ROYAL UNIBREW

ROYAL UNIBREW A/S

ANNUAL REPORT 2006

Royal Unibrew A/S is the second largest brewery group and largest beer exporter in Scandinavia. Its head office is located in Faxe, Denmark and the Group comprises of 11 breweries and one soft drink producer. In Denmark the Group owns the four breweries: Albani, Ceres, Faxe and Maribo. In Lithuania we own the brewery Kalnapilis and in Latvia we own the brewery Lacplesa as well as the soft drink producer Cido. In Poland we own the breweries Brok, Strzelec and Lomza (the acquisition is subject to, among other things, the approval of the Polish competition authorities), and in the Caribbean we own two breweries on Antigua and Dominica. Royal Unibrew has approx. 2,400 employees world-wide and exports to approx. 65 countries throughout the world.

Read more at www.royalunibrew.com

Cover: Egekilde still water achieved a 25% market share in Denmark within its segment in 2006.

Maribo Bryghus STRZELEC Wadadli

CONTENTS


ROYAL
BROWN ALE
DANISH PREMIUM QUALITY BEER
BREWED AND BOTTLED BY ALBANI, CERES & FAXE

ANNOUNCEMENT OF ANNUAL RESULTS 2006

Net revenue up by 8% to DKK 3,439 million (including organic growth of 7%)

Profit before tax of DKK 320 million, the highest profit ever recorded by the Group (14% over 2005)

Consolidated profit after tax of DKK 230 million (4% over 2005)

Financial ratios measured against the MACH II Plan:
Return on invested capital (ROIC): 12.1% (target: 10%)
EBIT margin: 9.7% (target: 10%)
Free cash flow before acquisitions: 6.0% (target: 7%)

Unchanged dividend of DKK 10 per share is proposed (dividend rate 27%)

Realised Share Buy-back Programme transferred DKK 180 million to shareholders

Expected profit before tax for 2007 of DKK 330-370 million

Financial Highlights and Key Ratios for Royal Unibrew A/S (Group)

	IFRS 2006	IFRS 2005	IFRS 2004	2003	2002
Sales (million hectolitres)	**6.4**	5.8	4.8	4.1	4.5
Financial Highlights (mDKK)					
Income Statement					
Net revenue	**3,439.0**	3,191.0	2,869.0	2,633.1	2,777.6
Operating profit	**347.7**	302.7	307.1	282.9	252.4
Profit before financial income and expenses	**333.4**	307.7	307.1	242.9	265.6
Net financials	**-13.0**	-25.6	-36.7	-20.0	-31.4
Profit before tax	**320.4**	282.1	270.3	223.0	234.3
Consolidated profit	**230.3**	220.6	194.9	152.7	157.4
Royal Unibrew A/S' share of profit	**227.6**	221.1	194.1	152.3	157.2
Balance Sheet					
Total assets	**3,413.6**	3,187.8	2,530.8	2,448.1	2,495.4
Equity	**1,148.1**	1,149.8	1,080.4	995.8	923.5
Net interest-bearing debt	**1,047.8**	1,007.3	693.5	621.1	794.8
Free cash flow	**206.0**	252.2	232.7	265.7	248.2
Per share (DKK)					
Royal Unibrew A/S' share of earnings per share	**38.0**	35.4	30.6	23.8	25.0
Royal Unibrew A/S' diluted share of earnings per share	**37.6**	35.4	30.6	23.8	25.0
Cash flow per share	**70.9**	61.2	64.5	56.0	53.1
Diluted cash flow per share	**70.2**	61.2	64.5	56.0	53.1
Dividend per share	**10.0**	10.0	9.0	7.5	7.5
Year-end price per share	**740.0**	532.0	377.0	375.0	206.9
Employees					
Average number of employees	**2,278**	2,202	1,628	1,517	1,789
Key Figures (mDKK)					
EBITDA	**535.9**	493.2	495.1	430.5	438.7
EBITA	**334.7**	309.0	308.2	257.3	279.4
EBIT	**333.4**	307.7	307.1	242.9	265.6
Key Ratios (%)					
Return on invested capital (ROIC)	**12.1**	11.7	11.8	10.1	8.8
Profit margin	**10.1**	9.5	10.7	10.7	9.1
EBIT margin	**9.7**	9.6	10.7	9.2	9.6
Free cash flow as a percentage of net revenue	**6.0**	7.9	8.1	10.1	8.8
Net interest-bearing debt/EBITDA	**2.0**	2.0	1.4	1.4	1.9
Equity ratio	**33.6**	36.1	42.7	41.1	37.3
Debt ratio	**88.7**	85.1	64.2	61.7	85.4
Asset turnover	**1.0**	1.0	1.1	1.1	1.1
Return on net assets	**12.9**	12.1	13.5	12.7	10.8
Return on equity after tax	**20.0**	19.8	18.7	15.8	18.2
Dividend rate	**27.2**	28.8	29.5	32.3	31.3

Definitions of Key Figures and Ratios

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

STRONGEST PLATFORM EVER

Over the past year, Royal Unibrew grew even bigger and stronger, and we demonstrated that we are not afraid to challenge ourselves, the market and our competitors.
In 2006, we achieved the Group's best result ever, a profit of DKK 320 million before tax, which is a 14% increase over 2005. At the same time we reinforced our footing in key markets noting that we have made progress more or less everywhere the Group operates. All things considered, we now have the best strategic foundations ever.

THE PLAN BEARS FRUIT

Our MACH II Strategic Plan has been the Group's guiding principle since 2005. The targets and directions then established have borne fruit. In 2006, the organic growth of Unibrew was 7% with a total revenue increase of 8%. This means that we are headed for the revenue target of DKK 4.5 billion established for 2007.

At the same time, our activities in the Baltic countries developed better than planned, and the profit increase is expected to continue. We also expect to realise our MACH II targets for the region. As an element in our strategy for realising the targets for the Baltic countries, we have decided to optimise production structure in the area, and generally we are constantly developing our organisation through continuous processes involving the realisation of operating synergies and leveraging of our core competencies.

On the marketing side, considerable resources - and more than in 2005 - were spent to strengthen the Group's key brands, and brand equity and market shares generally developed satisfactorily. 2006 was an exciting year in which we successfully launched Egekilde and Royal Weiss in Denmark. In Latvia, the new Lacplesis Dzintara (Amber) beer was brought out, and Mangali water was successfully relaunched. Lithuanians are again able to get the popular Kalnapilio Dvaro. Vitamalt Light and Ceres Top expanded our strong portfolios in the Caribbean and Italy, respectively.

Within business excellence, the expected effect of DKK 20 million was realised in 2006. The efforts to launch new initiatives were continued to ensure the basis of the savings to be realised in 2007. Our key projects include "Production Excellence" in Denmark, "Customer Excellence" in Italy and the preparation of "Global Purchasing", a shared group purchasing function expected to be implemented in 2007.
Finally, the efforts to promote our new corporate identity following our change of name on 4 May 2005 continued successfully internally and externally during 2006.

Looking at our general financial targets, we were able in 2006 to exceed the MACH II targets as regards ROIC, whereas the EBIT margin was at just below 10%, and free cash flow was 1 percentage point above our announced expectations, but also 1 percentage point below the MACH II target of 7% due to investments in capacity increases, primarily in Latvia. And adjusting key figures for the DKK 14.3 million spent on optimising the production structure in the Baltic countries, also the EBIT margin exceeds the MACH II target.

POSITIVE DEVELOPMENT IN OUR MAIN MARKETS

In 2006, we saw increases in all markets, and especially in Northern Europe we benefited from the fine summer and mild autumn weather. This was reflected on our total sales which in 2006 increased by 10.2% from 2005.

In Denmark, we have taken on the role of a professional challenger. We will continuously develop and strengthen our market position through improved service, innovation and brand development. Royal Beer won market shares again this year. In an increasing soft drinks market, we reinforced our position in 2006 - primarily through a successful launch of Egekilde, which after only 11 months on the market achieved a handsome market share of 25% in the segment (source: DLF, Danske Læskedrik Fabrikanter), but also Faxe Kondi and Pepsi Max were successful.

Looking towards the Baltic countries, we note that this market is developing ahead of plans. In Lithuania, we hold approx. one fourth of the beer market. It is our plan to further strengthen our two complementary brands, Kalnapilis and Tauras, while developing our non-alcoholic business. In Latvia, where our Cido products developed very positively in 2006, it is our objective to enhance our market leading position. Furthermore, the highly profiled Lacplesis brand showed a very satisfactory sales development in 2006 with a growth as high as 46%.

In the German market, we continued focusing on the Northern regions, and Faxe beer sales are increasing continuously. On 1 May 2006, a joint return system for disposable containers was re-established, which meant that our sales increased by as much as 31% during the year, and the cross-border trade between Denmark and Germany also developed satisfactorily.

Our plans for Poland are clear: We will develop our business based on strong regional attachment. We did, however, over the past year still incur integration costs, and the level of activity and cost structure adjustment did not develop as expected. Therefore, a turn-around plan was prepared in 2006, and our management of the Polish activities was strengthened, which we expect to result in significant performance improvements in 2007.

In Italy we succeeded in increasing our market shares also in 2006. This was achieved by means of two general targets areas: Firstly, we initiated further efforts to enhance the professionalism or our service to customers; secondly, we increased our presence in new product segments – eg through launching of the new Ceres Weiss, launching Red Devil and expanding both our Ceres Strong Ale and our Ceres TOP portfolios.

Developments in our international malt drinks markets were also favourable – especially in the Caribbean and Africa. The end of 2006 saw the acquisition of Dominica Brewery & Beverages, Antigua Brewery and Antigua PET Plant, which is an integrated element of our malt drinks strategy and will contribute to achievement of our overall MACH II targets. Locally, the acquisition of the three production sites will put us in a leading position in the respective markets, thus strengthening our total position in the region.

LOOKING AHEAD

One of the key uncertainties in 2007 is price increases on raw materials following the failure of crops in 2006, which means that the price of eg malt and hops will increase considerably. At the same time, we may also see price increases of aluminium for cans and of fruit juice concentrates. We expect to be able to compensate partly for the cost increases through increased net selling prices.

Furthermore, we expect a revenue increase of 10% in 2007 in primarily the Nordic, Baltic, Italian and Polish markets as well as the Caribbean, and we will continue our considerable investment in marketing of our strategic brands.

Our business excellence initiatives are estimated to have a positive effect on net profit of at least DKK 30 million, which is considerably above the effect achieved in 2006.

Overall, we expect the MACH II targets for ROIC, EBIT margin and free cash flow to be realised. The achievement of the revenue target of some DKK 4.5 billion for the period 2005-2007 will depend on ongoing projects and negotiations. We expect profit before tax for 2007 to be at the level of DKK 330-370 million.

The Group's activities developed very positively in our target areas in 2006. Furthermore, we have made good headway in both Poland and the Caribbean through acquisitions. This has strengthened our base for future growth making us stronger than ever before.

Poul Møller
CEO

MACH II

MACH II, 2005 – 2007: VALUE CREATION THROUGH PROFITABLE INTERNATIONAL GROWTH

1. With due consideration of the above overall financial targets, ensuring revenue growth from some DKK 3 billion in 2004 to at least DKK 4.5 billion in 2007 through organic growth of 3% in the Company's focus areas and through acquisitions, alliances and partnerships in the growth areas: Northern Europe, Italy and the malt drinks markets. Within 3 years of being acquired, acquisitions must show two-digit ROIC and EBIT margin.

2. Further development of the activities in the Baltic countries to ensure two-digit ROIC and EBIT margin for the area by 2007.

3. Developing the core competencies of the Company to operating strong regional or national brands, while benefiting from Group synergies within purchasing, production, sales/distribution and management.

4. Increased investment in the Royal Beer, Kalnapilis, Cido, Ceres (Italy), Vitamalt and Faxe International brands through marketing and product innovation.

5. Business excellence initiatives to ensure continued enhanced efficiency.

6. Establishment of new international corporate identity through change of name to Royal Unibrew A/S and introduction of new slogan: "All your favourites" signalling Royal Unibrew's wide range of quality products.

SHAREHOLDER INFORMATION

SHARES

The Company's share capital at 31 December 2006 amounted to DKK 61,800,000 distributed on shares of DKK 10 each or multiples hereof. The shares are issued to bearer but may be registered to the holder in the Company's register of shareholders. The registrar is VP Investor Services A/S (VP Services A/S), Helgeshøj Allé 61, P.O. Box 20, DK-2630 Taastrup.

Each share of DKK 10 carries one vote. Any shareholder registered in the Company's register of shareholders is entitled to vote. However, no shareholder may on his own behalf or by proxy exercise voting powers for a share purchase of more than 10% of the share capital of the Company from time to time.

There are some 13,000 registered shareholders, including some 800 current or former employees of the Company. At 31 December 2006, the registered shareholders represented a total capital of DKK 43,607,790 equal to 70.56% of the share capital.

The shares of Royal Unibrew were traded at a high of DKK 750 and a low of DKK 525 during the year.

TRADING CODES

ISIN code - DK0010242999

Reuters - RBREW.CO

Bloomberg - RBREW DC

Share-related ratios

Per share (DKK)	**2006**	2005	2004	2003	2002
Royal Unibrew A/S' share of earnings per share	**38.0**	35.9	30.6	23.8	25.0
Royal Unibrew A/S' diluted share of earnings per share	**37.6**	35.9	30.6	23.8	25.0
Cash flow	**70.9**	61.2	64.5	56.0	53.1
Diluted cash flow per share	**70.2**	61.2	64.5	56.0	53.1
Year-end price per share	**740.0**	532.0	377.0	375.0	206.9
Dividend per share	**10.0**	10.0	9.0	7.5	7.5

COMPOSITION OF SHAREHOLDERS

The following shareholders have, pursuant to section 28a of the Danish Companies Act, reported shareholdings in excess of 5% of the share capital at 2 March 2007:

FL Group	24.40%
Sudurlandsbraut 12	
108 Reykjavik	
Iceland	
Julius Bär Investment Management LLC	9.07%
330 Madison Avenue, Floor 12A	
New York 10017	
USA	
BK & Trust Co.	5.43%
200 Clarendon Street, 16th Floor	
Boston MA 02117-9130	
USA	
ATP	5.28%
Kongens Vænge 8	
DK-3400 Hillerød	

The shareholders of Royal Unibrew are as follows:

Shareholders	Investment (%)
Foreign investors	51.05
Danish institutional investors	19.92
Individual Danish investors	11.45
Employee shareholders	1.09
Non-registered	10.59
Royal Unibrew	5.90
Total	100.00

FINANCIAL CALENDAR FOR 2007

Annual General Meeting and shareholders' meetings:

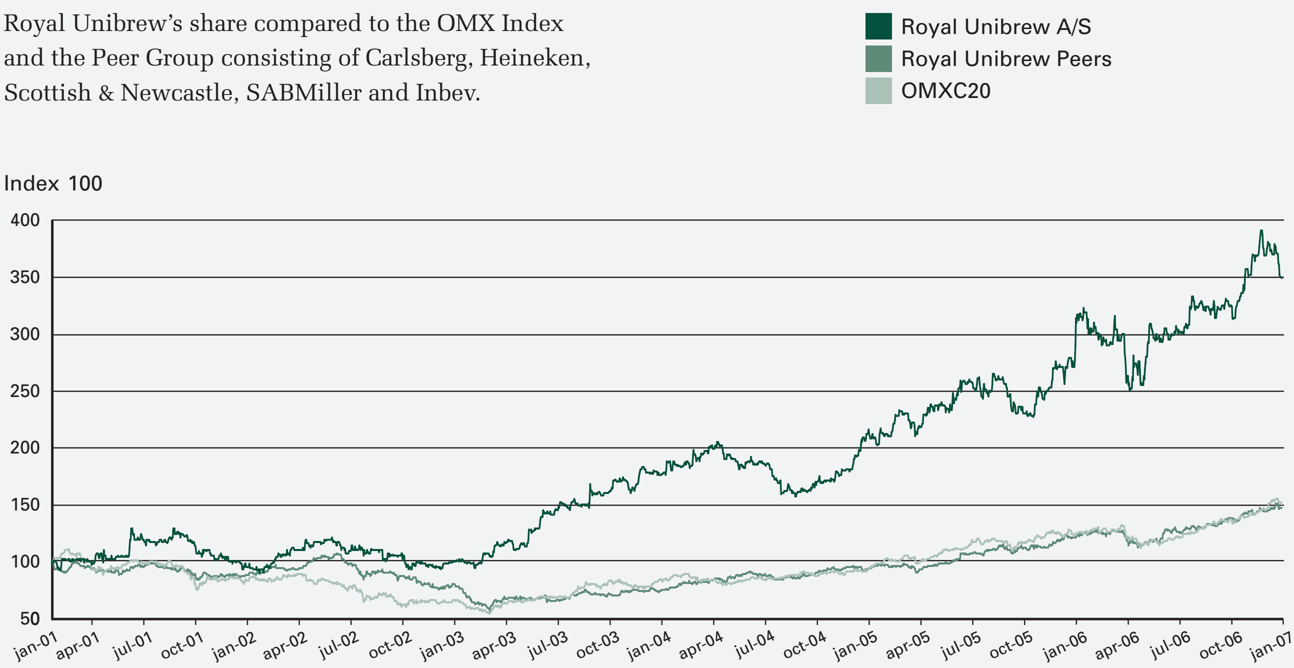
30 April 2007:	Annual General Meeting in Faxe
2 May 2007:	Shareholders' meeting in Randers
3 May 2007:	Shareholders' meeting in Odense

ANNOUNCEMENTS OF FINANCIAL RESULTS:

5 March 2007:	Annual Report 2006
30 April 2007:	Q1 Report 2007
28 August 2007:	Interim Report (H1) 2007
14 November 2007:	Q3 Report 2007

SHARE PERFORMANCE

Royal Unibrew's share compared to the OMX Index and the Peer Group consisting of Carlsberg, Heineken, Scottish & Newcastle, SABMiller and Inbev.



INVESTOR RELATIONS ACTIVITIES

In order to ensure, directly or indirectly, liquidity of the Royal Unibrew share, the Group strives at all times at having close relations to the share market by maintaining a level of information that meets the requirements of investors and analysts.

Royal Unibrew is still included in MidCap+ segment.

An Annual General Meeting and two annual meetings of shareholders are held. Furthermore, in 2006 an Extraordinary General Meeting was held on 22 May 2006 in Faxe in connection with the resolution to cancel treasury shares and increase the share capital.

Royal Unibrew holds both analyst and investor meetings in Denmark and abroad in connection with the publication of its Interim Report and Annual Report. Moreover, Royal Unibrew participated in, among other events, the Enskilda Securities Nordic Seminar on 12 January, Sydbank's Investor Meeting on 23 January, Danske Bank's Brewing Seminar on 30 November and the Danske Equities SmallCap & MidCap Seminar on 7 December. The presentations from these meetings were available at Royal Unibrew's website, www.royalunibrew.com simultaneously with the analyst and investor meetings being held.

In 2006 Royal Unibrew made two webcasts in connection with the publication of the Annual Report 2005 and the H1 Report 2006. The webcasts were made available at Royal Unibrew's website, www.royalunibrew.com, immediately after their broadcasting.

The Brew Magazine, which is the shareholder magazine of Royal Unibrew, is usually issued 4 times a year and is sent to all registered shareholders and other stakeholders. However, in 2006 the magazine only had 3 issues.

Royal Unibrew's external and internal communication must be open and timely. The Group's openness is limited only by the duties of disclosure imposed by the Copenhagen Stock Exchange and by competitive considerations.

Royal Unibrew's communication policy should further analysts' and investors' possibilities of actual assessment and valuation of the Company and meet the information requirements of other stakeholders (see page 15).

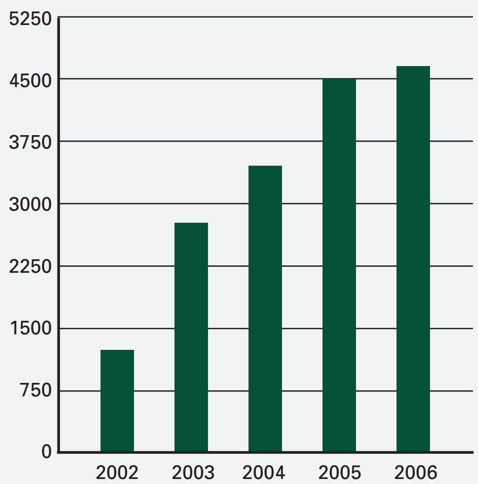
DISTRIBUTION OF PROFIT FOR THE YEAR

The Supervisory Board recommends to the Annual General Meeting unchanged dividend of DKK 10 per share of DKK 10, equal to a dividend rate of some 27%. The proposed dividend totals DKK 61.8 million. The Supervisory Board proposes that the remaining profit for the year of DKK 209.7 million be allocated to retained earnings.

