ROYAL UNIBREW

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Company Announcement

Should you request additional information, please do not hesitate to contact
Poul Møller, CEO, at tel +45 5677 1500

Q3 Report 2007

The Supervisory Board of Royal Unibrew A/S has today considered and adopted the Q3 Report at 30 September 2007.

Steen Weirsøe	Poul Møller
Chairman of the Supervisory Board	CEO

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This Q3 Report consists of 20 pages

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This announcement is available in Danish and English. In case of discrepancy, the Danish version shall prevail.

HIGHLIGHTS (FOR Q3 2007)

- Profit before tax for Q3 2007 amounting to DKK 105.9 million, which is DKK 55.3 million below the figure for Q3 2006
- Gross margin lower than in 2006 due to higher production costs
- Profit before tax for the nine months to 30 September amounting to DKK 143.4 million compared to DKK 207.1 million for the corresponding period of 2006
- Consolidated profit for the nine months to 30 September amounting to DKK 121.2 million compared to DKK 155.0 million in 2006
- Net revenue for the nine months to 30 September up by 12% to DKK 2,925 million
- Free cash flow for the nine months to 30 September amounting to a negative DKK 58.1 million compared to DKK 114.3 million in 2006
- Profit before tax for 2007 now expected to amount to DKK 290-310 million (including expected non-recurring net income – ”special items” – of some DKK 80 million) compared to the previous expectation of a profit before tax of DKK 365-385 million (including expected non-recurring net income (”special items”) of some DKK 100 million)
- Specific initiatives to strengthen earnings in future years will be initiated (cf page 9).

FINANCIAL HIGHLIGHTS AND KEY RATIOS

The Q3 Report 2007 has been prepared under the measurement and recognition provisions of IFRS. The accounting policies remain unchanged from those applied in the Annual Report for 2006.

	IFRS	IFRS	IFRS	IFRS	
	2007	**2006**	**2005**	**2004**	**2003**
SALES (thousand hectolitres)	**5,369**	4,906	4,393	3,549	3,117
FINANCIAL HIGHLIGHTS (mDKK)					
Income Statement					
Net revenue	**2,924.7**	2,607.0	2,422.7	2,145.5	2,008.1
Operating profit	**172.7**	248.6	199.6	216.2	216.2
Profit before financial income and expenses	**172.7**	223.2	199.6	216.2	176.2
Net financials	**(29.3)**	(16.1)	(12.6)	(28.7)	(21.7)
Profit before tax	**143.4**	207.1	187.0	187.4	154.5
Consolidated profit	**121.2**	155.0	150.5	134.4	101.7
Royal Unibrew A/S' share of profit	**118.8**	153.1	149.8	134.2	101.7
Balance Sheet and Cash Flow Statement					
Total assets	**3,996.8**	3,303.4	3,147.9	2,637.8	2,446.6
Equity	**1,156.7**	1,150.3	1,150.7	1,057.8	988.2
Net interest-bearing debt	**1,703.1**	1,056.2	1,049.4	800.7	653.6
Free cash flow	**(58.1)**	114.3	109.1	100.4	193.6
Key Figures (mDKK)					
EBITDA	**308.8**	382.2	343.2	357.8	310.3
EBIT	**172.7**	223.2	199.6	216.2	176.2
Key Ratios (%)					
EBIT margin	**5.9**	8.6	8.2	10.1	8.8
Free cash flow as a percentage of net revenue	**(2.0)**	4.4	4.5	4.7	9.6
Equity ratio	**28.9**	34.5	36.1	39.7	40.2
Debt ratio	**142.2**	90.3	92.3	76.5	66.4
RU’s share of earnings per share of DKK 10 (DKK)	**20.2**	25.3	23.8	21.1	15.7

The calculation of ratios has been based on the guidelines issued by the Danish Society of Financial Analysts in 2005.

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, Lacplesa Alus and the soft drinks producer SIA Cido Grupa in Latvia, Brok, Strzelec and Browar Lomza in Poland as well as Antigua Brewery, Dominica Brewery and St. Vincent in the Caribbean.

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

ACQUISITIONS

Royal Unibrew has, cf Announcements RU44/2006 of 13 December 2006, RU14/2007 of 15 May 2007 and RU22/2007 of 2 July 2007, acquired controlling interests in four breweries in 2007. The Polish brewery Browar Lomza is included in the financial statements of Royal Unibrew as of 1 May 2007, whereas the Caribbean breweries in Antigua and Dominica are included as of 1 June 2007 and St. Vincent as of 1 July 2007.

Moreover, Royal Unibrew has (cf Announcement RU29/2007 of 15 August 2007) strengthened its position in the Baltic beer market by acquiring assets and activities of Livu Alus, the number 3 Latvian brewery in terms of size. Livu Alus is expected to be included in the consolidated financial statements as of 1 January 2008. As a result of market investments and integration costs, Livu Alus is expected to have a minor negative effect on the consolidated profit in 2008, after which key ratios are expected to be in line with group targets.

