

Interim Report for 1 January – 31 March 2013



COMPANY ANNOUNCEMENT NO 18/2013 - 29 APRIL 2013

Good start to 2013 in line with outlook

Earnings before interest and tax (EBIT) for Q1 2013 amounted to DKK 61 million – an increase of DKK 5 million from last year. The earnings increase reflects an EBIT margin increase of 0.7 percentage point due to improved efficiency. Net revenue was at the 2012 level, whereas net revenue and sales volumes – measured in organic terms – increased by 3% and 8%, respectively, in Q1. As expected, the highest growth was achieved in the malt beverages segment showing double-digit volume and net revenue growth. The market shares for Royal Unibrew's branded products were generally maintained or increased. Free cash flow for Q1 2013 was negatively affected by inventory build-ups and trade receivables due to higher activity and showed a negative DKK 30 million. In Q1 DKK 55 million was distributed to shareholders through share buy-backs. Royal Unibrew expects to initiate share buy-backs of DKK 210 million. The outlook for 2013 is maintained.

"Developments in Q1 were in line with our expectations; we achieved an earnings improvement and maintained or reinforced our market positions in the individual markets. We are pleased with these results considering the general market conditions. We are pursuing actively our strategic priorities for 2013. In the malt beverages segment we are building a solid long-term growth platform, with our Vitamalt brand as the focal point, in emerging markets through expansion in existing and new markets and by launching new products. In the Danish market our Royal beer continues to gain momentum among Danish consumers, and in the energy drinks segment we followed up the success of Faxe Kondi Booster by the introduction of more container and taste varieties. At the same time, we are continuing on the good track of continuously improving our efficiency, which contributes towards a higher EBIT margin", says Henrik Brandt, CEO.

HIGHLIGHTS

- Royal Unibrew has generally maintained or increased its market shares for branded beer as well as soft and malt beverages.
- Net revenue for Q1 amounted to DKK 751 million and was at the 2012 Q1 level. Adjusted for the divestment of the Caribbean distribution company in 2012, net revenue went up by 3%.
- EBITDA went up by DKK 2 million in Q1 2013 to DKK 88 million.
- Earnings before interest and tax (EBIT) increased by DKK 5 million to DKK 61 million, and EBIT margin increased by 0.7 percentage point to 8.2%.
- Profit before tax amounted to DKK 55 million compared to DKK 46 million in 2012.
- Free cash flow amounted to a negative DKK 30 million compared to a positive free cash flow of DKK 46 million in 2012.

OUTLOOK

The previously announced outlook is maintained as follows:

- Net revenue: DKK 3,325-3,450 million
- EBITDA: DKK 575-625 million
- EBIT: DKK 450-500 million

For further information on this Announcement:
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It will be possible for investors and analysts to follow Royal Unibrew's presentation of the Interim Report on Tuesday, 30 April 2013, at 9 am by audiocast at one of the following dial-in numbers:

UK participants dial: + 44 (0) 844 571 8957

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US participants dial: + 1 866 682 8490

International number: + 44 (0) 1452 555131.

The presentation may also be followed at Royal Unibrew's website www.royalunibrew.com

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Royal Unibrew produces, markets, sells and distributes quality beverages. We focus on branded products within beer, malt and soft drinks, including soda water, mineral water and fruit juices.

Royal Unibrew is as a leading regional player in a number of markets in Western and Eastern Europe and in the international malt beverages markets.

Our Western European main markets comprise primarily Denmark, Italy and Germany. The Eastern European markets comprise Latvia, Lithuania and Estonia. The international malt beverages markets comprise a number of countries in the Caribbean, Central America and Africa as well as cities in Europe and North America with high concentration of inhabitants from the Caribbean and African areas in which malt beverages are popular.

In Denmark we are a leading supplier of beer and soft drinks with a number of strong brands, and in Italy we are among the market leaders in the super premium segment with Ceres Strong Ale.

In both Latvia and Lithuania, we are among the two leading beverage businesses holding considerable market positions within beer and soft drinks, including fruit juices. Our activities in Estonia are being developed.

In the international malt beverages markets, we are among the market leaders in the premium segment with Vitamalt.

FINANCIAL HIGHLIGHTS AND KEY RATIOS

	(Q1 unaudited)		
	1/1 - 31/3 2013	1/1 - 31/3 2012	1/1 - 31/12 2012
Sales (thousand hectolitres)	1,247	1,160	5,443
Income Statement (mDKK)			
Net revenue	751	753	3,430
EBITDA	88	86	611
Earnings before interest and tax (EBIT)	61	56	485
<i>EBIT margin (%)</i>	8.2	7.5	14.1
Income after tax from investments in associates	-1	-1	34
Other financials, net	-6	-9	-38
Profit before tax	55	46	481
Profit for the period	41	34	373
Royal Unibrew A/S' share of profit	41	34	371
Balance Sheet (mDKK)			
Non-current assets	1,972	2,300	1,992
Total assets	2,873	3,031	2,848
Equity	1,338	1,332	1,348
Net interest-bearing debt	401	633	321
Net working capital	-87	-145	-179
Cash Flows (mDKK)			
From operating activities	-19	74	497
From investing activities	-10	-29	192
Free cash flow	-30	46	476
Share ratios (DKK)			
RU's share of earnings per DKK 10 share	3.9	3.2	35.6
Cash flow per DKK 10 share	-1.8	7.0	44.2
Dividend per DKK 10 share	0.0	0.0	24.0
Year-end price per DKK 10 share	516.0	388.0	492.0
Financial ratios (%)			
Free cash flow as a percentage of net revenue	-4	6	14
Cash conversion	-72	134	128
Equity ratio	47	44	47

Ratios comprised by the "Recommendations and Financial Ratios 2010" issued by the Danish Society of Financial Analysts have been calculated according to the recommendations.