In 2006 Royal Unibrew launched a Share Buy-back Programme of some DKK 200 million, and at 31 December 2006 a total of 258,198 shares had been acquired (some 4% of the share capital). At the next Annual General Meeting of the Company on 30 April 2007, the Supervisory Board will propose that the share capital of the Company be approx. reduced, corresponding to the number of shares repurchased under the Share Buy-back Programme. Taking into account the MACH II strategy and the Company's capital

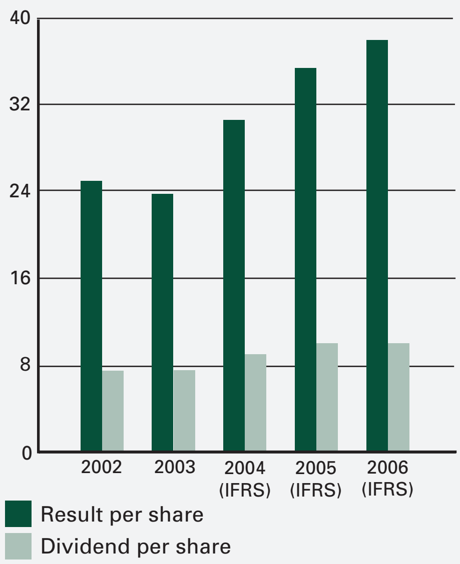
VOLUME OF TRADE

Thousand Shares



RESULT AND DIVIDEND PER SHARE

DKK



structure, the Supervisory Board will consider further share buy-backs in 2007 (cf page 33).

The Supervisory Board still intends to propose distribution to the shareholders of annual dividend at the level of 25-40% of profit after tax for the year. However, dividend from time to time will be proposed with due regard to the Company's strategic plans and cash position.

GENERAL MEETING AND SHAREHOLDERS' MEETINGS

In 2006, Royal Unibrew initiated electronic registration of its shareholders in connection with general meetings and shareholders' meetings to the effect that shareholders could henceforth register and give proxy instructions at Royal Unibrew's website.

ANALYSTS

The following institutions monitor the development of Royal Unibrew:

Firm of analysts	Analyst
ABG Sundal Collier	Peter Kondrup
Crédit Suisse	Swetha Ramachandran
Carnegie	Carsten Leth
Danske Equities	Søren Samsøe
Enskilda Securities	Henrik K. Jeppesen
Gudme Raaschou Bank	Michael K. Rasmussen
Jyske Bank	Casper Albæk
Spar Nord	Stig Nymann
Sydbank	Bjørn Schwarz

CORPORATE GOVERNANCE

The Supervisory Board of Royal Unibrew regularly performs reviews of the Company's rules, policies and practice in relation to the Corporate Governance recommendations of the Copenhagen Stock Exchange. In the opinion of the Supervisory Board, Royal Unibrew is, in all material respects, in compliance with these recommendations; however, with the following exceptions:

Supervisory Board members' other duties (recommendation V, 7):
It is recommended that a supervisory board member who is also a member of the Executive Board of an active company hold not more than three ordinary directorships or one chairmanship and one ordinary directorship in companies not forming part of the Group unless in exceptional circumstances.

- The Supervisory Board assesses in each individual case the duties of the individual members outside the Group with a view to continuously ensuring that the individual supervisory board member has the necessary resources to handle his/her work on the Supervisory Board of Royal Unibrew.

Remuneration of the Supervisory and Executive Boards (recommendation VI, 2 and 3):
It is recommended that the Annual Report disclose the Company's remuneration policy and include information about the amounts of remuneration of the individual members of the Supervisory Board and the Executive Board.

- The remuneration of members of the Supervisory Board is disclosed in the below section "Remuneration of Supervisory Board and Executive Board". Disclosure of remuneration of the individual members of the Executive Board is not at present considered material to stakeholders' assessment. The total remuneration of the Executive Board is disclosed in note 6 of the Annual Report. The remuneration of the Executive Board is considered in line with that of comparable companies.

Market price of options at the time of allocation (recommendation VI, 4):
It is recommended that redemption prices of allocated share options be higher than the market price at the time of allocation.

- Royal Unibrew fixes the redemption price of allocated share options on the basis of the average market price of the Company's share over the 10 trading days following the publication of the Annual Report in question.

SHAREHOLDER RELATIONS

Royal Unibrew is continuously developing and updating its website for shareholder information to ensure that shareholders and other stakeholders have access from time to time to updated information and can easily contact the Company's Shareholder Secretariat.

According to the Articles of Association of the Company, general meetings shall be convened at not less than 1 week's and not more than 4 weeks' notice. However, the Supervisory Board aims at convening general meetings of the Company at not less than 3 weeks' notice. It aims at formulating the notice convening the meeting and the agenda so as to give shareholders an adequate presentation of the business to be transacted at the general meeting. Proxies are limited to a specific general meeting and are formulated in such a way as to allow absent shareholders to give specific proxies for individual items of the agenda.

The Articles of Association of Royal Unibrew contain a restriction on voting according to which one single shareholder or a group of cooperating shareholders cannot vote for more than 10% of the total number of votes. The Supervisory Board does not consider this provision protection against a potential serious investor taking over control of the Company if this is in the interest of the shareholders, but it is assumed that the provision will, if required, prevent takeover of actual control on the basis of a minority and in this situation instead promote a total bid for a controlling interest in the Company.

The Supervisory Board will aim at safeguarding all shareholder interests and will not at its own initiative seek to counter a serious take-over attempt which could be in the interest of the shareholders by making decisions which prevent the shareholders from considering a potential takeover attempt.

STAKEHOLDERS

The key stakeholders of Royal Unibrew - in addition to its shareholders - are employees, consumers, customers, suppliers, the local community and society at large. Stakeholder relations are given high priority by Royal Unibrew and considerable resources are spent on keeping up and further developing these relations.

The overall visions, strategies and objectives are described in Management's Review.

TRANSPARENCY

Royal Unibrew believes that transparency and openness are crucial to shareholders' and other stakeholders' assessment of the Company and its prospects.

Royal Unibrew therefore wants to continuously develop its relations to shareholders and stakeholders through strengthening of communication with these groups. The Company's stock exchange announcements are issued in Danish and English and are also published on the Company's website. Meetings are held in Denmark and abroad, partly in connection with the Group's Interim and Annual Reports, and partly, as required, with the Company's investors, financial analysts and representatives of the press. The presentations made at these meetings are published on the web simultaneously with the presentation. Furthermore, in 2006 the Company held two webcasts.

Since 1 January 2000, the Group has published quarterly reports. International Financial Reporting Standards (IFRS) have been fully implemented as of 1 January 2005.

The Danish breweries of Royal Unibrew publish annual environmental reports and green accounts describing their impacts on the external environment and health & safety developments. In 2006, the work of preparing a policy for the Group's ethical and social responsibility has been commenced.

COMMUNICATION POLICY

Royal Unibrew's external and internal communication must be open and timely. The Group's openness is limited only by the duties of disclosure imposed by the Copenhagen Stock Exchange and by competitive considerations.

Externally, we wish to further analysts' and investors' possibilities of actual assessment and valuation of the Company and meet the information requirements of other stakeholders. At the same time, our external communication activities should ensure and enhance the Company's

position and reputation as an international business with considerable regional competencies, a strong product portfolio and an attractive growth and investment potential.

Internally, our communication should strengthen a shared international corporate identity across national, regional and organisational differences. Therefore, our employees should be guaranteed appropriate insight into and understanding of Royal Unibrew's strategy, vision/mission, values and targeted reputation.

TASKS AND RESPONSIBILITIES OF THE SUPERVISORY BOARD

The Supervisory Board handles overall strategic management, financial and managerial supervision of the Company as well as continuous evaluation of the work performed by the Executive Board.

The Supervisory Board performs its work in accordance with the Rules of Procedure of the Company governing the Supervisory and Executive Boards. These Rules of Procedure are reviewed and updated regularly by the full Supervisory Board.

COMPOSITION OF THE SUPERVISORY BOARD

When composing the Supervisory Board, we emphasise that the members have the competences required to solve the task. Candidates for the Supervisory Board are recommended for election by the general meeting supported by motivation in writing, based on the criteria laid down by the Supervisory Board, which include knowledge of general management and of international issues and business operations, sale and marketing of brands, financing and of production and logistics issues.

At present, the Supervisory Board consists of 6 members elected by the general meeting and 3 members elected by the employees. When joining the Supervisory Board, the members elected by the employees are offered relevant training in serving on a board.

The supervisory board members meet for 4 annual ordinary board meetings, including one 2-day seminar primarily aimed at the Company's strategic situation and prospects. In addition, the supervisory board members meet when required. In 2006, the Supervisory Board held 6 meetings. Royal Unibrew does not have standing board committees, only ad-hoc committees. No ad-hoc committees were established in 2006.

The members of the Supervisory Board of Royal Unibrew are governed by an age limit of 65. A member of the Supervisory Board who changes his principal occupation during his term of office shall in principle be prepared to offer to resign if the rest of the Supervisory Board considers this advisable.

Regular evaluation of the work of the Supervisory Board is performed. The Executive Board and the cooperation between the Supervisory Board and the Executive Board are evaluated on an annual basis.

REMUNERATION OF SUPERVISORY BOARD AND EXECUTIVE BOARD

The members of the Supervisory Board are remunerated by a fixed annual amount for their continuing work on the Board. In connection with particularly comprehensive ad-hoc committee work, the Supervisory Board may, based on the scope of the work, determine a special remuneration. It is the aim that the remuneration of the Supervisory Board should match the level of comparable companies.

The Supervisory Board does not participate in incentive programmes, such as share option programmes, bonus pay, etc.

For 2006, fixed remuneration of DKK 1.7 million has been expensed in respect of the Supervisory Board. Other than that, no special remuneration has been paid. The annual remuneration paid to ordinary members of the Supervisory Board amounts to DKK 150k. The Chairman and the Deputy Chairman receive remuneration of 2.5 and 1.5 times the ordinary remuneration, respectively.

Share option programmes have been established for the Executive Board and selected executives comprising the 2005 and 2006 financial years. Additionally, a bonus pay programme has been established for the management team (including the Executive Board) of Royal Unibrew, the sales organisations and selected employees.

RISK MANAGEMENT

The Supervisory Board continuously assesses the various risks with which an internationally operating enterprise like Royal Unibrew is faced.

The key risks are summarised by the following main areas:

- Financial risks (currency, interest rates, liquidity)
- Exposure hazard and third-party risks
- Credit risks
  (financial institutions and commercial receivables)
- Market risks (distribution of earnings)
- Environmental risks

Financial, credit and market risks are assessed in connection with the Company's strategy and budgeting procedures. Exposure hazard and third-party risks (insurance cover) are reviewed on an annual basis according to the Rules of Procedure for the Supervisory Board, whereas environmental risks are considered in connection with the Company's environmental reports. Furthermore, the Supervisory Board monitors the special risks that may result from the Company's involvement in the production and sale of alcoholic beverages.

Specifically for financial risks, reference is made to note 2 on page 54 of the Annual Report, and specifically for environmental risks, reference is made to page 17.

ENVIRONMENTAL ISSUES

At Royal Unibrew we wish to produce with care, and the key words for our environmental work are optimisation, recycling and reduction. We operate a growth business and therefore we work on all fronts to reduce resource consumption, discharges, waste volumes and health & safety risks. We are doing this by eg process optimisation to the benefit of both the environment and the Company. Environmental management is one of the key tools in working with continuous optimisation of environmental issues and impact reduction. However, also our Business Excellence projects are very important in relation to optimisation of our processes.

Moreover, the efforts to create profitable growth walk hand in hand with our objective of being an attractive and responsible workplace with respect to the environment and health & safety.

THE ENVIRONMENTAL YEAR 2006 AT ROYAL UNIBREW

In 2006, we continued targeting our environmental efforts at reduction of energy and water consumption and our waste water discharges. A number of major production changes and readjustments were implemented at our Danish breweries. As a result, some of the breweries did not reach their environmental targets, while others achieved far better results than targeted. Generally, our Danish breweries still meet high standards with respect to utilisation of waste and by-products. By far the largest part of our waste is recycled. For example, discarded screw caps and beer crates are collected for use in the plastic industry – eg for rubber mats, balls, etc. A minor part of the waste – such as the daily refuse – is sent to incinerators, from which energy can be utilised for heating purposes. The primary by-products are mash and yeast cream which may for example be sold for soil improvement purposes or as feed for livestock.

It is important to us that all our breweries in Denmark and abroad have high environmental standards. And all our Danish and foreign breweries work very dedicatedly with environmental issues. It is therefore satisfactory that our total energy and water consumption and waste water discharges are declining steadily year by year for the entire Group.

Maribo Bryghus has for a number of years registered its key environmental consumption. These registrations combined with environmental action plans are key factors of the systematic efforts to optimise energy consumption and reduce emissions and discharges to the surrounding environment. The results achieved are presented in the green accounts of Maribo Bryghus for 2006. In 2006, the brewery reduced its carbon dioxide (CO2), sulphur dioxide (SO2) and nitrogen dioxide (NO2) by more than 25%. The reason is that following a combination of boilers the efficiency of energy generation has improved significantly.

At the Kalnapilis brewery in Lithuania current control and optimisation of resource, water, electricity and gas consumption are performed. Meters have been installed which are read on a daily basis, and consumption data are reported on a monthly basis. In 2006, there was special focus on training employees in health & safety as well as general training. Furthermore, in 2006 a project to reduce noise from the brewery has been initiated.

In Latvia, at the Lacplesa Alus brewery and with the soft drinks producer Cido, efforts have been directed at reducing emissions and discharges as well as resource consumption. Waste is today separated into several fractions with a view to recycling. Furthermore, environmental managers have been appointed to ensure compliance with national environmental legislation.

At the two Polish breweries, Brok and Strzelec, efforts were directed also in 2006 at minimising waste water volumes. Environmental action plans and follow-up are import tools to achieve environmental targets. Efforts are still directed at minimising waste water volumes and emissions. In future years, energy consumption per unit produced will be reduced due to production reorganisation.

In 2006, the health & safety targets were not achieved by two of the Danish breweries. Unfortunately, the breweries have seen more accidents than in previous years, and efforts will be directed at improving this situation in 2007. However, the other Danish breweries saw fewer accidents than in previous years. Our foreign breweries are training and instructing employees in health & safety too.

At an overall level, the environmental impacts from the main activities of Royal Unibrew may be divided into direct and indirect environmental impacts:

Three of Royal Unibrew's Danish breweries have obtained environmental certification under ISO 14001:2004; Faxe and Ceres were certified in 1999 and Albani in 2003. These three breweries are also registered under EMAS. EMAS is the EU regulation EEC No 761/2001 on voluntary participation by organisations in a Community eco-management and audit scheme. The breweries publish an environmental report annually.

Direct environmental impacts
The direct environmental impacts are characterised by significant consumption of:

- Energy and water
- Packaging (glass, plastic, aluminium, cardboard and paper)
- Vegetable raw materials (malt/barley)
- Lye (NaOH) (cleaning of processing plant)

All Royal Unibrew breweries discharge waste water containing organic matter which is transformed and cleaned at municipal waste water treatment plants without problems.

By far the major part of the waste generated by us is recycled for various purposes; thus, only a very small part has to be incinerated, deposited in landfills or destroyed.

As the breweries are situated in urban areas, noise is a significant environmental issue.

Internally, particularly the prevention of unfortunate occurrences and accidents and place of work assessments are high-priority target areas.

Indirect environmental impacts
Particularly the following impacts have been given high priority:

- Selection of packaging and container materials
- The weight of non-returnable containers
- The use of non-returnable containers in export markets
- Environmental impacts from distribution

Through open dialogue with its suppliers, Royal Unibrew works continuously to reduce its environmental impacts from the above factors.

ENVIRONMENTAL TARGETS FOR 2005-2007

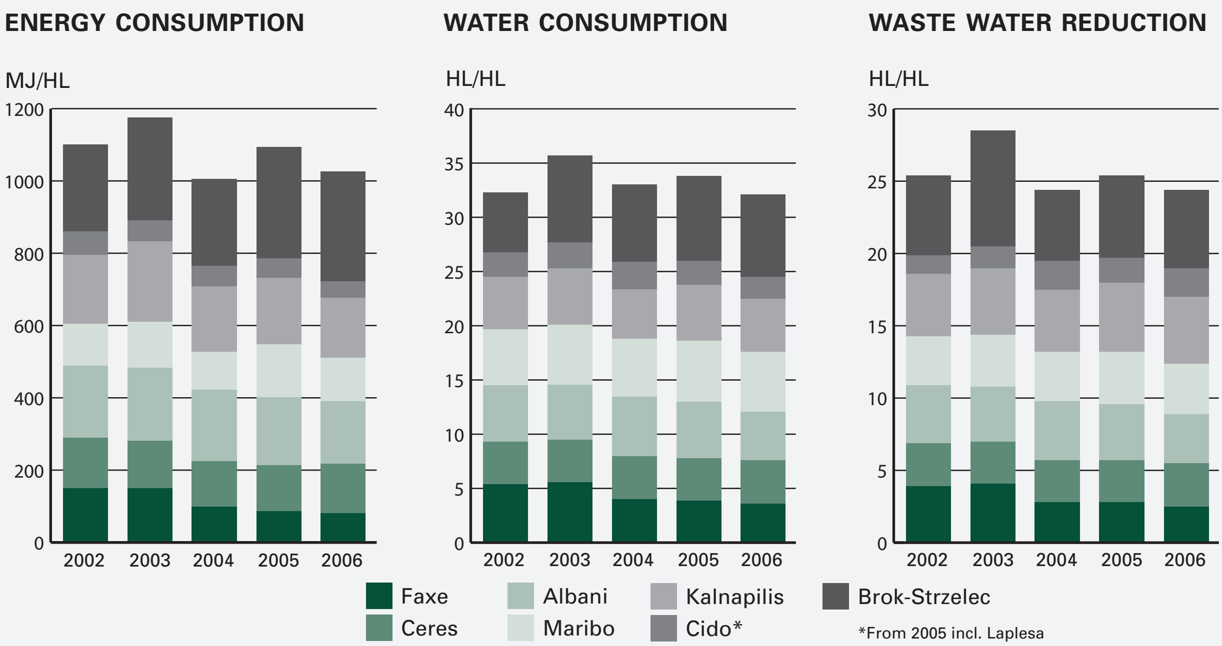
In 2004, it was decided that over the above-mentioned period the breweries should focus on achieving environmental improvements in the following areas:

- Energy reduction
- Waste water reduction
- COD reduction
- Reduction of accidents

We will establish new environmental targets for the future years during 2007.

ADDITIONAL INFORMATION AND DOCUMENTATION ON ENVIRONMENTAL ISSUES OF ROYAL UNIBREW

Reference is made to Royal Unibrew's Environmental Report for 2006, which will be issued in April 2007, and to the Green Accounts 2006 of Maribo Bryghus. These reports provide detailed environmental information on the external and internal environmental work of Royal Unibrew A/S. You may obtain copies of the Environmental Report and the Green Accounts by contacting Royal Unibrew A/S or by downloading them at our website (www.royalunibrew.com).



MANAGEMENT'S REVIEW

GENERAL

The primary activities of Royal Unibrew are to market, sell, distribute and produce quality beverages focusing on branded products primarily within beer, malt and soft drinks. The Group's products are sold in some 65 markets with special focus on Northern Europe (the Nordic countries, the Baltic countries, Northern Germany and Poland), Italy, Canada and the international malt drinks markets (the Caribbean, Africa and the UK). Royal Unibrew comprises the Albani, Ceres, Faxe and Maribo breweries in Denmark, Kalnapilis in Lithuania, Brok and Strzelec in Poland, Lacplesa Alus and the soft drinks producer SIA Cido Grupa in Latvia.

It is the vision of Royal Unibrew to develop the Group with increasing profitability as being among the leading providers of beverages in Northern Europe and to develop profitable export markets outside this region.

ACQUISITIONS

As announced in our Announcement RU44/2006 of 13 December 2006, Royal Unibrew has strengthened its position in the Caribbean by acquiring controlling interests in the breweries Dominica Brewery & Beverages Ltd. and Antigua Brewery Ltd. as well as in Antigua PET Plant Ltd. Management control of the companies was acquired in January 2007, whereas the share transfer awaits formal approval by the authorities in Dominica and Antigua. The acquisition gives Royal Unibrew leading market positions in both Dominica and Antigua within malt drinks as well as beer and soft drinks. In 2005, the breweries realised net revenue of some DKK 75 million and profit before tax of DKK 8 million.

As announced in our Announcement RU06/2007 of 15 February 2007, Royal Unibrew has entered into an agreement to acquire the full share capital of the Browar Lomza Sp. z o.o. brewery, which holds a significant position in North Eastern Poland. The acquisition is an element in the Group's MACH II strategic platform, in which Northern Europe, and thus Poland, is one of the focus areas. The acquisition is subject to, among other things, approval by the Polish competition authorities, which is expected to be obtained around the end of April 2007. In 2005, the brewery recorded revenue of DKK 175 million and showed a profit before tax of DKK 15 million, primarily originating from important regional beer brands.

RESULTS 2006

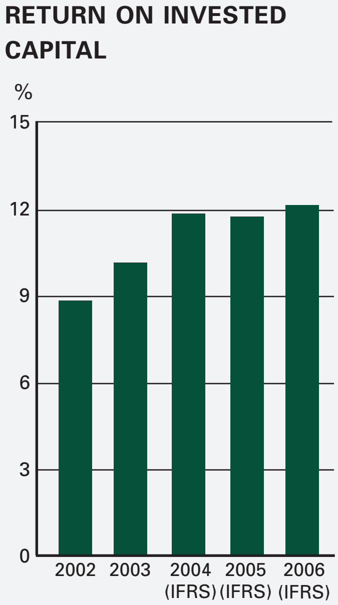
In 2006, the Royal Unibrew Group achieved a profit before tax of DKK 320.4 million, which is in line with the expectations for 2006 expressed in the H1 Report 2006 (cf Announcement RU23/2006 of 29 August 2006).

