administrative expenses	-160.7	-168.7	-223.0	-239.7	-157.2
Operating profit (EBIT before special items)	234.9	145.3	134.9	244.1	347.7
Special items, net	-28.9	-56.8	-50.1	20.2	-14.3
Impairment losses	0.0	0.0	-385.0	0.0	0.0
Profit/loss before financial income and expenses	206.0	88.5	-300.2	264.3	333.4
Income after tax from investments in associates	20.2	14.2	22.7	28.0	26.1
Impairment losses on other investments	0.0	0.0	-70.1	0.0	0.0
Net financials	-100.1	-80.9	-105.4	-72.2	-39.1
Profit/loss before tax	126.1	21.8	-453.0	220.1	320.4
Tax on the profit/loss for the period	-39.4	-7.0	-30.2	-65.0	-90.0
Net profit/loss for the period	86.7	14.8	-483.2	155.1	230.4
Parent company shareholders' share of net profit/loss	84.5	14.1	-484.3	151.7	227.6
Depreciation, amortisation and impairment and gain on sale of long-term assets	132.0	138.4	554.8	128.1	202.5
Cash flows					
Cash flows from operating activities	406.2	74.3	103.2	151.5	425.2
Cash flows from investing activities	-88.8	-395.8	-589.0	-372.3	-304.4
Cash flows from financing activities	-275.6	233.9	418.1	11.7	-39.4
Total cash flows	41.8	-87.6	-67.7	-209.1	81.4
Free cash flow	290.9	-192.0	-356.2	157.0	206.0

TABLE 8: SELECTED CONSOLIDATED FINANCIAL HIGHLIGHTS (CONTINUED)

(DKKm)	Q1-Q3 2009 Unaudited	Q1-Q3 2008 Unaudited	2008 Audited	2007 Audited	2006 Audited
Balance sheet					
Assets					
Total assets	3,769.2	4,222.4	4,051.4	3,781.3	3,413.6
Intangible assets	483.9	808.9	486.4	774.7	507.5
Property, plant and equipment	2,056.6	1,853.3	2,079.4	1,557,0	1,426.9
Financial assets	168.3	274.5	177.1	265.8	280.6
Current assets	1,060.3	1,285.6	1,308.5	1,183.8	1,198.6
Liabilities and equity					
Total liabilities and equity	3,769.2	4,222.4	4,051.4	3,781.3	3,413.6
Equity	611.2	1,058.9	574.8	1,119.5	1,148.1
Non-current liabilities	2,204.9	1,921.6	1,882.9	1,667.7	1,371.6
Current liabilities	953.1	1,241.9	1,593.7	994.1	893.9
Net interest-bearing debt	1,894.8	2,026.2	2,191.9	1,586.1	1,047.8
Net working capital	-41.7	320.4	186.1	316.0	165.5

(DKKm)	Q1-Q3 2009 Unaudited	Q1-Q3 2008 Unaudited	2008 Audited	2007 Audited	2006 Audited
Key figures					
EBITDA	338.1	225.3	254.6	392.5	535.9
Operating profit (EBIT before special items)	234.9	145.3	134.9	244.1	347.7
EBIT	206.0	88.5	-300.2	264.3	333.4
EBITDA margin, %	11.3	7.0	6.1	10.1	15.6
Profit margin (%)	7.9	4.5	3.2	6.3	10.1
EBIT margin (%)	6.9	2.7	-7.2	6.8	9.7
Return on assets (%)	6.4	4.0	3.8	8.0	12.9
Return on invested capital including goodwill (ROIC) (%)	6.0	3.6	3.1	7.4	12.1
Return on equity after tax (%)	10.4	1.3	-57.0	13.7	20.0
Free cash flow as a percentage of revenue	9.7	-5.9	-8.5	4.0	6.0
Net interest-bearing debt to EBITDA	5.6	8.9	8.6	4.0	2.0
Current ratio	0.9	1.0	0.8	1.2	1.3
Equity ratio (%)	16.2	25.1	14.2	29.6	33.6
Debt ratio (%)	310.0	191.3	381.3	141.7	88.7

TABLE 8: SELECTED CONSOLIDATED FINANCIAL HIGHLIGHTS (CONTINUED)

(DKKm)	Q1-Q3 2009 Unaudited	Q1-Q3 2008 Unaudited	2008 Audited	2007 Audited	2006 Audited
Per share data					
Earnings per share (nom. DKK 10), DKK	15.4	2.6	-89.0	26.4	38.0
Diluted earnings per share (nom. DKK 10), DKK	15.4	2.6	-89.0	26.2	37.6
Cash flow per share (nom. DKK 10), DKK	73.9	13.5	19.0	26.3	70.9
Diluted cash flow per share (nom. DKK 10), DKK	73.9	13.5	19.0	26.1	70.2
Book value per share (nom. DKK 10), DKK	102.9	182.8	96.4	183.2	183.7
Market price as at 31 December	175.0	350.0	118.5	534.0	740.0
Price/earnings	11.4	134.6	-1.3	20.2	19.5
Price/earnings, diluted	11.4	134.6	-1.3	20.4	19.7
Market price/book value per share (nom. DKK 10), DKK	1.7	1.9	1.2	2.9	4.0
Proposed dividend per share (nom. DKK 10), DKK	0.0	0.0	0.0	10.0	10.0
Dividend payout ratio	0.0	0.0	0.0	38.9	27.2
Number of shares	5,600,000	5,600,000	5,600,000	5,900,000	6,180,000
Number of treasury shares	106,674	106,674	106,674	316,847	366,343
Average number of shares in circulation	5,493,000	5,502,000	5,500,000	5,755,000	5,998,000
Average dilutive effect of outstanding share options	0	0	0	37,000	62,000
Average number of shares in circulation, diluted	5,493,000	5,502,000	5,500,000	5,792,000	6,060,000
Employees					
Average number of employees	2,730	2,750	2,755	2,659	2,278

With the exception of ROIC, the financial highlights have been prepared on the basis of IFRS and "Recommendations and key figures 2005" issued by The Danish Society of Financial Analysts. See "Definitions – Definitions of key ratios".

Operating and financial review

The following review should be read in conjunction with Royal Unibrew's audited annual reports and the consolidated financial statements and the notes thereto for the financial years ended 31 December 2008, 2007 and 2006 included in Appendices "Financial information", and the interim financial statements and the notes thereto for the nine months ended 30 September 2009 (Q1-Q3 2009) with comparative figures for the nine months ended 30 September 2008 (Q1-Q3 2008), also included in Appendices "Financial information".

Principal factors affecting Royal Unibrew's results of operations

Market and product mix

The Company's results of operations are affected by the different margins generated in the individual markets, on individual products and by the distribution channels used to sell the products. For example, there is a higher margin in the HoReCa segment than in the retail segment and a higher margin on super premium and premium products than on mainstream products.

Seasonality and weather conditions

The Company is dependent on weather conditions, especially during the summer months. Sales of the Company's beer and other beverages have historically been higher in the summer months than in the other periods of the year. Particularly cold and rainy summers have historically had an adverse effect on the Company's results of operations.

Competition

The Company competes against other regional breweries and international and local breweries. Sales are to a wide extent affected by the present intense competition in the market in question and within the segment in question, including by factors such as campaign intensity and marketing initiatives.

Prices of raw materials

The Company uses a number of raw materials in the production of beer, soft drinks and malt products. The principal raw materials are cans (aluminium), malt (barley), hops and energy, as well as glass and PET bottles and carton packaging. Prices of these raw materials fluctuate from one year to the next, thus affecting annual results of operations. If prices of raw materials rise by a large margin, the Company may face difficulty in being compensated through its selling prices for the overall change in expenses, and in such situations the Company could expect an adverse impact on its annual results of operations. In accordance with the policy adopted by the Supervisory Board, the Company has, for certain of the principal raw materials, cans, malt, hops and energy, entered into a number of fixed-price agreements and financial contracts with a view to minimising annual fluctuations. Thus, the most important part of the consumption of these raw materials was hedged in 2008, and a similar hedge has been maintained for consumption in 2009 and 2010.

Acquisitions and restructuring

Over the past few years, the Company has made a number of acquisitions and a few divestments as well as restructuring of its existing operations. These steps have had a material impact on the Company's net revenue and earnings.

Foreign exchange rates

The Company's net revenue and expenses are exposed to fluctuations in certain currencies. The company is to a large extent directly or indirectly affected by movements in USD, EUR, GBP, LTL, LVL, PLN and SEK. The Company widely hedges its exchange rate exposure.

Initiatives that have materially affected or could materially affect Royal Unibrew

Duties

In most of the countries in which the Company sells its products, state duties are imposed on the consumption of beer and soft drinks. Changes to such duties may thus affect consumption and, by extension, the Company's revenue and earnings, either positively or adversely. Changes to the rates of duties are used partly as an adjustment mechanism for the intended tax proceeds, but also to change consumption habits among the consumers. For example, in some countries beer duties are based on a political aim to limit the intake of alcohol, and adjustments of soft drink duties have been based on an intention to reduce the consumption of sugary soft drinks.

In many countries, duties are imposed on the packaging in which beer and soft drinks are sold, which affects the costs associated with manufacturing the products. Changes to packaging duties and fees for collecting used packaging thus affect the Company's earnings.

Marketing legislation

In a number of the Company's markets, legislation is in place governing how alcoholic beverages such as beer can be marketed, both overall and towards certain parts of the population, including children and adolescents. Political decisions to amend the marketing legislation may therefore affect the Company's opportunities for promoting the sale of its products through marketing initiatives.

Critical accounting policies

The Company's accounting policies are set out in Appendices "Financial information – Audited consolidated financial information for the financial years ended 31 December 2008, 2007 and 2006 – Notes – Note 27" in this Prospectus.

Accounting estimates

In addition to the following, see also Appendices "Financial information – Audited consolidated financial information for the financial years ended 31 December 2008, 2007 and 2006 – Notes – Note 1".

In connection with the preparation of annual reports and interim reports, Management, based on the accounting policies applied, makes estimates and assessments of how to recognise and measure assets and liabilities.

The estimates applied are based on assumptions which Management believes to be reasonable, but which are inherently uncertain and unpredictable.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

The valuation of intangible assets and property, plant and equipment is based on estimates of expected useful lives. Estimates are also made in connection with impairment tests. In relation to the valuation of project development properties, the Company has decided to use the exemption under IAS 16, which allows a company to measure its project development properties at an estimated fair value.

Other investments

As from 2008, this item primarily covers the equity investment in the Polish brewery Perla Browary Lubelskie, which is measured at an estimated fair value.

Trade receivables

Impairment of receivables is made on the basis of an individual assessment of the risk of loss on the receivables, including the maturity profile of the receivables and the current creditworthiness of the debtors.

Deferred tax

Deferred tax, including the value of tax loss carryforwards to be offset against positive taxable income of future years is recognised if Management believes that this possibility is feasible.

Deferred tax

Repurchase obligations, returnable packaging
The repurchase obligation relating to packaging in circulation is calculated on the basis of estimated total volumes of packaging less packaging held in inventory.

Interim consolidated financial statements for the nine months ended 30 September 2009 with comparative figures for the nine months ended 30 September 2008

Income statement

During the nine months ended 30 September 2009, the Group improved its earnings and market position relative to the same period of 2008 in spite of lower sales and net revenue triggered by the global economic crisis and the resulting change in customer and consumer behaviour. During the nine months ended 30 September 2009, the Group reported a pre-tax profit of DKK 126 million, which was notably better than expected and a DKK 104 million improvement on the same period of 2008. There was no impairment of non-current assets during the nine months ended 30 September 2009 and 2008.

During the nine months ended 30 September 2009, the Group consolidated or retained its market share for branded products in most of its principal markets. Price competition remained fierce in a number of the Group's markets in northern Europe.

In several markets – especially the Baltic countries – major efficiency improvement measures and an ongoing cost realignment process were carried out due to a decline in sales.

Sales and net revenue

In this section, sales are denoted in volumes (hectolitres), whilst net revenue is denoted in DKK.

TABLE 9: SALES AND NET REVENUE DURING THE NINE MONTHS ENDED 30 SEPTEMBER

	2009	2008
Sales (million hectolitres)	5.2	5.8
Growth (%)	-11.2	
Net revenue (DKKm)	2,987	3,234
Growth (%)	-7.7	

Sales

In the nine months ended 30 September 2009, the Group generated total sales of 5.2 million hectolitres of beer, malt and soft drinks, a decline of 11% relative to the same period of 2008. The continuing global economic crisis is believed to be the main reason for the sales decline relative to the year-earlier period.

Net revenue

During the nine months ended 30 September 2009, consolidated net revenue declined less than sales. At DKK 2,987 million, net revenue was 8% lower than in the nine months ended 30 September 2008. Four percentage points of the drop in net revenue was due to the depreciating PLN and a decision to discontinue unprofitable supply contracts in respect of private labels. At the beginning of the year, the Group implemented an increase in selling prices in nearly all markets. In addition, net revenue was positively affected by the dedication during the period to promote the sale of high sales value products.

Gross profit

The Group recorded a gross profit of DKK 1,284 million in the nine months ended 30 September 2009, which was approximately DKK 100 million (7%) lower than in the year-earlier period. Management believes that the sales decline reduced the gross profit by more than DKK 175 million. Conversely, the gross profit in the reporting period was positively affected by more than DKK 75 million because actual net selling prices per unit rose by more than production costs per unit. The higher net selling prices and the lower indirect production costs, among other things due to the completed change of the production structure in Denmark, thus, on an aggregate basis, more than compensated for the increase in direct production costs in respect of raw materials, for which purchase prices were largely hedged. In the nine months ended 30 September 2009, the gross margin was 43.0%, against 42.8% in the same period of 2008.

Sales, distribution and administrative expenses

Sales and distribution expenses for the nine months ended 30 September 2009 totalled DKK 889 million, which was approximately DKK 183 million (27%) lower than in the year-earlier period. The considerable reduction related partly to the completed change of the distribution structure in Denmark, partly to an adjustment and focusing of sales and marketing expenses on the Group's key brands. The re-aligned distribution structure in Denmark pushed up the number of employees in 2009 by about 250 staff due to insourcing. In the nine months to 30 September 2009, administrative expenses were adjusted to compensate for the lower sales, amounting to DKK 163 million as compared with DKK 171 million in the same period of 2008. The full effect of the adjustments made primarily in Denmark and Poland is expected to crystallise in the second half of 2009.

Operating profit (EBIT before special items)

Operating profit (EBIT before special items) amounted to DKK 235 million in the nine months ended 30 September 2009, which was DKK 90 million higher than in the year-earlier period. The improvement was achieved through higher net selling prices per sales unit and through material cost savings in production, sales and distribution as well as administrative functions. The earnings effect of these initiatives was thus greater than the reduction in sales and gross profit, which was primarily a result of the global economic crisis. The performance improvement was achieved primarily in Western Europe, but the Group also recorded satisfactory and positive performance in Eastern Europe.

TABLE 10: EARNINGS PERFORMANCE FOR THE NINE MONTHS ENDED 30 SEPTEMBER

(DKKm)	2009	2008
Operating profit (EBIT before special items)	234.9	145.3
Profit margin (%)	7.9%	4.5%
EBIT ex impairment	206.0	88.5
EBIT margin ex impairment (%)	6.9%	2.7%

Special items

Special items in the nine months ended 30 September 2009 amounted to a net expense of a non-recurring nature in the amount of DKK 29 million. The Group recorded a DKK 21 million gain from the sale of the Koszalin brewery in Poland. Expenses incurred and asset impairment totalled DKK 50 million in Denmark, Poland the Baltic countries and the Caribbean, including in connection with structural and organisational adjustments.

Financial income and expense

In the nine months to 30 September 2009, the Group's net financial expenses amounted to DKK 80 million (DKK 67 million in the same period of 2008), covering a profit after tax in associates of DKK 20 million and net financial expenses of DKK 100 million against net financial expenses of DKK 81 million in the year-earlier period. Financial income increased by DKK 30 million, primarily due to non-recurring exchange rate gains. Financial expenses were DKK 49 million above the 2008 figure, including DKK 30 million relating to higher interest expenses, partly due to an increase in average net interest-bearing debt in the nine months ended 30 September 2009 than in the year-earlier period, partly to higher interest rates and expenses relating to the loan agreement signed with the Company's main bankers in the first quarter of 2009.

Tax

Tax on the profit for the period amounted to DKK 39 million and was positively affected by DKK 15 million relating to a prior-year adjustment.

Net profit for the period

The net profit for the period was DKK 87 million against DKK 15 million in 2008.

Segment review

The Group is organised in three market segments; Western Europe, Eastern Europe and Malt and Overseas Markets.

Western Europe

The Western Europe segment comprises the markets for beer and soft drinks in Denmark, Italy, Cross-border Trade and Germany, and the Nordic countries.

TABLE 11: SELECTED FINANCIAL HIGHLIGHTS FOR WESTERN EUROPE FOR THE NINE MONTHS ENDED 30 SEPTEMBER

Western Europe	2009	2008
Sales (million hectolitres)	2.6	2.9
Share of sales	50%	49%
Net revenue (DKKm)	1,902	1,957
Share of net revenue	64%	60%
Operating profit/loss (EBIT before special items) (DKKm)	228	159
Profit margin (%)	12.0	8.1
EBIT (DKKm) ex impairment	212	104
EBIT margin ex impairment (%)	11.1	5.3

In Western Europe, the Group retained its market shares, winning market shares in branded products in the soft drinks segment in Denmark and in the principal brand, *Ceres Strong Ale*, in Italy during the nine months ended 30 September 2009. However, markets were marked by the global economic crisis and the slowing consumption, and sales and net revenue were 10% and 3%, respectively, lower than in 2008. The decision to discontinue unprofitable private label supply agreements accounted for 7 percentage points of the sales decline and for the entire net revenue reduction for the nine months ended 30 September 2009. In Denmark, sales amounted to 1,126 thousand hectolitres and net revenue to DKK 910 million in the nine months ended 30 September 2009, which was a drop relative to the same period of 2008 of 15% and 8%, respectively. Sales in Italy were down 1% compared with the year-earlier period to 375 thousand hectolitres, whilst net revenue amounted to DKK 545 million, an increase of 4% on the same period of 2008. Sales in the market segment Cross-border Trade and Germany declined in the nine months to 30 September 2009 by 2% to 1,020 thousand hectolitres, and net revenue rose by 5% to DKK 426 million.

In the nine months ended 30 September 2009, operating profit improved by DKK 69 million to DKK 228 million, positively affected by higher net selling prices per unit and cost savings, and adversely impacted by lower sales.

EBIT during the nine months to 30 September 2009 was negatively affected by special items of DKK 17 million net, against DKK 55 million in the year-earlier period, primarily due to expenses relating to the restructuring of operations in Denmark and completion of the production and distribution structure reorganisation initiated in Denmark in 2008.

Eastern Europe

The Eastern Europe segment comprises the markets for beer and soft drinks, including fruit juices, in Lithuania, Latvia and Poland.

TABLE 12: SELECTED FINANCIAL HIGHLIGHTS FOR EASTERN EUROPE FOR THE NINE MONTHS ENDED 30 SEPTEMBER

Eastern Europe	2009	2008
Sales (million hectolitres)	2.2	2.5
Share of sales	42%	43%
Net revenue (DKKm)	729	895
Share of net revenue	24%	28%
Operating profit/loss (EBIT before special items) (DKKm)	5	-13
Profit margin (%)	0.6	-1.4
EBIT (DKKm) ex impairment	0	-13
EBIT margin ex impairment (%)	0	-1.5

In 2009, the markets in Eastern Europe have been marked by a reduction in beverage consumption, which in the case of Latvia began in mid-2008, whilst the decline in Poland and Lithuania did not materialise until late 2008 and early 2009, respectively. In the nine months ended 30 September 2009, sales fell by 12% and net revenue was reduced by 19%, of which 7 percentage points were due to the negative exchange rate developments in the PLN relative to 2008.

Sales in Lithuania dropped 7% to 658 thousand hectolitres, whilst net revenue was down 10% to DKK 274 million. In Latvia, sales dropped 27% to 687 thousand hectolitres, whilst net revenue was down 25% to DKK 217 million. In Poland, sales increased by 3% to 845 thousand hectolitres, whilst net revenue was down 19% to DKK 237 million.

Operating profit before special items increased by DKK 18 million on the first nine months of 2008 in spite of the considerable sales and net revenue decline. The improvement was due partly to significant cost reductions achieved on the back of the focus on adjusting the capacity base, partly to the PLN exchange rate movements.

EBIT during the period was adversely affected by special items of DKK 5 million net, relating to factors such as the restructuring in Poland and the Baltic countries.

Malt and Overseas Markets

The Malt and Overseas Markets segment comprises the international markets for malt drinks and exports of beer and soft drinks to markets where the Company does not have local representation.

TABLE 13: SELECTED FINANCIAL HIGHLIGHTS FOR MALT AND OVERSEAS MARKETS FOR THE NINE MONTHS ENDED 30 SEPTEMBER

Malt and Overseas Markets	2009	2008
Sales (million hectolitres)	0.4	0.5
Share of sales	8%	8%
Net revenue (DKKm)	356	382
Share of net revenue	12%	12%
Operating profit/loss (EBIT before special items) (DKKm)	28	32
Profit margin (%)	8.0	8.3
EBIT (DKKm) ex impairment	25	30
EBIT margin ex impairment (%)	7.0	7.8

In the nine months ended 30 September 2009, sales and net revenue in the segment accounted for 8% and 12%, respectively, of Group sales and net revenue. This was unchanged from 2008. Net revenue was positively influenced by a net amount of approximately DKK 11 million from movements in USD, XCD and GBP relative to 2008.

Operating profit (EBIT before special items) was DKK 4 million lower in the nine months ended 30 September 2009 than in the year-earlier period. The negative performance was largely attributable to declining sales caused by the global economic crisis, which in 2009 marked both the principal market of the segment, the Caribbean, and a number of other markets in the segment. Movements in USD, XCD and GBP had a DKK 1 million positive impact on the financial performance in the nine months to 30 September 2009.

Balance sheet

The Group's total assets at 30 September 2009 amounted to DKK 3,769 million (30 September 2008: DKK 4,222 million), which was DKK 284 million lower than at 31 December 2008. The lower balance sheet total was due primarily to the substantial reduction of inventories and receivables.

The equity ratio increased by 2 percentage points in the nine months ended 30 September 2009 to stand at 16% at the end of the period, up from 14% at the end of 2008. Group equity at 30 September 2009 stood at DKK 611 million (30 September 2008: DKK 1,059 million) and in the nine months to 30 September 2009 equity was largely only affected by comprehensive income of DKK 34 million. Comprehensive income consisted of the DKK 87 million profit for the period less exchange rate adjustments of Royal Unibrew's foreign group enterprises in the amount of DKK 19 million and negative developments in the value of currency and interest rate hedge instruments in the amount of DKK 33 million.

Cash flows

Free cash flow

The free cash flow before investments in acquisitions amounted to inflows of DKK 291 million in the nine months ended 30 September 2009 (2008: outflow of DKK 192 million). The free cash flow comprised cash inflows of DKK 406 million (2008: DKK 74 million) from operating activities and cash outflows of DKK 128 million (2008: DKK 281 million) from net investments as well as dividends received from associates in the amount of DKK 13 million (2008: DKK 15 million).

Change in cash

Cash flows from operating activities, investing activities and financing activities increased the Group's cash in the nine months ended 30 September 2009 by DKK 41 million from DKK 90 million at the end of 2008 to DKK 131 million at the end of September 2009. At the end of September 2009, the Group's cash resources, in addition to cash of DKK 131 million, comprised committed unutilised credit facilities of DKK 464 million for a total of DKK 595 million.

Cash flows from operating activities

Cash flows from operating activities amounted to DKK 406 million in the nine months ended 30 September 2009 (2008: DKK 74 million). Of this amount, a working capital reduction accounted for DKK 155 million (2008: reduction of DKK 59 million), and working capital at the end of September 2009 was negative in the amount of DKK 42 million. Capital tied up in inventories was reduced by DKK 115 million, whilst capital tied up in receivables and in trade payables and other payables was reduced by DKK 17 million and DKK 23 million, respectively. Other cash flows from operating activities amounted to DKK 251 million (2008: DKK 133 million), comprising the profit for the year adjusted for non-liquid operating items of DKK 358 million less net interest payments of DKK 84 million and income tax paid of DKK 23 million.

Cash flows from investing activities

Cash flows from investing activities in the nine months ended 30 September 2009 amounted to outflows of DKK 89 million (2008: outflows of DKK 396 million), of which net investments in property, plant and equipment amounted to DKK 128 million, which was considerably lower than in 2008, when investments were made in bottling capacity in the Baltic countries and the relocation of production from Aarhus to Faxe and Odense in Denmark. DKK 44 million was received in dividend and loan repayments from associates.

Cash flows from financing activities

Cash flows from financing activities amounted to outflows of DKK 276 million in the nine months ended 30 September 2009 (2008: inflows of DKK 233 million), equal to the reduction in drawings on the Group's credit facilities. In the same period of 2008, drawings on the Group's credit facilities were increased by DKK 333 million, and dividends were distributed and treasury shares bought back for a total of DKK 100 million.

Consolidated financial statements for the financial years ended 31 December 2008, 2007 and 2006

Income statement

The net loss for the 2008 financial year was DKK 453 million, against a profit of DKK 220 million for 2007 and a profit of DKK 320 million in 2006.

The results for 2008 were materially adversely impacted by an impairment loss of DKK 455 million relating to the Company's assets in Poland, as well as special non-recurring expenses of DKK 50 million relating to a restructuring of the Danish production and distribution structure. In addition, the results were adversely impacted by a general fall in economic growth in most of the Company's markets, as well as rising raw material prices and higher funding costs as a result of a significant increase in the net interest-bearing debt.

Sales and net revenue

In this section, sales are denoted in volumes (hectolitres), whilst net revenue is denoted in DKK.

TABLE 14: SALES AND NET REVENUE PERFORMANCE

	2008	2007	2006
Sales (million hectolitres)	7.5	7.1	6.4
Growth (%)	5.4	11.0	10.2
Net revenue (DKKm)	4,179	3,882	3,439
Growth (%)	7.6	12.8	7.8

Sales

The Group generated total sales of 7.5 million hectolitres of beer, malt and soft drinks in 2008, an increase of 5.4% relative to 2007, of which 5 percentage points were attributable to the acquisition of Polish, Caribbean and Latvian operations, which were not included in all of 2007. Sales of beer and malt drinks were 5.3 million hectolitres, an increase of 9% on 2007, whilst sales of soft drinks were on a level with sales in 2007 of just over 2.2 million hectolitres.

The Group generated total sales of 7.1 million hectolitres of beer, malt and soft drinks in 2007, an increase of 11% relative to 2006. Of the increase, 9 percentage points were attributable to acquired Polish and Caribbean activities. The organic volume growth thus amounted to 2 percentage points, which was distributed on all segments and more or less all geographical markets. Sales of beer and malt drinks were 4.8 million hectolitres, an increase of 13% on 2006, whilst sales of soft drinks rose by 8% to a total of 2.3 million hectolitres.

Net revenue

The Group generated net revenue of DKK 4.2 billion in 2008, corresponding to an increase of 7.6% on 2007. Organic growth represented 3 percentage points, whilst 4 percentage points related to acquisitions.

The organic growth was the result of positive growth in the first half of 2008, whilst the Company reported negative growth in the second half of 2008, and especially in the fourth quarter of 2008, marked by the general economic slump, which triggered a general consumption reduction in the Group's most important markets. The Group consolidated its market position by increasing or retaining market shares in key markets.

The Group generated net revenue of DKK 3.9 billion in 2007, corresponding to an increase of 13% on 2006, and growth was recorded in all markets. Of the net revenue improvement, 6 percentage points were attributable to the acquisition of the breweries Lomza in Poland and St. Vincent, Antigua and Dominica in the Caribbean, whilst the 7 percentage point organic growth in the Group was primarily related to Denmark, Italy, Latvia and Lithuania as well as Africa.

Gross profit

The Group achieved a gross profit of DKK 1,745 million in 2008, which was DKK 8 million lower than in 2007. The gross margin of 41.8% was 3.3 percentage points lower than that achieved in 2007.

The gross margin reduction was partly due to lack of opportunities to compensate for higher raw materials prices by customer price increases in markets with slowing demand, partly to a shift in sales towards products and markets with lower sales values. The gross profit as well as the gross margin were positively affected in 2008 by higher productivity at the Danish breweries relative to 2007 following the production changes.

The gross profit rose to DKK 1,753 million in 2007 from DKK 1,696 million in 2006, a 3.3% increase. The gross margin stood at 45.1% in 2007 compared with 49.3% in 2006, a decline of 4.2 percentage points.

It is estimated that 1.3 percentage point of the gross margin decline was due to production difficulties in relation to production changes at the Danish breweries. The remaining 2.9 percentage points related partly to lack of opportunities to compensate for higher raw materials prices by customer price increases in key markets such as Denmark, Cross-border Trade and Poland, partly to a change in the Company's product mix due to a relatively larger increase in sales of soft drinks in Eastern Europe and the Caribbean. It is estimated that the gross profit and the gross margin in 2007 were positively influenced by the process optimisation activities implemented.

Sales, distribution and administrative expenses

Sales and distribution expenses were up 9% from DKK 1,269 million in 2007 to DKK 1,388 million in 2008. Two percentage points related to acquisitions, whilst 7 percentage points primarily related to higher sales and marketing expenses (DKK 80 million) incurred to strengthen the market positions of the Group's most important brands. Administrative expenses were reduced by 7% from DKK 240 million to DKK 223 million, including an organic reduction of 12% due to the resource adjustment implemented towards the end of 2007.

In 2007, sales and distribution expenses were up 7% from DKK 1,191 in 2006 to DKK 1,269 million, with 3 percentage points being attributable to activities acquired during the year. The resulting organic increase of 4% was lower than the organic net revenue growth achieved. Administrative expenses in 2007 and 2006 included other income of DKK 9 million and DKK 43 million respectively (primarily income from Nigerian claims previously written off). Net of this effect, administrative expenses rose by 24% from DKK 201 million in 2006 to DKK 249 million in 2007, of which 15 percentage points related to acquired activities, with organic growth representing 9%, primarily due to expenses incurred for strategic initiatives.

TABLE 15: EARNINGS PERFORMANCE

(DKKm)	2008	2007	2006
Operating profit (EBIT before special items)	134.9	244.1	347.7
Profit margin (%)	3.2%	6.3%	10.1%
EBIT ex impairment	84.8	264.3	333.4
EBIT margin ex impairment (%)	2.0%	6.8%	9.7%

Note: EBIT ex impairment equals operating profit after special items

Operating profit (EBIT before special items)

Operating profit before special items amounted to DKK 135 million in 2008, or DKK 109 million lower than the 2007 figure.

In 2007, operating profit before special items amounted to DKK 244 million, which was 104 million lower than the 2006 figure.

Special items

Special items in 2008 amounted to an expense of DKK 50 million, comprising expenses of DKK 84 million relating to the closure of the breweries in Aarhus and Maribo, a change of the Danish distribution structure and of Group Management and income of DKK 34 million due to lower impairment losses on brewery assets from the Aarhus and Maribo breweries than assessed in 2007.

In 2007, special items amounted to an income of DKK 20 million, comprising a gain on the sale of the brewery property in Vilnius, Latvia, of DKK 128 million, a DKK 70 million impairment loss on production assets as a result of the decision to close down the brewery in Aarhus in 2008, and non-recurring expenses of DKK 38 million relating to the structural adjustments adopted in November 2007, including the lay-off of 300 employees and the closure of the brewery Lielvarde in Latvia and the one in Maribo, Denmark.

In 2006, special items amounted to an expense of DKK 14 million relating to optimisation of the production structure in the Baltic countries, including the closure of the brewery in Vilnius, Lithuania.

Impairment losses and impairment of other investments

Impairment losses amounted to DKK 385 million in 2008 and related to the Group's Polish subsidiary Royal Unibrew Polska, whilst a DKK 70 million impairment concerned the value of investments in the Polish company Perla Browary Lubelskie. As the Company's strategy for Poland did not produce the expected results and because of the market slump, at the end of 2008 it proved necessary to reassess the value of the underlying assets. The reassessment revealed material impairment of the value of intangible assets, property, plant and equipment and financial assets. The impairment covered impairment of intangible assets in the amount of DKK 261 million, property, plant and equipment in the amount of DKK 124 million and investments in the amount of DKK 70 million.

Financial income and expenses

The Group's financial income and expenses primarily relate to interest expenses on the Group's debt to mortgage credit institutions and banks. The Group's net interest expenses increased by DKK 33 million in 2008 to DKK 105 million due to a DKK 600 million increase in interest-bearing debt, which will be used to fund substantial acquisitions and investments in Denmark and the Baltic countries.

From 2006 to 2007, the Group's net interest expenses increased from DKK 33 million to DKK 72 million. Of this increase, DKK 6 million was attributable to value adjustments and DKK 27 million to interest. The higher interest expenses were due to an increase in net interest-bearing debt of DKK 540 million, attributable to acquisitions in the Caribbean and Poland.

Tax

Tax on the profit for the year in 2008 amounted to DKK 30 million and was significantly affected by the fact that the impairment loss and the large loss in the Polish subsidiary did not have any impact on tax on the profit for the year.

Income tax amounted to DKK 65 million in 2007. The change in the Danish corporation tax legislation, including the lowering of the corporate tax rate from 28% to 25%, had a DKK 14 million positive impact on income tax. In spite thereof, the effective tax rate rose from 28.1% in 2006 to 29.5% in 2007, as there was an increase in the effective tax rate for foreign subsidiaries. Income tax amounted to DKK 90 million in 2006.

Net profit/loss for the year

The Group reported a loss of DKK 483 million in 2008, a profit of DKK 155 million in 2007 and a profit of DKK 230 million in 2006.

Segment review

The Company is organised in three market segments; Western Europe, Eastern Europe and Malt and Overseas Markets.

Western Europe

The Western Europe segment primarily comprises the markets for beer and soft drinks in Denmark, Italy, Cross-border Trade and Germany, and the Nordic countries.

TABLE 16: SELECTED FINANCIAL HIGHLIGHTS FOR WESTERN EUROPE

Western Europe	2008	2007	2006
Sales (million hectolitres)	3.7	3.8	3.7
Share of sales	50%	54%	59%
Net revenue (DKKm)	2,537	2,490	2,414
Share of net revenue	61%	64%	70%
Operating profit/loss (EBIT before special items) (DKKm)	185	252	320
Profit margin (%)	7.3	10.2	13.2
EBIT (DKKm) ex impairment	137	161	320
EBIT margin ex impairment (%)	5.4	6.4	13.2

The Western Europe segment developed positively in the first half of 2008, recording an increase in sales and net revenue. In the second half of 2008, 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 trend, the Group reported a 2% increase in net revenue in 2008, primarily in relation to Denmark and Germany, whilst sales were down 2% relative to 2007, primarily driven by a 4% reduction in sales in Denmark.

Increases in net selling prices only partly compensated for the higher raw materials prices, and 2008 sales shifted towards markets in which the selling price per product unit is lower than the Western European average. These circumstances, combined with the intensified marketing initiatives, had an adverse impact on operating profit, whereas the figure was positively influenced 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 (EBIT before special items) reported in Western Europe was DKK 67 million lower than in 2007, and the profit margin was reduced from 10.2% to 7.3% of net revenue. Special items in 2008 represented expenses of DKK 48 million, as compared with expenses of DKK 91 million in 2007, translating into EBIT of DKK 137 million in 2008 against DKK 161 million in 2007. In 2008, special items comprised expenses for closing down the brewery in Aarhus as well as changes to the Danish distribution structure and to Group Management. In 2008, special items were reduced owing to a lower impairment loss requirement in respect of the brewing operations at the closed breweries in Maribo and Aarhus than what was recognised in the financial statements for 2007.

In 2007, the Group's operations in the Western European markets were affected by unfavourable weather during the summer season. Sales and net revenue rose by 1% and 3% respectively on 2006. The increase covered all markets. Operating profit declined by DKK 68 million to DKK 252 million, primarily because the intensified price competition prevented the Company from compensating the increasing raw materials prices with selling price increases, but also due to extraordinarily high production costs relating to the production reorganisation at the Danish breweries. The Group achieved a profit margin of 10.2%, down from 13.2% in 2006. In addition to the DKK 68 million from operating profit, EBIT was reduced by structural adjustment expenses of DKK 91 million by way of impairment losses and expenses recognised in special items (in 2006, special items were DKK 0). The value impairment of production assets related to the decision to close down the breweries in Aarhus and Maribo in 2008 amounted to DKK 80 million, while expenses relating to the structural adjustments in Western Europe amounted to DKK 11 million.

Eastern Europe

The Eastern Europe segment comprises the markets for beer and soft drinks, including fruit juices, in Lithuania, Latvia and Poland.

TABLE 17: SELECTED FINANCIAL HIGHLIGHTS FOR EASTERN EUROPE

Eastern Europe	2008	2007	2006
Sales (million hectolitres)	3.2	2.7	2.2
Share of sales	42%	38%	35%
Net revenue (DKKm)	1,129	909	671
Share of net revenue	27%	24%	20%
Operating profit/loss (EBIT before special items) (DKKm)	-51	-23	-22
Profit margin (%)	-4.5	-2.6	-3.3
EBIT (DKKm) ex impairment	-52	88	-36
EBIT margin ex impairment (%)	-4.6	9.7	-5.4

Sales and net revenue in Eastern Europe rose by 15% and 24%, respectively, in 2008. Organic growth (excluding the effect of the acquisition of the Polish brewery Lomza at 1 May 2007 and the Latvian brewery Livu Alus at 1 January 2008) was 5% and 12%, respectively, in 2008. At DKK 51 million, the operating loss in 2008 was significantly higher than the DKK 23 million loss reported in 2007, and the profit margin fell from -2.6% in 2007 to -4.5% in 2008. The main reason was that the defined strategy for the Polish market failed to produce the expected results. Thus, the Polish companies fell short of expectations for organic growth and product mix. The international economic crisis further aggravated market conditions. In Poland, the Group recorded a highly unsatisfactory and material operation loss (EBIT before special items), which more than offset the positive performance achieved in Lithuania and Latvia. Excluding the impairment loss, EBIT amounted to a loss of DKK 52 million in 2008, against a profit of DKK 88 million in 2007. The EBIT decline related primarily to special items, which represented a net income of DKK 111 million in 2007.

Sales and net revenue in the Eastern European markets rose by 23% and 35%, respectively, in 2007, with 20 percentage points of both sales and net revenue relating to the Polish brewery Browar Lomza, which was included in the Group from May 2007. In 2007, developments in Lithuania and Latvia were once again characterised as very satisfactory, whereas sales and net revenue generated by the Polish activities, excluding Lomza, were lower than expected, but at the level of those reported in 2006. Operating profit was on a level with that of 2006, and the profit margin was lifted from -3.3% to -2.6%. At DKK 88 million, EBIT increased by DKK 124 million relative to 2006. In Lithuania and Latvia, the Group reported a considerable increase in operating profit before special items compared with 2006, and developments were satisfactory and in accordance with plans. In spite of satisfactory developments in Lithuania and Latvia, the operating profit for the segment as a whole was marginally negative. This development related to a substantially negative financial performance in Poland, where the expected trend in sales and net revenue and the result of the Brok and Strzelec activities fell short of expectations for 2007. Special items in 2007 represented an income of DKK 111 million and comprised a gain on the sale of the property from the closed brewery in Vilnius in Lithuania, structural adjustment expenses concerning Eastern European operations in Latvia, Lithuania and Poland as well as impairment losses on production plant at the Lielvarde brewery in Latvia. As a result of the acquisition of the Livu Alus brewery in Latvia, the Lielvarde brewery was closed with effect from the end of the first quarter of 2008. In 2006, special items represented an expense of DKK 14 million for closing down the brewery in Lithuania.

Malt and Overseas Markets

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.

TABLE 18: SELECTED FINANCIAL HIGHLIGHTS FOR MALT AND OVERSEAS MARKETS

Malt and Overseas Markets	2008	2007	2006
Sales (million hectolitres)	0.6	0.6	0.4
Share of sales	8%	8%	6%
Net revenue (DKKm)	513	483	353
Share of net revenue	12%	12%	10%
Operating profit/loss (EBIT before special items) (DKKm)	51	63	98
Profit margin (%)	10.0	13.1	27.6
EBIT (DKKm) ex impairment	50	63	98
EBIT margin ex impairment (%)	9.6	13.1	27.6

This segment reported growth in sales as well as in net revenue in 2008. Acquisition-related sales and net revenue growth from the breweries in St. Vincent, Antigua and Dominica, acquired in mid-2007, represented 12% and 13%, respectively. Thus, organic sales and net revenue fell 7% measured in DKK, whereas the decrease was 3% measured in local currency. It is estimated that the weakening USD and GBP had an adverse impact on operating profit (EBIT before special items) in the segment of DKK 20 million and DKK 15 million, respectively, in 2008, and the 3 percentage point fall in the profit margin should primarily be seen in that context. Developments in the underlying demand should be seen especially in light of the slump in the Caribbean economies.

Developments in sales and net revenue in 2007 were materially affected by the acquisition of the Caribbean Companies, but also by very satisfactory sales growth in the other large malt drinks market, Africa.

In 2006, operating profit (EBIT before special items) included an income of DKK 39 million concerning claims previously written off in Nigeria. Adjusted for this non-recurring income in 2006, there was a positive profit development of 6% from 2006 to 2007. The adjusted profit margin was 16% in 2006, falling to 13% in 2007 because of a changed product mix, as the beer and soft drinks activity in the acquired breweries did not generate as high earnings as the malt drinks operations.

Balance sheet

The Group's total assets amounted to DKK 4,051 million at the end of 2008, when total assets were distributed with DKK 2,467 million in Western Europe, DKK 1,202 million in Eastern Europe and DKK 382 million in Malt and Overseas Markets. The recognised impairment losses on assets relating to the Polish business reduced the balance sheet total by DKK 455 million, whilst the revaluation of the brewery property in Aarhus increased the balance sheet total by DKK 240 million. Disregarding these two items, total assets rose by DKK 485 million in 2008 due to developments in the Group's other activities. This increase related primarily to substantial investments in production facilities, totalling DKK 519 million, primarily in PET bottling lines in Denmark and the Baltic countries and the relocation of production plant in Denmark from Aarhus to Faxe and Odense, and DKK 125 million concerning the acquisition of the Latvian Livu Alus brewery. The market value of contracts concluded to hedge raw materials prices was recognised in current assets as prepayments and in current liabilities as other payables, contributing materially to the increase of total assets.