MANAGEMENT'S REVIEW

STRATEGY AND MAIN PRIORITIES FOR 2013

Royal Unibrew's overall strategy is detailed in the Annual Report for 2012 and comprises the following main elements:

- **Focus on markets and segments in which Royal Unibrew holds or may achieve a considerable position**
- **Focus on innovation and development of Royal Unibrew's products and local brand positions**
- **Focus on operational efficiency**
- **Focus on maintaining Royal Unibrew's financial flexibility, competitive power and scope for strategic manoeuvrability through an appropriate capital structure**

MAIN PRIORITIES FOR 2013

In **North Western Europe** where Royal Unibrew holds an overall number two market position, the market is approached with a broad beverage portfolio. The development and continued strengthening of the beverage portfolio have high priority as an important parameter in extending the cooperation with customers. At the same time, the broad beverage portfolio supports high efficiency in the organisation. In light of the minor structural decline in the market for Royal Unibrew products, growth through innovation and value management has high priority. Continuous improvement work will continue relentlessly at all organisational levels, supported by, among other things, the "Medarbejdere i Verdensklasse" (World-class employees) project and investment-driven initiatives, which will also contribute positively to improvements.

In **Italy** the main priority is to continue the successful embedment of the new consumer-oriented communication platform through innovative and engaging presence in the social media and on TV. Consumer-oriented initiatives in the on-trade channel will be further strengthened through close integration with social media efforts. Cooperation with the many distributors and cash & carry customers will be further intensified in 2013, and the cooperation with off-trade customers will be supported by consumer-activating activities.

In **Eastern Europe**, the Baltic Countries, Royal Unibrew operates with a broad brand portfolio, primarily within beer, fruit juices, soft drinks and mineral water. The development and continued strengthening of the beverage portfolio have high priority as an important parameter in extending the cooperation with customers. As of 2013 Royal Unibrew has further reinforced its brand portfolio by taking over the distribution of the Heineken brand in the region; at the same time the sales organisation in Estonia has been reinforced. With the investment in both capacity and competences within cans in 2012, a solid basis for leveraging the new commercial initiatives commenced in 2012 has been created.

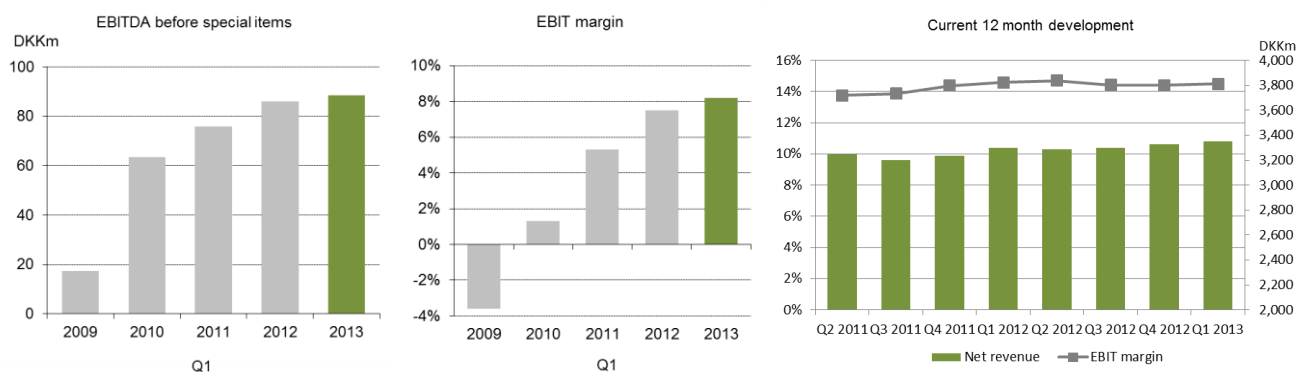
In the **Malt Beverages** area, we focus on establishing a growth platform. We will focus on both a deeper presence in already established markets and on establishment in new markets through cooperation with distributors in the case of exports or through breweries in the case of licence sales. Royal Unibrew's focus will be on selecting and retaining its business partners and supporting the cooperation through customer- and consumer-oriented marketing investments with a view to establishing and reinforcing brand positions. Organisational reinforcement is key to realising the growth strategy for the business area. Organisational build-up has been ongoing since the end of 2012 and will continue with a view to generating long-term organic growth.

BUSINESS DEVELOPMENT

As expected, Royal Unibrew increased its sales volumes in Q1 2013 achieving an organic net revenue increase and earnings improvement compared to the same period of last year. Earnings before interest and tax (EBIT) amounted to DKK 61 million, which is DKK 5 million above the 2012 figure. Profit before tax for the period amounted to DKK 55 million, which is DKK 9 million above the 2012 figure.

Net revenue and earnings of a brewery business for the first quarter of the year do not reflect a proportional share of net revenue and results for the year. The period represents the winter season when sales and earnings are usually at a lower level than in the other quarters of the year. This also applies to Royal Unibrew.

Generally, Royal Unibrew's branded products maintained or increased their market shares in the main markets. Sales volumes developed positively in all segments in Q1, not least in the Malt beverages segment which saw a 35% increase over 2012. Net revenue for Q1 2013 was at the 2012 level. Organically (adjusted for the divestment of the Caribbean subsidiary in 2012), net revenue for Q1 2013 went up by 3%.