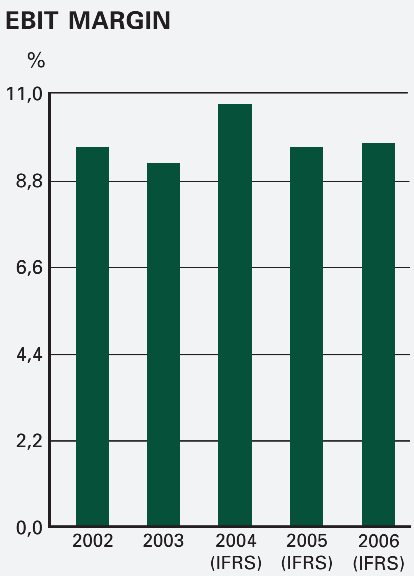
The results achieved in 2006 were positively affected by the fine summer and autumn weather in Europe and also income from the Danish Export Credit Fund relating to receivables in Nigeria previously written off affected results for the year positively (cf Announcement RU23/2006 of 29 August 2006). The continued keen price competition and a changed product mix have, however, affected results negatively.

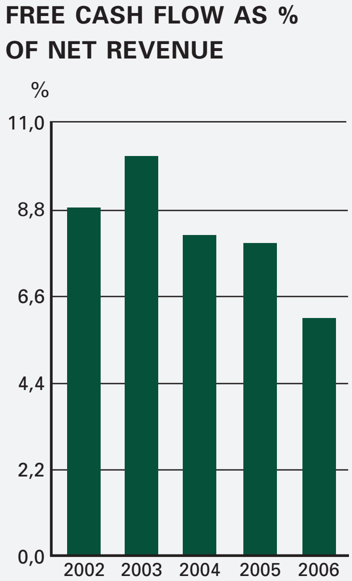
Furthermore, the activities in Poland with integration of the Brok and Strzelec breweries as well as the initiated production structure optimisation in the Baltic countries affected results negatively. The total estimated negative effect of the Polish and Baltic issues mentioned on EBIT (earnings before interest and tax) in 2006 was some DKK 35 million higher than expected.

Measured against the main targets of the MACH II Strategic Plan, the results were as follows in 2006:

	Actual 2006 %	Target %
Return on invested capital (ROIC)	12.1	≥ 10
EBIT margin	9.7	≥ 10
Free cash flow as a % of net revenue	6.0	≥ 7
Total net revenue growth over 3 years	7.8	≈ 14.5







As evidenced, the Group managed in 2006 to exceed the MACH II targets established as regards ROIC, whereas the EBIT margin was slightly below the targeted level. Free cash flow was in 2006 affected by major investments in capacity increase and stood at 6% of net revenue, 1 percentage point above the expected 5% but 1 percentage point below the MACH II target. Adjusting the figures for the special items of DKK 14.3 million relating to the production structure optimisation in the Baltic countries, the EBIT margin will also be above the MACH II target.

DEVELOPMENTS IN SALES AND REVENUE FROM 2005 TO 2006 WERE AS FOLLOWS:

Developments 2005-2006	Western Europe (including misc. revenue)		Eastern Europe		Rest of the world		Royal Unibrew total	
	Growth	Total	Growth	Total	Growth	Total	Growth	Total
Sales (thousand hectolitres)	6.9%	3,831	16.9%	2,229	8.1%	315	**10.2%**	**6,375**
Net revenue (mDKK)	5.6%	2,505	16.4%	671	8.1%	263	**7.8%**	**3,439**

Total group sales in 2006 aggregated 6.4 million hectolitres of beer, malt and soft drinks, which is a 10.2% increase over 2005. Some 1 percentage point of the increase was attributable to the Polish activities acquired in 2005. Accordingly, organic volume growth accounted for some 9 percentage points distributed on all markets.

Beer and malt drinks sales aggregated 4.3 million hectolitres, which is an 8% increase over 2005, whereas soft drinks sales (including mineral water and fruit juices, etc) aggregating 2.1 million hectolitres increased by 15%.

Net revenue amounting to DKK 3.4 billion in 2006 increased by just below 8% over 2005 and increases were realised in all markets. Some 1 percentage point of the increase is attributable to the acquisition of Brok-Strzelec in Poland. Accordingly, organic growth in the Royal Unibrew Group in 2006 was 7%, primarily driven by revenue growth in Denmark, Germany, Italy, Latvia and Lithuania and certain malt drinks markets.

Gross profit for the year amounting to DKK 1.7 billion increased by 5% over 2005. The gross margin was 49.3% and thus 1.1 percentage points lower than in 2005. Gross margin in 2006 was adversely affected by the lower average net selling prices, due to, among other things, keen price competition and a shift in the product mix in the cross-border trade between Denmark and Germany towards less expensive products as well as by a proportionately larger increase in sales of soft drinks in Eastern Europe. Both gross profit and gross margin were positively affected in 2006 by the process optimisation activities implemented.

Operating profit amounted to DKK 348 million in 2006, 15% or 45 million above the 2005 level. Other than the effect from gross profit for the year, operating profit was affected by a 4% increase in sales and distribution expenses over 2005, which was below the increase in both net revenue and gross profit. The Group's administrative expenses increased by 17% primarily as a result of increased payroll expenses (+36%) partly due to recruiting in order to develop core competencies in accordance with MACH II but also affected by severance payments. The item "other operating income" increased by some DKK 38 million relating to the income from Nigerian receivables previously written off as mentioned above.

Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to DKK 535.9 million compared to DKK 493.2 million in 2005.

Special items related to the production structure optimisation in the Baltic countries, including the closure of a brewery in Lithuania. The expenses incurred were some DKK 11 million lower than announced in our Announcement RU20/2006 of 9 August 2006. The difference is primarily explained by the required write-down of assets for impairment proving not to be as substantial as originally assumed.

Income from investments in associates went up considerably compared to 2005 amounting to DKK 26 million compared to DKK 16 million in 2005. This increase was primarily due to yet another year of improved performance by Hansa Borg Bryggerierne ASA and to a higher share of ownership of Nuuk Imeq.

The Group's net financial expenses were at the 2005 level as higher net interest expenses were offset by exchange gains.

The profit before tax of the Royal Unibrew Group for 2006 amounted to DKK 320 million compared to DKK 282 million in 2005, equal to an increase of 13.6%.

Consolidated profit (after tax) increased by DKK 10 million to DKK 230 million, equal to an increase of 4.4%.

MACH II

Under the theme ”value creation through profitable, international growth”, Royal Unibrew launched MACH II, its new Strategic Plan for the period 2005-2007, in February 2005 (cf Announcement BG02/2005 of 24 February 2005). The overall financial targets of the Group for the period 2005-2007 remain unchanged from previously:

• Return on invested capital (ROIC)	≥ 10%
• EBIT margin	≥ 10%
• Free cash flow (before acquisitions)	≥ 7% of net revenue

MACH II has the following main elements:

- With due consideration of the above overall financial targets, ensuring revenue growth from some DKK 3 billion in 2004 to at least DKK 4.5 billion in 2007 through organic growth of 3% in the Company's focus areas and through acquisitions, alliances and partnerships in the growth areas: Northern Europe, Italy and the malt drinks markets. Within 3 years of being acquired, acquisitions must show two-digit ROIC and EBIT margin.
  Revenue went up by 11% in 2005, of which organic growth accounted for 4 percentage points. In 2006, organic growth represented 7% and the revenue increase totalled 8%. In 2007, revenue is expected to increase by 3% due to the acquisition of two breweries in the Caribbean, one of Royal Unibrew's key malt drinks markets (cf Announcement RU44/2006 of 13 December 2006).
  The acquisition of the Polish brewery ”Browar Lomza” (cf Announcement RU06/2007 of 15 February 2007), which is expected to be included in the consolidated financial statements as of May, is expected to result in a revenue increase in 2007 of some 4% (5% on a full-year basis).

- Further development of the activities in the Baltic countries to ensure two-digit ROIC and EBIT margin for the area by 2007.
  Activities in the Baltic countries developed ahead of plans, and the profit increase recorded in 2005 and 2006 is expected to continue. As an element in the strategy to realise the targets for the Baltic countries, it has been decided to optimise production structure in the area (cf Announcement RU20/2006 of 9 August 2006).

- Developing the core competencies of the Company to operating strong regional or national brands, while benefiting from Group synergies within purchasing, production, sales/distribution and management.
  Organisational development continues in key areas and operating synergies continue to be realised. In 2006, a ”Corporate Talent Programme” was initiated to ensure focus and development of potential future key employees.

- Increased investment in the Royal Beer, Kalnapilis, Cido, Ceres (Italy), Vitamalt and Faxe International brands through marketing, product innovation and development.
  Considerable resources - and more than in 2005 - were spent in 2006 to strengthen the Group's key brands, and brand equity and market shares are generally developing satisfactorily. In 2006, 7% of net revenue was spent on marketing activities.

- Business excellence initiatives to ensure continued enhanced efficiency. Activities to be carried out in 2005 are expected to yield a full-year effect in terms of savings of DKK 20 million in 2006.
  The expected effect of DKK 20 million was realised in 2006.
  The efforts relating to ongoing and new initiatives were continued to ensure the basis of the savings which in 2007 are estimated at more than DKK 30 million. Key projects include ”Production Excellence” in Denmark, ”Customer Excellence” in Italy and the preparation of ”Global Purchasing”, a shared group purchasing function expected to be implemented in 2007.

- Establishment of new international corporate identity through change of name to Royal Unibrew A/S and introduction of new slogan: ”All your favourites” signalling Royal Unibrew's wide range of quality products.
  Efforts to promote our new corporate identity following the change of name on 4 May 2005 continue internally and externally.

DEVELOPMENTS IN INDIVIDUAL MARKET SEGMENTS

The developments in the Group's activities for 2006 break down as follows on segments:

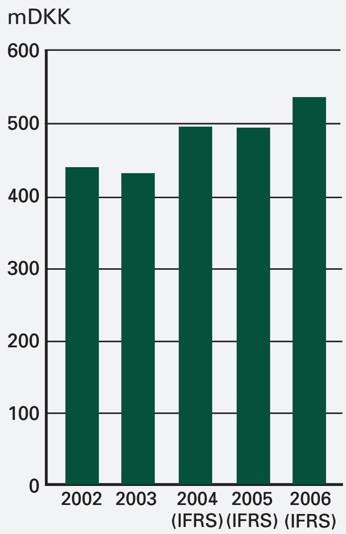
	Western Europe	Eastern Europe	Rest of the world	Unallocated	Group
Sales (million hectolitres)	3.9	2.2	0.3		**6.4**
Net revenue (mDKK)	2,505	671	263		**3,439**
Earnings before interest and tax EBIT (mDKK)	378	-33	32	-44	**333**
EBIT margin (%)	15.1	-5.0	12.2		**9.7**
Assets (mDKK)	2,339	663	150	262	**3,414**
Liabilities (mDKK)	760	195	24	1,286	**2,265**

WESTERN EUROPE

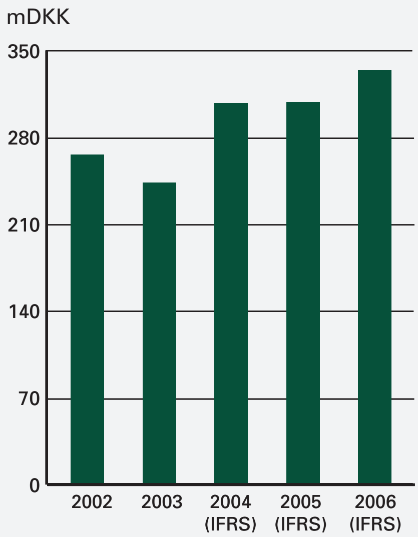
Western Europe	**2006**	**2005**	**% change**
Sales (million hectolitres)	3.9	3.6	7
Net revenue (mDKK)	2,505	2,371	6
EBIT (mDKK)	378	332	14
EBIT margin (%)	15.1	14.0	8

Royal Unibrew's activities developed very satisfactorily in the Western European markets in 2006. Sales and revenue increased by 7% and 6%, respectively, and EBIT increased by 14% to DKK 378 million. EBIT margin increased by 1.1 percentage points to 15.1% of net revenue.

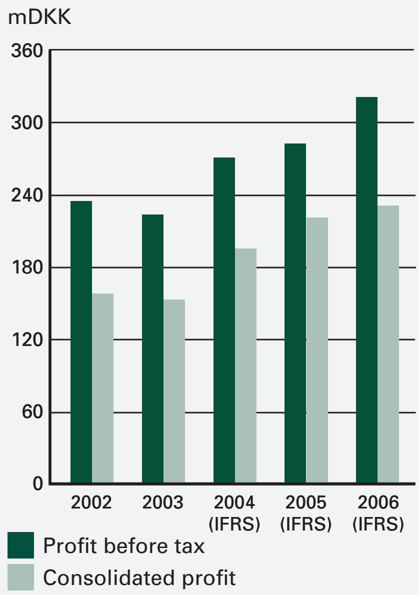
EBITDA



EBIT



PROFIT BEFORE TAX CONSOLIDATED PROFIT



WESTERN EUROPE

Western Europe	Actual 2006		Growth over 2005	
	Net revenue (mDKK)	Sales (thousend hectolitres)	Net revenue (%)	Sales (%)
Denmark	1,206	1,785	5	1
Italy	704	529	3	6
Germany	390	1,131	11	15
The UK	72	72	10	5
Tax Free	55	140	6	12
France	25	40	8	12
Other markets	53	134	47	24
Total Western Europe	**2,505**	**3,831**	**6**	**7**

In **Denmark** total beer sales are estimated to have stabilised at the 2005 level. Royal Unibrew's branded beer sales in Denmark were also at the 2005 level in 2006.

The Royal products strengthened their positions and market shares significantly in 2006. The Heineken brand developed satisfactorily and the launch of X-beer (foreign specialty beer) was realised as planned.

In 2006, the Group's sales of discount beer (Maribo products) were 9% below those of 2005. The Danish market for discount beer is estimated to have reduced by 10% in 2006, which means that the Group has kept its market share.

The intensified price competition on branded beer seen in 2005 continued in 2006 with continuously lower campaign prices.

Sales of Royal Unibrew branded products in the soft drinks segment went up by 17% in 2006, whereas the Group's total soft drinks sales increased by 7% in the

Danish soft drinks market showing estimated growth of 3% in 2006. Accordingly, Royal Unibrew's market share increased in this segment. The increase is primarily due to the launch of Egekilde, which, following only 11 months on the market, has achieved a market share of 25% in its segment. Faxe Kondi and Pepsi Cola realised high two-digit growth also in 2006. In 2006, Royal Unibrew's total soft drinks sales in Denmark aggregated 0.9 million hectolitres.

The increase in total beer consumption in **Italy** is estimated at some 1.4% in 2006, whereas the Group's sales and revenue increased by 6% and 3%, respectively; the Group thus succeeded in increasing its market share also in 2006. The main product Ceres Strong Ale developed satisfactorily in terms of sales. Furthermore, the sales increase was driven by Ceres Top boasting growth of some 20%.

In the **German** market, a joint return system for disposable containers was re-established on 1 May 2006, which had a positive effect on this market segment for beer, at which the Group's products are primarily targeted. Sales increased by 31% during the year. Cross-border trade between Denmark and Germany developed satisfactorily, however with an additional shift of sales towards products in lower price segments.

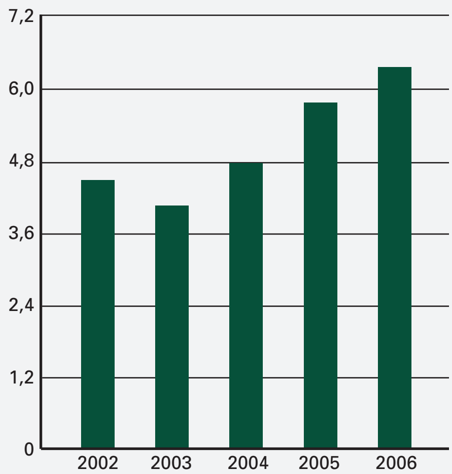
In **the UK** the positive development in malt drinks sales, which is the key activity in this market, continued in 2006. The Group's market share is still estimated at some 85% of the malt drinks market in the UK.

The **Tax Free** market continued growing but was, like the cross-border trade between Denmark and Germany, affected by a shift in sales towards less expensive product categories.

The other markets in Western Europe generally developed very satisfactorily. For example, a 75% sales increased was realised to the Nordic countries, and sales in the European malt markets went up by 10%.

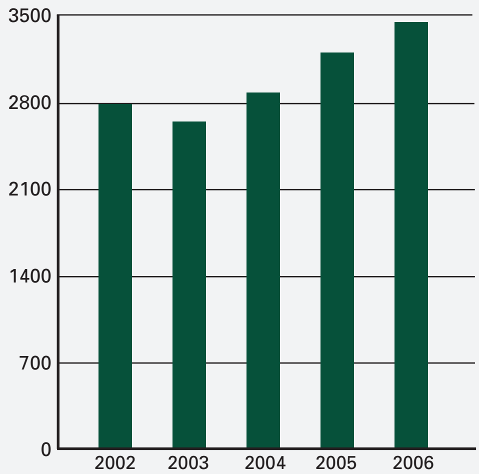
SALES

Million Hectolitres



NET REVENUE

mDKK



EASTERN EUROPE

Eastern Europe	2006	2005	% change
Sales (million hectolitres)	2.2	1.9	17
Net revenue (mDKK)	671	577	16
EBIT (mDKK)	-33	-15	-217
EBIT margin (%)	-5.0	-2.7	-185

Sales and revenue in the region went up by 17% and 16%, respectively, in 2006. Developments in Lithuania and Latvia must be characterised as very satisfactory, whereas developments in Poland as compared to 2005 were below expectations.

The Baltic countries realised a considerable EBIT increase in 2006 as compared to 2005, and developments are considered satisfactory and on plan.

In spite of satisfactory developments in Lithuania and Latvia, EBIT development for the region as a whole was negative, and EBIT for 2006 was a negative DKK 33 million.

The negative development is explained by expenses of DKK 14 million relating to the optimisation of the Baltic production structure and to a considerable loss realised in Poland, which also in 2006 incurred integration costs relating to the Brok-Strzelec breweries acquired in 2005. Furthermore, the development in activity level and cost structure adjustment was slower than expected. In 2006, a turn-around plan has been prepared and management of the Polish activities has been strengthened. These measures are expected to result in an even more favourable development in sales and revenue than in 2006, which will improve performance significantly in 2007.

Eastern Europe	Actual 2006		Growth over 2005	
	Net revenue (mDKK)	Sales (thousand hectolitres)	Net revenue (%)	Sales (%)
Lithuania	242	710	16	14
Latvia	309	1,117	14	19
Poland	108	375	23	17
Other markets	12	27	20	13
Total Eastern Europe	**671**	**2,229**	**16**	**17**

In **Lithuania** sales and revenue in 2006 increased by 14% and 16%, respectively. As the increase in beer consumption in Lithuania is estimated at 4% in 2006, Kalnapilio-Tauras' market share increased by some 2% to 25%. Lithuania continued to perform satisfactorily and in accordance with plans.

In **Latvia** sales of the Cido products, primarily fruit juices, mineral water as well as carbonated and non-carbonated soft drinks, developed highly satisfactorily with a realised increase of 18%, and market positions were strengthened or defended both in Latvia and in the export markets in Lithuania and Estonia resulting in satisfactory earnings developments.

Lacplesa Alus A/S increased its sales by 27% and won back more than the market share lost in 2005.

In **Poland**, sales increased considerably in 2006 but not as much as expected. Sales and revenue went up by 17% and 23%, respectively. As mentioned above, the 2006 performance was not satisfactory; therefore, measures have been taken with a focus on realising, if still a loss, then a smaller loss in 2007 than in 2006.

REST OF THE WORLD

Rest of the world	2006	2005	% change
Sales (million hectolitres)	0.3	0.3	8
Net revenue (mDKK)	263	243	8
EBIT (mDKK)	32	23	41
EBIT margin (%)	12.2	9.5	28

Sales to the rest of the world segment primarily comprise malt drinks.

Developments in 2006 were characterised by satisfactory sales growth both in the main market in the Caribbean and in the other important malt drinks market, Africa.

Performance development in the segment was satisfactory, and the EBIT margin is two-digit, thus exceeding the MACH II target.

Rest of the world	Actual 2006		Growth over 2005	
	Net revenue (mDKK)	Sales (thousand hectolitres)	Net revenue (%)	Sales (%)
The Caribbean	177	146	7	1
USA/Canada	36	45	10	8
Africa	35	81	44	64
The Middle East	15	43	-26	-22
Total rest of the world	**263**	**315**	**8**	**8**

In the **Caribbean** malt drinks sales to external distributors developed satisfactorily in 2006 with a sales increase of 10% and an even higher revenue increase of 16% due to a more favourable USD development than in 2005.

The **USA and Canada** saw an increasingly positive sales development from 2% in 2005 to 8% in 2006, and the performance was further improved due to the positive exchange rate development.

Sales in **Africa** went up by 64% in 2006. Both licence production of the Vitamalt brand and Vitamalt exports increased individually by more than 50%.

BRAND AND PRODUCT DEVELOPMENT

Royal Unibrew's MACH II Strategic Plan focuses on growth eg through intensified brand and product development. The increased focus is particularly evidenced by increased market investment in the Group's six strategic brands.

