



Royal Unibrew A/S DDF – Virksomhedsdag 2014

By Lars Jensen, CFO
12 June 2014



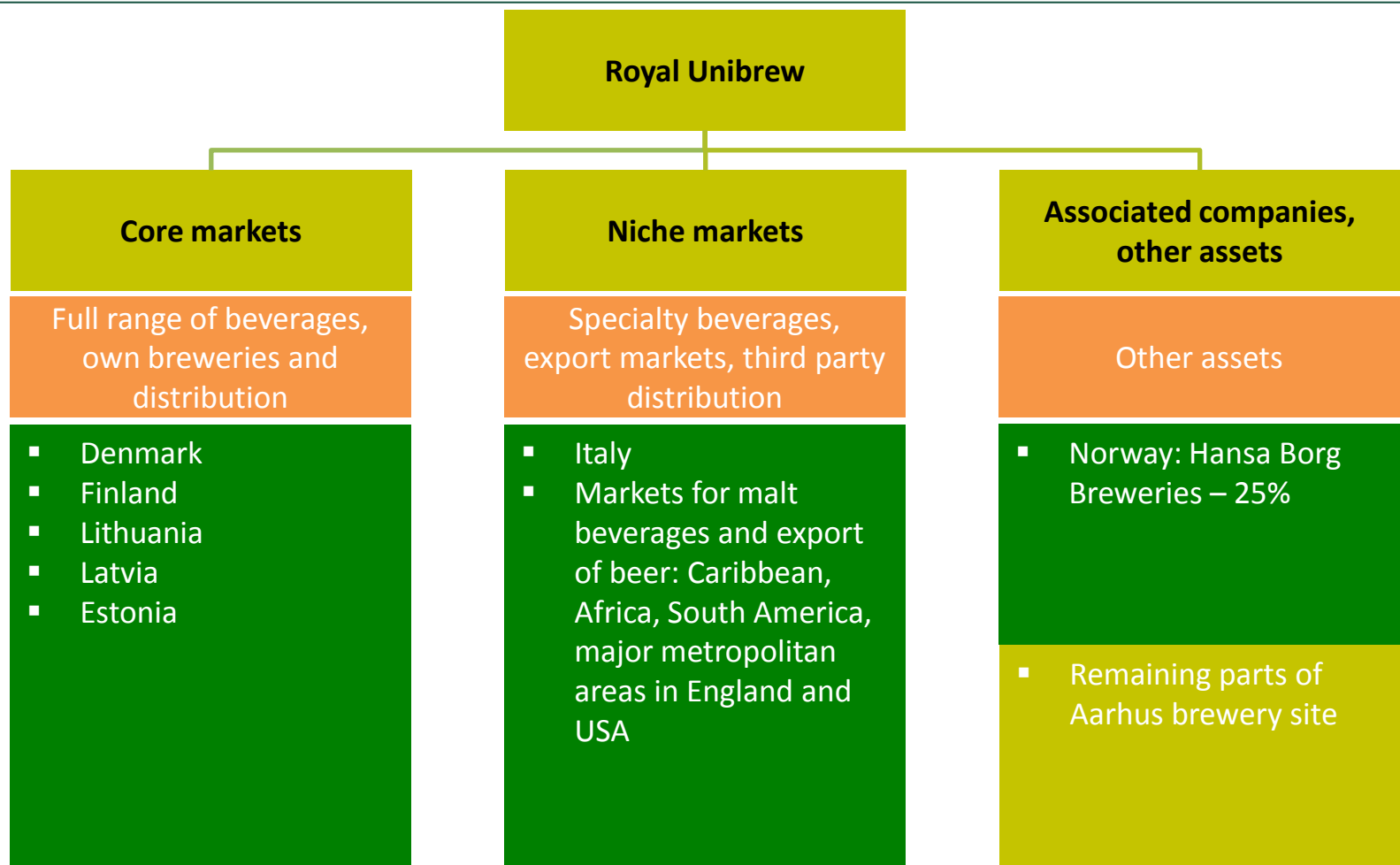
Royal Unibrew's goal is to be an efficient regional beverage player