MACH II - THE GROUP'S STRATEGIC PLATFORM

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 targets of the Group for the period 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 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.
  In 2005 and 2006 total organic net revenue growth of 12% has been realised, whereas growth related to acquisitions represented 8%. In accordance with the above, acquisitions will also in 2007 affect net revenue growth, and organic growth is expected to be at the level of the average 2005 and 2006 growth. In the nine months to 30 September 2007, organic growth of 7% was realised, whereas growth related to acquisitions in 2007 represented 5%. Net revenue for the year is expected to amount to some DKK 3.9 billion. Over the past MACH II period, the Royal Unibrew Group has thus created organic growth (some 6% annually) that significantly exceeds the

target established and is higher than market growth in the relevant geographical areas.

- 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 in 2005 and 2006, and the positive trend continued in the nine months to 30 September 2007 and is expected to continue in Q4 2007 so that the target of two-digit ROIC and EBIT margin is met as planned in 2007. The free cash flow in the area will be significantly above the targeted level.

- 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 a Corporate Talent Programme was initiated in 2006, which is progressing as planned for the first talent team. The programme is scheduled to continue in the coming years.

- Increased investment in the Royal Beer, Kalnapilis, Cido, Ceres (Italy), Vitamalt and Faxe (internationally) brands through marketing, product innovation and development.
  In 2006 the resources spent on strengthening the Group's key brands increased considerably. This level has been maintained in 2007, and new varieties of key brands were launched. Brand equity and market shares are generally developing satisfactorily. The Royal brand achieved market shares of more than 10% in Denmark, in the Baltic countries both Kalnapilis and Cido increased their shares, but also Ceres Strong Ale has shown progress in recent years.

- Business excellence initiatives to ensure continued savings and 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 savings were realised in 2005 and 2006. In 2007 additional savings in the order of DKK 10-15 million (against previously some DKK 30 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. The savings not achieved in 2007 are instead expected to be realised in 2008.

- 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.
  The efforts to promote our new corporate identity following the change of name on 4 May 2005 have been completed, and no further resources will be allocated.

Royal Unibrew is expected to announce its next Strategic Plan, which is being finalised at the moment, around the turn of the year.

In 2005 and 2006, Royal Unibrew achieved ratios (ROIC, EBIT margin and free cash flow) at the level of or above the targets established in MACH II. Due to a number of internal and external circumstances, the targets will not be met in 2007. The new Strategic Plan mentioned above will define a number of new strategic objectives and include specific actions with a view to countering the effects on group ratios noted in 2007. The Group's ratios are expected to reach the previous level or a higher level (2-digit ROIC and EBIT margin) over the next few years, ie during the period of the new Strategic Plan.

RESULTS Q3 2007

Due to, among other factors, a colder summer and autumn in Western Europe than in 2006, Royal Unibrew's sales and net revenue developed less satisfactorily in Q3 than in H1. In consequence of this and in combination with higher raw materials prices and continued reduced efficiency at the Danish breweries, which did not normalise until in the latter part of Q3, EBIT did not develop satisfactorily as the EBIT realised was DKK 36 million lower than that of 2006 adjusting for the non-recurring net income in 2006 of DKK 10 million.

In Q3 sales amounted to 2.0 million hectolitres, which is a 10% increase over 2006. The increase is an expression of organic growth of a negative 2 percentage points, whereas 12 percentage points relate to the acquisition of the Lomza brewery in Poland and the Caribbean breweries in Antigua, Dominica and St. Vincent, which are all included for the full Q3 2007. The negative organic growth comprises positive growth in Lithuania, Sweden and the malt drinks markets, whereas sales in Denmark and Italy were marginally below those of 2006, and cross-border trade was adversely affected by lower call rates for certain customer groups. In both the Danish market and in the cross-border trade, the intense price competition continued.

Net revenue went up by 11% to DKK 1,099 million, of which 1 percentage point relates to organic growth. Gross profit in Q3 amounted to DKK 500 million compared to DKK 518 million in 2006.

A total negative effect on gross margin in the order of DKK 30-35 million is estimated from partly higher raw materials prices, which have, as expected, only partly been offset by increased net selling prices, and partly from low efficiency at the Danish breweries during a production reorganisation period at the breweries. Consequently, gross margin was 7 percentage points lower than in 2006.

The mentioned production reorganisation and loss of efficiency resulted in certain delivery problems in the first part of the quarter.

EBIT for Q3 amounted to DKK 116.9 million, a 28% reduction from 2006, when EBIT was DKK 162.6 million including non-recurring net income of some DKK 10 million. EBIT margin was 10.6% compared to 16.5% (15.5% excluding non-recurring income) in 2006. Thus, the lower gross margin was partly offset by lower sales and distribution expenses measured proportionately to net revenue.

Financial expenses increased by some DKK 6 million compared to Q3 2006 due to the increase in net interest-bearing debt, and income after tax from investments in associates was almost DKK 4 million below that of 2006, primarily due to lower earnings by Hansa Borg Bryggerierne in Norway.

Profit before tax for Q3 amounted to DKK 105.9 million compared to DKK 161.2 million in 2006.

RESULTS NINE MONTHS TO 30 SEPTEMBER 2007

For the nine months to 30 September 2007, Royal Unibrew's beer, malt and soft drinks sales amounted to 5.4 million hectolitres, which is a 9.4% increase over the same period of 2006. The increasing sales are partly attributable to the breweries in Poland and the Caribbean acquired in May and June/July by some 7.3 percentages points, and partly to organic sales growth of 2.1 percentage points primarily attributable to Lithuania, Latvia, Italy, Sweden and the malt drinks markets.

