

# Investor Presentation

September 2012



Royal Unibrew is a regional player in the beer, malt and soft drinks markets with leading positions in the markets and segments in which it operates



# Key brands - Western Europe

## Alcoholic

## Non-alcoholic

Super premium



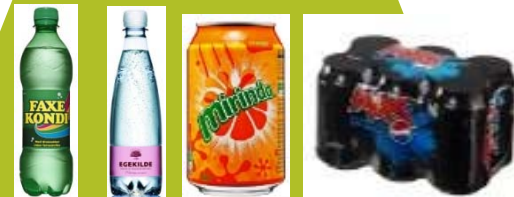
Premium



Mainstream



Lower mainstream



# Key brands - Eastern Europe

Alcoholic

Non-alcoholic

Super premium

Premium

Mainstream

Lower mainstream



# Key brands - Malt Drinks

**Alcoholic**

**Non-alcoholic**

Super premium

Premium



Mainstream



Lower mainstream





## Largest shareholders

- Chr. Augustinus Fabrikker A/S – 10.4%
- ATP – 5.0%
- Skagen – 8.7%
- Approx 17,000 shareholders in total

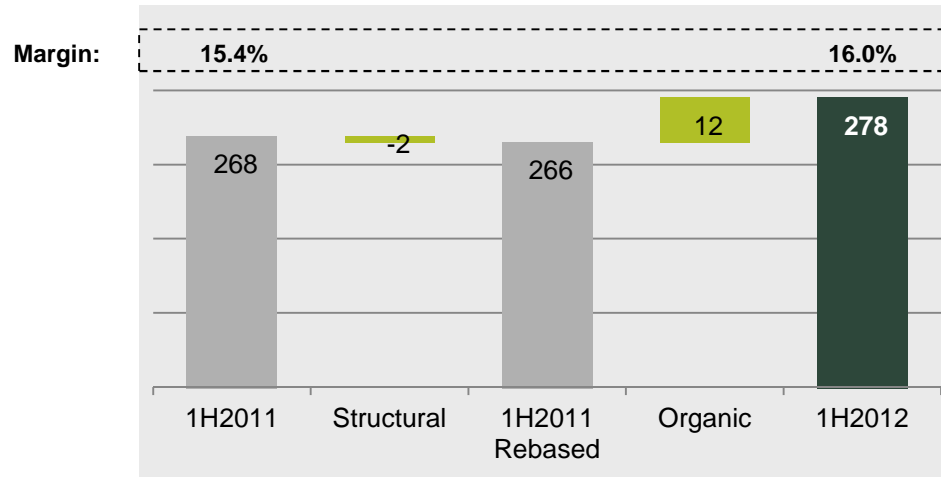
## Satisfactory first half of 2012 – in line with expectations

- Organic net revenue increase of 3%
- Commercial focus pays off
- EBIT increase of DKK 9%
- Strong free cash flow, above LY
- 2012 outlook confirmed
- Extraordinary distribution program of DKK 500m to the shareholders during the coming years, starting 2012
- Share buy-back program increased to DKK 210m

