



NEPARASTI
SPIRDZINOŠS



Acquisition of Hartwall
Press briefing
Royal Unibrew & Hartwall Capital

11 July 2013
Hotel Haven, Helsinki



- Royal Unibrew at a glance
- Transaction highlights
- Transaction rationale
- Hartwall
- Hartwall within Royal Unibrew
- Hartwall Capital
- Q&A session



Henrik Brandt
President & CEO



Lars Jensen
CFO



Tom von Weymarn
Chairman



Bertel Langenskiöld
Managing director

Royal Unibrew – strong Nordic/Baltic footprint

Western Europe



71% of net revenue

- **Denmark:** #2 supplier of beer and soft drinks
- **Italy:** Market leading in super premium beer
- **Germany:** Export business
- **Norway:** 25% ownership of Hansa Borg Breweries

Eastern Europe



17% of net revenue

- **Lithuania:** #2 supplier in beer and juices
- **Latvia:** #1 in fruit juices and #3 in beer
- **Estonia:** Recent entry

Malt Beverages



12% of net revenue

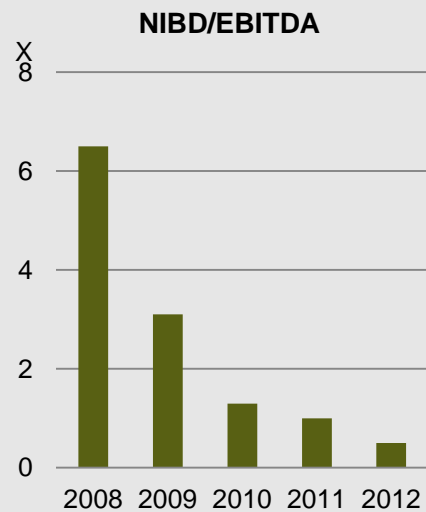
- **Americas:** Primarily export of malt beverages
- **Africa:** Export of malt beverages and beer
- **Europe:** Export – primarily malt beverages



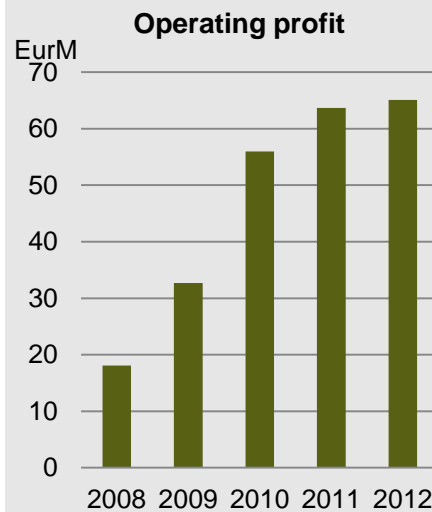
Royal Unibrew is a leading regional brewery group

Turnaround initiated late 2008

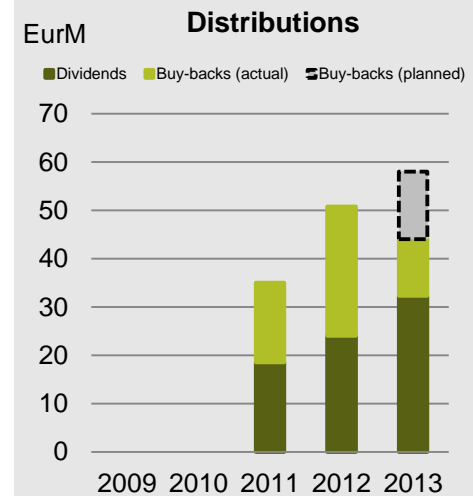
Operating improvements and sale of non-core assets