Developments January-September 2007	Western Europe		Eastern Europe		Malt and Overseas Markets		Royal Unibrew total	
	Growth	Total	Growth	Total	Growth	Total	Growth	Total
Sales (thousand hectolitres)	1.0%	2,869	19.3%	2,110	32.2%	390	9.4%	5,369
Net revenue (mDKK)	3.8%	1,899	31.9%	694	32.1%	332	12.2%	2,925

Total net revenue of the Group increased by more than 12% in the nine months to 30 September aggregating DKK 2,925 million. 5 percentage points of the increase were attributable to the breweries in Poland and the Caribbean acquired in May and June/July, respectively, whereas organic growth accounted for 7 percentage points. Net selling price per hectolitre went up by an average of 2.5%. The increase comprises a positive effect from price increases to offset increasing raw materials prices and a negative effect due to a proportionately higher increase in sales in the Eastern European markets where net selling price is below average. The price increases introduced are primarily related to the Eastern European markets, Italy and malt drinks markets, whereas price competition continues to intensify in the North Western European markets.

Gross margin for the nine months to 30 September was 44.9% compared to 50.1% for the same period of last year. The lower gross margin is partly a consequence of inability due to the competitive situation, as expected, to offset increased production costs fully by increases in selling prices. Moreover, a production costs increase of some DKK 50 million is estimated to have occurred due to the lower efficiency at Danish breweries mentioned above. On average, production costs for the period were 13% higher than those of 2006. Moreover, gross margin was negatively affected by a larger sales increase in Eastern Europe than generally experienced.

The Group's sales and distribution expenses went up by 2% from 2006. The main part of the increase is attributable to the acquisitions realised, and thus in 2007 the Group's sales and distribution expenses were more or less at the 2006 level. Considerable amounts are still spent to strengthen the Group's key brands: Royal Beer, Kalnapilis, Cido, Ceres (Italy), Vitamalt and Faxe (internationally).

Administrative expenses went up by 16% from 2006. Almost half of the increase relates to acquisitions in the year. Other than that, the increase in expenses is primarily related to the realisation of the MACH II strategy, including expenses for implementing a shared IT platform, acquisition activities and general organisational strengthening. As part of the integration process, the Group's IT platform was implemented at the acquired breweries in the Caribbean in June, whereas the use of the IT platform in Poland is generally upgraded in H2 2007 prior to implementation also at the acquired brewery in Poland, Lomza.

EBIT amounted to DKK 172.7 million compared to DKK 223.2 million including non-recurring net income of some DKK 10 million in the nine months to 30 September 2006. The development excluding non-recurring income comprises reductions in Q1 and Q3 of DKK 7.6 million and DKK 35.7 million, respectively, whereas an increase of DKK 2.8 million was realised in Q2. The EBIT margin represented 5.9% of net revenue for the full period compared to 8.6% in 2006 (8.2% excluding non-recurring income). More than half of the gross margin reduction recorded in 2007 is therefore compensated by proportionately lower sales and distribution expenses.

"Income after tax from investments in associates" was DKK 2 million higher in 2007 than in 2006. The development comprises improved performance of the breweries related to malt markets and Greenland, and lower results of the breweries related to the Norwegian and Polish markets.

Net interest expenses went up by DKK 14 million from 2006 in consequence of the increased indebtedness to finance the acquisitions (DKK 405 million) and share buy-backs (DKK 85 million) made in accordance with the MACH II Strategic Plan.

The profit before tax amounted to DKK 143.4 million compared to DKK 207.1 million in the corresponding period of last year, whereas consolidated profit (after tax) amounted to DKK 121.1 million compared to DKK 155.0 million last year. Tax was positively affected by an adjustment of the deferred tax liability by DKK 13.8 million due to the reduction of the Danish corporation tax rate from 28% to 25%.

DEVELOPMENTS IN INDIVIDUAL MARKET SEGMENTS

Western Europe

Total sales in Western Europe went up by 1%, whereas revenue increased by 3.8% from last year. The revenue increase was higher than the sales increase primarily due to a changed product mix and price increases introduced in certain markets. The increase was significantly reduced during Q3 as a result of the unfavourable weather and pressure on prices in particularly North Western Europe. Royal Unibrew's market shares are generally estimated to have been maintained.

EBIT and EBIT margin in Western Europe were reduced primarily due to the efficiency problems at Danish breweries mentioned above, which resulted in additional costs of some DKK 50 million.

Western Europe	Net revenue (mDKK)	Sales (thousand hectolitres)	Net revenue (% growth)	Sales (% growth)
Denmark	948	1,346	3.4	-0.5
Italy	557	425	4.7	3.8
Germany	299	841	2.1	-1.9
Other markets	95	257	6.7	15.2
Total Western Europe	**1,899**	**2,869**	**3.8**	**1.0**

The total **Danish** beer market declined in Q3 due to the weather and the introduction of the ban on smoking. On an accumulated basis, beer consumption at the end of Q3 is estimated to be 2% below the level for the nine months to 30 September 2006, and low-price products continue to lose market shares. Royal Unibrew maintained its total share of the beer market, and in Q3 the Royal brand enjoyed a market share of more than 10%.
Soft drinks sales in Denmark are estimated at a slight increase, and Royal Unibrew increased its market share primarily driven by Egekilde, Faxe Kondi, Pepsi and low-price products. Egekilde sales increased by some 7% achieving in Q3 2007 its highest market share ever at 29% of sales in the spring water segment.

