ROYAL UNIBREW

Royal Unibrew A/S

H1 Report 2007

August 2007

Vision and Mission

VISION

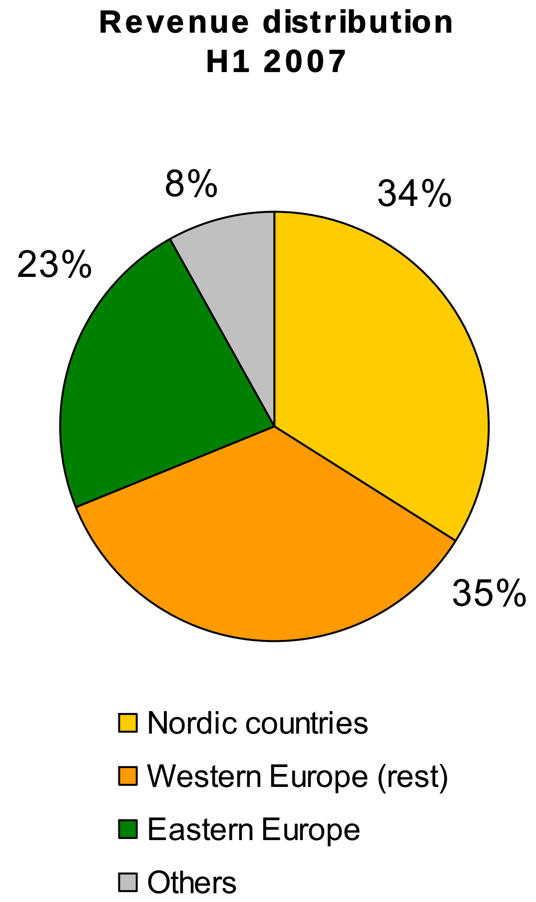
We will with increasing profitability develop the company to be among leading providers of beverages in Northern Europe and outside this region develop profitable export markets.

MISSION

We will meet our consumers' demands for and expectations to quality beverages focusing on branded products primarily within beer, malt and soft drinks.