New key developments in 2006 include:

In 2006 the new interesting wheat beer, Royal Weiss, was introduced and quickly became the bestselling wheat beer in retail. Royal Red, introduced in 2005, was initially intended as a refreshing summer beer; however, due to its great popularity, Royal Red quickly found its way into the all-year product range. Royal Export, the progenitor of the Royal Beer series also continues progressing. The next step in the development of the Royal series will be the introduction of Royal Brown Ale in March 2007.

Alongside the development of the Royal series, the Group succeeded in sustaining and further developing the strong positions held by the regional beer brands (Albani, Ceres and Thor).

In Lithuania, Royal Unibrew's strategic brand, Kalnapilis, following several years of intensive work on new products, a new campaign and a new design, consolidated its position as a strong market runner-up with further growth potential. During 2006, the brand continued winning market shares and the Lithuanians also received well the reintroduction of the Kalnapilis Dvaro variety, which years ago used to be one of the favourite beers among Lithuanians. Tauras, Royal Unibrew's other main brand in Lithuania, also developed well in 2006 achieving market share gains.

In the Latvian market, the fruit juice and mineral water categories show high growth, and Cido is sustaining and developing its very strong position in this growth market. Lacplesis, Royal Unibrew's key beer brand in Latvia, increased its market share considerably in 2006. The new Lacplesis Dzintara product, a dark golden lager type, contributed highly to this development.

In 2006, Poland saw a significant sales increase from 2005 as regards the key brands Brok and Strzelec. Throughout 2006, concepts and designs were upgraded, and Brok Strong was launched.

In the international malt drinks markets, Vitamalt reinforced its position as the leading premium brand through the launch of a high-profile product called Vitamalt Light, keeping the good features of Vitamalt but providing the consumer with the option of choosing a product with fewer calories.

The already leading position of the Ceres brand in the Italian strong beer market was reinforced by launching a wheat beer called Ceres Weiss. Wheat beer is the fastest growing niche in the Italian beer market and no other leading brewery in Italy holds a strong position in this category.

Faxe, Royal Unibrew's international premium beer brand, which is exported to many countries, showed high growth rates in 2006. One of the growth drivers was the new handsome profiled bottle.

In the soft drinks category in Denmark, the Faxe Kondi brand won market shares in 2006. This is partly due to the strong position achieved by Faxe Kondi Light in the growing light segment following its introduction in 2005. Pepsi Max continues showing progress in the light segment and is still winning market shares compared to a year ago.

Following detailed development work in relation to natural mineral water, Royal Unibrew launched the Egekilde brand in January 2006. The launch was a very great success, and Royal Unibrew will continue strengthening and developing the brand to its full potential. The launch of a cranberry-taste variety on 1 March 2007 is expected to contribute towards this development.

INTELLECTUAL CAPITAL

Employees are a key asset to the development of Royal Unibrew, and therefore all group enterprises focus on developing existing employees and attracting new talent.

In connection with the MACH II Strategic Plan and the growth targets of the Plan, the Group's organisation was further strengthened in key areas in 2006. This development is expected to continue in 2007.

The employees of Royal Unibrew possess crucial knowledge of the many markets and customer categories serviced by the Group, including supply and distribution issues within the product categories. This knowledge secures our competitive position and forms the basis of achieving the Group's strategies and objectives.

In line with the international development of the Group in Poland, the Baltic countries, Africa, the USA and the Caribbean, employees have been assigned to these regions over the period. This ensures rooting of knowledge in the markets as well as optimisation of cooperation across the Group.

INFORMATION TECHNOLOGY

SAP R/3 is applied as the ERP platform in Denmark, the UK, Italy and France and was also implemented in Poland and Lithuania in 2006. The other group enterprises use local IT solutions, which are expected to be successively replaced by SAP R/3. The SAP R/3 platform has proved reliable, and the Company has developed the right competencies to maintain and continue expanding the platform as a basis of business requirements.

In 2006 primary focus has been on the Process Excellence work through support of business processes, eg by putting into use new SAP R/3 functions and modules. Furthermore, the infrastructure and PC workstations have been standardised and upgraded. The Group's web solutions, which are used to support sales and marketing activities, have received focus and have throughout the year been used as a key parameter in sales and marketing efforts.

In 2007 the Group's standard platform is expected to be implemented at the subsidiaries in Latvia and the Caribbean.

SHARE OPTIONS

Royal Unibrew's continuous share option programme covering the 2006 financial year applies to the Executive Board and some 20 executives. Under this programme, the participants may annually be granted options corresponding to a maximum number of shares of 22,862 based on a share price of 740*). Half of the options will be granted without any performance conditions, whereas the other half will be granted depending, in part or in full, on the realisation of ROIC (return on invested capital) and profit growth.

Granted	Total number unexercised	Number held by Executive Board	Exercise price	Exercise period
June 2002	14,564	14,564	240-315	6/2005 – 5/2009
Re 2003	14,984	7,492	401	3/2007 – 4/2009
Re 2004	9,754	5,230	478	3/2008 – 4/2010
Re 2005	26,114	16,258	648	4/2009 – 4/2011
Re 2006	22,862	14,236	*) 740	4/2010 – 4/2012
Total	**88,278**	**57,780**		

*) The options will be priced on the basis of average market price over the 10 trading days following the publication of the Annual Report of the Company. The value of the unexercised options is calculated on the basis of the share price at 31 December 2006.

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

The market value of the unexercised options is estimated at DKK 23.5 million (under the Black-Scholes formula).

In accordance with the accounting policies adopted, an expense of DKK 3.4 million has been charged in the Annual Report for 2006 representing the market value (Black-Scholes) of the maximum granting possible for the 2006 financial year.

The Supervisory Board intends to adopt a share option programme applying to the Executive Board and some 20 executives also for the 2007 financial year based on the same principles as the existing programme. Under this programme, the participants may in 2007 be granted options corresponding to a maximum number of shares of 25,000 based on a share price of 740.

BALANCE SHEET AND CASH FLOW STATEMENT

Royal Unibrew's balance sheet total amounted to DKK 3,413 million at the end of 2006, which is an increase of DKK 225 million, or 7%, over year end 2005. The increase is below the increase in the level of activity, which measured by net revenue increased by 8%. In spite of the increasing level of activity, working capital decreased by 28%.

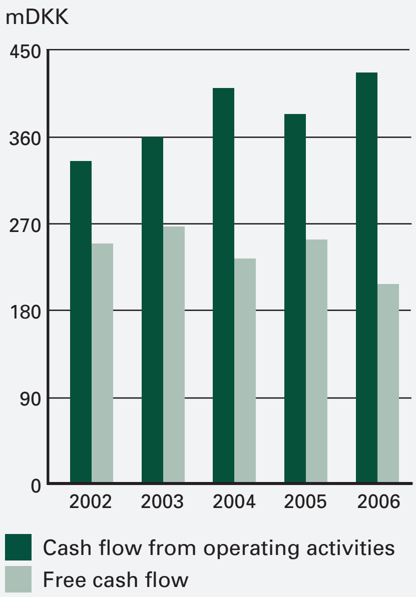
Group equity, which at the end of 2006 amounted to DKK 1,148 million, was most materially affected by the profit for the year of DKK 230 million, payment of dividend of DKK 61 million and a net write-down relating to acquisition and sale of treasury shares of DKK 180 million. The equity ratio equalled 33.6% compared to 36.1% at the end of 2005.

Free cash flow before acquisitions amounted to DKK 206 million in 2006 equal to 6.0% of net revenue, which was DKK 46 million below 2005 and below the MACH II target, but above the announced expectations of a cash flow of 5%. The lower free cash flow was primarily affected by capacity-increasing investments in property, plant and equipment. In 2006 net investments totalled DKK 243 million, which is DKK 100 million above the 2005 level and some DKK 40 million above the average investment requirement.

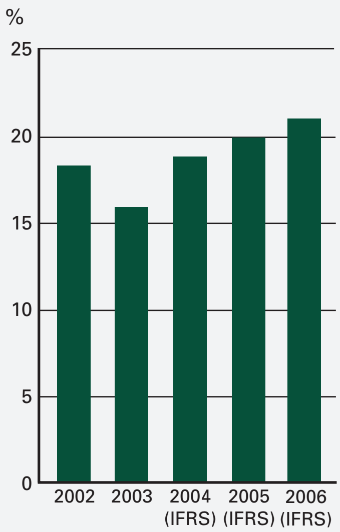
At 31 December, the Group's cash resources, in addition to cash and bank balances of DKK 368 million, comprise committed, unutilised credit facilities of DKK 547 million, or a total of DKK 915 million. Furthermore, the Group has commitments for financing of acquisitions.

In 2006, Royal Unibrew A/S acquired a total of 282,419 shares for treasury, including 258,198 shares under the Share Buy-back Programme launched in 2006. The Company now holds a total number of 366,343 treasury shares (equal to some 5.9% of the Company's total share capital); approx. 114,000 of these shares are expected to be used to cover the Company's share option scheme.

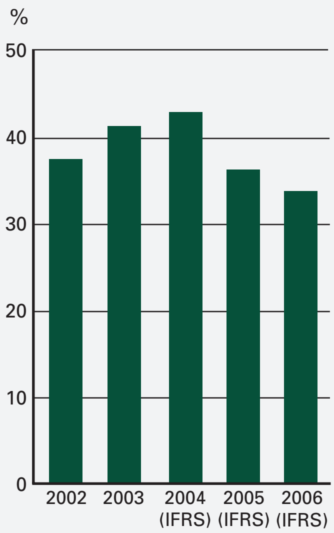
CASH FLOW



RETURN ON EQUITY



EQUITY RATIO



FUTURE CAPITAL STRUCTURE, SHARE BUY-BACK PROGRAMME AND DIVIDEND POLICY

It is the intention in the period 2005-2007 to adjust the capital structure of Royal Unibrew with a view to additional optimisation of the Company's weighted average cost of capital (WACC) to increase the return to Group shareholders through utilisation of additional debt financing.

It is the target that the Group's interest-bearing debt be increased to represent approximately three times earnings before interest, tax, depreciation and amortisation and special items, if any, (EBITDA) by the end of 2007 (compared to 1.4 times in the Annual Report for 2004), ie before the end of the period covered by the Company's current MACH II strategy.

In Royal Unibrew's opinion, this will not prevent the Group from realising its growth targets under the MACH II strategy. The adjustment of capital structure is expected to be realised through acquisitions in line with the MACH II strategy and - to the extent of any capacity being left - through repurchase of shares for treasury.

In 2005 Royal Unibrew launched a Share Buy-back Programme of some DKK 100 million, and upon expiry of this programme in January 2006 a total of 190,000 shares had been acquired (some 3% of the share capital). In 2006, the Company's share capital was reduced by DKK 1.9 million (3% of the share capital). The Company is currently and in the period up until the Annual General Meeting on 30 April 2007 repurchasing shares for treasury at a value of up to DKK 200 million (cf Announcement RU13/2006 of 6 June 2006). At the next Annual General Meeting of the Company, the Supervisory Board will propose that the share capital of the Company is reduced equivalent to the amount of shares repurchased under the Share Buy-back Programme.

The Supervisory Board still intends to propose distribution to the shareholders of annual dividend at the level of 25-40% of profit after tax for the year. However, dividend from time to time will be proposed with due regard to the Company's strategic plans and cash position.

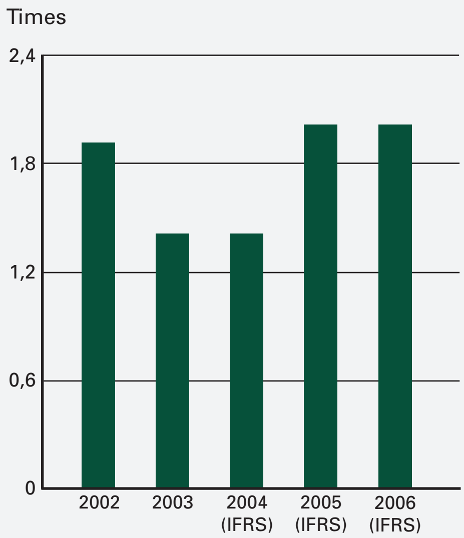
At the next Annual General Meeting, the Supervisory Board will propose dividend of DKK 10 per share corresponding to a dividend rate of some 27%.

Due to developments in 2006, the Company's net interest-bearing debt at the end of 2006 represents approx 2 times EBITDA, which is unchanged from year end 2005.

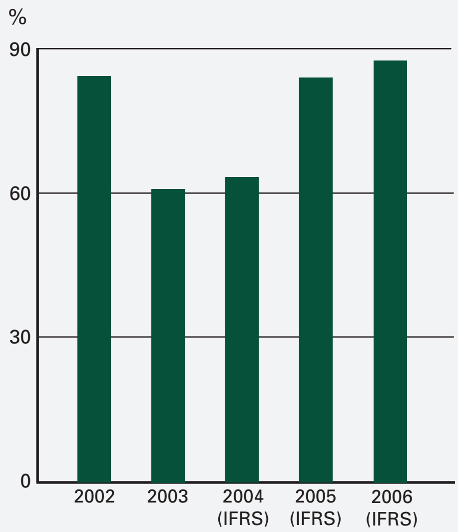
PROSPECTS

For 2007, the total revenue of the Royal Unibrew Group is expected to increase by some 10% without taking into account any future acquisitions. The revenue growth is primarily expected to be derived from the Group's geographic and product focus areas, ie the Nordic markets, Poland (including Browar Lomza as of approx 1 May 2007), the Baltic countries, Italy, and the Caribbean (including the breweries acquired in Antigua and Dominica, which will be included in the financial statements of Royal Unibrew as of February 2007). Considerable investments in marketing of the Group's strategic products in main markets are planned to continue.

NET INTEREST-BEARING DEBT/ EBITDA



DEBT RATIO



In the autumn of 2006, in connection with, among other things, the failure of crops of barley and hops, it became increasingly clear that 2007 would be characterised by considerable price increases of several of the key raw and packing materials of the industry: in addition to malt and hops, significant increases are seen in the price of aluminium for cans and of fruit juice concentrates. Developments in these important cost components in 2007 will affect the industry globally, and one of the key uncertainties in 2007 is whether the industry will be able to compensate for the cost increases through increased net selling prices. The price development of raw and packing materials has an expected negative net effect of some DKK 30 million in 2007.

However, in Northern Europe nothing seems to indicate that the keen price competition and resulting price pressure should be on the wane.

It is anticipated that the businesses acquired in Poland (Brok-Strzelec) in 2005, which in 2006 affected the Group's earnings negatively, will achieve considerably better results in 2007, whereas Browar Lomza, which is expected to be included in the consolidated financial statements as of approx 1 May 2007, is expected to have a limited positive effect on results in 2007. The integration of the new Caribbean companies - Antigua Brewery Ltd., Antigua PET Plant and Dominica Brewery & Beverages Ltd. - is expected to have a minor, negative effect on the consolidated financial statements in 2007.

The implemented and ongoing business excellence initiatives are expected to have a positive profit effect of more than DKK 30 million in 2007. Key projects that will impact the 2007 results include "Production Excellence" in Denmark, "Customer Excellence" in Italy and "Global Purchasing".

On a total basis, EBIT margin is expected to be approx 10% as in 2006.

Net financial expenses are expected to increase in 2007 primarily due to the acquisition of shares for treasury and the continued capital structure adjustment which will take place during the year. The in-come after tax from investments in associates in 2007 is expected to be at the 2006 level.

Against this background, the profit before tax in 2007 is expected to be at the level of DKK 330-370 million.

Investments totalling some DKK 200 million are planned for 2007.

The tax rate of the Group is expected also in 2007 to be some 28%.

verall, based on the above, the MACH II Plan targets for ROIC, EBIT margin and free cash flow will be realised, whereas the achievement of the accumulated growth targets for the period 2005-2007 still depends on ongoing projects and negotiations.

During 2007, Royal Unibrew's Executive Committee will prepare the new strategic platform to replace MACH II as of 2008. This new strategic platform is expected to be announced in early 2008. At this time, it is assumed that the new strategy may contain the following main elements, among others:

- Return on invested capital (ROIC) should continue to be attractive measured against comparable businesses within the beer and soft drinks segments and should represent at least 10% per annum.

- Continued commitment to profitable growth, organic and through acquisitions, alliances and partnerships should ensure a total average annual net revenue growth of at least 15%.

- Continued streamlining of the Group's work processes, adjustment of the Group's capacity basis and integration of the individual business units should ensure that Royal Unibrew maintains an earnings level (EBIT margin) at the level of comparable businesses (at least 10%).

- Continued focus on efficient capacity utilisation and binding of liquidity should also in future ensure a free cash flow (before acquisitions) above the average for comparable businesses (at least 7%).

- The capital structure should be based on interest-bearing debt representing approx 3 times operating profit before depreciation, impairment of goodwill on consolidation and any special items. Should the growth target necessitate indebtedness beyond that, this will be acceptable for a certain period.

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

The Supervisory Board will recommend to the Annual General Meeting that dividend from Royal Unibrew A/S remain unchanged at DKK 10 per share of DKK 10, equal to a dividend rate of some 27%. The proposed dividend totals DKK 61.8 million. The Supervisory Board proposes that the remaining profit for the year of DKK 209.7 million be allocated to retained earnings.

The Supervisory Board will recommend to the Annual General Meeting that the share capital of Royal Unibrew be reduced by a nominal amount corresponding approximately to the nominal share capital re-purchased under the realised Share Buy-back Programme (cf Announcement RU13/2006 of 6 June 2006).

The Supervisory Board intends to propose that the Annual General Meeting extend the authorisation of the Supervisory Board to be able to increase the Company's capital by a maximum nominal amount of DKK 6,000,000 (600,000 shares) in the period up until 28 April 2008,

Finally, the Supervisory Board intends to propose that the Annual General Meeting authorise the Supervisory Board to acquire up to 10% shares for treasury, cf. section 48 of the Danish Companies Act, in the period up until the next Annual General Meeting, see the section "Furture Capital Structure, Share Buy-back Programme and Dividend Policy".

STATEMENTS ABOUT THE FUTURE

The statements about the future made in the Annual Report for 2006 reflect Management's expectations in respect of future events and financial results, as well as of economic trends in key markets and developments in international money, foreign exchange and interest rate markets. Statements about the future will inherently involve uncertainty and may be affected by - in addition to global economic conditions - market-driven price reductions, market acceptance of new products, packaging and container types, unforeseen termination of working relationships and changes to regulatory aspects (taxes, environment, packaging), etc. The actual results may therefore deviate from the expectations stated.

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

ANNUAL GENERAL MEETING

The Annual General Meeting of Royal Unibrew will be held on 30 April 2007, at 17:00 in Faxe.

TRANSLATION OF THE ANNUAL REPORT

The Annual Report is available in Danish and English. In case of discrepancy, the Danish version shall prevail.

MANAGEMENT'S STATEMENT ON THE REPORT

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Royal Unibrew A/S for 2006.

The Annual Report was prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

We consider the accounting policies applied appropriate. Accordingly, the Annual Report gives a true and fair view of the financial position at 31 December 2006 of the Group and the Parent Company as well as of the results of the Group and Parent Company operations and cash flows for the financial year 2006.