In **Italy** sales declined in Q3 compared to last year; however, accumulated for the year sales are 4% ahead of 2006 primarily driven by Strong Ale. Minor price increases were introduced in Italy.

Cross-border trade between Denmark and Germany developed unsatisfactorily in Q3.
Branded products were sold in discount campaigns and sales were adversely affected by the lower call rates for certain customers.

Eastern Europe

The Group's sales and revenue in Eastern Europe increased by 19.3% and 31.9%, respectively, in 2007.
Lomza, the Polish brewery, has been included in the Group as of 1 May 2007.

Earnings in the region developed positively driven by satisfactory developments in the Baltic countries, which are now meeting the Group's financial targets. However, the results for Eastern Europe were to some extent negatively affected by developments in Poland, which were below expectations.

Eastern Europe	Net revenue (mDKK)	Sales (thousand hectolitres)	Net revenue (% growth)	Sales (% growth)
Baltic countries	500	1,500	17.4	5.3
Poland	182	586	100.8	80.1
Other markets	12	24	23.1	16.7
Total Eastern Europe	**694**	**2,110**	**31.9**	**19.3**

Beer consumption in **Lithuania** in 2007 was 2% below that of 2006. In spite of the unfavourable weather conditions, Kalnapilio-Tauro Grupe's beer sales remained unchanged from 2006, which means that the market share on beer increased. Sales of both the Tauras brand and the Kalnapilis brand went up, whereas the Group's low-price products sales declined. The average net selling price went up by more than 20% and revenue for 2007 was 33% higher than in the same period of 2006. In terms of profit and cash flow, the Lithuanian activities also developed very satisfactorily.

In **Latvia** beer and soft drinks sales grew by 2% and 14%, respectively, and the Group's market shares increased in both segments. The market share achieved in the beer segment makes Lacplesa Alus the number 4 brewery business in terms of size, whereas Cido Grupa continues to be the market leader in the Latvian market for its products.

Sales and revenue in **Poland** went up materially from 2006 as Browar Lomza was included in the consolidated financial statements from the beginning of May. The strengthening of management of the subsidiary Royal Unibrew Polska realised in H1 had the desired effect and the updated turnaround plan is followed as planned. It is now expected that the unsatisfactory development in sales and revenue as well as profit for the year as compared to the plans made which was realised in H1 will come to an end, and that a positive development as compared to 2006 will be realised in H2. The integration between the Royal Unibrew Polska and the Browar Lomza activities with a view to realising positive synergies has been initiated and is progressing satisfactorily. The two companies are expected to merge in early 2008 with shared headquarters in Warsaw.

Malt and Overseas Markets

Group sales and revenue in these markets went up by 32.2% and 31.1% in 2007. These figures include breweries in Antigua and Dominica as of 1 June and the brewery in St. Vincent as of 1 July.

The weakening of USD affected the profitability of products exported from Denmark, whereas the EBIT margin was also affected by the breweries acquired in the Caribbean. The integration and development of these breweries progressed as planned.

Malt and Overseas Markets	Net revenue (mDKK)	Sales (thousand hectolitres)	Net revenue (% growth)	Sales (% growth)
The Caribbean	175	157	44.3	53.0
Other markets	157	233	21.0	21.2
Total Malt and Overseas Markets	**326**	**383**	**32.1**	**32.2**

Showing sales and revenue growth of 76.2% and 102%, respectively, **Africa** is the market in which the main part of the organic growth was realised in 2007. The growth is materially related to the cooperation with Serengeti Breweries in Tanzania.

The malt drinks markets in the **USA/Canada** also saw satisfactory sales developments, whereas revenue development was curbed by the declining USD rate.

BALANCE SHEET AND CASH FLOW STATEMENT

The equity of the Royal Unibrew Group amounted to DKK 1,157 million at 30 September 2007 equal to an equity ratio of 28.9% compared to 34.5% at 30 September 2006.

The balance sheet total amounted to DKK 3,997 million at the end of the period equal to an increase of some 21% compared to 2006. The increase was primarily related to the recognition of the acquisitions in Poland and the Caribbean.

Interest-bearing debt went up by DKK 647 million from the same date last year. The increase relates primarily to the acquisitions made as well as to share buy-backs. Moreover, increased working capital investments affected interest-bearing debt by some DKK 100 million.

Free cash flow for the period amounted to a negative DKK 58 million compared to DKK 114 million in the nine months to 30 September 2006. Net investments amounted to DKK 147 million compared to DKK 155 million in 2006. Cash flows from operating activities amounted to DKK 72 million for the first nine months of the year compared to DKK 246 million for the same period of last year, primarily due to the reduction in net profit adjusted for non-cash operating items and the increased interest payments as well as higher working capital investments at 30 September 2007 due to, among other factors, the acquired businesses, the general activity increase and increases in selling and raw materials prices.

The Group's cash resources, committed, unutilised credit facilities, amount to some DKK 600 million at 30 September 2007 in addition to commitments for financing of acquisitions.