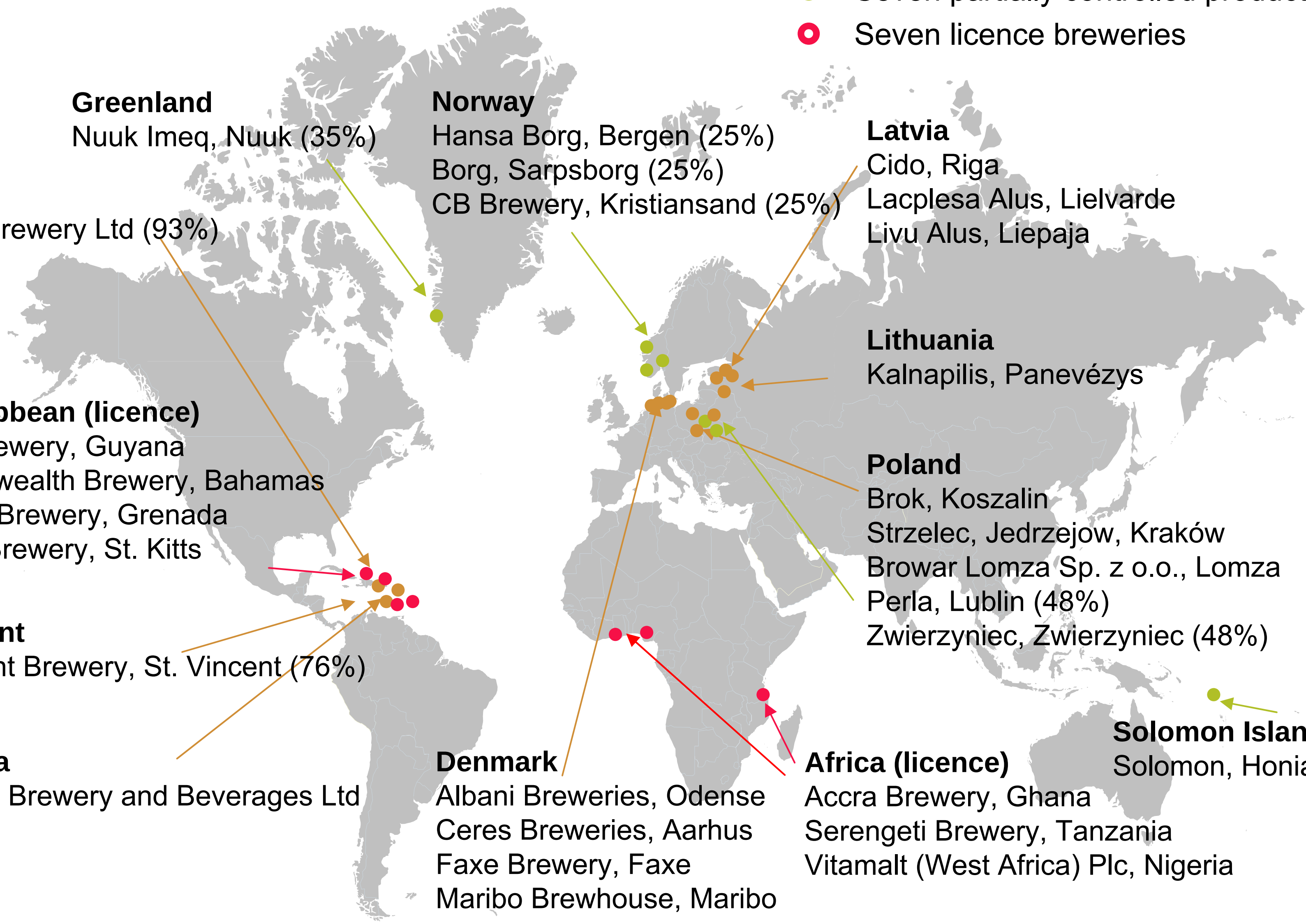
Highlights

- Royal Unibrew is the second largest brewery business in Scandinavia.
- Scandinavia's largest beer exporter
- Export to approx. 65 countries worldwide
- 14 breweries and 1 soft drink producer
  (+ 7 partly controlled)
- Approximately 2,500 employed worldwide
- Royal Unibrew has the leading imported strong beer in Italy - Ceres
- Royal Unibrew has the world third largest malt drink brand - Vitamalt
- Faxe is a large imported brand in Germany, Poland and Lithuania
- Soft drinks in the Baltic Countries:
  - No 1 in Latvia
  - No 2 in Lithuania
  - 2nd largest soft drink company in the Baltic countries



Production Sites, overview

- Fourteen fully controlled production sites
- Seven partially controlled production sites
- Seven licence breweries



Greenland
Nuuk Imeq, Nuuk (35%)

Norway
Hansa Borg, Bergen (25%)
Borg, Sarpsborg (25%)
CB Brewery, Kristiansand (25%)

Latvia
Cido, Riga
Lacplesa Alus, Lielvarde
Livu Alus, Liepaja

Antigua
Antigua Brewery Ltd (93%)

Lithuania
Kalnapilis, Panevézys

The Caribbean (licence)
Banks Brewery, Guyana
Commonwealth Brewery, Bahamas
Grenada Brewery, Grenada
St. Kitts Brewery, St. Kitts

Poland
Brok, Koszalin
Strzelec, Jedrzejow, Kraków
Browar Lomza Sp. z o.o., Lomza
Perla, Lublin (48%)
Zwierzyniec, Zwierzyniec (48%)

St. Vincent
St. Vincent Brewery, St. Vincent (76%)

Solomon Islands
Solomon, Honiara (35%)

Dominica
Dominica Brewery and Beverages Ltd (58%)