Provided that the Board of Directors' proposal to distribute dividend of DKK 24.00 per share for 2012 is adopted at today's Annual General Meeting, the dividend will be distributed on 3 May 2013. Furthermore, a share buy-back of up to DKK 210 million is expected to be initiated comprising an ordinary share buy-back of DKK 160 million and an extraordinary share buy-back of DKK 50 million.

FINANCIAL REVIEW

INCOME STATEMENT

Developments in activities for the period 1 January – 31 March 2013 broken down on market segments

	Western Europe	Eastern Europe	Malt Beverages	Unallocated	Group	
					2013	2012
Sales (thousand hectolitres)	735	374	138	-	1,247	1,160
Growth (%)	1.4	12.5	35.0	-	7.6	-9.4
Share of sales (%)	59	30	11	-	100	-
Net revenue (mDKK)	532	132	87	-	751	753
Growth (%)	-1.4	15.1	-11.6	-	-0.2	1.0
Share of net revenue (%)	71	18	11	-	100	-
EBIT (mDKK)	53.8	-1.4	17.4	-8.4	61.4	56.2
EBIT margin (%)	10.1	-1.1	20.0	-	8.2	7.5

Sales for Q1 2013 aggregated 1.2 million hectolitres of beer, malt and soft drinks, which is 8% above the 2012 figure.

Net revenue for Q1 2013 was at the Q1 2012 level amounting to DKK 751 million compared to DKK 753 million in 2012. Organically, net revenue was 3% above the 2012 figure.

Gross profit for Q1 2013 was at the Q1 2012 level amounting to DKK 367 million (an organic increase of DKK 6 million over 2012). Gross margin was 0.3 percentage point below the 2012 margin representing 48.9% compared to 49.2% in 2012. In organic terms, gross margin was 0.7 percentage point lower in 2013 than in 2012. Both the average net selling prices and average production costs per volume unit were lower than in 2012. Net selling prices decreased more than production costs, primarily due to a changed segment mix and a changed channel mix within the individual segments. The development in product costs is positively affected by higher efficiency at the breweries, whereas, as expected, higher input prices had a negative effect.

Sales and distribution expenses for Q1 2013 amounted to DKK 258 million, which is DKK 8 million below the 2012 figure (organically unchanged from 2012). The organically unchanged expenses comprise higher distribution expenses due to the sales increase and lower marketing expenses due to timing differences.

Administrative expenses were DKK 1 million higher amounting to DKK 49 million for Q1 2013 compared to DKK 48 million in 2012. Organically, the expenses were DKK 3 million higher.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by DKK 2 million in Q1 2013 amounting to DKK 88 million compared to DKK 86 million in 2012. Organically, EBITDA increased by DKK 3 million from 2012 as the higher gross profit more than compensated for the higher expenses.

Earnings before interest and tax (EBIT) for Q1 2013 amounted to DKK 61 million, which is DKK 5 million above the 2012 figure. Organically, EBIT increased by DKK 6 million as EBIT in the divested Caribbean distribution company in 2012 amounted to DKK 1 million.

EBIT margin for Q1 2013 was 0.7 percentage point above the 2012 figure representing 8.2% of net revenue compared to 7.5% in 2012.

Net financials for Q1 2013 showed a net expense of DKK 7 million, which is a DKK 3 million improvement on 2012. Net interest expenses in the period were DKK 3 million lower and positively affected by the lower interest-bearing debt. Income after tax from investments in associates was unchanged at a negative DKK 1 million as in 2012.

The profit before tax increased by DKK 9 million for Q1 2013 amounting to DKK 55 million compared to DKK 46 million in 2012.

Tax on the profit for Q1 2013 was an expense of DKK 13 million. Tax has been calculated on the basis of the expected full-year tax rate of approx 25% on the profit before tax excluding income after tax from investments in associates.

The net profit for Q1 2013 amounted to DKK 41 million, which is a DKK 7 million improvement on the net profit of DKK 34 million realised in 2012.

BALANCE SHEET

Royal Unibrew's balance sheet amounted to DKK 2,873 million at 31 March 2013, which is DKK 25 million above the 31 December 2012 figure. Due to increased production and sales activity prior to Easter and the peak season as in 2012, inventories and trade receivables increased by approx DKK 130 million. Oppositely, cash and cash equivalents was reduced by approx DKK 80 million, DKK 55 million of which relates to share buy-backs. The value of investments in associates was reduced by DKK 12 million, primarily as a result of dividend distribution.

The equity ratio represented 46.6% at 31 March 2013 compared to 47.3% at the end of 2012. Equity amounted to DKK 1,338 million at the end of March 2013 compared to DKK 1,348 million at the end of 2012 and was increased

in Q1 2013 by the positive comprehensive income of DKK 41 million for the period and by sale of treasury shares of DKK 4 million, whereas share buy-backs reduced equity by DKK 55 million. The comprehensive income comprises the profit for the period of DKK 41 million, negative exchange rate adjustments of foreign group enterprises of DKK 2 million and a positive development in the value of hedging instruments of DKK 2 million.

Net interest-bearing debt increased by DKK 80 million in Q1 2013, including distribution to shareholders by way of share buy-backs of DKK 55 million (2012: increased by DKK 2 million), and amounted to DKK 401 million at 31 March 2013 (at 31 March 2012: DKK 633 million).