Several commercial efforts and efficiencies



Creating shareholder value

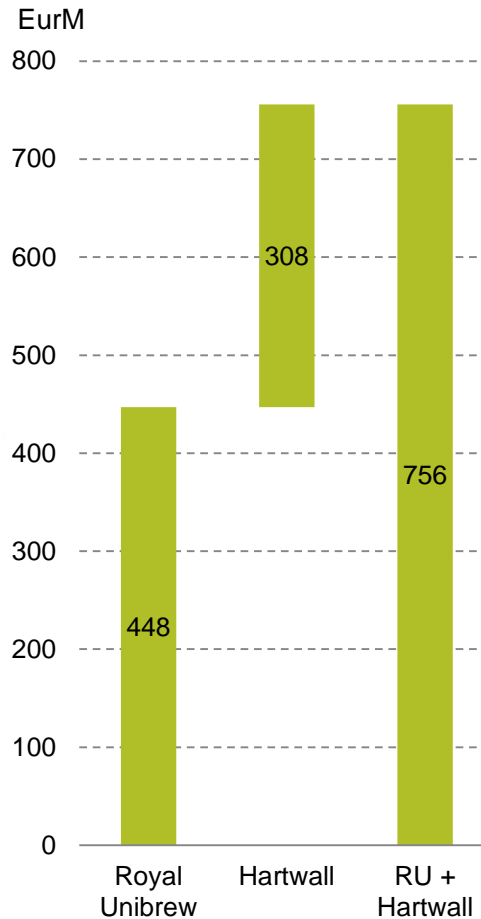


Hartwall acquisition takes Royal Unibrew to a new level

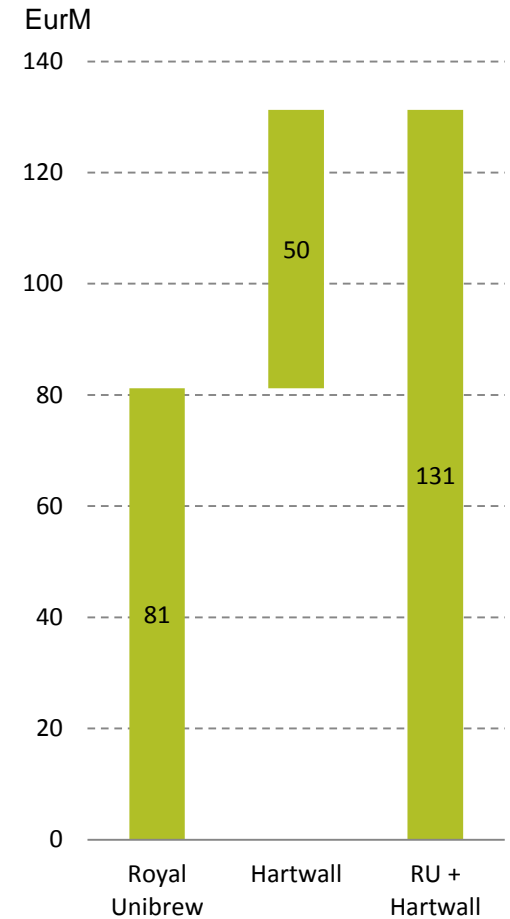
5 million more consumers



Net revenue up 70%*



EBITDA of Eur 131m*



* Based on full year 2012 figures

- Transaction EV of EUR 450m
- Funding through long-term bank debt and up to 9.995% share capital increase directed towards Hartwall Capital Oy Ab
- Closing expected latest in Q4 2013
 - Subject to approval by Estonian competition authorities
 - Subject to customary consent from business partners
- Strengthening of partnerships with Heineken and PepsiCo
 - Bottling right for Heineken in Finland and the Baltic States
- Strong market positions and attractive profitability
 - Earnings per share accretive from 2014 before integration costs



It is Royal Unibrew's strategy to be a focused strong regional brewer within beer, malt beverages and soft drinks holding leading positions in the markets or the segments in which we operate

- **In line with corporate strategy**
 - Expansion of a strong Nordic/Baltic platform – solid #2 position in the region
 - Improved reach and strengthened partnerships
- **Market position in line with strategy**
 - Hartwall's position as clear #2 in Finland fits with our ambition of building leading positions
- **Within our core competencies**
 - Hartwall is a multi-beverage company operating in a mature market with border trade; an environment very similar to Denmark
 - Leveraging competencies of development and efficiency improvements
 - Partnership with management and employees; exchange of best practices

Strategy

Focus

Competencies

Royal Unibrew and Hartwall - a good strategic match

Transaction rationale – growing the earnings base

(Pro forma 2012 figures)

| Million EUR | Royal Unibrew* | Hartwall | Combined |
|------------------|----------------|----------|----------------------|
| Volume, HL m | 5.4 | 3.0 | 8.4 |
| Revenue | 448 | 308 | 756 |
| EBITDA | 81 | 50 | 131 |
| EBIT | 64 | 28 | 92 |
| EBITDA margin, % | 18.2 | 16.2 | 17.4 |
| EBIT margin, % | 14.4 | 9.1 | (11,7**) 12.2 |
| Employees | 1,635 | 862 | 2,497 |

* Excluding Impec. ** EBIT-margin including estimated amortisations derived from the acquisition.