At the end of 2007, the Group had total assets of DKK 3,781 million, representing an increase of DKK 368 million, or 10%, on 31 December 2006. The increase relating to acquisitions during the year amounted to DKK 550 million, of which DKK 250 million concerned intangible assets.

Due to the organic development, total assets were reduced by DKK 200 million comprising primarily a DKK 225 million reduction of cash, an increase of inventories by DKK 25 million and of receivables by DKK 75 million as well as a reduction of the value of property, plant and equipment, which was affected by impairment losses of DKK 90 million relating to the breweries in Aarhus, Maribo and Lielvarde, which were all marked for closure during 2008.

Group equity amounted to DKK 575 million at the end of 2008, a decline of DKK 544 million relative to 2007. The reduction was primarily attributable to comprehensive income which was a loss of DKK 447 million and payment of dividend and buyback of treasury shares in the amount of DKK 100 million. Comprehensive income was positively affected by DKK 180 million (after tax) from the revaluation of the brewery property in Aarhus. Moreover, comprehensive income comprised the loss for the year of DKK 483 million, value adjustments of foreign group enterprises of DKK -99 million and hedge instruments of DKK -45 million. The equity ratio subsequently amounted to 14.2%, against 29.6% at the end of 2007.

Amounting to DKK 1,119 million at the end of 2007, Group equity was most notably affected by comprehensive income for the year of DKK 155 million, dividend payments of DKK 58 million, and a DKK 156 million impairment loss concerning the buying and selling of treasury shares. The equity ratio subsequently amounted to 29.6%, against 33.6% at the end of 2006, when equity amounted to DKK 1,148 million.

Investments

In recent years, the Company has invested in both efficiency and capacity. As a result of the global economic slowdown, demand has declined in all of the Company's principal markets, and the Company currently has unutilised capacity. Against this background, Management expects that future investments in production plant will be limited to renewal of single components, related to specific products, or to optimising selected processes and to general maintenance.

The Company's combined investments for the past three financial years break down as follows:

TABLE 19: SEGMENT BREAKDOWN OF INVESTMENTS

Segment breakdown of investments in property, plant and equipment 2006-2008:

(DKKm)	2008	2007	2006
Western Europe	363	131	115
Eastern Europe	140	85	143
Malt and Overseas Markets	16	7	0
Group	519	223	258
Sale of property, plant and equipment	-46	-212	-15
Net investments in property, plant and equipment	473	11	243

Segment breakdown of investments in property, plant and equipment acquired through acquisitions 2006-2008:

(DKKm)	2008	2007	2006
Western Europe	0	0	0
Eastern Europe	125	300	0
Malt and Overseas Markets	0	196	0
Group	125	496	0
Combined gross investments acquired through acquisitions	644	719	258

In 2008, investments totalled DKK 519 million, the biggest organisational investment programme in the Company's history. Due to the closure of the brewery in Aarhus and the resulting extension of the breweries in Faxe and Odense, DKK 163 million was invested in brewhouse and bottling capacity. In Faxe, the Company invested in a PET bottling line for producing soft drinks for the Danish market, which is expected to result in a reduction of future investments in returnable packaging for soft drinks, whilst large-scale capacity investments were made in the Baltic countries. The optimisation of the distribution structure in Denmark also led to a number of investments. The 2008 investment level was higher than what Management considers a normal level.

Investments in the form of acquisitions of DKK 125 million in 2008, primarily property, plant and equipment, related to the acquisition of the Livu brewery in Latvia.

In 2007, the Group made investments in property, plant and equipment of DKK 223 million. In Denmark, investments were made at Faxe in relation to optimising the bottling lines, including a major relocation of a PRB unit and a keg unit, and conversion of a few other units. In the Baltic countries, the Company completed the capacity investments, whilst efficiency investments were made in Poland. The level of net investments fell dramatically, with sales of property, plant and equipment of DKK 212 million, primarily due to the divestment of the land which housed the Lithuanian brewery in Vilnius (DKK 161 million).

Investments through acquisitions of DKK 496 million in 2007 were attributable to the brewery in Lomza, Poland, and the breweries in St. Vincent, Antigua and Dominica in the Caribbean. Investments broke down with DKK 237 million in property, plant and equipment and DKK 259 million in intangible assets.

In 2006, investments were made in capacity extensions in the Baltic countries and Poland, while investments in Denmark were primarily related to maintenance.

Current investments

As at the Prospectus Date, the Company does not have any material current investments.

Future investments

As at the Prospectus Date, the Company is not committed to any significant future investments.

Longer term, the Company's annual investments are expected to be at the level of 4-6% of net revenue depending on the need for maintenance, efficiency or capacity investments, respectively.

Off-balance sheet liabilities

At 31 December 2008, the Group had lease obligations of DKK 123 million concerning operating leases of production, operating and IT equipment. In addition, rent obligations amounted to DKK 45 million. Warranty and guarantee obligations to third parties amounted to DKK 19 million.

Cash flows

Free cash flow

The free cash flow before investments in acquisitions represented outflows of DKK 356 million in 2008. The free cash flow comprised cash inflows of DKK 103 million from operating activities and cash outflows of DKK 473 million from net investments as well as dividends received from associates in the amount of DKK 14 million.

The free cash flow before investments in acquisitions amounted to DKK 157 million in 2007, or 4.0% of net revenue. The free cash flow comprised cash inflows of DKK 151 million from operating activities and cash outflows of DKK 10 million from net investments as well as dividends received from associates in the amount of DKK 16 million. The free cash flow was positively affected by the sale of property, plant and equipment for DKK 212 million, of which DKK 175 million derived from the brewery properties at the closed down breweries in Vilnius and Randers.

The free cash flow before investments in acquisitions amounted to DKK 206 million in 2006, or 6% of net revenue. The free cash flow comprised cash inflows of DKK 425 million from operating activities, a cash outflow of DKK 243 million from net investments and dividends received from associates and the sale of securities in the amount of DKK 24 million.

Change in cash

Cash flows from operating activities, investing activities and financing activities reduced the Company's cash in 2008 by DKK 68 million from DKK 158 million at the end of 2007 to DKK 90 million at the end of 2008. At the end of 2008, the Group's cash resources, in addition to cash of DKK 90 million, comprised committed unutilised credit facilities of DKK 225 million for a total of DKK 315 million.

Cash flows from operating activities, investing activities and financing activities reduced the Company's cash in 2007 by DKK 209 million from DKK 367 million at the end of 2006 to DKK 158 million at the end of 2007. At the end of 2007, the Group's cash resources, in addition to cash of DKK 158 million, comprised committed unutilised credit facilities of DKK 787 million, for a total of DKK 945 million.

Cash flows from operating activities

Cash flows from operating activities amounted to DKK 103 million in 2008. Of this amount, a working capital reduction accounted for DKK 94 million. Capital tied up in receivables was reduced by DKK 51 million. In order to secure reliability of supply in connection with the transfer of production in Denmark from Aarhus to Faxe and Odense, inventories at the end of the year were increased by DKK 82 million. Capital tied up in inventories was partly compensated by higher debt to suppliers of raw materials. In addition, the positive cash flow impact from trade creditors and other creditors of DKK 124 million is explained by a higher debt at the end of 2008 for suppliers related to the ongoing investment programme. Cash flows from operating activities amounted to DKK 9 million, comprising the profit for the year adjusted for non-cash operating items of DKK 262 million less net interest payments of DKK 119 million and income tax paid of DKK 134 million.

In 2007, cash flows from operating activities amounted to DKK 151 million, comprising cash flow from operations of DKK 222 million less an increase in working capital of DKK 71 million. Cash flows from operating activities in the amount of DKK 222 million (2006: DKK 428 million) comprised the profit for the year adjusted for non-cash operating items of DKK 395 million (2006: DKK 523 million) less net interest payments of DKK 66 million (2006: DKK 41 million) and income tax paid of DKK 107 million (2006: DKK 54 million). The DKK 71 million increase in working capital was due partly to increased capital tied up in receivables in the amount of DKK 45 million and in inventories of DKK 15 million, partly a DKK 11 million reduction in trade creditors and other creditors.

Cash flows from investing activities

Cash flows from investing activities represented outflows of DKK 589 million in 2008, of which an outflow of DKK 130 million related primarily to the acquisition of the Livu brewery in Latvia. Net investments in property, plant and equipment amounted to

DKK 473 million in 2008, which was considerably higher than usual due to large-scale investments in bottling capacity in the Baltic countries and the relocation of production from Aarhus to Faxe and Odense in Denmark. DKK 14 million was received in dividend from associates.

Cash flows from investing activities represented outflows of DKK 372 million in 2007, of which an outflow of DKK 377 million related primarily to the acquisition of the Lomza brewery in Poland and three breweries in the Caribbean. Net investments in property, plant and equipment only amounted to DKK 11 million in 2007, positively affected by DKK 212 million from the sale of assets, notably brewery properties in Lithuania and Denmark. Dividend from associates amounted to DKK 16 million.

Cash flows from investing activities represented outflows of DKK 304 million in 2006, of which investments in property, plant and equipment amounted to DKK 243 million, relating primarily to maintenance investments in Western and Eastern Europe, and acquisition of investments in associates in Eastern Europe of DKK 85 million. Dividend from associates and sales of securities amounted to DKK 24 million.

Cash flows from financing activities

Cash flows from financing activities amounted to DKK 418 million in 2008, comprising a DKK 518 million increase in drawings on the Company's credit facilities less dividend paid and buyback of treasury shares in the amount of DKK 100 million.

Cash flows from financing activities amounted to DKK 12 million in 2007, comprising a DKK 225 million increase in drawings on the Company's credit facilities less dividend payment and buyback of treasury shares in the amount of DKK 213 million.

Cash flows from financing activities represented outflows of DKK 39 million in 2006, comprising a DKK 202 million increase in drawings on the Company's credit facilities less dividend payment and buyback of treasury shares in the amount of DKK 241 million.

Significant events after the balance sheet date

No significant events have occurred after the balance sheet date of the interim report for the period 1 January to 30 September 2009 that will affect the Group's assets, liabilities or financial position as at 30 September 2009 and the Group's results and cash flows for the period 1 January to 30 September 2009.

10. CAPITAL RESOURCES

The Company uses its liquidity primarily for production, distribution, marketing, salaries, interest expenses, beverage duties, investments and tax. The Company's primary sources of liquidity are cash flows from operations, mortgage and bank loans and other debt or equity financing.

At 30 September 2009, the Company had cash resources of DKK 131 million and unutilised committed credit facilities of DKK 464 million out of a total bank credit line of DKK 1,753 million after the Company, due to the positive liquidity development in the first three quarters of the year, had cancelled committed unutilised credit facilities totalling DKK 250 million.

TABLE 20: CAPITAL RESOURCES AT 30 SEPTEMBER 2009

(DKKm)	Actual	Adjusted for net proceeds
Cash and cash equivalents	131	526
Unutilised credit facilities	464	464
Total capital resources	**595**	**990**

In February 2009, Royal Unibrew established a loan facility totalling DKK 2,003 million with a syndicate of banks consisting of Nordea Bank Danmark A/S, Danske Bank A/S and Nykredit Bank A/S. Royal Unibrew and a number of the Company's subsidiaries are borrowers under the loan agreement. Under the loan agreement, in the period until 31 March 2011 the syndicate will make the credit facilities available to the Group that the Group has deemed necessary based on its plans and budgets.

The credit lines of the loan agreement have been realigned to seasonal fluctuations in the Group's capital requirement. Against the background of the actual reduction of the net interest-bearing debt in 2009, which was greater than anticipated, in the third quarter of 2009 the Company resolved to prematurely reduce the committed bank credit facility by DKK 250 million to DKK 1.75 billion at 30 September 2009, of which a net amount of DKK 464 million was unutilised. In October 2009, the Company resolved to prematurely reduce the credit facility by DKK 150 million to DKK 1.6 billion. In 2010, the loan agreement assumes that the credit facility is reduced by another DKK 150 million to DKK 1.45 billion at 30 September 2010.

The Group will continuously assess the possibility of further premature reductions of the committed, unutilised facilities with a view to reducing its financial expenses.

A security package is linked to the loan agreement. Thus, Royal Unibrew has provided collateral for the borrowers' obligations under the loan agreement in the form of a charge on shares in Royal Unibrew's equity investments in most of the subsidiaries that are borrowers under the loan facility, in the shares in Royal Unibrew's Danish subsidiary Maribo Bryghus and in the subsidiary in St. Vincent and in Royal Unibrew's portfolio of treasury shares. Royal Unibrew's subsidiaries in Latvia, Poland and the UK have also provided security in the form of a floating charge, and one of the Company's two subsidiaries in Lithuania has provided security in the form of a charge on some of the company's assets. Finally, Royal Unibrew and most of the borrowers act as guarantors under the loan agreement, and the Group is subject to a general negative pledge.

The lender may at any time demand that the Group provides additional security, including floating charge in Royal Unibrew and subsidiary assets and mortgage on the Group's real property.

Royal Unibrew, the other borrowers and, in certain cases, the entire Group are subject to a number of obligations under the loan agreement. These obligations can be divided into (1) general obligations that commit the Group to maintain specific conditions and impose certain restrictions in relation to Royal Unibrew's business and investments, including a ban for Royal Unibrew to pay dividends and to buy treasury shares in the period until 31 March 2011, (2) obligations to submit specific information to the lenders and, finally, (3) a number of financial obligations, including a commitment for the Group to maintain certain key figures (measured at group level).

The loan agreement contains a number of covenants, which are measured each quarter: EBITDA, net interest-bearing debt relative to EBITDA, solvency ratio, investments and cash flow targets. Based on the Group's plans and budgets, it is estimated that the Group will be able to meet the agreed covenants. At the end of September 2009, the achieved targets were significantly better than the agreed covenants, and based on estimated developments in the fourth quarter of 2009, the agreed covenants will also be met at the end of 2009 by a satisfactory margin. The loan agreement also contains cross default covenants.

The Group is also under an obligation to apply a large proportion of its liquidity to extraordinary instalments on the loan, including income from the divestment of investments in certain associates. The loan agreement also limits the Group's possibilities for raising new loans. The net proceeds from the Offering will be used to reduce the Company's interest-bearing debt to Danske Bank A/S and Nordea Bank Danmark A/S, among others.

An agreement has been made with the Company's bankers to extend the existing bank facilities until the end of March 2012 subject to completion of the Offering.

Management believes that the Company's present capital resources, combined with the net proceeds from the Offering of DKK 395 million, expected income, credit facilities etc. will be sufficient to cover the Company's future operations and investments in accordance with present plans. See "Operating and financial review – Investments".

For detailed information on the Company's cash flows, see "Operating and financial review".

11. RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

The Company's name, products and trademarks are protected by means of name and trademark registration in markets of relevance to the Company. The most prevalent trademark registrations are those for *Vitamalt* and *Faxe*, which are registered in countries across Europe, Asia, South Africa, the Americas and the Caribbean. Royal Unibrew's future success significantly depends on the Company's ability to protect its existing and future trademarks and products and generally to defend its intellectual property rights.

The Company expects to continue to file trademark applications in order to protect newly developed brands and products.

The Company seeks to the widest extent possible to keep its technology, including production technology and know-how, confidential.

The Company has granted a licence for the production and sale of *Vitamalt* in three markets in Africa and eight markets in the Caribbean, including recognition of the licence agreement for the Dominican Republic, which takes effect when Royal Unibrew completes the sale of its Caribbean Companies. In addition, Royal Unibrew has granted a production and selling licence for *Faxe* in Russia.

12. TREND INFORMATION

For Management's discussion of the major trends in production, sales and inventories and costs and selling prices since the end of the financial year ended 31 December 2008, see Part I "Operating and financial review – Interim consolidated financial statements for the nine months ended 30 September 2009 with comparative figures for the nine months ended 30 September 2008".

All of the markets in which the Company operates have been affected by the economic crisis. The consumption of beer, malt and soft drinks is generally believed to have stagnated or fallen as a result of the crisis, and it is also assessed that consumption in the HoReCa segment has declined and that consumers tend to focus more on price as a purchase parameter.

Due to the economic crisis and the unsatisfactory results reported in Poland, the Company re-assessed its previous growth strategy, launching new initiatives to restore the Group's profitability and solvency, including a refocusing of its Polish activities, enhanced efficiency in the Danish production and distribution environment and a management and organisational streamlining of its Baltic operations. See also Part I "Business overview — Description of the Company's business — The Company's developments and strategy".

In the long term, the Company expects that the economic downturn will taper off and that markets will return to a more normal trend that will primarily emulate general economic developments in disposable income and specific consumer preferences in each of the markets. By adhering to the Company's refocused strategy, Management believes that the Company can exploit this long-term trend for the individual markets.

In the mature markets in Western Europe, sales of beer and soft drinks are expected to stagnate in the long term, primarily due to a change in consumer preferences. However, the Company expects increased demand for products with a higher per-unit price in these markets, which would partly compensate for the declining net revenue caused by the stagnant sales.

The Eastern European markets for beer and soft drinks are expected to grow more than those in Western Europe, primarily on account of rising disposable incomes and changed consumer habits. The markets for malt drinks are also expected to experience a moderate increase as a result of the general economic trends.

See also Part I "Business overview — Markets and competitors" for more details on the market trends for the Company.

13. PROSPECTIVE FINANCIAL INFORMATION FOR 2009 AND 2010

13.1 STATEMENT BY THE EXECUTIVE BOARD AND SUPERVISORY BOARD

The Executive Board and the Supervisory Board present their earnings expectations for the years ending 31 December 2009 and 2010 in the following. The earnings expectations were prepared for use in this Prospectus. The Executive Board and the Supervisory Board believe that the prospective financial information has been prepared according to the methodology and based on the material assumptions set out in "Methodology and assumptions", Part I, pp 91 – 93 and the accounting policies set out on pp F-69 – F-80 and p F-2.

The earnings expectations are based on a number of assumptions, some of which are within the control of the Company, whilst others are beyond the Company's control.

The prospective financial information for 2009 and 2010 represents the Executive Board's and the Supervisory Board's best estimates at the Prospectus Date. The estimates contain assessments and assertions that are subject to considerable uncertainty.

Actual results are likely to be different from the prospective financial information for the years ending 31 December 2009 and 2010 since anticipated events frequently do not occur as expected, and the variance may be material.

Faxe, 19 November 2009

Executive Board

Henrik Brandt CEO	Johannes F.C.M. Savonije International Director	Ulrik Sørensen CFO

Supervisory Board

Steen Weirsøe (Chairman)	Tommy Pedersen (Deputy Chairman)	Ulrik Bülow
Erik Christensen	Erik Højsholt	Kirsten Wendelboe Liisberg
Hemming Van		

13.2 REPORT BY INDEPENDENT AUDITORS ON EXAMINATIONS OF THE MANAGEMENT'S EARNINGS EXPECTATIONS FOR ROYAL UNIBREW A/S FOR 2009 AND 2010

To the readers of this Prospectus

We have examined the estimate for Royal Unibrew A/S for the financial year 2009 and the budget for the financial year 2010, approved by Management on 6 November 2009 and from which Management's earnings expectations for the financial years 2009 and 2010 and the underlying assumptions given in Part I, pp 91 – 93 are summarised.

Our conclusion on the estimate and the budget dated 6 November 2009 is shown below:

> **"To the Supervisory Board of Royal Unibrew A/S**
> As agreed, we have examined the estimate for Royal Unibrew A/S for the financial year 2009 and the budget for the financial year 2010, including an operating budget, a balance sheet budget and a cash flow forecast, together with budget assumptions and other explanatory notes. The estimate for the financial year 2009 and the budget for the financial year 2010 have been prepared based on the accounting policies applied by Royal Unibrew A/S.
>
> The estimate, the budget and the assumptions, on which the budget is based, is the responsibility of the management. Our responsibility is to conclude on the estimate and the budget based on our examinations.
>
> **Basis of examination**
> We performed our examinations in accordance with the Danish Standard on Auditing RS 3400 'Examination of prospective financial information'. This standard requires that we plan and perform our examination to obtain limited assurance that the estimate and budget assumptions applied are well-founded and free of material misstatement and to obtain reasonable assurance that the budget has been drawn up based on these assumptions.
>
> Our examination included a review of the estimate and the budget to assess whether the estimate and the budget assumptions made by Management are documented, well-founded and complete. Further, we tested that the estimate and the budget have been drawn up in accordance with the budget assumptions made and that the budget is coherent in respect of numbers.
>
> We believe that our examinations provide a sufficient basis for our conclusion.
>
> **Conclusion**
> Based on our examinations of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that these assumptions do not provide a reasonable basis for the estimate and the budget. Further, we believe that the estimate and budget have been drawn up based on the assumptions made and have been prepared on the basis of Royal Unibrew A/S's accounting policies.
>
> Actual results are likely to be different from the estimate and the budget, since anticipated events frequently do not occur as expected and the variation may be material."

We checked that Management's earnings expectations for the financial years 2009 and 2010 and the underlying assumptions given in Part I, pp 91 – 93 have been correctly summarised and rendered from the estimate for the financial year 2009 and the budget for the financial year 2010 for Royal Unibrew A/S, as examined by us.

The presentation of earnings expectations for the financial years 2009 and 2010 and the underlying assumptions on pp 91 – 93 are the responsibility of the management. Our responsibility is to express a conclusion as to whether the earnings expectations for the financial years 2009 and 2010 and the underlying assumptions have been correctly summarised and rendered from the estimate and the budget, respectively, examined by us.

Basis of conclusion

We planned and performed our procedures in accordance with the Danish Standard on Auditing RS 3000 'Assurance engagements other than audit engagements or review of historic financial information' to obtain reasonable assurance that the management's prospective financial information for 2009 and 2010 and the underlying assumptions have been correctly summarised and rendered from the estimate and the budget, respectively, examined by us.

Conclusion

In our opinion, Management's earnings expectations for 2009 and 2010 and the underlying assumptions have, in all essentials, been correctly summarised and rendered from the estimate for 2009 and the budget for 2010, respectively, examined by us.

Copenhagen, 19 November 2009

Ernst & Young
Godkendt Revisionspartnerselskab

Leif Shermer	Henrik Kofoed
State Authorised Public Accountant	State Authorised Public Accountant

13.3 INTRODUCTION

The prospective financial information for 2009 and 2010 represents Management's best estimates at the Prospectus Date. The prospective financial information contains estimates and forward-looking statements which, not least in view of the global economic downturn, is subject to considerable uncertainty, and significantly greater than in more normal market conditions. See "Risk factors".

Actual results are likely to be different from the prospective financial information for the years ending 31 December 2009 and 2010 since anticipated events frequently do not occur as expected, and the variance may be material.

The prospective financial information for 2009 and 2010 in this section should be read in conjunction with "Risk factors", included elsewhere in this Prospectus.

13.4 METHODOLOGY AND ASSUMPTIONS

Methodology

The Company's prospective financial information for 2009 and 2010 has been prepared on the basis of the Company's accounting policies, which are in accordance with the IFRS as adopted by the EU, and which are described on pages F-69 – F-80 and page F-2. The prospective financial information has been prepared in accordance with the Company's internal procedures for preparing estimates for future periods. For 2009, the prospective financial information is based on realised figures for the first nine months of the financial year with the addition of the Company's forecast for the remaining part of the financial year. The prospective financial information for 2010 is based on the budget prepared by the Executive Board and the management for the individual business units and approved by the Supervisory Board.

The prospective financial information has been prepared taking into consideration external and internal factors, including actual expectations of developments in the Company's markets, the development in material cost categories and the impact of completed and ongoing initiatives.

The Company's financial expectations for remainder of 2009 and for 2010 are based on factors such as the four strategic principal priorities that were defined at the beginning of 2009. See "Description of Royal Unibrew". These do not contain assumptions about the divestment of assets or activities, including the potential sale of the property in Aarhus, Denmark, apart from the sale of the Caribbean Companies.

The consequences of the Offering are not included in the assumptions and prospective financial information set out below.

2009 assumptions

The Company's financial expectations for 2009 are based on the following main assumptions:

- The conditional agreement on the sale of the Company's Caribbean Companies is assumed to be finally completed around the 2009/2010 year end, and the Caribbean Companies are thus fully consolidated in the income statement and balance sheet in 2009.
- Sales and net revenue in the fourth quarter of 2009 are assumed to fall relative to 2008. However, it is estimated that the negative growth rate for sales developments relative to 2008 has recently declined in a number of the Company's markets.
- The intensified price competition in 2009 in several markets in Northern Europe is expected to continue in the fourth quarter of 2009.
- An expansion or retention of the market shares for the Company's principal brands in the key markets is still expected.
- Implementation of the investment programme for 2009 totalling DKK 240 million.
- Depreciation and amortisation is estimated at DKK 215 million.
- Special costs are expected to amount to DKK 35 million, primarily deriving from the adjustment of

activities in Poland and organisational restructuring in Denmark.

- The Company's principal risks in connection with currency transactions for the remainder of the year are hedged using exchange rate hedging pursuant to the Company's policy.

- The Company's estimated tax is expected to be 32% of expected EBIT less an amount corresponding to about 13% of the Company's net funding costs.

2010 assumptions

The Company's financial expectations for 2010 are based on the following main assumptions:

- The conditional agreement on the sale of the Company's Caribbean Companies is assumed to be finally completed around the 2009/2010 year end at the carrying amount, and the Caribbean Companies are thus not consolidated in the income statement and balance sheet in 2010. This is expected to reduce the Company's revenue by approximately DKK 150 million and EBITDA by about DKK 30 million.

- It is estimated that consumption in the Company's key markets will continue to decline compared with 2009, and consumption in the Western European markets is not expected to stabilise until in the second half of 2010. In Eastern Europe and the markets for malt drinks, the impact of the global economic crisis is still expected to push down consumption – also in the second half of 2010.

- It is estimated that the risk of continuing intense price competition is highest in Northern Europe. Thus, only selective list price increases are assumed.

- The Company expects to increase or retain its market share for the principal products in the key markets.

- Sales and net revenue in 2010 are projected to be lower than in 2009 after adjustment for the divestment of the Caribbean Companies due to the expected market developments.

- Net production costs are expected to be lower in 2010 than in 2009, among other things due to efficiency improvements, improved raw materials prices, rising maintenance costs and a certain amount of inflation adjustment of various other expenses.

- Net sales and distribution costs are expected to be somewhat lower in 2010 than in 2009, among other things due to efficiency improvements in connection with the changed distribution structure in Denmark, savings due to the organisational adjustments in Denmark, Poland and the Baltic countries and an increase in marketing costs in connection with the focus on selective growth opportunities and innovation.

- Administrative expenses are expected to be somewhat lower in 2010 than in 2009 due to the organisational adjustments in Denmark, Poland and the Baltic countries.

- In Poland, initiatives launched and planned are expected to result in break even at the EBITDA level.

- Pursuant to the Company's policy for hedging raw materials prices, during 2009 hedging agreements were concluded for the most important raw materials (cans (aluminium), malt (barley), hops and energy) covering most of the estimated need for 2010.

- The exchange rates applied in the expectations are 5.30 DKK/USD, 7.46 DKK/EUR, 8.70 DKK/GBP, 1.85 DKK/PLN, 2.16 DKK/LTL and 10.6 DKK/LVL.

- No special items are assumed for 2010.

- Investments are expected to amount to DKK 130 million.

- Depreciation and amortisation is estimated at DKK 200 million after divestment of the Caribbean Companies.

- The Company's estimated tax is expected to be 27% of expected EBIT less an amount corresponding to about 17% of the Company's net funding costs.

13.5 OUTLOOK FOR THE 2009 FINANCIAL YEAR

For the financial year 2009, the Company expects total net revenue of about DKK 3.8 billion.

EBITDA before special items for the financial year 2009 is expected to be in the range of DKK 425 – 450 million, and EBIT is expected to be DKK 210 – 235 million.

With estimated net funding costs and a profit after tax on investments in associates of approximately DKK 115 million and special items (expense) of approximately DKK 35 million, the profit before tax for the year is expected to be in the region of DKK 60 – 85 million.

At the end of 2009, the Company is expected to have net interest-bearing debt of approximately DKK 2 billion exclusive of the Offering and before completion of the divestment of the Caribbean Companies.

13.6 OUTLOOK FOR THE 2010 FINANCIAL YEAR

For the financial year 2010, the Company expects total revenue of DKK 3.4 – 3.6 billion.

EBITDA before special items for the financial year 2010 is expected to be in the range of DKK 450 – 500 million, and EBIT is expected to be DKK 250 – 300 million.

The net funding costs are estimated to be around DKK 100 million, which means that the pre-tax profit for the 2010 financial year is expected to be in the range of DKK 150 – 200 million. At the end of 2010, the Company is expected to have net interest-bearing debt of approximately DKK1.6 billion exclusive of the Offering but after divestment of the Caribbean Companies.

14. SUPERVISORY BOARD, EXECUTIVE BOARD AND KEY EMPLOYEES

14.1 SUPERVISORY BOARD

Royal Unibrew is managed by Royal Unibrew's Supervisory Board, which holds the overall responsibility for the management of the Company. The Executive Board is in charge of the day-to-day management of Royal Unibrew.

The business address of the members of the Supervisory Board and the Executive Board is c/o Royal Unibrew, Faxe Allé 1, DK-4640 Faxe, Denmark.

Pursuant to the articles of association of Royal Unibrew, the Supervisory Board shall consist of four to seven members elected by the shareholders in general meeting for terms of one year. The Supervisory Board is currently made up of five members elected by the shareholders at the general meeting and three employee representatives. The Supervisory Board elects its chairman and deputy chairman. Allan Rud Meier Jensen, who was one of three members elected by the employees, resigned from the Supervisory Board at the end of October 2009. In that connection, a supplementary election will be held in accordance with the relevant statutory provisions.

The members elected by the shareholders hold office for terms of one year. The representatives elected by the employees are elected for terms of four years. They are eligible for re-election.

TABLE 21: SUPERVISORY BOARD

Name	Year born	Year of first appointment	Election period	Position
Steen Weirsøe	1948	1998	2009	Chairman
Tommy Pedersen	1949	1998	2009	Deputy Chairman
Ulrik Bülow	1954	2000	2009	Member of the Supervisory Board
Erik Christensen	1954	2002	2006-2010	Employee representative
Erik Højsholt	1948	2004	2009	Member of the Supervisory Board
Kirsten Wendelboe Liisberg	1956	2006	2006-2010	Employee representative
Hemming Van	1956	2004	2009	Member of the Supervisory Board

Steen Weirsøe

Chairman

Position

President & CEO, DT Group A/S

Executive positions

DT Holding 1 A/S and its subsidiaries
GFKJUS 613 ApS
Weirsøe-Invest ApS
Wolseley Holding A/S

Chairmanships

Companies owned by DT Holding 1 A/S

Directorships

DT Holding 1 A/S and its subsidiaries
JCLI 5253 A/S and its subsidiaries
Wolseley Holding A/S
Wolseley Holdings Danmark ApS

Previous executive positions and directorships:

Executive positions within the past five years (resigned):

C.M. Trælast, Ejendomme ApS (dissolved by merger)
Dronninglund Tømmerhandel, Ejendomme ApS (dissolved by merger)

Chairmanships within the past five years (resigned):

A/S Baagøe & Riber, Svendborg
Bogen Trælast A/S
Krejsler Ejendomme A/S
Ledreborg Ejendomme A/S
Severinsen-Aalborg A/S
Norfloor A/S (dissolved by merger)
CCV Engros A/S (dissolved by merger)
Christensen & Nielsen A/S, Aarhus (dissolved by merger)

Directorships within the past five years (resigned):

Møller & Sørensen A/S

Tommy Pedersen

Deputy Chairman

Position

CEO of Augustinus Fonden and Chr. Augustinus Fabrikker Aktieselskab

Executive positions

TP Advisers ApS
TP Equity ApS

Chairmanships

Fair Forsikring A/S
Fair Invest A/S
Fondsmæglerselskabet LD Invest A/S
Kommuneforsikring A/S
Kommunernes Arbejdsskadeforsikring A/S
LD Invest Holding A/S
Rungsted Sundpark A/S
Skodsborg Sundpark A/S

Debuty chairmanships

Jeudan A/S

Directorships

Brock og Michelsen A/S
Brock og Michelsen Ejendomsselskab A/S
Brock og Michelsen Invest A/S
Gregers Brock Holding A/S
Incentive A/S (in bankruptcy)
Løvenholm Fonden
Peter Bodum A/S
Pharmacosmos Holding A/S
Pharmacosmos A/S
Skandinavisk Holding A/S
Scandinavian Tobacco Group A/S
Tivoli A/S

Previous executive positions and directorships:

Executive positions within the past five years (resigned):

Skodsborg Sundhedscenter A/S
Skodsborghus A/S (dissolved by merger)

Directorships within the past five years (resigned):
Flensted A/S
Jørgen Brock Holding ApS
Ole Flensted Holding A/S
Reda A/S
Reda II A/S
Refshaleøens Ejendomsselskab A/S
Univet A/S (dissolved by merger)
Nebo A/S (dissolved by merger)

Ulrik Bülow

Member of the Supervisory Board

Position
CEO, Otto Mønsted A/S
CEO, House of Business Partners A/S

Directorships
Boxer TV A/S
Dansk Erhverv
Egmont Fonden
Egmont International Holding A/S
Ejendomsselskabet Gothersgade 55 ApS
Ejendomsselskabet Vognmandsgade 11 ApS
Toms Gruppen A/S
Arator A/S
Isomix A/S
GateHouse A/S
Oreco A/S

Other offices held:
Dansk Selskab For Virksomhedsledelse - Chairman
Dansk Erhvervs Akademi – Board Member
Copenhagen Jazz Festival – Board Member
Huset Markedsføring – Debuty Chairman, Committee of Shareholders

Previous executive positions and directorships:
Executive positions within the past five years (resigned):
Synoptik A/S
VisitDenmark

Chairmanships within the past five years (resigned):
Brilleland A/S
Synoptik Nuuk A/S
Synoptik Sweden AB
Klinik for Synskorrigerende Operationer A/S (in solvent liquidation)
AS3 Companies A/S
Brancheportal A/S (in solvent liquidation)
Tourist Online A/S (in solvent liquidation)
VisitDenmark Booking ApS

Directorships within the past five years (resigned):
Synoptik Norge A/S
NytSyn Danmark A/S
Bavarian Nordic A/S
DKAII A/S
Ejendomsselskabet matr 43 EI Avedøre By
Intermail A/S
Intermail Graphic A/S
Konvolut Danmark A/S
Lettershop Mailservice A/S
Scandinavian Tourist Board ApS

Erik Christensen

Employee Representative

Position
Head of equipment

Erik Højsholt

Member of the Supervisory Board

Position
Director

Executive positions
CEO, Komplementarselskabet Lyngvej ApS

Chairmanships
Auriga Industries A/S
BJ A/S
Brødrene Kier A/S
Brødrene Hartmann A/S
Cheminova A/S
FCMB ApS
Fluxome Sciences A/S
K/S Golfcenter Holme Bjerge ApS
Novopan Træindustri A/S
R2 Group A/S (previously Rode & Rode A/S)
Komplementarselskabet Golf Center Holme Bjerge ApS

Directorships
Good Food Group A/S
Hans Schourup A/S
Hans Schourup Ejendomme A/S
Vilhelm Kiers Fond
University of Aarhus

Other offices held:
Deltaq A/S – Chairman of the Investment Committee
Aarhus Oliefabriks Fond for Almene formål – Chairman
Th. Chr. Nielsen og Hustrus Mindelegat – Chairman
Aarhus School of Business, Aarhus University - Chairman of the Board

Previous executive positions and directorships:
Executive positions within the past five years (resigned):
CEO and Group CEO of Aarhus United A/S (previously Aarhus Oliefabrik A/S, now AarhusKarlshamn AB)

Chairmanships within the past five years (resigned):
Aarhus School of Business
AarhusKarlshamn AB (previously Aarhus Oliefabrik A/S and Aarhus United A/S)
AarhusKarlshamn Byejendomme A/S
AarhusKarlshamn Danmark A/S
AarhusKarlshamn Havnen AB
R2 Farm Partner A/S
Aarhus 1 A/S
Aarhus 2 A/S
Aarhus 3 A/S
MacMann Berg ApS
MacMann Berg Group ApS
Maach Pelsdyrartikler A/S

Directorships within the past five years (resigned):
AGF Sponsor ApS
Deltaq A/S
Aarhus United A/S
Århus Elite A/S
K/S Lyngvej

Kirsten Wendelboe Liisberg
Employee Representative

Position
Brewery Hand

Other offices held:
Shop steward since 1991
Senior shop steward since 2000

Hemming Van
Member of the Supervisory Board

Position
CEO, Daloon A/S

Executive positions
CEO, Easy Holding A/S
CEO, HV Invest ApS
HV Properties ApS

Chairmanships
Easyfood A/S
Easy Production A/S

Directorships
Daloon A/S
Easy Holding A/S
Halberg A/S
Halberg Kapital A/S
Halberg Investering A/S
HV Invest ApS
HV Properties ApS
SE 274711 A/S

Previous executive positions and directorships:
Chairmanships within the past five years (resigned):
Easymenu A/S

14.2 EXECUTIVE BOARD

The Supervisory Board has appointed an Executive Board consisting of three members, Henrik Brandt, CEO, Johannes F.C.M Savonije, Executive Director of Northern Europe and Ulrik Sørensen, CFO, who are all registered as executives with the Danish Commerce and Companies Agency and constitute the Executive Board of Royal Unibrew (the "Executive Board"). The Executive Board is responsible for the day-to-day management of Royal Unibrew in accordance with the guidelines and recommendations issued by the Supervisory Board.

Ulrik Sørensen, CFO, wishes to step down in 2010 when he turns 60 and retire at year-end. On 9 November 2009 the Company agreed with Peter Ryttergaard that he is to be the new CFO of the Company from 1 June 2010 at the latest. Peter Ryttergaard is 39 years of age and holds an MSc in Business Administration and Auditing and an MBA. He has previously worked as an accountant with BDO Scanrevision and as the CFO of Aerospace Holding Group and SR Technics, United Kingdom. Since 2007, Peter Ryttergaard has been employed by Novenco, first as its CFO and in the past year as its CEO. When Peter Ryttergaard's appointment takes effect, Ulrik Sørensen will resign from the Executive Board. Until his resignation at year-end 2010, Ulrik Sørensen will – in addition to assigning his duties to and assisting Peter Ryttergaard - perform special tasks for the Executive Board as required.

The Executive Board is made up as follows:

TABLE 22: EXECUTIVE BOARD

Name	Year born	Position
Henrik Brandt	1955	Chief Executive Officer
Johannes F.C.M. Savonije	1956	Executive Director of Northern Europe
Ulrik Sørensen	1950	CFO

Henrik Brandt

Appointed CEO with effect from 1 November 2008

Position
CEO, Royal Unibrew A/S

Education
MSc (Economics and Business Administration), Copenhagen Business School, MBA, Stanford University, California

Executive positions
Aktieselskabet Cerekem International Ltd
Brandt Equity ApS
Brandt Equity 2 ApS
Maribo Bryghus A/S
Uno Equity ApS

Directorships
Aktieselskabet Cerekem International Ltd
Ferd Holding AS, Norway
Hansa Borg Skandinavisk Holding A/S
Maribo Bryghus A/S

Previous executive positions and directorships:
Executive positions within the past five years (resigned):
Unomedical A/S
Unomedical Holding A/S

Chairmanships within the past five years (resigned):
A/S Kenneth Winther Værktøjsfabrik
Papyro-tex A/S
Sonion A/S

Debuty chairmanships within the past five years (resigned):
Falck A/S

Directorships within the past five years (resigned):
Group4Falck A/S
Royal Unibrew A/S
Nuuk Imeq A/S

Johannes F.C.M. Savonije

Joined the Executive Board on 29 September 2008

Position
Executive Director of Northern Europe

Education
BA Business Administration

Directorships
Aktieselskabet Cerekem International Ltd
Dansk Retursystem A/S
Dansk Retursystem Holding A/S
Hansa Borg Skandinavisk Holding A/S
Maribo Bryghus A/S
Global Sports Marketing S.A., Zürich, Switzerland
Globalpraxis S.A., Barcelona, Spain
Member of the Advisory Board of the Graduate School of Business Administration, Horgen, Switzerland
The Danish Brewery Association

Previous executive positions and directorships:
Executive positions within the past five years (resigned):
Beverage Partners Worldwide, Coca-Cola & Nestlé, CEO
Senior Vice President, Global Markets, Remy Cointreau Associés, France
World Lotteries Association, CEO, Switzerland

Chairmanships within the past five years (resigned):
Coca-Cola Company AG, Switzerland

Directorships within the past five years (resigned):
iT_Sec Swiss AG, Cham, Switzerland

Ulrik Sørensen

Joined the Executive Board on 1 February 1993

Position
Chief Financial Officer

Education
MSc (Economics and Business Administration).

Executive positions
CEO, Hansa Borg Skandinavisk Holding A/S

Chairmanships
Aktieselskabet Cerekem International Ltd
Maribo Bryghus A/S

Previous executive positions and directorships:
Chairmanships within the past five years (resigned):
Aktieselskabet af 28. december 1978 (in solvent liquidation)

14.3 KEY EMPLOYEES

Below is a list of the Company's Key Employees.

TABLE 23: KEY EMPLOYEES

Name	Year born	Position
Chresten Christensen	1959	Export Director
Michael Nørgaard Jensen	1961	Commercial Director, Denmark
Marijus Kirstukas	1968	Managing Director, Kalnapilio-Tauro grupe and SIA Cido Grupa
Søren Lisbjerg	1959	Supply Chain Manager, Denmark
Beata Pawlowska	1966	General Manager, Royal Unibrew Polska Sp. Z. o. o.
Roberto Rocatti	1964	General Manager, Ceres SpA, Italy

Chresten Christensen

Position
Export Director

Education, management expertise and management experience
Mr. Christensen holds a BA in Business Administration. He joined Royal Unibrew in 1990 as Export Manager and was promoted to Vice President in 1996, to International Director in 2000 and to Export Director in 2004 in charge of all malt markets and a member of the senior management group. He completed the Executive Program at Insead in 2005. Before joining Royal Unibrew, Mr. Christensen was export manager of Tulip International and Nabisco Brands (Oxford) respectively.

Other and previous executive positions and directorships:
Chresten Christensen holds no executive positions or directorships in other companies and has not held any such positions within the past five years.

Michael Nørgaard Jensen

Position
Commercial Director, Denmark

Education, management expertise and management experience
Mr. Nørgaard Jensen holds an MSc In 2001 and 2002 he completed Leadership in the Knowledge Society and Achieving Outstanding Performance, respectively, at Insead. Prior to his employment with Royal Unibrew, Mr Nørgaard Jensen was the COO of Arriva Skandinavien A/S and was employed by Coco-Cola for several years, both in Denmark and as the Chief Marketing Officer & Senior Vice President of Coca-Cola Bottlers in the Philippines.