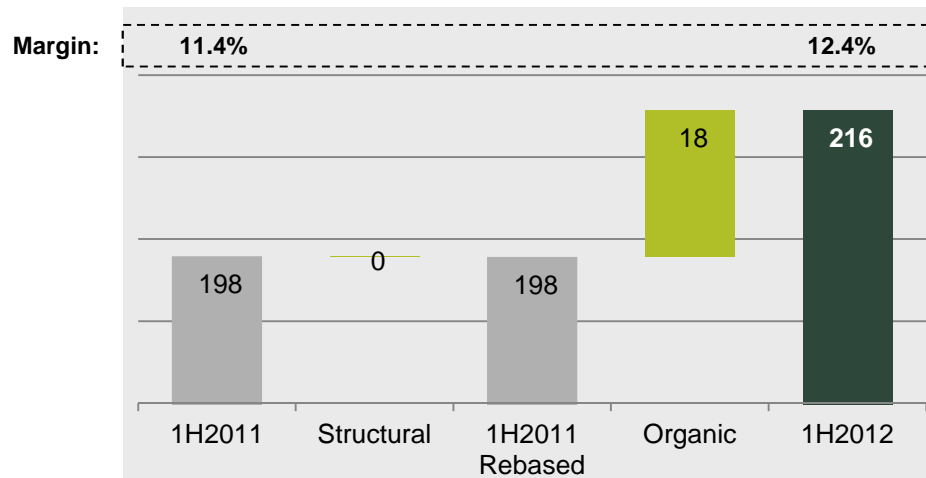


# Organic EBIT increase of 9% to DKK 216m

## EBITDA DKKm



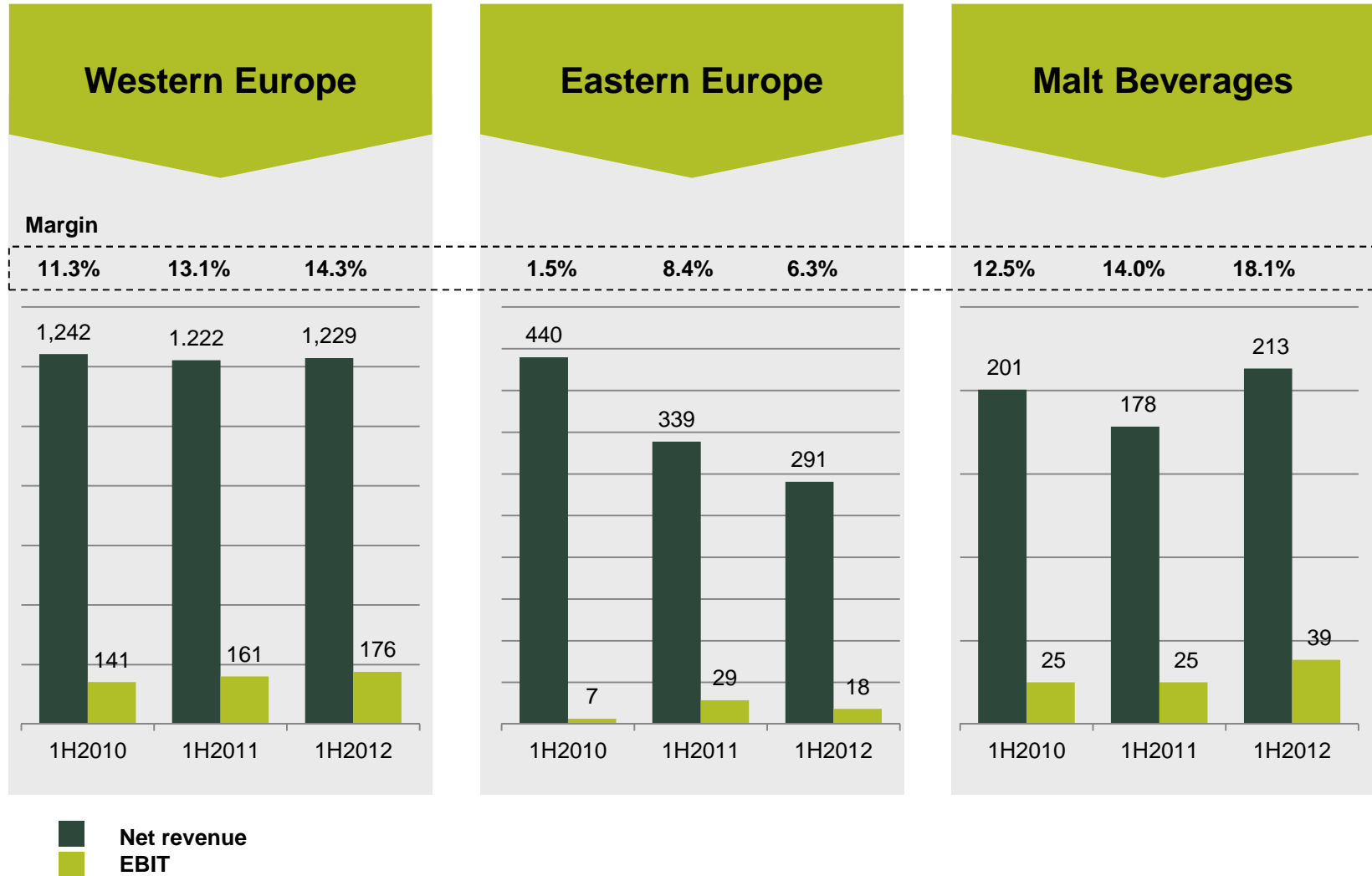
## EBIT DKKm



- Gross margin increased 40bp to 50.9%
- Organic EBITDA up by DKK 12m to DKK278m (H1 2011: DKK 268m)
- Organic EBIT up by DKK 18m to DKK 216m (H1 2011: DKK 198m)
- EBIT-margin increased 100bp to 12.4%



