

COMPANY ANNOUNCEMENT NO 50/2015 – 25 NOVEMBER 2015

# Interim Report for 1 January - 30 September 2015

## Royal Unibrew adjusts upwards earnings outlook for 2015 and increases medium-term EBIT margin target

Net revenue for the nine months to 30 September (Q1-Q3) 2015 amounted to DKK 4,610 million compared to DKK 4,705 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 shares. Earnings before interest and tax (EBIT) for Q1-Q3 2015 amounted to DKK 775 million, DKK 63 million above the 2014 figure which was negatively affected by non-recurring costs of DKK 50 million for restructuring Hartwall. EBIT margin was 16.8% compared to 15.1% in 2014 (16.2% 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 an increase. Earnings in all segments for Q3 were at the level of, or higher than, those of 2014. Free cash flow for Q1-Q3 2015 amounted to DKK 793 million compared to DKK 772 million in 2014. In 2015, DKK 566 million was distributed to shareholders (2014: DKK 0), and net interest-bearing debt was reduced by DKK 230 million to DKK 1,323 million. NIBD/EBITDA calculated on a running 12-month basis was 1.1 against 1.4 at the end of 2014. The earnings outlook for 2015 is adjusted upwards - EBITDA to DKK 1,195-1,235 million and EBIT to DKK 885-925 million. Net revenue is expected to be at the level of DKK 5,950-6,050 million, which is unchanged. The medium-term EBIT margin target is increased to about 15%.

“Having performed above expectations, we are adjusting our earnings outlook for 2015 upwards, while at the same time increasing our medium-term EBIT margin target to about 15%. The above-expectation performance is due to our commercial agenda and innovative measures, and continued efficiency improvement also makes a contribution to our performance – and that in spite of a minor revenue decline, primarily caused by a Finnish market under pressure in which we are directing targeted efforts at positioning Hartwall as a leading beverage provider. We are pleased to note growth within Malt Beverages and Exports and in Western Europe and are also pleased to note market share wins among Danish consumers – driven by, among other things, a number of new products, including the launch of the organic beer Royal Økologisk, the microbrew products Lottrup and Schiøtz as well as Faxe Kondi Booster Blue and Royal Shandy”, says Henrik Brandt, CEO.

### Selected financial highlights and key ratios

mDKK	Q1-Q3 2015	Q1-Q3 2014	Q3 2015	Q3 2014
Sales (thousand hectolitres)	6,864	6,921	2,515	2,533
Net revenue	4,610	4,705	1,686	1,713
EBITDA	1,002	932	428	428
EBITDA margin (%)	21.7	19.8	25.4	25.0
Earnings before interest and tax (EBIT)	775	712	350	351
EBIT margin (%)	16.8	15.1	20.7	20.5
Profit before tax	756	695	343	352
Free cash flow	793	772	394	432
Net interest-bearing debt	1,323	1,606		
NIBD/EBITDA (running 12 months)	1.1	1.4		
Equity ratio (%)	43	38		

## Outlook

Royal Unibrew is adjusting its earnings outlook for 2015 upwards as compared to the previously announced outlook as follows:

- Net revenue: DKK 5,950-6,050 million (unchanged)
- EBITDA: DKK 1,195-1,235 million (previously: DKK 1,150-1,200 million)
- EBIT: DKK 885-925 million (previously: DKK 840-890 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 Thursday, 26 November 2015, at 9 am by audiocast at one of the following dial-in numbers:

Danish participants dial: +45 32 71 16 58

US participants dial: +1212 444 0412

International number: +44 20 3427 1914

The presentation may also be followed at Royal Unibrew's website [www.royalunibrew.com](http://www.royalunibrew.com).

## Financial Calendar

### 2016

1 March 2016	Annual Report 2015
27 April 2016	Interim Report for the period 1 January - 31 March 2016
27 April 2016	Annual General Meeting 2016
24 August 2016	Interim Report for the period 1 January - 30 June 2016
23 November 2016	Interim Report for the period 1 January - 30 September 2016

The Interim Report has been prepared in Danish and English.