Focus on:

- Markets and segments in which Royal Unibrew holds or may achieve a considerable position
- Innovation and development of Royal Unibrew's products and brands
- Operational efficiency
- Maintaining Royal Unibrew's financial flexibility, competitiveness and strategic maneuverability through an appropriate capital structure



Royal Unibrew after acquisition of Hartwall



Royal Unibrew is a leading regional brewery group

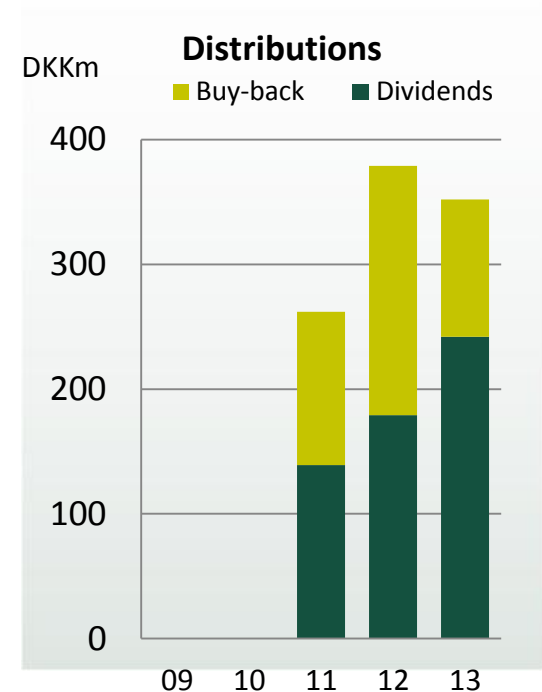
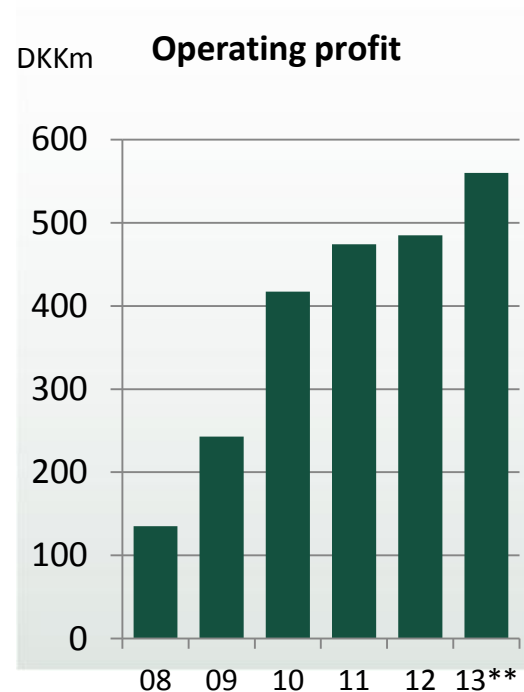
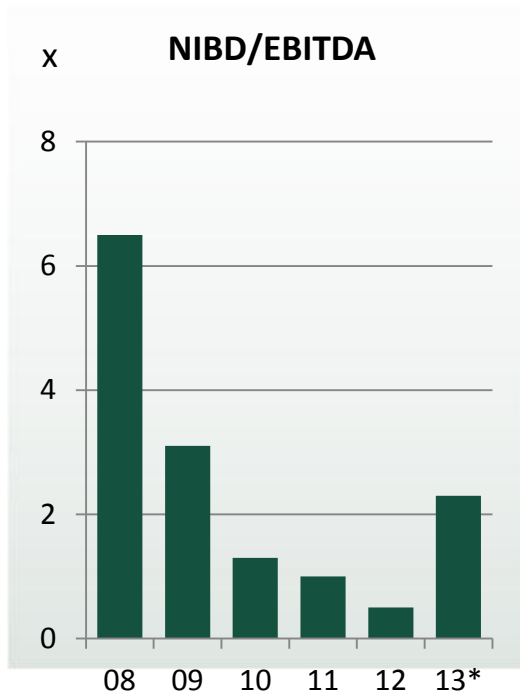
Royal Unibrew – financial performance 2008-2013