Funds tied up in working capital showed a negative DKK 87 million at the end of March 2013 (2012: a negative DKK 145 million). Organically (eliminated for the divestment of the Caribbean distribution company Impec), funds tied up in working capital at 31 March 2013 were DKK 69 million above the corresponding 2012 figure. Funds tied up in inventories, trade receivables and trade payables were DKK 55 million higher in 2013 and affected by a high level of activity at the end of March, whereas the other elements of working capital were DKK 14 million higher, DKK 9 million of which related to the value of hedging instruments. All entities continue their strong focus on managing inventories, trade receivables and trade payables.

CASH FLOW STATEMENT

Cash flows from operating activities for Q1 2013 amounted to a negative DKK 19 million (2012: DKK 74 million) comprising the profit for the period adjusted for non-cash operating items of DKK 88 million (2012: DKK 87 million), negative working capital cash flow of DKK 86 million (2012: positive cash flow of DKK 10 million), net interest paid of DKK 6 million (2012: DKK 9 million) and taxes paid of DKK 15 million (2012: DKK 14 million). The difference in working capital development in Q1 2013 as compared to 2012 is in all materiality related to trade and other payables, which, as expected, only affect the cash flows positively by DKK 38 million in 2013 compared to DKK 130 million in 2012 due to, among other things, a timing difference of capital investments.

Free cash flow amounted to a negative DKK 30 million for Q1 2013 compared to a positive DKK 46 million in 2012. The DKK 76 million decrease in free cash flow comprised DKK 84 million lower operating cash flows and dividend from associates reduced by DKK 8 million lower net investments in property, plant and equipment. Gross investments in property, plant and equipment amounted to DKK 22 million for period compared to DKK 33 million in 2012, whereas sale of property, plant and equipment amounted to DKK 1 million compared to DKK 4 million in 2012.

SHARE OPTIONS

At 31 March 2013, no share options remain unexercised from previous share option programmes (2012: 14,553 shares at a value of DKK 0.8 million).

COMPLETION OF SHARE BUY-BACK PROGRAMME UNDER THE SAFE HARBOUR METHOD

On 1 May 2012, the Board of Directors of Royal Unibrew A/S initiated a share buy-back of a total market value of DKK 160 million, which was extended and extraordinarily increased by DKK 50 million to DKK 210 million in August 2012 (see Company Announcement No 42/2012 of 28 August 2012). The share buy-back programme was completed on 3 April 2013 (see Company Announcement No 17/2013 of 4 April 2013). Under the share buy-back programme, a total of 474,364 shares were bought back corresponding to 4.5% of the share capital at a total market value of DKK 210 million, DKK 55 million of which was bought back in 2013.

Royal Unibrew's portfolio of treasury shares upon completion of the share buy-back programme comprised 482,219 shares. The Board of Directors has proposed for resolution at today's Annual General Meeting the cancellation of 480,000 of these shares. After this, the number of issued shares will equal 10,090,000.

NEW SHARE BUY-BACK PROGRAMME UNDER THE SAFE HARBOUR METHOD

In connection with the presentation of the Interim Report for the period 1 January – 31 March 2013, the Board of Directors of Royal Unibrew A/S decided to initiate an additional share buy-back as mentioned in the Annual Report for 2012. The share buy-back is subject to resolution to authorise the share buy-back being passed at today's Annual General Meeting.

The objective of the share buy-back is to adapt the capital structure. It is the intention that the shares bought back will be cancelled.

The total share buy-back is expected to be realised in the period up to the Annual General Meeting in April 2014 and will represent a maximum market value of DKK 210 million comprising an ordinary share buy-back of DKK 160 million and an extraordinary share buy-back of DKK 50 million in accordance with Royal Unibrew's distribution policy.

OUTLOOK

Royal Unibrew maintains the outlook for 2013 announced in March 2013 in connection with the presentation of the Annual Report for 2012 as follows:

	Outlook 2013*	Actual 2012
Net revenue (mDKK)	3,325-3,450	3,430
EBITDA (mDKK)	575-625	611
EBIT (mDKK)	450-500	485

*In 2012 the distribution company Impec was included in the results with net revenue of DKK 100 million, EBITDA of DKK 6 million and EBIT of DKK 5 million.

The outlook for Royal Unibrew's financial development in 2013 has been prepared taking into account a number of circumstances, including how the Company's markets are expected to be affected by the general economic activity, fiscal measures and the general uncertainty experienced by most consumers, which affects their consumption behaviour. Moreover, the outlook has been prepared taking into account the development in material expense categories as well as the effect of initiatives completed and initiated.

The key assumptions of the financial development in 2013 are described in the Annual Report for 2012.

DEVELOPMENTS IN INDIVIDUAL MARKET SEGMENTS

WESTERN EUROPE

Western Europe	2013	2012	% change	2012
	Q1			Full year
Sales (thousand hectolitres)	735	726	1.4	3,323
Net revenue (mDKK)	532	540	-1.4	2,430
EBIT (mDKK)	53.8	45.7		408.2
EBIT margin (%)	10.1	8.5		16.8

The **Western Europe** segment comprises the markets for beer and soft drinks in North Western Europe (Denmark, other Nordic countries and Germany) as well as in Italy. Western Europe accounted for 59% of group sales for Q1 2013 and for 71% of net revenue (2012: 62% and 72%, respectively).

Q1 2013 sales in Western Europe increased by 1% over the same period of 2012. Royal Unibrew generally maintained or increased its market shares on branded beer and soft drinks. Net revenue was 1% below the 2012 figure due to a changed market mix. As in 2012, sales were positively affected by Easter sales taking place in March.