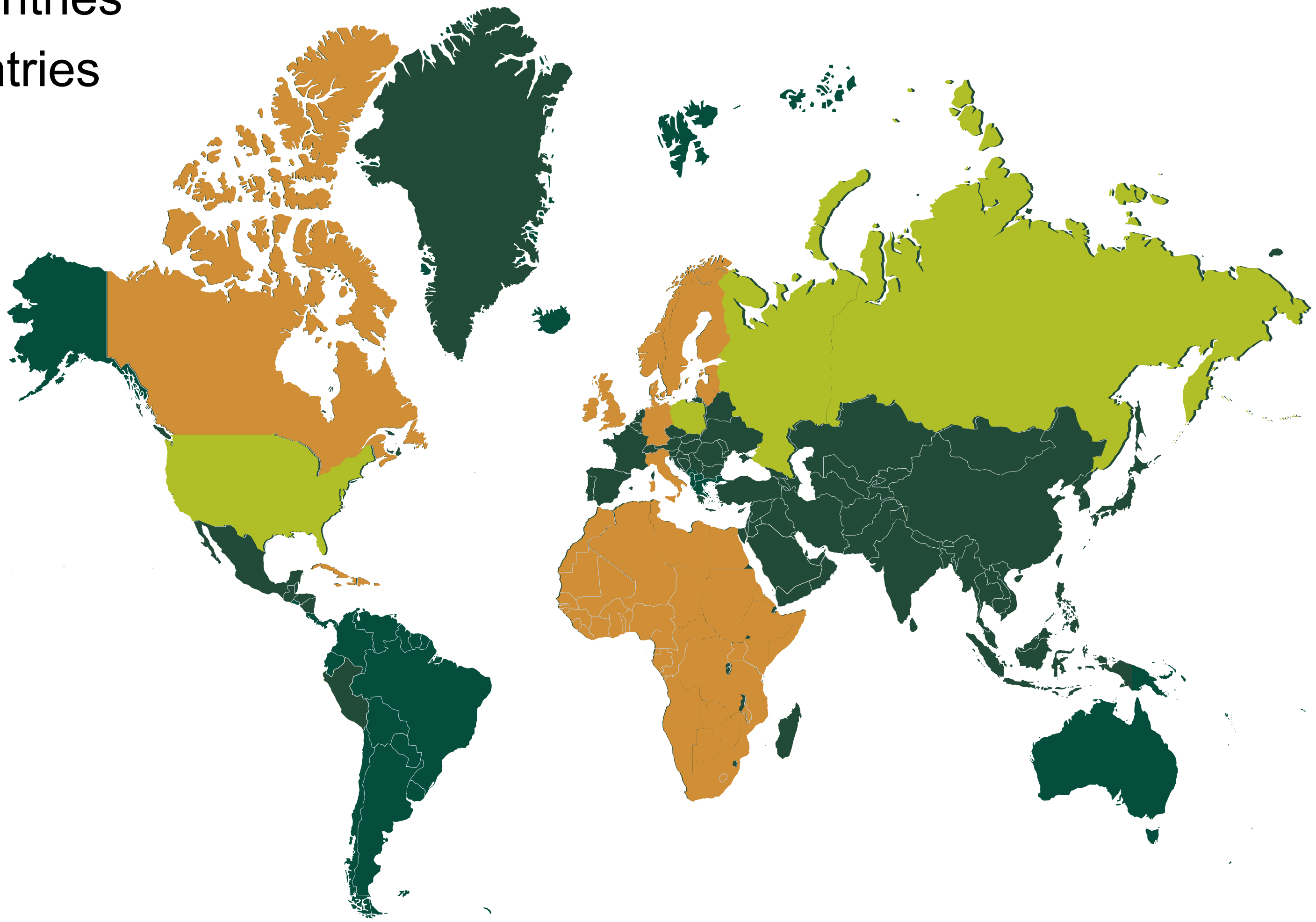
Denmark
Albani Breweries, Odense
Ceres Breweries, Aarhus
Faxe Brewery, Faxe
Maribo Brewhouse, Maribo

Africa (licence)
Accra Brewery, Ghana
Serengeti Brewery, Tanzania
Vitamalt (West Africa) Plc, Nigeria

Most important markets

Premiere League

- The Nordic countries
- The Baltic countries
- Italy
- Germany
- The Caribbean
- Africa
- The UK
- Canada



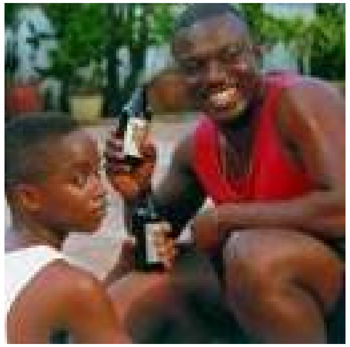
First Division

- Poland
- The USA
- Russia

Core Business

- **Beer**

- **Soft drinks and water**
  (Denmark/Baltic Countries)



- **Malt drink**
  (The Caribbean, Africa & the UK)

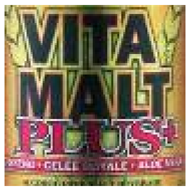
Strategic brands world wide

- Royal Beer® in Denmark

- Kalnapilis® beer in Lithuania

- CIDO® fruit juice and water in the Baltic countries

- Ceres® strong beer in Italy



- Vitamalt® (malt drink) in Africa, the Caribbean and Europe

- Faxe Beer® International

Highlights Q2 2007

- Volumes increased by 12% to 2.1 million hectolitres (organic growth 5%)
- Net revenue up by almost 16% to EUR 150.5 million (organic growth 11%)
- Gross margin lower than in 2006 due to higher production costs
- EBIT amounting to EUR 13.3 million compared to EUR 12.9 million in 2006
- Profit after tax (consolidated profit) of EUR 11.4 million (+15% over 2006 – one off tax reduction)

Results Q2 2007

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EUR million	2007	2006	% change
Net revenue	150.5	130.3	15
Operating profit	13.3	12.9	3
EBIT	13.3	12.9	3
Net financials	-0.3	0.1	-355
Profit before tax	13.0	13.0	0
Consolidated profit	11.4	9.8	15
Profit margin	8.8%	9.9%	-
EBIT margin	8.8%	9.9%	-
Free cash flow	14.4	2.6	70