Turnaround initiated late 2008

**OPERATING IMPROVEMENTS
AND SALE OF NON-CORE
ASSETS**

**SEVERAL COMMERCIAL
EFFECTS AND EFFICIENCIES**

**CREATING SHAREHOLDER
VALUE**

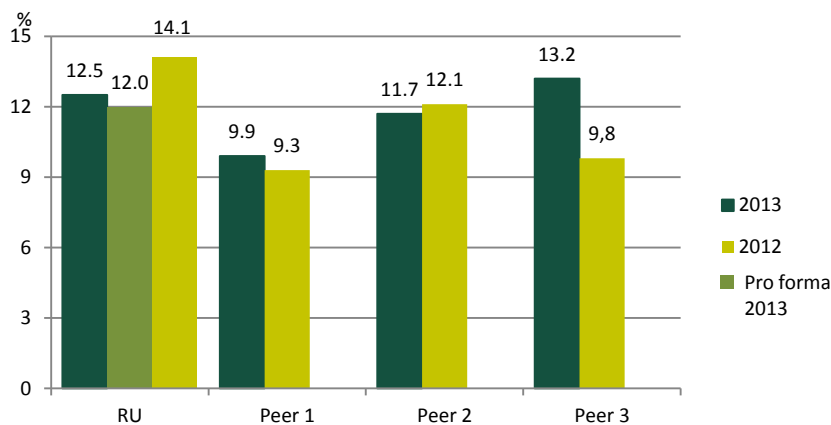


* Calculated proforma with Hartwall's realized full-year EBITDA

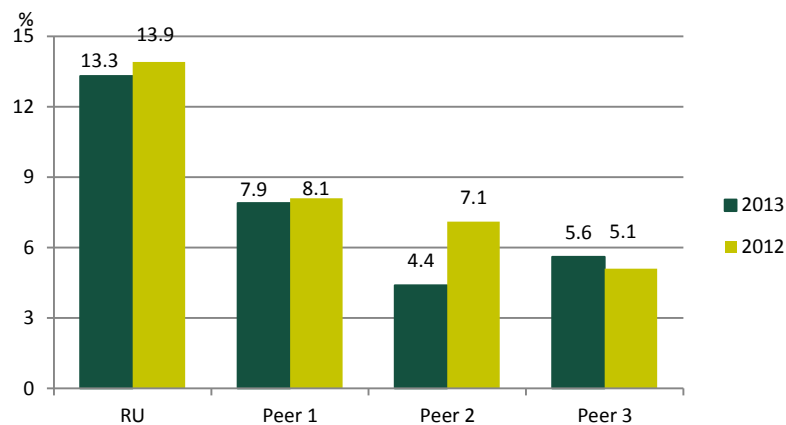
** Hartwall contribution DKK 38 million

Solid performance to peers

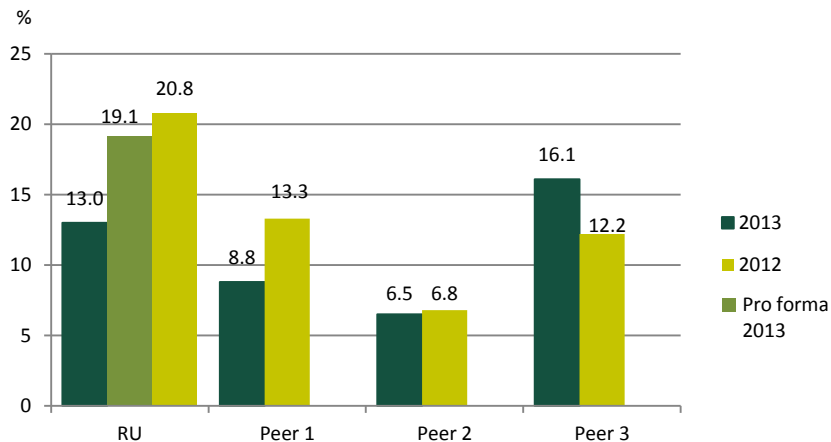
EBIT MARGIN (COMPARABLE REGION)