Earnings before interest and tax (EBIT) for Q1 increased by DKK 8 million from DKK 46 million in 2012 to DKK 54 million in 2013, and EBIT margin went up by 1.6 percentage points to 10.1%. EBIT was positively affected by lower sales and distribution expenses, including a timing difference of marketing expenses, and negatively affected by a changed market mix. In spite of higher raw materials prices than in Q1 2012, production costs per volume unit were lower due to higher efficiency, which affected EBIT development positively.

North Western Europe	2013	2012	% change	2012
	Q1			Full year
Sales (thousand hectolitres)	640	628	2.1	2,919
Net revenue (mDKK)	387	397	-2.8	1,833

It is estimated that **North Western Europe** saw an increase in Danish consumption of beer and soft drinks in Q1 2013 as compared to the same period of 2012. However, the indirect tax increase in Denmark in 2012 makes it difficult to make a valid comparison of market developments from 2012 to 2013.

Royal Unibrew's sales for Q1 2013 increased by 2% over 2012, and net revenue declined by 3%. The lower net revenue per volume unit is due to a changed channel mix, including the fact that the private label agreement entered into in Q1 2012 has been in effect throughout Q1 2013. It is assessed that Royal Unibrew generally maintained its market shares on branded beer and soft drinks in the period in Denmark as well as Germany.

In Q1 Royal Unibrew launched a new taste variety of the Faxe Kondi Booster energy drink, which has already achieved a good distribution and market position.

Italy	2013	2012	% change	2012
	Q1			Full year
Sales (thousand hectolitres)	95	98	-2.7	404
Net revenue (mDKK)	145	143	1.5	597

The market situation in **Italy** remains marked by economic uncertainty, consumer restraint and downtrading. As expected, this affected total beer consumption negatively. Consumption in the on-trade channel declined, whereas the

premium and super premium segment maintained its market share. Consumption in the off-trade channel remained unchanged, but unlike in the on-trade channel the premium and super premium segment lost market shares, whereas the economy segment won market shares.

As expected, Royal Unibrew's sales declined by 3% for Q1 2013, whereas net revenue increased by 2% due to a changed product and channel mix. In connection with Easter, there has been moderate inventory build-up with distributors. It is assessed that Royal Unibrew has maintained its market shares in the premium and super premium segment.

EASTERN EUROPE

Eastern Europe	2013	2012	% change	2012
	Q1			Full year
Sales (thousand hectolitres)	374	332	12.5	1,664
Net revenue (mDKK)	132	115	15.1	585
EBIT (mDKK)	-1.4	0.3		27.3
EBIT margin (%)	-1.1	0.2		4.7

The **Eastern Europe** segment primarily comprises the markets for beer, fruit juices and soft drinks in the Baltic countries (Lithuania, Latvia and Estonia). In Q1 2013 Eastern Europe accounted for 30% of group sales and 15% of net revenue (2012: 29% and 15%, respectively).

In spite of a positive development in the Baltic economies, consumption of beer, fruit juices and soft drinks declined in the Baltic markets due to consumer restraint. Moreover, cold weather in Q1 2013 reduced consumption.

Royal Unibrew's sales and net revenue for Q1 2013 increased by 12% and 15%, respectively. The start-up of activities in Estonia and the distribution of Heineken progressed as planned; accordingly, viewed in isolation Royal Unibrew won market shares in Q1 2013, which is the quarter with the lowest level of activity.

Earnings before interest and tax (EBIT) for Q1 2013 were DKK 2 million below the 2012 figure, and EBIT margin declined from 0.2% to a negative 1.1%. In Q1 costs were incurred for integration of the Heineken distribution activities and for further development of the Estonian sales organisation, and production costs increased due to the introduction of smaller container types prescribed by law and higher input prices than in 2012.

MALT BEVERAGES

Malt Beverages	2013	2012	% change	2012
	Q1			Full year
Sales (thousand hectolitres)	138	102	35.0	456
Net revenue (mDKK)	87	98	-11.6	415
EBIT (mDKK)	17.4	16.7		83.9
EBIT margin (%)	20.0	17.0		20.2

The **Malt Beverages** segment comprises the export and licence business for malt beverages and beer exports to other markets.

As announced in the Annual Report for 2012 and the above section on main priorities for 2013, focus has been directed at establishing a growth platform for the Malt Beverages segment, and in the medium term (measured at unchanged exchange rates) annual revenue growth of 10-15% is expected, whereas, with the existing market mix, EBIT margin is expected to be approx 20%.

Sales and revenue for Q1 2013 represented 11% and 11%, respectively, of group sales and revenue (2012: 9% and 13%, respectively).

In Q1 2013 strong segment growth was realised. Sales for Q1 2013 increased by 35%, whereas net revenue declined by 12%. Adjusted for the divestment of the Caribbean distribution company Impec, net revenue went up by 18%. Impec continues to distribute Royal Unibrew products, and therefore sales were not affected by the divestment. Exchange rate developments did not affect net revenue materially.

Sales in the segment are characterised by large volumes being exported to distributors at a time, which means that inventory changes should be taken into account when comparing periods. This was also so in Q1 2013.

In Q1 2013 the development in the distribution between export sales and licence-based sales is in favour of licence-based sales, which is the reason for the different percentage developments in sales and net revenue, respectively.

Earnings before interest and tax (EBIT) for Q1 2013 amounted to DKK 17 million, which is DKK 1 million above the 2012 figure. Adjusted for the divestment of Impec, EBIT went up by DKK 2 million. EBIT margin for Q1 2013 was 20% and, as expected, lower than in 2012 (21.2%) in organic terms. The reason for this is the planned investments in the marketing of new products and expansion into new markets as well as in the development of a sales organisation.