Debuty chairmanships
Dansk Retursystem Holding A/S

Directorships
Dansk Retursystem A/S
Nuuk Imeq A/S

Previous executive positions and directorships:
Executive positions within the past five years (resigned):
Arriva Skandinavien A/S
Busdan 21 ApS
SBM ApS

Directorships within the past five years (resigned):
Accobat A/S
Ankiro ApS
A/S Sportconcept International
ASC 2001 A/S
Maribo Bryghus A/S
Arriva Insurance A/S
Vestbus A/S
Accobat ApS
Arriva Tog A/S
Wulff Bus A/S
Uddannelsescentret for Kollektiv Trafik A/S
Busreklame Danmark ApS
Arriva Person- og Handicapservice A/S

Marijus Kirstukas

Position
Managing Director of AB "Kalnapilio-Tauro grupe" in Lithuania and SIA Cido Grupa in Latvia

Education, management expertise and management experience
Mr. Kirstukas holds an MSc in Engineering. He joined the Kalnapilio-Tauro grupe in Lithuania in 2000 as Key Account Manager and was promoted to Sales Manager in 2002 and to Sales Director in 2004. In August 2009, he was appointed Managing Director of the subsidiaries in Lithuania and Latvia. Mr. Kirstukas was previously a sales representative and a sales manager in the grocery industry. He furthermore took additional management training in 2001.

Other and previous executive positions and directorships:
Marijus Kirstukas holds no executive positions in other companies and has not held any such positions within the past five years.

Søren Lisbjerg

Position
Supply Chain Manager, Denmark

Education, management expertise and management experience
Mr Lisbjerg holds an MSc in Chemistry and is a brewmaster. He completed *Young Managers program* at Insead in 1998 and *Senior Ex. Programme* at London Business School in 2006. For most of his professional life, he has been engaged in the beverage industry, working with Carlsberg and Coca-Cola. At Carlsberg, he was employed as VP Supply Chain until 2006. From 2006 he was EVP Supply Chain & Operation at Superfos A/S, and in 2009 he joined Royal Unibrew A/S.

Previous executive positions and directorships:
Executive positions within the past five years (resigned):
Superfos A/S
Superfos Industries A/S

Chairmanships within the past five years (resigned):
Den skandinaviske Bryggerhøjskole ApS

Directorships within the past five years (resigned):
Superfos Vipperød A/S
Saltum og Neptun Bryggerier A/S
Superfos Randers A/S

Beata Pawlowska

Position
General Manager of Royal Unibrew Polska Sp. z o.o

Education, management expertise and management experience
Ms. Pawlowska holds an MBA. She joined Royal Unibrew Poland as General Manager in May 2009. She was formerly CEO of Hoop Beverages and Coca Cola Company, the leading companies in Poland in the field of soft drinks. Ms. Pawlowska originally joined Procter and Gamble in Poland as a sales representative and ended her career there as sales director after a number of years.

Other and previous executive positions and directorships:
Beata Pawlowska holds no executive positions in other companies and has not held any such positions within the past five years.

Roberto Roccatti

Position
General Manager of Ceres SpA

Education, management expertise and management experience
Mr. Roccatti holds an MBA. Was appointed General Manager of Ceres in Italy in April 2009. Before that he held executive positions in sales and marketing with a number of leading European companies within the spirits and food industries, in particular in Italy and the United Kingdom.

Other and previous executive positions
Roberto Roccatti holds no executive positions in other companies and has not held any such positions within the past five years.

14.4 STATEMENT ON PAST RECORDS OF THE SUPERVISORY BOARD, EXECUTIVE BOARD AND KEY EMPLOYEES

Within the past five years, no member of the Supervisory Board or the Executive Board and no Key Employee has been (i) convicted of fraudulent offences or (ii) subject to any official public incriminations or sanctions by statutory or regulatory authorities (including designated professional bodies) or (iii) disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management of the affairs of any issuer.

Within the past five years, no member of the Supervisory Board or the Executive Board and no Key Employee has participated in the management of any company that has commenced insolvency proceedings, receivership or entered into solvent liquidation, except for Tommy Pedersen, Ulrik Bülow and Ulrik Sørensen as mentioned above.

14.5 STATEMENT ON KINSHIP

Royal Unibrew is not aware of any kinship existing between any of the members of the Supervisory Board, the Executive Board and/or the Key Employees.

14.6 STATEMENT ON CONFLICTS OF INTEREST

To the best of Royal Unibrew's knowledge, no current or potential conflicts of interest exist between the duties to be performed by the members of the Supervisory Board, the Executive Board and/or the Key Employees and their private interests or other duties.

15. REMUNERATION AND BENEFITS

15.1 REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

The members of the Supervisory Board receive a fixed annual remuneration for the current board work. In connection with particularly extensive *ad hoc* work in committees, the Supervisory Board may fix a special fee based on the scope of the work. Royal Unibrew endeavours to ensure that the remuneration of the Supervisory Board matches the level in comparable companies.

The Supervisory Board is not covered by incentive programmes such as stock option, bonus or similar plans.

In FY 2008, the Supervisory Board received a fixed remuneration of DKK 1.7 million. Except for that amount, no special fees were paid. The remuneration to ordinary members of the Supervisory Board totals DKK 150,000 per year. The Chairman and the Deputy Chairman are entitled to fees that are 2.5 and 1.5 times the ordinary remuneration.

The Company has not granted any loans, issued any guarantees or undertaken any other obligations to or on behalf of the Supervisory Board or any of its members.

No member of the Supervisory Board is entitled to any kind of remuneration upon retirement from their position as Board member. The Company has not allocated funds or made provisions for any pension benefits, severance schemes or the like for the Supervisory Board and has no obligation to do so.

15.2 REMUNERATION OF THE EXECUTIVE BOARD

The remuneration of the Executive Board is subject to annual review by the Supervisory Board, and the chairman makes agreements on changes with the members of the Executive Board on behalf of the Supervisory Board.

In FY 2008, the remuneration to the registered Executive Board consisted of a base salary including standard benefits, such as a company car, a company-paid telephone line etc. in addition to the possibility of receiving bonus. The remuneration of the Executive Board totalled DKK 9.4 million in FY 2008 which amount included remuneration to three former members of the Executive Board (one who resigned in July 2008 and two who resigned in October 2008) of a total of DKK 6.9 million. In addition, a member of the Executive Board received severance pay which is included in the item ”exceptional costs” in the 2008 Annual Report.

Johannes F.C.M. Savonije joined the Executive Board on 29 September 2008, and Henrik Brandt joined the Executive Board on 1 November 2008.

Royal Unibrew A/S’ employment contracts with the three members of the Executive Board contain all usual provisions on termination notices. It should be noted that Ulrik Sørensen wishes to step down in 2010 when he turns 60 and retire at year-end. In connection with the appointment of the new CFO – probably at the turn of the year 2009/2010 – Ulrik Sørensen will resign from the Company’s Executive Board and receive severance payment.

Other than as set out above, an individual member of the Executive Board is not entitled to any kind of remuneration on retirement from his position as executive other than salary during the notice period and death in service benefit to the executive’s dependants in the event of his death. The Company has not allocated funds or made provisions for any pension benefits, severance schemes or the like for the Executive Board and has no obligations to do so at the present time. The Company has not granted any loans, issued any guarantees or undertaken any other obligations to or on behalf of the Executive Board.

The CEO may consider himself dismissed by the Company if an acquirer obtains a controlling interest in the Company in a share transfer, or if the Company transfers a substantial part of its activities to a third party.

For a description of the general guidelines for incentive pay adopted by Royal Unibrew’s shareholders in general meeting, see “Management Practices – Incentive Pay Guidelines”. However, it should be noted that in connection with the publication of the 2008 Annual Report, the Company announced that it had decided to cancel the share option programme for the years 2008-2010 as the assumptions existing at the time when the programme was established in Spring 2008 must be deemed not to hold true as a result of the price performance of Royal Unibrew's shares.

15.3 REMUNERATION TO KEY EMPLOYEES

The total remuneration to the Key Employees amounted to DKK 9.6 million in 2008.

The Company has not granted any loans, issued any guarantees or undertaken any other obligations to or on behalf of the Key Employees.

For a description of the general guidelines for incentive pay adopted by Royal Unibrew's shareholders in general meeting, see "Management Practices – Incentive Pay Guidelines". However, it should be noted that in connection with the publication of the 2008 Annual Report, Royal Unibrew announced that it had decided to cancel the share option programme for the years 2008-2010 with effect from 2009 as the assumptions existing at the time when the programme was established in Spring 2008 must be deemed not to hold true as a result of the price performance of Royal Unibrew's shares.

16. MANAGEMENT PRACTICES

16.1 Board practices

The Supervisory Board is responsible for the overall strategic management and the financial and managerial supervision of Royal Unibrew as well as for regular evaluation of the work of the Executive Board.

The Supervisory Board carries out its work in accordance with Royal Unibrew's Rules of Procedure for the Supervisory Board and the Executive Board. The rules of procedure are reviewed and updated regularly by all members of the Supervisory Board.

The Supervisory Board holds four ordinary meetings each year of which one meeting is a two-day seminar focusing on the Company's strategic situation, risk factors and future. In addition, the Supervisory Board meets as and when required. In 2008, 11 meetings were held. In 2009, 13 meetings have been held so far. No standing board committees have been set up in Royal Unibrew to date, but *ad hoc* committees are appointed as and when required. In 2008 and 2009 no *ad hoc* committees have been set up.

From 2009 new rules require that listed companies set up audit committees and that the committees have at least one independent member with accounting and/or auditing skills unless no members of the Supervisory Board are also members of the Executive Board. The Supervisory Board of Royal Unibrew has decided that the duties of the audit committee will be undertaken collectively by all members of the Supervisory Board.

The Supervisory Board finds the interaction between Management and the shareholders to be pivotal to the Company. The Supervisory Board considers the annual general meeting to be the main forum for the dialogue among shareholders and between shareholders and Management.

See "Supervisory Board, Executive Board and Key Employees – Supervisory Board" for more information about the members of the Supervisory Board.

16.2 PRACTICES OF THE EXECUTIVE BOARD

The Executive Board is responsible for the day-to-day management of Royal Unibrew in compliance with the guidelines and directions issued by the Supervisory Board. The day-to-day operations do not include transactions of an unusual nature or of material importance to the affairs of Royal Unibrew.

16.3 INFORMATION REGARDING CONTRACT TERMS FOR THE EXECUTIVE BOARD

For a description of the employment contracts of the Executive Board, see "Remuneration and benefits – Remuneration of the Supervisory Board, the Executive Board and the Key Employees".

16.4 COMMITTEES, INCLUDING ADVISORY BOARDS

The Supervisory Board has not set up any permanent board committees, including neither an accounts and audit committee nor a remuneration committee. See "Corporate Governance". These tasks are undertaken jointly by the members of the Supervisory Board. As and when required, the Supervisory Board sets up committees which focus on one-off matters of a material nature.

16.5 DESCRIPTION OF MANAGEMENT REPORTING SYSTEMS AND INTERNAL CONTROL SYSTEMS

Royal Unibrew has implemented all necessary management and control systems to ensure compliance with the obligations applying to issuers of shares quoted on NASDAQ OMX. Each year, Royal Unibrew prepares detailed profit, balance sheet and cash flow budgets in close cooperation with the individual subsidiaries. At a board meeting held at the end of any year, the Executive Board presents the entire budget to the Supervisory Board in due time for the budget to be approved before the commencement of the next budget year. Royal Unibrew uses a number of different internal management and control systems to follow up on approved budgets and on operations, including:

- Monthly reports from Royal Unibrew's subsidiaries which include actuals relative to budget, including explanations of deviations and a number of key performance indicators (KPI).

- Consolidated monthly report summarising actual results for the individual business areas relative to budget

- The Company's monthly report is reviewed at a monthly Executive Board meeting and submitted to the Supervisory Board.

- The Company's full-year forecasts are updated regularly and at least every three months.

16.6 CORPORATE GOVERNANCE

It is important to the management of Royal Unibrew, to exercise good corporate governance and to regularly review the Company's rules, policies and practices. The aim is to ensure that the Company meets its obligations to its shareholders, customers, employees, the authorities and other stakeholders to the best of its ability while serving to maximise long-term value. NASDAQ OMX has incorporated the recommendations prepared by the Committee on Corporate Governance in its disclosure requirements, and Royal Unibrew generally complies with these recommendations with a few exceptions which will be described below.

Several members of the Supervisory Board do not comply with the recommendation on the maximum number of directorships that a member may hold outside the Group, and the Supervisory Board assesses on a case-to-case basis the directorships held by individual members outside the Group for the purpose of ensuring that the individual member can allocate the resources required to perform work on the Supervisory Board of Royal Unibrew.

As to the recommendation that the annual report provides information on the remuneration paid to the individual members of the Supervisory Board and the Executive Board, it is at present not deemed to be important to the assessment by the stakeholders to publish information on the remuneration of the individual members of the Executive Board. In the annual report, the notes give details of the remuneration paid to the Executive Board. The remuneration of the Executive Board is considered to be in line with the pay level in comparable companies.

As to the recommendation that the exercise price of share options granted be higher than the market price, Royal Unibrew fixes the exercise price of share options granted on the basis of the average market price of the Company's shares in the first 10 trading days after the publication of the relevant annual report. The pricing method is used to ensure that the options remain attractive.

16.7 GUIDELINES FOR INCENTIVE PAY

Purpose and scope

The Supervisory Board believes that a combination of fixed and performance-based compensation to the Executive Board helps ensure that the Company can attract and retain key persons. At the same time the Executive Board is given an incentive to create shareholder value through partly incentive-based pay.

Target group

Royal Unibrew's general guidelines for incentive pay also apply to the executives registered with the Danish Commerce and Companies Agency from time to time. The employment terms and remuneration of the Executive Board are agreed between the individual executive and the Supervisory Board within the framework of the general incentive pay guidelines, and the remuneration package will usually include a fixed salary, standard benefits such as a company car, company-paid telephone newspaper subscription, etc., a cash bonus and share options. See below.

Members of the Supervisory Board do not benefit from incentive programmes.

Share options

Share-based incentive pay is awarded to promote the achievement of long-term goals. Members of the Executive Board may be granted share-based options. Grants may be made annually and usually in connection with the Company's presentation of its annual report. Normally, options are exercisable not earlier than three years following the grant and will normally lapse if they remain unexercised after five years following the grant. In order to ensure several years of budget performance and the achievement of long-term goals, options to members of the Executive Board and selected executives will usually be divided into "ordinary options" and options relating to the specific strategy plan. The ordinary options will typically be divided into an unconditional half whereas the exercise of the other half is subject to the achievement of special budget targets. The exercise of options relating to a strategy plan will be subject to the achievement of certain goals specified therein.

Usually the exercise price of the options cannot be lower than the market price of the Company's shares at the grant date or at the date when a financial statements announcement has been published before the grant date. However, options relating to the achievement of the Company's strategy plan may, regardless of the date of grant, have an exercise price that is based on the market price at the time when the strategy plan was originally adopted or at the time of the first grant. The Company will cover the options granted on an ongoing basis through the purchase of treasury shares. Consequently, no capital increases have to be made in order to deliver the shares comprised by the options granted.

The grant is made so as to ensure that the value of the ordinary options granted does not exceed the recipient's gross salary divided by the relevant market price at or around the grant date - usually calculated as an average over a period of 10 days. Moreover, the value of the special options relating to the current strategy plan may not exceed 50% of the gross salary within a year.

In connection with the publication of the 2008 Annual Report, the Company announced that it had decided to cancel the Company's share option programme as the assumptions existing at the time when the programme was established in Spring 2008 must be deemed not to hold true as a result of the price performance of Royal Unibrew's shares. As at 30 September 2009, there are a total of 50,134 outstanding options under this cancelled share option programme, see 17. Moreover, there are 17,850 outstanding share options that were granted in 2008 relating to the performance of certain financial goals for the period 2008-2010 as at 30 September 2009. See "Management Practices – Guidelines for incentive pay"for a description of the conditions for the exercise of the outstanding options. The Supervisory Board regularly assesses the need for introducing new share option programmes.

Cash bonus

Each member of the Executive Board may be awarded an annual ordinary cash bonus which will not exceed 40% of the gross salary calculated on the basis of the gross salary at the end of the preceding year. Bonus grants and the amount thereof depend on the fulfilment of objectives agreed upon for one year at a time. The objectives primarily relate to the fulfilment of the Company's budgeted results or the achievement of financial key figures or other measurable individual performance, whether of a financial or non-financial nature. On achievement of the budget targets, the ordinary cash bonus is expected to correspond to 10% of the gross salary.

In addition to the above mentioned ordinary cash bonus, the Supervisory Board may quite extraordinarily award a discretionary bonus, e.g. in the form of a retention, loyalty or special performance bonus to individual members of the Executive Board if the Supervisory Board finds it appropriate in order to meet the objectives of attracting and retaining key employees and to maximise shareholder value

17. EMPLOYEES

17.1 LIST OF EMPLOYEES

In 2008 the Group employed an average of 2,755 people, of whom 988 worked in Denmark and 1,767 abroad. In the period from 1 January 2009 until 30 September 2009, the average number of employees was 2,730. In that period, the number of employees was reduced by about 130 in Denmark and about 100 in Poland primarily as a result of the organisational adjustments mentioned herein, whereas the number of employees in Denmark increased by about 250 as a result of the restructuring of the distribution structure (insourcing). Moreover, other parts of the organisation have been subject to minor adjustments.

As at the Prospectus Date, Royal Unibrew employs 2,554 people.

TABLE 24: AVERAGE NUMBER OF EMPLOYEES

Distribution of employees by geography	2008	2007	2006
Denmark			
Workers	548	525	507
Salaried employees	440	475	476
Denmark, total	**988**	**1,000**	**983**
Non-Danish			
Workers	1,007	983	809
Salaried employees	760	676	486
Non-Danish, total	**1,767**	**1,659**	**1,295**
Total			
Workers	1,555	1,508	1,316
Salaried employees	1,200	1,151	962
Total	**2,755**	**2,659**	**2,278**

17.2 SHARES AND SHARE OPTIONS HELD BY MEMBERS OF THE SUPERVISORY BOARD, THE EXECUTIVE BOARD AND KEY EMPLOYEES

For a detailed description of the Company's incentive programmes, see "Guidelines for incentive pay".

The Company's incentive programme has included a share option programme for the Executive Board and 20 senior executives. The share option programme was connected to the individual financial year. Half of the options were granted without any performance conditions, whereas the other half was granted wholly or partly depending on the realisation of fixed objectives for ROIC and profit growth. In 2008 the share option programme was extended to also include the then strategy plan.

In 2009 it was decided to cancel the Company's 2008-2010 share option programme with effect from 2009. The reason was that the assumptions existing at the time when the programme was established in Spring 2008 were considered not to hold true as a result of the price performance of Royal Unibrew's shares.

No share-based remuneration is paid to the members of the Supervisory Board.

Overview of shares and share options held by members of the Supervisory Board and the Executive Board as at the Prospectus Date:

TABLE 25: SHARES AND SHARE OPTIONS HELD BY MEMBERS OF THE SUPERVISORY BOARD, THE EXECUTIVE BOARD AND KEY EMPLOYEES

Name	Number of Shares	Number of options
Supervisory Board		
Steen Weirsøe, Chairman	1,520	0
Tommy Pedersen, Debuty Chairman	339	0
Ulrik Bülow	2,000	0
Erik Christensen	140	0
Erik Højsholt	830	0
Kirsten Wendelboe Liisberg	81	0
Hemming Van	274	0
Executive Board		
Henrik Brandt, CEO	50,000	0
Johannes F.C.M. Savonije, Executive Director of Northern Europe	10,000	0
Ulrik Sørensen, CFO	2,295	10,726
Key Employees		
Chresten Christensen, Export Director	250	3,947
Michael Nørgaard Jensen, Commercial Director, Denmark	1,425	1,365
Marijus Kirskukas, Managing Director of AB Kalnapilio-Tauro in Lithuania and SIA Cido Grupa in Latvia	0	0
Søren Lisbjerg, Supply Chain Manager, Denmark	0	0
Beata Pawlowska, General Manager of Royal Unibrew Polska Sp. z o.o.	0	0
Roberto Roccatti, General Manager of Ceres S.p.A.	0	0

The total pool of outstanding options to purchase shares amounted to 67,984 options at 30 September 2009, including 51,946 to other employees, and these options are exercisable in the period 2008-2013.

As a general rule, all issued share options will lapse if the holder of the options resigns his or her position in the Company. There are no further vesting conditions for the options.

As at 30 September 2009, the share options could be divided into the following categories:

TABLE 26: OUTSTANDING SHARE OPTIONS

Granted	Total outstanding	Options to the Executive Board	Exercise price	Exercise period
Re 2004	8,082	1,046	478	4/2008 – 4/2010
Re 2005	15,832	2,462	648	4/2009 – 4/2011
Re 2006	15,164	2,756	695	4/2010 – 4/2012
Re 2007	11,056	2,231	510	4/2011 – 4/2013
Total share options granted	50,134	8,495		
Re 2008-2010 strategy plan	17,850	2,231	510	4/2011 – 4/2013
Outstanding at the Prospectus Date	**67,984**	**10,726**		

The options relating to the 2008-2010 strategy plan that were granted in 2008 will not be exercisable unless certain strategy goals are realised by the end of 2010.

The total value of the Company's share options as at 16 November 2009 is DKK 1.5 million. The market value of the share options is based on Black & Scholes' formula for valuation of options and on (i) a share price equal to DKK 186, (ii) a volatility of 65%, (iii) no distribution of dividends, and (iv) a risk-free interest rate in the range of 1.73 – 2.96% p.a.

For the purpose of maintaining the intentions behind the share option programme, the above exercise prices and the number of options will be adjusted if the Offering is completed.

18. MAJOR SHAREHOLDERS

Shareholders listed in the table below have notified Royal Unibrew that they hold at 5% or more of Royal Unibrew's Shares or voting rights.

TABLE 27: MAJOR SHAREHOLDERS IN THE COMPANY

	Number of Shares before the Offering	Interest before the Offering	Voting rights before the Offering
Stodir hf.	913,380	16.3 %	16.3 %
Arbejdsmarkedets Tillægspension	333,200	6.0 %	6.0 %
Lloyds Banking Group plc	319,950	5.7 %	5.7 %
Straumur-Burdarás Investment Bank hf.	293,559	5.2 %	5.2 %

As at the Prospectus Date, Royal Unibrew holds 106,674 treasury shares, which equals 1.9% of the share capital and 1.9% of the votes in Royal Unibrew before the Offering. The Company's treasury shares are recognised at DKK 0.

Royal Unibrew is not authorised to issue company announcements regarding major shareholdings unless Royal Unibrew has received a prior notice to that effect from a shareholder. Thus, changes may have occurred to the stated share capital or voting rights for Major Shareholders relative to the specification above.

Royal Unibrew is not aware of being owned or controlled, directly or indirectly, by others, and Royal Unibrew is not aware of any agreements that could later result in others taking over control of Royal Unibrew.

According to Article 15 of the articles of association, each share of DKK 10 shall carry one vote, but no shareholder may on his own behalf or as proxy exercise voting rights attaching to shares representing more than 10% of Royal Unibrew's share capital at any time. This restriction shall not apply to the votes cast by proxy by the Supervisory Board, or by any other proxies proposed by the Supervisory Board under instruments of proxy where the individual proxy instrument does not exceed 10% of Royal Unibrew's share capital. In a company announcement for the third quarter of 2009 dated 6 November 2009, the Supervisory Board announced that after the completion of the capital increase, Royal Unibrew will propose that the restriction be cancelled at the annual general meeting in 2010.

19. TRANSACTIONS WITH RELATED PARTIES

Royal Unibrew's related parties are the members of the Supervisory Board, the Executive Board and Major Shareholders.

Related parties also include associates of Royal Unibrew. See Organisational structure" for a list of holdings in associates.

There have been no material transactions with related parties in the period from 1 January 2006 until the Prospectus Date.

Transactions with related parties are made on market terms.

20. INFORMATION ON ROYAL UNIBREW'S ASSETS AND LIABILITIES, FINANCIAL POSITION, RESULTS, DIVIDEND POLICY AND LITIGATION

20.1 FINANCIAL INFORMATION

For financial information concerning the Company, see the F pages.

20.2 DIVIDEND POLICY

The overview below shows dividends paid for the finacial years 2006, 2007 and 2008 which were paid in the following year:

TABLE 28: DIVIDEND HISTORY

Financial year	2006	2007	2008
Dividends per share	DKK 10	DKK 10	DKK 0

Payment of dividends is subject to general business factors, Royal Unibrew's current and expected financial conditions and performance, earnings, capital investment requirements, cash and other relevant factors, including growth opportunities. Royal Unibrew depends on financing from its subsidiaries in the form of dividends, repayment of debt and loans for paying dividends. Dividends are only paid if Royal Unibrew has sufficient profit for the purpose of distribution from previous financial years or sufficient distributable reserves to enable distribution of dividends.

Under a loan agreement with Nordea, Danske Bank and Nykredit, Royal Unibrew A/S is obliged not to distribute dividends to the Shareholders for the financial years 2009 and 2010. See "Capital resources".

20.3 LITIGATION

As at the Prospectus Date, Royal Unibrew is a party to several minor legal proceedings for which provisions have been made to the extent deemed reasonable by the Executive Board in each specific case.

Royal Unibrew has not in the past 12 months been involved in any legal or arbitration proceedings that have had a material adverse effect on the Company's financial position or results, and Management is not aware of any threatened proceedings that could have such an effect in the future. However, see below.

Heineken International B.V., a Royal Unibrew partner distributing *Vitamalt* on selected markets in the Caribbean, is of the opinion that Royal Unibrew should offer Heineken International B.V. the right to distribute *Vitamalt* in the Dominican Republic before entering into a licence agreement for the Dominican Republic with a third party. Management believes that Heineken International B.V. has no such right and that the licence agreement that Royal Unibrew enters into with Cerveceria Nacional Dominicana C. por A. in connection with the sale of the Company's shares in the breweries in the Caribbean, see "Material contracts", does not constitute a breach of the co-operation agreement that Royal Unibrew has with Heineken International B.V. in the Caribbean. If Management is mistaken, it believes that Heineken International B.V.'s loss would be limited.

In order to safeguard the Company's minority interests in Perla Browary Lubelskie S.A. which was included in the acquisition of the Brok and Strzelec activities in 2005, the Company is a party to a number of legal proceedings against the majority shareholder of Perla Browary Lubelskie S.A. *inter alia* because the majority shareholder tries to dilute the Company's stake in Perla Browary Lubelskie S.A. to an insignificant position. The investment in Perla Browary Lubelskie S.A. is recognised at DKK 53 million as at 30 September 2009. No shareholders agreement has been concluded between Royal Unibrew and the other shareholders of Perla Browary Lubelskie S.A., and Royal Unibrew's rights are attached entirely to the protection offered by Polish law.

Significant events after the balance sheet date

No significant events have occurred after the balance sheet date of the interim report for the period 1 January to 30 September 2009 that will affect the Group's assets, liabilities or financial position as at 30 September 2009 and the Group's results and cash flows for the period 1 January to 30 September 2009.

21. ADDITIONAL INFORMATION

21.1 SHARE CAPITAL BEFORE AND AFTER THE OFFERING

Before the Offering, Royal Unibrew A/S' registered share capital was DKK 56,000,000 consisting of 5,600,000 Shares of DKK 10. All Shares are fully paid up. Immediately after the Offering, Royal Unibrew A/S' registered share capital will be DKK 112,000,000 consisting of 11,200,000 Shares of DKK 10 provided that the maximum number of Offer Shares (5,600,000 Offer Shares) is subscribed. If the Offering is subscribed in full, the authorisation for 5,600,000 Shares will have been used up.

As at the Prospectus Date, Royal Unibrew A/S holds 106,674 treasury Shares corresponding to 1.9% of the share capital before the Offering. The Company's treasury shares are recognised at DKK 0.

21.2 WARRANT PROGRAMMES

Royal Unibrew A/S has issued no warrants.

21.3 HISTORICAL MOVEMENTS IN ROYAL UNIBREW'S SHARE CAPITAL

TABLE 29: MOVEMENTS IN THE SHARE CAPITAL SINCE 1998

Date	Transaction type	Share capital before change	Share capital change	Share capital after change	Price
22 April 1998	Increase (merger)	44,000,000	18,291,630	62,291,630	62.10
3 December 1999	Increase (employee shares)	62,291,630	523,680	62,815,310	95.00
28 Maj 2002	Increase (merger)	62,815,310	2,138,000	64,953,310	225.00
27 August 2002	Increase (employee shares)	64,953,310	681,780	65,635,090	100.00
27 April 2004	Reduction of the Company's share capital *	65,635,090	-1,935,090	63,700,000	349.56
27 April 2006	Reduction of the Company's share capital *	63,700,000	-1,900,000	61,.800,000	517.63
30 April 2007	Reduction of the Company's share capital *	61,800,000	-2,800,000	59,000,000	659.28
28 April 2008	Reduction of the Company's share capital *	59,000,000	-3,000,000	56,000,000	580.85

* On cancellation of treasury shares.

21.4 DESCRIPTION OF THE ARTICLES OF ASSOCIATION OF ROYAL UNIBREW

Objects clause

According to Article 3 of its articles of association, the object of Royal Unibrew is to carry on industry in Denmark or abroad, including brewery activities, trade, agriculture and transport and to provide technical or commercial assistance, to acquire and own real property or otherwise to carry on or be interested in other activities deemed by the Supervisory Board to be related to the above objects.

Summary of provisions regarding the Supervisory Board and the Executive Board

Under Article 19 of the Company's articles of association, the Company is managed by a supervisory board elected by the shareholders at the general meeting with the exception of members elected under the statutory rules on employee representation on the supervisory board. The shareholder-elected part of the supervisory board consists of not less than four and not more than seven members. The members elected by the shareholders hold office for terms of one year at a time. They are eligible for re-election.

The general meeting shall determine the directors' fees. The Supervisory Board elects a chairman and a deputy chairman from among its own number. The Supervisory Board forms a quorum when more than half of its members are present. Resolutions are passed by a simple majority of votes. In the event of an equality of votes, the chairman will have the casting vote.

The Supervisory Board appoints an executive board consisting of one or more members and may confer powers of procuration, individually or jointly.

21.5 DESCRIPTION OF ROYAL UNIBREW'S SHARES

Voting rights

At the general meeting, each share of DKK 10 carries one vote. See Article 15 of the articles of association.

No sharholder may in person or by proxy exercise voting rights for an amount exceeding 10% of Royal Unibrew's existing share capital from time to time. However, this restriction shall not apply to the casting of votes by proxy by the Supervisory Board or by other proxies proposed by the Supervisory Board provided that the individual instrument of proxy does not exceed 10% of Royal Unibrew's share capital. In a company announcement for the third quarter of 2009 dated 6 November 2009, the Supervisory Board announced that after the completion of the capital increase, Royal Unibrew will propose that the restriction on voting rights be cancelled at the annual general meeting in 2010.

A shareholder who has acquired Shares of Royal Unibrew by transfer may not exercise his/her voting rights attaching to the relevant Shares unless the Shares in question have been recorded in the name of the shareholder in Royal Unibrew's register of shareholders at the time when the general meeting is convened, or the shareholder has given the Company notice and documentation of his acquisition before such time.

It is a condition for admission to Royal Unibrew's general meetings and for the exercise of voting rights that the shareholder requests and receives an admission card no later than five days before the general meeting.

Negotiability and transferability of the Shares

The Shares are negotiable instruments. Under article 5 of the Company's articles of association, no restrictions apply to the transferability of the Shares.

Authorisations

Until 1 July 2010 the Supervisory Board is authorised to increase Royal Unibrew's share capital by up to DKK 56,000,000.

In connection with the cash increase of the share capital, the existing shareholders have preemptive rights to the new shares.

The shares are issued to bearer, but can later be registered in the name of the holder. The new shares carry rights of dividends and other rights from such date as may be determined by the Supervisory Board, however, not later than from the first financial year following the adoption of the capital increase. No restrictions shall apply to the transferability of the new shares. The shares are negotiable instruments and no one may require that they be redeemed. In all other respects, the shares must be carrying the same rights, including preemptive rights, in connection with capital increases as the existing shares.

Dividend rights

Each share of DKK 10 ranks for dividend. The Offer Shares will be eligible for any dividends payable in respect of the 2009 financial year and all dividends declared and paid thereafter.

No restrictions on dividends or special procedures apply to holders of Shares who are not residing in Denmark.

Under applicable Danish legislation, Royal Unibrew withholds tax on dividends. For a summary of certain tax consequences in connection with dividends or distributions to holders of Shares in Royal Unibrew, see "Dividend policy" and Part II "The Offering – Taxation".

Current rules regarding dividends
According to the Danish Public Companies Act, the shareholders may authorise the distribution of profits at the annual general meeting, based on the latest approved annual financial statements. The dividend adopted by the general meeting cannot exceed the amount proposed or approved by the Supervisory Board.

Dividends may be paid once a year. Dividends are usually payable not earlier than three business days after the annual general meeting is held. Dividends are paid automatically through VP Securities to accounts designated by the shareholders. Dividends, if any, are paid in Danish kroner.

According to the Danish Public Companies Act, the general meeting may authorise the Supervisory Board to distribute extraordinary dividends. Such authorisation must be incorporated in the articles of association. A resolution by the Supervisory Board to distribute extraordinary dividends must be based on an intermediate balance sheet reviewed by Royal Unibrew's independent auditor showing that sufficient funds exist for distribution, and a statement by the Supervisory Board saying that the amount of extraordinary dividends is reasonable having regard to Royal Unibrew's financial position. Such authorisation has not been incorporated in the articles of association of Royal Unibrew, and the Supervisory Board has no current plans to propose that such authorisation be incorporated in the articles of association.

Preemptive rights
Under Danish law, all shareholders of Royal Unibrew have preemptive rights in case of an increase of the share capital of the Company against cash contribution. An increase of the share capital may be adopted by the shareholders at a general meeting or by the Supervisory Board pursuant to an authorisation granted by the shareholders at a general meeting. In connection with an increase of Royal Unibrew's share capital, the shareholders in general meeting may approve deviations from the general preemptive rights of the shareholders.

Rights on solvent liquidation
In case of solvent liquidation or dissolution of Royal Unibrew, the shareholders are entitled to participate in the distribution of excess assets in proportion to their shareholdings after payment of Royal Unibrew's creditors.

Rights attaching to the shares
All Shares are issued to bearer, but can be registered in the name of the holder in Royal Unibrew's register of shareholders.

No shareholder is under an obligation to have his Shares redeemed in whole or in part. See Article 6 of the articles of association.

Registration of Shares
All Shares are registered in book-entry form and must be held through a Danish bank or other institution authorised to be registered as the custodian of such Shares (the "custodian bank") in accounts maintained in the computer system of VP Securities. The Shares are issued in book-entry form, but may be registered in the name of the holder in Royal Unibrew's register of shareholders through the shareholder's custodian bank.

Limitations on shareholdings
There are no restrictions on the right to hold Shares under Royal Unibrew's articles of association or Danish legislation.

21.6 PROVISIONS IN THE ARTICLES OF ASSOCIATION OR OTHER RULES WHICH MAY LEAD TO A DELAY IN A CHANGE OF CONTROL OF ROYAL UNIBREW
Pursuant to article 5 of the articles of association, the voting rights attaching to Shares acquired by transfer are subject to the Shareholder being recorded in the register of Shareholders or to the shareholder having given notice and submitted documentation of his acquisition.

No sharholder may in person or by proxy exercise voting rights for an amount exceeding 10% of Royal Unibrew's existing share capital from time to time. However, this restriction shall not apply to the casting of votes by proxy by the Supervisory Board or by other proxies proposed by the Supervisory Board provided that the individual instrument of proxy does not exceed 10% of Royal Unibrew's share capital. In a company announcement for the third quarter of 2009 dated 6 November 2009, the Supervisory Board announced that after the completion of the capital increase, Royal Unibrew will propose that the restriction be cancelled at the annual general meeting in 2010.

21.7 DUTY OF DISCLOSURE

According to Section 29 of the Danish Securities Trading Act, a shareholder of Royal Unibrew is required to notify Royal Unibrew and the Danish FSA as soon as possible if the shareholder's stake (i) represents 5% or more of the voting rights in Royal Unibrew or the nominal value of its share capital represents 5% or more of the share capital, and (ii) when a change in a holding already notified entails that the limits of 5%, 10%, 15%, 20%, 25%, 50% or 90% and the limits of one-third and two-thirds of the voting rights or the nominal value are reached or are no longer reached or the change entails that the limits stated in (i) are no longer reached. The notification shall provide information about the shareholder's identity, the number of shares and their nominal value, including the percentage held by the shareholder, share classes, and information about the basis of calculation of the holdings and the date at which the limits are reached or no longer reached. Failure to comply with the duties of disclosure is punishable by a fine. After the receipt of a major shareholder announcement, the Company will publish the contents thereof as soon as practicable.

21.8 GENERAL MEETINGS

The general meeting shall be held on Funen, in Faxe or in Greater Copenhagen as directed by the Supervisory Board. See Article 9 of the articles of association. General meetings are convened by the Supervisory Board giving not less than eight days' and not more than four weeks' notice in a national daily newspaper. Furthermore, a written notice of the general meeting shall be sent to any shareholder registered in the register of shareholders upon request.

Royal Unibrew's annual general meeting is held every year before the end of April.

Extraordinary general meetings will be held when deemed appropriate by the Supervisory Board or one of Royal Unibrew's auditors or when requested in writing by one or more shareholders holding at least one tenth of the share capital for the purpose of transacting any specific business. Such meeting will be convened by the Supervisory Board giving not less than eight days' and not more than 14 days' notice within 14 days of having received a written request to do so.

All resolutions at general meetings will be adopted by a simple majority of votes unless the Danish Public Companies Act or the articles of association prescribe more stringent requirements.

Unless special statutory rules prescribe otherwise, the adoption of a resolution to amend the articles of association or Royal Unibrew's winding-up or merger requires a majority of votes of at least two-thirds of the votes cast as well as the voting share capital represented at the general meeting

21.9 NEW ACT ON PUBLIC AND PRIVATE LIMITED COMPANIES

On 29 May 2009, the Danish Parliament adopted a new Act on public and private limited companies (the Companies Act) which is expected to come into force in whole or in part at year-end 2009. The Companies Act will entail a number of changes to the regulation of public and private limited companies, but Royal Unibrew does not expect the Companies Act to have any material effect on the Company's business or the rights and duties of its shareholders.

22. MATERIAL CONTRACTS

The Pepsi agreements

Royal Unibrew has signed an agreement with Pepsico Inc. ("Pepsi") regarding the production and sale of the products Pepsi, Pepsi Max, Evervess, Mirinda and Aqua Minerale covering the markets of Denmark, Greenland and the Faroe Islands. Under the agreement, the production of Pepsi's products takes place at the breweries at Faxe (Denmark) and at Cido (Latvia). The agreement with Pepsi is exclusive in Denmark, and the collaboration dates back to 1973. The parties entered into the current agreement in 2008 and it will remain in force until the end of 2012, at which time it will be renewed automatically unless terminated earlier by either party at one year's notice and provided that the parties agree on price, volume and any other contract terms for the renewal period. Under the agreement, Royal Unibrew (including group enterprises, associates, enterprises under joint ownership or control and enterprises in which Royal Unibrew has a substantial interest or participation) generally may not sell Coca Cola products anywhere or any other cola products in Denmark, the Faroe Islands or Greenland. Pepsi is entitled to terminate the agreement before expiry if The Coca Cola Company or a company affiliated with The Coca Cola Company or a Coca Cola franchisee – directly or indirectly – becomes the holder of shares in Royal Unibrew with voting rights in respect of more than 10% of the share capital. Pepsi has a similar right to terminate the agreement if a shareholder other than The Coca Cola Company becomes the holder of more than 40% of Royal Unibrew's share capital, and such shareholder is deemed to have a material adverse impact on Royal Unibrew's ability to act in accordance with the agreement. In addition to Pepsi's right to terminate the agreement in the event of any changes to the ownership structure of Royal Unibrew, Pepsi is entitled to demand payment of a penalty equivalent to twice the value of Royal Unibrew's purchases of Pepsi concentrate during the 12 month period prior to the change of Royal Unibrew's ownership structure. The value of the penalty, if any, calculated on the basis of the past 12 months' purchases of Pepsi concentrates, is DKK 120 million. The penalty provision may also be applied in certain breach of contract situations. In case of termination caused by a material breach of the agreement, Royal Unibrew will be prohibited from selling cola products in Denmark, Greenland and the Faroe Islands for a period of one year.

In addition, Royal Unibrew has separate agreements with other Pepsi companies regarding the production and sale of 7UP and Lipton Ice Tea in Denmark. The agreement regarding 7UP was signed in 1988 and is renewed automatically every five years unless either party terminates the agreement at one year's notice prior to the expiry of the contract period applicable from time to time. The 7UP agreement, which accounts for a very limited share of Royal Unibrew's sales of Pepsi products in terms of volume, includes certain provisions which are more onerous on Royal Unibrew than the agreement Royal Unibrew signed with Pepsi in 2008 regarding the products Pepsi, Pepsi Max, Evervess, Mirinda and Aqua Minerale, including provisions on non-competition, change of control and penalty provisions. Under certain circumstances, Pepsi has the right to terminate the 7UP agreement if Pepsi finds that Royal Unibrew does not fulfil its "best efforts" obligations in relation to certain marketing efforts. Due to the limited sale, these clauses are generally considered immaterial, except that all the Pepsi agreements (except for the Lipton Ice Tea agreement) contain cross default clauses that may bring the agreements to an end.

The agreements with Pepsi regarding 7UP and the products Pepsi, Pepsi Max, Evervess, Mirinda and Aqua Minerale are subject to the laws of the State of New York.

The agreement regarding Lipton Ice Tea was signed in 2005 and is renewed automatically every five years, unless either party terminates the agreement at one year's notice prior to the expiry of the contract period applicable from time to time.