Highlights H1 2007

- Volumes increased to 3.3 million hectolitres (+9.5% compared to H1 2006 – organic +5%)
- Net revenue up by almost 13% to EUR 245.1 million (organic growth 10%)
- Profit before tax amounting to EUR 5.0 million compared to EUR 6.1 million in 2006
- Consolidated profit amounting to EUR 5.5 million compared to EUR 4.7 million in 2006 (one off tax reduction)
- P/L influenced by:
  - A cold summer in Europe
  - Lower efficiency in Danish breweries (optimisation measures have been taken)
  - Increased prices for raw materials
  - Poland has not lived up to expectations
  - Positive development in the Baltics

Highlights H1 2007 - Continued

- EBIT reached EUR 7.5 million compared to EUR 8.1 million in 2006
- Free cash flow amounting to a negative EUR 2.3 million compared to a negative EUR 7.7 in 2006
- Realised Share Buy-back programme as per August 20 2007 transferred approx. EUR 4.1 million to shareholders

Results H1 2007

EUR million	2007	2006	% change
Net revenue	245.1	217.3	13
Operating profit	7.5	8.1	-8
EBIT	7.5	8.1	-8
Net financials	-2.5	-1.9	-24
Profit before tax	5.0	6.2	-18
Consolidated profit	5.5	4.7	17
Profit margin	3.1%	3.7%	-
EBIT margin	3.1%	3.7%	-
Free cash flow	-2.3	-7.7	+70

H1 2007 Summary: Key Markets

- Total Group net revenue up almost 13%

- Western Europe net revenue up 6.5% (volume +3.6%)
  - Denmark: Royal beer brand still increasing market shares. In July 2007, the market share of the brand reached 10.5%. Egekilde gained market share of 28%.

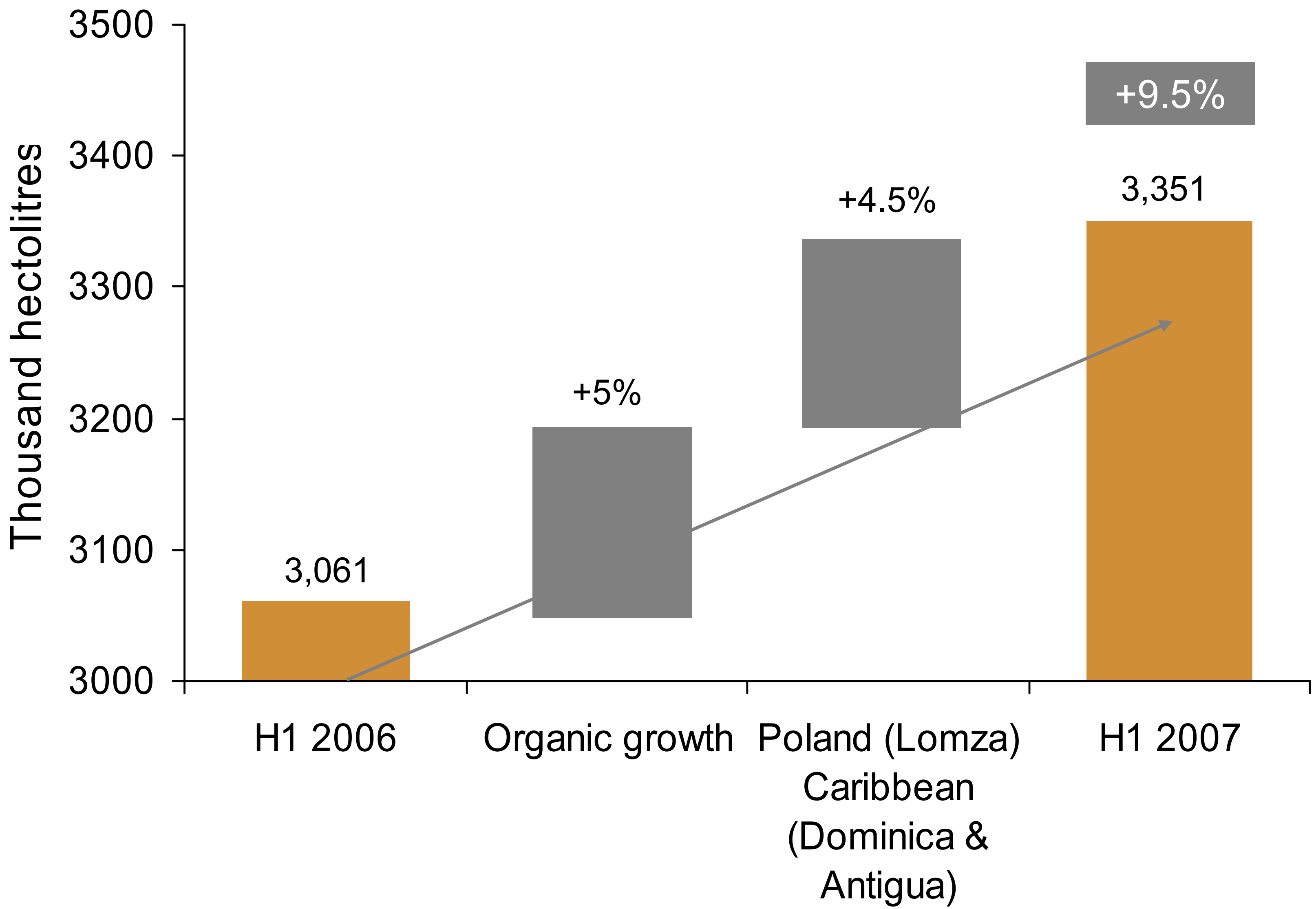
- Eastern Europe net revenue up 30.4% (volume +17.4%)
  - Lithuania: Market shares and profitability for Kalnapilio-Tauro Grupe still increasing
  - Latvia: Both CIDO juice/soft drinks and Lacplesa Alus beer are increasing their market shares