The business in **the Americas** comprising the Caribbean, Central America, the USA and Canada contributed significantly to the positive segment development in Q1 2013 showing double-digit growth rates for both sales and net revenue.

As expected, the business in **EMEA** comprising Europe, the Middle East, Africa and Asia also realised double-digit growth rates for sales and net revenue, primarily relating to Africa and Asia, whereas activities in Europe were at the 2012 level.

MANAGEMENT'S STATEMENT

The Executive Board and the Board of Directors have presented the Interim Report of Royal Unibrew A/S. The Interim Report has today been considered and adopted.

The Interim Report, which has not been audited or reviewed by the Company's independent auditors, was prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for listed companies.

In our opinion, the Interim Financial Statements give a true and fair view of the financial position of the Group at 31 March 2013 as well as of the results of the Group operations and cash flows for the period 1 January – 31 March 2013.

In our Opinion, Management's Review gives a true and fair account of the development in the activities and financial circumstances of the Group, of results of operations for the period and of the overall financial position of the Group, and a description of the key risks and uncertainties facing the Group.

Faxe, 29 April 2013

Direktion

Henrik Brandt
CEO

Lars Jensen
CFO

Johannes F.C.M. Savonije
International Director

Bestyrelse

Kåre Schultz
Chairman

Walther Thygesen
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Ulrik Bülow

Lars Poul Christiansen

Søren Eriksen

Kirsten Liisberg

Søren Lorentzen

Jens Due Olsen

Hemming Van

INCOME STATEMENT (DKK '000)

	1/1 - 31/3 2013	1/1 - 31/3 2012	1/1 - 31/12 2012
Net revenue	751,303	752,564	3,430,008
Production costs	-384,034	-382,393	-1,714,265
Gross profit	367,269	370,171	1,715,743
Sales and distribution expenses	-258,438	-266,885	-1,062,453
Administrative expenses	-49,357	-47,745	-173,136
Other operating income	1,976	677	4,843
EBIT	61,450	56,218	484,997
Income after tax from investments in associates	-1,129	-991	34,263
Financial income	2,178	1,032	6,195
Financial expenses	-7,868	-10,223	-44,434
Profit before tax	54,631	46,036	481,021
Tax on the profit for the period	-13,209	-12,041	-108,217
Profit for the period	41,422	33,995	372,804
Parent Company shareholders' share of earnings per share (DKK)	3.9	3.2	35.6
Parent Company shareholders' share of diluted earnings per share (DKK)	3.9	3.2	35.6

STATEMENT OF COMPREHENSIVE INCOME (DKK '000)

	1/1 - 31/3 2013	1/1 - 31/3 2012	1/1 - 31/12 2012
Net profit for the period	41,422	33,995	372,804
Other comprehensive income			
Value and exchange adjustments of foreign group enterprises	-2,111	12,686	29,853
Value adjustment of hedging instruments, opening	59,239	76,995	76,995
Value adjustment of hedging instruments, closing	-56,836	-65,374	-59,239
Tax on equity entries	0	0	-209
Other comprehensive income after tax	292	24,307	47,400
Total comprehensive income	41,714	58,302	420,204
distributed as follows:			
Parent Company shareholders' share of comprehensive income	41,714	56,943	418,549
Minority shareholders' share of comprehensive income	0	1,359	1,655
	41,714	58,302	420,204

ASSETS (DKK '000)

	31/3 2013	31/3 2012	31/12 2012
NON-CURRENT ASSETS			
Goodwill	244,530	263,768	244,882
Trademarks	123,943	123,684	124,069
Distribution rights	1,377	2,841	1,672
Intangible assets	369,850	390,293	370,623
Land and buildings	553,383	577,588	559,200
Project development properties	277,623	412,696	276,338
Plant and machinery	425,954	430,583	433,369
Other fixtures and fittings, tools and equipment	134,574	125,924	142,903
Property, plant and equipment in progress	81,643	52,228	67,531
Property, plant and equipment	1,473,177	1,599,019	1,479,341
Investments in associates	117,723	303,392	129,782
Other investments	2,620	2,612	2,620
Other receivables	8,736	5,098	9,645
Fixed asset investments	129,079	311,102	142,047
Non-current assets	1,972,106	2,300,414	1,992,011
CURRENT ASSETS			
Raw materials and consumables	71,311	61,965	65,208
Work in progress	23,027	22,454	21,062
Finished goods and purchased finished goods	123,503	129,492	94,072
Inventories	217,841	213,911	180,342
Trade receivables	458,878	466,518	365,286
Receivables from associates	1,807	895	1,444
Corporation tax receivable	10,532	1,529	8,855
Other receivables	10,145	9,540	12,138
Prepayments	8,652	8,288	14,253
Receivables	490,014	486,770	401,976
Cash and cash equivalents	192,863	29,776	273,775
Current assets	900,718	730,457	856,093
Assets	2,872,824	3,030,871	2,848,104

LIABILITIES AND EQUITY (DKK '000)