In case of discrepancy the Danish version shall prevail.

### Forward-looking Statements

This Interim Report 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, unless prescribed by law or by stock exchange regulations.

## Profile

Royal Unibrew produces, markets, sells and distributes quality beverages. We focus on branded products within beer, malt beverages and soft drinks (soda water, energy drinks, mineral water and fruit juices) as well as cider and long drinks (RTD).

Royal Unibrew is a leading regional player in a number of markets in primarily Northern Europe, Italy and in the international malt beverage markets.

Our main markets comprise Denmark, Finland, Italy and Germany as well as Latvia, Lithuania and Estonia. The international malt beverage markets comprise a number of established markets in the Americas region and major cities in Europe and North America with high concentration of inhabitants from the Caribbean and African areas in which malt beverages are popular as well as emerging markets in for example Africa.

- In Denmark we are the second largest multi-beverage business with a number of strong brands.
- In Finland we are also the second largest multi-beverage business with a number of strong brands, as well as international spirits and wine brands.
- In the Baltic countries we are among the leading multi-beverage businesses holding considerable market positions.
- In Italy we are among the market leaders in the super premium segment for beer with Ceres Strong Ale.
- In the international malt beverage markets we are among the market leaders in the premium segment, whereas the beer segment is covered by the Faxe brand.

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## Financial Highlights and Key Ratios

	Q1-Q3 2015	Q1-Q3 2014	Q3 2015	Q3 2014	2014
Sales (thousand hectolitres)	6,864	6,921	2,515	2,533	8,974
<b>Income Statement (mDKK)</b>					
Net revenue	4,610	4,705	1,686	1,713	6,056
EBITDA	1,002	932	428	428	1,130
<i>EBITDA margin (%)</i>	21.7	19.8	25.4	25.0	18.7
Earnings before interest and tax (EBIT)	775	712	350	351	826
<i>EBIT margin (%)</i>	16.8	15.1	20.7	20.5	13.6
Income after tax from investments in associates	18	27	6	9	35
Other financial income and expenses, net	-37	-44	-13	-8	-60
Profit before tax	756	695	343	352	801
Net profit for the period	588	539	267	273	624
Parent Company shareholders' share of profit	588	539	229	273	624
<b>Balance Sheet (mDKK)</b>					
Non-current assets	5,505	5,652	5,505	5,652	5,664
Total assets	6,728	7,068	6,728	7,068	7,024
Equity	2,896	2,717	2,896	2,717	2,818
Net interest-bearing debt	1,323	1,606	1,323	1,606	1,553
Net working capital	-742	-757	-742	-757	-814
<b>Cash Flows (mDKK)</b>					
Operating activities	798	751	422	390	895
Investing activities	0	22	-27	48	-69
Free cash flow	793	772	394	432	824
<b>Share Ratios (DKK per share of DKK 2)</b>					
Earnings per share (EPS)	10.7	9.8	4.9	5.0	11.3
Cash flow per share	14.6	13.6	7.8	7.1	16.2
Dividend per share	0.0	0.0	0.0	0.0	6.8 <sup>*)</sup>
Year-end price per share	249.8	196.2	249.8	196.2	217.4
<b>Financial Ratios (%)</b>					
Free cash flow as a percentage of net revenue	17	16	23	25	14
Cash conversion	135	143	148	158	132
Net interest-bearing debt/EBITDA (running 12 months)	1.1	1.4	1.1	1.4	1.4
Equity ratio	43	38	43	38	40

Ratios comprised by the "Recommendations and Financial Ratios 2015" issued by the Danish Society of Financial Analysts have been calculated according to the recommendations.

\*) Corresponding to DKK 34 per share of DKK 10.