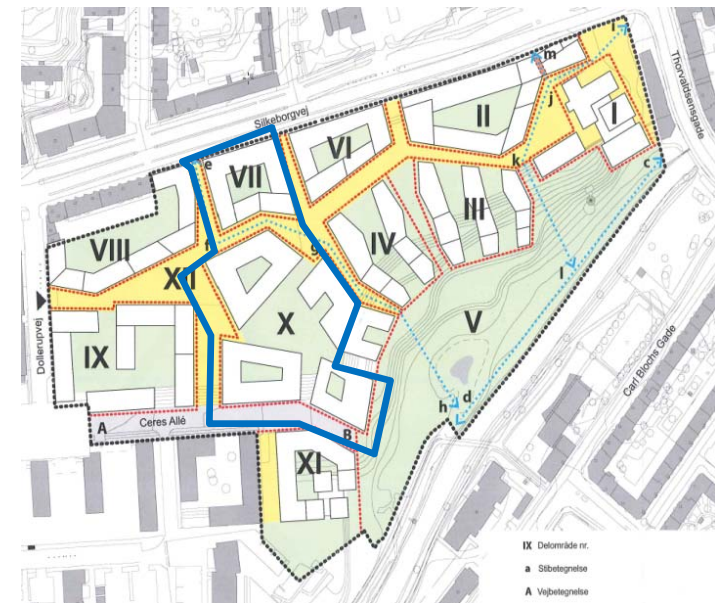
# EBIT & EBIT-margin up in Western Europe and Malt Beverages



# Aarhus site – 37,500 m<sup>2</sup> building rights sold

- 37,500 m<sup>2</sup> building rights sold for the VIA project
- Execution at carrying amount – no effect on P&L and equity
- Cash Flow effect of execution - DKK 110m
- The sale expected closed in September as planned

- Aarhus property totaling 140,000 m<sup>2</sup> building rights
- Important milestone – potential catalyst for further development of the Aarhus property



## Extraordinary distribution program of appr. DKK 500m being launched

- Capital structure policy:
  - Balanced approach to commercial flexibility, independency of financial institutions and over-capitalization
  - NIBD/EBITDA max. 2.5x
  - Solvency min. 30% at year end
- Ordinary distribution policy
  - Ordinary dividend pay-out ratio: 40-60%
  - Plus share-buy back programs
- Extraordinary distribution policy
  - Expect to return approx. DKK 500m during the coming years from sale of non-operational assets
  - Dividend and share buy back programs
  - Commencing 2012

- **DKK 50m extraordinary dividend to be proposed to the AGM 2013 (DKK 4.75 per share)**
- **Share buy-back program of up to DKK 210m (previously DKK 125m) between AGM 2012 and AGM 2013, of which DKK 160m is ordinary and DKK 50m extraordinary**

<u>DKKm</u>	<u>Outlook 2012*</u>	<u>2011 Actual</u>
<b>Net revenue</b>	<b>3,375 – 3,500</b>	<b>3,431</b>
<b>EBITDA</b>	<b>580 – 630</b>	<b>601</b>
<b>EBIT</b>	<b>450 – 500</b>	<b>474</b>

\* In 2011 net revenue of DKK 50m, EBITDA of DKK 1m, and EBIT of DKK 0m was realized in Poland in the period not included in 2012