	31/3 2013	31/3 2012	31/12 2012
EQUITY			
Share capital	105,700	111,865	105,700
Share premium account	319,205	337,825	319,205
Revaluation reserves	112,320	180,000	112,320
Translation reserve	-8,034	-19,135	-5,719
Hedging reserve	-56,836	-65,374	-59,239
Retained earnings	612,030	583,310	621,648
Proposed dividend	253,680	190,170	253,680
Equity of Parent Company shareholders	1,338,065	1,318,661	1,347,595
Minority interests	0	13,382	0
Equity	1,338,065	1,332,043	1,347,595
Deferred tax	143,905	166,538	144,795
Mortgage debt	590,879	593,381	591,680
Other payables	12,947	26,202	9,121
Non-current liabilities	747,731	786,121	745,596
Mortgage debt	2,252	1,972	2,010
Credit institutions	803	67,000	634
Repurchase obligation, returnable packaging	33,915	36,466	36,211
Trade payables	437,523	475,703	430,852
VAT, excise duties, etc	89,591	101,811	65,115
Other payables	222,944	229,755	220,091
Current liabilities	787,028	912,707	754,913
Liabilities	1,534,759	1,698,828	1,500,509
Liabilities and equity	2,872,824	3,030,871	2,848,104

CASH FLOW STATEMENT (DKK '000)

		1/1 - 31/3 2013	1/1 - 31/3 2012	1/1 - 31/12 2012
	Note			
Profit for the period		41,422	33,995	372,804
Adjustments for non-cash operating items	3	46,798	53,376	238,280
		88,220	87,371	611,084
Change in working capital:				
+/- change in receivables		-86,613	-79,245	1,692
+/- change in inventories		-37,721	-40,805	-43,167
+/- change in payables		37,851	129,702	63,531
Cash flows from operating activities before financial income and expenses		1,737	97,023	633,140
Financial income		1,503	714	1,069
Financial expenses		-7,202	-9,896	-31,713
Cash flows from ordinary activities		-3,962	87,841	602,496
Corporation tax paid		-14,886	-13,633	-105,097
Cash flows from operating activities		-18,848	74,208	497,399
Dividends received from associates		9,960		13,442
Sale of property, plant and equipment		1,401	3,880	152,565
Corporation tax paid		-22,416	-32,498	-33,172
Purchase of property, plant and equipment				-154,376
<i>Free cash flow</i>		-29,903	45,590	475,858
Sale of subsidiary				15,701
Sale of associates				202,353
Purchase/sale of intangible assets and fixed asset investments		698		-4,519
Cash flows from investing activities		-10,357	-28,618	191,994
Repayment of non-current debt		-594	-521	-2,281
Change in current debt to credit institutions		204	13,433	-52,990
Dividends paid to shareholders				-179,328
Acquisition of shares for treasury		-55,474	-47,444	-200,405
Sale of treasury shares		4,230		463
Cash flows from financing activities		-51,634	-34,532	-434,541
Change in cash and cash equivalents		-80,839	11,058	254,852
Cash and cash equivalents at 1 January		273,775	18,773	18,773
Exchange adjustment		-73	-55	150
Cash and cash equivalents at 31 March		192,863	29,776	273,775

STATEMENT OF CHANGES IN EQUITY FOR 1 JANUARY - 31 MARCH (DKK '000)

	Share capital	Share premium account	Revaluation reserves	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority interests' share	Total
Equity at 31 December 2011	111,865	337,825	180,000	-31,811	-76,995	597,262	190,170	12,869	1,321,185
Changes in equity in 2012									
Profit for the year						33,492		503	33,995
Other comprehensive income				12,676	11,621			10	24,307
Total comprehensive income	0	0	0	12,676	11,621	33,492	0	513	58,302
Acquisition of shares for treasury						-47,444			-47,444
Total shareholders	0	0	0	0	0	-47,444	0	0	-47,444
Total changes in equity 1/1 - 31/3 2012	0	0	0	12,676	11,621	-13,952	0	513	10,858
Equity at 31 March 2012	111,865	337,825	180,000	-19,135	-65,374	583,310	190,170	13,382	1,332,043
Equity at 31 December 2012	105,700	319,205	112,320	-5,719	-59,239	621,648	253,680	0	1,347,595
Changes in equity in 2013									
Profit for the year						41,422			41,422
Other comprehensive income				-2,315	2,403	204			292
Total comprehensive income	0	0	0	-2,315	2,403	41,626	0	0	41,714
Acquisition of shares for treasury						4,230			4,230
Sale of treasury shares						-55,474			-55,474
Total shareholders	0	0	0	0	0	-51,244	0	0	-51,244
Total changes in equity 1/1 - 31/3 2013	0	0	0	-2,315	2,403	-9,618	0	0	-9,530
Equity at 31 March 2013	105,700	319,205	112,320	-8,034	-56,836	612,030	253,680	0	1,338,065

The share capital at 31 March 2013 amounts to DKK 105,700,000 and is distributed on shares of DKK 10 each.

NOTES TO THE INTERIM REPORT

Note 1 – Significant Accounting Policies; Accounting Estimates and Judgements

The Interim 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.

The accounting policies are unchanged from those applied in the Annual Report for 2012, to which reference is made.

The Annual Report for 2012 provides the total description of accounting policies significant to the Financial Statements.

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 2012.

NOTES TO THE INTERIM REPORT

Note 2 - Segment Reporting

The Group's results break down as follows on segments:
(mDKK)

	1/1 - 31/3 2013				Total
	Western Europe	Eastern Europe	Malt Beverages	Unallocated	
Net revenue	532	132	87		751
Earnings before interest and tax (EBIT)	53.8	-1.4	17.4	-8.4	61.4
Share of income from associates	-1.1				-1.1
Other financial income and expenses	-0.1	-2.0	-0.4	-3.2	-5.7
Profit/(loss) before tax for the period	52.6	-3.4	17.0	-11.6	54.6
Tax on the profit/(loss) for the period				-13.2	-13.2
Profit for the period					41.4
Profit margin, %	10.1	-1.1	20.0		8.2