- Malt and Overseas Markets net revenue up 27.9% (volume +21.8%)
  - Africa/The Caribbean:
    Licensed breweries (malt drinks)

Market Development – Main markets (volume)

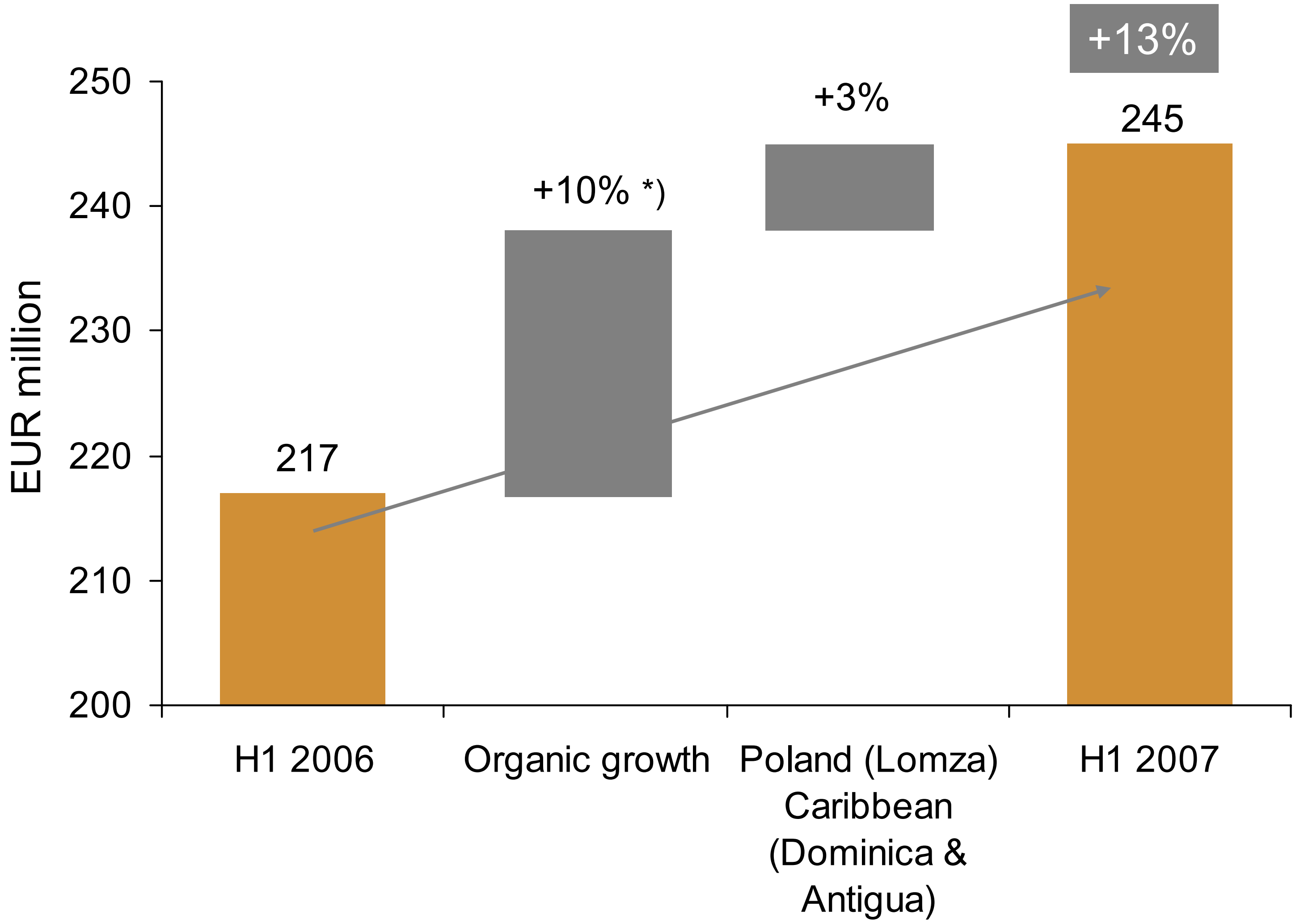
	Market	Royal Unibrew
Denmark:		
• Soft drinks	+0-1%	+5%
Italy	+1-2%	+7%
Lithuania	-0-1%	+12%
Latvia:		
• Beer	+8%	+29%
• Soft Drinks	+15%	+20%