# Q & A



**DISCLAIMER:**

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

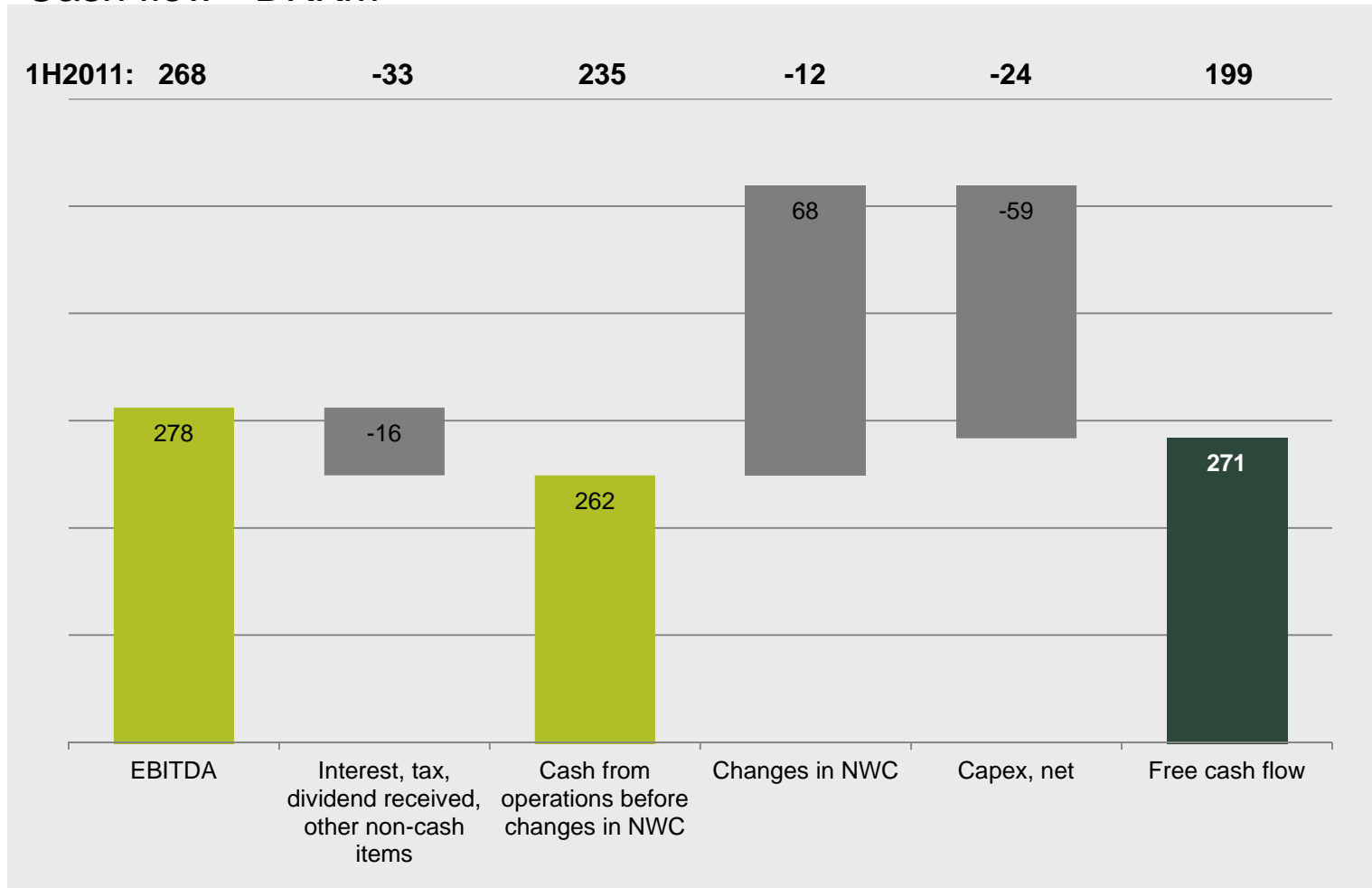


## Financial performance as expected

DKKm

<b>P&amp;L items:</b>	<b>1H2012</b>	1H2011	% change
Net revenue	<b>1.733</b>	1.739	0%
<i>Gross margin</i>	<b>50.9%</b>	50,5%	1%
EBIT	<b>216</b>	198	9%
<i>EBIT margin</i>	<b>12,4%</b>	11,4%	9%
Profit before tax	<b>210</b>	180	16%
Consolidated profit	<b>156</b>	129	21%
<b>Balance sheet items:</b>			
Net interest bearing debt	<b>623</b>	735	-15%
Net working capital	<b>-230</b>	-138	-67%
Total assets	<b>3.101</b>	3.207	-3%
Equity	<b>1.224</b>	1.257	-3%
<i>Solvency</i>	<b>39,5%</b>	39,2%	1%