- Unique chance to create a stronger and more diversified business platform
- Larger and broader earnings base and expansion of portfolio of own brands

Hartwall – multi-beverage portfolio characterized by iconic brands and innovation

Cider & RTD

- Best known cider
- 18% market share
- RTD most preferred brand
- 48% market share

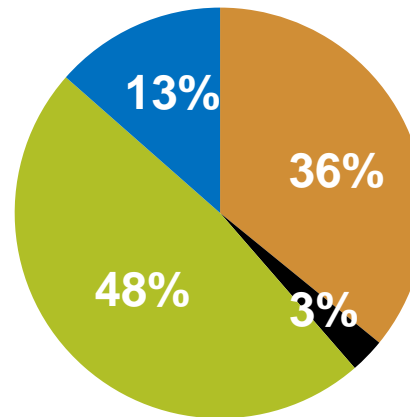


Soft drinks & waters

- #2 in energy drinks
- 26% market share
- Strongest water brand
- 34% market share



Volume split



Beer

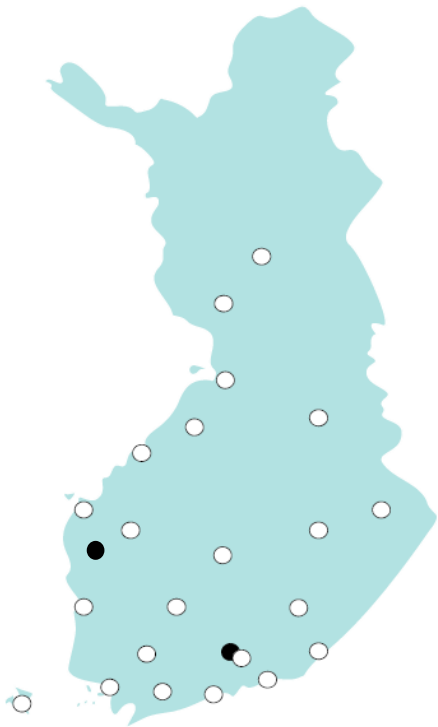
- #2 in branded beer
- 22% market share



Other

- Top selling wine and spirit products
- 8% market share



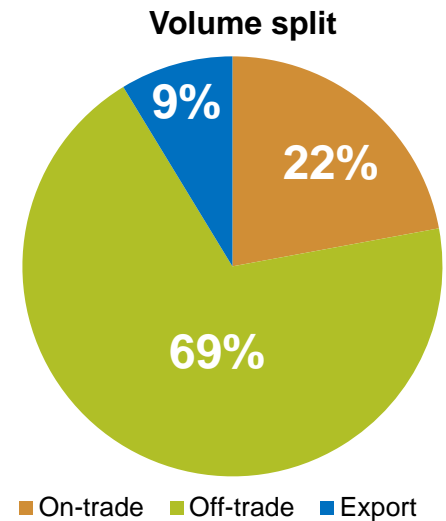


State-of-the-art production

- 2 production facilities (Lahti and Karijoki)
- Well invested

Powerful nationwide distribution network

- 2 primary distribution hubs – Lahti and Helsinki
- 20 terminals
- Covers Finland via direct distribution



Hartwall as part of the Royal Unibrew group

- Hartwall will continue as an independent business unit
- Leverage joint (RU/Hartwall) experience under strong local management
 - Drive Hartwall's commercial and operational strength and earnings power
- License agreement with Heineken extended to Finland, Estonia, Latvia and Lithuania
- Partnership with PepsiCo cemented – now RU also bottler in Finland



Hartwall Capital

Hartwall Capital is a Finnish family-owned investment company.

Our aim is to create sustainable capital growth through long-term and active ownership.