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

Faxe, 2 March 2007

EXECUTIVE BOARD

Poul Møller, CEO

Connie Astrup-Larsen, International Director

Povl Friis, Technical Director

Ulrik Sørensen, CFO

SUPERVISORY BOARD

Steen Weirsøe, Chairman

Tommy Pedersen, Deputy Chairman

Henrik Brandt

Ulrik Bülow

Erik Christensen

Jesper Frid

Erik Højsholt

Kirsten Wendelboe Liisberg

Hemming Van

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF ROYAL UNIBREW A/S

We have audited the Annual Report of Royal Unibrew A/S for the financial year 2006, which comprises reviews, Management's Statement, income statement, balance sheet, statement of changes in equity, cash flow statement, significant accounting policies and notes for the Group as well as for the Parent Company. The Annual Report is prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

MANAGEMENT'S RESPONSIBILITY FOR THE ANNUAL REPORT

Management is responsible for the preparation and fair presentation of the Annual Report in accordance with 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Annual Report based on our audit. We conducted our audit in accordance with Danish Auditing Standards. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the Annual Report is free from 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 auditor's judgment, 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 Management, as well as evaluating the overall presentation of the Annual Report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

OPINION

In our opinion, the Annual Report gives a true and fair view of the financial position at 31 December 2006 of the Group and the Parent Company and of the results of the Group and Parent Company operations and cash flows for the financial year 2006 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Faxe, 2 March 2007

PricewaterhouseCoopers
Statsautoriseret Revisionsaktieselskab

Jens Røder   Torben Jensen
State Authorised Public Accountants

Ernst & Young
Statsautoriseret Revisionsaktieselskab

Leif Shermer Larsen   Eskild N. Jakobsen
State Authorised Public Accountants


CERES
CERES
STRONG ALE
EXPORT

Income Statement for 1 January - 31 December (DKK '000)

Parent Company 2005	Parent Company 2006	Note		Group 2006	Group 2005
2,692,387	**2,854,657**		Revenue	**4,083,474**	3,780,844
-327,160	**-334,965**		Beer and mineral water excises	**-644,448**	-589,885
2,365,227	**2,519,692**		**Net revenue**	**3,439,026**	**3,190,959**
-1,166,998	**-1,254,191**	**6, 7**	Production costs	**-1,742,900**	-1,581,411
1,198,229	**1,265,501**		**Gross profit**	**1,696,126**	**1,609,548**
-774,896	**-804,407**	**6, 7**	Sales and distribution expenses	**-1,191,225**	-1,141,301
-143,560	**-171,682**	**6, 7**	Administrative expenses	**-200,680**	-171,697
152	**4,219**	**8**	Other operating income	**43,512**	6,149
279,925	**293,631**		**Operating profit**	**347,733**	**302,699**
5,022	**0**	**9**	Special items	**-14,329**	5,022
284,947	**293,631**		**Profit before financial income and expenses**	**333,404**	**307,721**
		15	Income after tax from investments in associates	**26,098**	15,700
20,000	**73,519**		Dividend from subsidiaries and associates		
10,303	**19,424**	**10**	Financial income	**20,330**	9,048
-49,562	**-56,031**	**11**	Financial expenses	**-59,479**	-50,357
265,688	**330,543**		**Profit before tax**	**320,353**	**282,112**
-53,028	**-59,071**	**12**	Tax on the profit for the year	**-90,014**	-61,474
212,660	**271,472**		**Net profit for the year**	**230,339**	**220,638**
			distributed as follows:		
			Parent Company shareholders' share of net profit	**227,642**	221,070
			Minority shareholders' share of net profit	**2,697**	-432
			Net profit for the year	**230,339**	**220,638**
		16	Parent Company shareholders' share of earnings per share (DKK)	**38.0**	**35.4**
		16	Parent Company shareholders' share of diluted earnings per share (DKK)	**37.6**	**35.4**

Assets at 31 December (DKK '000)

Parent Company					Group
2005	2006	Note	NON-CURRENT ASSETS	2006	2005
80,645	**80,645**		Goodwill	**323,398**	320,861
2,990	**2,990**		Trademarks	**174,236**	173,946
9,345	**8,764**		Distribution rights	**9,854**	10,587
92,980	**92,399**	**13, 14**	**Intangible assets**	**507,488**	**505,394**
500,354	**489,896**		Land and buildings	**723,509**	710,810
222,971	**193,828**		Plant and machinery	**400,842**	413,396
197,209	**180,206**		Other fixtures and fittings, tools and equipment	**237,618**	238,870
21,742	**35,255**		Property, plant and equipment in progress	**64,888**	25,930
942,276	**899,185**	**13, 25**	**Property, plant and equipment**	**1,426,857**	**1,389,006**
946,005	**980,333**		Investments in subsidiaries	**0**	0
184,368	**185,338**	**15**	Investments in associates	**231,285**	214,409
25,460	**24,664**		Receivables from associates	**24,664**	25,460
2,678	**2,633**		Other investments	**2,838**	2,834
11,394	**20,856**		Other receivables	**21,875**	13,338
1,169,905	**1,213,824**	**13, 26**	**Financial assets**	**280,662**	**256,041**
2,205,161	**2,205,408**		**Non-current assets**	**2,215,007**	**2,150,441**
			CURRENT ASSETS		
49,824	**54,502**		Raw materials and consumables	**97,284**	99,935
10,004	**10,727**		Work in progress	**17,353**	17,521
100,474	**109,668**		Finished goods and purchased finished goods	**161,983**	136,113
160,302	**174,897**		**Inventories**	**276,620**	**253,569**
129,544	**146,684**		Trade receivables	**442,238**	399,406
200,919	**252,800**		Receivables from subsidiaries	**0**	0
3,695	**1,318**		Receivables from associates	**1,318**	3,695
9,646	**12,565**	**8**	Other receivables	**37,360**	22,091
20,660	**17,616**		Prepayments	**43,775**	42,611
364,464	**430,983**		**Receivables**	**524,691**	**467,803**
205,937	**313,499**		**Cash at bank and in hand**	**368,320**	**286,995**
28,988	**28,988**	**9**	**Non-current assets held for sale**	**28,988**	**28,988**
759,691	**948,367**		**Current assets**	**1,198,619**	**1,037,355**
2,964,852	**3,153,775**		**Assets**	**3,413,626**	**3,187,796**

Liabilities and Equity at 31 December (DKK '000)

Parent Company				Group	
2005	2006	Note	EQUITY	2006	2005
63,700	**61,800**	**16**	Share capital	**61,800**	63,700
0	**0**		Translation reserve	**-9,194**	-7,159
-4,732	**2,637**		Hedging reserve	**1,975**	-7,643
1,025,889	**1,061,274**		Retained earnings	**1,018,823**	1,026,159
63,700	**61,800**		Proposed dividend	**61,800**	63,700
1,148,557	**1,187,511**		**Equity of Parent Company shareholders**	**1,135,204**	**1,138,757**
0	**0**		**Minority interests**	**12,917**	**10,993**
1,148,557	**1,187,511**		**Equity**	**1,148,121**	**1,149,750**
141,313	**119,598**	**17**	Deferred tax	**127,720**	142,478
541,934	**577,339**	**19**	Mortgage debt	**593,540**	559,171
465,237	**551,980**	**19**	Credit institutions	**650,375**	587,353
1,148,484	**1,248,917**		**Non-current liabilities**	**1,371,635**	**1,289,002**
92,014	**87,876**	**18**	Repurchase obligations, returnable packaging	**90,554**	96,332
52,753	**57,695**	**19**	Mortgage debt	**58,732**	53,738
117,445	**98,701**	**19**	Credit institutions	**138,106**	119,477
193,333	**252,311**		Trade payables	**344,338**	278,839
71,684	**38,684**		Payables to subsidiaries	**0**	0
6,983	**47,079**		Corporation tax	**61,262**	0
40,337	**46,924**		VAT, excise duties, etc	**74,821**	73,762
93,262	**88,077**		Other payables	**126,057**	126,896
667,811	**717,347**		**Current liabilities**	**893,870**	**749,044**
1,816,295	**1,966,264**		**Liabilities**	**2,265,505**	**2,038,046**
2,964,852	**3,153,775**		**Liabilities and equity**	**3,413,626**	**3,187,796**

Statement of Changes in Equity 1 January - 31 December (DKK '000)

Group

Share capital	Translation reserve	Hedging reserve	Retained earnings	Proposed dividend for the year	Minority interests' share	Total
63,700	-12,755	-9,782	988,218	57,330	11,784	1,098,495
			-18,092			-18,092
63,700	-12,755	-9,782	970,126	57,330	11,784	1,080,403
	5,596				-359	5,237
		-309				-309
		-6,341				-6,341
		8,789				8,789
0	5,596	2,139	0	0	-359	7,376
			157,370	63,700	-432	220,638
0	5,596	2,139	157,370	63,700	-791	228,014
				-56,654		-56,654
			676	-676		0
			-107,097			-107,097
			1,784			1,784
			3,300			3,300
0	0	0	-101,337	-57,330	0	-158,667
0	5,596	2,139	56,033	6,370	-791	69,347
63,700	-7,159	-7,643	1,026,159	63,700	10,993	1,149,750
	-2,035		-868		-773	-3,676
		4,767				4,767
		7,643				7,643
		-2,792				-2,792
0	-2,035	9,618	-868	0	-773	5,942
			165,842	61,800	2,697	230,339
0	-2,035	9,618	164,974	61,800	1,924	236,281
				-60,714		-60,714
			2,986	-2,986		0
			-180,139			-180,139
			110			110
			3,400			3,400
-1,900			1,900			0
			-567			-567
-1,900	0	0	-172,310	-63,700	0	-237,910
-1,900	-2,035	9,618	-7,336	-1,900	1,924	-1,629
61,800	-9,194	1,975	1,018,823	61,800	12,917	1,148,121

Statement of Changes in Equity 1 January - 31 December (DKK '000)

Parent Company

	Share capital	Hedging reserve	Retained earnings	Proposed dividend for the year	Total
Equity at 31 December 2004	**63,700**	**-6,871**	**1,028,979**	**57,330**	**1,143,138**
Opening adjustment, change of accounting policies			-18,092		**-18,092**
Adjusted equity at 31 December 2004	**63,700**	**-6,871**	**1,010,887**	**57,330**	**1,125,046**
Value and exchange adjustment, foreign subsidiaries			-32,621		**-32,621**
Value adjustment of hedging instruments, end of year		-309			**-309**
Value adjustment of hedging instruments, beginning of year		-6,341			**-6,341**
Tax on equity movements		8,789			**8,789**
Net gains recognised directly in equity	**0**	**2,139**	**-32,621**	**0**	**-30,482**
Net profit for the year			**148,960**	**63,700**	**212,660**
Total income	**0**	**2,139**	**116,339**	**63,700**	**182,178**
Dividend distributed to shareholders				-56,654	**-56,654**
Dividend on treasury shares			676	-676	**0**
Acquisition of shares for treasury			-107,097		**-107,097**
Sale of treasury shares			1,784		**1,784**
Share-based payments			3,300		**3,300**
Total shareholders	**0**	**0**	**-101,337**	**-57,330**	**-158,667**
Total changes in equity in 2005	**0**	**2,139**	**15,002**	**6,370**	**23,511**
Equity at 31 December 2005	**63,700**	**-4,732**	**1,025,889**	**63,700**	**1,148,557**
Value and exchange adjustment, foreign subsidiaries			-1,977		**-1,977**
Value adjustment of hedging instruments, end of year		5,429			**5,429**
Reversal of value adjustment of hedging instruments, beginning of year		4,732			**4,732**
Tax on equity movements		-2,792			**-2,792**
Net gains recognised directly in equity	**0**	**7,369**	**-1,977**	**0**	**5,392**
Net profit for the year			**209,672**	**61,800**	**271,472**
Total income	**0**	**7,369**	**207,695**	**61,800**	**276,864**
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**	**-172,310**	**-63,700**	**-237,910**
Total changes in equity in 2006	**-1,900**	**7,369**	**35,385**	**-1,900**	**38,954**
Equity at 31 December 2006	**61,800**	**2,637**	**1,061,274**	**61,800**	**1,187,511**

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

Cash Flow Statement 1 January - 31 December (DKK '000)

Parent Company				Group	
2005	**2006**	**Note**		**2006**	**2005**
212,660	**271,472**		Net profit for the year	**230,339**	220,638
212,630	**170,886**	**20**	Adjustments for non-cash operating items	**292,992**	274,865
425,290	**442,358**			**523,331**	**495,503**
			Change in working capital:		
-17,569	**-107,438**		+/- change in receivables	**-44,604**	-41,327
-4,029	**-14,595**		+/- change in inventories	**-23,106**	-7,590
49,027	**28,691**		+/- change in payables	**64,478**	49,734
452,719	**349,016**		**Cash flows from operating activities before financial income and expenses**	**520,099**	**496,320**
3,810	**19,424**		Financial income	**20,322**	5,045
-39,049	**-54,021**		Financial expenses	**-60,984**	-47,686
417,480	**314,419**		**Cash flows from operating activities**	**479,437**	**453,679**
-49,048	**-44,105**		Corporation tax paid	**-54,197**	-71,282
368,432	**270,314**		**Cash flows from operating activities**	**425,240**	**382,397**
30,000	**79,253**		Dividends received from subsidiaries and associates	**20,146**	8,414
513	**963**		Sale of securities	**3,668**	3,992
21,314	**12,770**		Sale of property, plant and equipment	**14,690**	26,013
-100,191	**-112,149**		Purchase of property, plant and equipment	**-257,732**	-168,612
320,068	***251,151***		*Free cash flow*	***206,012***	*252,204*
-221,120	**-7,759**	**20**	Acquisition of subsidiaries	**0**	-239,718
-149,919	**-84,169**		Acquisition of intangible and financial assets	**-85,216**	-37,979
-419,403	**-111,091**		**Cash flows from investing activities**	**-304,444**	**-407,890**
442,300	**178,525**		Proceeds from raising of long-term debt	**178,541**	519,612
-46,030	**-55,449**		Repayment of long-term debt	**-80,816**	-46,030
18,111	**66,006**		Change in short-term credit institutions	**103,619**	-67,584
-56,654	**-60,714**		Dividends paid	**-60,714**	-56,654
-107,097	**-180,139**		Acquisition of shares for treasury	**-180,139**	-107,097
1,784	**110**		Sale of treasury shares	**110**	1,784
252,414	**-51,661**		**Cash flows from financing activities**	**-39,399**	**244,031**
201,443	**107,562**		**Change in cash and cash equivalents**	**81,397**	**218,538**
4,494	**205,937**		Cash and cash equivalents at 1 January	**286,995**	67,697
0	**0**		Exchange adjustment	**-72**	760
205,937	**313,499**		**Cash and cash equivalents at 31 December**	**368,320**	**286,995**

NOTES TO THE ANNUAL REPORT 2006

CONTENTS

Descriptive notes

Note 1 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.

Furthermore, the Annual Report is in compliance with the International Reporting Standards issued by the IASB.

No new standards or interpretations material to the Annual Report were implemented in 2006. At the end of 2006, the following standards relevant to the Group with effective dates after 31 December 2006 had been issued: IFRS 7 Financial Instruments: Disclosures (effective date 1 January 2007), IAS 1 Amendment - Capital disclosures (effective date 1 January 2007) and IFRS 8 Operating segments (effective date 1 January 2009). These standards have not been implemented early. The implementation of the standards will not affect recognition and measurement but will imply only additional note disclosures.

The Annual Report is presented in DKK.

Some of the note disclosures required under IFRS are included in Management's Review.

CHANGES TO ACCOUNTING POLICIES

The accounting policies have been changed as compared to those applied in 2005 with respect to the classification of stocks of serving equipment and tax on income from associates. Stocks of serving equipment are now classified as property, plant and equipment with a short useful life as opposed to the previous classification as inventories. The change has been made to better reflect the characteristics of these assets, thus providing more relevant information. Tax on income from associates is now recognised in financial income and expenses in accordance with IFRS 28, whereas previously it was recognised in tax on the profit for the year. All comparative figures for 2005 have been restated.

The policy changes affect net profit for 2005 negatively by DKK 3.5 million and the effect for 2006 is estimated at some DKK 7 million. Equity at 31 December 2004 and 2005 have been reduced by DKK 18.1 million and DKK 21.6 million, respectively, whereas the reduction of equity at 31 December 2006 is estimated at some DKK 15 million. Earnings and diluted earnings per share are in 2005 and 2006 affected by a negative DKK 0.6 million and DKK 1.2 million, respectively.

Note 1 Significant accounting policies (continued)

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.

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.

Should the fair value of assets and liabilities acquired subsequently show deviation from the values calculated at the time of acquisition, the related goodwill is adjusted until 12 months after the date of acquisition.

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.

Note 1 Significant accounting policies (continued)

Transactions in other currencies than the functional currency are initially translated into Danish kroner 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

Note 1 Significant accounting policies (continued)

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.

LEASES

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership, finance leases, are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

GOVERNMENT GRANTS

Government grants comprise grants relating to projects and investments, etc. Grants relating to projects are recognised systematically in the income statement to offset the items of expense which they finance. Grants relating to investments are offset against the cost of the assets to which they relate.

SHARE-BASED PAYMENTS

The Group offers a share option scheme to the Executive Board and members of the management team (Executive Committee).

The value of the services received in exchange for the granting of options is measured at the fair value of the options.

Equity settled 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.

Note 1 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.

COST OF SALES

Cost of sales comprises 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.

Cost of sales also includes development costs that do not meet the criteria for capitalisation.

Note 1 Significant accounting policies (continued)

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.

SPECIAL ITEMS
Special items 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. However, where distributed dividend exceeds accumulated earnings after the date of acquisition, the dividend is not recognised in the income statement but is recognised as impairment of the cost of the investment.

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.

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. The Group's strategy is the maintenance of trademarks and their value.

Note 1 Significant accounting policies (continued)

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 straightline 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.

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. Where cost exceeds the recoverable amount, the investment is written down to its lower recoverable amount. Cost is written down to the extent that distributed dividend exceeds the accumulated earnings after the date of acquisition.

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.

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

Note 1 Significant accounting policies (continued)

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.

Note 1 Significant accounting policies (continued)

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.

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.

Note 1 Significant accounting policies (continued)

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.

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.

Note 2 Financial risk management

CURRENCY RISK
Through its exports and its purchases of raw materials and bottling materials, Royal Unibrew is exposed to currency risk as some 50% of sales are invoiced in foreign currencies, primarily EUR (38%), GBP (2%), USD (6%) and CAD (1%), whereas some 15% of purchases (primarily packaging) are denominated in SEK and 6% i EUR. The Group enterprises in the Baltic countries and Poland operate primarily in local currencies and only have limited currency exposure. In accordance with the Group's policy in the area, hedging is made of assets and liabilities in all material currencies and of expected future cash flows in foreign currencies for up to 18 months.

Furthermore, the value of the Company's shares of foreign subsidiaries represents a currency risk. In the case of subsidiaries with material net assets, this translation risk is hedged by matching loans in the currency in question.

INTEREST RATE RISK
The Group's interest rate risk is substantially related to interest-bearing debt as the Group does not at the present time have material interest-bearing long-maturity assets.

It is the Group's policy that investments should be financed primarily through fixed-interest borrowing.

Calculated as the volatility of the Group's annual interest payments due to interest rate changes, the interest rate risk amounts to some +/- DKK 6 million in the event of a 1 percentage point interest rate change.

In addition to affecting the Company's costs of funding, interest rate changes affect the required return on total assets; accordingly, interest rate exposure - through changed valuation of assets and liabilities - will affect the Company's market capitalisation. Royal Unibrew prepares regular analyses of the relationship between the maturity period of the assets and the financing structure to reduce the interest rate exposure.

CREDIT RISKS
The Group's credit risks relate primarily to trade receivables and counterparty risks.

The Group 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 will establish procedures for approval of such risks. There are no material credit risks on individual customers. Counterparty risks are managed by entering into financial contracts and placing deposits only with banks with a satisfactory long-term rating from international credit rating agencies.

OTHER RISKS
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.

For quite a number of years, Royal Unibrew has recorded significant revenue in the Italian market. In 2006 this market represented 21% of total group sales. Significant changes to consumption patterns or the competitive situation in Italy could therefore influence Royal Unibrew.

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.

Note 2 Financial risk management (continued)

Currency and interest rate risks and use of derivative financial instruments (Group)

Financial instruments entered into to hedge expected future transactions and qualifying as hedge accounting under IAS 39:

Group and Parent Company

		2006			2005		
	Period	**Contract amount**	**Market value**	**Deferred gain (+) / loss (-)**	**Contract amount**	**Market value**	**Deferred gain (+) / loss (-)**
Forward contracts:							
CAD	0 - 1 year			**0**	16,730	17,582	**-852**
EURO	0 - 1 year			**0**	1,007,167	1,007,198	**-31**
GBP	0 - 1 year	65,242	66,275	**-1,033**	59,930	59,359	**571**
PLN	0 - 1 year			**0**	2,873	2,886	**-13**
SEK	0 - 1 year			**0**	-221,359	-219,020	**-2,339**
USD	0 - 1 year	64,527	62,560	**1,967**	26,120	26,772	**-652**

Financial instruments entered into to hedge expected future transactions not qualifying as hedge accounting under IAS 39:

Group and Parent Company

		2006			2005		
	Period	**Contract amount**	**Market value**	**Deferred gain (+) / loss (-)**	**Contract amount**	**Market value**	**Deferred gain (+) / loss (-)**
Forward contracts:							
CAD	0 - 1 year	3,189	3,227	**-38**	3,839	4,369	**-530**
EURO	0 - 1 year	70,889	70,846	**43**	19,707	19,737	**-30**

Note 2 Financial risk management (continued)

Currency and interest rate risks and use of derivative financial instruments

Hedging of financial assets and liabilities (Parent Company):

	2006			2005		
	Receivables and payables, net	Hedged by forward contracts/ loans	Net position	Receivables and payables, net	Hedged by forward contracts/ loans	Net position
Forward contracts:						
CAD	5,094	5,094	**0**	3,919	3,919	**0**
EURO	201,312	201,312	**0**	177,597	177,597	**0**
GBP	14,490	14,435	**55**	10,179	7,621	**2,558**
LTL	3,040		**3,040**	5,365		**5,365**
LVL	-599		**-599**	-161		**-161**
NOK	27,868	24,664	**3,204**	29,424	25,460	**3,964**
PLN	30,388	30,388	**0**	40,838	38,801	**2,037**
SEK	-23,741	-10,309	**-13,432**	-23,065	-23,065	**0**
USD	19,475	10,191	**9,284**	20,376	20,376	**0**
Other	-61		**-61**	-63		**-63**
	277,266	**275,775**	**1,491**	**264,409**	**250,709**	**13,700**

Hedging of financial assets and liabilities (Group):

	2006			2005		
	Receivables and payables. net	Hedged by forward contracts/ loans	Net position	Receivables and payables. net	Hedged by forward contracts/ loans	Net position
Forward contracts:						
CAD	5,094	5,094	**0**	3,919	3,919	**0**
CHF	9,465		**9,465**	8,318		**8,318**
EURO	192,024	193,083	**-1,059**	177,512	177,597	**-85**
GBP	20,878	18,768	**2,110**	11,889	8,854	**3,035**
LTL	74,790	71,581	**3,209**	62,956	57,591	**5,365**
LVL	-70,742	-70,143	**-599**	-64,918		**-64,918**
NOK	27,868	24,664	**3,204**	29,424	25,460	**3,964**
PLN	-32,190	-32,190	**0**	-56,540	38,801	**-95,341**
SEK	-20,239	-10,309	**-9,930**	-19,734	-23,065	**3,331**
USD	19,951	10,191	**9,760**	20,390	20,376	**14**
Other	-61		**-61**	-63		**-63**
	226,838	**210,739**	**16,099**	**173,153**	**309,533**	**-136,380**

Hedging of net investments in foreign subsidiaries:

	2006			2005		
	Net investment at 1 Jan 2006	Hedging	% hedged	Net investment at 1 Jan 2005	Hedging	% hedged
EURO	77,006	68,222	88.59%	64,033	50,358	78.64%
GBP	15,290	10,371	67.83%	14,098	10,168	72.12%
LTL	240,434	239,867	99.76%	221,117	221,117	100.00%
LVL	49,279	49,279	100.00%	48,972	46,818	95.60%
NOK	8,947	8,947	100.00%	7,581	7,521	99.21%
PLN	286,195	286,195	100.00%	303,668	303,668	100.00%
SEK	3,457		0.00%	3,287		0.00%
USD	351		0.00%	-708		0.00%
CHF	40,206		0.00%	32,339		0.00%

Note 2 Financial risk management (continued)

	Interest rate risk				
	Time of repricing/maturity			Fixed	Effective
	< 1 year	> 1 year	Total	interest part	rate %
Mortgage and credit institutions	503,538	799,109	**1,302,647**	857,841	3,2%-5,3%
Credit institutions, short-term	138,106		**138,106**		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.