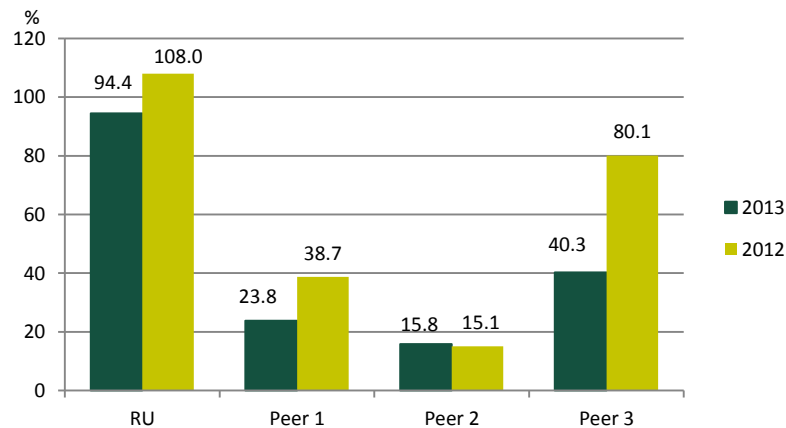
FREE CASH FLOW – % OF REVENUE



RETURN ON INVESTED CAPITAL



CASH RETURN TO SHAREHOLDERS



Shareholder Structure – March 2013

Largest shareholders

- Chr. Augustinus Fabrikker A/S – 11.5%
- Hartwall Capital Oy Ab – 9.4%
- Skagen – 7.5%
- ATP – 5.0%
- Approx 15,500 shareholders in total

One share class

No restrictions in ability to pay dividend or buy back shares

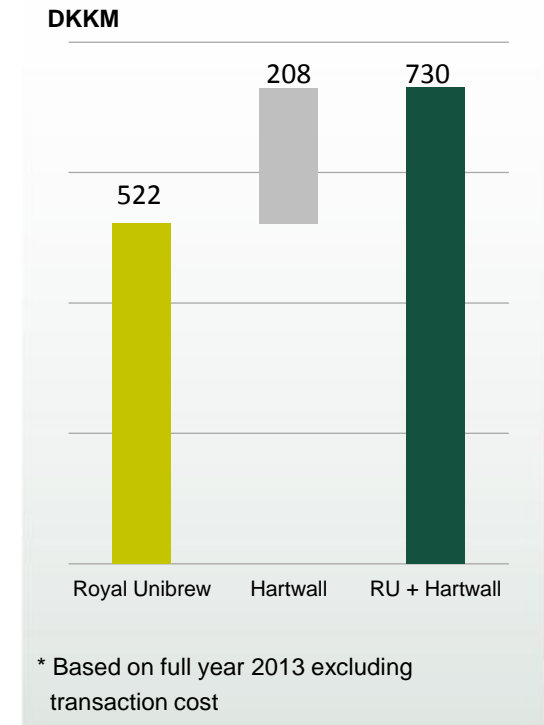
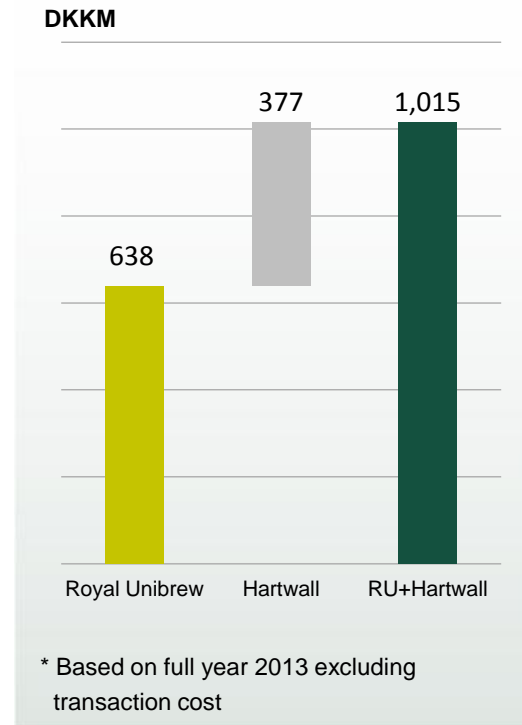
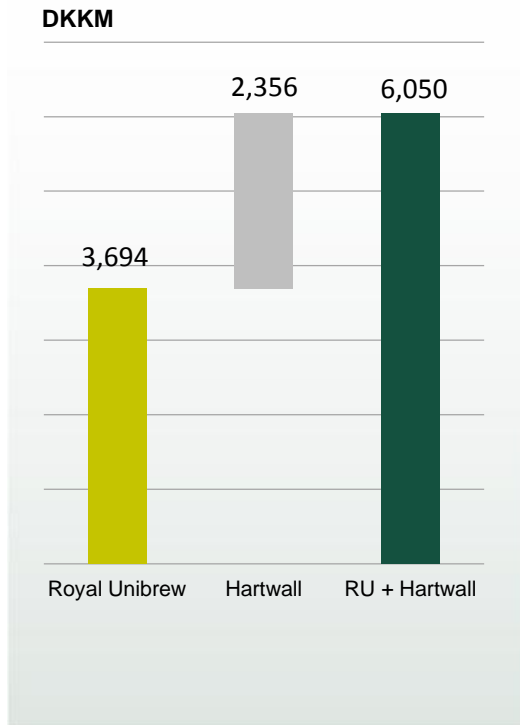
Hartwall acquisition takes Royal Unibrew to a new level with 5 million more consumers