TREASURY SHARES

In 2007, Royal Unibrew has acquired 122,803 shares for treasury. As per Announcement 31/2007 of 28 August 2007, 280,000 shares have, under the resolution passed at the Annual General Meeting in 2007, been cancelled in connection with the reduction of the share capital, after which the Company holds 194,054 treasury shares at 30 September 2007.

The Supervisory Board of Royal Unibrew A/S has (cf Announcement 18/2007 of 31 May 2007) decided to acquire up to 300,000 shares for treasury, however not exceeding a value of DKK 200 million, in the period up to the next Annual General Meeting on 28 April 2008. 77,243 shares at a value of DKK 53.5 million have been acquired at 30 September 2007. The share buy-backs are an element in the future capital structure, see below.

FUTURE CAPITAL STRUCTURE

With a view to optimising Royal Unibrew's weighted average cost of capital (WACC) to increase shareholders' return, it has been decided to adjust the Group's capital structure by increasing its interest-bearing debt to the effect that by the end of 2007 interest-bearing debt represents approximately three times the Group's EBITDA (cf Announcement BG02/2005 of 24 February 2005).

At the end of 2006, interest-bearing debt was 2 X EBITDA. In the nine months to 30 September 2007, interest-bearing debt increased from DKK 1,048 million to DKK 1,703 million, and interest-bearing debt will amount to more than 3 X EBITDA at the end of 2007.

INITIATIVES AFTER THE END OF Q3 2007

The results of the Royal Unibrew Group for the nine months to 30 September 2007 and the expected profit before tax for the full year 2007 are not up to expectations. The disappointing development in results is due to both external and internal circumstances.

The business is – globally – characterised by significantly increasing raw materials prices, and Royal Unibrew will continuously – where possible – seek to compensate for this by adjusting its selling prices.

With a view to ensuring that the Group's future profit development is strengthened in accordance with the targets established, a number of adjustments and optimisation efforts will be implemented:

- As already mentioned in the H1 Report for 2007, investments (some DKK 60 million) in both technology and capacity expansion of Danish production facilities have been initiated to remedy the capacity and efficiency problems, whose negative effect on the expected profit for 2007 is estimated at some DKK 50 million.
  The projects are progressing as planned, and these additional costs are not expected to affect profit in Q4 2007 or in future years.
- Throughout the Group, the cost level will be reduced partly by a general workforce reduction and partly by continuing the Group's Business Excellence projects. Over the next months, the number of employees of the Group is expected to be reduced by some 300 (including the two brewery closures mentioned below), which combined with the planned Business Excellence projects is expected to result in annual savings in 2008 onwards of some DKK 35 million.
- In order to adapt the cost base in Denmark to the changed cost and competitive situation, the Maribo brewery will be closed in early 2008, which is expected to increase Royal Unibrew's profit by some DKK 7 million on an annual basis. Relevant parts of the Maribo product range will be transferred to other production facilities of the Group.
  Costs of closure and impairment charges in connection with the closure are estimated at some DKK 15 million. Provision for this amount will be made in the Group's financial statements for Q4 2007. Land and buildings in Maribo will be sold as soon as possible.
- In Latvia, production at the brewery in Lielvarde will be discontinued during the spring of 2008 and transferred to the Group's brewery in Liepaja. The facilities in Lielvarde will subsequently be sold.
- The general increase in raw materials prices and the increased competition, not least in Denmark, have led to the initiation of an analysis of the total Danish supply process with a view to identifying additional efficiency potential.

The above initiatives will, combined with the new Strategic Plan to be announced around the turn of the year, form the basis of bringing the Group's ratios at least on level with the targets pursued so far, ie a two-digit ROIC and EBIT margin plus a free cash flow of 7%.

EXPECTATIONS TO THE 2007 FINANCIAL STATEMENTS

The Royal Unibrew Group's profit for Q3 was lower than expected, primarily due to a sales level which did not meet expectations due to, among other factors, unfavourable weather and the ban on smoking.

Against this background, the expectation for the consolidated profit before tax – without taking into account special items of a non-recurring nature – is reduced to DKK 210-230 million compared to the previous expectation of DKK 265-285 million.

Due to the realised sale of a brewery property in Lithuania as well as the above measures, the Q4 results will be affected by a number of items of a non-recurring nature ("special items"):

	mDKK
• Sale of Vilnius property	+125
• Closure of Maribo brewery	-15
• Closure of Lielvarde brewery	-11
• Other expenses for structural adjustments (incl. severance costs)	-17
Total effect of "special items"	+82

The aggregated consolidated profit before tax for 2007 is thus expected to amount to 290-310 million.

Total net revenue is now expected to amount to some DKK 3.9 billion.

The Group's tax rate is expected to be some 25%, whereas the implemented reduction of the Danish tax rate has resulted in a one-off reduction of tax for the year of DKK 14 million.

STATEMENTS ABOUT THE FUTURE

The statements about the future made in the Q3 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), 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.

MANAGEMENT'S STATEMENT ON THE REPORT

The Executive and Supervisory Boards have today considered and adopted the Q3 Report of Royal Unibrew A/S at 30 September 2007.

The Q3 Report was prepared under the measurement and recognition provisions of IFRS as well as in accordance with the general Danish financial reporting requirements governing listed companies. We consider the accounting policies applied appropriate. In our opinion, the Q3 Report gives a true and fair view of the financial position and of the results of operations and cash flows of the Group.