Elements in volume growth H1 2007



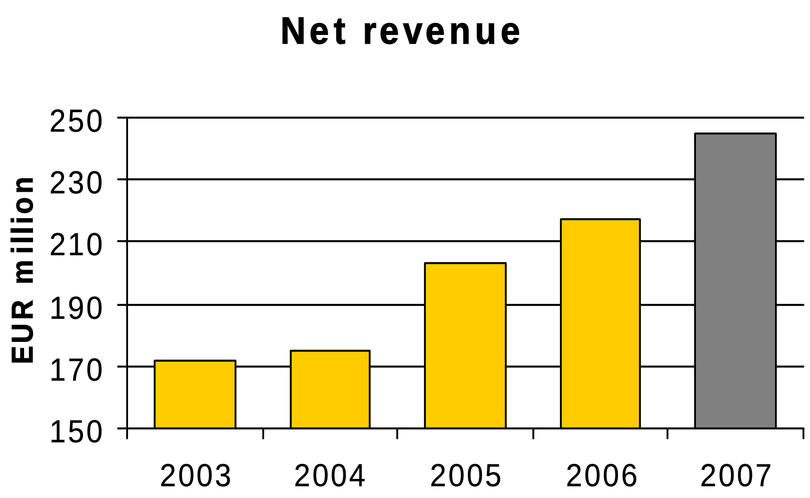
Elements in top line growth H1 2007

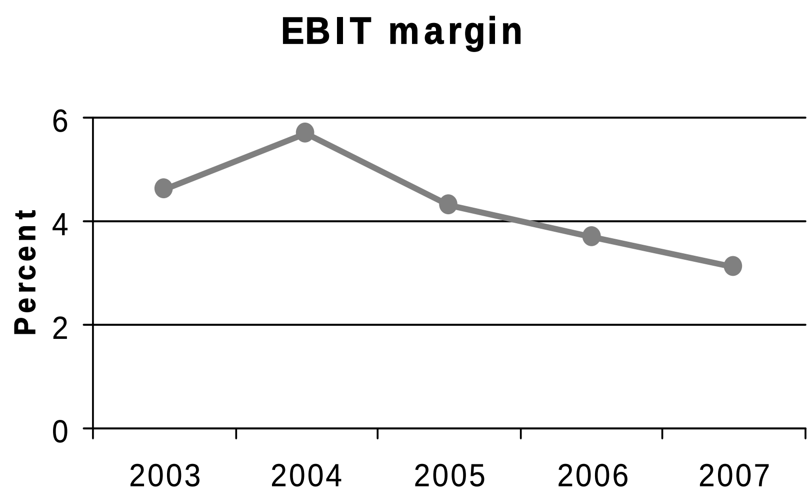
- MACH II organic growth targets exceeded by 7 percentage points

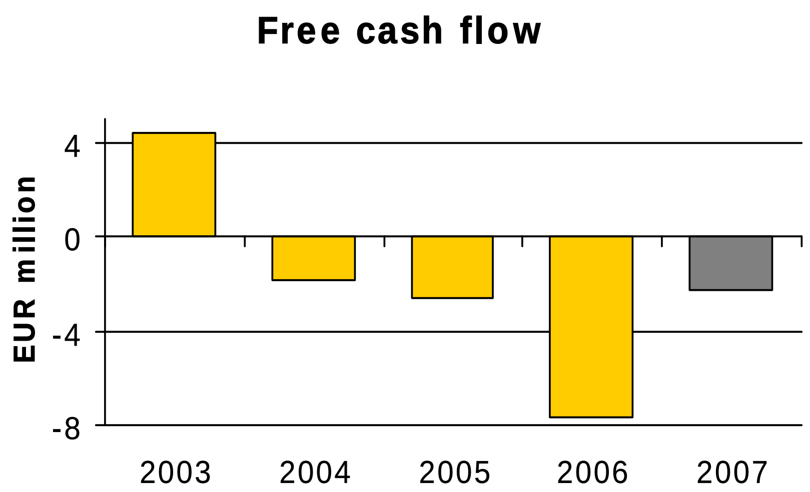


*) Influenced by price increases in Denmark, Latvia and Lithuania and a favourable product mix in Lithuania