The Heineken Agreement

Since 2002 Royal Unibrew has had an exclusive right to bottle and sell Heineken in Denmark. In 2008 Royal Unibrew and Heineken Brouwerijen B.V. entered into a new agreement which is applicable until 2018 and means that in future Royal Unibrew will also produce Heineken. According to the agreement Royal Unibrew and Heineken Brouwerijen B.V. must each year agree on a distribution and marketing plan for the coming three years setting various commercial goals for Royal Unibrew to achieve, and these goals will affect the amount of royalty payable by Royal Unibrew to Heineken Brouwerijen B.V. Both parties have the right to terminate the agreement prematurely if Royal Unibrew does not achieve certain fixed commercial goals for two consecutive years. Also, Heineken Brouwerijen B.V. may terminate the agreement prematurely if the parties do not agree on the three-year distribution and marketing plan for two consecutive years. The agreement also provides that in Denmark, Royal Unibrew may not distribute Carlsberg or Inbev beers or beer under the Fosters brand. Heineken Brouwerijen B.V. has the right to terminate the agreement before expiry if a shareholder with a significant activity in the brewery industry becomes involved in Royal Unibrew to the effect that he is offered at least one seat on the Supervisory Board of Royal Unibrew and/or Royal Unibrew's management and/or that he obtains enough voting rights to block amendments to Royal Unibrew's articles of association.

The agreement is governed by Dutch law.

Sale of breweries in the Caribbean

On 12 August 2009, Royal Unibrew entered into a conditional agreement with the brewery Cerveceria Nacional Dominicana C. por A. of the Dominican Republic regarding the sale of Royal Unibrew's shares in the breweries on Dominica, St. Vincent and Antigua. The proceeds from the sale of the shares in the Caribbean Companies total USD 31 million, which amount will be adjusted through an adjustment of the purchase price in connection with the closing of the sale. Royal Unibrew has issued the usual guarantees regarding the Caribbean Companies. The conditional agreement also includes licence production and sale of Vitamalt at the breweries included in the sale and in the Dominican Republic. The agreement with Cerveceria Nacional Dominicana C. por A. is conditional on a large number of factors, including approval by the Antigua government and certain licensors' acceptance of the change of ownership. A number of these factors must be clarified by 15 January 2010 and the remaining factors on or before 12 February 2010.

If the factors which must be clarified by 15 January 2010 have not been resolved by that time and the parties have not agreed on an extension of the time limit, the buyer will be entitled to cancel the agreement. If the agreement lapses on 12 February 2010 as a result of non-compliance with the terms and conditions of the transaction, the parties will be free to make other arrangements. However, for a period of two years from the lapse of the conditional agreement, Cerveceria Nacional Dominicana C. por A. will have a right of first refusal to Royal Unibrew's shares in the Caribbean Companies if certain special circumstances apply at the time of the lapse of the conditional agreement. Alternatively, under such special circumstances, Cerveceria Nacional Dominicana C. por A. will, during the mentioned two-year period, have a right to receive a share of Royal Unibrew's proceeds from any subsequent sale of the Caribbean Companies. Final closing of the transaction is expected to take place at year-end 2009. Also, Royal Unibrew has undertaken not to set up competing business on Dominica, St. Vincent and Antigua for a period of five years from the final closing of the agreement.

The agreement is governed by the laws of England.

Packing suppliers

For several years Royal Unibrew has entered into agreements with Rexam Beverage Can Europe Limited and Can-Pack S.A regarding the supply of cans and with Ardagh Glass Holmegaard A/S regarding the supply of glass bottles. In 2008 Royal Unibrew also entered into agreements with Rexam Beverage Can Europe Limited and Can-Pack S.A. regarding the supply of cans to Denmark, Poland and the Baltic countries and with Ardagh Glass Holmegaard A/S regarding the supply of glass bottles to Denmark and Poland. The agreements that secure Royal Unibrew supplies until the end of 2010 have been made on terms customary for supplier agreements. Due to the substantial costs of carriage associated with the supply of cans and glass bottles, there are not many alternative suppliers of these products in practice.

Nuuk Imeq A/S

Since 1989 Royal Unibrew has sold its products in Greenland through Nuuk Imeq A/S. Nuuk Imeq A/S is owned by Royal Unibrew (31.86%), Carlsberg Breweries A/S (31.86%) and Nuuq Kommunea (the municipality of Nuuk) (36.28%). The Government of Greenland sold its stake in the company in 2005. Nuuk Imeq A/S is a manufacturing unit bottling Royal Unibrew and Carlsberg tanker beer for the West Greenland market, and the company has its own unit for the production of carbonated soft drinks. Royal Unibrew and Carlsberg Breweries A/S make separate agreements with Nuuk Imeq A/S on the prices of tanker beer.

After the Government of Greenland transferred its shares to the other shareholders in 2005, the shareholders agreement was amended and covers Royal Unibrew, Carlsberg Breweries A/S and the municipality of Nuuk. The agreement contains standard provisions on e.g. unanimity on material resolutions, rights of first refusal on the sale of shares, etc.

Nuuk Imeq A/S has a management agreement with Grønlandskonsortiet I/S regarding technical assistance and the management of Nuuk Imeq A/S. Grønlandskonsortiet is a partnership owned by Carlsberg Breweries A/S and Royal Unibrew in equal shares.

In West Greenland, beer and carbonated soft drinks are distributed by Pilersuisoq A/S, a subsidiary of KNI A/S (previously the Royal Greenland Trade Department).

Hansa Borg

In 2002 Royal Unibrew acquired all shares of Norway's second-largest brewery Hansa Borg Bryggerier ASA together with Borg Bryggerierne Holding AS (Norway) and Spendrup Invest AB (Sweden). Royal Unibrew holds 25% of the share capital of the Danish holding company Hansa Borg Skandinavisk Holding A/S, which controls Hansa Borg Bryggerier ASA 100%, whereas Borg Bryggerierne Holding AS and Spendrup Invest AB hold 60% and 15%, respectively, of Hansa Borg Skandinavisk Holding A/S. The shareholders agreement provides that Borg Bryggerierne Holding AS may require the parties to begin negotiations to merge the Danish holding company and Royal Unibrew, alternatively to decide that Royal Unibrew is to buy the shares held by Borg Bryggerierne Holding AS in the Danish holding company. If the parties cannot agree on such a merger or share transfer, the shareholders agreement gives Borg Bryggerierne Holding AS the right to enforce a sale to a third party. Otherwise the agreement contains standard provisions on e.g. protection of minority shareholders in connection with material resolutions, rights of first refusal on the sale of shares, etc.

The shareholders agreement is governed by the laws of Norway.

23. THIRD PARTY INFORMATION, EXPERT STATEMENTS AND DECLARATIONS OF INTEREST

This Prospectus does not include any statements, declarations or reports by experts or third parties.

This Prospectus contains historical market data and industry forecasts, including information related to the sizes of the markets in which the Group operates. This information has been obtained from a variety of sources, including professional data suppliers, company websites and other publicly available information as well as the Company's knowledge of the markets. Neither Royal Unibrew nor the Joint Global Coordinators represent that this historical information is accurate. Industry forecasts are, by their nature, subject to significant uncertainty. There can be no assurance that any of the forecasts will materialise.

Royal Unibrew confirms that information sourced from third parties has been accurately reproduced and that to the best of Royal Unibrew's knowledge and belief, and so far as can be ascertained from the information published by such third party, no facts have been omitted which would render the information provided inaccurate or misleading.

Market statistics are inherently subject to uncertainty and are not necessarily reflective of actual market conditions. Such statistics are based on market research which itself is based on sampling and subjective judgments.

24. DOCUMENTS ON DISPLAY

The following documents are available for inspection at Royal Unibrew's address, Faxe Allé 1, DK-4640 Faxe, Denmark:

- Articles of association.
- Audited annual reports of Royal Unibrew A/S for 2008, 2007 and 2006
- Interim report of Royal Unibrew A/S for the nine months ended 30 September 2009 (unaudited)
- Declaration by the Supervisory Board pursuant to section 29(2)(ii) of the Danish Public Companies Act with the related auditors' report pursuant to section 29(2)(iii) of the Danish Public Companies Act
- This Prospectus
- Annual reports of the subsidiaries of Royal Unibrew A/S for 2008, 2007 and 2006

25. DISCLOSURE OF INVESTMENTS

For information about material investments held by Royal Unibrew in other companies, see “Organisational structure”.

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PART II. THE OFFERING

1. PERSONS RESPONSIBLE

An overview of the persons responsible for the Prospectus is provided in “Persons responsible” herein.

2. RISK FACTORS

For a description of the risk factors relating to the Offering, see “Risk Factors” above.

3. KEY INFORMATION

3.1 WORKING CAPITAL

In the opinion of the Management, the Company's working capital prior to the Offering is adequate to cover its present capital requirements for the next twelve months.

3.2 CAPITALISATION AND DEBTS

TABLE 30: LIABILITIES AND EQUITY AS AT 30 SEPTEMBER 2009

(DKKm)	At 30 September 2009
Liabilities	
Non-current liabilities	2,205
Current liabilities	953
Total liabilities	**3,158**
Equity	
Share capital	56
Revaluation reserve	180
Currency translation reserve	-116
Hedging reserve	-67
Retained earnings	523
Minority interests	35
Total shareholders' equity	**611**

The Company's secured liabilities were DKK 2,026 million as at 30 September 2009, corresponding to all debts to mortgage and credit institutions.

At 30 September 2009 the Company had not guaranteed debt.

3.3 INTERESTS OF NATURAL AND LEGAL PERSONS IN THE OFFERING

Management is not aware of any potential conflicts of interest in relation to the Offering that would be material to the Company.

3.4 REASONS FOR THE OFFERING AND USE OF PROCEEDS

The Company expects to receive gross proceeds of DKK 420 million from the Offering (if the maximum number of Shares is subscribed), which would give the Company net proceeds of DKK 395 million (if the maximum number of Shares is subscribed) after deduction of the estimated costs of the Offering.

The Offering is made to secure the Company structural and financial flexibility and competitive strength, *inter alia* in the light of the uncertainty as to the market outlook created by the financial crisis. Management believes that the Group's net interest-bearing debt should be reduced from the existing level to no more than 2.5 times EBITDA.

The net proceeds will be used to reduce the Company's interest-bearing debt to Danske Bank A/S and Nordea Bank Danmark A/S, among others.

4. INFORMATION CONCERNING THE SECURITIES TO BE OFFERED

4.1 TYPE OF SECURITY, ALLOCATION DATE AND ISIN CODES

Preemptive rights

Preemptive Rights will be allocated free of charge to Existing Shareholders who are registered as Shareholders with VP Securities on 25 November 2009 at 12.30 p.m. CET. Shares traded after 22 November 2009 will be traded ex Preemptive Rights assuming that the Shares are traded at customary three-day settlement.

The ISIN code of the Preemptive Rights is DK0060194710.

An application for admission of the Preemptive Rights for trading and official listing on NASDAQ OMX has been filed, and the Preemptive Rights are expected to be traded on NASDAQ OMX in the period from 23 November 2009 at 9.00 a.m. CET to 4 December 2009 at 5.00 p.m. CET.

The Subscription Period for the Offer Shares commences on 26 November 2009 at 9.00 a.m. CET and closes on 9 December 2009 at 5.00 p.m. CET.

The Offering is being made at the ratio of 1:1, to the effect that each Existing Shareholder will be allocated one (1) Preemptive Right for each Existing Share held, and that one (1) Preemptive Right will be required to subscribe for one (1) Offer Share.

Offer Shares

The Offer Shares issued by Royal Unibrew after registration of the capital increase with the Danish Commerce and Companies Agency will be of the same class as the Existing Shares and will not be admitted to trading and official listing on NASDAQ OMX until registration is completed. Consequently, shareholders and investors should note that the Offer Shares will not be admitted to trading and official listing on NASDAQ OMX under a temporary ISIN code. The Offer Shares will be listed on NASDAQ OMX directly under the ISIN code of the Existing Shares (DK0010242999) following registration of the capital increase with the Danish Commerce and Companies Agency, which is expected to take place on 16 December 2009.

4.2 APPLICABLE LAW AND JURISDICTION

The Offering is subject to Danish law. This Prospectus has been prepared in compliance with the standards and requirements of Danish law, including the rules issued by NASDAQ OMX. Any dispute which may arise as a result of the Offering shall be brought before the Danish courts of law.

4.3 REGISTRATION

All Preemptive Rights and Offer Shares will be delivered in book-entry form on allocation to accounts with VP Securities through a Danish bank or other institution authorised as custodian institution for such shares. The address of VP Securities is: Weidekampsgade 14, 2300 Copenhagen S, Denmark. The Preemptive Rights and the Offer Shares will be issued in non-certificated bearer form. The Offer Shares will be issued to bearer, but may be registered in the name of the holder in Royal Unibrew's register of shareholders through the holder's custodian bank.

4.4 CURRENCY

The Offering will be carried out and trading in the Preemptive Rights and the Offer Shares will be effected in Danish kroner.

Exchange control regulation in Denmark

There is no legislation in Denmark that restricts the export or import of capital (except for certain investments in areas subject to applicable resolutions adopted by the United Nations or the European Union), including, but not limited to, foreign exchange controls, or which affects the remittance of dividends, interest or other payments to non-resident holders of the Offer Shares. As a measure to prevent money laundering and financing of terrorism, persons travelling into or out of Denmark carrying amounts of money (including, but not limited to, cash and travellers cheques) worth the equivalent of EUR 15,000 or more must declare such amounts with the Danish Customs Authority when travelling into or out of Denmark.

4.5 RIGHTS ATTACHING TO THE OFFER SHARES

The Offer Shares will, when fully paid up and registered with the Danish Commerce and Companies Agency, have the same rights as the Existing Shares.

Dividend rights/Rights to share in profits

The Offer Shares will be eligible for any dividends declared by Royal Unibrew following issuance of the Offer Shares and registration of the capital increase with the Danish Commerce and Companies Agency. Consequently, the Offer Shares are eligible for any dividends in respect of the current financial year declared and payable after registration of the New Shares with the Danish Commerce and Companies Agency.

Dividends are paid in Danish kroner to the Shareholder's account set up with VP Securities. No restrictions on dividends or special procedures apply to holders of Offer Shares who are not residing in Denmark. See "Taxation" below for a description of the treatment of dividends under Danish tax law. Dividends not claimed by shareholders are forfeited under the general rules of Danish law.

Royal Unibrew does not pay dividends cumulatively.

Voting rights

Any shareholder is entitled to attend general meetings provided that such shareholder has obtained an admission card not later than five days in advance against due proof of identity.

Shareholders are entitled to one vote at general meetings for each share of DKK 10 nominal value. For Shares acquired by transfer, voting rights shall be conditional on the Shareholder having had his shares recorded in Royal Unibrew's register of shareholders or having given notice and documentation of his acquisition not later than on the date of the notice convening the relevant general meeting.

No sharholder may in person or by proxy exercise voting rights for an amount exceeding 10% of Royal Unibrew's existing share capital from time to time. However, this restriction shall not apply to the casting of votes by proxy by the Supervisory Board or by other proxies proposed by the Supervisory Board provided that the individual instrument of proxy does not exceed 10% of Royal Unibrew's share capital. In a company announcement for the third quarter of 2009 dated 6 November 2009, the Supervisory Board announced that after the completion of the capital increase, Royal Unibrew will propose that the restriction be cancelled at the annual general meeting in 2010.

Rights on solvent liquidation

In case of the solvent liquidation of Royal Unibrew, the shareholders are entitled to participate in the distribution of the net assets in proportion to their nominal shareholdings after payment of Royal Unibrew's creditors.

Preemptive rights

Where the capital increase is effected by cash payment at a subscription price which is equal to or higher than the market value of the shares or by conversion of debt, contribution in kind or otherwise, the Supervisory Board may decide that the Existing Shareholders have no Preemptive Rights.

If Royal Unibrew's shareholders otherwise resolve to increase the share capital at a general meeting, Section 30 of the Danish Public Companies Act will apply under the existing authorisation. Under that section, shareholders generally have a preemptive right to an increase of the share capital by cash payment. However, the preemptive right may be derogated from by a majority comprising at least two-thirds of the votes cast and the share capital represented at the general meeting provided the share capital increase takes place at market price.

Other rights

No Royal Unibrew Share confers any rights of redemption or conversion or any other special rights upon their holders.

4.6 RESOLUTIONS, AUTHORISATIONS AND APPROVALS TO PROCEED WITH THE OFFERING

Board meeting approving the capital increase

The Offer Shares are issued in accordance with Article 7 of the articles of association, according to which the Supervisory Board is authorised to issue up to 5,600,000 Shares of DKK 10 nominal value each.

Under this authorisation, the Supervisory Board adopted a resolution on 19 November 2009 to increase Royal Unibrew's share capital. The capital increase will have a nominal value of up to DKK 56,000,000 (5,600,000 Offer Shares of DKK 10 each). The capital increase will be effected with Preemptive Rights to the Existing Shareholders at the ratio of 1:1. One (1) Preemptive Right will entitle the holder to subscribe for one (1) Offer Share of DKK 10 nominal value each at the Offer Price of DKK 75.

4.7 ISSUE DATE OF OFFER SHARES

Date set for allocation of Preemptive Rights

On 25 November 2009 at 12.30 p.m. CET any person registered with VP Securities as a Shareholder of the Company will be granted Preemptive Rights. Shares traded after 22 November 2009 will be traded ex Preemptive Rights assuming that the Shares are traded at customary three-day settlement.

Date set for issue of Offer Shares

The Offer Shares may be subscribed for from 26 November 2009 at 9.00 a.m. CET to 9 December 2009 at 5.00 p.m. CET. During that period, the Offer Shares will be allocated through VP Securities upon exercise of the Preemptive Rights. The Offer Shares are expected to be issued by Royal Unibrew and the capital increase to be registered with the Danish Commerce and Companies Agency on 11 December 2009. The Offering may be withdrawn and cancelled until registration of the capital increase relating to the Offer Shares with the Danish Commerce and Companies Agency. See Part II "Terms and conditions for the Offering – Withdrawal and suspension of the Offering". The issuance and admission to trading and official listing of the Offer Shares are expected to take place on 16 December 2009.

4.8 NEGOTIABILITY AND TRANSFERABILITY OF SHARES AND THE OFFER SHARES

All Shares including the New Shares are freely transferable and negotiable under Danish law, and no restrictions apply to the transferability of the Shares and the New Shares. Royal Unibrew's articles of association do not contain any provisions on the exchange of Shares for other financial instruments.

4.9 DANISH REGULATIONS GOVERNING MANDATORY TAKEOVER BIDS, REDEMPTION OF SHARES AND DISCLOSURE REQUIREMENTS

Mandatory tender offers

The Danish Securities Trading Act includes rules concerning public offers for the acquisition of shares. In case of the direct or indirect transfer of a shareholding in a company having one or several share classes admitted to trading on a regulated market or an alternative marketplace, the transferee shall enable all shareholders of the company to dispose of their shares on identical terms if such transfer involves that the transferee:

- will hold the majority of voting rights in the company;
- becomes entitled to appoint or dismiss a majority of the members of the company's supervisory board;
- obtains the right to exercise a controlling influence over the company according to the articles of association or otherwise in agreement with the company;
- according to the agreement, will control, with other shareholders, the majority of voting rights in the company; or
- will be able to exercise a controlling influence over the company and will hold more than one-third of the voting rights.

If special conditions apply, the Danish Financial Supervisory Authority (the Danish FSA) may grant an exemption from the obligation to make a mandatory takeover bid.

Squeeze-out

Pursuant to Section 20b (or 20e if the acquisition is the result of a takeover bid) of the Danish Public Companies Act, shares in a company may be redeemed in whole or in part by a shareholder holding more than nine-tenths of the share capital and the corresponding voting rights in the company. Such redemption can be made by the majority shareholder together with the supervisory board by common agreement. A minority shareholder may require the majority shareholder holding more than nine-tenths of the shares and a corresponding proportion of the votes to redeem the minority shareholder's shares. See section 20d of the Danish Public Companies Act.

Major shareholdings

Pursuant to Section 29 of the Danish Securities Trading Act, a shareholder of a listed company is required to notify the listed company and the Danish FSA as soon as possible if the shareholder's stake (i) represents 5% or more of the voting rights in the company or the nominal value of its share capital, and (ii) when a change in a holding already notified implies that the limits of 5%, 10%, 15%, 20%, 25%, 50% or 90% and the limits of one-third and two-thirds of the voting rights or the nominal value are reached or are no longer reached or the change implies that the limits stated in (i) are no longer reached. The notifications must comply with the requirements for the contents thereof set out in sections 15 and 16 of the Danish executive order on major shareholders, including the identity of the shareholder and the date when a limit is reached or is no longer reached. Failure to comply with the duties of disclosure is punishable by a fine. When Royal Unibrew has received such notification, it must publish its contents as soon as possible.

Furthermore, the general duty of notification pursuant to the Danish Public Companies Act applies.

4.10 PUBLIC TENDER OFFERS MADE BY THIRD PARTIES FOR ROYAL UNIBREW SHARES DURING THE PAST OR CURRENT FINANCIAL YEARS

No takeover offers have been made by any third party in respect of Royal Unibrew's Shares during the past or current calendar years.

4.11 TAXATION

Introduction

The following is a summary of certain Danish income tax considerations relating to an investment in the Preemptive Rights and the Offer Shares.

The summary is for general information only and does not purport to constitute tax or legal advice. It is specifically noted that the summary does not address all possible tax consequences of an investment in the Preemptive Rights and the Offer Shares. The summary is based solely upon the tax laws of Denmark in force on the Prospectus Date. The Danish tax laws may be subject to change, possibly with retroactive effect. It should be noted that the description does not address all possible tax consequences of an investment in the Preemptive Rights and the Offer Shares.

The summary does not cover investors subject to special tax rules, including professional investors, private equity funds and professional traders, and may therefore, for example, not be relevant to certain institutional investors, insurance companies, banks, stock brokers and investors liable for tax on return on pension investments.

Investors in the Preemptive Rights and the Offer Shares are advised to consult their tax advisers regarding the applicable tax consequences of acquiring, holding, exercising and disposing of the Preemptive Rights and the Shares based on their particular circumstances. Investors who may be affected by the tax laws of other jurisdictions should consult their tax advisers with respect to the tax consequences applicable to their particular circumstances, as such consequences may differ significantly from those described herein.

It should be noted that for individuals and companies with income years other than the calendar year, the 2010 income year may already have commenced. This would have an effect with regard to certain of the rules described below which are changed with effect from and including the 2010 income year.

Taxation of investors subject to full tax liability in Denmark

Individuals residing in Denmark or spending at least six months in Denmark and companies, etc. either registered in Denmark or the management of which is based in Denmark are generally subject to full tax liability. Individuals or companies that are also subject to full tax liability in another country may be subject to special rules which are not described herein.

Taxation of dividends

Individuals, available funds

Dividends paid to individuals are taxed as share income. For the 2009 income year, share income is taxed at the rate of 28% for share income up to DKK 48,300 (DKK 96,600 for married couples cohabiting at the end of the income year), at the rate of 43% for share income exceeding DKK 48,300 (DKK 96,600 for married couples cohabiting at the end of the income year), but not exceeding DKK 106,100 (DKK 212,200 for married couples cohabiting at the end of the income year), and at the rate of 45% for share income in excess of DKK 106,100 (DKK 212,200 for married couples cohabiting at the end of the income year). Certain transitional rules apply to the effect that the 45% rate does not apply to distributions of retained earnings from 2006 and earlier years. The relevant threshold amounts are for the 2009 and 2010 income years. From and including the 2011 income year, the thresholds will be adjusted annually. The threshold amounts include all share income for the individual or couple in question respectively.

Dividends paid are generally subject to withholding tax at the rate of 28%. The withholding of tax is the responsibility of Royal Unibrew.

As from the 2010 income year, the rate of 45% will be eliminated, and the rate of 43% will be lowered to 42%. The rate of 28% will be lowered to 27% as from 2012 income year.

Individuals, investment of pension savings

Subject to certain limits, investors may invest pension funds in the Offer Shares. Net returns will thus be subject to the Danish Pension Investment Returns Tax Act. Net return is defined as the sum of any gains less any losses in the relevant year. The net return will be subject to tax at the rate of 15% on a mark-to-market basis, i.e. on an unrealised basis. Tax on pension return is generally paid by the pension institution.

Companies etc.

As a general rule, dividends paid to companies etc. are taxed as taxable income at the rate of 25%, which is Royal Unibrew's responsibility.

However, only 66% of dividends received must be included in the taxable income. This leads to an effective rate of taxation of 16.5% on dividends received (66% of 25%). Dividends paid are generally subject to withholding tax at the rate of 16.5%. The withholding of tax is the responsibility of Royal Unibrew.

If a company holds 10% or more of the share capital of Royal Unibrew for a consecutive period of not less than one year during which period such dividends are declared, any dividends received will be tax free and not included in the calculation of the taxable income.

As from 2010 a distinction will be made between "Subsidiary Shares", "Group Shares" and "Portfolio Shares" with respect to taxation of dividends and gains on shares of companies resident in Denmark:

- "Subsidiary Shares" are generally defined as shares held by a shareholder with a direct holding of 10% or more of the share capital of a company.
- "Group Shares" are generally defined as shares in a company in which the shareholder of the company and the company are jointly taxed or meet the criteria for international joint taxation, usually implying that they control, directly or indirectly, more than 50% of the votes.

- ”Portfolio Shares” are shares not falling within the definitions of ”Subsidiary Shares” or ”Group Shares”, for example if the shareholder holds less than 10%.

As from 1 January 2010 dividends paid on Portfolio Shares are subject to full taxation, irrespective of ownership period. Dividends in respect of Subsidiary Shares and Group Shares are tax-exempt, irrespective of ownership period.

Capital gains taxation

Individuals

The rules on taxation of individuals' gains and losses on shares were changed with effect from 1 January 2006. Special transitional rules apply to the sale of shares after 1 January 2006 where the shares have been acquired on or before 31 December 2005. These rules are not described below.

Gains realised are taxed as share income. For the 2009 income year, tax is payable at the rate of 28% on share income up to DKK 48,300 (DKK 96,600 for married couples cohabiting at the end of the income year), at the rate of 43% on share income exceeding DKK 48,300 (DKK 96,600 for married couples cohabiting at the end of the income year), but not exceeding DKK 106,100 (DKK 212,200 for married couples cohabiting at the end of the income year), and at the rate of 45% on share income in excess of DKK 106,100 (DKK 212,200 for married couples cohabiting at the end of the income year). The relevant threshold amounts are for the 2009 and 2010 income years. From and including the 2011 income year, the thresholds will be adjusted annually. The threshold amounts include all share income for the individual or couple in question respectively.

Certain transitional rules apply to the effect that the 45% tax rate does not apply to the realisation of gains on shares relating to distributions of retained earnings from 2006 and earlier years.

As from the 2010 income year, the rate of 45% will be eliminated, and the rate of 43% will be lowered to 42%. The rate of 28% will be lowered to 27% as from the 2012 income year.

Gains and losses are calculated using the average method, under which the acquisition price of each share is made up as a proportionate share of the total acquisition price of all shares in the relevant company held by the investor. The first in first out (FIFO) method is applied to determine which shares have been sold.

Losses may be set off against other taxable gains and dividends on other listed shares provided that the customs and tax administration has been given notice of the acquisition of the shares, including the identity and number of the shares, the date of acquisition and the acquisition price, before the final date for filing the tax return for the income year in which the acquisition took place. Losses may be carried forward indefinitely to be offset against taxable gains and dividends from listed shares.

Individuals, investment of pension savings

Subject to certain limits, investors may invest pension funds in the Offer Shares. Net returns will thus be subject to the Danish Pension Investment Returns Tax Act. Net return is defined as the sum of any gains less any losses in the relevant year. The net return will be subject to tax at the rate of 15% on a mark-to-market basis, i.e. on an unrealised basis. Tax on pension return is generally paid by the pension institution.

Companies etc.

Gains from the sale of shares in 2009 held for less than three years are taxable and included in the taxable income. Net taxable corporate income is taxed at a flat rate of 25%. The gain is computed as the difference between the sales price and the original acquisition price. Losses exceeding any tax exempt dividends received on the shares in question during the period of ownership may be set off against taxable gains from the sale of shares that have also been held for less than three years and are realised in the same year. Furthermore, losses on shares held for less than three years may be carried forward indefinitely and set off against similar taxable gains.

If a company sells only part of its shares, the acquisition price of the shares sold is determined as the average acquisition price of all the shares (the “average method"). This applies even though the disposal of shares is tax exempt. The first in first out (FIFO) method is applied to determine the ownership period.

Gains realised on the sale of shares are tax exempt if the shares have been held for three years or more at the time of disposal. Losses on shares held for three years or more cannot be offset and are not tax deductible.

New rules for companies etc. from and including the 2010 income year:
The rules on capital gains taxation of companies etc. will be changed with effect from the 2010 income year. Gains on the sale of Portfolio Shares will be taxable irrespective of the period of ownership. Gains on the sale of Subsidiary Shares and Group Shares will be tax free irrespective of the period of ownership.

Gains on listed Portfolio Shares will be included in the calculation of taxable income on the basis of the mark-to-market principle, i.e. on an unrealised basis. Companies may choose to have shares that are admitted to trading on a regulated market taxed according to a realisation principle if the realisation principle is applied to all Portfolio Shares.

As a general rule, losses on Portfolio Shares may be deducted when the taxable income is assessed. If the company has chosen to apply a realisation principle to shares not admitted to trading on a regulated market, any loss on such shares may be deducted only from gains on other Portfolio Shares that are not admitted to trading on a regulated market and be carried forward for deduction from gains on Portfolio Shares not admitted to trading on a regulated market in later income years. Losses on Subsidiary Shares or Group Shares are not deductible.

Any change of status from Subsidiary/Group Shares to Portfolio Shares and vice versa will for tax purposes be treated as a disposal and reacquisition at market price at the time of change of status.

Allocation, exercise and sale of preemptive rights

Individuals

The allotment of preemptive rights to subscribe for shares admitted to trading on a regulated market to persons who are shareholders of the Company or the exercise of preemptive rights does not result in a tax liability for existing shareholders or individuals who receive the preemptive rights. Proceeds from the sale of preemptive rights are calculated according to the share-for-share method as the difference between the acquisition price and the sales price. For tax purposes, the preemptive rights are considered to have been acquired at DKK 0.

Realised gains on the sale of preemptive rights are taxed as share income. For the 2009 income year, share income is taxed at the rate of 28% for share income up to DKK 48,300 (DKK 96,600 for married couples cohabiting at the end of the income year), at the rate of 43% for share income exceeding DKK 48,600 (DKK 96,600 for married couples cohabiting at the end of the income year), but not exceeding DKK 106,100 (DKK 212,200 for married couples cohabiting at the end of the income year), and at the rate of 45% for share income in excess of DKK 106,100 (DKK 212,200 for married couples cohabiting at the end of the income year). The relevant threshold amounts are for the 2009 and 2010 income years. From and including the 2011 income year, the thresholds will be adjusted annually. The threshold amounts include all share income for the individual or couple in question, respectively.

As from the 2010 income year, the rate of 45% will be eliminated, and the rate of 43% will be lowered to 42%. The rate of 28% will be lowered to 27% as from 2012 income year.

Companies etc.

The allotment of preemptive rights to subscribe for shares admitted to trading on a regulated market to companies that are shareholders of the company or the exercise of preemptive rights does not result in a tax liability for existing shareholders or the company that receives the preemptive rights. Proceeds from the sale of preemptive rights are calculated according to the share-for-share method as the difference between the acquisition price and the sales price. For tax purposes, the preemptive rights are considered to have been acquired at DKK 0.

In 2009 companies may sell subscription rights tax free if the subscription rights have been held for three years or more. If the subscription rights have been held for less than three years, gains are taxable at the rate of 25%. Special rules apply if the subscription rights confer a right to subscribe for the underlying shares at a price below the market price of the underlying shares determined as of the date of allocation of the preemptive rights.

As from the 2010 income year, gains on preemptive rights will be taxed at the rate of 25%, provided that the investor holds Portfolio Shares in the company. If the investor holds Subsidiary Shares or Group Shares in the company, any gains on preemptive rights are tax free.

Danish taxation of investors not subject to full tax liability in Denmark

Taxation of dividends

Individuals

The distribution of dividends from a Danish company to a non-resident individual is generally subject to withholding tax at the rate of 28%. The tax rate will be lowered to 27% from and including the 2012 income year.

If Denmark has entered into a double taxation treaty with the country in which the shareholder is resident, the shareholder may seek a refund from the Danish tax authorities of the part of the tax withheld in excess of the tax to which Denmark is entitled under the relevant double taxation treaty.

It is possible for VP Securities or the dividend distributing company to enter into an arrangement with the Danish tax authorities according to which the obligation to withhold tax is reduced to the tax rate stipulated in the double taxation treaty with the relevant country.

In order to qualify for this regime, an eligible holder of shares must deposit his shares with a Danish bank, and the shareholding must be registered with VP Securities. In addition, such shareholder must provide documentation from the relevant foreign tax authority as to the shareholder's tax residence and eligibility under the relevant treaty. Documentation shall be given by filling in a form available from the Danish tax authorities. The shareholder can agree with the relevant custodian bank that the bank procures the relevant form.

Individuals, investment of pension savings

Foreign investors whose pension savings are not invested in Denmark will not be subject to the Danish Pension Investment Returns Tax Act. Non-resident investors are normally subject to limited tax liability in Denmark in respect of pension returns when they invest their pension savings through a Danish bank. The net return will be subject to tax at the rate of 15% on a mark-to-market basis, i.e. on an unrealised basis.

Companies etc.

Companies resident abroad are exempt from Danish tax on dividends received in 2009 from a Danish company provided that:

(a) the foreign company holds 10% or more of the share capital in the Danish company for a consecutive period of at least one year within which period the dividend is declared; and

(b) taxation of dividends is waived or reduced pursuant to the provisions contained in the Parent/Subsidiary Directive (Directive 90/435/EEC) or a double taxation treaty with the Faroe Islands, Greenland or the country in which the receiving company is resident.

Where the above conditions are not fulfilled, a withholding tax of 28% applies which may, depending on the circumstances, be reduced pursuant to a double taxation treaty.

If a non-Danish resident investor is considered as trading in shares and the shares are attributable to a permanent establishment in Denmark, dividends are taxed according to the same rules as apply to resident shareholders.

As from the income year 2010, the rules on companies resident abroad will be amended to the effect that dividends on Subsidiary Shares are not to be included in the taxable income when taxation of dividends must be waived or reduced under the provisions of the Parent/Subsidiary Directive (Directive 90/435/EEC) or under a double taxation treaty with the Faroe Islands, Greenland or the state in which the company is resident, and to the effect that dividends on Group Shares are not to be included in the taxable income when the dividend-receiving company is resident in a state that is a member of the EU/EEA, and the taxation of dividends should have been waived or reduced under the provisions of the Parent/Subsidiary Directive (Directive 90/435/EEC) or the double taxation treaty with the relevant state if it had been Subsidiary Shares.

Dividends on Portfolio Shares are always subject to taxation irrespective of the period of ownership.

Withholding tax is payable on dividends on Portfolio Shares at the rate of 28% irrespective of the period of ownership. Depending on the circumstances, the withholding tax may be reduced under a double tax treaty.

Where the shares are attributable to a permanent establishment in Denmark, dividends are taxed according to the same rules as apply to resident shareholders.

Capital gains taxation

As a general rule, non-Danish resident investors are not subject to Danish tax on capital gains on the sale of shares.

However, gains and losses on shares are subject to Danish taxation according to the same rules as apply to Danish resident investors if (i) the investor is considered as trading professionally in shares ("næringsdrivende"), and (ii) the shares are attributable to a permanent establishment in Denmark. The term permanent establishment is generally construed in accordance with the OECD Model Double Taxation Convention and its commentary.

From the income year 2010 investors holding Portfolio Shares attributable to a permanent establishment in Denmark will be subject to limited tax liability in respect of gains and losses on such shares.

Exercise and sale of preemptive rights

Individuals

The allocation of preemptive rights to individuals who are resident outside Denmark will not generally result in a tax liability in Denmark. Individuals resident outside Denmark will not normally be liable to tax in Denmark on gains on preemptive rights. If a non-resident investor is considered (i) as trading professionally in shares, and (ii) the preemptive rights are attributable to a permanent establishment in Denmark, the preemptive rights are taxed according to the same rules as apply to resident shareholders.

Exercise of the preemptive rights does not result in taxation in Denmark.

Companies etc.

The allocation of preemptive rights to companies etc. resident outside Denmark will not generally result in a tax liability in Denmark. Companies etc. resident outside Denmark will not normally be liable to tax to Denmark on gains from the sale of preemptive rights. If a non-resident company etc. is considered (i) as trading professionally in shares, and (ii) the preemptive rights are attributable to a permanent establishment in Denmark, dividends are taxed according to the same rules as apply to resident companies.

As from the 2010 income year, shareholders with a permanent establishment in Denmark to which the preemptive rights are attributable will be taxed according to the same rules as apply to shareholders who are residents of Denmark,

Exercise of the preemptive rights does not result in taxation in Denmark.

5. TERMS AND CONDITIONS OF THE OFFERING

5.1 TERMS AND CONDITIONS OF THE OFFERING

On 25 November 2009 at 12.30 p.m. CET, any person registered with VP Securities as a shareholder of Royal Unibrew is entitled to and will be allocated one (1) Preemptive Right for each Existing Share held of DKK 10 nominal value each.

The Offering is not underwritten.

One (1) Preemptive Right confers the right on the holder to subscribe for one (1) Offer Share. Thus, the holder is entitled to subscribe for one (1) Offer Share for every Preemptive Right held against payment of the Offer Price.

Shares traded after 22 November 2009 will be traded ex Preemptive Rights assuming that the Shares are traded at customary three-day settlement.

The Preemptive Rights and the Offer Shares will be delivered in book-entry form through allocation to accounts with VP Securities.

The Offer Shares will not be issued or admitted to trading and official listing on NASDAQ OMX until the capital increase has been registered with the Danish Commerce and Companies Agency. Consequently, shareholders and investors should note that the Offer Shares will not be admitted to trading and official listing on NASDAQ OMX under a temporary ISIN code. The Offer Shares will be listed on NASDAQ OMX directly under the ISIN code of the Existing Shares (DK0010242999) following registration of the capital increase with the Danish Commerce and Companies Agency, which is expected to take place on 16 November 2009.

When the Offer Shares have been admitted to trading and official listing, they may be settled through Euroclear and Clearstream.

The Preemptive Rights will be admitted to trading and official listing on NASDAQ OMX under ISIN code DK0060194710. The temporary ISIN code of the Offer Shares is DK0060195360. The Existing Shares are listed on NASDAQ OMX under the ISIN code DK0010242999.

5.2 PROCEEDS FROM THE OFFERING

The Offering comprises up to 5,600,000 Offer Shares with a nominal value of DKK 10 each.

The gross proceeds from the Offering will total DKK 420 million (estimated net proceeds of DKK 395 million), if the maximum number of Offer Shares is subscribed.

5.3 PRE-ALLOTMENT

No pre-allotment of shares has taken place.

5.4 SUBSCRIPTION PERIOD

Subscription of the Offer Shares commences on 26 November 2009 and closes on 9 December 2009, inclusive.

For a description of the procedure for exercise and subscription, see Part III "Procedure for the exercise of and trading in Preemptive Rights and the treatment of Preemptive Rights".

5.5 EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Last day of trading in Existing Shares including Preemptive Rights:	22 November 2009
First day of trading in Existing Shares excluding Preemptive Rights:	23 November 2009
Trading period for Preemptive Rights commences:	23 November 2009
Allocation Time of Preemptive Rights:	25 November 2009 at 12.30 p.m. CET

Date of commencement of the Subscription Period of the Offer Shares:	26 November 2009
End date of trading period of the Preemptive Rights:	4 December 2009 at 5.00 p.m. CET
End date of the Subscription Period of the Offer Shares:	9 December 2009, at 5.00 p.m. CET
Announcement of the result of the Offering:	Not later than two Business Days after the end of the Subscription Period (expected to be on 11 December 2009)
Completion of the Offering:	The Offering will only be completed if and when the Offer Shares subscribed are issued by Royal Unibrew upon registration of the capital increase with the Danish Commerce and Companies Agency (expected to be on 11 December 2009)
The Offer Shares are admitted to trading and official listing under the ISIN code the Existing Shares:	16 December 2009

5.6 WITHDRAWAL OR SUSPENSION OF THE OFFERING

The completion of the Offering is subject to no events occurring before 22 November 2009, which is the last trading day before trading in Preemptive Rights begins, which would make the completion of the Offering inadvisable in the opinion of Royal Unibrew or the Joint Global Coordinators or both parties.

Furthermore, in the period until registration of the capital increase with the Danish Commerce and Companies Agency, the Joint Global Coordinators are each entitled, in certain exceptional and unpredictable circumstances (including *force majeure*), to terminate the Rights Issue Agreement and in such case, Royal Unibrew shall withdraw the Offering. The Rights Issue Agreement also contains conditions for the completion of the Offering which Management believes are usual in such offerings, including that the completion of the Offering is subject to compliance with all conditions of the Rights Issue Agreement. If one or more conditions for completion of the Offering are not met, the Joint Global Coordinators may, at its discretion, terminate the Rights Issue Agreement and thereby require that the Company withdraw the Offering.

Any withdrawal will be notified immediately to NASDAQ OMX and announced as soon as possible in the same Danish daily newspapers in which the Offering was announced.

If the Offering is not completed, the exercise of Preemptive Rights that has already taken place will be cancelled automatically, the subscription amount for the Offer Shares will be refunded (less any brokerage fees) to the latest registered owner of the Offer Shares as of the date of withdrawal, all Preemptive Rights will be null and void, and no Offer Shares will be issued, potentially causing investors who may have acquired Preemptive Rights and/or rights to Offer Shares (in an off-market transaction) to incur a loss. However, trades in Preemptive Rights executed during the trading period for the Preemptive Rights will not be affected. As a result, investors who acquired Preemptive Rights will incur a loss corresponding to the purchase price of the Preemptive Rights and any brokerage fees.

5.7 REDUCTION OF SUBSCRIPTION

Reduction of subscription is not applicable.

5.8 MINIMUM AND/OR MAXIMUM SUBSCRIPTION AMOUNT

The minimum number of Offer Shares that a holder of Preemptive Rights may subscribe will be one (1) Offer Share, requiring the exercise of one (1) Preemptive Right and the payment of the Offer Price. The number of Offer Shares that a holder of Preemptive Rights may subscribe is not capped. However, the number is limited to the number of Offer Shares which may be subscribed through the exercise of the Preemptive Rights held or acquired.

5.9 WITHDRAWAL OF APPLICATIONS FOR SHARES

Instructions to exercise Preemptive Rights are irrevocable.

5.10 PAYMENT

Upon exercise of the Preemptive Rights, the holder must pay DKK 75 per Offer Share subscribed.