Pro forma figures 2013

NET REVENUE UP BY 62%*

EBITDA UP 54%*

EBIT UP BY 34%*



Financial implications and long-term

- 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 before transaction | Targets after transaction |
|--------------|-----------------------------------|----------------------------------|
| Equity ratio | Minimum 30% | Minimum 30% |
| NIBD/EBITDA | Maximum 2.5x | Maximum 2.5x |
| Earnings | EBIT margin of 14% | EBIT margin of 13% |

Q1 2014: Results in line with expectations

- Market positions generally maintained or improved
- Pro forma volume decrease of 1%
- Net revenue for the quarter was DKK 1.267m. Pro forma growth of 1%
- First quarter EBIT of DKK 43m. Pro forma growth DKK 5m
- Free cash flow of DKK -254m
- Continued growth in Malt Beverages
- Hartwall integration and reorganisation on track
- Outlook 2014 confirmed



Q1 2014: Financial performance as expected

| DKKm | 1Q2014 | Pro forma 1Q2013 | Pro forma % change | Reported 1Q2013 |
|---|--------------|---------------------|-----------------------|--------------------|
| P&L ITEMS: | | | | |
| Net revenue | 1,267 | 1,250 | 1% | 751 |
| Gross margin | 50.0% | 50.6% | -1% | 48.9% |
| EBIT before Hartwall restructuring | 93 | 56 | 66% | 61 |
| EBIT | 43 | 38 | 13% | 61 |
| EBIT margin before Hartwall restructuring | 7.3% | 4.5% | 64% | 8.2% |
| EBIT margin | 3.4% | 3.0% | 11% | 8.2% |
| Profit before tax | 20 | 30 | -33% | 55 |
| Consolidated profit | 14 | 22 | -40% | 41 |
| BALANCE SHEET ITEMS: | | | | |
| Net interest bearing debt | 2,638 | | | 401 |
| Net working capital | -567 | | | -87 |
| Total assets | 6,995 | | | 2,873 |
| Equity | 2,157 | | | 1,338 |
| Equity ratio | 30.8% | | | 46.6% |



Q1 2014: Outlook 2014 – re-iterated

| DKKM | Outlook 2014 | Outlook 2014 before one off restructuring | Pro forma realized 2013* | Actual 2013** |
|-------------|---------------|---|-----------------------------|------------------|
| Net revenue | 5.750 - 6.050 | 5.750 - 6.050 | 6,050 | 4,481 |
| EBITDA | 965 - 1.015 | 1.015 - 1.065 | 1.015 | 732 |
| EBIT | 665 – 715 | 715 - 765 | 730 | 560 |

* Including Hartwall full year 2013 excluding transaction cost.