Faxe, 13 November 2007

Executive Board

Poul Møller CEO	Connie Astrup-Larsen Executive Director Northern Europe
Povl Friis Executive Director Technics and Supply	Ulrik Sørensen CFO

Supervisory Board

Steen Weirsøe Chairman	Tommy Pedersen Deputy Chairman	Henrik Brandt
Ulrik Bülow	Erik Højsholt	Hemming Van
Erik Christensen	Jesper Frid	Kirsten Liisberg

ANNOUNCEMENTS TO THE COPENHAGEN STOCK EXCHANGE A/S – 1 January to 13 November 2007

02 January 2007	01/2007	Share Buy-back at Royal Unibrew A/S
11 January 2007	02/2007	Share Buy-back at Royal Unibrew A/S
23 January 2007	03/2007	Share Buy-back at Royal Unibrew A/S
31 January 2007	04/2007	Share Buy-back at Royal Unibrew A/S
12 February 2007	05/2007	Share Buy-back at Royal Unibrew A/S
15 February 2007	06/2007	Royal Unibrew strengthens its position in Poland through the acquisition of significant regional brewery business
20 February 2007	07/2007	Share Buy-back at Royal Unibrew A/S
01 March 2007	08/2007	Share Buy-back at Royal Unibrew A/S
05 March 2007	09/2006	Announcement of Annual Results 2006
09 March 2007	10/2007	Share Buy-back at Royal Unibrew A/S
03 April 2007	11/2007	Notice convening the Annual General Meeting of Royal Unibrew A/S
30 April 2007	12/2007	Q1 Report 2007
30 April 2007	13/2007	Annual General Meeting of Royal Unibrew - Minutes
15 May 2007	14/2007	Royal Unibrew’s acquisition of 100% of the share capital of Browar Lomza Sp. z o.o. now realised
23 May 2007	15/2007	Reporting according to section 28a of the Danish Securities Trading Act
24 May 2007	16/2007	Reporting according to section 28a of the Danish Securities Trading Act
25 May 2007	17/2007	Reporting according to section 28a of the Danish Securities Trading Act
31 May 2007	18/2007	Share Buy-back under ”Safe Harbour”
01 June 2007	19/2007	Royal Unibrew’s total share capital and voting rights
13 June 2007	20/2007	Share Buy-back at Royal Unibrew A/S
22 June 2007	21/2007	Share Buy-back at Royal Unibrew A/S
02 July 2007	22/2007	Royal Unibrew further strengthens its position in the Caribbean
03 July 2007	23/2007	Share Buy-back at Royal Unibrew A/S
12 July 2007	24/2007	Share Buy-back at Royal Unibrew A/S
23 July 2007	25/2007	Share Buy-back at Royal Unibrew A/S
01 August 2007	26/2007	Share Buy-back at Royal Unibrew A/S
10 August 2007	27/2007	Share Buy-back at Royal Unibrew A/S
21 August 2007	28/2007	Share Buy-back at Royal Unibrew A/S
15 August 2007	29/2007	Royal Unibrew strengthens its position in the Baltic beer market
28 August 2007	30/2007	H1 Report 2007
28 August 2007	31/2007	Reduction of capital and cancellation of treasury shares, amendment of Articles of Association
30 August 2007	32/2007	Share Buy-back at Royal Unibrew A/S
30 August 2007	33/2007	Royal Unibrew’s total share capital and voting rights
10 September 2007	34/2007	Share Buy-back at Royal Unibrew A/S
19 September 2007	35/2007	Share Buy-back at Royal Unibrew A/S
26 September 2007	36/2007	Agreement on sale of property in Vilnius, Lithuania
28 September 2007	37/2007	Share Buy-back at Royal Unibrew A/S
08 October 2007	38/2007	Share Buy-back at Royal Unibrew A/S
15 October 2007	39/2007	Sale of property in Vilnius, Lithuania, finally realised
18 October 2007	40/2007	Share Buy-back at Royal Unibrew A/S
29 October 2007	41/2007	Share Buy-back at Royal Unibrew A/S
07 November	42/2007	Share Buy-back at Royal Unibrew A/S

FINANCIAL CALENDAR FOR 2008

Annual General Meeting and shareholders' meetings:

28 April 2008:	Annual General Meeting in Århus
29 April 2008:	Shareholders' meeting in Odense
30 April 2008:	Shareholders' meeting in Faxe

Announcements of financial results:

03 March 2008:	Annual Report 2007
28 April 2008:	Q1 Report 2008
26 August 2008:	H1 Report 2008
13 November 2008:	Q3 Report 2008

CONSOLIDATED INCOME STATEMENT (UNAUDITED)
(DKK '000)