# Management's Review

## Business Development

Sales for Q3 2015 and for the nine months to 30 September 2015 were largely at the 2014 level, whereas net revenue was 2% lower. The summer weather in Northern Europe was poorer than in 2014, whereas in Italy it was extraordinarily fine. Royal Unibrew generally maintained its market shares. Sales volumes and net revenue increased in Western Europe and in the Malt Beverages and Exports segment. Baltic Sea saw volume and net revenue declines from 2014 to 2015, which is primarily due to developments in Finland where the market remains affected by consumer restraint, just as poorer weather than in 2014 curbed consumption in Finland.

Earnings for Q1-Q3 2015 showed an increase from the same period of last year and were higher than expected in spite of net revenue being lower. Earnings were positively affected by higher efficiency as well as targeted value management of products and strengthening of customer partnerships. Especially the business related to Danish consumers and the Malt Beverages and Exports segment developed positively.

Exchange rate developments only affected earnings to a limited extent as purchases were mainly made in the Group's revenue currencies. Earnings for Q3 were at the 2014 level in spite of poorer summer weather in both Denmark and Finland, whereas Italy had extraordinarily fine weather. Earnings before interest and tax (EBIT) for Q1-Q3 amounted to DKK 775 million; this is DKK 63 million above EBIT for 2014 which included non-recurring costs of DKK 50 million for restructuring Hartwall. Profit before tax amounted to DKK 756 million, which is DKK 61 million above the figure for Q1-Q3 2014.

Earnings of a brewery business for the nine months to 30 September do not reflect a proportional share of results for the year. The period includes all peak season months, when sales and earnings are usually at a higher level than in the other months of the year.

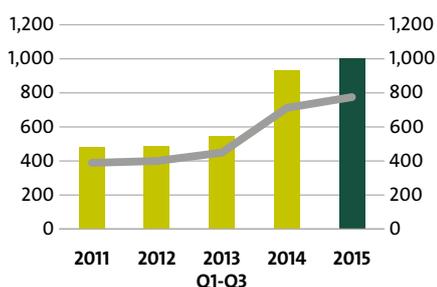
In H1 2015, 18,900 square metres of building rights at the brewery site in Aarhus were sold, and in August 2015, A. Enggaard A/S, Entreprenør- og Byggefirma notified Royal Unibrew (see Company Announcement No 32/2015 of 10 August 2015) of its intention to exer-

cise its option to purchase the remaining 35,625 square metres of building rights in 2016. All 140,000 square metres of building rights are thus expected sold at the end of 2016. The sale of the remaining part of the brewery site is expected to have a net cash flow effect after tax of approx DKK 155 million. 2015 will be negatively affected by a tax payment of approx DKK 40 million, whereas 2016 will be positively affected by approx DKK 195 million.

As announced in Company Announcement No 2/2015 of 10 March 2015, we have initiated a share buy-back programme for the period to 1 March 2016 with a view to adjusting the capital structure of Royal Unibrew A/S. The maximum total share buy-back under the programme will represent a market value of DKK 350 million, and the programme will be carried out in accordance with the "Safe Harbour" method. At 30 September 2015, Royal Unibrew had bought back 815,964 shares representing a market value of DKK 192 million and held a total of 1,115,964 treasury shares corresponding to 2% of the share capital.

**EBITDA and EBIT**

(mDKK)

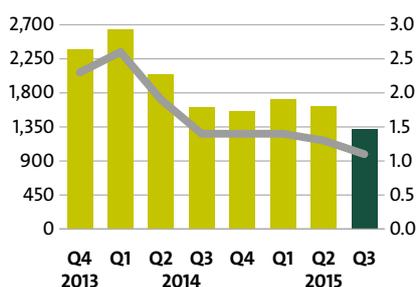


■ EBITDA — EBIT

**NIBD and NIBD/EBITDA**

(mDKK)

(times)

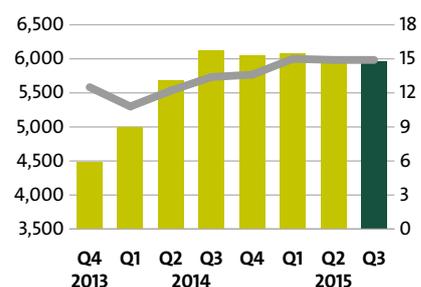


■ NIBD — NIBD/EBITDA (running 12-month, pro forma)

**Running 12-month**

(mDKK)

(%)



■ Net revenue — EBIT margin

**Expanded cooperation with PepsiCo**

Royal Unibrew has entered into an agreement to produce, sell and distribute the key PepsiCo soft drinks products such as Pepsi, Pepsi Max and Mirinda in Latvia, Lithuania and Estonia as of 1 January 2016. This will complement Royal Unibrew's product portfolio in the Baltic countries and strengthen Royal Unibrew's customer relations.