Our investment mission is to identify companies with attractive growth potential and to support them as a long-term and active shareholder.

Backed by our wide business network, we add value through a combination of industrial and financial competence.

KONECRANES
Lifting Businesses

STOCKMANN

C R A M O

Kährs
KÄRHS GROUP

KARELIA UPOFLOOR

SPONDA

INKERMAN
CRIMEA

POLARICA

HC VENTURES

FINEX

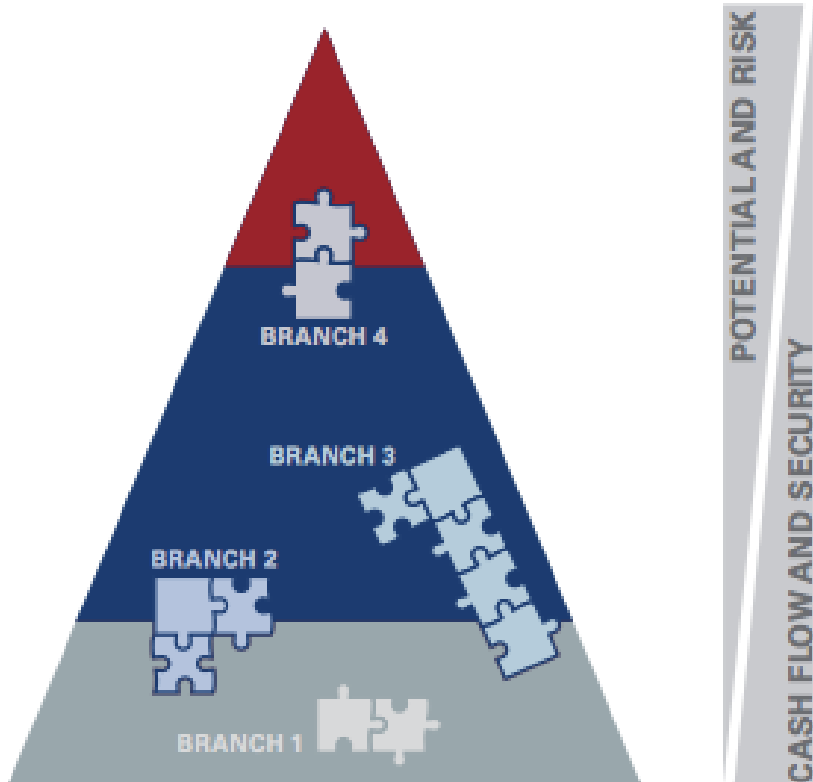
FINNO
INDUSTRIES

FINNISH ROOFING EXPERT

Arnolds
FINNISH ROOFING EXPERT

Hartwall Capital strategy

“To lay a solid foundation of synergetic investments of lasting value.”



- **VENTURE**

Investments characterised by substantial potential for growth in value, high risk and low cash flow.

- **DEVELOP**

Investments offering both cash flow and value growth potential. Exercising influence through active ownership.

- **MANAGE**

Assets are managed at minimum risk for the benefit of future generations. “Secure” investments yielding a moderate return.

Hartwall Capital Investment rationale

- The Hartwall Family was engaged in the beverage sector for more than 170 years after Victor Hartwall founded the company in 1836.
- The company became a part of Scottish & Newcastle in the course of time. S&N was taken over by Heineken in 2008 and the Hartwall Family withdrew from the company.
- Hartwall Capital strongly supports the strategy behind Royal Unibrew's acquisition of the Hartwall brewing and beverage company.
- We at Hartwall Capital are impressed by the development Royal Unibrew's management has been able to accomplish and we have full confidence in their ability to fulfill the chosen strategy.
- Royal Unibrew is presently one of the most profitable brewing and beverage companies in Europe.
- As a consequence Hartwall Capital sees Royal Unibrew as a very interesting and suitable long-term investment .