	2007 1/1(30/9	2006 1/1(30/9	2006 Full year
Revenue	**3,450,556**	3,104,230	4,083,474
Beer and mineral water excises	**(525,846)**	(497,254)	(644,448)
Net revenue	**2,924,710**	**2,606,976**	**3,439,026**
Production costs	**(1,611,799)**	(1,299,881)	(1,742,900)
Gross profit	**1,312,911**	**1,307,095**	**1,696,126**
Sales and distribution expenses	**(965,563)**	(943,661)	(1,191,225)
Administrative expenses	**(177,249)**	(153,188)	(200,680)
Other operating income	**2,623**	38,389	43,512
Operating profit	**172,722**	**248,635**	**347,733**
Special items	**0**	(25,398)	(14,329)
Profit before financial income and expenses	**172,722**	**223,237**	**333,404**
Income after tax from investments in associates	**20,924**	18,916	26,098
Income from sale of current asset investments	**1,235**	2,750	0
Financial income	**3,690**	6,712	20,330
Financial expenses	**(55,171)**	(44,475)	(59,479)
Profit before tax	**143,400**	**207,140**	**320,353**
Tax on the profit for the period	**(22,200)**	(52,100)	(90,014)
Consolidated profit	**121,200**	**155,040**	**230,339**
Consolidated profit breaks down as follows:			
Parent Company shareholders' share of profit	**118,576**	153,060	227,642
Minority shareholders' share of profit	**2,444**	1,980	2,697
Consolidated profit	**121,200**	**155,040**	**230,339**

CONSOLIDATED BALANCE SHEET (UNAUDITED)
(DKK '000)

	2007 30/9	2006 30/9	2006 31/12
ASSETS			
Goodwill	**421,809**	320,681	323,398
Trademarks	**316,036**	174,048	174,236
Distribution rights	**8,858**	9,078	9,854
Intangible assets	**746,703**	**503,807**	**507,488**
Land and buildings	**761,973**	705,407	723,509
Plant and machinery	**520,684**	365,642	400,842
Other fixtures and fittings, tools and equipment	**253,598**	228,183	237,618
Property, plant and equipment in progress	**110,323**	71,261	64,888
Property, plant and equipment	**1,646,578**	**1,370,493**	**1,426,857**
Investments in associates	**214,067**	219,979	231,285
Receivables from associates	**26,318**	24,678	24,664
Other investments	**3,132**	2,886	2,838
Other receivables	**20,276**	14,756	21,875
Financial assets	**263,793**	**262,299**	**280,662**
NON-CURRENT ASSETS	**2,657,074**	**2,136,599**	**2,215,007**
Raw materials and consumables	**162,543**	94,177	97,284
Work in progress	**27,860**	19,929	17,353
Finished goods and purchased finished goods	**209,560**	139,452	161,983
Inventories	**399,963**	**253,558**	**276,620**
Trade receivables	**597,398**	458,347	442,238
Receivables from associates	**2,590**	1,860	1,318
Other receivables	**58,878**	46,230	37,360
Prepayments	**31,053**	40,105	43,775
Receivables	**689,919**	**546,542**	**524,691**
Cash at bank and in hand	**191,847**	**337,689**	**368,320**
Non-current assets held for sale	**57,988**	**28,988**	**28,988**
CURRENT ASSETS	**1,339,717**	**1,166,777**	**1,198,619**
ASSETS	**3,996,791**	**3,303,376**	**3,413,626**

CONSOLIDATED BALANCE SHEET (UNAUDITED)
(DKK '000)

	2007 30/9	2006 30/9	2006 31/12
LIABILITIES AND EQUITY			
EQUITY			
Share capital	**59,000**	61,800	61,800
Translation reserve	**(8,458)**	(9,673)	(9,194)
Hedging reserve	**2,156**	13,864	1,975
Retained earnings	**943,904**	906,668	791,181
Proposed dividend	**0**	0	61,800
Profit for the period	**118,756**	153,060	227,642
Equity of Parent Company shareholders	**1,115,358**	**1,125,719**	**1,135,204**
Minority interests	**41,293**	12,330	12,917
EQUITY	**1,156,651**	**1,138,049**	**1,148,121**
Deferred tax	**125,568**	138,640	127,720
Mortgage debt	**547,487**	607,609	593,540
Credit institutions	**844,351**	623,901	650,375
Non-current liabilities	**1,517,406**	**1,370,150**	**1,371,635**
Repurchase obligations, returnable packaging	**89,265**	86,997	90,554
Mortgage debt	**63,113**	61,082	58,732
Credit institutions	**466,306**	125,957	138,106
Trade payables	**421,432**	259,617	344,338
Corporation tax	**75,868**	39,434	61,262
VAT, excise duties, etc	**62,109**	88,465	74,821
Other payables	**144,641**	133,625	126,057
Current liabilities	**1,322,734**	**795,177**	**893,870**
LIABILITIES	**2,840,140**	**2,165,327**	**2,265,505**
LIABILITIES AND EQUITY	**3,996,791**	**3,303,376**	**3,413,626**

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
(mDKK)

		2007		2006
Equity at 1 January		**1,148,121**		**1,149,750**
Minority interests' share of equity of subsidiaries acquired during the year		28,631		0
Value adjustment of hedging instruments	181		5,293	
Value and exchange adjustment of foreign subsidiaries and associates	(6,787)		(2,306)	
Profit for the period	121,200		155,040	
Total income		*114,594*		*158,027*
Dividends paid	(57,722)		(60,714)	
Acquisition of shares for treasury	(85,395)		(111,489)	
Sale of treasury shares	4,854		0	
Share-based payment	3,568		2,475	
Total shareholders		(134,695)		(169,728)
Equity at 30 September		**1,156,651**		**1,138,049**

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)
(DKK '000)