Moreover, Royal Unibrew is reinforcing its long-standing cooperation with PepsiCo by, also as of 1 January 2016,

taking over the sale and distribution of PepsiCo's snack products under brands such as Lays and Bugles in Denmark. Consumers often buy and enjoy snacks and beverages together, and therefore the snack products complement Royal Unibrew's beverage portfolio well.

The expanded cooperation, viewed in isolation, is expected to have a positive revenue effect of approx 2% in 2016, whereas earnings are only expected to be affected marginally due to marketing investments.

# Financial Review

## Income Statement

Sales for Q1-Q3 2015 aggregated 6.9 million hectolitres of beer, malt beverages and soft drinks, which is at the 2014 level.

Net revenue for Q1-Q3 2015 showed a 2% decrease and amounted to DKK 4,610 million compared to DKK 4,705 million in 2014. Exchange rate developments affected net revenue positively by approx DKK 19 million, approx DKK 4 million of which related to Q3. Average net selling price per volume unit was 1.2% lower despite the positive exchange rate developments, partly due to a changed market mix and partly due to a changed product and channel mix in the individual markets.

Q1-Q3 2014 included costs of DKK 50 million for restructuring the Finnish brewery Hartwall, comprising production costs of DKK 17 million, sales and distribution expenses of DKK 21 million as well as administrative expenses of DKK 12 million. The below comments

on cost developments from 2014 to 2015 are exclusive of the effect of restructuring costs in 2014.

Gross profit for Q1-Q3 2015 was DKK 36 million below the 2014 figure and amounted to DKK 2,473 million, negatively affected by the lower net revenue. Gross margin was 0.3 percentage point above the 2014 margin and amounted to 53.6% compared to 53.3% in 2014 (excluding non-recurring costs for restructuring Hartwall, which had a negative effect of 0.3 percentage point in 2014).

Sales and distribution expenses for Q1-Q3 2015 were DKK 52 million below the 2014 figure and amounted to DKK 1,457 million compared to DKK 1,509 million in 2014. The decrease is primarily due to increased efficiency of distribution. Administrative expenses for Q1-Q3 2015 were DKK 2 million above the 2014 figure and amounted to DKK 240 million compared to DKK 238 million in 2014.

Earnings before interest, tax, depreciation and amortisation (EBITDA) for

Q1-Q3 2015 showed a DKK 20 million increase and amounted to DKK 1,002 million compared to DKK 982 million in 2014 (before deducting restructuring costs of DKK 50 million in 2014). The Malt Beverages and Exports segment contributed significantly to the positive development.

Earnings before interest and tax (EBIT) for Q1-Q3 2015 amounted to DKK 775 million, which is DKK 13 million above the EBIT of DKK 762 in 2014 measured on a comparable basis (before deducting non-recurring costs for restructuring Hartwall of DKK 50 million in Q1 2014).

EBIT margin for Q1-Q3 2015 was 16.8% compared to 16.2% in 2014 (15.1% after deducting 1.1 percentage points relating to non-recurring costs). EBIT margin for Q3 was 0.2 percentage point above the 2014 figure.

Net financials for Q1-Q3 2015 showed a net expense of DKK 19 million, which is DKK 1 million above the 2014 figure.