Payment for the Offer Shares shall be made in Danish kroner not later than on 9 December 2009, at 5.00 p.m. CET against registration of the Offer Shares in the transferee's account with VP Securities. Holders of Preemptive Rights shall adhere to the account agreement with their own Danish custodian institution or other financial intermediary, through which they hold Shares. Financial intermediaries through which a holder has Preemptive Rights may require payment at an earlier date.

5.11 PUBLICATION OF THE RESULT OF THE OFFERING

The result of the Offering will be communicated in a company announcement which is expected to be released through NASDAQ OMX not later than two (2) Business days after the end of the Subscription Period, expected to be on 11 December 2009.

5.12 COMPLETION OF THE OFFERING

The Offering will only be completed if and when the Offer Shares subscribed are issued by Royal Unibrew upon registration with the Danish Commerce and Companies Agency (expected to be on 11 December 2009).

An announcement concerning the result of the Offering is expected to be made on 11 December 2009.

5.13 PROCEDURE FOR EXERCISE OF AND DEALINGS IN PREEMPTIVE RIGHTS AND TREATMENT OF PREEMPTIVE RIGHTS

The Preemptive Rights are negotiable instruments and are expected to be admitted to trading and official listing on NASDAQ OMX.

Holders of Preemptive Rights who wish to subscribe for Offer Shares will be required to do so through their own custodian institution in accordance with the rules of such institution. The deadline for notification of exercise depends on the holder's agreement with and the rules and procedures of the relevant custodian bank or other financial intermediary, and the deadline may be earlier than the last day of the Subscription Period. Once a holder has exercised its Preemptive Rights, such exercise may not be revoked or modified.

Upon payment of the Offer Price and exercise of the Preemptive Rights during the Subscription Period, the Offer Shares will be allocated through VP Securities at the end of a Business day. The Offer Shares will not be issued or admitted to trading and official listing on NASDAQ OMX until the capital increase has been registered with the Danish Commerce and Companies Agency. Admission to trading and official listing of the Offer Shares under the existing ISIN code on NASDAQ OMX is expected to take place on 16 December 2009.

Any holder who exercises his Preemptive Rights shall be deemed to have represented that he has complied with all applicable laws relating to the exercise of the Preemptive Rights. Custodian banks exercising Preemptive Rights on behalf of beneficial owners shall be deemed to have represented that they have complied with the offering procedures set forth in this Prospectus.

Holders of Preemptive Rights who do not wish to exercise the Preemptive Rights to subscribe for Offer Shares may transfer the Preemptive Rights and the transferee may use the acquired Preemptive Rights to subscribe for the Offer Shares. Holders wishing to sell their Preemptive Rights should instruct their custodian banks accordingly.

The Joint Global Coordinators may from time to time buy and sell Preemptive Rights, exercise Preemptive Rights and buy and sell the Offer Shares.

Any Preemptive Rights that are not exercised during the Subscription Period will lapse with no value, and the holder of such Preemptive Rights will not be entitled to compensation. The Subscription Period closes on 9 December 2009 at 5.00 p.m. CET.

5.14 JURISDICTIONS IN WHICH THE OFFERING WILL BE MADE AND RESTRICTIONS APPLICABLE TO THE OFFERING

Where the Offering will be made

The Offering consists of a public offering in Denmark and private placements in certain other jurisdictions.

Restrictions applicable to the Offering

General restrictions

The distribution of the Prospectus and the Offering may, in certain jurisdictions, be restricted by law and/or be subject to other restrictions in certain jurisdictions, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any persons to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute an offer of or an invitation to purchase any Preemptive Rights or purchase or subscribe for any Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. Royal Unibrew and the Joint Global Coordinators require persons into whose possession this Prospectus comes to inform themselves of and observe such restrictions, including any tax issues and currency restrictions that may be relevant in connection with the Offering. All investors should examine the tax consequences of an investment in the Offer Shares through their own advisers. Neither Royal Unibrew nor the Joint Global Coordinators accept any legal liability for any violation of these restrictions by any person, irrespective of whether such person is an Existing Shareholder or a potential purchaser of Preemptive Rights and/or subscriber of the Offer Shares.

The delivery of this Prospectus and the marketing of Preemptive Rights or Shares are subject to restrictions in certain countries. Persons into whose possession this Prospectus may come are required to inform themselves about and observe such restrictions, including any tax issues and currency restrictions that may be relevant in connection with the Offering. All investors should examine the tax consequences of an investment in the Offer Shares through their own advisers. This Prospectus does not constitute an offer of or an invitation to purchase any Preemptive Rights or purchase or subscribe for any Offer Shares in any jurisdiction in which such offer or invitation would be unlawful.

The Preemptive Rights and the Offer Shares are subject to transfer and reselling restrictions in certain jurisdictions. By purchasing or subscribing for the Preemptive Rights or the Offer Shares, purchasers of or subscribers for Preemptive Rights or Offer Shares will be deemed to have confirmed that Royal Unibrew and the Joint Global Coordinators and their respective affiliates and other persons may rely on the accuracy of the representations, warranties, guarantees and agreements contained herein.

This Prospectus may not be distributed or otherwise made available, the Offer Shares may not be offered or sold, directly or indirectly, and the Preemptive Rights may not be exercised or otherwise offered or sold, directly or indirectly, in the United States, Canada, Australia or Japan, unless such distribution, offering, sale or exercise is permitted under applicable laws in the relevant jurisdiction, and Royal Unibrew and the Joint Global Coordinators must receive satisfactory documentation to that effect. This Prospectus may not be distributed or otherwise made available, the Offer Shares may not be offered or sold, directly or indirectly, and the Preemptive Rights may not be exercised or otherwise offered or sold, directly or indirectly, in any jurisdiction outside Denmark, unless such distribution, offering, sale or exercise is permitted under applicable laws in the relevant jurisdiction, and Royal Unibrew and the Joint Global Coordinators may require receipt of satisfactory documentation to that effect. Due to such restrictions under applicable laws, Royal Unibrew expects that some or all investors residing in the United States, Canada, Australia, Japan and other jurisdictions outside Denmark may not have the Prospectus delivered to them and may not be able to exercise the Preemptive Rights or subscribe for the Offer Shares. Royal Unibrew makes no offer or solicitation to any person under any circumstances that may be unlawful.

Restrictions on sales in the United States

The Preemptive Rights and the Offer Shares have not been approved, disapproved or recommended by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of such regulatory authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Preemptive Rights and the Offer Shares have not been and will not be registered under the United States Securities Exchange Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws in the United States. No transfer of Preemptive Rights and no offer and sale of the Offer Shares are permitted unless in connection with an offering or sale under Regulation S under the U.S. Securities Act ("Regulation S").

Any person who wishes to exercise Preemptive Rights and subscribe for Offer Shares will be deemed to have declared, warranted and agreed, by accepting delivery of this Prospectus and delivery of Preemptive Rights or Offer Shares, either that he is acquiring the Preemptive Rights or the Offer Shares in an offshore transaction as defined in Regulation S of the U.S. Securities Act ("Regulation S") in compliance with Regulation S, or pursuant to an effective registration statement under the U.S. Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws.

In addition, until the expiration of 40 days after the closing of the Subscription Period, an offer to sell or a sale of Preemptive Rights or Offer Shares within the United States by a broker or dealer (whether or not it is participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer to sell or such sale is made otherwise than pursuant to exemptions under the U.S. Securities Act.

Due to such restrictions under applicable laws and regulations, Royal Unibrew A/S expects that some or all investors residing in the United States may not be able to exercise the Preemptive Rights and subscribe for the Offer Shares.

Notice to investors in the United Kingdom

This Prospectus is being distributed only to and is directed only at (i) persons outside the United Kingdom, or (ii) investment professionals falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within article 49(2)(a) to (d) of the Order (all such persons being referred to collectively as "Relevant Persons"). The Preemptive Rights and the Offer Shares are only available to Relevant Persons, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Preemptive Rights or Offer Shares will be made only with Relevant Persons. Any person who is not a Relevant Person should not act or rely on this Prospectus or any of its contents.

Restrictions on sales in the European Economic Area

In relation to each Member State of the European Economic Area that has implemented the Prospectus Directive (each a "Relevant Member State"), no offering of Preemptive Rights or Offer Shares to the public will be made in any Relevant Member State prior to the publication of a prospectus concerning the Preemptive Rights and the Offer Shares which has been approved by the competent authority in such Relevant Member State or, where relevant, approved in another Relevant Member State and notified to the competent authority in such Relevant Member State, all pursuant to the Prospectus Directive, except that with effect from and including the date of implementation of the Prospectus Directive in such Relevant

Member State, an offering of Preemptive Rights and Offer Shares may be made to the public at any time in such Relevant Member State:

(a) to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity fulfilling at least two of the following criteria: (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than EUR 43,000,000; and (iii) an annual net revenue of more than EUR 50,000,000, as shown in its last annual or consolidated accounts;

(c) to less than 100 individuals or legal persons (except for "qualified investors" as defined in the Prospectus Directive) subject to the prior written consent of Royal Unibrew and the Joint Global Coordinators; or

(d) in any other circumstances which do not require the publication by Royal Unibrew of a prospectus under Article 3 of the Prospectus Directive.

For the purposes of the above, the expression an "offer of Preemptive Rights and Offer Shares to the public" in relation to any Preemptive Rights and Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering, the Preemptive Rights and Offer Shares so as to enable an investor to decide to purchase the Preemptive Rights or purchase or subscribe for the Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The term "Prospectus Directive" means Directive 2003/71/EC and includes all relevant implementation procedures in each Relevant Member State.

Restrictions on sales in Canada, Australia and Japan and any other jurisdictions outside Denmark

The Preemptive Rights and the Offer Shares have not been approved, disapproved or recommended by any foreign securities commission, nor have any of such authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this Prospectus.

Due to restrictions under applicable laws and regulations, Royal Unibrew expects that certain or all investors residing in Canada, Australia, Japan and other jurisdictions outside Denmark may not be able to exercise their Preemptive Rights or subscribe for the Offer Shares.

5.15 INTENTIONS OF MAJOR SHAREHOLDERS, MEMBERS OF THE EXECUTIVE BOARD, THE SUPERVISORY BOARD OR KEY EMPLOYEES OF PARTICIPATING IN THE OFFERING

Royal Unibrew is not aware of whether Major Shareholders, the members of the Executive Board, Key Employees or members of the Supervisory Board expect to participate in the Offering.

5.16 PLAN OF DISTRIBUTION

Not applicable.

5.17 OFFER PRICE

The Offer Shares are offered at DKK 75 per Share of DKK 10 nominal value, free of brokerage.

5.18 PRICE DISPARITY

No persons have been granted the right to subscribe for Offer Shares at a preferential price, and consequently there is no price disparity.

5.19 PAYMENT INTERMEDIARIES

Euroclear Bank S.A./N.V.
1 Boulevard de Roi Albert II
B-1210 Bruxelles
Belgium

Clearstream Banking S.A.
42 Avenue JF Kennedy
L-1855 Luxembourg
Luxembourg

5.20 PLACING

Danske Markets and Nordea Markets are Joint Global Coordinators.

The addresses of the Joint Global Coordinators

- Danske Markets (CVR No. 61126228), Holmens Kanal 2-12, DK-1092 Copenhagen K, Denmark

- Nordea Markets (CVR No. 13522197), Strandgade 3, P.O. Box 850, DK-0900 Copenhagen C, Denmark

Rights Issue Agreement

In connection with the Offering, Royal Unibrew and the Joint Global Coordinators have entered into the Rights Issue Agreement.

Royal Unibrew has made certain representations and warranties to the Joint Global Coordinators. Royal Unibrew has further undertaken to indemnify the Joint Global Coordinators for certain matters relating to the Offering. Pursuant to the Rights Issue Agreement, the Joint Global Coordinators may require at any time prior to registration of the capital increase pertaining to the Offer Shares that Royal Unibrew withdraw the Offering upon notice of termination of the Rights Issue Agreement. The Joint Global Coordinators are entitled to terminate the Agreement upon the occurrence of certain exceptional and unpredictable circumstances, such as *force majeure*.

The Rights Issue Agreement also contains completion conditions which Royal Unibrew believes are customary for offerings such as the Offering, and the completion of the Offering is subject to compliance with all conditions in that respect set out in the Rights Issue Agreement. If one or more conditions for completion are not met, the Joint Global Coordinators may, at their discretion, also terminate the Rights Issue Agreement and thereby require that Royal Unibrew withdraw the Offering. See "– Withdrawal or suspension of the Offering".

The Offering is not underwritten.

6. ADMISSION TO TRADING

The Preemptive Rights will be admitted to trading and official listing on NASDAQ OMX, and the trading period of the Preemptive Rights commences on 23 November 2009 at 9.00 a.m. CET and closes on 4 December 2009 at 5.00 p.m. CET under ISIN code DK0060194710.

After registration of the capital increase relating to the Offer Shares with the Danish Commerce and Companies Agency, expected on 11 December 2009, the Offer Shares will be issued, and the admission of the Offer Shares to trading and official listing under the existing ISIN is expected to commence on 16 December 2009.

The Existing Shares are listed on NASDAQ OMX under the ISIN code DK0010242999.

6.1 MARKET MAKING

Royal Unibrew has concluded a market maker agreement with Danske Bank under which Danske Bank acts as market maker for Royal Unibrew's Shares.

6.2 STABILISATION

In connection with the Offering, the Joint Global Coordinators may, from the commencement of the Offering and until 30 days after the first day of trading and official listing of the Offer Shares effect transactions that stabilise or maintain the market price of the Preemptive Rights (stabilising actions regarding the Preemptive Rights will only take place during the trading period for Preemptive Rights), the Offer Shares and the Existing Shares at levels above those which might otherwise prevail. The Joint Global Coordinators are not obliged to take any stabilising measures. Such stabilising, if commenced, may be discontinued at any time.

7. LOCK-UP AGREEMENTS

7.1 SHAREHOLDERS WHO HAVE INDICATED THAT THEY EXPECT TO SELL THEIR SHARES OR PREEMPTIVE RIGHTS

Royal Unibrew has not received any indications from shareholders that they intend to sell their Shares or Preemptive Rights.

7.2 LOCK-UP AGREEMENT IN CONNECTION WITH THE OFFERING

Lock-up agreement with Royal Unibrew

For a period of 180 days from the completion of the Offering (expected to take place on 11 December 2009), Royal Unibrew has undertaken that it will not issue, sell, offer for sale, contract to sell, charge or otherwise directly or indirectly transfer Royal Unibrew Shares or other securities exchangeable for Royal Unibrew Shares or warrants or other options to acquire Royal Unibrew Shares (collectively referred to as "Company Securities") or announce any intention to initiate such action without the prior written consent of the Joint Global Coordinators. Such consent may not be unreasonably withheld or delayed, if the transaction is motivated by reasonable business considerations concerning Royal Unibrew. Royal Unibrew's obligation as set out above shall not apply to transfers or issues of company securities to employees of Royal Unibrew or its subsidiaries, members of Royal Unibrew's Executive Board or Supervisory Board in relation to the exercise by such persons of their rights under existing or future employee share, share option or warrant programmes.

8. COSTS OF THE OFFERING

The gross proceeds from the Offering will total DKK 420 million (estimated net proceeds of DKK 395 million), if the maximum number of Offer Shares is subscribed.

Assuming that all of the Offer Shares are subscribed for, the estimated costs payable by Royal Unibrew in connection with the Offering are as stated below.

TABLE 31: COSTS RELATING TO THE OFFERING IF THE MAXIMUM NUMBER OF OFFER SHARES IS SUBSCRIBED

	(DKKm)
Fees to the Joint Global Coordinators	15.2
Fees to accountants and legal advisers	5.8
Other costs	2.9
Printing	0.5
Advertising	0.5
Public charges and duties	0.3
Total costs	**25.2**

The fees to the Joint Global Coordinators are variable, and the total expenses are therefore subject to the results of the Offering.

9. DILUTION

As at 30 September 2009, the equity attributable to the parent company's shareholders was DKK 576 million, corresponding to DKK 103 per Share. Equity per Share is made up by dividing the equity attributable to the parent company's shareholders by the total number of Shares. After giving effect to the issue of the Offer Shares (5,600,000 Offer Shares) at the Offer Price of DKK 75 per Share and after deducting commissions and estimated costs, the pro forma equity as at 30 September 2009 would have been approximately DKK 971 million, or DKK 87 per Share. This represents an immediate reduction in equity per Share of DKK 16 to the shareholders of Royal Unibrew, and an immediate dilution in adjusted equity per Share of DKK -12 to subscribers of the Offer Shares, corresponding to a dilution of -16%. The following table illustrates the dilution that investors in the Offer Shares will experience:

TABLE 32: DILUTION PER SHARE

Offer Price per Share	**75**
Equity per Share of DKK 10 nominal value	103
Increase in equity per Share as a result of the subscription of the Offer Shares	-16
Equity per Share after the Offering	87
Dilution per Share	**-12**

The dilution is determined by subtracting equity per Share after the Offering from the Offer Price per Share.

After completion of the Offering, the exercise price of the share options granted will be adjusted as per usual practice.

10. ADDITIONAL INFORMATION

10.1 ADVISERS

Managers

Danske Markets
(A division of Danske Bank A/S)
Holmens Kanal 2-12
DK-1092 Copenhagen K
Denmark

Nordea Markets
(A division of Nordea Bank Danmark A/S)
Strandgade 3
P.O. Box 850
DK-0900 Copenhagen C.
Denmark

Legal adviser to Royal Unibrew A/S

As to Danish law
Gorrissen Federspiel
H.C. Andersens Boulevard 12
DK-1553 Copenhagen V
Denmark

Legal adviser to the Managers

As to Danish law
Kromann Reumert
Sundkrogsgade 5
DK-2100 Copenhagen Ø
Denmark

Auditors

Ernst & Young Godkendt Revisionspartnerselskab
Gyngemose Parkvej 50
DK-2860 Søborg
Denmark

10.2 HOW TO ORDER THIS PROSPECTUS

Requests for copies of this Prospectus may be addressed to:

Danske Bank A/S	Nordea Bank Danmark A/S
Corporate Actions	Securities Operations
Holmens Kanal 2-12	P.O. Box 850
DK-1092 Copenhagen K	DK-0900 Copenhagen C
Denmark	Denmark
Tel. +45 70 23 08 34	Tel. +45 33 33 50 92
E-mail address:	E-mail address:
prospekter@danskebank.dk	prospekt.ca@nordea.com

This Prospectus can also, with certain exceptions, including prohibition on access by persons located in the United States, be downloaded from the Company's website: royalunibrew.com.

11. DEFINITIONS

Allocation Time	25 November 2009 at 12.30 p.m. CET. The time at which anyone registered as a shareholder of Royal Unibrew A/S will be entitled to allotment of one (1) Preemptive Right for each Existing Share held.
ATP	Arbejdsmarkedets Tillægspension.
Business Day	A day on which banks are open for business in Denmark.
CAD	Canadian dollar, the currency of Canada.
Caribbean Companies	Antigua Brewery Ltd., Antigua PET Plant Ltd., Dominica Brewery & Beverages Ltd. og St. Vincent Breweries Ltd.
CHF	Swiss franc, the currency of Switzerland.
Clearstream	Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.
Closing Date	11 December 2009. The date on which it is expected that the Offer Shares will be delivered.
Company	The Company comprises the parent company Royal Unibrew A/S, company registration (CVR) no. 41956712, Faxe Allé 1, DK-4640 Faxe, Denmark, and its subsidiaries.
Danske Markets	Danske Markets (Division of Danske Bank A/S), CVR no. 61126228.
DKK	Danish kroner, the currency of Denmark.
Exchange Act	U.S. Securities Exchange Act of 1934, med senere ændringer.
Executive Board	Henrik Brandt, CEO, Johannes F.C.M. Savonije, Executive Director of Northern Europe, and Ulrik Sørensen, CFO.
Existing Shares	5,600,000 Existing Shares of DKK 10 nominal value each in Royal Unibrew A/S immediately prior to the Offering.
Existing Shareholders	Shareholders who are registered with VP Securities as shareholders of Royal Unibrew A/S as at 25 November 2009 at 12.30 p.m. CET.
EUR	Euro er den officielle valuta i den Europæiske Monitære Union.
Euroclear	Euroclear Bank S.A./N.V., 1 Boulevarde de Roi Albert II, B-1210 Bruxelles, Belgium.
GBP	Pound sterling, the currency of Great Britain.

Group	The Group comprises the parent company Royal Unibrew A/S, company registration (CVR) no. 41956712, Faxe Allé 1, DK-4640 Faxe, Denmark, and subsidiaries.
IFRS	International Financial Reporting Standards.
Joint Global Coordinators	Danske Markets and Nordea Corporate Finance.
Key Employees	Chresten Christensen (Export Director), Michael Nørgaard Jensen (Commercial Director Denmark), Marijus Kirstukas (General Manager of AB Kalnapilio-Tauro grupe in Lithuania and SIA Cido Grupa in Latvia), Søren Lisbjerg (Supply Chain Manager Denmark), Beata Pawlowska (General Manager of Royal Unibrew Polska Sp. z o.o), Roberto Roccatti (General Manager of Ceres SpA).
LTL	Lithuanian litas, the currency of Lithuania.
LVL	Latvian lat, the currency of Latvia.
Major Shareholders	Stodir hf., Arbejdsmarkedets Tillægspension, Lloyds Banking Group plc, Valot Invest Holding AB and Straumur-Burdarás Investment Bank hf.
Management	The Supervisory Board and the Executive Board of Royal Unibrew A/S.
NASDAQ OMX	NASDAQ OMX Copenhagen A/S.
NOK	Norwegian kroner, the currency of Norway.
Nordea Markets	Nordea Markets (Division of Nordea Bank Denmark A/S), CVR no. 13522197.
Offering	Offering of 5,600,000 new shares of DKK 10 nominal value each at a price of DKK 75 per Share with preemptive rights to Existing Shareholders at the ratio of 1:1.
Offer Price	DKK 75 per Share.
Offer Shares	The 5,600,000 new shares offered.
PLN	Polish zloty, the currency of Poland.
Preemptive rights	Preemptive Rights of Existing Shareholders to subscribe for Offer Shares.
Prospectus	This prospectus dated 19 November 2009.
Prospectus Date	19 November 2009.
Prospectus Directive	Directive 2003/71/EC.

Prospectus Order	Executive Order no. 885 of 14 September 2009 issued by the Danish Financial Supervisory Authority on the requirements for prospectuses.
Regulation S	Regulation S in the U.S. Securities Act of 1933, as amended.
Rights Issue Agreement	In connection with the Offering, Royal Unibrew and the Joint Global Coordinators have entered into a Rights Issue Agreement. Under the Agreement, Royal Unibrew A/S has made certain representations to the Joint Global Coordinators. Royal Unibrew A/S has further undertaken to indemnify the Joint Global Coordinators for certain matters relating to the Offering. Under the Rights Issue Agreement, the Offering may in certain cases be withdrawn, see "Terms and Conditions of the Offering – Withdrawal or suspension of the Offering".
Royal Unibrew	The parent company Royal Unibrew A/S, company registration (CVR) no. 41956712, Faxe Allé 1, DK-4640 Faxe, Denmark.
Royal Unibrew A/S	The parent company Royal Unibrew A/S, company registration (CVR) no. 41956712, Faxe Allé 1, DK-4640 Faxe, Denmark.
SBD	Solomon dollars, the currency of the Solomon Islands.
Securities Act	The US Securities Act of 1933, as amended.
SEK	Swedish kroner,s the currency of Sweden.
Shares	Royal Unibrew A/S' shares of DKK 10 nominal value.
Subscription Period	26 November 2009 to 9 December 2009.
Supervisory Board	Steen Weirsøe (Chairman), Tommy Pedersen (Debuty Chairman), Ulrik Bülow, Erik Christensen, Erik Højsholt, Kirsten Wendelboe Liisberg and Hemming Van.
USD	United States dollar, the currency of the United States.
VP Securities	VP Securities A/S.
XCD	East Caribbean dollar, the currency of East Caribbean.

11.1 DEFINITIONS OF KEY RATIOS

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
EBITDA-margin:	$\frac{\text{EBITDA * 100}}{\text{Net revenue}}$
Profit margin:	$\frac{\text{Operating profit (EBIT before special items) * 100}}{\text{Net revenue}}$
EBIT-margin:	$\frac{\text{EBIT * 100}}{\text{Net revenue}}$
Return on net assets:	$\frac{\text{Operating profit (EBIT before special items) * 100}}{\text{Average operating assets}}$ (Total assets less cash and cash equivalents, other interest-bearing assets and investments in associates)
Return on invested capital inclusive goodwill (ROIC):	$\frac{\text{Operating profit (EBIT before special items) net of tax * 100}}{\text{Average invested capital}}$ (equity + minority interests + non-current provisions+net interest-bearing debt less financial assets)
Return on equity after tax:	$\frac{\text{Consolidated profit after tax * 100}}{\text{Average equity}}$
Free cash flow:	Cash flow from operating activities less investments in property, plant and equipment plus dividends from associates
Free cash flow as a percentage of net revenue:	$\frac{\text{Free cash flow * 100}}{\text{Net revenue}}$
Net interest-bearing debt:	Mortgage debt and debt to credit institutions less cash at bank and in hand, interest-bearing investments and receivables
Net working capital:	Inventories plus trade receivables plus receivables from associates plus other receivables

plus prepayments
less repurchase obligations, returnable packaging
less trade payables
less VAT, excise duties, etc
less other payables

Net interest-bearing debt/ EBITDA: $\frac{\text{Net interest-bearing debt at year end * 100}}{\text{EBITDA}}$

Liquidity ratio: $\frac{\text{Current assets}}{\text{Current liabilities}}$

Equity ratio: $\frac{\text{Equity at year end * 100}}{\text{Total assets}}$

Debt ratio: $\frac{\text{Net interest-bearing debt at year end * 100}}{\text{Equity at year end}}$

Earnings per nom. DKK 10 share, DKK: $\frac{\text{Royal Unibrew's share of profit for the year}}{\text{Average number of shares in circulation}}$

Diluted earnings per nom. DKK 10 share, DKK: $\frac{\text{Royal Unibrews share of profit for the year}}{\text{Average number of shares in circulation - diluted}}$

Cash flow per nom. DKK 10 share, DKK: $\frac{\text{Cash flow from operating activities}}{\text{Average number of shares in circulation}}$

Diluted cash flow per nom. DKK 10 share, DKK: $\frac{\text{Cash flow from operating activities}}{\text{Average number of shares in circulation - diluted}}$

Equity value per nom. DKK 10 share, DKK: $\frac{\text{Equity at year end attributable to parent company's shareholders}}{\text{Number of shares at year end}}$

Price/earnings: $\frac{\text{Year-end price per share}}{\text{Earnings per nom. DKK 10 share}}$

Price/earnings, diluted: $\frac{\text{Year-end price per share}}{\text{Diluted earnings per nom. DKK 10 share}}$

Dividend rate: $\frac{\text{Dividend calculated for the full share capital * 100}}{\text{Profit for the year attributable to parent company's shareholders}}$

12. GLOSSARY

Beer

Beer is a low-alcoholic drink brewed on malt from cereals, hops, yeast and water.

Bottled water

Bottled water includes carbonated and still natural mineral water, spring water and carbonated mineral water. Natural mineral water and spring water are protected terms reserved for water that comes from a specific spring and is subject to special rules as to the content of naturally occurring microorganisms, treated according to specific regulations. The name of the spring and the place where the spring is being used must appear from the labelling. Carbonated mineral water is water from an unspecific spring with carbonic acid.

Covenant

A contractual clause providing that a party shall engage in or refrain from specified actions. Covenants are e.g. common in loan agreements between a lender and a borrower.

HoReCa

The HoReCa segment covers the distribution of beverages through hotels, restaurants cafés, etc., where the customer drinks the beverage in the hotel, restaurant or café. This segment is also characterised by sales through pubs, seminar facilities, night clubs, canteens, fast food restaurants and sports facilities. In the HoReCa segment, keg or draught beer is an important product, but there is also a considerable consumption of bottled beer.

JNSD (Juice, nectar and still drinks)

Juice is pure fruit juice made from fruit or vegetables or concentrates. Nectar is a juice/water-based drink, possibly with added sugar or other sweeteners, where the juice content is more than 25% of the aggregate volume. A still drink is a juice/water-based drink, possibly with added sugar or other sweeteners, where the juice content is less than 25% of the aggregate volume.

Malt drinks

A malt drink is a nutritious drink based on malt where yeast is not added, and it is therefore non-alcoholic.

PET bottling line

A bottling line for moulding and bottling PET bottles (one-way plastic bottles).

PRB bottling line

A bottling line for cleaning and bottling PRB bottles (returnable plastic bottles).

Soft drinks

Soft drinks are drinks that typically consist of water with added fruit juice or fruit extracts and perhaps salts and other additives. Soft drinks may be sweetened by sugar and/or sweeteners and may be carbonated or still. Soft drinks include juices, nectars, still drinks and bottled water.

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APPENDICES

ARTICLES OF ASSOCIATION OF ROYAL UNIBREW A/S CVR NO 41 95 67 12

I. Name, Registered Office and Object of the Company

Article 1

The name of the Company is Royal UNIBREW A/S.

Article 2

The registered office of the Company is situated in the Municipality of Faxe.

Article 3

The object of the Company is to carry on industry, in Denmark or abroad, including brewery activities, trade, agriculture and transport, and to provide technical or commercial assistance, to acquire and own real property, or otherwise to carry on or be interested in other activities deemed by the Supervisory Board to be related to the above objects.

II. Shares and Share Capital

Article 4

The share capital of the Company amounts to DKK 56,000,000 divided into shares of DKK 10 or multiples hereof.

Article 5

The shares are negotiable instruments. The shares shall be issued to bearer, but may be registered in the name of the holder in the Company's Register of Shareholders. The Company's Register of Shareholders is kept by VP Investor Services (VP Services A/S), Helgeshøj Allé 61, P.O. Box 20, DK-2630 Taastrup.

The tranferability of the shares shall be subject to no restrictions.

An acquirer of shares cannot exercise the rights accorded to a shareholder unless such acquirer is registered in the Register of Shareholders or has submitted a request for registration with evidence of his acquisition. The aforesaid shall not, however, apply to the right to dividends and other payments nor to the right to new shares in the event of an increase of the capital.

Article 6

No shares shall carry any special rights. No shareholder shall be under an obligation to have his shares redeemed in part or in full.

Article 7

The Supervisory Board shall be authorised to increase the Company's share capital by up to a total of DKK 56,000,000 nominal value by way of one or more issues before 1 May 2009.

Upon an increase of the share capital for cash, the existing shareholders shall have a pre-emptive right to subscribe for the new shares.

The shares shall be issued to bearer, but may be registered in the name of the holder. The new shares shall carry a right to receive dividends and other rights as of the date determined by the Supervisory Board; not later, however, than as of the financial year following the adoption of the capital increase. The negotiability of the new shares shall be subject to no restrictions. The shares are negotiable instruments and no shareholder can be required to have them redeemed. The shares shall, in every respect, carry the same rights including the same pre-emptive subscription right upon capital increases as the existing shares.

The Supervisory Board shall be authorised to make any amendment to the Articles required in consequence of the capital increase.

Article 8

Shares shall be issued through and registered by the Danish Securities Centre. Dividends shall be paid on the basis of the registration according to the rules laid down. Rights relating to the shares shall be registered with the Danish Securities Centre.

III. Company Authorities

A. General Meetings

Article 9

Within the limits laid down by law and by these Articles of Association, the General Meeting shall be the supreme authority in all affairs of the Company.

"The Company's Annual General Meetings shall be held on Funen, in Faxe or in Greater Copenhagen at the Supervisory Board's discretion. The Supervisory Board shall convene the General Meeting at not less than 8 days' and not more than 4 weeks' notice published in a national newspaper."

Furthermore, shareholders registered in the Register of Shareholders, who have applied for this shall receive a written notice convening the meeting.

The notice convening the meeting shall include an agenda for the General Meeting and - in the event of any proposed resolutions requiring a qualified majority, including proposed amendments to the Articles of Association - also a description of such proposals and their primary contents.

Article 10

The Annual General Meeting shall be convened by the Supervisory Board to be held within 4 months of the end of the financial year. Any separate proposals which shareholders may wish the General Meeting to consider must be submitted in writing to the Supervisory Board in due course for the item to be included in the agenda for the General Meeting, i.e. - as regards the Annual General Meeting - before 1 March.

Article 11

An Extraordinary General Meeting shall be held when deemed expedient by the Supervisory Board or the Company's auditors, when decided by the General Meeting, or when requested by shareholders who together hold at least 1/10 of the Company's share capital; such request shall state the subject(s) which are requested to be considered at the General Meeting. In the latter case, the General Meeting shall be convened in accordance with the rules of Article 9(2) above, within 14 days of the Supervisory Board receiving such written request and at not less than 8 days' and not more than 14 days' notice.

Article 12

Not less than 8 days prior to each General Meeting, the agenda and the full proposals to be submitted at the General Meeting and, in the case of the Annual General Meeting, also the Annual Report for the past financial year provided with Management's Statement and Auditor's Report shall be made available for inspection by the shareholders at the Company's premises.

Article 13

The agenda for the Annual General Meeting shall include:

1. Report on the Company's business activities during the year.
2. Presentation of the audited annual report, for approval, and discharge of the Supervisory Board and Executive Board from their obligations relating to the financial year.
3. Proposed distribution of profit for the year, including decision on the amount of dividends, or proposed covering of the loss in accordance with the approved Annual Report.
4. Consideration of any proposals submitted by the Supervisory Board or shareholders.
5. Election of members to the Supervisory Board.
6. Appointment of one or two state-authorised public accountants.

Article 14

Any shareholder shall be entitled to attend the General Meeting if such shareholder has obtained an admission card not later than 5 days prior to the Meeting on due proof of identity.

Shareholders who have acquired their shares by transfer shall only be entitled to vote at the General Meeting and to receive voting cards where they are entitled to attend the Meeting pursuant to Article 14(1) and provided that they have either been registered in the Company's Register of Shareholders or have submitted to the Company a request for registration with evidence of their acquisition of the shares and of their rights by the date of the notice convening the General Meeting.

Article 15

Each share denomination of DKK 10 shall entitle the holder to one vote.

No shareholder may in person or by proxy exercise voting rights for an amount exceeding 10 per cent of the Company's existing share capital from time to time. However, this restriction shall not apply to the casting of votes by proxy by the Supervisory Board or by other proxies proposed by the Supervisory Board provided that the individual instrument of proxy does not exceed 10 per cent of the Company's share capital. Shares which, according to the Company's Register of Shareholders, belong to different shareholders shall be considered as belonging to one shareholder in accordance with Article 15(2) above if such different holders form an interest group by express or implicit agreement, including cases where the holders are, through shareholdings or otherwise, attached to or associated with the same group of companies or have other mutual interests, or cases where the different shareholders cannot, due to a special connection between them, be considered to have a free hand in respect of the exercise of the voting rights attached to their shares.

The right to vote may be exercised by proxy and the proxyholder need not be a shareholder. Any instrument of proxy shall be written and dated and may be granted for a maximum of 1 year.

Any shareholder is entitled to attend the Meeting accompanied by an advisor.

Article 16
The General Meeting shall be presided over by a chairman appointed by the Supervisory Board who shall decide all issues concerning the procedures for handling matters, the casting of votes and the results hereof. Any voting shareholder may request that the voting be effected by ballot.

Article 17
The resolutions made at the General Meeting shall be passed by simple majority of the votes cast unless otherwise expressly stipulated in the Danish Companies Act or these Articles of Association. In the event of equality of votes, a new vote shall be held.

To pass resolutions on the amendment of the Articles on which stricter requirements are not imposed by special statutory rules or on the dissolution of the Company or its amalgamation with another company, such resolution shall be passed by at least 2/3 of the votes cast as well as of the voting share capital represented at the General Meeting.

Article 18
The proceedings of the General Meeting shall be recorded by a summary entry in a minute book authorised by the Supervisory Board which shall be signed by the Chairman of the Meeting. The minutes of the General Meeting, or a certified copy thereof, shall be made available for inspection by the shareholders at the Company's premises within 14 days of the date of the General Meeting.

B. Supervisory Board

Article 19
The Supervisory Board shall be elected by the General Meeting except for the members elected under the special provisions of the Danish Companies Act concerning employees' right to elect members to the Supervisory Board.

The General Meeting shall elect 4 - 7 members to the Supervisory Board.

The members of the Supervisory Board elected by the General Meeting shall be elected for a term of 1 year. The members shall be eligible for re-election.

The members of the Supervisory Board shall receive annual remuneration. The total remuneration paid shall be disclosed in a separate note to the financial statements and recommended for adoption with the financial statements.

Article 20
Immediately upon the conclusion of the Annual General Meeting, the Supervisory Board shall convene to elect a Chairman and a Deputy Chairman from their own number.

The Supervisory Board shall form a quorum when more than half of its members are present. Resolutions shall be passed by simple majority.

In the event of equality of votes, the Chairman shall have the casting vote.
The Supervisory Board shall establish procedures stipulating the rules governing the performance of its duties.

The discussions of the Supervisory Board shall be recorded in a minute book which shall be signed by all members present.

The Supervisory Board may grant individual or joint powers of procuration.

Article 21

The Supervisory Board shall, in cooperation with the Executive Board, manage the Company's activities and may establish the guidelines and instructions which are to be observed by the Executive Board in its day-to-day management of the Company.

The Supervisory Board shall supervise the work of the Executive Board and verify that the Company's accounting and book-keeping functions as well as asset management are subject to satisfactory control.

C. Executive Board

Article 22

The Supervisory Board shall appoint the Company's Executive Board consisting of one or several members.

The Supervisory Board shall, in consultation with the Executive Board, determine the allocation of duties among the members of the Executive Board. The detailed rules of Executive Board duties shall be laid down in Rules of Procedure prepared by the Supervisory Board.

Article 23

The Executive Board shall undertake day-to-day management of the Company observing the guidelines and instructions given by the Supervisory Board. It shall be the Executive Board's responsibility to ensure that the Company's accounting and book-keeping functions as well as asset management are handled satisfactorily.

Day-to-day management shall not cover matters which are of an unusual nature or scope considering the circumstances of the Company.

IV. Powers to Sign for the Company

Article 24

The Company shall be bound by the joint signatures of the Chairman of the Supervisory Board and another member of the Supervisory Board or a member of the Executive Board. Further, the Company shall be bound by the joint signatures of the CEO and a member of the Supervisory Board, or by the joint signatures of two members of the Executive Board.

V. Closing of Financial Statements, Dividends, etc.

Article 25

The Company's financial statements shall be audited by one or two state-authorised public accountants appointed by the General Meeting for a term of one year.

The Company's financial year shall run from 1 January to 31 December.

The Company has adopted guidelines for incentive pay to Management, cf. Section 69b of the Danish Companies Act. The guidelines, which have been approved at the Annual General Meeting, are accessible at the Company's website.

VI. General Provisions

Article 26

The Supervisory Board shall be authorised to make any amendments to the Articles required by law or by the Danish Commerce and Companies Agency.

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CONTENTS

2. INTRODUCTION TO FINANCIAL INFORMATION

Royal Unibrew has published an interim report for the Group for the nine months ended 30 September 2009. The interim report contains the management's review and interim financial statements for the period 1 January to 30 September 2009 with comparative figures for the period 1 January to 30 September 2008. The interim report is presented in accordance with IAS 34 as adopted by the EU and additional Danish interim financial reporting requirements. The accounting policies in the interim report are unchanged from the policies applied in the annual report for 2008, except for the implementation of the amended IFRS 2 (Share-based payment), IFRS 8 (Operating segments) and IAS 23R (Borrowing costs), which have been changed compared with the annual report for 2008. Only IAS 23R affects the financial statements as compared to the previous recognition and measurement and note disclosures. On implementation of IAS 23R, borrowing costs in connection with own construction of non-current assets must be capitalised.

The interim financial statements for the period 1 January to 30 September 2009 with comparative figures for the period 1 January to 30 September 2008 reproduced in this Prospectus are in accordance with the interim financial statements contained in Royal Unibrew's interim report for the Group for the nine months ended 30 September 2009. For the purposes of this Prospectus, the Company's auditors appointed by the Company's shareholders in general meeting have reviewed the interim financial statements for the Group for the nine months ended 30 September 2009. The review performed did not comprise the presentation of financial figures for the period 1 January to 30 September 2008, 1 July to 30 September 2009, 1 July to 30 September 2008 and the balance sheet at 30 September 2008.

The following financial statements (consolidated financial information) for 2008 and 2007 are extracts of Royal Unibrew's published annual report for 2008 with comparative figures for the financial year 2007 presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. The financial statements (consolidated financial information) for 2006 are extracts of Royal Unibrew's published annual report for 2007 with comparative figures for the financial year 2006 presented in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. The accounting policies applied in the annual report for 2008 are unchanged from those applied in the annual report for 2007 except for the following EU-adopted standards, changes to existing standards and interpretations relevant to the parent company financial statements and consolidated financial statements of Royal Unibrew implemented in the 2008 financial year: IAS 27(A) (Consolidated and Separate Financial Statements) concerning the determination of the cost of subsidiaries, associates and joint ventures. The amendment takes effect for the 2009 financial statements, but was implemented early in 2008. The amendment has resulted in dividend from subsidiaries and associates being recognised in the income statement of the Parent Company irrespective of dividend being earned in the period of ownership or not. As a result of the changed accounting policy, profit for the year in the Parent Company is approximately DKK 43 million higher than if the previous accounting policy had still been applied in 2008. IFRIC 13 (Accounting for Customer Loyalty Programmes). The interpretation takes effect for financial years starting on or after 1 July 2008, but has been part of the accounting policies applied to date; therefore the interpretation has not resulted in any change of recognition and measurement for the Group.

The published annual reports for 2008 and 2007 comprise a management's review, financial statements of the parent company Royal Unibrew A/S, consolidated financial statements of the Group and notes thereto. The financial statements (consolidated financial information) in this Prospectus comprise the consolidated financial statements of Royal Unibrew and notes thereto. The financial statements (consolidated financial information) in this Prospectus do not include the management's review, as these are incorporated in the Prospectus by cross reference to the published annual reports. See " Financial information – Information incorporated by reference".

The annual report for 2009 is expected to be presented according to the same accounting policies that were applied in 2008 and 2007 except for the implementation of the amended IFRS 2 (Share-based payment), IFRS 8 (Operating segments) and IAS 23R (Borrowing costs), which have been changed compared with the annual report for 2008, to which reference is made. Only IAS 23R affects the financial statements as compared to the previous recognition and measurement and note disclosures.