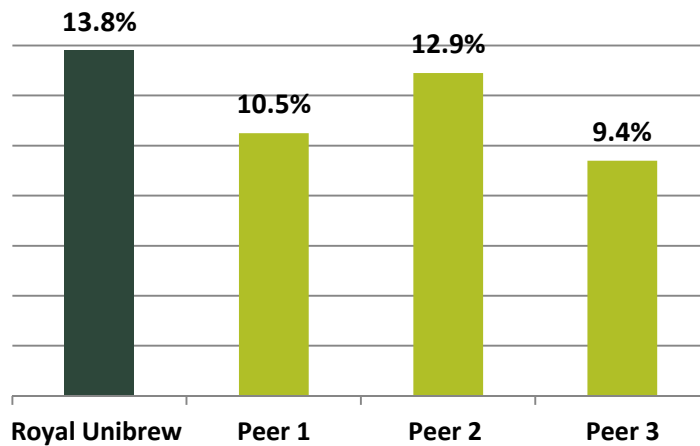
## Cash flow - DKKm



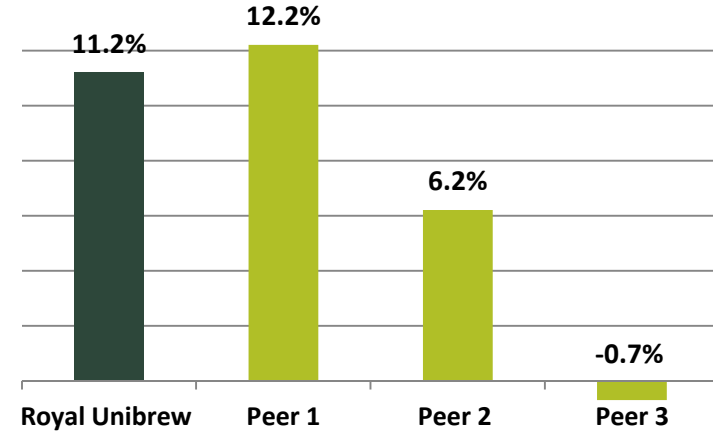
- Status 30.06.2012
  - Equity ratio 40%
  - NIBD/EBITDA 1x
  
- Simulation
  - Assuming DKK 500m in-flow from non-operational assets
  - Assuming DKK 500m extraordinary distribution
  
- Pro forma effect of simulation on 30.06.2012
  - Equity ratio 29%
  - NIBD/EBITDA 1x

# Appendix - Solid full year 2011 performance vs. peers

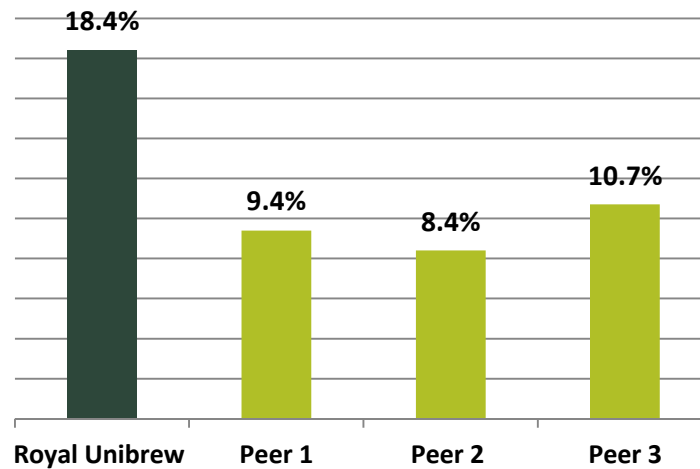
## EBIT margin (Comparable geography)



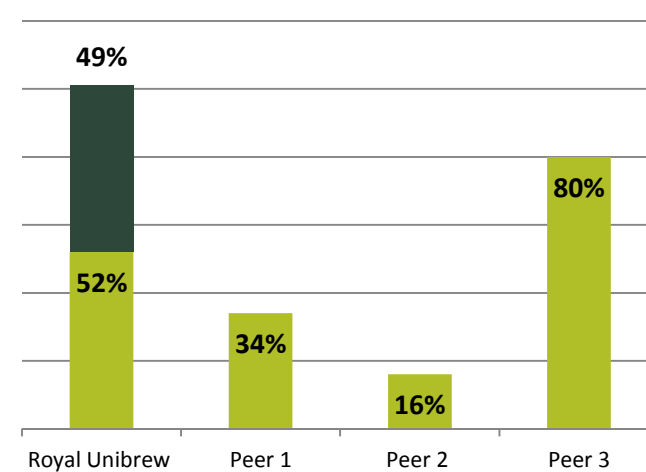
## Free cash flow - % of revenue



## Return on invested capital



## Cash return to shareholders



Note: Where relevant, performance figures have been adjusted to eliminate differences caused by non-allocation of central costs