Financial Development H1 2003-2007







Future Capital Structure

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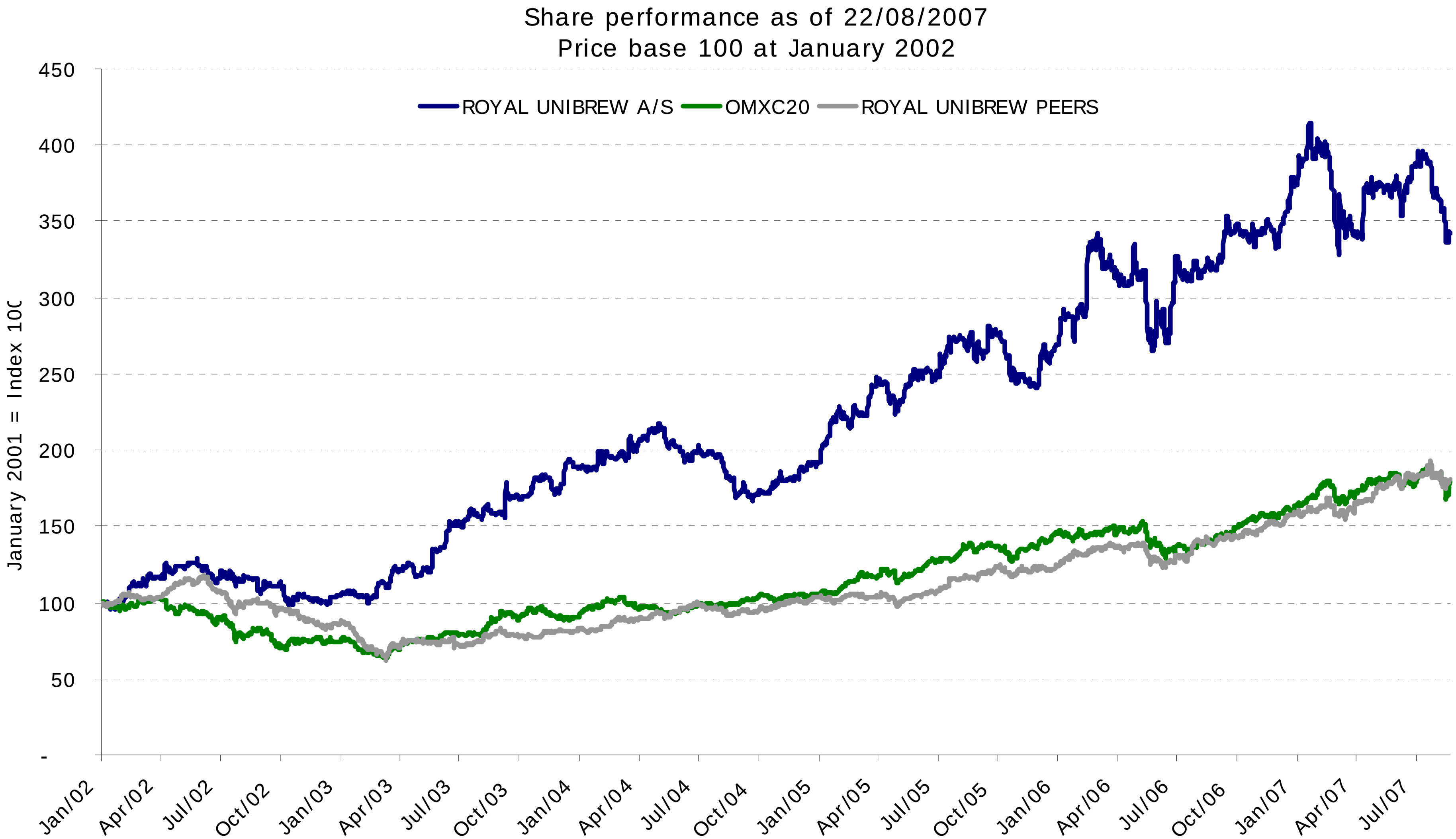
Share Buy-back Programme and Dividend Policy

- Change of capital structure: net debt increase to some 3 x EBITDA by the end of 2007 (net debt ultimo 2006 at 2 x EBITDA)

- Additional Share Buy-back Programme has been decided upon at a maximum value of EUR 27 million until the Annual General Meeting in April 2008 (41,139 shares repurchased as per 20 August 2007).

- Dividend policy unchanged:
  Pay-out ratio of 25-40% of net profit.