31/12 2005	Interest rate risk				
	Time of repricing/maturity			Fixed	Effective
	< 1 year	> 1 year	Total	interest part	rate %
Mortgage and credit institutions	53,738	1,146,525	**1,200,263**	818,602	2,8% - 5,16%
Credit institutions, short-term	119,477		**119,477**	85,116	0,0% - 3,6%
	173,215	**1,146,525**	**1,319,740**	**903,718**	

The effective rates of interest have been calculated based on the interest rate level at 31 December 2005.
The earlier of time of repricing and time of repayment has been used.

Note 3 Critical accounting estimates and judgements

The calculation of carrying amounts of certain assets and liabilities requires judgement as to 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.

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 14 and to note 1 “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 2006, total provisions for bad debts amount to DKK 19 million (31 Dec 2005: DKK 16 million).

The fair values of non-current assets held for sale have been estimated on the basis of expected sales proceeds and time of sale based on a conditional sales agreement. Management’s assessments in relation to the accounting policies applied did not have any material effect on the amounts recognised in the Annual Report.

Descriptive notes

Note 4 Segment reporting

The Group's activities break down as follows on geographic segments:

	Western Europe	Eastern Europe	Rest of the world	Unallocated	Total
2006 (mDKK)					
Net revenue	2,504.7	671.5	262.8		**3,439.0**
Operating profit	378.4	-19.1	32.4	-44.0	**347.7**
Special items		-14.3			**-14.3**
Net financials	-0.1	-3.3	-0.2	-35.6	**-39.2**
Share of income from associates	13.2	7.0	5.9		**26.1**
Profit/loss before tax	391.5	-29.7	38.1	-79.6	**320.3**
Tax	-102.1	-1.9	-7.2	21.2	**-90.0**
Profit/loss for the year	289.4	-31.6	30.9	-58.4	**230.3**
Depreciation and amortisation	144.4	57.0	0.5	1.7	**203.6**
Assets	2,271.4	534.7	113.7	262.5	**3,182.3**
Associates	67.6	127.9	35.8		**231.3**
Total assets	**2,339.0**	**662.6**	**149.5**	**262.5**	**3,413.6**
Purchase of property, plant and equipment	115.0	142.5	0.2		**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)	3.9	2.2	0.3		**6.4**
2005 (mDKK)					
Net revenue	2,371.1	576.5	243.4		**3,191.0**
Operating profit	332.1	-15.4	22.9	-36.9	**302.7**
Special items				5.0	**5.0**
Net financials	3.8	-5.4	0.6	-40.3	**-41.3**
Share of income from associates	5.1	5.4	5.2		**15.7**
Profit/loss before tax	341.0	-15.4	28.7	-72.2	**282.1**
Tax	-78.3	0.1	-3.5	20.2	**-61.5**
Profit/loss for the year	262.7	-15.3	25.2	-52.0	**220.6**
Depreciation and amortisation	129.8	43.8	10.2	1.2	**185.0**
Assets	2,058.4	543.8	110.0	261.2	**2,973.4**
Associates	62.3	118.8	33.3		**214.4**
Total assets	**2,120.7**	**662.6**	**143.3**	**261.2**	**3,187.8**
Purchase of property, plant and equipment	107.6	60.7	0.3		**168.6**
Purchase of intangible assets	3.0	120.0			**123.0**
Liabilities	640.1	194.6	25.8	1,177.5	**2,038.0**
Sales (million hectolitres)	3.6	1.9	0.3		**5.8**

Note 4 Segment reporting (continued)

The Parent Company's activities break down as follows on geographic segments:

	Western Europe	Eastern Europe	Rest of the world	Unallocated	Total
2006 (mDKK)					
Net revenue	2,296.7	27.8	168.4	26.9	**2,519.8**
Operating profit	331.7	-13.1	22.3	-47.3	**293.6**
Net financials	26.6			10.3	**36.9**
Profit/loss before tax	358.3	-13.1	22.3	-37.0	**330.5**
Tax	-83.1	3.8	-6.5	26.8	**-59.0**
Profit/loss for the year	275.2	-9.3	15.8	-10.2	**271.5**
Depreciation and amortisation	133.1		0.2	9.4	**142.7**
Assets	2,644.7	11.7	49.6	262.5	**2,968.5**
Associates	82.4	102.9			**185.3**
Total assets	**2,727.1**	**114.6**	**49.6**	**262.5**	**3,153.8**
Purchase of property, plant and equipment	112.1				**112.1**
Purchase of intangible assets			0.6		**0.6**
Liabilities	690.9			1,285.7	**1,976.6**
Sales (million hectolitres)	3.6	0.1	0.3		**4.0**
2005 (mDKK)					
Net revenue	2,165.2	23.7	154.1	22.2	**2,365.2**
Operating profit	312.1	-12.8	18.7	-38.1	**279.9**
Special items				5.0	**5.0**
Net financials	9.1			-28.3	**-19.2**
Profit/loss before tax	321.2	-12.8	18.7	-61.4	**265.7**
Tax	-68.5	3.5	-5.0	17.0	**-53.0**
Profit/loss for the year	252.7	-9.3	13.7	-44.4	**212.7**
Depreciation and amortisation	123.2	3.0	9.1	1.5	**136.8**
Assets	1,669.9	719.8	129.6	261.2	**2,780.5**
Associates	82.5	101.9			**184.4**
Total assets	**1,752.4**	**821.7**	**129.6**	**261.2**	**2,964.9**
Purchase of property, plant and equipment	100.2				**100.2**
Purchase of intangible assets	3.0				**3.0**
Liabilities	638.9			1,177.4	**1,816.3**
Sales (million hectolitres)	3.4		0.3		**3.7**

Note 4 Segment reporting (continued)

The Group's quarterly segment reporting on sales and net revenue (not audited)

	2006				
	Q1	**Q2**	**Q3**	**Q4**	**Full year**
Sales (thousand hectolitres)					
Western Europe	721.4	1,090.3	1,100.5	919.2	**3,831.4**
Eastern Europe	442.8	658.1	667.9	459.9	**2,228.7**
Rest of the world	72.3	76.5	76.0	89.6	**314.4**
	1,236.5	**1,824.9**	**1,844.4**	**1,468.7**	**6,374.5**
Net revenue (mDKK)					
Western Europe	468.6	712.3	716.7	607.4	**2,505.0**
Eastern Europe	127.2	195.9	202.5	145.4	**671.0**
Rest of the world	52.2	62.8	68.8	79.2	**263.0**
	648.0	**971.0**	**988.0**	**832.0**	**3,439.0**
Net revenue (% shares)					
Western Europe	72	73	73	73	**73**
Eastern Europe	20	20	20	17	**19**
Rest of the world	8	7	7	10	**8**
	100	**100**	**100**	**100**	**100**

	2005				
	Q1	**Q2**	**Q3**	**Q4**	**Full year**
Sales (thousand hectolitres)					
Western Europe	721.2	996.7	1,012.6	855.0	**3,585.5**
Eastern Europe	315.9	540.7	594.1	456.5	**1,907.2**
Rest of the world	52.2	82.1	77.5	79.1	**290.9**
	1,089.3	**1,619.5**	**1,684.2**	**1,390.6**	**5,783.6**
Net revenue (mDKK)					
Western Europe	476.4	662.9	663.4	568.4	**2,371.1**
Eastern Europe	101.3	165.7	175.7	133.8	**576.5**
Rest of the world	48.7	59.8	68.9	66.0	**243.4**
	626.4	**888.4**	**908.0**	**768.2**	**3,191.0**
Net revenue (% shares)					
Western Europe	76	74	73	**74**	**74**
Eastern Europe	16	19	19	17	**18**
Rest of the world	8	7	8	9	**8**
	100	**100**	**100**	**100**	**100**

Note 4 Segment reporting

Segment reporting 2001 - 2005

The Group's activities break down as follows on geographic segments:

	Western Europe	Eastern Europe	Rest of the world	Unallocated	Group
2006 (IFRS accounting policies)					
Net revenue	2,504.7	671.5	262.8		**3,439.0**
Operating profit/loss	378.4	-19.1	32.4	-44.0	**347.7**
Assets	2,339.0	662.6	149.5	262.5	**3,413.6**
Liabilities	760.8	194.7	24.3	1,285.7	**2,265.5**
Sales (million hectolitres)	3.9	2.2	0.3		**6.4**
2005 (IFRS accounting policies)					
Net revenue	2,371.1	576.5	243.4		**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		**5.8**
2004 (IFRS accounting policies)					
Net revenue	2,279.9	358.9	230.2		**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		**4.8**
2003 (Accounting policies 2004)					
Net revenue	2,237.8	236.9	158.4		**2,633.1**
Operating profit/loss	309.4	-19.2	7.9	-15.2	**282.9**
Non-current assets	1,129.9	221.0	76.6	254.7	**1,682.2**
Liabilities	643.2	40.2	30.8	726.9	**1,441.1**
Sales (million hectolitres)	3.2	0.7	0.2		**4.1**
2002 (Accounting policies 2004)					
Net revenue	2,341.3	308.3	128.0		**2,777.6**
Operating profit/loss	291.4	-14.1	13.1	-38.0	**252.4**
Non-current assets	1,252.3	320.4	46.0	151.2	**1,769.9**
Liabilities	605.0	50.7	0.4	908.8	**1,564.9**
Sales (million hectolitres)	3.5	0.8	0.2		**4.5**

Descriptive notes

Note 5 Quarterly profit development of the Group (mDKK) (not audited)

	2006				
	Q1	**Q2**	**Q3**	**Q4**	**Full year**
Revenue	774.2	1,158.7	1,171.3	979.3	**4,083.5**
Net revenue	648.0	971.0	988.0	832.0	**3,439.0**
Operating profit/loss	-35.5	96.1	188.0	99.1	**347.7**
Special items			-25.4	11.1	**-14.3**
Net financials	-15.6	0.9	-1.4	3.0	**-13.1**
Profit/loss before tax	-51.1	97.0	161.2	113.2	**320.3**
Consolidated profit/loss	-37.7	73.0	119.7	75.3	**230.3**
Royal Unibrew A/S share of profit/loss	-37.7	72.1	118.7	74.5	**227.6**
Assets	3,087.2	3,317.6	3,303.4	3,413.6	**3,413.6**
Equity	1,100.8	1,087.9	1,138.0	1,148.1	**1,148.1**
EBIT	-35.5	96.1	162.6	110.2	**333.4**
EBITDA	13.4	143.9	224.9	153.7	**535.9**
EBIT margin	-5.5%	9.9%	16.5%	13.2%	**9.7%**
Earnings per share (DKK)	-6.2	11.9	19.8	12.7	**38.0**
Equity ratio	35.7%	32.8%	34.4%	33.6%	**33.6%**

	2005				
	Q1	**Q2**	**Q3**	**Q4**	**Full year**
Revenue	735.6	1,054.1	1,079.4	911.7	**3,780.8**
Net revenue	626.4	888.4	907.9	768.3	**3,191.0**
Operating profit/loss	-5.9	71.4	134.1	103.1	**302.7**
Special items				5.0	**5.0**
Net financials	-10.9	-0.9	-0.8	-13.0	**-25.6**
Profit/loss before tax	-16.8	70.5	133.3	95.1	**282.1**
Consolidated profit/loss	-12.3	63.5	99.3	70.1	**220.6**
Royal Unibrew A/S share of profit/loss	-12.3	63.9	98.2	71.3	**221.1**
Assets	2,644.1	3,130.6	3,147.9	3,187.8	**3,187.8**
Equity	1,063.3	1,061.5	1,137.5	1,149.8	**1,149.8**
EBIT	-5.9	71.4	134.1	108.1	**307.7**
EBITDA	39.1	120.1	184.0	150.0	**493.2**
EBIT margin	-0.9%	8.0%	14.8%	14.1%	**9.6%**
Earnings per share (DKK)	-2.0	10.2	15.9	11.3	**35.4**
Equity ratio	40.2%	33.9%	36.1%	36.1%	**36.1%**

Notes to Income Statement and Balance Sheet (DKK ‘000)

Note 6 Staff expenses

Staff expenses are included in production costs, sales and distribution expenses as well as administrative expenses and break down as follows:

Parent Company			Group	
2005	**2006**		**2006**	**2005**
305,389	348,346	Wages and salaries	505,968	444,082
23,345	26,793	Contributions to pension schemes	34,318	28,299
1,250	1,300	Share-based payments	1,300	1,250
11,781	17,307	Remuneration of Executive Board	17,307	12,203
2,050	2,100	Share-based remuneration of Executive Board	2,100	2,050
1,800	1,700	Remuneration of Supervisory Board	1,700	1,800
928	1,137	Other social security expenses	3,091	3,923
15,819	14,780	Other staff expenses	18,881	16,696
362,362	**413,463**		**584,665**	**510,303**
904	944	Average number of employees	2,278	2,202

Remuneration of Executive Board for 2006 includes severance pay.

Notes to Income Statement and Balance Sheet (DKK ‘000)

Note 6 Staff expenses (continued)

For incentive purposes, the following share option schemes 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 of DKK 10.

	Executive Board number	Other man. team number	Total number	Exercise price	Exercise period
Granted in 2002	4,167		4,167	240	6/2005-5/2007
Granted in 2002	3,774		3,774	265	6/2005-5/2007
Granted in 2002	3,448		3,448	290	6/2006-5/2008
Granted in 2002	3,175		3,175	315	6/2007-5/2009
Unexercised re previous years	18,150	92,188	110,338		
Unexercised at 31 December 2002	**32,714**	**92,188**	**124,902**		
Granted re 2003	7,492	7,492	14,984	401	3/2007-4/2009
Exercised in 2003	-4,530	-21,983	-26,513	221	
Expired in 2003	-4,500	-37,685	-42,185		
Unexercised at 31 December 2003	**31,176**	**40,012**	**71,188**		
Granted re 2004	6,632	5,736	12,368	377	* 3/2008-4/2010
Exercised in 2004	-2,265	-5,050	-7,315	221	
Exercised in 2004	-2,285	-24,425	-26,710	219	
Unexercised at 31 December 2004	**33,258**	**16,273**	**49,531**		
Adjustment of grant 2004, final price	-1,402	-1,212	-2,614	478	
Granted re 2005	19,803	11,998	31,801		4/2009-4/2011
Granted re 2006	19,803	11,998	31,801		4/2010-4/2012
Exercised in 2005	-4,570	-2,545	-7,115	219	
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	*
Exercised in 2006		-500	-500	219	
Unexercised at 31 December 2006	**57,780**	**30,498**	**88,278**		
distributed on:					
granted in 2002	14,564		14,564	240-315	
granted re 2003	7,492	7,492	14,984	401	
granted re 2004	5,230	4,524	9,754	478	
granted re 2005	16,258	9,856	26,114	648	*
granted re 2006	14,236	8,626	22,862	740	**
	57,780	**30,498**	**88,278**		

Market value at 31 December 2005	**9,5 million**	**4,2 million**	**13,7 million**		
Market value at 31 December 2006	**16,3 million**	**7,2 million**	**23,5 million**		

Based on a share price of the Royal Unibrew share of 740 at 31 December 2006, the market value of the options has been calculated by means of the Black-Scholes model.The calculation is based on an assumption of 20% volatility, a risk-free interest rate of 4.0-4.4% (2005: 2.9-3.3%) and annual dividend per share of DKK 1.5%. The exercise price of share options granted re 2006 is assumed to be 740.

* The exercise price of the share options granted re 2005 has in 2006 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 2005 (3 March - 13 March 2006). The price has thus changed from 532 at 31 December 2005 to 648.

** The exercise price of the share options granted re 2006 is determined as the average market price of the Company’s shares over the 10 trading days following the publication of the Annual Report for 2006. The pricing of the option programmes for 2006 is based on an assumption of full exercise. The assumptions on which granting for the year is based have been described in Management’s Review.

Notes to Income Statement and Balance Sheet (DKK '000)

Note 7 Expenses broken down by type

Parent Company			Group	
2005	**2006**		**2006**	**2005**
		Aggregated		
1,166,998	1,254,191	Production costs	1,742,900	1,581,411
774,896	804,407	Sales and distribution expenses	1,191,225	1,141,301
143,560	171,682	Administrative expenses	200,680	171,697
2,085,454	**2,230,280**		**3,134,805**	**2,894,409**

		break down by type as follows:		
785,380	841,083	Raw materials and consumables	1,207,303	1,119,226
362,362	413,463	Wages, salaries and other staff expenses	584,665	510,303
124,185	133,813	Operating and maintenance expenses	201,708	178,454
340,597	345,871	Distribution expenses and carriage	422,077	399,491
265,627	285,976	Sales and marketing expenses	426,473	402,732
-20	777	Bad debts	7,036	4,658
66,529	66,565	Office supplies etc	90,840	90,505
140,794	142,732	Depreciation and profit from sale of property, plant and equipment	194,703	189,040
2,085,454	**2,230,280**		**3,134,805**	**2,894,409**

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:

Parent Company			Group	
2005	**2006**		**2006**	**2005**
126,229	122,317	Production costs	173,924	155,961
11,359	10,141	Sales and distribution expenses	16,226	29,779
3,206	10,274	Administrative expenses	4,553	3,300
140,794	**142,732**		**194,703**	**189,040**
-4,022		Special items	8,928	-4,022
136,772	**142,732**		**203,631**	**185,018**

Notes to Income Statement and Balance Sheet (DKK '000)

Note 8 Other income and other receivables

Group

Other income includes an income from receivables in Nigeria previously written off, of which DKK 18.6 million was received through the Danish Export Credit Fund in 2006 and additional payment from 2007-2014 of EUR 3.2 million equal to DKK 24 million with a fair value of DKK 20.1 million has been secured.

Accordingly, a total of DKK 38.7 million has been recognised in "other income", whereas the fair value of DKK 20.1 million of the annual payments of DKK 3 million in the period until 2014 has been recognised in "other receivables."

Note 9 Special items and non-current assets held for sale

Parent Company			Group	
2005	**2006**		**2006**	**2005**
5,022		Value adjustment of non-current assets held for sale		5,022
		Expenses and impairment of assets relating to production reorganisation in the Baltic countries	-14,329	
5,022	**0**		**-14,329**	**5,022**

Non-current assets held for sale

Assets held for sale are land and buildings related to the closed-down brewery in Randers.
At the purchaser's request, takeover has been postponed from 2006 to 2007.

The assets have been put up as security for mortgage debt of DKK 8.3 million.

