



Interim Report for 1 January - 30 June 2015

August 18, 2015

COMPANY ANNOUNCEMENT NO 35/2015 – 17 AUGUST 2015

Interim Report for 1 January – 30 June 2015

Higher earnings and free cash flow despite poorer weather in Q2 than in 2014

Net revenue for H1 2015 amounted to DKK 2,923 million compared to DKK 2,992 million in 2014 and was negatively affected by poorer weather in Northern Europe than in 2014 as well as by a declining Finnish market. Royal Unibrew generally maintained its market share. Earnings before interest and tax (EBIT) for H1 2015 amounted to DKK 425 million, DKK 64 million above the 2014 figure which was negatively affected by non-recurring costs of DKK 50 million for restructuring Hartwall. EBIT margin was 14.6% for H1 2015 compared to 12.1% in 2014 (13.7% excluding non-recurring costs). The earnings improvement was due to increased earnings in the Malt Beverages and Exports segment; however, also earnings in Western Europe showed a minor increase. Earnings in all segments were at the level of, or higher than, those of H1 2014; however, with a shift towards Q1 in 2015 primarily due to phasing of early Easter sales. Free cash flow for H1 2015 amounted to DKK 399 million compared to DKK 340 million in 2014. In H1 2015, DKK 474 million was distributed to shareholders, and net interest-bearing debt went up by DKK 74 million to DKK 1,627 million. NIBD/EBITDA calculated on a running 12-month basis was 1.3 against 1.4 at the end of 2014. The previously announced earnings outlook for 2015 is clarified with figures now expected to be in the upper half of the ranges indicated.

"Despite poorer weather in Northern Europe in Q2, we achieved continued earnings improvement and strengthened our cash flow. Malt Beverages and Exports saw satisfactory growth, and developments in Western Europe were favourable – we are particularly pleased with maintaining a continued high market share among our Danish consumers. The latter development is driven by, among other things, a number of new product launches, including the launch of the organic beer Royal Økologisk as well as Royal Unibrew's first proprietary products in the microbrew category under the brand names Lottrup and Schiøtz. The integration of Hartwall is progressing to our satisfaction, and we are continuing our commercial activities and efficiency measures to reinforce Hartwall's market position and competitive power in a Finnish market which is challenged by negative economic growth. All in all, we now expect that our earnings for 2015 will be in the upper half of the ranges previously reported", says Henrik Brandt, CEO.

Selected financial highlights and key ratios

mDKK	H1 2015	H1 2015	Q2 2015	Q2 2014
Sales (thousand hectolitres)	4,349	4,388	2,45	2,541
Net revenue	2,923	2,992	1,633	1,725
EBITDA	574	504	370	394
EBITDA margin (%)	19.6	16.8	22.7	22.8
Earnings before interest and tax (EBIT)	425	361	294	318
EBIT margin (%)	14.6	12.1	18.0	18.4
Profit before tax	413	343	294	323
Free cash flow	399	340	521	594
Net interest-bearing debt	1,627	2,042		
NIBD/EBITDA (running 12 months)	1.3	1.9*		
Equity ratio (%)	39	34		

*Pro forma including Hartwall 1/7 - 22/8 2013

OUTLOOK

The previously announced earnings outlook is clarified within the ranges previously announced as follows:

Net revenue: DKK 5,950-6,050 million (previously: DKK 5,900-6,100 million)

EBITDA: DKK 1,150-1,200 million (previously: DKK 1,100-1,200 million)

EBIT: DKK 840-890 million (previously: DKK 790-890 million)

For further information on this Announcement:

Henrik Brandt, President & CEO, tel +45 56 77 15 13

It will be possible for investors and analysts to follow Royal Unibrew's presentation of the Interim Report on Tuesday, 18 August 2015, at 9 am by audiocast at one of the following dial-in numbers:

Danish participants dial: +45 32 71 16 59

US participants dial: +1 646 254 3361

International number: +44 20 3427 0503

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