On implementation of IAS 23R, borrowing costs in connection with own construction of non-current assets must be capitalised. The financial statements for 2006, 2007 and 2008 have not been restated as the amounts resulting from the change are inconsequential.

The published annual reports for 2008, 2007 and 2006 presented by the management of Royal Unibrew A/S are audited. The auditors' report in respect of the annual report for the financial year 2006 dated 2 March 2007, in respect of the annual report for the financial year 2007 dated 29 February 2008 and in respect of the financial year 2008 dated 25 February 2009 are unqualified and without emphasis of matter.

No other information in the Prospectus has been audited.

3. INFORMATION INCORPORATED BY REFERENCE

The additional information explicitly listed in the table below has been incorporated by reference in the Prospectus pursuant to section 18 of the Prospectus Order. Direct and indirect references in the reports to other documents or websites are not incorporated by reference and do not form part of the Prospectus. The reports speak only as of the date of their respective dates of publications and have not been updated, and in some cases they have been made superfluous by the information in this Prospectus. Potential investors in the Preemptive Rights, the Offer Shares or the Existing Shares should assume that the information in this Prospectus as well as the information Royal Unibrew incorporates by reference, is accurate as of the dates on the front cover of those documents only.

The Group's business, financial position, cash flows and results of operations may have changed since those dates.

Potential investors in the Preemptive Rights, the Offer Shares or the Existing Shares are encouraged to read the information incorporated by reference in conjunction with the cautionary statements in "Forward-looking statements" and in conjunction with "Risk factors".

The published annual reports for 2008 and 2007 comprise a management's review and financial statements of the parent company Royal Unibrew A/S. The interim report for the nine months ended 30 September 2009 comprises a management's review.

The information herein is incorporated in this Prospectus by reference as set out in the cross reference table below, and is available for inspection at Royal Unibrew's address, Faxe Allé 1, DK-4640 Faxe, Denmark and at the Company's website www.royalunibrew.com.

INFORMATION	REFERENCE	PAGE(S)
Management's review for the period 1 January to 30 September 2009	Royal Unibrew A/S´ unaudited interim report for the nine months ended 30 September 2009	6 - 19
Management's statement for the period 1 January to 30 September 2009	Royal Unibrew A/S´ unaudited interim report for the nine months ended 30 September 2009	21
Management's review for the period 1 January to 30 June 2009	Royal Unibrew A/S´ unaudited interim report for the six months ended 30 June 2009	5 - 15
Management's statement for the period 1 January to 30 June 2009	Royal Unibrew A/S´ unaudited interim report for the six months ended 30 June 2009	17
Interim financial statements for the period 1 January to 30 June 2009	Royal Unibrew A/S´ unaudited interim report for the six months ended 30 June 2009	18 - 33
Royal Unibrew A/S' management's review for the financial year 2008	Royal Unibrew A/S' annual report 2008	10 - 25
Royal Unibrew A/S' management's statement for the financial year 2008	Royal Unibrew A/S' annual report 2008	36
Royal Unibrew A/S' auditors' report for the financial year 2008	Royal Unibrew A/S' annual report 2008	37
Royal Unibrew A/S' management's review for the financial year 2007	Royal Unibrew A/S' annual report 2007	14 - 27
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Royal Unibrew A/S' management's statement for the financial year 2006	Royal Unibrew A/S' annual report 2006	34
Royal Unibrew A/S' auditors' report for the financial year 2006	Royal Unibrew A/S' annual report 2006	35

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.1 Management's statement

The Supervisory Board and the Executive Board have on 6 November 2009 discussed and adopted the published interim report for the period 1 January to 30 September 2009 with comparative figures for the period 1 January to 30 September 2009 of Royal Unibrew A/S.

The consolidated financial information for the period 1 January to 30 September 2009 contained in the Prospectus with comparative figures for the period 1 January to 30 September 2008 has been extracted from the published interim report.

The interim financial statements are presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU.

We consider the accounting policies applied appropriate, and in our opinion the interim report gives a true and fair view of the Group's assets, liabilities and financial position as at 30 September 2009 and of the results of the Group's operations and cash flows for the nine months ended 30 September 2009.

Faxe, 19 November 2009

Executive Board

Henrik Brandt CEO	Johannes F.C.M. Savonije International Director	Ulrik Sørensen CFO

Supervisory Board

Steen Weirsøe (Chairman)	Tommy Pedersen (Deputy Chairman)	Ulrik Bülow
Erik Christensen	Erik Højsholt	Kirsten Wendelboe Liisberg
Hemming Van		

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.2 Independent auditors' report on the interim financial statements for the 9-month period ended 30 September 2009

To the readers of this Prospectus

We have reviewed the interim financial statements of Royal Unibrew A/S for the period 1 January to 30 September 2009 comprising the management's statement, income statement, balance sheet, cash flow statement, statement of changes in equity and notes for the Group. Our review did not the interim report's financial figures for the period 1 January to 30 September 2008, 1 July to 30 September 2009, 1 July to 30 September 2008 and the balance sheet at 30 September 2008.

The Management is responsible for the preparation and fair presentation of an interim report in accordance with IAS 34 as adopted by the EU. Our responsibility is to express a conclusion on the interim report based on our review.

Basis of conclusion

We performed our review in accordance with the Danish Standard on Auditing RS 2410 'Reviews of interim financial statements performed by the Company's independent auditors'. A review is limited primarily to inquiries of company personnel responsible for finance and financial reporting and analytical procedures and other review procedures. As the scope of this review is limited compared to that of an audit in accordance with Danish Standards on Auditing, our review does not provide any assurance that we will become aware of all significant matters which could be identified during an audit. Consequently, we do not express any audit opinion.

Conclusion

Based on our review, nothing has come to our attention which causes us to believe that the interim financial statements do not give a true and fair view of the Group's financial position at 30 September 2009 and of the results of its operations and its cash flows for the 9-month period then ended in accordance with IAS 34, as adopted by the EU.

Copenhagen, 19 November 2009

Ernst & Young
Godkendt Revisionspartnerselskab

Leif Shermer
State Authorised Public Accountant

Henrik Kofoed
State Authorised Public Accountant

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.3 Income Statement (DKK ’000)

Note		1/1 - 30/9 2009	1/1 - 30/9 2008	1/7 - 30/9 2009	1/7 - 30/9 2008	1/1 - 31/12 2008
	Revenue	3,504,453	3,811,542	1,266,275	1,357,981	4,918,600
	Beer and mineral water excises	-517,534	-577,133	-192,261	-203,261	-739,897
	Net revenue	**2,986,919**	**3,234,409**	**1,074,014**	**1,154,720**	**4,178,703**
	Production costs	-1,702,586	-1,849,016	-606,417	-650,799	-2,433,298
	Gross profit	**1,284,333**	**1,385,393**	**467,597**	**503,921**	**1,745,405**
	Sales and distribution expenses	-888,673	-1,071,424	-268,946	-371,931	-1,387,543
	Administrative expenses	-163,352	-171,115	-51,762	-51,081	-226,844
	Other operating income	2,628	2,454	1,166	1,062	3,835
	Operating profit before special items	**234,936**	**145,308**	**148,055**	**81,971**	**134,853**
4	Special items	-28,885	-56,759	-4,105	-22,820	-50,125
	Impairment losses on non-current assets	0	0	0	0	-384,957
	Profit/(loss) before financial income and expenses	**206,051**	**88,549**	**143,950**	**59,151**	**-300,229**
	Income after tax from investments in associates	20,234	14,159	6,765	7,031	22,654
	Impairment losses on investments and balances					-70,104
	Financial income	32,690	2,986	2,763	130	33,899
	Financial expenses	-132,862	-83,853	-50,273	-28,138	-139,185
	Profit/(loss) before tax	**126,113**	**21,841**	**103,205**	**38,174**	**-452,965**
5	Tax on loss for the period	-39,400	-7,000	-33,400	-11,500	-30,200
	Profit/(loss) for the period	**86,713**	**14,841**	**69,805**	**26,674**	**-483,165**
	distributed as follows:					
	Parent Company shareholders´ share of profit loss for the period	84,490	14,121	68,222	25,952	-484,333
	Minority shareholders´ share of profit/loss for the period	2,223	720	1,583	722	1,168
	Profit/(loss) for the period	**86,713**	**14,841**	**69,805**	**26,674**	**-483,165**
6	Parent Company shareholders´share of earnings per share (DKK)	15.4	2.6	12.4	13.6	-89.0
6	Parent Company shareholders´share of diluted earnings per share (DKK)	15.4	2.6	12.4	13.4	-89.0
	Comprehensive income					
	Revaluation of project development properties	0	0	0	0	240,000
	Value and exchange adjustment of foreign group enterprises	-19,380	7,577	-5,028	3,561	-99,434
	Value adjustment of hedging instruments	-32,985	17,963	-7,247	-18,284	-48,345
	Tax on equity entries	0	-2,539	0	4,788	-56,315
	Net gains recognised directly on equity	**-52,365**	**23,001**	**-12,275**	**-9,935**	**35,906**
	Profit/(loss) for the period	**86,713**	**14,841**	**69,805**	**26,674**	**-483,165**
	Comprehensive income	**34,348**	**37,842**	**57,530**	**16,739**	**-447,259**

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.4 Balance sheet (DKK ´000)

Assets

Note	NON-CURRENT ASSETS	30/9 - 2009	30/9 - 2008	31/12 - 2008
	Goodwill	311,584	510,116	311,275
	Trademarks	165,792	291,275	167,885
	Distribution rights	6,572	7,521	7,186
	Intangible assets	**483,948**	**808,912**	**486,346**
	Land and buildings	728,646	829,680	643,363
	Project development properties	401,454		400,000
	Plant and machinery	680,568	513,592	529,291
	Other fixtures and fittings, tools and equipment	235,518	221,996	214,997
	Property, plant and equipment in progress	10,428	288,047	291,787
	Property, plant and equipment	**2,056,614**	**1,853,315**	**2,079,438**
	Investments in associates	98,603	234,576	87,650
	Receivables from associates	0	24,400	20,634
	Other investments	55,715	2,993	56,900
	Other receivables	13,967	12,564	11,939
	Financial assets	**168,285**	**274,533**	**177,123**
	Non-current assets	**2,708,847**	**2,936,760**	**2,742,907**
	CURRENT ASSETS			
	Raw materials and consumables	109,579	160,066	122,194
	Work in progress	26,206	36,835	27,177
	Finished goods and purchased finised goods	161,141	276,442	265,302
	Inventories	**296,926**	**473,343**	**414,673**
	Trade receivables	493,169	611,913	541,566
	Receivables from associates	763	1,479	1,008
	Corporation tax receivable	18,107		37,667
	Other receivables	48,606	42,124	76,012
	Prepayments	71,866	86,769	147,191
	Receivables	**632,511**	**742,285**	**803,444**
	Cash at bank and in hand	**130,884**	**69,977**	**90,384**
	Current assets	**1,060,321**	**1,285,605**	**1,308,501**
	Assets	**3,769,168**	**4,222,365**	**4,051,408**

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.4 Balance sheet (DKK ´000)

Liabilities and equity

Note	EQUITY	30/9 - 2009	30/9 - 2008	31/12 - 2008
7	Share capital	56,000	56,000	56,000
	Revaluation reserve	180,000		180,000
	Translation reserve	-115,641	6,249	-102,279
	Hedging reserve	-67,588	23,681	-34,603
	Retained earnings	438,841	923,528	960,411
	Proposed dividend	0	0	0
	Profit/(loss) for the period	84,490	14,121	-519,623
	Equity of Parent Company shareholders	**576,102**	**1,023,579**	**539,906**
	Minority interests	**35,133**	**35,340**	**34,922**
	Equity	**611,235**	**1,058,919**	**574,828**
	Deferred tax	179,185	130,150	179,378
	Mortgage debt	735,445	734,620	734,655
	Credit institutions	1,290,256	1,056,823	968,888
	Non-current liabilities	**2,204,886**	**1,921,593**	**1,882,921**
	Credit institutions	0	329,177	599,335
	Repurchase obligation, returnable packaging	61,594	77,621	74,056
	Trade payables	473,352	515,042	523,175
	Corporation tax	0	17,475	0
	VAT, excise duties, etc.	161,945	78,628	61,439
	Other payables	256,156	223,910	335,654
	Current liabilities	**953,047**	**1,241,853**	**1,593,659**
	Liabilities	**3,157,933**	**3,163,446**	**3,476,580**
	Liabilities and equity	**3,769,168**	**4,222,365**	**4,051,408**

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.5 Statement of changes in equity for 1 January - 30 September (DKK ´000)

	Share capital	Revaluation reserves	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority share	Total
Equity at 1 January 2008	59,000	0	-7,694	10,057	960,411	59,000	38,689	1,119,463
Value and exchange adjustment of foreign group enterprises			13,943		-4,590		-1,776	7,577
Tax on value and exchange adjustment					1,800			1,800
Value adjustment of hedging instruments, end period				31,406				31,406
Reversal of value adjustment of hedging instruments, beginning of period				-13,443				-13,443
Tax on hedging instruments				-4,339				-4,339
Net gains recognised directly in equity	0	0	13,943	13,624	-2,790	0	-1,776	23,001
Profit/(loss) for the period					14,121		720	14,841
Comprehensive income	0	0	13,943	13,624	11,331	0	-1,056	37,842
Minority shares of acquired businesses							-2,293	-2,293
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					1,950			1,950
Reduction of Capital	-3,000				3,000			0
Tax on equity changes, shareholders					1,551			1,551
Total shareholders	-3,000	0	0	0	-34,093	-59,000	-2,293	-98,386
Total equity movements 1/1 - 30/9 2008	-3,000	0	13,943	13,624	-22,762	-59,000	-3,349	-60,544
Equity at 30 september 2008	56,000	0	6,249	23,681	937,649	0	35,340	1,058,919

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.5 Statement of changes in equity for 1 January - 30 September (DKK ´000), continued

	Share capital	Revaluation reserves	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority share	Total
Equity at 1 January 2009	56,000	180,000	-102,279	-34,603	440,788	0	34,922	574,828
Value and exchange adjustment of foreign group enterprises			-13,362		-4,006		-2,012	-19,380
Tax on value and exchange adjustment								0
Value adjustment of hedging instruments, end period				-67,588				-67,588
Reversal of value adjustment of hedging instruments, beginning of period				34,603				34,603
Tax on hedging instruments								0
Net gains recognised directly in equity	0	0	-13,362	-32,985	-4,006	0	-2,012	-52,365
Profit/(loss) for the period					84,490		2,223	86,713
Comprehensive income	0	0	-13,362	-32,985	80,484	0	211	34,348
Share-based payment					2,059			2,059
Tax on equity changes, shareholders					0			0
Total shareholders	0	0	0	0	2,059	0	0	2,059
Total equity movements 1/1 - 30/9 2009	0	0	-13,362	-32,985	82,543	0	211	36,407
Equity at 30 september 2009	56,000	180,000	-115,641	-67,588	523,331	0	35,133	611,235

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.6 Cash flow statement for 1 January - 30 September (DKK ´000)

Note		1/1 - 30/9 2009	1/1 - 30/9 2008
	Profit/(loss) for the period	86,713	14,841
8	Adjustments for non-cash operating items	271,009	252,123
		357,722	266,964
	Change in working capital:		
	+/- change in receivables	16,934	-24,362
	+/- change in inventories	115,708	-134,687
	+/- change in payables	22,838	100,449
	Cash flows from operating activities before financial income and expenses	**513,202**	**208,364**
	Financial income	71,574	3,694
	Financial expenses	-155,488	-89,305
	Cash flows from ordinary activities	**429,288**	**122,753**
	Corporation tax paid	-23,096	-48,425
	Cash flows from operating activities	**406,192**	**74,328**
	Dividend received from associates	12,488	14,984
	Sale of property, plant and equipment	43,755	32,837
	Purchase of property, plant and equipment	-171,567	-314,195
	Free cash flow	*290,868*	*-192,046*
8	Acquisition of subsidiaries	0	-126,546
	Acquisition of intangible and financial assets	26,542	-2,923
	Cash flows from investing activities	**-88,782**	**-395,843**
	Proceeds from raising of non-current debt	0	180,363
	Repayment of non-current debt	0	-574
	Change in debt to credit institutions	-275,537	153,698
	Dividend paid	0	-54,901
	Acquisition of shares for treasury	0	-46,244
	Sale of treasury shares	0	1,551
	Cash flows from financing activities	**-275,537**	**233,893**
	Change in cash and cash equivalents	**41,873**	**-87,622**
	Cash and cash equivalents at 1 January	90,384	157,832
	Exchange adjustment	-1,373	-233
	Cash and cash equivalents at 30 September	**130,884**	**69,977**

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.7. Notes

Note 1 Significant Accounting Policies

The Q3 Report is presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

Except for the implementation of the amended IFRS 2 (Share-based Payment), IFRS 8 (Segment Reporting) and IAS 23R (Borrowing Costs), the accounting policies are unchanged from those applied in the Annual Report for 2008, to which reference is made. Only IAS 23R affects the financial statements as compared to the previous recognition and measurement as well as note disclosures.

The implementation of IAS 23R, under which borrowing costs relating to own construction of non-current as-sets are to be capitalised, has affected results (financial expenses) for the period and the value of property, plant and equipment in progress positively by some DKK 4 million as compared to the accounting policy previously applied. The recognition for prior periods has not been adjusted.

Except for the above description relating to the implementation of IAS 23R, the Annual Report for 2008 provides a total description of accounting policies significant to the financial statements.

Note 2 Accounting Estimates and Judgements

The preparation of interim financial reporting requires that Management make accounting estimates and judgements which affect the application of accounting policies and recognised assets, liabilities, income and expenses. Actual results may deviate from these estimates.

The key estimates made by Management in applying the Group's accounting policies and the key uncertainties relating to the estimates are the same when preparing the interim financial reporting as when preparing the Annual Report at 31 December 2008.

The estimates made at 30 September 2009 of the fair value of project development properties and securities did not give rise to changing the fair values recognised at 31 December 2008.

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.7. Notes

Note 3 Segment Reporting

The Groups´activities break down as follows on segments (mDKK)

1/1 - 31/3 2009						1/1 - 31/3 2008				
Western Europe	Eastern Europe	Malt & Overseas Markets	Unallo-cated	Total		Western Europe	Eastern Europe	Malt & Overseas Markets	Unallo-cated	Total
491.3	180.8	95.5		767.6	Net revenue	508.4	228.8	101.1		838.3
0.1	**-18.2**	**2.1**	**-12.0**	**-28.0**	**Operating profit/(loss)**	**-3.0**	**-22.3**	**1.9**	**-11.7**	**-35.1**
-8.4	-4.7	-3.4		-16.5	Special items	-32.6				-32.6
-8.3	**-22.9**	**-1.3**	**-12.0**	**-44.5**	**Earnings before interest and tax (EBIT)**	**-35.6**	**-22.3**	**1.9**	**-11.7**	**-67.7**
-1.6	0.0	1.5		-0.1	Share of income from associates	-2.2	-3.2	0.9		-4.5
-0.8	-5.5	1.8	5.0	0.5	Other financial income and expenses	-0.2	-2.3	0.2	-21.3	-23.6
-10.7	**-28.4**	**2.0**	**-7.0**	**-44.1**	**Profit/(loss) before tax for the period**	**-38.0**	**-27.8**	**3.0**	**-33.0**	**-95.8**
			9.5	9.5	Tax on the profit/(loss) for the period				27.5	27.5
				-34.6	**Profit/(loss) for the period**					**-68.3**
0.0%	**-10.1%**	**2.2%**		**-3.6%**	**Profit margin**	**-0.6%**	**-9.7%**	**1.9%**		**-4.2%**

1/4 - 30/6 2009						1/4 - 30/6 2008				
Western Europe	Eastern Europe	Malt & Overseas Markets	Unallo-cated	Total		Western Europe	Eastern Europe	Malt & Overseas Markets	Unallo-cated	Total
736.4	283.8	125.1		1,145.3	Net revenue	758.2	346.2	137.0		1,241.4
104.7	**4.9**	**13.4**	**-8.1**	**114.9**	**Operating profit/(loss)**	**87.4**	**8.5**	**16.1**	**-13.6**	**98.4**
-7.0	2.7	0.0	-4.0	-8.3	Special items	-1.3				-1.3
97.7	**7.6**	**13.4**	**-12.1**	**106.6**	**Earnings before interest and tax (EBIT)**	**86.1**	**8.5**	**16.1**	**-13.6**	**97.1**
12.9	0.0	0.7		13.6	Share of income from associates	9.0	1.6	1.0		11.6
-0.9	-15.4	-2.1	-34.8	-53.2	Other financial income and expenses	-0.6	-8.7	-0.5	-19.4	-29.2
109.7	**-7.8**	**12.0**	**-46.9**	**67.0**	**Profit/(loss) before tax for the period**	**94.5**	**1.4**	**16.6**	**-33.0**	**79.5**
			-15.5	-15.5	Tax on the profit/(loss) for the period				-23.0	-23.0
				51.5	**Profit/(loss) for the period**					**56.5**
14.2%	**1.7%**	**10.7%**		**10.0%**	**Profit margin**	**11.5%**	**2.5%**	**11.8%**		**7.9%**

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.7. Notes

Note 3 Segment Reporting, continued

The Groups´activities break down as follows on segments (mDKK)

1/7 - 30/9 2009						1/7 - 30/9 2008				
Western Europe	Eastern Europe	Malt & Overseas Markets	Unallo-cated	Total		Western Europe	Eastern Europe	Malt & Overseas Markets	Unallo-cated	Total
673.9	264.9	135.2	0.0	1.074.0	Net revenue	690.1	320.7	143.9	0.0	1,154.7
123.6	**17.9**	**12.9**	**-6.4**	**148.0**	**Operating profit/(loss)**	**75.0**	**0.9**	**13.6**	**-7.5**	**82.0**
-1.3	-2.8	0.0	0.0	-4.1	Special items	-21.1	-0.1	-1.7	0.0	-22.9
122.3	**15.1**	**12.9**	**-6.4**	**143.9**	**Earnings before interest and tax (EBIT)**	**53.9**	**0.8**	**11.9**	**-7.5**	**59.1**
6.4	0.0	0.3	0.0	6.7	Share of income from associates	6.1	0.0	0.9	0.0	7.0
-0.4	-1.8	-0.4	-44.8	-47.4	Other financial income and expenses	-1.3	-9.1	0.0	-17.6	-28.0
128.3	**13.3**	**12.8**	**-51.2**	**103.2**	**Profit/(loss) before tax for the period**	**58.7**	**-8.3**	**12.8**	**-25.1**	**38.1**
			-33.4	-33.4	Tax on the profit/(loss) for the period				-11.5	-11.5
				69.8	**Profit/(loss) for the period**					**26.6**
18.3%	**6.8%**	**9.5%**		**13.8%**	**Profit margin**	**10.9%**	**0.3%**	**9.5%**		**7.1%**

1/1 - 30/9 2009						1/1 - 30/9 2008				
Western Europe	Eastern Europe	Malt & Overseas Markets	Unallo-cated	Total		Western Europe	Eastern Europe	Malt & Overseas Markets	Unallo-cated	Total
1,901.6	729.5	355.8	0.0	2,986.9	Net revenue	1,956.7	895.7	382.0	0.0	3,234.4
228.4	**4.6**	**28.4**	**-26.5**	**234.9**	**Operating profit/(loss)**	**159.4**	**-12.9**	**31.6**	**-32.8**	**145.3**
-16.7	-4.8	-3.4	-4.0	-28.9	Special items	-55.0	-0.1	-1.7	0.0	-56.8
211.7	**-0.2**	**25.0**	**-30.5**	**206.0**	**Earnings before interest and tax (EBIT)**	**104.4**	**-13.0**	**29.9**	**-32.8**	**88.5**
17.7	0.0	2.5	0.0	20.2	Share of income from associates	12.9	-1.6	2.8	0.0	14.1
-2.1	-22.7	-0.7	-74.6	-100.1	Other financial income and expenses	-2.1	-20.1	-0.3	-58.3	-80.8
227.3	**-22.9**	**26.8**	**-105.1**	**126.1**	**Profit/(loss) before tax for the period**	**115.2**	**-34.7**	**32.4**	**-91.1**	**21.8**
			39.4	39.4	Tax on the profit/(loss) for the period				-7.0	-7.0
				86.7	**Profit/(loss) for the period**					**14.8**
12.0%	**0.6%**	**8.0%**		**7.9%**	**Profit margin**	**8.1%**	**-1.4%**	**8.3%**		**4.5%**

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.7. Notes

Note 4 Special Items (DKK ´000)

1/7 - 30/9			1/1 - 30/9	
2008	2009		2009	2008
		Profit on sale of non-current assets related to reorganisation	21,500	
0	0	Total special income	21,500	0
-22,058	-1,268	Expenses and value adjustment of assets related to reorganisation in Denmark	-16,653	-55,049
-762	-2,837	Expenses and value adjustments of assets related to foreign subsidiaries	-33,732	-1,710
-22,820	-4,105	Total special expenses	-50,385	-56,759
-22,820	-4,105	Total special items	-28,885	-56,759

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.7. Notes

Note 5 Tax on the Profit for the Period

The tax expense for the period recognised in the income statement has been calculated on the basis of the expected EBIT and the expected net interest expenses of the Group in aggregate for 2009 with effective tax rates of some 32% for EBIT and some 13% for net interest expenses, respectively (at 30 September 2008 a total effective tax rate of some 32%). The tax recognised includes an income of DKK 15 million as an adjustment relating to prior year

In addition to the tax recognised in the income statement, a tax income of DKK 0k has been recognised directly in equity related to the equity entries for the period (at 30 September 2008 an expense of DKK 2,539k and for the full year 2008 an expense of DKK 56,315k).

Note 6 Basis of Calculation of Earnings and Cash Flow per Share

	1/1 - 30/9 2009	1/1 - 30/9 2008
The Parent Company shareholders' share of profit for the year (DKK '000)	84,490	14,121
The average number of treasury shares amounted to	106,674	364,703
The average number of shares in circulation amounted to	5,493,326	5,501,964
The average number of shares in circulation incl. share options "in-the-money" amounted to	5,493,326	5,501,964

Diluted earnings and cash flow per share have been calculated on the basis of the Parent Company shareholders' share of loss for the period.

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.7. Notes

Note 7 Treasury Shares (DKK ´000)

Value of treasury shares held,		
	Parent Company	
	2009	2008
Balance at 1 January	0	0
Additions	0	46.244
Disposals	0	-1.551
Transferred to equity. Net	0	-44.693
Balance at 30 September	**0**	**0**

Beholdning af egne aktier,	Number	Nom. value	% of capital
Portfolio at 1 January 2008	316,847	3,168	5.4
Additions	93,374	934	1.6
Disposals	-3,547	-35	-0.1
Cancelled upon reduction of capital	-300,000	-3,000	-5.0
Portfolio at 30 September 2008	**106,674**	**1,067**	**1.9**
Portfolio at 1 January 2009	106,674	1,067	1.9
Disposals			0.0
Portfolio at 30 September 2009	**106,674**	**1,067**	**1.9**

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.7. Notes

Note 8 Cash Flow Statement (DKK ´000)

Adjustments for non-cash operating items	1/1 - 30/9 2009	1/1 - 30/9 2008
Financial income	-32,690	-2,986
Financial expenses	132,862	83,853
Amortisation, depreciation and impairment of intangible assets and property, plant and equipment	150,008	153,738
Tax on the profit/(loss) for the period	39,400	7,000
Income from investments in associates	-20,234	-14,159
Net profit/(loss) from sale of property, plant and equipment	-17,992	-5,043
Share-based payments and remuneration	-300	1,950
Other adjustments	19,955	27,770
Total	271,009	252,123

Acquisition of subsidiaries	2009	2008
Assets		
Non-current assets	0	125,577
Current assets	0	969
Acquisition price	0	126,546

3. UNAUDITED CONSOLIDATED FINANCIAL INFORMATION FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2009 WITH COMPARATIVE FIGURES FOR THE PERIOD 1 JANUARY TO 30 SEPTEMBER 2008

3.7. Notes

Note 9 Acquisitions (DKK ´000)

No acquisitions were made in the first three quaters 2009.

The following acquisitions were made in 2008:
At 1 January 2008, Royal Unibrew A/S' subsidiary Lacpleasa Alus acquired assets and activity of the Latvian brewery Livu Alus. Livu Alus markets, sells and produces its own beer brand in Latvia, pri-marily in the Liepaja region.

	Fair value at date of acquisition
Intangible assets	6,419
Property, plant and equipment	119,158
Inventories	969
Cash acquisition price	126,546
including acquisition costs (consulting fees) of	1,022

The carrying amounts prior to the acquisition are not available.

Note 10 Security

In February 2009, Royal Unibrew established a credit facility totalling DKK 2,003 million with a syndicate of banks comprising Nordea Bank Danmark A/S, Danske Bank A/S and Nykredit Bank A/S. Royal Unibrew and a number of the Company's subsidiaries are borrowers under the loan agreement.

A security package has been established in connection with the loan agreement. Royal Unibrew has provided security for the borrowers' commitments under the loan agreement by way of a charge on Royal Unibrew's investments in the majority of the subsidiaries that are borrowers under the loan agreement, on the shares of Royal Unibrew's Danish subsidiary Maribo Bryghus and the shares of the subsidiary in St. Vincent as well as on Royal Unibrew's holding of treasury shares. Moreover, Royal Unibrew's subsidiaries in Latvia, Poland and the UK have provided security by way of a company charge, and one of the Company's two subsidiaries in Lithuania has provided security by way of a pledge on certain of the Company's assets. Finally, Royal Unibrew and the majority of the borrowers are guarantors under the loan agreement, and the Group is subject to a general negative pledge.

The lenders may at any time require that the Group provide additional security, including a company charge on Royal Unibrew and the assets of its subsidiaries as well as a mortgage on the Group's real estate.

Royal Unibrew, the other borrowers and in certain cases the entire Group have undertaken a number of obligations under the loan agreement. These obligations are categorised as follows: (1) general obligations requiring that the Group maintain specific conditions and imposing certain restrictions on Royal Unibrew's business and investments, including a requirement that Royal Unibrew not distribute dividend or acquire shares for treasury, (2) obligations to distribute certain specified information to the lenders, and finally (3) a number of financial obligations, including the Group's commitment to maintaining certain financial ratios (measured at group level).

Moreover, the Group is required to spend large amounts of its available funds on extraordinary repayments of the loan, including income from the sale of investments in certain associates. The loan agreement also restricts the Group's possibilities of raising new loans.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.1. Management's statement

The Supervisory Board and Executive Board have considered and adopted the published annual reports for the financial years ended 31 December 2008, 2007 and 2006 of Royal Unibrew A/S on 25 February 2009, 29 February 2008 and 2 March 2007, respectively. The financial statements in this Prospectus for the financial years ended 31 December 2008, 2007 and 2006 have been prepared for the Offering and have been extracted from the published and audited annual reports for such years.

The Company's consolidated financial information for the financial years 2008, 2007 and 2006 as included in this Prospectus, have been extracted from the Company's annual reports which were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

We consider the accounting policies applied to be appropriate and in our opinion the consolidated financial information gives a true and fair view of the Group's operations and cash flows for the financial years ended 31 December 2008, 2007 and 2006.

Faxe, 19 November 2009

Executive Board

Henrik Brandt CEO	Johannes F.C.M. Savonije International Director	Ulrik Sørensen CFO

Supervisory Board

Steen Weirsøe (Chairman)	Tommy Pedersen (Deputy Chairman)	Ulrik Bülow
Erik Christensen	Erik Højsholt	Kirsten Wendelboe Liisberg
Hemming Van		

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.2. Independent auditors' report on the financial statements for the financial years 2008, 2007 and 2006

To the readers of this Prospectus

Ernst & Young Statsautoriseret Revisionsaktieselskab have audited the Annual Reports of Royal Unibrew A/S for 2008, 2007 and 2006, prepared and published by the management, from which the financial statements shown on pp F-24 til F-80 have been summarised. We performed our audit in accordance with Danish and International Standards on Auditing. The audits for 2007 and 2006 were performed in cooperation with PricewaterhouseCoopers Statsautoriseret Revisionsaktieselskab.

The 2006 annual report, dated 2 March 2007, the 2007 annual report, dated 29 February 2008, and the 2008 annual report, dated 25 February 2009, have all been provided with unmodified audit opinions.

The auditors' report issued on the 2008 annual report, dated 25 February 2009, is rendered below:

> **"To the shareholders of Royal Unibrew A/S**
>
> We have audited the annual report for the financial year 2008, which comprises the statement of the Supervisory and Executive Boards on the annual report, the management's review, a summary of significant accounting policies, the income statement, balance sheet, statement of changes in equity, cash flow statement and notes for the Group as well as for the parent. The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.
>
> **The management's responsibility for the annual report**
>
> The management is responsible for the preparation and fair presentation of this annual report in accordance with the International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.
>
> **The auditor's responsibility and basis of opinion**
>
> Our responsibility is to express an opinion on this annual report based on our audit. We conducted our audit in accordance with Danish Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual report is free of material misstatement.
>
> An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the supervisory and executive boards, as well as evaluating the overall presentation of the annual report.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.2. Independent auditors' report on the financial statements for the financial years 2008, 2007 and 2006, continued

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit did not result in any qualification.

Opinion
In our opinion, the annual report gives a true and fair view of the Group's and the parent's financial position at 31 December 2008 and of the results of the Group's and the parent's operations and cash flows for the financial year then ended in accordance with International Financing Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Faxe, 25 February 2009

Ernst & Young
Statsautoriseret Revisionsaktieselskab"

We have not performed any additional audit procedures since 25 February 2009.

We checked that the financial statements have been correctly summarised and rendered from the published annual reports for the financial years 2006, 2007 and 2008.

It is the management's responsibility that the financial statements given on pp F-24 to F-80 have been correctly summarised and rendered from the published annual reports for the financial years 2006, 2007 and 2008.

Our responsibility is to express a conclusion on the summary and the presentation of the financial statements from the published annual reports.

Basis of conclusion
We planned and performed our procedures in accordance with the Danish Standard on Auditing RS 800 'The Independent Auditor's Report on Specific Purpose Audit Engagements' to obtain reasonable assurance that the financial statements summarised on pp F-24 to F-80 are, in all essentials, in accordance with the published annual reports from which the financial statements have been summarised.

Conclusion
In our opinion, the financial statements summarised on pp F-24 to F-80 are, in all essentials, in accordance with the published annual reports for 2006, 2007 and 2008 from which they have been summarised.

Copenhagen, 19 November 2009

Ernst & Young
Godkendt Revisionspartnerselskab

Leif Shermer
State Authorised Public Accountant

Henrik Kofoed
State Authorised Public Accountant

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.3. Income Statement for 1 January - 31 December (DKK ´000)

Note		2008	2007	2006
	Revenue	4,918,600	4,574,173	4,083,474
	Beer and minieral water excises	-739,897	-692,411	-644,448
	Net revenue	**4,178,703**	**3,881,762**	**3,439,026**
4,5	Production cost	-2,433,298	-2,129,173	-1,742,900
	Gross profit	**1,745,405**	**1,752,589**	**1,696,126**
4,5	Sales and distribution expenses	-1,387,543	-1,268,783	-1,191,225
4,5	Administrative expenses	-226,844	-249,042	-200,680
	Other operating income	3,835	9,289	43,512
	Operating profit before special items	**134,853**	**244,053**	**347,733**
6	Special income	0	128,068	0
6	Special expenses	-50,125	-107,823	-14,329
12	Impairment losses	-384,957	0	0
	Profit/loss before financial income and expenses	-300,229	264,298	333,404
14	Income after tax from investments	22,654	27,998	26,098
12,13	Impairment losses on investments and balances	-70,104	0	0
7	Financial income	33,899	26,704	20,983
8	Financial expenses	-139,185	-98,836	-60,132
	Profit/loss before tax	**-452,965**	**220,164**	**320,353**
9	Tax on the profit/loss for the year	-30,200	-64,930	-90,014
	Net profit/loss for the year	**-483,165**	**155,234**	**230,339**
	distributed as follows:			
	Parent Company shareholders´ share of net profit/loss	-484,333	151,747	227,642
	Minority shareholders´ share of net profit/loss	1,168	3,487	2,697
	Net profit/loss for the year	**-483,165**	**155,234**	**230,339**
16	Parent Company shareholders´ share of net profit/loss (DKK)	-89.0	26.4	38.0
16	Parent Company shareholders´ share of diluted net profit/loss (DKK)	-89.0	26.2	37.6

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.4. Balance

Assets at 31 December (DKK ´000)

Note	NON-CURRENT ASSETS	2008	2007	2006
	Goodwill	311,275	487,861	323,398
	Trademarks	167,885	278,351	174,236
	Distribution rights	7,186	8,524	9,854
10,11,12	**Intangible assets**	**486,346**	**774,736**	**507,488**
	Land and buildings	643,363	770,679	723,509
	Project development properties	400,000	0	0
	Plant and machinery	529,291	488,715	400,842
	Other fixtures and fittings, tools and equipment	214,997	240,091	237,618
	Property, plant and equipment in progress	291,787	57,536	64,888
10,25	**Property, plant and equipment**	**2,079,438**	**1,557,021**	**1,426,857**
14	Investments in associates	87,650	225,691	231,285
	Receivables from associates	20,634	25,481	24,664
	Other investments	56,900	3,018	2,838
	Other receivables	11,939	11,592	21,875
10,13,26	**Financial assets**	**177,123**	**265,782**	**280,662**
	Non-current assets	**2,742,907**	**2,597,539**	**2,215,007**
	CURRENT ASSETS			
	Raw material and consumables	122,194	169,316	97,284
	Work in progress	27,177	25,816	17,353
	Finished goods and purchased finish goods	265,302	156,461	161,983
	Inventories	**414,673**	**351,593**	**276,620**
	Trade receivables	541,566	577,847	442,238
	Receivables from associates	1,008	1,012	1,318
	Corporation tax	37,667	0	0
	Other receivables	76,012	64,035	37,360
15	Prepayments	147,191	31,435	43,775
	Receivables	**803,444**	**674,329**	**524,691**
	Cash at bank and in hand	**90,384**	**157,832**	**368,320**
	Non-current assets held for sale	0	0	28,988
	Current assets	**1,308,501**	**1,183,754**	**1,198,619**
	Assets	**4,051,408**	**3,781,293**	**3,413,626**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.4. Balance

Liabilities and Equity 31 December (DKK ´000)

Note	EQUITY	2008	2007	2006
16	Share capital	56,000	59,000	61,800
	Revaluation reserves	180,000	0	0
	Translation reserve	-102,279	-7,694	-9,194
	Hedging reserve	-34,603	10,057	1,975
	Retained earnings	440,788	960,411	1,018,823
	Proposed dividend	0	59,000	61,800
	Equity of Parent Company shareholders	**539,906**	**1,080,774**	**1,135,204**
	Minority interests	**34,922**	**38,689**	**12,917**
	Equity	**574,828**	**1,119,463**	**1,148,121**
17	Deferred tax	179,378	127,718	127,720
18	Mortgage debt	734,655	749,751	593,540
18	Credit institutions	968,888	790,260	650,375
	Non-current liabilities	**1,882,921**	**1,667,729**	**1,371,635**
18	Mortgage debt	0	953	58,732
18	Credit institutions	599,335	228,433	138,106
19	Repurchase obligations, returnable packaging	74,056	97,533	90,554
	Trade payables	523,175	350,407	344,338
	Corporation tax	0	54,759	61,262
	VAT, excise duties, etc.	61,439	98,764	74,821
15	Other payables	335,654	163,252	126,057
	Current liabilities	**1,593,659**	**994,101**	**893,870**
	Liabilities	**3,476,580**	**2,661,830**	**2,265,505**
	Liabilities and equity	**4,051,408**	**3,781,293**	**3,413,626**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.5. Statement of Changes in Equity for 1 January - 31 December (DKK ´000)

	Share capital	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority interests´ share	Total
Equity at 31 December 2005	**63,700**	**-7,159**	**-7,643**	**1,026,159**	**63,700**	**10,993**	**1,149,750**
Value and exchange adjustment, foreign subsidiaries		-2,035		-868		-773	-3,676
Value adjustment of hedging instruments, end of year			4,767				4,767
Reversal of value adjustment of hedging instruments, beginning of year			7,643				7,643
Tax on hedging instruments			-2,792				-2,792
Net gains recognised directly in equity	**0**	**-2,035**	**9,618**	**-868**	**0**	**-773**	**5,942**
Net profit for the year				**165,842**	**61,800**	**2,697**	**230,339**
Comprehensive income	**0**	**-2,035**	**9,618**	**164,974**	**61,800**	**1,924**	**236,281**
Dividend distributed to shareholders					-60,714		-60,714
Dividend on treasury shares				2,986	-2,986		0
Acquisition of shares for treasury				-180,139			-180,139
Sale of treasury shares				110			110
Share-based payments				3,400			3,400
Reduction of capital	-1,900			1,900			0
Tax on equity movements				-567			-567
Total shareholders	**-1,900**	**0**	**0**	**-172,310**	**-63,700**	**0**	**-237,910**
Total changes in equity in 2006	**-1,900**	**-2,035**	**9,618**	**-7,336**	**-1,900**	**1,924**	**-1,629**
Equity at 31 December 2006	**61,800**	**-9,194**	**1,975**	**1,018,823**	**61,800**	**12,917**	**1,148,121**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.5. Statement of Changes in Equity for 1 January - 31 December (DKK ´000), continued

	Share capital	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority interests´ share	Total
Equity at 31 December 2006	61,800	-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, foreign subsidiaries		3,250					3,250
Value adjustment of hedging instruments, end of year			13,443				13,443
Reversal of value adjustment of hedging instruments, beginning of year			-2,743				-2,743
Tax on hedging instruments			-2,618				-2,618
Net gains recognised directly in equity	0	1,500	8,082	-4,699	0	-4,590	293
Net profit for the year				92,747	59,000	3,487	155,234
Comprehensive income	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 payments				3,100			3,100
Reduction of capital	-2,800			2,800			0
Tax on equity movements				-694			-694
Total shareholders	-2,800	0	0	-146,460	-61,800	26,875	-184,185
Total changes in equity in 2007	-2,800	1,500	8,082	-58,412	-2,800	25,772	-28,658
Equity at 31 December 2007	59,000	-7,694	10,057	960,411	59,000	38,689	1,119,463

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.5. Statement of Changes in Equity for 1 January - 31 December (DKK ´000), continued

	Share capital	Revaluation reserves	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority interests´ share	Total
Equity at 31 December 2007	59,000	0	-7,694	10,057	960,411	59,000	38,689	1,119,463
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
Value adjustment of hedging instruments, end of year				-34,902				-34,902
Reversal of value adjustment of hedging instruments, beginning of year				-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
Net profit for the year					-484,333	0	1,168	-483,165
Comprehensive income	0	180,000	-94,585	-44,660	-484,247	0	-3,767	-447,259
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	0	-35,376	-59,000	0	-97,376
Total changes in equity 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

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.6. Cash Flow Statement for 1. January - 31 December (DKK ´000)

Note		2008	2007	2006
	Net profit/loss for the year	-483,165	155,234	230,339
20	Adjustments for non-cash operating items	744,950	239,666	292,992
		261,785	394,900	523,331
	Change in working capital:			
	+/- change in receivables	51,578	-45,364	-44,604
	+/- change in inventories	-81,622	-14,472	-23,106
	+/- change in payables	123,737	-10,812	64,478
	Cash flows from operating activities before financial income and expenses	**355,478**	**324,252**	**520,099**
	Financial income	34,003	26,923	20,322
	Financial expenses	-151,865	-92,823	-60,984
	Cash flows operating activities	**237,616**	**258,352**	**479,437**
	Corporation tax paid	-134,408	-106,895	-54,197
	Cash flows from operating activities	**103,208**	**151,457**	**425,240**
	Dividends received from subsidiaries and associates	14,336	15,958	20,146
	Sale of securities			3,668
	Sale of property, plant and equipment	45,349	212,141	14,690
	Purchase of property, plant and equipment	-519,107	-222,543	-257,732
	Free cash flow	*-356,214*	*157,013*	*206,012*
	Sale of associates		17,990	
20	Acquisition of subsidiaries	-126,546	-393,477	
	Acquisition of intangible and financial assets	-3,045	-2,340	-85,216
	Cash flows from investing activities	**-589,013**	**-372,271**	**-304,444**
	Proceeds from raising of non-current debt	141,986	300,123	178,541
	Repayment of non-current debt	-16,049	-69,923	-80,816
	Change in current debt to credit institutions	391,799	-5,036	103,619
	Dividends paid	-54,901	-57,722	-60,714
	Acquisition of shares for treasury	-46,244	-162,598	-180,139
	Sale of treasury shares	1,551	6,854	110
	Cash flows from financing activities	**418,142**	**11,698**	**-39,399**
	Change in cash and cash equivalents	**-67,663**	**-209,116**	**81,397**
	Cash and cash equivalents at 1 January	157,832	368,320	286,995
	Exchange adjustment	215	-1,372	-72
	Cash and cash equivalents at 31 December	**90,384**	**157,832**	**368,320**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 1 Critical accounting estimates and judgements (extracted from the Groups´Annual Report 2008)

In connection with the preparation of the Parent Company and Consolidated Annual Report, Management makes estimates and judgements as to how recognition and measurement of assets and liabilities should take place based on the accounting policies applied.