Note 10 Financial income

Parent Company			Group	
2005	**2006**		**2006**	**2005**
1,706	6,487	Bank	6,916	1,525
2,646	2,525	Associates	2,525	2,646
5,018	2,097	Subsidiaries		
507	940	Realised capital gain on securities	3,668	3,967
	6,900	Exchange gains	6,194	
426	475	Miscellaneous financial income	1,027	910
10,303	**19,424**		**20,330**	**9,048**

Noter til resultatopgørelse og balance (t.DKK)

Note 11 Financial expenses

Parent Company			Group	
2005	**2006**		**2006**	**2005**
25,463	28,222	Bank loans	31,760	25,574
21,177	26,646	Mortgage credit institutes	27,619	22,238
1,194	1,103	Subsidiaries		
1,680		Exchange loss		2,462
48	60	Miscellaneous financial expenses	100	83
49,562	**56,031**		**59,479**	**50,357**

Note 12 Tax on the profit for the year

Parent Company			Group	
2005	**2006**		**2006**	**2005**
57,315	81,715	Tax on the taxable income for the year	106,430	67,934
	2,430	Adjustment of previous year	1,701	
-13,076	-21,715	Adjustment of deferred tax	-14,758	-15,249
44,239	**62,430**		**93,373**	**52,685**

		which breaks down as follows:		
53,028	59,071	Tax on profit for the year	90,014	61,474
-8,789	3,359	Tax on equity entries	3,359	-8,789
44,239	**62,430**	**Total tax**	**93,373**	**52,685**

28.0	28.0	Current Danish tax rate	28.0	28.0
-4.1		Effect of reduction of Danish tax rate in 2005		-3.7
-3.8	-5.8	Effect on tax rate of permanent differences	1.8	-2.0
	-4.3	Adjustment of previous year	-4.2	
		Differences in foreign tax rates	2.5	-0.4
20.1	17.9	Effective tax rate	28.1	21.8

Notes to Income Statement and Balance Sheet (DKK '000)

Note 13 Non-current assets

Group

	Intangible assets	Property, plant and equipment	Financial assets	Total non-current assets
Cost at 1 January 2005	376,947	3,423,869	121,351	**3,922,167**
Exchange adjustments	8,133	18,374	16,035	**42,542**
Reclassification		-36,884	-17,385	**-54,269**
Additions on acquisition	117,412	150,220		**267,632**
Additions for the year	5,139	159,142	122,599	**286,880**
Disposals for the year	-21	-282,455	-6,092	**-288,568**
Cost at 31 December 2005	**507,610**	**3,432,266**	**236,508**	**4,176,384**
Amortisation, depreciation, revaluations and impairment losses at 1 January 2005	-937	-2,121,381	9,855	**-2,112,463**
Exchange adjustments		-1,701	61	**-1,640**
Reclassification		7,769		**7,769**
Dividend			-8,414	**-8,414**
Revaluations and impairment losses for the year			18,031	**18,031**
Amortisation and depreciation for the year	-1,279	-189,870		**-191,149**
Amortisation, depreciation and impairment of assets sold and discontinued		261,923		**261,923**
Amortisation, depreciation, revaluations and impairment losses at 31 December 2005	**-2,216**	**-2,043,260**	**19,533**	**-2,025,943**
Carrying amount at 31 December 2005	**505,394**	**1,389,006**	**256,041**	**2,150,441**
Cost at 1 January 2006	507,610	3,432,266	236,508	**4,176,384**
Exchange adjustments	300	918	-5,398	**-4,180**
Reclassification	2,388	-3,005		**-617**
Additions for the year	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 adjustments	-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	-201,155		**-202,451**
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**
	Note 14	Note 25	Note 26	

Notes to Income Statement and Balance Sheet (DKK '000)

Note 13 Non-current assets (continued)

Parent Company

	Intangible assets	Property, plant and equipment	Financial assets	Total non-current assets
Cost at 1 January 2005	91,883	2,837,186	824,821	**3,753,890**
Exchange adjustments	29		4,299	**4,328**
Reclassification		-36,959	-16,935	**-53,894**
Additions for the year	2,990	100,191	493,656	**596,837**
Disposals for the year		-252,779	-121,909	**-374,688**
Cost at 31 December 2005	**94,902**	**2,647,639**	**1,183,932**	**3,926,473**
Amortisation, depreciation, revaluations and impairment losses at 1 January 2005	-797	-1,807,107	-111	**-1,808,015**
Reclassification		6,959		**6,959**
Dividend			-13,870	**-13,870**
Revaluations and impairment losses for the year			-46	**-46**
Amortisation and depreciation for the year	-1,125	-140,413		**-141,538**
Amortisation, depreciation and impairment of assets sold and discontinued		235,198		**235,198**
Amortisation, depreciation, revaluations and impairment losses at 31 December 2005	**-1,922**	**-1,705,363**	**-14,027**	**-1,721,312**
Carrying amount at 31 December 2005	**92,980**	**942,276**	**1,169,905**	**2,205,161**
Cost at 1 January 2006	94,902	2,647,639	1,183,932	**3,926,473**
Exchange adjustments	2		-796	**-794**
Additions for the year	559	112,149	50,549	**163,257**
Disposals for the year		-120,318	-81	**-120,399**
Cost at 31 December 2006	**95,463**	**2,639,470**	**1,233,604**	**3,968,537**
Amortisation, depreciation, revaluations and impairment losses at 1 January 2006	-1,922	-1,705,363	-14,027	**-1,721,312**
Dividend			-5,734	**-5,734**
Revaluations and impairment losses for the year			-19	**-19**
Amortisation and depreciation for the year	-1,142	-138,724		**-139,866**
Amortisation, depreciation and impairment of assets sold and discontinued		103,802		**103,802**
Amortisation, depreciation, revaluations and impairment losses at 31 December 2006	**-3,064**	**-1,740,285**	**-19,780**	**-1,763,129**
Carrying amount at 31 December 2006	**92,399**	**899,185**	**1,213,824**	**2,205,408**
	Note 14	Note 25	Note 26	

Notes to Income Statement and Balance Sheet (DKK '000)

Note 14 Intangible assets

Group

	Goodwill	Trademarks	Distribution rights	Total intangible assets
Cost at 1 January 2005	276,492	87,684	12,771	**376,947**
Additions on acquisition	40,848	76,564		**117,412**
Exchange adjustments	1,449	6,652	32	**8,133**
Additions for the year	2,093	3,046		**5,139**
Disposals for the year	-21			**-21**
Cost at 31 December 2005	**320,861**	**173,946**	**12,803**	**507,610**
Amortisation and impairment losses at 1 January 2005	0	0	937	**937**
Amortisation for the year			1,279	**1,279**
Amortisation and impairment losses at 31 December 2005	**0**	**0**	**2,216**	**2,216**
Carrying amount at 31 December 2005	**320,861**	**173,946**	**10,587**	**505,394**
Cost at 1 January 2006	320,861	173,946	12,803	**507,610**
Reclassification	2,527		-139	**2,388**
Exchange adjustments	10	290		**300**
Additions 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	0	0	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**

Notes to Income Statement and Balance Sheet (DKK '000)

Note 14 Intangible assets (continued)

Parent Company

	Goodwill	Trademarks	Distribution rights	Total intangible assets
Cost at 1 January 2005	80,645	0	11,238	**91,883**
Exchange adjustments			29	**29**
Additions for the year		2,990		**2,990**
Cost at 31 December 2005	**80,645**	**2,990**	**11,267**	**94,902**
Amortisation and impairment losses at 1 January 2005	0	0	797	**797**
Amortisation for the year			1,125	**1,125**
Amortisation and impairment losses at 31 December 2005	**0**	**0**	**1,922**	**1,922**
Carrying amount at 31 December 2005	**80,645**	**2,990**	**9,345**	**92,980**
Cost at 1 January 2006	80,645	2,990	11,267	**94,902**
Exchange adjustments			2	**2**
Additions for the year			559	**559**
Cost at 31 December 2006	**80,645**	**2,990**	**11,828**	**95,463**
Amortisation and impairment losses at 1 January 2006	0	0	1,922	**1,922**
Amortisation for the year			1,142	**1,142**
Amortisation and impairment losses at 31 December 2006	**0**	**0**	**3,064**	**3,064**
Carrying amount at 31 December 2006	**80,645**	**2,990**	**8,764**	**92,399**

Impairment tests of goodwill and trademarks
Parent Company and Group:

At 31 December 2006, impairment tests of the carrying amounts of goodwill and trademarks with indefinite useful lives were carried out. The carrying amounts of goodwill and trademarks at 31 December 2006 relate to the cash-generating units. The carrying amounts of goodwill and trademarks break down on segments as follows:

	Goodwill	Trademarks	Total	Share
2006				
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%**
Rest of the world	36,578	2,480	**39,058**	**8%**
Total	**323,398**	**174,236**	**497,634**	**100%**
2005				
Western Europe	80,645	2,990	**83,635**	**17%**
Lithuania (Eastern Europe)	151,329		**151,329**	**30%**
Latvia (Eastern Europe)	2,692	110,878	**113,570**	**23%**
Poland (Eastern Europe)	49,603	57,646	**107,249**	**22%**
Rest of the world	36,592	2,432	**39,024**	**8%**
Total	**320,861**	**173,946**	**494,807**	**100%**

Notes to Income Statement and Balance Sheet (DKK '000)

Note 14 Intangible assets (continued)

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 2007-2009 approved by Management as well as estimated market driven discount rates and growth rates. In the period 2007-2009 earnings increases related to net revenue and gross margin are primarily expected in Poland. The key assumptions underlying the calculation of recoverable amount break down on segments as indicated below:

	Western Europe	Eastern Europe	Rest of the world
Gross margin	45.0%	25-60%	25.0%
Growth rate 2010-2013	1.5%	1-4%	2-3%
Growth rate on terminal value	1.5%	1.5%	1.5%
Discount rate	6.0%	8.4-8.6%	9-14.4%

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 after tax and reflect current specific risks in the individual market. The assumptions applied by Management are inherently subject to uncertainty and unpredictability.

Note 15 Investments in associates

Parent Company			Group	
2005	2006		2006	2005
34,449	184,368	Balance at 1 January	214,409	76,446
		Exchange adjustments	-2,108	15,215
		Reclassification		-451
149,919	970	Additions for the year	970	113,460
		Share of profit for the year	26,098	15,700
		Share of equity movements for the year	12,818	2,453
		Dividend	-20,902	-8,414
184,368	**185,338**	**Balance at 31 December**	**231,285**	**214,409**

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:

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				
Rest of the world	49,449	14,646	39,315	5,318
Total Group	**456,134**	**277,804**	**548,379**	**23,049**

2005	Assets	Liabilities	Revenue	Profit basis
Parent Company investments				
Western Europe	339,381	266,490	322,303	7,638
Eastern Europe	78,454	24,412	109,964	6,787
Total Parent Company	**417,835**	**290,902**	**432,267**	**14,425**
Other Group investments				
Rest of the world	41,759	11,416	37,003	5,200
Total Group	**459,594**	**302,318**	**469,270**	**19,625**

Notes to Income Statement and Balance Sheet (DKK '000)

Note 16 Share capital and earnings/cash flow per share

The share capital of DKK 61,800,000 is divided into shares of DKK 10.

The share capital has developed as follows:

	2006	2005	2004	2003	2002
Balance at 1 January	63,700	63,700	65,635	65,635	62,815
Capital increase, employee shares					682
Capital increase, merger					2,138
Reduction of capital	-1,900		-1,935		
Balance at 31 December	**61,800**	**63,700**	**63,700**	**65,635**	**65,635**

Treasury shares held:

	Parent Company	
	2006	2005
Balance at 1 January	0	0
Additions	180,139	107,096
Disposals	-110	-1,783
Transferred to equity, net	-180,029	-105,313
Balance at 31 December	**0**	**0**

The Group holds no other treasury shares.

	Number	Nom, value	% of capital
Portfolio at 1 January 2005	69,322	693	1.1
Additions	212,779	2,128	3.3
Disposals	**-7,677**	**-77**	**-0.1**
Portfolio at 31 December 2005	**274,424**	**2,744**	**4.3**

The average number of treasury shares held was some 120,000 shares.

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**

Basis of calculation of earnings and cash flow per share

The average number of treasury shares amounted to some 347,000 shares.

The average number of shares in circulation amounted to some 5,998,000 shares.

The average number of shares in circulation incl share options "in-the-money" amounted to 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 profit for the year.

Notes to Income Statement and Balance Sheet (DKK '000)

Note 17 Deferred tax

Parent Company			Group	
2005	**2006**		**2006**	**2005**
158,259	141,313	Deferred tax at 1 January	142,478	157,727
-3,870		Deferred tax transferred to subsidiary		
-11,020		Adjustment of Danish tax rate		-11,020
-2,056	-21,715	Deferred tax for the year	-14,758	-4,229
141,313	**119,598**	**Deferred tax at 31 December**	**127,720**	**142,478**
12,483	15,595	Due within 1 year	16,482	10,468
		Deferred tax relates to:		
-536	545	Intangible assets	545	-536
134,284	112,628	Property, plant and equipment	120,774	142,242
-3,720	-5,530	Financial assets	-5,530	-3,720
12,746	14,129	Current assets	19,554	12,555
-1,461	-2,174	Current liabilities	-2,812	-1,885
		Unutilised tax losses	-4,811	-6,178
141,313	**119,598**		**127,720**	**142,478**

The utilisation of unutilised tax losses with a tax value of some DKK 19 million (2005: 4.5 million) is not certain. Therefore, the corresponding tax asset has not been capitalised.

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.

In consequence of the changed accounting policy for serving equipment (cf note 1), comparative figures at 1 January 2005 have been reduced by DKK 7 million.

Notes to Income Statement and Balance Sheet (DKK '000)

Note 18 Repurchase obligation, returnable packaging:

Parent Company			Group	
2005	2006		2006	2005
92,928	92,014	Balance at 1 January	96,332	97,018
-914	-4,138	Adjustment for the year	-5,778	-686
92,014	**87,876**	**Balance at 31 December**	**90,554**	**96,332**

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.

Note 19 Interest-bearing debt

Parent Company				Group		
Mortgage debt	Credit institutions	Total		Mortgage debt	Credit institutions	Total
			31/12 2005			
			Maturity			
52,753	117,445	**170,198**	Within 1 year	53,738	119,477	**173,215**
217,538	465,237	**682,775**	1 - 5 years	222,025	510,041	**732,066**
324,396		**324,396**	After 5 years	337,146	77,312	**414,458**
594,687	**582,682**	**1,177,369**	**Total**	**612,909**	**706,830**	**1,319,739**
604,387	**582,682**	**1,187,069**	**Market value**	**623,954**	**706,830**	**1,330,784**
			31/12 2006			
			Maturity			
57,695	98,701	**156,396**	Within 1 year	58,732	138,106	**196,838**
229,480	369,927	**599,407**	1 - 5 years	234,204	390,446	**624,650**
347,859	182,053	**529,912**	After 5 years	359,336	259,929	**619,265**
635,034	**650,681**	**1,285,715**	**Total**	**652,272**	**788,481**	**1,440,753**
633,761	**650,681**	**1,284,442**	**Market value**	**651,939**	**788,481**	**1,440,420**

Notes to Cash Flow Statement (DKK ‘000)

Note 20 Cash Flow Statement

Adjustments for non-cash operating items

Parent Company			Group	
2005	**2006**		**2006**	**2005**
-20,000	-73,519	Dividend from subsidiaries		
-10,303	-19,424	Financial income	-20,330	-9,048
49,562	56,031	Financial expenses	59,479	50,357
141,538	139,866	Depreciation and amortisation	202,451	191,149
53,028	59,071	Tax on the profit for the year	90,014	61,474
		Income from investments in associates	-26,098	-15,700
-3,942	3,746	Net profit from sale of property, plant and equipment	2,476	-5,716
3,300	3,400	Share-based payments and remuneration	3,400	3,300
-553	1,715	Other adjustments	-18,400	-951
212,630	**170,886**	**Total**	**292,992**	**274,865**

Acquisition of subsidiaries

Parent Company			Group	
2005	**2006**		**2006**	**2005**
		Assets		
-221,120		Non-current assets		-241,442
		Current assets		-23,556
		Liabilities		
		Provisions		
		Long-term debt		1,541
		Short-term debt		38,172
		Minority interests		
		Goodwill on consolidation		-25,409
-221,120	**0**	**Sales / acquisition price**	**0**	**-250,694**
		including cash and cash equivalents of		609
		Part of acquisition price paid in 2004		10,367
-221,120	**0**	**Cash sales / acquisition price**	**0**	**-239,718**

Other notes (DKK '000)

Note 21 Fee to auditors

Parent Company 2005	Parent Company 2006		Group 2006	Group 2005
		Fee for the audit of the Annual Report:		
930	812	PricewaterhouseCoopers	1,296	1,283
968	812	Ernst & Young	1,399	2,076
1,898	**1,624**		**2,695**	**3,359**
		Fee for non-audit services:		
318	308	PricewaterhouseCoopers	539	1,742
207	740	Ernst & Young	852	317
525	**1,048**		**1,391**	**2,059**

Note 22 Contingent liabilities and other contractual obligations (mDKK)

Parent Company 2005	Parent Company 2006		Group 2006	Group 2005
		Guarantees		
0.2	0.2	Guarantees relating to subsidiaries		
13.6	9.6	Other guarantees	9.5	13.6
13.8	**9.8**	**Total guarantees**	**9.5**	**13.6**
		Rental and lease agreements		
		Total future payments:		
10.1	10.7	Within 1 year	19.6	14.9
14.7	19.0	Between 1 and 5 years	32.0	20.5
24.8	**29.7**	**Total lease obligations (operating leases)**	**51.6**	**35.4**

The lease obligations relate to production machinery. operating equipment and IT equipment.

21.3	19.2	Within 1 year	24.4	26.2
48.1	36.3	Between 1 and 5 years	40.7	53.4
6.3	1.3	Beyond 5 years	1.3	6.3
75.7	**56.8**	**Total rental obligations**	**66.4**	**85.9**
84.4	**0.8**	**Banker's guarantees**	**12.1**	**95.6**

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.

Other notes:

Note 23 Related parties

Related parties comprise the Supervisory Board and the Executive Board as well as subsidiaries and associates, cf, Group Structure, page 86, 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):

Parent Company			Group	
2005	**2006**		**2006**	**2005**
		Revenue		
4,320	9,208	Sales to associates	9,208	4,320
698,643	737,750	Sales to subsidiaries		
		Purchases		
288	1,184	Purchases from subsidiaries		
		Financial income and expenses		
	19,752	Dividends from associates	20,902	8,414
33,870	54,214	Dividends from subsidiaries		
	5,287	Surplus remaining on winding up of subsidiaries		
2,646	2,525	Interest received from associates	2,525	2,646
5,018	2,097	Interest received from subsidiaries		
1,194	1,103	Interest paid to subsidiaries		
		Executive Board		
11,781	17,307	Salaries	17,307	12,203
2,050	2,100	Share options granted	2,100	2,050
		Intercompany balances at 31 December		
3,695	1,318	Receivables from associates	1,318	3,695
200,919	252,800	Receivables from subsidiaries		
25,460	24,664	Loans to associates	24,664	25,460
221,120	40,062	Capital contributed to subsidiaries		
		Guarantees and security		
200	200	Guarantee for subsidiary		

Transactions with subsidiaries are eliminated in the consolidated financial statements in accordance with the accounting policies applied,

Other notes:

Note 24 Acquisitions

No business acquisitions were made in 2006.

A review of the assessed fair value at the time of acquisition of the property, plant and equipment of Brok-Strzelec acquired by Royal Unibrew Polska in 2005 gave rise to increasing the value of goodwill by some DKK 31 million.

As announced in our Announcement RU 44/2006 of 13 December 2006, Royal Unibrew has strengthened its position in the Caribbean by acquiring controlling interests in the breweries Dominica Brewery & Beverages Ltd. and Antigua Brewery Ltd. as well as in Antigua PET Plant Ltd. Management control of the companies was acquired in January 2007, whereas the share transfer awaits formal approval by the authorities in Dominica and Antigua.

There is no basis, at this time, for providing any information on the allocation of fair value at the date of acquisition. The cash acquisition price amounts to USD 15.3 million equivalent to DKK 88 million excluding costs of acquisition.

2005

On 1 February 2005, Royal Unibrew A/S acquired 99% of the shares of A/S Lacplesa Alus			On 26 April 2005, Royal Unibrew Polska Sp. z o.o. acquired non-current assets and inventories of Brok-Strzelec	
Fair value at date of acquisition	**Carrying amount prior to acquisition**		**Carrying amount prior to acquisition**	**Fair value at date of acquisition**
25,452	43	Intangible assets		51,781
15,811	16,698	Property, plant and equipment	159,067	133,981
6,091	6,091	Inventories	11,418	11,418
5,438	5,438	Receivables		
609	609	Cash at bank and in hand		
-16,217	-16,217	Credit institutions		
-8,734	-8,734	Trade payables		
-14,762	-14,762	Other payables		
13,688	**-10,834**	**Net assets acquired**	**170,485**	**197,180**
0		Goodwill		39,826
13,688	**-10,834**	**Acquisition price**	**170,485**	**237,006**
-609		including cash and bank and in hand		
13,079	**-10,834**	**Cash acquisition price**	**170,485**	**237,006**
2,549		Acquisition costs (consulting fees) amount to		**11,174**

Notes to assets (DKK '000)

Note 25 Property, plant and equipment

Parent Company						Group				
Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total		Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
864,267	1,241,684	717,378	13,857	**2,837,186**	Cost at 1 January 2005	1,027,082	1,529,548	827,857	39,382	**3,423,869**
				0	Exchange adjustment	4,602	12,453	1,236	83	**18,374**
-36,959				**-36,959**	Reclassification	-36,810	-371	297		**-36,884**
				0	Additions on acquisition	36,571	106,437	7,083	129	**150,220**
7,612	27,719	45,537	19,323	**100,191**	Additions for the year	10,891	26,679	55,362	66,210	**159,142**
-13,075	-115,894	-123,810		**-252,779**	Disposals for the year	-13,366	-132,368	-136,721		**-282,455**
3,517	6,236	1,685	-11,438	**0**	Transfers for the year	44,923	26,921	8,030	-79,874	**0**
825,362	**1,159,745**	**640,790**	**21,742**	**2,647,639**	**Cost at 31 December 2005**	**1,073,893**	**1,569,299**	**763,144**	**25,930**	**3,432,266**
331,256	977,707	498,144	0	**1,807,107**	Depreciation and impairment losses at 1 January 2005	364,309	1,178,361	578,711	0	**2,121,381**
				0	Exchange adjustment	78	1,330	293		**1,701**
-7,318	-4,582	4,941		**-6,959**	Reclassification	-7,362	-4,842	4,435		**-7,769**
				0	Additions on acquisition					**0**
10,652	77,675	52,086		**140,413**	Depreciation for the year	15,930	109,980	63,960		**189,870**
-9,582	-114,026	-111,590		**-235,198**	Depreciation and impairment of assets sold and discontinued	-9,872	-128,926	-123,125		**-261,923**
				0	Transfers for the year					**0**
325,008	**936,774**	**443,581**	**0**	**1,705,363**	**Depreciation and impairment losses at 31 December 2005**	**363,083**	**1,155,903**	**524,274**	**0**	**2,043,260**
500,354	**222,971**	**197,209**	**21,742**	**942,276**	**Carrying amount at 31 December 2005**	**710,810**	**413,396**	**238,870**	**25,930**	**1,389,006**

According to the latest official assessment for property tax purposes, the cash value of the properties is DKK 440.8 million (2004: DKK 472.6 million).