** Including Hartwall as from 23 August 2013; net revenue DKK 787m, EBITDA DKK 94m and EBIT DKK 38m including transaction cost



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.

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2013: Significant strengthening of Royal Unibrew's market position and result

- Hartwall acquisition reinforce Royal Unibrew's position in the Nordic/Baltic area
- Net revenue increase of 31%, 11% broad based organic growth
- Broad based strengthening of market positions
- EBIT increase of DKK 75m to DKK 560m
- Free cash flow increase of DKK 122m to DKK 598m
- Malt Beverages results on track with growth strategy and segment outlook
- Hartwall performance as expected and integration on track
- Deleverage on track - solvency 31% & pro forma NIBD/EBITDA of 2.3x
- As expected no dividend for fiscal year 2014 to be proposed to AGM to allow further for deleverage



2013: Financial performance slightly better than expected

| DKKm | 2013 | 2012 | % change |
|-----------------------------|---------------|-------|----------|
| P&L ITEMS: | | | |
| Net revenue | 4,481 | 3,430 | 31% |
| Gross margin | 50.9% | 50.0% | 2% |
| EBIT | 560 | 485 | 15% |
| EBIT margin | 12.5%* | 14.1% | -11% |
| Profit before tax | 548 | 481 | 14% |
| Consolidated profit | 480 | 373 | 29% |
| BALANCE SHEET ITEMS: | | | |
| Net interest bearing debt | 2,379 | 321 | 641% |
| Net working capital | -834 | -179 | 366% |
| Total assets | 6,925 | 2,848 | 143% |
| Equity | 2,133 | 1,348 | 58% |
| Equity ratio | 30.8% | 47.3% | -35% |



* Proforma EBIT-margin was 12.0% in 2013 and 11.7% in 2012 . Royal Unibrew EBIT-margin excluding Hartwal was 14.1% in 2013 as well as in 2012.

Transaction rationale

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 Danish 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

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

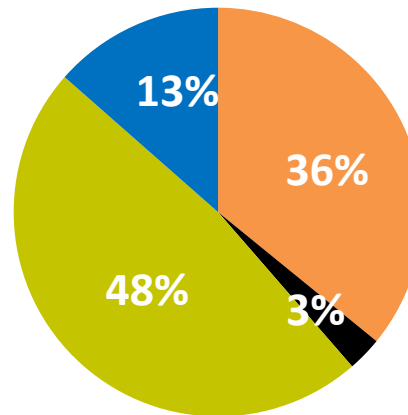


Soft drinks & waters

- #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



Transaction rationale – growing the earnings base (pro forma 2013 figures)

| DKK m | Royal Unibrew | Hartwall* | Combined |
|------------------|---------------|-----------|----------|
| Volume, HL m | 5.4 | 3.0 | 8.4 |
| Revenue | 3,694 | 2,356 | 6,050 |
| EBITDA | 638 | 377 | 1,015 |
| EBIT | 522 | 208 | 730 |
| EBITDA margin, % | 17.3 | 16.0 | 16.8 |
| EBIT margin, % | 14.1 | 8.8 | 12.0 |
| Employees | 1,643 | 825 | 2,468 |

* Hartwall realized full year 2013 before deduction of DKK 15m in transaction costs

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

Hartwall acquisition

- EV of DKK 3.3 billion
- Paid to Heineken for 100% of the shares in Hartwall DKK 2.8 billion
- NIBD in Hartwall DKK -0.1 billion
- Difference from EV is cash payment to Heineken
 - Factoring for accounts receivables
 - Various regulations agreed with Heineken
- Consolidation as of 23 August 2013



Q1 2014: Hartwall integration

- Organisational restructuring progressing as planned – one off DKK 50m as expected
- Aim is to increase competitive power in a agile and efficient organisation
- Focus on the commercial agenda
- Focus on efficiency drive across the board
- Disentanglements of IT, Export and Procurement from previous owner has been concluded