The calculation of carrying amounts of certain assets and liabilities requires judgement as to how assets and liabilities should be classified in the financial statements and how future events will affect the value of these assets and liabilities at the balance sheet date. Estimates that are material to the financial reporting are made eg by impairment tests of intangible and financial assets, calculation of depreciation and impairment losses on property, plant and equipment, provisions for bad debts, calculation of repurchase obligation relating to returnable packaging as well as assessment of contingent liabilities. Management has opted to apply the exemption provision of IAS 16 which allows the measurement of project development properties at fair value. In 2008, a change of the classification of investments in an associate was assessed necessary. Estimate of the fair value of project development properties resulted in revaluation of the value of the brewery properties in Aarhus by DKK 240 million, and impairment tests of non-current assets relating to the Group's Polish activities resulted in impairment losses of DKK 455 million (DKK 709 million in the Parent Company), see notes 12 and 13.

The estimates made are based on assumptions which Management considers reasonable but which are inherently uncertain and unpredictable.

As regards the estimates and judgements made in connection with impairment tests, reference is made to the description in note 12 and to note 27 "Significant accounting policies" which also describes the estimated useful lives applied in calculating depreciation of property, plant and equipment as well as the calculation principles applied in calculating the repurchase obligation relating to returnable packaging.

Provisions for bad debts are made on the basis of an individual assessment of the risk of incurring losses on the receivables, including the maturity profile of the receivables and debtors' current credit rating. At 31 December 2008, total provisions for bad debts amount to DKK 26 million (31 Dec 2007: DKK 21 million, 31 Dec 2006: DKK 19 million). Reference is made to note 2 for a summary of trade receivables due.

With respect to business acquisitions, an assessment of the value of the assets and liabilities acquired, including trademarks, is made. Trademarks with a good market position and earnings and of which Management intends and expects to maintain the value are assessed to have an indefinite useful life. The value is determined on the basis of an expected future cash flow from the trademarks using a discount rate equal to that used for impairment tests.

Deferred tax assets, including the value of tax losses to be carried forward for set-off against positive taxable income in later years, are recognised if, based on Management's assessment, utilisation of the assets is considered possible. The assessment is made annually.

Considering the above, Management's assessments in relation to the accounting policies applied did not have any material effect on the amounts recognised in the Annual Report.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 2 Financial risk management (extracted from the Groups´Annual Report 2008)

The Group's financial risks are managed centrally by Group Treasury according to the Treasury Policy approved by the Supervisory Board, which includes guidelines for the handling of currency, interest rate, liquidity and credit risks. Commodity risks are handled under a commodity risk policy approved by the Supervisory Board allocating responsibilities to Group Purchase and Group Treasury.

The risk description covers both the Parent Company and the Group unless otherwise stated.

Currency risk

Royal Unibrew is primarily exposed to currency risks through its export activities. Purchases are in all materiality made in the currencies in which the Group has income, which results in a total reduction of the currency risk. Furthermore, the translation of loans to/from subsidiaries as well as the Group's net debt is subject to currency risk unless these are established in DKK.

The above constitutes Royal Unibrew's transaction risk, which is hedged actively according to the Treasury Policy. The objective is to reduce negative effects on the Group's profit and cash flows in the current and future financial years. Expressed as the maximum loss with a 95% probability within 1 year, the gross transaction risk represents some 10% of expected EBITDA. The risk is monitored and hedged continually so as not to exceed 1% of expected EBITDA. The Group primarily has currency positions in EUR, USD, GBP, SEK, PLN, LVL and LTL.

Exchange risks related to Royal Unibrew's ownership of foreign subsidiaries will, as a general rule, not be hedged. Financial risks such as the loss of competitive strength due to long-term exchange rate changes are not hedged by financial instruments but are included in Royal Unibrew's strategic considerations.

Interest rate risk

Royal Unibrew's interest rate risk is virtually exclusively related to the Group's debt portfolio. Interest rate changes will affect the market value of fixed-interest loans as well as interest payments on floating-rate liabilities.

In Royal Unibrew's assessment, the key interest rate risk is related to the immediate effect of interest rate changes on the Group's interest payment flows and Royal Unibrew focuses only secondarily on changes in the market value of the debt. It is group policy to limit the effect of interest rate changes on profit and cash flows while, within this framework, also achieving the lowest possible financing cost. At the end of 2008, net interest-bearing debt amounted to DKK 2,192 million, 34% of which comprised mortgage loans with an average term to maturity of 21 years. After year end, the Group's credit facilities have been renegotiated with the lenders, after which the remaining part of the debt comprises committed bank credit facilities with a maturity of 2 years. Some 69% of the net debt is fixed-rate with a fixed-interest period of 1 year. A one percentage point interest rate change will affect the Group's interest expenses by some +/- DKK 7 million (Parent Company +/- DKK 5 million).

The debt is established solely in currencies in which the Group has commercial activities.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 2 Financial risk management (extracted from the Groups´Annual Report 2008), continued

Credit risks

The Group's credit risks relate primarily to trade receivables and counterparty risks.

Royal Unibrew seeks to limit risks relating to credit granting to customers outside Denmark through extensive use of insurance cover. Where insurance cover is not established or is exceeded. Royal Unibrew has established procedures for approval of such risks. There are no material credit risks on individual customers.

Trade receivables fall due as follows:

t.DKK	31/12 2008		31/12 2007		31/12 2006	
Not due		373,185		388,732		277,334
Due:						
From 1-15 days	109,479		123,515		102,690	
From 16-90 days	46,938		50,202		53,399	
More than 90 days	38,579	194,996	36,843	210,560	27,505	183,594
Provisions for bad debts		-26,615		-21,444		-18,690
		541,566		**577,847**		**442,238**

Current receivables, other than trade receivables, all fall due for payment in 2008.

Liquidity risks

It is group policy that its cash resources should be adequate to meet the expected liquidity requirements in the current and next financial year. The cash resources may be bank deposits, short-term bonds and unutilised credit facilities.

After year end, negotiations have been closed with the Group's lenders for provision of the credit facilities considered necessary by Management. 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.

After this, confirmed credit facilities represent 100% of the total net debt. The confirmed credit facilities comprise mortgage loans with a term to maturity of 21 years as well as bank credit facilities with a maturity of 2 years. As the total committed credit facilities amount to DKK 2,750 million, there is committed, unutilised cash facilities of DKK 558 million measured on the basis of net debt at the end of 2008.

Capital management

Royal Unibrew wishes to focus on optimising the Group's weighted average cost of capital (WACC) and increasing shareholder value. Results developments in 2007 and 2008 have resulted in the Group's net interest-bearing debt reaching a level of more than 8 times EBITDA at the end of 2008.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 2 Financial risk management (extracted from the Groups´Annual Report 2008), continued

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.
It is, however, the Group's continued target to reduce the interest-bearing debt to a level corresponding to 3 times EBITDA.

Commodity risks

The commodity risk relates primarily to the purchasing of cans (aluminium), malt (barley) and hops as well as energy. The assumptions for making purchases and establishing hedges differ for the commodity groups mentioned.

The objective of managing Royal Unibrew's commodity risk is to achieve a smooth and time-differentiated effect of commodity price increases, which is primarily achieved by entering into fixed-price agreements with the relevant suppliers. As regards the Group's purchase of cans, financial contracts have further been made to hedge the risk of aluminium and oil price increases, respectively. Exchange rate changes with respect to the settlement currency of aluminium and oil, USD, are an element of the overall currency risk management.

Other risks

Market risks have in 2008 affected Royal Unibrew's results materially, which may also be the case in future years. Currently, the economic development in many of the Group's markets and the resulting consumer reluctance have affected both volume sales and the market value of the Group's products negatively. Furthermore, competition has intensified resulting in limited possibilities of realising sales price increases.

For quite a number of years, Royal Unibrew has recorded significant revenue in the Italian market. In 2008 this market represented 16% (2007: 19%) of total group sales. Changes to consumption patterns or the competitive situation in Italy could therefore influence Royal Unibrew's results materially.

As a producer of alcoholic products, Royal Unibrew is sensitive to changes in the public alcohol policy - including indirect tax policies in the Group's respective markets. For example, a change of the Danish indirect tax policy as compared to those of neighbouring countries could lead to a change of cross-border trading patterns. This applies primarily to Germany, Norway and Sweden.

Legislative changes with respect to permitted types of containers and returning of containers could also result in significant changes to consumption patterns. In Germany (including cross-border trading) large parts of the Group's products are sold in cans, whereas sales in Italy are primarily related to products in non-returnable glass bottles.

The Company's risks in general insurance areas (buildings, movables and trading losses) are covered partly through insurance and partly by own risks. The total risks are assessed by the Supervisory Board on an annual basis and external specialists review the breweries for relevant risks on a regular basis.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 2 Financial risk management (DKK ´000), continued

Currency and interest rate risks and use of derivative financial instruments

Financial instruments entered into to hedge expected future transactions and qualifying as hedge accounting under IAS 39,

Group and Parent Company

		2008			2007			2006		
	Period	Contract amount	Market value	Deferred gain (+) / loss (-)	Contract amount	Market value	Deferred gain (+) / loss (-)	Contract amount	Market value	Deferred gain (+) / loss (-)
Forward contracts,										
GBP	0 - 1 year	28,841	23,000	**5,841**	32,681	30,481	**2,200**	65,242	66,275	**-1,033**
USD	0 - 1 year	-75,078	-79,522	**4,444**				64,527	62,560	**1,967**
CAD	0 - 1 year	10,108	8,622	**1,486**	12,776	12,903	**-127**			
EUR	0 - 1 year	298,831	299,103	**-272**	373,040	372,880	**160**			
SEK	0 - 1 year	-38,808	-35,596	**-3,212**						
USD/LVL	0 - 1 year	-5,067	-5,523	**456**	-5,057	-4,340	**-717**			
		218,827	**210,084**	**8,743**	**413,440**	**411,924**	**1,516**	**129,769**	**128,835**	**934**

Financial instruments entered into to hedge expected future transactions not qualifying as hedge accounting under IAS 39,

Group and Parent Company

		2008			2007			2006		
	Period	Contract amount	Market value	Gain (+) / loss (-)	Contract amount	Market value	Gain (+) / loss (-)	Contract amount	Market value	Gain (+) / loss (-)
Forward contracts,										
USD/LVL	0 - 1 year				-8,338	-7,155	-1,183	3,189	3,227	-38
SEK	0 - 1 year				-36,450	-35,216	-1,234	70,889	70,846	43
					-44,788	-42,371	-2,417	74,078	74,073	5

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 2 Financial risk management (DKK ´000), continued

Currency and interest rate risks and use of derivative financial instruments

Forward contracts used for hedging of financial assets and liabilities with material risks

31/12 2008	Net exposure	Hedge by forward contracts/loans	Net position
Currency			
LVL	-186,341	-185,024	-1,317
NOK	22,402		22,402
PLN	-91,443	-68,307	-23,136
SEK	-5,719		-5,719
31/12 2007			
Currency			
LVL	7,861	1,252	6,609
NOK	28,801	25,481	3,320
PLN	1,668	166,460	-164,792
SEK	-9,511	-13,032	3,521
31/12 2006			
Currency			
LVL	-70,742	-70,143	-599
NOK	27,868	24,664	3,204
PLN	-32,190	-32,190	0
SEK	-20,239	-10,309	-9,930

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 2 Financial risk management (DKK ´000); continued

Currency and interest rate risk and use of derivative financial instruments:

31/12 2008	Interest rate risk Time of repricing/maturity < 1.5 years	> 1.5 years	Total	Fixed interest part	Effective rate %
Mortgage Credit Institutes		737,204	737,204	737,204	4.7%-4.8%
Credit Institutions					
PLN	110,696		110,696		
LVL	145,303		145,303		
EUR	327,827	442,677	770,504	770,504	3.7%-4.1%
Other	216		216		
	584,042	1,179,881	1,763,923	1,507,708	

The effective rates of interest have been calculated based on the interest rate level at 31 December 2008.
The earlier of time of repricing and time of repayment has been used.
The floating-rate facilities are affected by the development in the short money market rates.
The list does not include overdraft facilities.
The refinancing described above; which took place after the date of statement; does not affect the above breakdown; but increases the effective rate on EUR loans with credit institutions.

31/12 2007	Interest rate risk Time of repricing/maturity < 1.5 years	> 1.5 years	Total	Fixed interest part	Effective rate %
Mortgage credit institutes	953	749,751	750,704	754,248	4.6%-4.8%
Credit institutions					
PLN	611,903		611,903		
LVL	58,106		58,106		
DKK	41,690		41,690		
NOK	41,378		41,378		
USD	41,047		41,047		
EUR	21,922	182,052	203,974	182,052	4.8%-5.1%
Other	20,595		20,595		
	837,594	931,803	1,769,397	936,300	

The effective rates of interest have been calculated based on the interest rate level at 31 December 2007.
The earlier of time of repricing and time of repayment has been used.

31/12 2006	Interest rate risk Time of repricing/maturity < 1.5 years	> 1.5 years	Total	Fixed interest part	Effective rate %
Mortgage credit institutes	503,538	799,109	1,302,647	857,841	3.2%-5.3%
Credit institutions	138,106	0	138,106	0	4.0%-4.9%
	641,644	799,109	1,440,753	857,841	

The effective rates of interest have been calculated based on the interest rate level at 31 December 2006.
The earlier of time of repricing and time of repayment has been used.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 3 Segment reporting (mDKK)

The Group´s activities break down as follows on geographic segments:

2008 (mDKK)	Western Europe	Eastern Europe	Malt and Overseas Markets	Unallocated	Total
Net revenue	2,536.2	1,129.2	513.3		**4,178.7**
Operating profit/loss	184.6	-51.1	51.2	-49.8	**134.9**
Special items	-47.2	-1.2	-1.7		**-50.1**
Impairment losses		-385.0			**-385.0**
Earnings before interest and tax (EBIT)	137.4	-437.3	49.5	-49.8	**-300.2**
Net financials	-8.2	-18.4	-29.7	-49.0	**-105.3**
Share of income from associates	18.9	0.0	3.7		**22.6**
Impairment losses		-70.1			**-70.1**
Profit/loss before tax	148.1	-525.8	23.5	-98.8	**-453.0**
Tax				-30.2	**-30.2**
Profit/loss for the year	148.1	-525.8	23.5	-129.0	**-483.2**
Depreciation and amortisation	65.1	84.0	20.8		**169.9**
Assets	2,396.9	1,202.6	364.3	0.0	**3,963.8**
Associates	70.1		17.5		**87.6**
Total assets	2,467.0	1,202.6	381.8	0.0	**4,051.4**
Purchase of property, plant and equipment	363.2	139.7	16.2		**519.1**
Purchase of property, plant and equipment on acquisition		119.2			**119.2**
Purchase of intangible assets		1.1			**1.1**
Purchase of intabgible assets on acquisition		6.4			**6.4**
Liabilities	971.0	406.1	106.0	1,993.5	**3,476.6**
Sales (million hectolitres)	3.7	3.2	0.6		**7.5**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 3 Segment reporting (mDKK), continued

2007 (mDKK)	Western Europe	Eastern Europe	Malt and Overseas Markets	Unallocated	Total
Net revenue	2,489.6	909.3	482.9		**3,881.8**
Operating profit/loss	251.6	-23.4	63.4	-47.5	**244.1**
Special items	-91.1	111.3			**20.2**
Earnings before interest and tax (EBIT)	160.5	87.9	63.4	-47.5	**264.3**
Net financials	0.3	-10.9	-1.0	-60.5	**-72.1**
Share of income from associates	13.2	5.8	9.0		**28.0**
Profit/loss before tax	174.0	82.8	71.4	-108.0	**220.2**
Tax				-65.0	**-65.0**
Profit/loss for the year	174.0	82.8	71.4	-173.0	**155.2**
Depreciation and amortisation	103.6	-50.4	24.0	53.7	**130.9**
Assets	2,102.3	832.8	379.9	240.6	**3,555.6**
Associates	66.8	142.6	16.3		**225.7**
Total assets	2,169.1	975.4	396.2	240.6	**3,781.3**
Purchase of property, plant and equipment	131.4	84.5	6.6		**222.5**
Purchase of property, plant and equipment on acquisition		112.3	125.0		**237.3**
Purchase of intangible assets		1.5			**1.5**
Purchase of intabgible assets on acquisition		187.7	71.1		**258.8**
Liabilities	746.1	293.6	97.1	1,525.0	**2,661.8**
Sales (million hectolitres)	3.8	2.7	0.6		**7.1**
2006 (mDKK)					
Net revenue	2,414.1	671.5	353.4		**3,439.0**
Operating profit/loss	319.8	-22.0	97.6	-47.7	**347.7**
Special items		-14.3			**-14.3**
Earnings before interest and tax (EBIT)	319.8	-36.3	97.6	-47.7	**333.4**
Net financials	-0.4	-3.3		-35.5	**-39.2**
Share of income from associates	13.2	7.0	5.9		**26.1**
Profit/loss before tax	332.6	-32.6	103.5	-83.2	**320.3**
Tax				-90.0	**-90.0**
Profit/loss for the year	332.6	-32.6	103.5	-173.2	**230.3**
Depreciation and amortisation	137.7	57.0	0.8		**195.5**
Assets	2,257.5	534.7	127.6	262.5	**3,182.3**
Associates	67.6	127.9	35.8		**231.3**
Total assets	2,325.1	662.6	163.4	262.5	**3,413.6**
Purchase of property, plant and equipment	115.0	142.5	0.2	0.0	**257.7**
Purchase of intangible assets			0.6		**0.6**
Liabilities	760.8	194.7	24.3	1,285.7	**2,265.5**
Sales (million hectolitres)	3.8	2.2	0.4		**6.4**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 3 Segment reporting 2004 - 2008

The Group´s activities break down as follows on geographic segments:

	Western Europe	Eastern Europe	Malt and Overseas Markets	Unallocated	Total
(mDKK)					
2008					
Net revenue	2,536.2	1,129.2	513.3	0.0	**4,178.7**
Operating profit/loss	184.6	-51.1	51.2	-49.8	**134.9**
Assets	2,467.0	1,202.6	381.8	0.0	**4,051.4**
Liabilities	971.0	406.1	106.0	1,993.5	**3,476.6**
Sales (million hectolitres)	3.7	3.2	0.6	0.0	**7.5**
2007					
Net revenue	2,489.6	909.3	482.9	0.0	**3,881.8**
Operating profit/loss	251.6	-23.4	63.4	-47.5	**244.1**
Assets	2,169.1	975.4	396.2	240.6	**3,781.3**
Liabilities	746.1	293.6	97.1	1,525.0	**2,661.8**
Sales (million hectolitres)	3.8	2.7	0.6	0.0	**7.1**
2006					
Net revenue	2,414.1	671.5	353.4	0.0	**3,439.0**
Operating profit/loss	319.8	-22.0	97.6	-47.7	**347.7**
Assets	2,325.1	662.6	163.4	262.5	**3,413.6**
Liabilities	760.8	194.7	24.3	1,285.7	**2,265.5**
Sales (million hectolitres)	3.8	2.2	0.4	0.0	**6.4**
2005					
Net revenue	2,282.3	576.5	332.2	0.0	**3,191.0**
Operating profit/loss	332.1	-15.4	22.9	-36.9	**302.7**
Assets	2,120.7	662.6	143.3	261.2	**3,187.8**
Liabilities	640.1	194.6	25.8	1,177.5	**2,038.0**
Sales (million hectolitres)	3.6	1.9	0.3	0.0	**5.8**
2004					
Net revenue	2,196.0	358.9	314.1	0.0	**2,869.0**
Operating profit/loss	330.9	2.2	18.5	-44.5	**307.1**
Assets	1,829.5	327.0	81.0	293.3	**2,530.8**
Liabilities	630.1	73.9	22.0	724.4	**1,450.4**
Sales (million hectolitres)	3.5	1.1	0.2	0.0	**4.8**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 4 Staff expenses (DKK ´000)

Staff expenses are included in production costs, sales and distribution expenses as well as administrative expenses and break down as follows:

	2008	2007	2006
Wages and salaries	578,957	570,788	505,968
Contribution to pension schemes	56,922	50,292	34,318
Share-based payments	1,925	800	1,300
Remuneration of Executive Board	9,374 [1]	11,243	17,307 [2]
Share-based remuneration of Executive Board	-1,194	2,300	2,100
Remuneration of Supervisory Board	1,650	1,650	1,700
Other social security expenses	2,341	2,565	3,091
Other staff expenses	29,642	30,087	18,881
Total	**679,617**	**669,725**	**584,665**
Average number of employees	2,755	2,659	2,278

[1] Severance pay to the former CEO is not included in staff expenses but in special expenses, see note 6.
[2] Remuneration of Executive Board includes severance pay.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 4 Staff expenses (DKK ´000), continued

For incentive purposes, the following share option schmes have been established for the Executive Board and other members of the management team of the Group. Each option carries a right to acquire 1 share og DKK 10.

	Executive Board number	Other man. team number	Total number	Exercise price	Exercise period
Granted in 2001	0	500	500	219	4/2004-3/2006
Granted in 2002	14,564	0	14,564	240-315	6/2005-5/2009
Granted re 2003	7,492	7,492	14,984	401	3/2007-4/2009
Granted re 2004	5,230	4,524	9,754	478	3/2008-4/2010
Granted re 2005	19,803	11,998	31,801	532	4/2009-4/2011
Granted re 2006	19,803	11,998	31,801	532	4/2010-4/2012
Unexercised at 31 December 2005	**66,892**	**36,512**	**103,404**		
Adjustment of grant 2005, final price	-3,545	-2,142	-5,687	648	
Adj. of grant 2006, price 31 Dec. 06	-5,567	-3,372	-8,939	740	
Exercise in 2006	0	-500	-500	219	
Unexercised at 31 December 2006	**57,780**	**30,498**	**88,278**		
Changed classification	-5,303	5,303	0		
Adjustment of grant 2006, final price	-292	250	-42	695	
Expected granting 2007	14,305	4,840	19,145	534 *	4/2011-4/2013
Exercised in 2007	-16,437	-5,245	-21,682	240-401	
Unexercised at 31 December 2007	**50,053**	**35,646**	**85,699**		
Changed classification	-22,523	22,523	0		
Adjustment of grant 2007, final price	-6,194	1,481	-4,713	510 *	
Granted 2008 re Strategic Plan	6,223	14,237	20,460	510 *	4/2011-4/2013
Exercised in 2008	-2,919	-628	-3,547	401-478	
Cancelled in 2008	-12,868	-6,132	-19,000		
Unexercised at 31 December 2008	**11,772**	**67,127**	**78,899**		
distributed on:					
Granted re 2003		5,993	5,993	401	
Granted re 2004	2,092	5,988	8,080	478	
Granted re 2005	2,462	13,370	15,832	648	
Granted re 2006	2,756	13,416	16,172	695	
Granted re 2007	2,231	10,131	12,362	510 *	
Granted 2008 re Strategic Plan	2,231	18,229	20,460	510 *	
	11,772	67,127	78,899		
Market value at 31 December 2006	**16.3 mio,**	**7.2 mio,**	**23.5 mio,**		
Market value at 31 December 2007	**5.8 mio,**	**3.9 mio,**	**9.7 mio,**		
Market value at 31 December 2008	**0.1 mio,**	**0.8 mio,**	**0.9 mio,**		

Based on a share price of the Royal Unibrew share of 118.5 at 31 December 2008, the market value of the options has been calculated by means of the Black-Scholes model.
The calculation is based on an assumption of a volatility of 2008: 65%, 2007: 30%, 2006: 20%, a risk-free interest rate of 2008: 3.6-4.3%, 2007:5.0-5.3%, 2006:4.0-4.4% and annual dividend per share of 2.0%. The exercise price of share options granted re 2008 is assumed to be 118.5.
* The exercise price of the share options granted re 2007 has in 2008 been determined as the average market price of the Company´s shares over the 10 trading days following the publication of the Annual Report for 2007 (4 March - 17 March 2008). The price has thus changed from 534 at 31 December 2007 to 510.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 5 Expenses broken down by type (DKK ´000)

Aggregated	2008	2007	2006
Production costs	2,433,298	2,129,173	1,742,900
Sales and distribution expenses	1,387,543	1,268,783	1,191,225
Administrative expenses	226,844	249,042	200,680
Total	4,047,685	3,646,998	3,134,805
break down by type as follows:			
Raw materials and consumables	1,797,429	1,564,793	1,207,303
Wages, salaries and other staff expenses	679,617	669,725	584,665
Operation and maintenance expenses	242,088	220,842	201,708
Distribution expenses and carriage	479,370	460,620	422,077
Sales and marketing expenses	503,130	446,839	426,473
Bad trade debts	13,660	2,110	7,036
Office supplies etc	129,871	115,348	90,840
Depreciation and profit from sale of property, plant and equipment	202,520	166,721	194,703
Total	4,047,685	3,646,998	3,134,805

Total depreciation and impairment losses as well as profit from sale of property, plant and equipment are included in the following items in the income statement::

	2008	2007	2006
Production costs	166,741	126,264	173,924
Sales and distribution expenses	24,751	22,193	16,226
Administrative expenses	11,028	18,264	4,553
	202,520	166,721	194,703
Specal income		-128,068	
Special expenses	-32,657	92,271	8,928
Total	169,863	130,924	203,631

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 6 Special income and expenses (DKK ´000)

	2008	2007	2006
Profit on sale of property in Eastern Europe		128,068	
Total special income	**0**	**128,068**	**0**
Expenses and value adjustment of assets related to reorganisation in Denmark	-48,278	-87,646	
Expenses and value adjustment of assets related to reorganisation in the rest of Western- and Eastern Europe	-1,847	-20,177	-14,329
Total special expenses	**-50,125**	**-107,823**	**-14,329**

In addition to expenses and a positive value adjustment of assets related to the closure of the breweries in Aarhus and Maribo of DKK 27.250k as well as reorganisation of the distribution structure, expenses in 2008 relating to Denmark include expenses resulting from change to Group Management.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 7 Financial income (DKK ´000)

Interest income	2008	2007	2006
Cash at bank and in hand	2,135	9,481	6,916
Trade receivables	3,004	442	157
Receivables from associates	2,509	2,521	2,525
Exchange adjustments			
Cash at bank and in hand	1,057	5,863	8,270
Trade payables	1,685		
Trade receivables	2,392		
Credit institutions	173		
Forward contracts and spot transactions	18,687		
Exchange gains			
Mortgage credit institutes		6,009	-1,325
Securities	1,810	1,909	3,646
Other financial income	447	479	794
	33,899	**26,704**	**20,983**

Note 8 Financial costs (DKK ´000)

Interest expenses	2008	2007	2006
Mortgage credit institutes	-35,373	-28,037	-25,687
Credit institutions	-74,997	-54,861	-31,760
Other payables	-1,180	-4,305	
Exchange adjustments			
Credit institutions		-4,991	-955
Trade receivables	-3,238	-4,766	63
Trade payables		-626	-1,184
Intercompany loan	-25,043		
Exchange losses			
Securities	-12	-496	
Mortgage credit institutes	-178		
Other			
Expenses re mortgage credit institutes	-8	-102	-609
Other financial expenses	844	-652	
	-139,185	**-98,836**	**-60,132**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 9 Tax on the profit/loss for the year

	2008	2007	2006
Tax on the taxable income for the year	30,155	91,286	106,430
Adjustment of previous year	4,700	1,427	1,701
Adjustment of deferred tax	51,660	-28,002	-14,758
Total	**86,515**	**64,711**	**93,373**

which breaks down as follows:			
Tax on profit for the year	30,200	64,930	90,014
Tax on equity entries	56,315	-219	3,359
Total	**86,515**	**64,711**	**93,373**

Current Danish tax rate	25.0	25.0	28.0
Effect on tax rate of permanent differences	-25.4	1.2	1.8
Change Danish tax rate		-5.8	
Adjustment of previous year	-5.3	0.6	-4.2
Differences in effektive tax rates of foreign subsidiaries	-1.0	8.5	2.5
Effektive tax rate	**-6.7**	**29.5**	**28.1**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 10 Non-current assets (DKK ´000)

	Intangible assets	Property, plant and equipment	Financial assets	Total non-current assets
Cost at 1 January 2006	507,610	3,432,266	236,508	4,176,384
Exchange adjustment	300	918	-5,398	-4,180
Reclassification	2,388	-3,005		-617
Additions upon acquisition	566	257,732	10,572	268,870
Disposals for the year		-140,786	-2,593	-143,379
Cost at 31 December 2006	**510,864**	**3,547,125**	**239,089**	**4,297,078**
Amortisation, depreciation, revaluations and impairment losses at 1 January 2006	-2,216	-2,043,260	19,533	-2,025,943
Exchange adjustment	-4	-103	2,013	1,906
Reclassification	140	3,280		3,420
Dividend			-20,902	-20,902
Revaluations and impairment losses for the year			39,437	39,437
Amortisation and depreciation for the year	-1,296	-192,227		-193,523
Impairment losses for the year		-8,928		-8,928
Amortisation, depreciation and impairment of assets sold and discontinued		120,970	1,492	122,462
Amortisation, depreciation, revaluations and impairment losses at 31 December 2006	**-3,376**	**-2,120,268**	**41,573**	**-2,082,071**
Carrying amount at 31 December 2006	**507,488**	**1,426,857**	**280,662**	**2,215,007**
Cost at 1 January 2007	510,864	3,547,125	239,089	4,297,078
Exchange adjustment	9,836	9,787	7,255	26,878
Adjustment of cost, beginning of year		2,459		2,459
Reclassification			-8,119	-8,119
Additions upon acquisition	258,809	237,268		496,077
Additions for the year	1,523	222,543	817	224,883
Disposals for the year	-1,584	-259,259	-24,214	-285,057
Cost at 31 December 2007	**779,448**	**3,759,923**	**214,828**	**4,754,199**
Amortisation, depreciation, revaluations and impairment losses at 1 January 2007	-3,376	-2,120,268	41,573	-2,082,071
Exchange adjustment		-3,605	1,132	-2,473
Adjustment of cost, beginning of year		513		513
Reclassification		186	-7,228	-7,042
Dividend			-15,958	-15,958
Revaluations and impairment losses for the year			32,873	32,873
Amortisation and depreciation for the year	-1,336	-177,370		-178,706
Impairment losses for the year		-92,271		-92,271
Amortisation, depreciation and impairment of assets sold and discontinued		189,913	-1,438	188,475
Amortisation, depreciation, revaluations and impairment losses at 31 December 2007	**-4,712**	**-2,202,902**	**50,954**	**-2,156,660**
Carrying amount at 31 December 2007	**774,736**	**1,557,021**	**265,782**	**2,597,539**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 10 Non-current assets (DKK ´000), continued

	Intangible assets	Property, plant and equipment	Financial assets	Total non-current assets
Cost at 1 January 2008	779,448	3,759,923	214,828	4,754,199
Exchange adjustment	-43,293	-56,631	-22,231	-122,155
Reclassification		11,596		11,596
Additions for the year	10,466	519,107	1,308	530,881
Additions upon acquisition	6,419	119,158		125,577
Disposals for the year		-583,843	-988	-584,831
Cost at 31 December 2008	**753,040**	**3,769,310**	**192,917**	**4,715,267**
Amortisation, depreciation, revaluations and impairment losses at 1 January 2008	-4,712	-2,202,902	50,954	-2,156,660
Exchange adjustment		25,694	-3,617	22,077
Reclassification		-5,783		-5,783
Dividend			-14,336	-14,336
Revaluations and impairment losses for the year		143,138	-48,795	94,343
Amortisation and depreciation for the year	-261,982	-213,416		-475,398
Amortisation, depreciation and impairment of assets sold and discontinued		563,397		563,397
Amortisation, depreciation, revaluations and impairment losses at 31 December 2008	**-266,694**	**-1,689,872**	**-15,794**	**-1,972,360**
Carrying amount at 31 December 2008	**486,346**	**2,079,438**	**177,123**	**2,742,907**
	Note 11, 12	Note 12, 13, 25	Note 13, 26	

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 11 Intangible assets (DKK ´000)

	Goodwill	Trademarks	Distribution rights	Total intangible assets
Cost at 1 January 2006	320,861	173,946	12,803	507,610
Reclassification	2,527		-139	2,388
Exchange adjustment	10	290		300
Disposals for the year			566	566
Cost at 31 December 2006	**323,398**	**174,236**	**13,230**	**510,864**
Amortisation and impairment losses at 1 January 2006			2,216	2,216
Reclassification			-140	-140
Exchange adjustment			4	4
Amortisation for the year			1,296	1,296
Amortisation and impairment losses at 31 December 2006	**0**	**0**	**3,376**	**3,376**
Carrying amount at 31 December 2006	**323,398**	**174,236**	**9,854**	**507,488**
Cost at 1 January 2007	323,398	174,236	13,230	510,864
Reclassification	-1,674	1,674		0
Exchange adjustment	5,682	4,148	6	9,836
Additions upon acquisition	160,516	98,293		258,809
Additions for the year	1,523			1,523
Disposals for the year	-1,584			-1,584
Cost at 31 December 2007	**487,861**	**278,351**	**13,236**	**779,448**
Amortisation and impairment losses at 1 January 2007			-3,376	-3,376
Amortisation for the year			-1,336	-1,336
Amortisation and impairment losses at 31 December 2007	**0**	**0**	**-4,712**	**-4,712**
Carrying amount at 31 December 2007	**487,861**	**278,351**	**8,524**	**774,736**
Cost at 1 January 2008	487,861	278,351	13,236	779,448
Exchange adjustment	-24,902	-18,390	-1	-43,293
Additions upon acquisition		6,419		6,419
Additions for the year	9,408	1,058		10,466
Cost at 31 December 2008	**472,367**	**267,438**	**13,235**	**753,040**
Amortisation and impairment losses at 1 January 2008			-4,712	-4,712
Amortisation for the year	-161,092	-99,553	-1,337	-261,982
Amortisation and impairment losses at 31 December 2008	**-161,092**	**-99,553**	**-6,049**	**-266,694**
Carrying amount at 31 December 2008	**311,275**	**167,885**	**7,186**	**486,346**

See note 12 for impairment test.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 12 Impairment tests (DKK ´000)

Impairment tests of goodwill and trademarks

Annual impairment tests are carried out of the carrying amount of goodwill and trademarks with indefinite useful lives. The impairment test in 2008 gave raise to impairment of the value of both goodwill and trademarks related to Poland.

The carrying amount of goodwill and trademarks at 31 December 2008 is related to the cash-generating operational units and breaks down as follows:

2008	Goodwill	Trademarks	Total	Share
Denmark (Western Europe)	80,645	4,048	84,693	18%
Lithuania (Eastern Europe)	153,772		153,772	32%
Latvia (Eastern Europe)	3,339	115,215	118,554	25%
Poland (Eastern Europe)		11,609	11,609	2%
The Caribbean (Malt and Overseas)	67,287	34,152	101,439	21%
Africa (Malt and Overseas)	6,232	2,861	9,093	2%
Total	311,275	167,885	479,160	100%
2007				
Denmark (Western Europe)	80,645	2,990	83,635	11%
Lithuania (Eastern Europe)	152,795		152,795	20%
Latvia (Eastern Europe)	2,687	110,693	113,380	15%
Poland (Eastern Europe)	185,967	128,076	314,043	41%
The Caribbean (Malt and Overseas)	55,605	32,795	88,400	11%
Africa (Malt and Overseas)	10,162	3,797	13,959	2%
Total	487,861	278,351	766,212	100%
2006				
Denmark (Western Europe)	80,645	2,990	83,635	17%
Lithuania (Eastern Europe)	151,255		151,255	30%
Latvia (Eastern Europe)	2,687	110,652	113,339	23%
Poland (Eastern Europe)	52,233	58,114	110,347	22%
The Caribbean (Malt and Overseas)	22,187		22,187	4%
Africa (Malt and Overseas)	14,391	2,480	16,871	3%
Total	323,398	174,236	497,634	100%

The recoverable amount is based on value in use, which is calculated by means of estimated net cash flows on the basis of budgets and forecasts for 2009-2011 approved by Management as well as estimated market driven discount rates and growth rates. Generally limited revenue growth is expected in 2009-2011 especially in Eastern Europe, whereas gross margins are expected to remain stable. The key assumptions underlying the calculation of recoverable amount are as indicated below. Except for discount rates, the interval of the assumptions in the segments remains unchanged from 2007.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 12 Impairment tests (DKK ´000), continued

	Western Europe	Eastern Europe	Malt and Overseas Markets
Gross margin	45.0%	25-45%	25-50%
Growth rate 2012-2015	0.0%	1-4%	3-4%
Growth rate on terminal value	1.5%	1.5%	1.5%
Discount rate (WACC)	7.0%	9.3%-9.9%	7.5-14.2%

The forecasted gross margins approved by Management are based on prior results and expected market developments. The average growth rates applied are in accordance with Management's expectations taking into account industry conditions in the individual markets. The discount rates applied are before tax and reflect current specific risks in the individual market. The assumptions applied by Management are inherently subject to uncertainty and unpredictability.

Impairment losses on non-current assets related to Poland
As mentioned above, based on the estimated recoverable amount of the non-current assets related to the activities in the Group's Polish subsidiary, impairment losses have been recognised on the carrying amount at 31 December 2008. The reason for the estimated recoverable amount now being lower is the changed market conditions in Poland in 2008, which are assessed to imply considerably reduced earnings potential and reduced possibilities of capitalising on the potential of the built-up trademarks and the existing production capacity at the three Polish breweries, see mention in Management's Review.

The carrying amount of the assets on which impairment losses have been recognised is specified as follows:

	Carrying amount before impairment loss	Impairment loss	Carrying amount after impairment loss
Goodwill	161,092	-161,092	0
Trademarks	111,450	-99,553	11,897
Property, plant and equipment	236,779	-124,312	112,467
	509,321	**-384,957**	**124,364**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 13 Non-current assets measured at fair value

Investment in Perla Browary Lubelskie

In prior years, the Company's 48.4% investment in the Polish brewery Perla Browary Lubelskie was classified and recognised as an associate as, in Management's assessment, the Group exercised significant influence in the Polish company. Developments during 2008 imply that, in Management's opinion, the classification as an associate can no longer be maintained. Consequently, the investment has been reclassified from investment in associate to other investments. The carrying amount of the investment at the time of reclassification has been deemed cost for the purpose of reclassification to other investments.

At a subsequent measurement of the investment at fair value, the discounted cash flow model has been applied. As Perla Browary Lubelskie is a private company and only makes limited disclosures on its future operations, expectations of future cash flow are materially based on Management's estimate.

The fair value of the Company's investment in Perla Browary Lubelskie has been stated at PLN 30 million in the Parent Company financial statements. The carrying amount prior to the remeasurement at fair value amounted to DKK 124 million in the consolidated financial statements and DKK 103 million in the Parent Company financial statements. Accordingly, net loss for the year is affected negatively by DKK 70 million for the Group and by DKK 49 million for the Parent Company due to the impairment loss.

Project development properties

Following the closure of the Aarhus brewery, the Company plans to develop the brewery properties for alternative use, including managing the process of amending the existing local plan so that the properties may be used for other purposes than brewery activities.

Consequently, the brewery properties have been reclassified from land and buildings to project development properties in the consolidated and Parent Company financial statements.

The project development properties have been measured at fair value at 31 December 2008 based on an estimate.

As a basis of its estimate of the fair values at the end of 2008 and the beginning of 2009, the Company has obtained valuation reports from authorised valuers with knowledge of the area in which the properties are situated.

Furthermore, Management's estimate is based on an assessment as to which use of the project properties would be enabled by an amended local plan. The process of amending the local plan is in the start-up phase; therefore, the use of the project properties enabled by a new local plan remains subject to uncertainty. This uncertainty has led to a reduction of the estimated fair value as compared to the value at which Management expects to be able to sell the project properties at a later stage.

On the above-mentioned assumptions, Management has estimated the fair value of the project development properties in Aarhus at DKK 400 million.