	1/1 – 30/9	
	2007	**2006**
Net profit for the period	121,200	155,040
Adjustments for non-cash operating items	187,303	235,345
	308,503	390,385
Change in working capital:		
+/- change in receivables	(114,953)	(65,768)
+/- change in inventories	(67,745)	558
+/- change in payables	23,920	(19,397)
Cash flows from operating activities before financial income and expenses	**149,725**	**305,778**
Financial income	2,780	7,271
Financial expenses	(50,913)	(41,499)
Cash flows from ordinary activities	**101,592**	**271,550**
Corporation tax paid	(29,125)	(25,588)
Cash flows from operating activities	**72,467**	**245,962**
Dividends received from associates	16,213	20,146
Sale of other investments	0	2,750
Sale of property, plant and equipment	14,316	4,659
Purchase of property, plant and equipment	(161,112)	(159,206)
Free cash flow	*(58,116)*	*114,311*
Sale of associates	17,990	0
Acquisition of subsidiaries	(404,930)	0
Acquisition of financial assets	0	(83,568)
Cash flows from investing activities	**(517,523)**	**(215,219)**
Proceeds from raising of non-current debt	275,141	(39,398)
Repayment of non-current debt	(156,136)	176,374
Change in current debt to credit institutions	288,527	55,719
Dividends paid	(57,722)	(60,714)
Acquisition of shares for treasury	(85,395)	(111,489)
Sale of treasury shares	4,854	0
Cash flows from financing activities	**269,269**	**20,492**
Change in cash and cash equivalents	**(175,787)**	**51,235**
Cash and cash equivalents at 1 January	368,320	286,995
Exchange adjustment	(686)	(541)
Cash and cash equivalents at 30 September	**191,847**	**337,689**

CONSOLIDATED INCOME STATEMENT Q1–Q3 2007 (UNAUDITED)
(mDKK)

	2007				2006			
	Q1	**Q2**	**Q3**	**Nine months**	**Q1**	**Q2**	**Q3**	**Nine months**
Sales (thousand hectolitres)	1,298	2,053	2,018	5,369	1,236	1,825	1,845	4,906
Revenue	828.3	1,325.0	1,297.2	3,450.5	774.2	1,158.7	1,171.3	3,104.2
Beer and mineral water excises	(123.7)	(203.6)	(198.5)	(525.8)	(126.2)	(187.7)	(183.3)	(497.2)
Net revenue	**704.6**	**1,121.4**	**1,098.7**	**2,924.7**	**648.0**	**971.0**	**988.0**	**2,607.0**
Production costs	(413.9)	(599.5)	(598.4)	(1,611.8)	(357.1)	(472.8)	(470.0)	(1,299.9)
Gross profit	**290.7**	**521.9**	**500.3**	**1,312.9**	**290.9**	**498.2**	**518.0**	**1,307.1**
Sales and distribution expenses	(279.4)	(361.1)	(325.1)	(965.6)	(279.2)	(346.2)	(318.3)	(943.7)
Administrative expenses	(54.8)	(63.0)	(59.4)	(177.2)	(47.8)	(57.0)	(48.4)	(153.2)
Other operating income	0.4	1.1	1.1	2.6	0.6	1.1	36.7	38.4
Operating profit/(loss)	**(43.1)**	**98.9**	**116.9**	**172.7**	**(35.5)**	**96.1**	**188.0**	**248.6**
Special items	0	0	0	0	0	0	(25.4)	(25.4)
EBIT	**(43.1)**	**98.9**	**116.9**	**172.7**	**(35.5)**	**96.1**	**162.6**	**223.2**
Income after tax from investments in associates	(2.5)	15.7	7.7	20.9	(3.2)	10.7	11.4	18.9
Income from sale of other investments	0.0	1.2	0.0	1.2	0.0	2.7	0.0	2.7
Financial income	3.9	0.0	0.0	3.9	2.1	3.3	1.3	6.7
Financial expenses	(17.4)	(19.2)	(18.7)	(55.3)	(14.5)	(15.8)	(14.1)	(44.4)
Profit/(loss) before tax	**(59.1)**	**96.6**	**105.9**	**143.4**	**(51.1)**	**97.0**	**161.2**	**207.1**
Tax on the profit/(loss) for the period	16.5	(12.8)	(25.9)	(22.2)	13.4	(24.0)	(41.5)	(52.1)
Consolidated profit/(loss)	**(42.6)**	**83.8**	**80.0**	**121.2**	**(37.7)**	**73.0**	**119.7**	**155.0**
Consolidated profit/(loss) breaks down as follows:								
Parent Company shareholders' share of profit/(loss)	(42.9)	83.2	78.5	118.8	(37.7)	72.1	118.7	153.1
Minority shareholders' share of profit/(loss)	0.3	0.6	1.5	2.4	0.0	0.9	1.0	1.9
Consolidated profit/(loss)	**(42.6)**	**83.8**	**80.0**	**121.2**	**(37.7)**	**73.0**	**119.7**	**155.0**
Key ratios (as a % of net revenue)								
Gross margin	41.3	47.3	46.3	45.4	44.9	51.3	52.4	50.1
EBITDA	0.8	12.9	15.5	10.6	2.1	14.8	22.8	14.7
EBIT	(6.1)	8.8	10.6	5.9	(5.5)	9.9	16.5	8.6