	1/1 - 31/3 2012				Total
	Western Europe	Eastern Europe	Malt Beverages	Unallocated	
Net revenue	540	115	98		753
Earnings before interest and tax (EBIT)	45.7	0.3	16.7	-6.5	56.2
Share of income from associates	-1.0				-1.0
Other financial income and expenses	-0.2	-0.8	-0.3	-7.9	-9.2
Profit/(loss) before tax for the period	44.5	-0.5	16.4	-14.4	46.0
Tax on the profit/(loss) for the period				-12.0	-12.0
Profit for the period					34.0
Profit margin, %	8.5	0.3	17.1		7.5

	1/1 - 31/12 2012				Total
	Western Europe	Eastern Europe	Malt Beverages	Unallocated	
Net revenue	2,430	585	415		3,430
Earnings before interest and tax (EBIT)	408.2	27.3	83.9	-34.4	485.0
Share of income from associates	32.1	2.1			34.2
Other financial income and expenses	-0.6	-5.0	-0.2	-32.4	-38.2
Profit/(loss) before tax for the period	439.7	24.4	83.7	-66.8	481.0
Tax on the profit/(loss) for the period				-108.2	-108.2
Profit for the period					372.8
Profit margin, %	16.8	4.7	20.2		14.1

NOTES TO THE INTERIM REPORT

Note 3 - Cash Flow Statement (DKK '000)

	1/1 - 31/3 2013	1/1 - 31/3 2012	1/1 - 31/12 2012
Adjustments for non-cash operating items			
Financial income	-2,178	-1,032	-6,195
Financial expenses	7,868	10,223	44,434
Amortisation, depreciation and impairment of intangible as- sets and property, plant and equipment	27,267	31,803	122,956
Tax on the profit for the period	13,209	12,041	108,217
Income from investments in associates	1,129	991	-34,263
Net loss from sale of property, plant and equipment	-134	-1,548	2,782
Other adjustments	-363	898	349
Total	46,798	53,376	238,280

NOTES TO THE INTERIM REPORT
FINANCIAL HIGHLIGHTS AND KEY RATIOS FOR 1 JANUARY - 31 MARCH 2009-2013

	1 January - 31 March (unaudited)				
	2013	2012	2011	2010	2009
Sales (thousand hectolitres)	1,247	1,160	1,280	1,316	1,310
Income Statement (mDKK)					
Net revenue	751.3	752.6	745.0	781.9	767.6
EBITDA before special items	88,5	86,5	75,7	63,5	17,4
Operating profit/(loss) before special items	61.4	56.2	39.8	10.0	-27.9
<i>Profit margin (%)</i>	8.2	7.5	5.3	1.3	-3.6
Special items (expenses)	0.0	0.0	0.0	0.0	-14.5
EBITDA	88.5	86.5	75.7	63.5	2.9
Special items (depr./amort. and impairment; profit/loss)	0.0	0.0	0.0	0.0	-2.0
Earnings before interest and tax (EBIT)	61.4	56.2	39.8	10.0	-44.4
<i>EBIT margin (%)</i>	8.2	7.5	5.3	1.3	-5.8
Income after tax from investments in associates	-1.1	-1.0	-6.2	-1.7	-0.1
Other financials, net	-5.7	-9.2	-12.7	-28.8	0.5
Profit/(loss) before tax	54.6	46.0	20.9	-20.5	-44.1
Profit/(loss) for the period	41.4	34.0	12.5	-18.0	-34.6
Royal Unibrew A/S' share of profit/(loss)	41.4	33.5	12.6	-18.2	-34.5
Balance Sheet (mDKK)					
Non-current assets	1,972.1	2,300.4	2,398.6	2,453.2	2,799.9
Total assets	2,872.8	3,030.9	3,098.4	3,335.7	4,016.5
Equity	1,338.1	1,332.0	1,323.9	965.2	522.2
Net interest-bearing debt	401.1	632.6	814.9	1,238.2	2,325.7
Net working capital	-86.7	-144.6	-68.4	-96.2	184.2
Cash Flows (mDKK)					
From operating activities	-18.8	74.2	-15.7	0.9	-28.8
From investing activities	-10.4	-28.6	-29.5	182.0	-101.1
Free cash flow	-29.9	45.6	-27.9	-5.7	-129.9
Share ratios (DKK)					
RU's share of earnings per DKK 10 share	3.9	3.2	1.1	1.6	-6.3
Cash flow per DKK 10 share	-1.8	7.0	-1.4	0.1	-5.3
Dividend per DKK 10 share	0.0	0.0	0.0	0.0	0.0
Year-end price per DKK 10 share	516.0	388.0	362.5	194.0	36.2
Financial ratios (%)					
Free cash flow as a percentage of net revenue	-4.0	6.1	-3.7	-0.7	-16.9
Cash conversion	-72.2	134.1	-223.2	31.7	375.4
Equity ratio	46.6	43.9	42.7	28.9	13.0

Ratios comprised by the "Recommendations and Financial Ratios 2010" issued by the Danish Society of Financial Analysts have been calculated according to the recommendations.

PRACTICAL INFORMATION

FINANCIAL CALENDAR

2013

28 August 2013 Interim Report for the period 1 January – 30 June 2013

21 November 2013 Interim Report for the period 1 January – 30 September 2013

ANNOUNCEMENTS TO NASDAQ OMX COPENHAGEN IN 2013

7 March 2013 11/2013 Annual Report 2012

3 April 2013 16/2013 Notice of the Annual General Meeting

In addition to the Company Announcements mentioned above, weekly Company Announcements on the share buy-back programme have been issued in the period 1 January – 4 April 2013.

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.