The carrying amount prior to the fair value adjustment was DKK 160 million. The valuation at a fair value of DKK 400 million has therefore implied a revaluation of DKK 240 million which has been recognised in revaluation reserves in equity with deduction of deferred tax of DKK 60 million.

The fair value of DKK 400 million recognised in the balance sheet has, as mentioned, been based on assessments taking into account the market situation at 31 December 2008 as well as the uncertainty relating to the local plan. As the properties are not expected to be sold until 2010 at the earliest, the value at the time of sale may differ materially from the currently estimated fair value.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 14 Investments in associates (DKK ´000)

	2008	2007	2006
Balance at 1 January	225,691	231,285	214,409
Exchange adjustments	-21,001	7,703	-2,108
Reclassification	-124,008	-15,347	
Additions for the year		389	970
Disposals for the year		-15,299	
Share of profit for the year	22,654	27,998	26,098
Share of equity movements for the year	-1,350	4,920	12,818
Dividend	-14,336	-15,958	-20,902
Balance at 31 December	87,650	225,691	231,285

Investments in Perla Browary Lubelskie has in 2008 been reclassified to other investments.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 14 Investments in associates (DKK ´000), continued

Stated on a pro rata basis, the Parent Company's and the Group's shares of assets, liabilities, revenue and profit basis break down on segments as follows:

2008	Assets	Liabilities	Revenue	Profit basis
Western Europe	308,880	240,147	415,508	12,262
Malt and Overseas Markets	31,393	13,849	20,845	3,180
Parent Company and Group	340,273	253,996	436,353	15,442

2007	Assets	Liabilities	Revenue	Profit basis
Parent Company investments				
Western Europe	330,017	252,177	401,571	9,504
Eastern Europe	96,454	24,588	207,326	6,625
Total Parent Company	426,471	276,765	608,897	16,129
Other Group investments				
Malt and Overseas Markets	20,450	6,421	18,266	3,811
Total Group	446,921	283,186	627,163	19,940

2006	Assets	Liabilities	Revenue	Profit basis
Parent Company investments				
Western Europe	324,658	243,273	344,040	10,460
Eastern Europe	82,027	19,885	165,024	7,271
Total Parent Company	406,685	263,158	509,064	17,731
Other Group investments				
Malt and Overseas Markets	49,449	14,646	39,315	5,318
Total Group	456,134	277,804	548,379	23,049

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 15 Prepayments and other payables (DKK ´000)

The items ”Prepayments” and ”Other payables” are in 2008 materially affected by market value adjustment of commodity hedge contracts entered into to hedge commodity purchases.

Note 16 Portfolio of treasury shares and earnings/cash flow per share (DKK ´000)

Value of treasury shares held:

	Parent Company		
	2008	2007	2006
Balance at 1 January	0	0	0
Additions	46,244	162,598	180,139
Disposals	-1,551	-6,854	-110
Transferred to equity, net	-44,693	-155,744	-180,029
Balance at 31 December	**0**	**0**	**0**

Treasury shares held by the Parent Company:			
	Number	Nom. value	% of Capital
Portfolio at 1 January 2006	274,424	2,744	4.3
Additions	282,419	2,824	4.6
Disposals	-500	-5	0.0
Cancelled upon reduction of capital	-190,000	-1,900	-3.0
Portfolio at 31 December 2006	**366,343**	**3,663**	**5.9**
Portfolio at 1 January 2007	366,343	3,663	5.9
Additions	252,186	2,522	4.3
Disposals	-21,682	-217	-0.4
Cancelled upon reduction of capital	-280,000	-2,800	-4.7
Portfolio at 31 December 2007	**316,847**	**3,168**	**5.4**
Portfolio at 1 January 2008	316,847	3,168	5.4
Additions	93,374	934	1.6
Disposals	-3,547	-35	-0.1
Cancelled upon reduction of capital	-300,000	-3,000	-5.0
Portfolio at 31 December 2008	**106,674**	**1,067**	**1.9**

The Group holds no other treasury shares.

Basis of calculation of earnings and cash flow per share

The Parent Company shareholders' share of loss for the year amounts to DKK -484,333k (2007: a positive DKK 151,747k, 2006 a positive DKK 227,642k).
The average number of treasury shares amounted to some 300,000 shares (2007: some 332,000 shares, 2006: some 347,000 shares).
The average number of shares in circulation amounted to some 5,500,000 shares (2007: some 5,755,000 shares, 2006: some 5,998,000 shares).
The average number of shares in circulation incl share options ”in-the-money” amounted to some 5,500,000 shares (2007: some 5,792,000 shares, 2006: some 6,060,000 shares).
Diluted earnings and cash flow per share have been calculated on the basis of the Parent Company shareholders' share of loss for the year.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 17 Deferred tax (DKK ´000)

	2008	2007	2006
Deferred tax at 1 January	127,718	127,720	142,478
Adjustment of Danish tax rate		-13,700	
Additions upon acquisitions		29,150	
Deferred tax for the year	51,660	-15,452	-14,758
Deferred tax at 31 December	**179,378**	**127,718**	**127,720**
Due within 1 year	16,277	20,710	16,482
Deferred tax relates to:			
Intangible assets	7,738	17,622	545
Property, plant and equipment	160,416	108,642	120,774
Financial assets		-3,806	-5,530
Current assets	12,396	13,230	19,554
Current liabilities	-1,172	-2,852	-2,812
Unutilised tax losses		-5,118	-4,811
	179,378	**127,718**	**127,720**

The utilisation of unutilised tax losses with a tax value of some DKK 45 million (2007: 35 million, 2006: 19 million) is not certain. Therefore, the corresponding tax asset has not been capitalised. Unutilised tax losses substantially expire over the next 5 years.

A foreign subsidiary has a recapture balance which has not been recognised in the basis of calculation of deferred tax as the recapture balance of some DKK 85 million is not expected to crystallise as tax.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 18 Interest-bearing debt (DKK ´000)

	Mortgage debt	Credit institutions	Total
31/12 2008			
Maturity			
Within 1 year		599,335	599,335
1 - 5 years		897,016	897,016
5 - 10 years		71,872	71,872
10 - 20 years	539,685		539,685
After 20 years	194,970		194,970
Total	**734,655**	**1,568,223**	**2,302,878**
Market value	**713,986**	**1,568,223**	**2,282,209**

The above reflects maturities based on the agreements with the Group's lenders in force until 31 December 2008. After year end, new credit facilities have been negotiated for the Group, including changed maturities, see below.

Maturity			
Within 1 year			0
1 - 2 years		302,878	302,878
2 - 3 years		1,265,345	1,265,345
10 - 20 years	539,685		539,685
After 20 years	194,970		194,970
Total	**734,655**	**1,568,223**	**2,302,878**

31/12 2007			
Maturity			
Within 1 year	953	228,433	229,386
1 - 5 years		671,819	671,819
After 5 years	749,751	118,441	868,192
Total	**750,704**	**1,018,693**	**1,769,397**
Market value	**752,313**	**1,018,693**	**1,771,006**

31/12 2006			
Maturity			
Within 1 year	58,732	138,106	196,838
1 - 5 years	234,204	390,446	624,650
After 5 years	359,336	259,929	619,265
Total	**652,272**	**788,481**	**1,440,753**
Market value	**651,939**	**788,481**	**1,440,420**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 19 Repurchase obligation, returnable packaging (DKK ´000)

	2008	2007	2006
Balance at 1 January	97,533	90,554	96,332
Adjustment for the year	-23,477	6,979	-5,778
Balance at 31 December	**74,056**	**97,533**	**90,554**

The change in the repurchase obligation for the year reflects net sales of returnable packaging for the year less estimated wastage of returnable packaging in circulation.

The reduction in the repurchase obligation in 2008 is primarily due to soft drinks in Denmark now being sold in recyclable disposable containers whereas previously they were sold in returnable containers.

Note 20 Cash Flow Statement (DKK ´000)

Adjustments for non-cash operating items

	2008	2007	2006
Dividend from subsidiaries			
Financial income	-33,899	-26,704	-20,330
Financial expenses	139,185	98,836	59,479
Amortisation, depreciation and impairment of intangible assets and property, plant and equipment	187,303	270,977	202,451
Impairment losses	455,061		
Tax on the profit for the year	30,200	64,930	90,014
Income from investments in associates	-22,654	-27,998	-26,098
Net profit from sale of property, plant and equipment	-12,346	-142,795	2,476
Share-based payments and remuneration	2,218	3,100	3,400
Other adjustments	-118	-680	-18,400
Total	**744,950**	**239,666**	**292,992**

Acquisition of subsidiaries

Assets	2008	2007	2006
Non-current assets	125,577	334,525	
Current assets	969	115,653	
Liabilities			
Provisions		-29,150	
Non-current debt		-39,309	
Current debt		-96,816	
Minority interests		-26,875	
Goodwill on consolidation		160,516	
Sales/acquisition price	**126,546**	**418,544**	**0**
including cash and cash equivalents of		-9,776	
including shares previously acquired of		-15,291	
Cash sales/acquisition price	**126,546**	**393,477**	**0**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 21 Fee to auditors (DKK ´000)

Fee for the audit of the Annual Report:	2008	2007	2006
PricewaterhouseCoopers	0	1,395	1,296
Ernst & Young	3,658	2,045	1,399
	3,658	**3,440**	**2,695**
Fee for non-audit services:			
PricewaterhouseCoopers	0	2,577	539
Ernst & Young	1,070	682	852
	1,070	**3,259**	**1,391**

Note 22 Contingent liabilities and other contractual obligations (DKK ´000)

Guarantees	2008	2007	2006
Guarantees relating to subsidiaries	0.0	0.0	0.0
Other guarantees	5.2	9.4	9.5
Total	**5.2**	**9.4**	**9.5**
Rental and lease agreements			
Total future payments:			
Within 1 year	43.2	30.1	19.6
Between 1 and 5 years	79.1	46.4	32.0
Beyond 5 years	0.8	0.4	0.0
Total lease obligations (operating leases)	**123.1**	**76.9**	**51.6**

The lease obligations relate to production machinery, operating equipment and IT equipment.

Within 1 year	16.8	11.6	24.4
Between 1 and 5 years	22.8	28.9	40.7
Beyond 5 years	5.2	0.0	1.3
Total rental obligations	**44.8**	**40.5**	**66.4**
Banker's guarantees	**13.5**	**43.8**	**44.0**

The outcome of pending legal actions is not expected to have any material impact on the financial position of the Parent Company or the Group.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 23 Related parties (DKK ´000)

Related parties comprise the Supervisory Board and the Executive Board as well as subsidiaries and associates, cf. part I; ”Organisational structure – Group structure”.

Transactions with associates relate to sale of the Group’s products.
Transactions with subsidiaries, including lending, are carried out on an arm’s length basis.

The following transactions have been made with related parties (DKK ’000):

Revenue	2008	2007	2006
Sales to associates	20,727	8,971	9,208
Financial income and expenses			
Dividends from associates	14,336	15,958	20,902
Interest received from associates	2,509	2,521	2,525
Executive Board			
Salaries	9,374	11,243	17,307
Share options granted	-1,194	2,300	2,100
Intercompany balances at 31 December			
Loans to associates	20,634	25,481	24,664
Receivables from associates	1,008	1,012	1,318

Transactions with subsidiaries are eliminated in the consolidated financial statements in accordance with the accounting policies applied.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 24 Acquisitions (DKK ´000)

Financial year 2008

At 1 January 2008, Royal Unibrew A/S' subsidiary Lacpleasa Alus has acquired assets and activity of the Latvian brewery Livu Alus.
Livu Alus markets, sells and produces its own beer brand in Latvia, primarily in the Liepaja region.

	Fair value at date of acquisition
Intangible assets	6,419
Property, plant and equipment	119,158
Inventories	969
	126,546
corresponding to the cash acquisition price	
including acquisition costs (consulting fees) of	1,022

Net asset values before acquisition are not stated.

Financial year 2007

In 2007, Royal Unibrew made the following business acquisitions:

May	Ownership	
Browar Lomza Sp. z o.o. situated in North East Poland.	100.00%	The shares of Lomza were subsequently contributed to Royal Unibrew Polska Sp. Z o. o.

The main activities of Browar Lomza are to market, sell, distribute and produce its own beer products under the Lomza brand, primarily in the geographic region around the city Lomza.

June/July	Ownership
Antigua Brewery Ltd.	92.97%
Antigua PET Plant Ltd.	75.00%
Dominica Brewery & Beverages Ltd.	58.02%
St. Vincent Breweries Ltd.	76.48%

situated in the Caribbean Archipelago in Antigua, Dominica and St. Vincent, respectively.

The main activities of the breweries are to market, sell and produce own and licensed beer, malt and soft drinks in the respective islands where the breweries are situated. The breweries all own one beer and one soft drinks brand. Distribution in Antigua and Dominica is handled by an external distributor. Antigua PET Plant Ltd. owns a bottling unit which is used only at the brewery in Antigua.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 24 Acquisitions (DKK ´000), continued

	Browar Lomza Sp. Z o. o.		The Caribbean	
	Fair value at date of acquisition	Carrying amount prior to acquisition	Fair value at date of acquisition	Carrying amount prior to acquisition
Net assets acquired	131,825	82,907	153,078	125,309
Minority share			-26,875	
			126,203	
Goodwill	124,665		42,124	
Acquisition price	256,490		168,327	
including cash and bank of	-543		-9,233	
Cash acquisition price	255,947		159,094	
including acquisition costs (consulting fees) of	8,307		2,454	

The value of goodwill is related to expected synergies from the integration with already existing activities in the operating markets of the acquired businesses. Moreover, the value of goodwill is related to expected additional sales of both Royal Unibrew Group products and products of the acquired businesses.

	Browar Lomza		The Caribbean	
Pro forma calculated net revenue 2007	180,000		155,000	
Pro forma calculated profit/loss 2007	-6,000		4,150	
Recognised in profit/loss for the year	-4,221		5,351	
Consolidated financial statements:				
Acquisition price, Parent Company			168,327	
Intercompany profit on companies traded internally			-6,273	
Acquisition price, Group			162,054	
including cash and bank of			-9,233	
including group investments prior to acquisition			-15,971	
Cash acquisition price, Group			136,850	

The acquisition price of the Group differs from that of the Parent Company as some of the shares of St. Vincent and Antigua were acquired from the subsidiary Drinktech, and these companies were until the acquisition recognised in the consolidated financial statements as associates.

Financial year 2006

In 2006 Royal Unibrew did not make any acquisitions.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 25 Property, plant and equipment (DKK ´000)

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2006	1,073,893	1,569,299	763,144	25,930	3,432,266
Exchange adjustment	231	595	21	71	918
Reclassification	11	-1,746	-1,331	61	-3,005
Additions for the year	35,233	92,281	68,705	61,513	257,732
Disposals for the year	-330	-26,367	-109,989	-4,100	-140,786
Transfers for the year	725	15,202	2,660	-18,587	0
Cost at 31 December 2006	1,109,763	1,649,264	723,210	64,888	3,547,125
Depreciation and impairment losses at 1 January 2006	363,083	1,155,903	524,274	0	2,043,260
Exchange adjustment	-20	190	-67		103
Reclassification		-77	-3,203		-3,280
Depreciation for the year	19,333	111,581	61,313		192,227
Impairment losses for the year	3,999	4,929			8,928
Depreciation and impairment of assets sold and discontinued	-141	-24,104	-96,725		-120,970
Depreciation and impairment losses at 31 December 2006	386,254	1,248,422	485,592	0	2,120,268
Carrying amount at 31 December 2006	723,509	400,842	237,618	64,888	1,426,857

Land and buildings at a carrying amount of DKK 485.6 million have been provided as security for mortgage debt of DKK 652.3 million (2005: DKK 486.2 million and DKK 601.5 million, respectively).

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 25 Property, plant and equipment (DKK ´000), continued

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2007	1,109,763	1,649,264	723,210	64,888	3,547,125
Exchange adjustment	1,528	5,322	1,638	1,299	9,787
Adjustment of cost, beginning of year		3,250	-791		2,459
Reclassification	2,613	2,027	3	-4,643	0
Additions for the year	24,955	77,265	57,515	62,808	222,543
Additions upon acquisition	79,036	128,797	28,899	536	237,268
Disposals for the year	-102,885	-44,671	-109,820	-1,883	-259,259
Transfers for the year	7,093	45,227	9,149	-61,469	0
Cost at 31 December 2007	1,122,103	1,866,481	709,803	61,536	3,759,923
Depreciation and impairment losses at 1 January 2007	-386,254	-1,248,422	-485,592	0	-2,120,268
Exchange adjustment	-152	-2,489	-964		-3,605
Adjustment of depreciation, beginning of year	4	-271	780		513
Reclassification			186		186
Depreciation for the year	-16,753	-100,620	-59,997		-177,370
Impairment losses for the year	-16,006	-63,798	-8,467	-4,000	-92,271
Depreciation and impairment of assets sold and discontinued	67,737	37,834	84,342		189,913
Depreciation and impairment losses at 31 December 2007	-351,424	-1,377,766	-469,712	-4,000	-2,202,902
Carrying amount at 31 December 2007	770,679	488,715	240,091	57,536	1,557,021

Land and buildings at a carrying amount of DKK 470.7 million have been provided as security for mortgage debt of DKK 751.5 million (2006: DKK 485.6 million and DKK 652.3 million, respectively).

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 25 Property, plant and equipment (DKK ´000), continued

	Land and buildings	Project development properties	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2008	1,122,103	0	1,866,481	709,803	61,536	3,759,923
Exchange adjustment	-14,676		-33,527	-8,042	-386	-56,631
Reclassification	-259,822	259,845	-726	12,299		11,596
Additions for the year	37,344		111,146	59,966	310,651	519,107
Additions upon acquisition	74,547		27,132	418	17,061	119,158
Disposals for the year	-45,271		-421,240	-117,248	-84	-583,843
Transfers for the year	15,761		74,995	6,235	-96,991	0
Cost at 31 December 2008	**929,986**	**259,845**	**1,624,261**	**663,431**	**291,787**	**3,769,310**
Depreciation and impairment losses at 1 January 2008	-351,424	0	-1,377,766	-469,712	-4,000	-2,202,902
Exchange adjustment	2,269		19,928	3,497		25,694
Reclassification	99,998	-99,845	-1,892	-4,044		-5,783
Depreciation for the year	-23,739		-123,099	-66,578		-213,416
Depreciation and impairment losses for the year	-50,277	240,000	-35,585	-11,000		143,138
Depreciation and impairment of assets sold and discontinued	36,550		423,444	99,403	4,000	563,397
Depreciation and impairment losses at 31 December 2008	**-286,623**	**140,155**	**-1,094,970**	**-448,434**	**0**	**-1,689,872**
Carrying amount at 31 December 2008	**643,363**	**400,000**	**529,291**	**214,997**	**291,787**	**2,079,438**

Land and buildings at a carrying amount of DKK 465.4 million have been provided as security for mortgage debt of DKK 734.5 million (2007: DKK 470.7 million and DKK 751.5 million, respectively).

Impairment losses, see note 12	50,277		63,035	11,000		**124,312**
Fair value adjustments, see note 13		240,000				**240,000**

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 26 Financial assets (DKK ´000)

	Investments in associates	Receivables from associates	Other investments	Other receivables	Total
Cost at 1 January 2006	194,271	25,460	2,900	13,877	236,508
Exchange adjustment	-4,063	-796		-539	-5,398
Additions	970		55	9,547	10,572
Disposals	-1,492		-91	-1,010	-2,593
Cost at 31 December 2006	**189,686**	**24,664**	**2,864**	**21,875**	**239,089**
Revaluations and impairment losses at 1 January 2006	20,138	0	-66	-539	19,533
Exchange adjustment	1,954		59		2,013
Dividend	-20,902				-20,902
Revaluations and impairment losses on disposals	1,492				1,492
Revaluations and impairment losses for the year	38,917		-19	539	39,437
Revaluations and impairment losses at 31 December 2006	**41,599**	**0**	**-26**	**0**	**41,573**
Carrying amount at 31 December 2006	**231,285**	**24,664**	**2,838**	**21,875**	**280,662**
Value of goodwill included above	**68,861**				
Cost at 1 January 2007	189,686	24,664	2,864	21,875	239,089
Exchange adjustment	6,438	817			7,255
Reclassification	-8,119				-8,119
Additions	389		428		817
Disposals	-13,669		-262	-10,283	-24,214
Cost at 31 December 2007	**174,725**	**25,481**	**3,030**	**11,592**	**214,828**
Revaluations and impairment losses at 1 January 2007	41,599	0	-26	0	41,573
Exchange adjustment	1,265		-133		1,132
Reclassification	-7,228				-7,228
Dividend	-15,958				-15,958
Revaluations and impairment losses on disposals	-1,630		192		-1,438
Revaluations and impairment losses for the year	32,918		-45		32,873
Revaluations and impairment losses at 31 December 2007	**50,966**	**0**	**-12**	**0**	**50,954**
Carrying amount at 31 December 2007	**225,691**	**25,481**	**3,018**	**11,592**	**265,782**
Value of goodwill included above	**70,297**				

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 26 Financial assets (DKK ´000), continued

	Investments in associates	Receivables from associates	Other investments	Other receivables	Total
Cost at 1 January 2008	174,725	25,481	3,030	11,592	214,828
Exchange adjustment	-17,384	-4,847			-22,231
Reclassification	-106,514		106,514		0
Additions			39	1,269	1,308
Disposals			-66	-922	-988
Cost at 31 December 2008	**50,827**	**20,634**	**109,517**	**11,939**	**192,917**
Revaluations and impairment losses at 1 January 2007	50,966	0	-12	0	50,954
Exchange adjustment	-3,617				-3,617
Reclassification	-17,494		17,494		0
Dividend	-14,336				-14,336
Revaluations and impairment losses for the year	21,304		-70,099		-48,795
Revaluations and impairment losses at 31 December 2008	**36,823**	**0**	**-52,617**	**0**	**-15,794**
Carrying amount at 31 December 2008	**87,650**	**20,634**	**56,900**	**11,939**	**177,123**
Value of goodwill included above	**1,184**				
Impairment losses, see note 11					
Fair value adjustment, see note 13			-70,104		-70,104

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies

GENERAL

The Annual Report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies, cf the disclosure requirements for annual reports of listed companies laid down by the Copenhagen Stock Exchange and the Danish Statutory Order on Adoption of IFRS issued pursuant to the Danish Financial Statements Act.

Early implementation of new financial reporting standards

The following standards, amendments to existing standards and interpretations adopted by the EU which are relevant to the parent company financial statements and the consolidated financial statements of Royal Unibrew have been implented during the 2008 financial year:

IAS 27(A) (Consolidated and Separate Financial Statements) concerning the determination of the cost of subsidiaries, associates and joint ventures. The amendment takes effect for the 2009 financial statements, but was implemented early in 2008. The amendment has resulted in dividend from subsidiaries and associates being recognised in the income statement of the Parent Company irrespective of dividend being earned in the period of ownership or not.

IFRIC 13 (Accounting for Customer Loyalty Programmes). The interpretation takes effect for financial years starting on or after 1 July 2008, but has been part of the accounting policies applied to date; therefore the interpretation has not resulted in any change of recognition and measurement for the Group.

New standards and interpretations that have not taken effect

The following standards and interpretations adopted by the EU which could potentially be relevant to Royal Unibrew have not yet taken effect and have not been implemented early:

IFRS 2 (Share-based Payment) on vesting conditions and cancellation of share-based payment arrangements. The amendments take effect for the 2009 financial statements and are not expected to affect recognition and measurement.

IFRS 8 (Operating Segments) and IAS 1 (Presentation of Financial Statements on the Statement of Comprehensive Income) - both take effect for the 2009 financial statements. The implementation of the standards implies only additional note disclosures.

IAS 23R (Borrowing Costs) concerning capitalisation of borrowing costs as part of the cost of the asset. The amendments take effect for the 2009 financial statements. The amendment implies that prospectively the Group is required to capitalise borrowing costs relating to own construction of non-current assets. The amendment is only expected to have limited effect on recognition and measurement.

In addition to the above, a number of standards etc have been amended by the IASB but not yet adopted by the EU. Of these amendments, primarily IFRS 3(R) (Business Combinations) and IAS 27(R) (Consolidated and Separate Financial Statements) are expected to affect the Group's accounting policies, but, if so, only prospectively upon business acquisitions or sales.

The Annual Report is presented in DKK.

Some of the note disclosures required under IFRS are included in Management's Review.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

CHANGES AND ADDITIONS TO ACCOUNTING POLICIES

Project development properties

Following the closing of the brewery in Aarhus, the Company intends to sell the brewery properties. The properties are assessed to have several possible applications; and will therefore prospectively be categorised as project development properties thus constituting a separate category of property, plant and equipment. The value of the project development properties at the time of reclassification has been stated at the carrying amount at the time of reclassification. Subsequently, the project development properties are measured at fair value according to the revaluation model of IAS 16. The adjustment from the value at the time of reclassification to fair value less deferred tax has been recognised directly in equity.

The accounting policy for measurement of project development properties has been added on page F-76 under Property, plant and equipment.

Hedging of commodity prices

The Group has entered into contracts to hedge the prices of selected commodities in 2008. The accounting treatment of such contracts is not governed by specific IFRS provisions. The Group has determined the policy for the accounting treatment on the basis of the general recognition and measurement provisions of the IASB conceptual framework, which is detailed on page F-73.

Other than the above, the accounting policies have not changed from 2007.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Group, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when they are probable and can be measured reliably. Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates in the income statement.

Consolidated financial statements

The consolidated financial statements comprise Royal Unibrew A/S (the Parent Company) and enterprises in which the Parent Company exercises control (subsidiaries).

Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

The consolidated financial statements are prepared on the basis of financial statements of all group enterprises prepared under the Group's accounting policies by combining accounting items of a uniform nature. Elimination is made of intercompany income and expenses, unrealised intercompany profits and losses, balances and shareholdings. Comparative figures are not adjusted for newly acquired, sold or wound-up enterprises.

Business combinations

On acquisition of new enterprises the purchase method is applied, under which the identifiable assets and liabilities of newly acquired enterprises are measured at fair value at the time of acquisition.

In the case of business combinations made on or after 1 January 2004, positive differences between cost and fair value of identifiable assets and liabilities acquired are recognised as goodwill in intangible assets. At the time of acquisition, goodwill is allocated to the cash-generating units that subsequently form the basis of impairment tests. Goodwill and fair value adjustments in connection with the acquisition of a foreign enterprise with a functional currency that differs from the presentation currency of the Group are treated as assets and liabilities belonging to the foreign entity and are translated to the functional currency of the foreign entity at the exchange rates at the dates of transaction.

In the case of business combinations made prior to 1 January 2004, the accounting classification according to IFRS 1 has been maintained under the previous accounting policy. Goodwill is recognised on the basis of the cost recognised under the previous accounting policy (the Danish Financial Statements Act and Danish Accounting Standards) less amortisation and impairment losses up until 31 December 2003.

Gains or losses on disposal of subsidiaries and associates are calculated as the difference between the sales sum and the carrying amount of net assets at the time of sale (including the carrying amount of goodwill) net of expected expenses and adjusted for exchange adjustments previously recognised in equity.

Enterprises disposed of are recognised in the consolidated income statement up until the date of disposal. Comparative figures are not restated for newly acquired, sold or wound-up enterprises.

Minority interests

Minority interests are initially recognised on the basis of fair values of the assets, liabilities and contingent liabilities of the acquired enterprise at the time of acquisition.

The accounting items of subsidiaries are recognised fully in the consolidated financial statements. Minority interests' proportionate share of results of subsidiaries is shown as a separate item under distribution of profit. In the balance sheet, minority interests are recognised as part of equity but are shown separately from Parent Company shareholders' share of equity.

Translation policies

For each of the reporting entities of the Group, a functional currency is determined. The functional currency is the currency of the primary economic environment in which the reporting entity operates. Transactions in other currencies than the functional currency are transactions in foreign currencies.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

Transactions in other currencies than the functional currency are initially translated into Danish kroner (DKK) at the exchange rates at the dates of transaction. Receivables, payables and other monetary items in foreign currencies not settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Exchange adjustments arising due to differences between the transaction date rates and the rates at the dates of payment or the rates at the balance sheet date, respectively, are recognised in financial income and expenses in the income statement. Property, plant and equipment and intangible assets, inventories and other non-monetary assets purchased in foreign currencies and measured at historical cost are translated at the transaction date rates.

On recognition in the consolidated financial statements of enterprises with another functional currency than Danish kroner (DKK), income statements are translated at average annual exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date.

Exchange adjustments arising on the translation of the opening balance sheet items of foreign enterprises at exchange rates at the balance sheet date and on the translation of income statements from average exchange rates to exchange rates at the balance sheet date are recognised directly in equity. Similarly, exchange adjustments arising due to changes made directly in equity of foreign enterprises are recognised directly in equity.
On recognition in the consolidated financial statements of associates with a functional currency that differs from the presentation currency of the Parent Company, the share of results for the year is translated at average exchange rates, and the share of equity including goodwill is translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the share of the opening equity of foreign associates at exchange rates at the balance sheet date and on the translation of the share of results for the year from average exchange rates to exchange rates at the balance sheet date are recognised directly in equity under a separate translation reserve.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are included as other receivables and other payables, respectively.

Changes in the fair values of derivative financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the value of the hedged asset or the hedged liability.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of future cash flows are recognised directly in equity. Income and expenses relating to such hedging transactions are transferred from equity on realisation of the hedged item and are recognised in the same entry as the hedged item.

For derivative financial instruments which do not meet the criteria for hedge accounting, changes in fair values are recognised on a current basis in financial income and expenses in the income statement.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

Hedging of commodity prices

Contracts entered into to hedge future commodity prices are not recognised in the balance sheet at inception. If the fair value of the contract subsequently turns negative, a liability is recognised in other payables in the balance sheet. The negative value of the contract is recognised in prepayments under assets. If the fair value of the contract is positive, the contract is not recognised in the balance sheet. When the contract expires, the fair value of the contract is recognised in the cost of the hedged commodity. In the event of changed expectations of future commodity purchases, the fair value of any excess contracts will be recognised in the income statement at the time when it is ascertained that the contracts no longer hedge the prices of future commodity purchases.

Leases

The Company only has leases that are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Share-based payments

The Group only has schemes classified as equity-settled schemes. Share options are measured at fair value at the time of granting and are recognised in staff expenses in the income statement over the vesting period. The counter item is recognised directly in equity.

At the initial recognition of the share options, the number of options expected to vest is estimated. Subsequently, the estimate of the number of vested options is revised so that the total recognition is based on the actual number of options vested.

The fair value of the options granted is estimated on the basis of the Black-Scholes model. In determining fair value, conditions and terms related to the share options granted are taken into account.

Impairment

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether impairment has incurred other than that expressed by normal amortisation and depreciation. If so, the asset is written down to the higher of net selling price and value in use. Goodwill and other assets for which a value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets (cash-generating units) to which they are attributable.

The carrying amount of goodwill and trademarks with indefinite useful lives is tested for impairment at least on an annual basis, together with the other non-current assets of the cash-generating unit to which goodwill has been allocated, and is written down to recoverable amount in the income statement if the carrying amount exceeds the recoverable amount.

The carrying amount of financial assets measured at cost or amortised cost is written down for impairment if, due to changed expected net payments, the net present value is lower than the carrying amount.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

Assets held for sale

Assets held for sale comprise non-current assets held for sale. Assets are classified as ”held for sale” if their carrying amount will principally be recovered through a sales transaction within 12 months according to a formalised plan.
Assets held for sale are measured at the date of classification at the lower of carrying amount and fair value less costs to sell. Subsequently, the assets are measured at fair value less costs to sell; however, any subsequent unrealised gain cannot exceed the accumulated impairment loss. Depreciation of assets ceases as of the date when they are classified as ”held for sale”.
Impairment losses arising on the initial classification as ”held for sale” and subsequent losses or reversal of losses are recognised in the income statement in the items to which they relate. Gains and losses are disclosed in the notes. Assets held for sale are shown in a separate line in the balance sheet.

INCOME STATEMENT

Revenue

Net revenue from the sale of goods is recognised in the income statement if delivery has been made before year end, and if revenues can be measured reliably and are expected to be received.

Net revenue is measured exclusive of VAT and net of discounts as well as excise duties on beer and mineral water. All types of discounts granted are recognised in net revenue.

Production costs

Production costs comprise direct and indirect expenses incurred to manufacture the finished goods representing revenue for the year, including expenses for raw materials and consumables purchases, salaries and wages, renting and leasing as well as depreciation of and impairment losses on production plant.

Production costs also include development costs that do not meet the criteria for capitalisation.

Sales and distribution expenses

Sales and distribution expenses comprise expenses for distribution and sales campaigns relating to goods sold during the year, including expenses for sales personnel, marketing, depreciation and amortisation as well as losses on trade receivables.

Administrative expenses

Administrative expenses comprise expenses for management and administration of the Group, including expenses for administrative personnel, management, office supplies, insurance, depreciation and amortisation.

Other operating income and other operating expenses

Other operating income and other operating expenses comprise income or expenses of a secondary nature compared to the core activities of the Company, including renting of property, plant and equipment, etc.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

Special income and expenses
Special income and expenses comprise material non-recurring income and expenses. These items are presented separately with a view to comparability in the income statement.

Income from investments in associates in the consolidated financial statements
The proportionate share of the results of associates is recognised in the income statement of the Group after adjusting for impairment losses on goodwill and eliminating the proportionate share of unrealised intercompany gains and losses.

Dividend on investments in subsidiaries and associates in the Parent Company financial statements
Dividend on investments in subsidiaries and associates is recognised in the Parent Company's income statement in the financial year in which dividend is declared.

Financial income and expenses
Financial income and financial expenses comprise interest, capital gains and losses on securities, balances and transactions in foreign currencies, amortisation of financial assets and liabilities, fair value adjustments of derivative financial instruments that do not qualify as hedge accounting as well as extra payments and repayment under the on-account taxation scheme, etc.

Tax
Tax for the year consists of current tax for the year and movements in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity entries is recognised directly in equity.

The Parent Company is jointly taxed with its Danish subsidiaries. The Danish current tax for the year is allocated to the jointly taxed Danish enterprises in proportion to their taxable incomes (full allocation with credit for tax losses).

BALANCE SHEET

Intangible assets

Goodwill
Goodwill is initially recognised in the balance sheet at cost as described under "Business combinations". Subsequently, goodwill is measured at cost less accumulated impairment losses.
The carrying amount of goodwill is allocated to the Group's cash-generating units at the time of acquisition. The determination of cash-generating units is based on management structure and internal financial management.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

Trademarks and distribution rights

Trademarks and distribution rights are initially recognised in the balance sheet at cost. Subsequently, they are measured at cost less accumulated amortisation and less any accumulated impairment losses. Trademarks and distribution rights are amortised on a straight-line basis over their estimated useful lives, 10 years. Trademarks with indefinite useful lives are, however, not amortised but are tested annually for impairment. It is the Group's strategy to maintain trademarks and their value.

Property, plant and equipment

Land and buildings, production plant and machinery and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Borrowing costs relating to the acquisition of property, plant and equipment are expensed as incurred.
Depreciation is calculated on a straight-line basis over the useful lives of the assets, which are:

Buildings, 50 years
Installations, 25 years
Plant and machinery as well as other fixtures and fittings, tools and equipment, 5-8 years
Computer software, 3 years
Leasehold improvements over the term of the lease, max. 10 years
Plastic crates, 10 years
Bottles, 6 years
Kegs, 10 years

Profits and losses on the disposal of property, plant and equipment are calculated as the difference between the sales sum less the expenses necessary to make the sale and the carrying amount at the time of sale. Profits or losses are recognised in the income statement in production costs, sales or distribution expenses or administrative expenses, respectively.

Project development properties

Project development properties are measured at fair value based on valuations by expert valuers. The properties are revalued annually.

If the carrying amount is increased as a result of revaluation, the increase is recognised directly in equity in revaluation reserves. The increase is, however, recognised in the income statement if it offsets a reduction previously recognised in the income statement as a result of revaluation of the same site.

If the carrying amount is reduced as a result of revaluation, the reduction is recognised in the income statement. The reduction is, however, recognised directly in equity in revaluation reserves if a reserve has been made for the site in question under revaluation reserves.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

Financial assets

Investments in associates in the consolidated financial statements

Investments in associates are measured in the balance sheet at the proportionate share of the net asset value of the enterprises calculated under the accounting policies of the Group with deduction or addition of the proportionate share of unrealised intercompany profits and losses and with addition of the carrying amount of goodwill. Associates with a negative net asset value are measured at DKK 0. If the Group has a legal or constructive obligation to cover the negative balance of the associate, this obligation is recognised in liabilities.

Investments in subsidiaries and associates in the Parent Company financial statements

Investments in subsidiaries and associates are measured at cost and tested in the event of indication of impairment. Where cost exceeds the recoverable amount, the investment is written down to its lower recoverable amount.

Other investments

Other investments not included in the Group's trading portfolio (available for sale) are recognised in non-current assets at cost at the trading date and are subsequently measured at fair value equal to the market price as regards listed securities and at estimated fair value calculated on the basis of market data and recognised valuation methods as regards unlisted securities. Unrealised value adjustments are recognised directly in equity except for impairment losses and reversal of impairment losses which are recognised in financial income and expenses in the income statement. Upon realisation, the accumulated value adjustment recognised in equity is transferred to financial income and expenses in the income statement.

Other receivables

Other receivables under financial assets held to maturity are initially recognised at cost and are subsequently measured at amortised cost or an estimated lower value at the balance sheet date.

Current assets

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value of individual product groups. The net realisable value of inventories is calculated at the amount of future sales revenues expected to be generated by inventories at the balance sheet date in the process of normal operations and determined allowing for marketability, obsolescence and development in expected sales sum with deduction of calculated selling expenses.

The cost of raw materials, consumables, goods for resale and purchased finished goods comprises invoiced price plus expenses directly attributable to the acquisition.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

The cost of work in progress and finished goods comprises the cost of materials and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of and impairment losses on the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Receivables
Receivables are initially measured at cost and are subsequently measured at amortised cost or an estimated lower value at the balance sheet date. This lower value is determined on the basis of an individual assessment of each receivable.

Prepayments
Prepayments recognised in assets comprise expenses incurred in respect of subsequent financial years.

Equity
Proposed dividend
Dividend is recognised as a liability at the time of adoption at the Annual General Meeting. Dividend distribution for the year proposed by Management is disclosed as a separate equity item.

Treasury shares
Treasury shares acquired by the Parent Company or subsidiaries are recognised at cost directly in equity under retained earnings. Where treasury shares are subsequently sold, any consideration is also recognised directly in equity. Dividend on treasury shares is recognised directly in equity under retained earnings.

Translation reserve
The translation reserve in the consolidated financial statements comprises exchange adjustments arising on the translation of the financial statements of foreign enterprises from their functional currencies into the presentation currency of the Group (DKK).

Upon full or part realisation of the net investment in the foreign enterprises, exchange adjustments are recognised in the income statement.

The translation reserve was reset at 1 January 2004 in accordance with IFRS 1.

Hedging reserve
The hedging reserve comprises changes to fair values of derivative financial instruments that are designated and qualify as cash flow hedges.
The hedging instrument is recognised in the income statement in the same item as the hedged transaction.

Deferred tax
Deferred tax is recognised in respect of all temporary differences between the carrying amounts and the tax base of assets and liabilities except for temporary differences arising at the time of acquisition that do not affect the profit for the year or the taxable income and temporary differences concerning goodwill. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset or settlement of the liability, respectively.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

Deferred tax assets are recognised at the value at which they are expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates expected under the legislation at the balance sheet date to be effective when the deferred tax crystallises as current tax.

In the balance sheet, set-off is made between deferred tax assets and deferred tax liabilities within the same legal tax entity and jurisdiction.

Repurchase obligation relating to packaging in circulation

Plastic crates, bottles and kegs in circulation and held in inventory are recognised in property, plant and equipment, and the obligation to repurchase returnable packaging in circulation for which a deposit has been paid is recognised in provisions.

The repurchase obligation relating to packaging in circulation is calculated on the basis of estimated total volumes of packaging less packaging held in inventory.

Corporation tax

Current tax liabilities are recognised in the balance sheet as calculated tax on the expected taxable income for the year adjusted for tax on taxable incomes for previous years and for tax paid on account.

Debts

Mortgage loans and loans from credit institutions are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the financial obligations are measured at amortised cost equal to the capitalised value using the effective interest method; the difference between the proceeds and the nominal value is recognised in financial income and expenses in the income statement over the loan period.

Other debts, comprising trade payables, payables to subsidiaries and associates, VAT, excise duties, etc as well as other payables, are measured at amortised cost, substantially corresponding to the nominal debt.

CASH FLOW STATEMENT

The consolidated cash flow statement is presented under the indirect method based on the net profit for the year. The statement shows cash flows for the year, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for non-cash operating items, changes in working capital, financial income and financial expenses, and corporation tax paid.
Cash flows from investing activities comprise acquisitions and disposals of property, plant and equipment, and financial assets as well as dividend received from associates. Cost is measured inclusive of expenses necessary to make the acquisition and sales prices after deduction of transaction expenses.
Cash flows from financing activities comprise changes to the amount or composition of the Group's share capital, payment of dividend as well as borrowing and repayment of interest-bearing debt.

Cash and cash equivalents include securities with a maturity of less than 3 months that can readily be turned into cash and are only subject to an insignificant risk of value changes.

4. CONSOLIDATED FINANCIAL INFORMATION FOR THE FINANCIAL YEARS 2008, 2007 AND 2006

4.7. Notes

Note 27 Significant accounting policies, continued

SEGMENT REPORTING

The Group's business segment is beer and soft drinks sales. Reporting on the business segment is by geographical markets. Segment reporting is based on the Group's returns and risks and its internal financial reporting system. Items included in net profit for the year, including income from investments in associates and financial income and expenses, are allocated to the extent that the items are directly or indirectly attributable to the markets.

Items allocated both by direct and indirect computation comprise "production costs" and "administrative expenses", which are allocated by indirect computation based on allocation keys determined on the basis of the market's drain on key resources. Administrative expenses incurred in the group functions of the Parent Company are partly allocated.

Non-current assets comprise the non-current assets that are directly or indirectly used in connection with activities in the markets.

Segment liabilities comprise liabilities derived from activities in the market, including provisions, trade payables, VAT, excise duties and other payables.

FINANCIAL RATIOS

The Group's financial ratios have been calculated in accordance with the guidelines issued by the Danish Society of Financial Analysts for 2005.

The financial ratios are explained in the section on financial highlights and key ratios of the Group.