Q & A



DISCLAIMER:

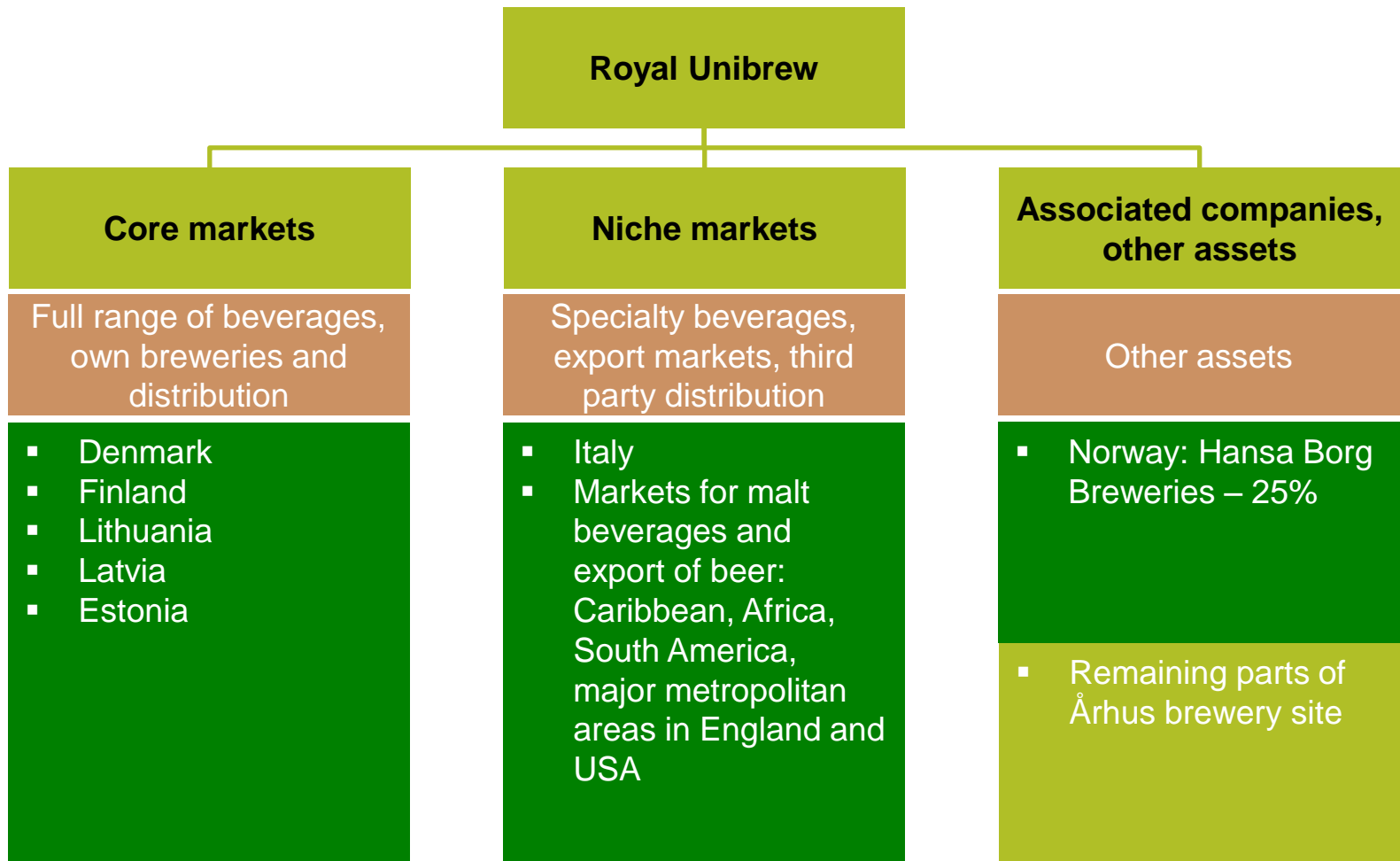
This announcement contains “forward-looking statements”. Undue reliance should not be placed on forward-looking statements because they relate to and depend on circumstances that may or may not occur in the future and actual results may differ materially from those in forward-looking statements. Forward-looking statements include, without limitation, statements regarding our business, financial circumstances, strategy, results of operations, financing and other plans, objectives, assumptions, expectations, prospects, beliefs and other future events and prospects. We undertake no obligation, and do not intend to publicly update or revise any of these forward-looking statements, unless prescribed by law or by stock exchange regulations.

