



Interim Report for 1 January - 30 June 2010

August 26, 2010

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Performance better than expected and upgrading of expectations

Royal Unibrew continued the positive earnings trend in Q2. Operating profit (EBIT before special items) increased in H1 2010 by DKK 65 million to DKK 152 million compared to DKK 87 million in 2009, which is above expectations. Both EBIT and EBIT margin increased in all group segments compared to H1 2009. Free cash flow in H1 2010 was DKK 168 million above the 2009 figure, and net interest-bearing debt was reduced by DKK 406 million - DKK 187 million of which was contributed by the sale of the Caribbean breweries in February 2010. Due to the strong performance in H1 2010 and expectations for the rest of the year, the outlook for 2010 are upgraded. Net revenue is now expected to be at the level of DKK 3.7-3.85 billion and EBITDA is expected to be at the level of DKK 575-625 million, which is DKK 100 million above the expectation previously announced.

"We are still seeing volatility and keen competition in all markets. We are therefore pleased to have continued the positive trend in the Group's results in consequence of enhanced marketing efforts, new product launches, continued and persistent focus on strict efficiency management as well as competent and dedicated employees. Based on this positive trend, we are now upgrading our expectations for both revenue and profit for 2010. This brings us close to realising our long-term financial objectives, and we have initiated a process with a view to determining strategic main priorities for 2011 - within the framework of the strategy presented at the end of 2009 - and updating the long-term financial objectives. The output from this process will be presented when we present our Q3 Report 2010" says Henrik Brandt, CEO.

HIGHLIGHTS

- Generally market shares were won on branded beer as well as soft and malt drinks
- Net revenue declined by just below 2% to DKK 1,882 million in H1. Adjusted for the divestment of breweries, organic net revenue growth of 2% was achieved.
- EBITDA (before special items) increased by DKK 75 million (45%) to DKK 254 million.
- Operating profit (EBIT before special items) increased by DKK 65 million to DKK 152 million.
- Profit before tax amounted to DKK 105 million compared to DKK 23 million in H1 2009.
- Free cash flow amounted to DKK 217 million - DKK 168 above the 2009 figure.
- Net interest-bearing debt was reduced in H1 2010 by DKK 406 million to some DKK 1 billion.
- New long-term funding structure established on attractive terms

OUTLOOK

Revenue and earnings developed better than expected in H1 2010. Based on this, net revenue for 2010 is now expected to amount to DKK 3.7-3.85 billion (previous expectation of DKK 3.4-3.6 billion). EBITDA is expected to be at the level of DKK 575-625 million (previous expectation of DKK 475-525 million), and operating profit (EBIT before special items) is expected to be at the level of DKK 375-425 million (previous expectation of DKK 275-325 million). Net financials are estimated at an expense of some DKK 65 million (previous expectation of some DKK 70 million). Profit before tax for 2010 is expected to be at the level of 310-360 million (previous expectation of DKK 205-255 million). Net interest-bearing debt at the end of 2010 is expected to amount to some DKK 900 million (previous expectation of some DKK 1 billion) corresponding to 1.4 - 1.6 times EBITDA (previous expectation of 1.9-2.1 times EBITDA).

For further information on this Announcement:

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It will be possible for investors and analysts to follow Royal Unibrew's presentation of the Interim Report on Thursday, 26 August 2010, at 9 am by webcast. Please register at the Royal Unibrew website www.royalunibrew.com.

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