Share Performance as per 22 August 2007



Note: Peers consists of Carlsberg, Heineken, Scottish & Newcastle, SABMiller and InBev

MACH II (Strategic Development 2002-2007)

Well-tuned business with efficient production facilities and administration geared for growth

V8 | MACH II

2002 | 2004 | 2005 | 2007

Focus:
Improving profitability

- ROIC from 8% to 10.5%
- Profit margin from 7.8% to 11%
- Free cash flow > EUR 27 million per year

Focus:
Value creation through profitable international growth

- Continued ROIC ≥ 10%
- Continued EBIT margin ≥ 10%
- Free cash flow (before acquisitions): ≥ 7% (of net revenue)
- Profitable revenue growth from some EUR 400 million in 2004 to at least EUR 600 million in 2007
- Financial structure: Net debt = 3 x EBITDA in 2007

MACH II Main Elements 2005-2007

1. Ensuring profitable revenue growth from some EUR 400 million (2004) to at least EUR 600 million (2007) while still achieving a two-digit ROIC and EBIT margin as well as free cash flow of at least 7 per cent of net revenue.

2. Further development of the Baltic countries through optimization, integration and streamlining in order for the Baltic countries to show two-digit ROIC and profit margin by 2007 at the latest.

3. Developing the core competencies of Royal Unibrew to operate strong regional/national brands.

4. Intensified product innovation - focus on developing strong brands through increased investment in marketing and product development.

5. Business Excellence to ensure continued savings and rationalization gains with a total full year effect of EUR 2.7 million already in 2006.

6. Establishment of new international corporate identity.

Status MACH II

- . In H1 2007, organic growth of 10% was realised, whereas growth related to acquisitions in May and June represented 3%. Net revenue for the year is still expected to be at the level of EUR 530-600 million.

- Activities in the Baltic countries developed ahead of plans in 2005 and 2006, and the positive trend continued in H1 2007 and is expected to continue in H2 2007 so that the target of two-digit ROIC and EBIT margin is met as planned in 2007.

- Organisational development continues in key areas, and a Corporate Talent Programme was initiated in 2006, which is progressing as planned for the first talent team; more employees are expected to embark on the CTP in 2007.

Status MACH II (cont.)

- In 2006 the resources spent on strengthening the Group’s key brands increased considerably. This level has been maintained in H1 2007, and in 2007 new varieties of key brands were launched. Brand equity and market shares are generally developing satisfactorily.
- The expected savings were realised in 2006. In 2007 additional savings in the order of EUR 1.3-2.0 million (against previously some EUR 4 million) are expected in consequence of ”Production Excellence” in Denmark and ”Global Purchasing” including the implementation of LEAN in production as well as a shared group purchasing function.
- Efforts to promote our new corporate identity following the change of name on 4 May 2005 continue internally and externally in 2007. This is an ongoing process

MACH II

Recent announcements

- **Royal Unibrew strengthens its position in the Latvian beer market**

  (ref. Announcement RU29/2007 - 15 August 2007)

  Acquisition of the third biggest brewery business

  -Livu Alus (assets and activities)

- **Royal Unibrew further strengthens its position in the Caribbean**

  (ref. RU22/2007 – 02 July 2007)
  RU acquires the controlling interest (76%) in St. Vincent Brewery Ltd. and achieves herewith the leading market position in the country within both malt drinks, beer and soft drinks

Expectations for 2007

- The profit before tax for the full year is expected to be in the range from EUR 49 to EUR 52 million including expected “special items” of some EUR 13 million
- The overall financial targets of our strategic plan, MACH II, (ROIC, EBIT-margin and cash flow) are expected to be realised
- Total net revenue for the year is now expected to amount to some EUR 550 million
- Slightly better results Y/Y in Poland (Brok-Strzelec)
- Business Excellence initiatives are expected to affect the net profit in 2007 with EUR 1.3–2.0 million
- For the full year 2007, a net revenue increase of some 20% is expected – primarily from the Nordic, Baltic, Polish and malt markets.

Royal Unibrew Poland

- Sales volumes YTD (end June) up by 55% (incl. Browar Lomza) versus last year. Browar Lomza was included in the consolidated financial statements from the beginning of May

- New management is in place
  - new General Manager in March
  - new Sales, Marketing and Finance director in June

- Turnaround plan updated with new profit generating measures.

- Integration between Royal Unibrew Polska and the Browar Lomza is progressing satisfactorily.

- Slightly better results Y/Y in Poland (Brok-Strzelec)

Executive Board and contact details

Poul Møller, CEO

Ulrik Sørensen, CFO

Connie Astrup-Larsen,
Executive Director
Northern Europe

Povl Friis,
Executive Director
Technics and Supply

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Disclosure

The statements about the future made in the H1 Report for 2007 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). 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.

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Thank you for your attention

See also www.royalunibrew.com