Financial implications and long-term targets

- Acquisition to boost revenue and operating profit
- Acquisition expected to lift net profit and earnings per share before integration costs from 2014
- Dividends and share buy-backs on hold until 2015 to accelerate debt reduction
- Future distributions to be based on higher earnings and larger cash flow

| | Targets | Status |
|----------------------------|---|--|
| Equity ratio | <ul style="list-style-type: none"> • Minimum 30% | <ul style="list-style-type: none"> • Unchanged targets |
| NIBD/EBITDA | <ul style="list-style-type: none"> • Maximum 2.5x | <ul style="list-style-type: none"> • Unchanged targets |
| Ordinary distribution | <ul style="list-style-type: none"> • 40-60% of net result • Share buy backs | <ul style="list-style-type: none"> • Unchanged policy, dividends and share buy-backs expected to be resumed in 2015 |
| Extraordinary distribution | <ul style="list-style-type: none"> • EUR 67m | <ul style="list-style-type: none"> • Remaining program cancelled (EUR 54m) |
| Earnings | <ul style="list-style-type: none"> • EBIT margin of 14% | <ul style="list-style-type: none"> • NEW: EBIT margin of 13% |

Royal Unibrew after acquisition of Hartwall



Royal Unibrew is a leading regional brewery group

Royal Unibrew is a leading regional brewery group – positions after the acquisition of Hartwall

Core markets

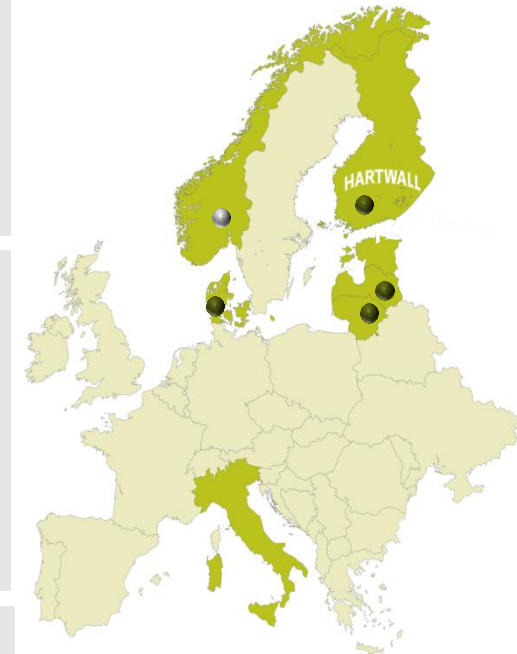
- **Denmark:** #2 supplier of beer and soft drinks
- **Finland:** #2 supplier – leading in water, cider and RTD, strong in beer and soft drinks
- **Lithuania:** #2 supplier in beer and juices
- **Latvia:** #1 in fruit juices and #3 in beer
- **Estonia:** recent entry

Niche markets

- **Italy:** Market leading in super premium beer
- **Americas:** Primarily export of malt beverages
- **Africa:** Export of malt beverages and beer
- **Europe:** Export – primarily malt beverages

Other assets

- **Norway:** 25% ownership of Hansa Borg Breweries
- **Other:** Remaining part of Aarhus Brewery site



- Own breweries
- Associate

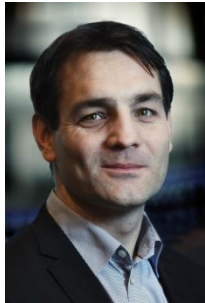


Henrik Brandt CEO

MSc (Economics and Business Administration), MBA Stranford University, US
Joined as CEO on 1 November 2008

Past experience

Unomedical A/S, CEO
Sophus Berendsen, CEO
CEO, House of Prince (Scandinavian Tobacco)
Board member of Group4Falck A/S, Ferd Holding AS etc.



Lars Jensen CFO

Diploma in Business Economics, Informatics and Management Accounting, CBS
Joined the Executive Board on 30 November 2011

Past experience:

Head of Finance, Royal Unibrew A/S



Hans Savonije Executive Director, Northern Europe

BA Business administration
Joined the Executive Board on 29 September 2008

Past experience:

Beverage Partners Worldwide, Coca-Cola & Nestlé, CEO
SVP Global Markets, Remy Cointreau Associés, CEO, France
World Lotteries Association, CEO, Switzerland

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