Land and buildings at a carrying amount of DKK 470.4 million have been provided as security for mortgage debt of DKK 583.3 million (2004: DKK 508.8 million and DKK 395.6 million, respectively).

According to the latest official assessment for property tax purposes, the cash value of Danish properties at a carrying amount of DKK 486.2 million is DKK 464.1 million (2004: DKK 554.2 million and DKK 494.4 million, respectively).

Land and buildings at a carrying amount of DKK 486.2 million have been provided as security for mortgage debt of DKK 601.5 million (2004: DKK 525.1 million and DKK 414.4 million, respectively).

Notes to assets (DKK '000)

Note 25 Property, plant and equipment (continued)

Parent Company						Group				
Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total		Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
825,362	1,159,745	640,790	21,742	**2,647,639**	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**
3,179	33,695	40,714	34,561	**112,149**	Additions for the year	35,233	92,281	68,705	61,513	**257,732**
-244	-18,702	-97,271	-4,101	**-120,318**	Disposals for the year	-330	-26,367	-109,989	-4,100	**-140,786**
725	13,786	2,436	-16,947	**0**	Transfers for the year	725	15,202	2,660	-18,587	**0**
829,022	**1,188,524**	**586,669**	**35,255**	**2,639,470**	**Cost at 31 December 2006**	**1,109,763**	**1,649,264**	**723,210**	**64,888**	**3,547,125**
325,008	936,774	443,581	0	**1,705,363**	Depreciation and impairment losses at 1 January 2006	363,083	1,155,903	524,274	0	**2,043,260**
				0	Exchange adjustment	-20	190	-67		**103**
				0	Reclassification		-77	-3,203		**-3,280**
14,220	75,809	48,695		**138,724**	Depreciation for the year	23,332	116,510	61,313		**201,155**
-102	-17,887	-85,813		**-103,802**	Depreciation and impairment of assets sold and discontinued	-141	-24,104	-96,725		**-120,970**
339,126	**994,696**	**406,463**	**0**	**1,740,285**	**Depreciation and impairment losses at 31 December 2006**	**386,254**	**1,248,422**	**485,592**	**0**	**2,120,268**
489,896	**193,828**	**180,206**	**35,255**	**899,185**	**Carrying amount at 31 December 2006**	**723,509**	**400,842**	**237,618**	**64,888**	**1,426,857**

According to the latest official assessment for property tax purposes, the cash value of the properties is DKK 489.2 million (2005: DKK 440.8 million).

Land and buildings at a carrying amount of DKK 470.1 million have been provided as security for mortgage debt of DKK 635.0 million (2005: DKK 470.4 million and DKK 583.3 million, respectively).

According to the latest official assessment for property tax purposes, the cash value of Danish properties at a carrying amount of DKK 505.4 million is DKK 512.9 million (2005: DKK 486.2 million and DKK 464.1 million, respectively).

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).

Notes to assets (DKK '000)

Note 26 Financial assets

Parent Company							Group					
Investments in subsidiaries	**Investments in associates**	**Receivables from associates**	**Other investments**	**Other receivables**	**Total**		**Investments in subsidiaries**	**Investments in associates**	**Receivables from associates**	**Other investments**	**Other receivables**	**Total**
738,755	34,449	24,588	2,841	24,188	**824,821**	Cost at 1 January 2005	0	66,108	24,588	2,965	27,690	**121,351**
		872		3,427	**4,299**	Exchange adjustment		15,154	872		9	**16,035**
				-16,935	**-16,935**	Reclassification		-451			-16,934	**-17,385**
221,120	149,919			122,617	**493,656**	Additions		113,460			9,139	**122,599**
			-6	-121,903	**-121,909**	Disposals				-65	-6,027	**-6,092**
959,875	**184,368**	**25,460**	**2,835**	**11,394**	**1,183,932**	**Cost at 31 December 2005**	**0**	**194,271**	**25,460**	**2,900**	**13,877**	**236,508**
0	0	0	-111	0	**-111**	Revaluations and impairment losses at 1 January 2005	0	10,338	0	-21	-462	**9,855**
					0	Exchange adjustment		61				**61**
					0	Reclassification						**0**
-13,870					**-13,870**	Dividend		-8,414				**-8,414**
			-46		**-46**	Revaluations and impairment losses for the year		18,153		-45	-77	**18,031**
-13,870	**0**	**0**	**-157**	**0**	**-14,027**	**Revaluations and impairment losses at 31 December 2005**	**0**	**20,138**	**0**	**-66**	**-539**	**19,533**
946,005	**184,368**	**25,460**	**2,678**	**11,394**	**1,169,905**	**Carrying amount at 31 December 2005**	**0**	**214,409**	**25,460**	**2,834**	**13,338**	**256,041**
						Value of goodwill included above		**68,861**				

Notes to assets (DKK '000)

Note 26 Financial assets (continued)

Parent Company							Group					
Investments in subsidiaries	**Investments in associates**	**Receivables from associates**	**Other investments**	**Other receivables**	**Total**		**Investments in subsidiaries**	**Investments in associates**	**Receivables from associates**	**Other investments**	**Other receivables**	**Total**
959,875	184,368	25,460	2,835	11,394	**1,183,932**	Cost at 1 January 2006	0	194,271	25,460	2,900	13,877	**236,508**
		-796			**-796**	Exchange adjustment		-4,063	-796		-539	**-5,398**
40,062	970		55	9,462	**50,549**	Additions		970		55	9,547	**10,572**
			-81		**-81**	Disposals		-1,492		-91	-1,010	**-2,593**
999,937	**185,338**	**24,664**	**2,809**	**20,856**	**1,233,604**	**Cost at 31 December 2006**	**0**	**189,686**	**24,664**	**2,864**	**21,875**	**239,089**
-13,870	0	0	-157	0	**-14,027**	Revaluations and impairment losses at 1 January 2006	0	20,138	0	-66	-539	**19,533**
					0	Exchange adjustment		1,954		59		**2,013**
-5,734					**-5,734**	Dividend		-20,902				**-20,902**
						Revaluations and impairment losses on disposals		1,492				**1,492**
			-19		**-19**	Revaluations and impairment losses for the year		38,917		-19	539	**39,437**
-19,604	**0**	**0**	**-176**	**0**	**-19,780**	**Revaluations and impairment losses at 31 December 2006**	**0**	**41,599**	**0**	**-26**	**0**	**41,573**
980,333	**185,338**	**24,664**	**2,633**	**20,856**	**1,213,824**	**Carrying amount at 31 December 2006**	**0**	**231,285**	**24,664**	**2,838**	**21,875**	**280,662**
						Value of goodwill included above		**69,086**				

15% of the shares of SIA Cido Grupa recognised have not yet been transferred from the sellers as there is pending ownership litigation. Royal Unibrew is not a party to the litigation and expects the shares to be transferred at no additional costs as the acquisition price of the shares has been deposited in an escrow account to be realised upon transfer of the shares.

GROUP STRUCTURE 31 DECEMBER 2006

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
Brewery Group Denmark AB, Sweden	100.0%	SEK	990,000
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	1,662,000
Maribo Bryghus A/S, Maribo, Denmark	100.0%	DKK	1,805,500
Supermalt UK Ltd., UK	100.0%	GBP	9,700,000
Vitamalt (West Africa) Ltd., UK	100.0%	GBP	10,000
Associates			
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
Nuuk Imeq A/S, Godthåb, Greenland	31.9%	DKK	38,000,000
Tivoli Friheden A/S, Århus, Denmark	32.5%	DKK	1,428,000
Eastern Europe			
Subsidiaries			
AB Kalnapilio-Tauro Grupe, Lithuania	99.4%	LTL	62,682,000
SIA "Cido Grupa", Latvia	100.0%	LVL	500,000
Royal Unibrew Polska Sp. z o. o., Poland	100.0%	PLN	105,500,000
Lacplesa Alus, Latvia	99.8%	LVL	6,973,346
Associates			
Perla Browary Lubelskie S.A., Poland	48.0%	PLN	1,380,000
Resten af verden			
Subsidiaries			
Drinktech Holding AG, Switzerland	100.0%	CHF	11,000,000
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
Associates			
Banjul Breweries Limited, Gambia*	35.0%	GMD	22,000,000
Solomon Breweries Limited, Solomon Islands*	35.0%	SBD	21,600,000
St. Vincent Breweries Ltd., Caribbean*	20.0%	XCD	18,009,000
Owned by Drinktech Holding AG, Switzerland*			

Activity Production, sales and distribution | Sales and distribution | Holding company | Other activity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MANAGEMENT PROFILES AND DUTIES

We provide below summary CVs of members of the Supervisory and Executive Boards.
Furthermore, under section 107 of the Danish Financial Statements Act, we disclose their management duties with other Danish companies:

Abbreviations:
CEO: Chief Executive Officer
CFO: Chief Financial Officer
C: Chairman
DC: Deputy Chairman
BM: Board Member

MEMBERS OF THE SUPERVISORY BOARD

Steen Weirsøe, CEO (C)
Age: 58. On the Supervisory Board of Royal Unibrew since 1998, Chairman since 2004. MSc (Economics and Business Administration) in 1973. CEO of F. Junckers Industrier A/S 1982-94. Group Chief Executive of Danisco A/S 1994-99. Since 1999 CEO, Group Managing Director of DT Group a/s. Number of Royal Unibrew shares held: 520.

DT Group a/s (Group CEO)
Wolseley Holdings DK (BM)
DT Holding 1 A/S (BM + CEO) including subsidiaries

Tommy Pedersen, CEO (DC)
Age: 57. On the Supervisory Board of Royal Unibrew since 1998, Deputy Chairman since 2004. Diploma (Economics - Accounting and Economic Management) in 1976, Diploma (Economics - Organisation and Stra-tegic Planning) in 1981. Employee of Sparekassen Fyn, Bikuben and Bikuben GiroBank A/S, most recently as Executive Bank Manager, 1966-96. Since 1997 CEO of Chr. Augustinus Fabrikker Aktieselskab and Au-gustinus Fonden. Number of Royal Unibrew shares held: 339.

Chr. Augustinus Fabrikker Akts. and Augustinus Fonden (CEO)
FMS Holding AF 2004 A/S (C)
Fondsmæglerselskabet af 2004 A/S (C)
Rungsted Sundpark A/S (C)
Skodsborg Sundpark A/S (C)
Brock og Michelsen A/S including subsidiaries (BM)
Ejendomsselskabet Jeudan A/S (BM)
Kommuneforsikring A/S (BM)
Ole Flensted Holding A/S including subsidiaries (BM)
Peter Bodum A/S (BM)
Pharmacosmos Holding A/S including subsidiaries (BM)
Refshaleøens Ejendomsselskab A/S including subsidiaries (BM)
Skandinavisk Holding A/S (BM)
Skandinavisk Tobakskompagni A/S (BM)
Tivoli A/S (BM)

Henrik Brandt, CEO (BM)
Age: 51. On the Supervisory Board of Royal Unibrew since 1998. On the Supervisory Board of Ferd A/S (Norwegian company) since 2004. MSc (Economics and Business Administration), MBA Stanford University, California. F.L. Schmidt Gruppen 1979-83. Skandinavisk Holding A/S 1985-87. CEO of Kevi A/S 1987-88. Skandinavisk Holding A/S 1988-89. CEO of Fritz Hansens Eft. A/S 1989-92. CEO of Munch Møbler A/S 1989-92. CEO of Skandinavisk Tobakskompagni A/S 1992-99. Managing Director of House of Prince A/S 1992-99. CEO, Group Managing Director of Sophus Berendsen A/S 1999-2002. Since 2003 CEO of Unomedical a/s. Number of Royal Unibrew shares held: 1,000.

Papyro-Tex A/S (C)
Sonion A/S (C since 2006)

Ulrik Bülow, CEO (BM)
Age: 53. On the Supervisory Board of Royal Unibrew since 2000. MSc (Economics and Business Administra-tion). Reg. Export Manager of Ferrosan A/S 1979-83. Marketing Manager of Buch + Deichmann A/S 1983-84. CEO of Matas A/S 1984-91. CEO of Egmont Books 1991-98. CEO of Sonofon Holding A/S 1998-2002. CEO of VisitDenmark 2004-2006. Since 2006, CEO of Synoptik Group A/S. Number of Royal Unibrew shares held: 1,000.

Brilleland A/S (C)
Dansk Erhverv (BM)
Egmont Fonden (BM)
Egmont International A/S (BM)

Erik Christensen, Stores Manager
(BM elected by the employees)
Age: 52. On the Supervisory Board of Royal Unibrew since 2002. Motor Mechanic in 1975. Diploma in specialised technical studies in 1987. Motor Mechanic with Pedersen & Nielsen A/S Volvo Lastvogne in Randers, Denmark in the period 1975-80 and Works Manager with same in the period 1980-1988. Stores Manager of Royal Unibrew since 1988. Number of Royal Unibrew shares held: 140.

Jesper Damgaard Frid, Brewery Hand
(BM elected by the employees)
Age: 47. On the Supervisory Board of Royal Unibrew since 2005. Motor Mechanic and Motor Cycle Engineer. Royal Unibrew employee at Ceres since 1991, shop steward since 1993 and senior shop steward since 1995. Number of Royal Unibrew shares held: 78.

Erik Højsholt, Director (BM)
Age: 58. On the Supervisory Board of Royal Unibrew since 2004. Diploma (Economics – International Management) from the Århus School of Business 1975. Various positions with Danisco A/S 1965-82, Mercuri International A/S 1982-83, Aarhus Oliefabrik A/S 1983-87, Danmark Protein A/S 1987-91, New Zealand Dairy Board GmbH 1991-95, Arla Foods amba 1995-99. Group CEO of Aarhus Oliefabrik/ Aarhus United A/S from 1999 to 2005. Chairman and CEO of AarhusKarlshamn AB until May 2006. Number of Royal Unibrew shares held: 830.

AarhusKarlshamn AB (C until May 2006)
R2 Group A/S (formerly Rode & Rode A/S) (C)
Fluxome Sciences A/S (C)
Brdr. Kier A/S (BM)
Hans Schourup A/S (BM)
Aarhus School of Business (C until December 2006)
University of Aarhus (BM from January 2007)

Kirsten Wendelboe Liisberg, Brewery Hand
(BM elected by the employees)
Age: 50. On the Supervisory Board of Royal Unibrew since 2006. Royal Unibrew employee at Albani since 1978, shop steward since 1991 and senior shop steward since 2000. Number of Royal Unibrew shares held: 81.

Hemming Van, CEO (BM)
Age: 51. On the Supervisory Board of Royal Unibrew since 2004. MSc (Economics and Business Administration) from the Copenhagen Business School 1981. Employee of Mærsk Air I/S 1981-82, Director of Daloon Production (UK) Ltd 1982. Since 1989 CEO and majority shareholder of Daloon A/S. Number of Royal Unibrew shares held: 274.

Daloon A/S (CEO and BM)
Easyfood A/S (C)
Easy Production A/S (C)

The supervisory board members elected by the general meeting are up for election every year and the members elected by the employees are up for election every four years, next time in 2010.

EXECUTIVE BOARD

Poul Møller, CEO
Age: 53. MA (Economics) in 1979. MBA 1983. Sales Director of Consumer Products Group SONY Germany GmbH 1990-93, CEO of Consumer Products Group SONY Germany GmbH 1993-94, Country Manager/CEO of Thomson Consumer Products GmbH 1995-96, European Vice President DAP Philips GmbH, Holland and CEO Philips GmbH, Germany 1996-2002. CEO of Royal Unibrew since June 2002. Number of Royal Unibrew shares held: 4,167.

Royal Copenhagen A/S (C)
Danish Crown AmbA (BM)
Hansa Borg Skandinavisk Holding A/S (BM)
Dansk Retursystem Holding A/S (BM)
Nuuq Imeq A/S (BM)

Connie Astrup-Larsen, International Director
Age: 47. Diploma (Economics - Marketing) 1986. Marketing co-ordinator LEGO A/S 1985-87, International Product Manager TULIP International 1987-89, Marketing Manager of FERTIN 1995-97, Senior Vice Presi-dent International Marketing/R&D DANDY A/S 1997-1998, Senior Vice President, International Sales and Marketing DANDY A/S 1998-2000, Executive Vice President DANDY A/S 2000-02, CEO of DANDY A/S 2002-2003, International Director of Royal Unibrew since September 2003. Number of Royal Unibrew shares held: 2,600.

Povl Friis, Technical Director
Age: 50. M.Sc. Dairy Science and Technology in 1980. Dairy Manager of MD Foods, Trifolium Mejeri 1985-86. Center Manager of MD Foods, Greater Copenhagen 1986-87. Center Manager of MD Foods, Sealand 1987-92. Dairy Manager of MD Foods, Brabrand Mejeri 1992-96. Technical Director of Royal Unibrew since 1996. Number of Royal Unibrew shares held: 1,045.

Tivoli Friheden A/S (BM)

Ulrik Sørensen, CFO
Age: 56. MSc (Economics and Business Administration) in 1975. Financial Manager/CEO of DAN (B&W) Shipbuilding Services 1981-85. CFO of Chr. Islef & Co. A/S 1985-87. CFO of Danbyg Totalentreprise A/S 1987-93. CFO of Royal Unibrew since 1993. Number of Royal Unibrew shares held: 1,295.

Hansa Borg Skandinavisk Holding A/S (CEO)

ANNOUNCEMENTS TO THE COPENHAGEN STOCK EXCHANGE A/S – 1 JANUARY TO 31 DECEMBER 2006

05 January 2006	01/2006	Share Buy-back at Royal Unibrew A/S
16 January 2006	02/2006	Share Buy-back at Royal Unibrew A/S
23 January 2006	03/2006	Share Buy-back at Royal Unibrew A/S
02 March 2006	04/2006	Announcement of Annual Results 2005
10 March 2006	05/2006	Reporting according to section 28a of the Danish Securities Trading Act
28 March 2006	06/2006	Reporting according to section 28a of the Danish Securities Trading Act
03 April 2006	07/2006	Notice convening the Annual General Meeting of Royal Unibrew A/S
20 April 2006	08/2006	Election of employee supervisory board members of Royal Unibrew A/S
27 April 2006	09/2006	Q1 Report 2006
27 April 2006	10/2006	Annual General Meeting of Royal Unibrew A/S – Minutes
10 May 2006	11/2006	Notice convening Extraordinary General Meeting of Royal Unibrew A/S
22 May 2006	12/2006	Extraordinary General Meeting of Royal Unibrew A/S – Minutes
06 June 2006	13/2006	Share Buy-back under "Safe Harbour"
15 June 2006	14/2006	Share Buy-back at Royal Unibrew A/S
26 June 2006	15/2006	Share Buy-back at Royal Unibrew A/S
05 July 2006	16/2006	Share Buy-back at Royal Unibrew A/S
14 July 2006	17/2006	Share Buy-back at Royal Unibrew A/S
25 July 2006	18/2006	Share Buy-back at Royal Unibrew A/S
03 August 2006	19/2006	Share Buy-back at Royal Unibrew A/S
09 August 2006	20/2006	Decision to optimise the production structure in the Baltic countries
11 August 2006	21/2006	Share Buy-back at Royal Unibrew A/S
23 August 2006	22/2006	Share Buy-back at Royal Unibrew A/S
29 August 2006	23/2006	Interim Report (H1) 2006
30 August 2006	24/2006	Reporting according to section 28a of the Danish Securities Trading Act
01 September 2006	25/2006	Share Buy-back at Royal Unibrew A/S
04 September 2006	26/2006	Reporting according to section 28a of the Danish Securities Trading Act
12 September 2006	27/2006	Share Buy-back at Royal Unibrew A/S
12 September 2006	28/2006	Reporting according to section 28a of the Danish Securities Trading Act
21 September 2006	29/2006	Share Buy-back at Royal Unibrew A/S
02 October 2006	30/2006	Share Buy-back at Royal Unibrew A/S
11 October 2006	31/2006	Share Buy-back at Royal Unibrew A/S
20 October 2006	32/2006	Share Buy-back at Royal Unibrew A/S
26 October 2006	33/2006	Reduction of capital and cancellation of treasury shares
31 October 2006	34/2006	Share Buy-back at Royal Unibrew A/S
09 November 2006	35/2006	Share Buy-back at Royal Unibrew A/S
16 November 2006	36/2006	Q3 Report 2006
20 November 2006	37/2006	Share Buy-back at Royal Unibrew A/S
29 November 2006	38/2006	Share Buy-back at Royal Unibrew A/S
29 November 2006	39/2006	Reporting according to section 28a of the Danish Securities Trading Act
30 November 2006	40/2006	Reporting according to section 28a of the Danish Securities Trading Act
05 December 2006	41/2006	Reporting according to section 28a of the Danish Securities Trading Act
11 December 2006	42/2006	Share Buy-back at Royal Unibrew A/S
11 December 2006	43/2006	Changes in the Executive Board of Royal Unibrew A/S
13 December 2006	44/2006	Royal Unibrew A/S strengthens its position in the Caribbean
19 December 2006	45/2006	Share Buy-back at Royal Unibrew A/S

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Grafisk tilrettelæggelse og produktion: Nybroe