## Developments in activities for the period 1 January – 30 September 2015 broken down on market segments

	Western Europe	Baltic Sea	Malt Beverages and Exports	Unallocated	Group	
					2015	2014
Sales (thousand hectolitres)	2,779	3,560	525	-	6,864	6,921
Growth (%)	0.1	-3.0	10.6	-	-0.8	41.3
Share of sales (%)	40	52	8	-	100	
Net revenue (mDKK)	2,096	2,156	358	-	4,610	4,705
Growth (%)	0.8	-6.6	12.8	-	-2.0	54.0
Share of net revenue (%)	45	47	8	-	100	
EBIT (mDKK)	407.7	310.6	82.7	-25.9	775.1	712.3
EBIT margin (%)	19.4	14.4	23.1		16.8	15.1

Interest expenses were DKK 8 million lower due to the lower interest-bearing debt. Income after tax from investments in associates was DKK 9 million below the 2014 figure and negatively affected by both the NOK exchange rate development and lower results of Hansa Borg Bryggerierne.

Profit before tax for Q1-Q3 2015 was DKK 61 million above the 2014 figure and amounted to DKK 756 million compared to DKK 695 million in 2014.

Tax on the profit for Q1-Q3 2015 was an expense of DKK 167 million. The tax has been calculated on the basis of the expected full-year tax rate excluding income after tax from investments in associates.

The net profit for Q1-Q3 2015 amounted to DKK 588 million, which is DKK 49 million above the net profit of DKK 539 million realised in 2014.

## Balance Sheet

Royal Unibrew's balance sheet at 30 September 2015 amounted to DKK 6,728 million, which is DKK 296 million below the 31 December 2014 figure. The lower balance sheet total is primarily due to a DKK 291 million reduction of cash at bank and in hand, whereas, due to increased production and sales activity, inventories and trade receivables showed a DKK 174 million increase. Moreover, non-current assets showed a DKK 160 million reduction due to investments being below amortisation and depreciation as well as the sale of yet another part of the brewery site in

Aarhus. The balance sheet total was approx DKK 340 million below the total at the end of Q3 2014 primarily due to lower cash at bank and in hand and to investments over the past 12 months being below depreciation of property, plant and equipment.

The equity ratio at 30 September 2015 represented 43% compared to 40% at the end of 2014. Equity at the end of September 2015 amounted to DKK 2,896 million compared to DKK 2,818 million at the end of 2014 and was increased in Q1-Q3 2015 by the positive comprehensive income of DKK 636 million for the period and by the value of the share-based remuneration of the Executive Board, whereas dividend distribution and share buy-backs reduced equity by DKK 566 million. The comprehensive income comprises the profit for the period of DKK 588 million, post-tax revaluation of the brewery site in Aarhus of DKK 35 million, positive exchange rate adjustments of foreign group enterprises of DKK 7 million and a positive development in the value of hedging instruments of DKK 6 million.

Net interest-bearing debt for Q1-Q3 2015 was reduced by DKK 230 million and amounted to DKK 1,323 million at 30 September 2014 compared to DKK 1,553 million at the end of 2014. The development in net interest-bearing debt is as expected and is related to the free cash flow realised in Q-Q3 2015 less distribution to shareholders.

Funds tied up in working capital showed a negative DKK 742 million at the end of September 2015 (2014: a negative DKK 757 million) compared to a nega-

tive DKK 814 million at the end of 2014. Funds tied up in working capital thus increased by DKK 72 million in Q1-Q3 2015 (2014: DKK 77 million). Funds tied up in inventories, trade receivables and trade payables increased by DKK 91 million (2014: DKK 99 million) due to the higher activity at the end of the quarter, whereas the other elements of working capital decreased by DKK 19 million (2014: DKK 21 million). All entities continue their strong focus on managing inventories, trade receivables and trade payables.

## Cash Flow Statement

Cash flows from operating activities for Q1-Q3 2015 amounted to DKK 798 million (2014: DKK 751 million) comprising the profit for the period adjusted for non-cash operating items of DKK 1,010 million (2014: DKK 939 million), negative working capital cash flow of DKK 86 million (2014: DKK 89 million), net interest paid of DKK 37 million (2014: DKK 44 million) and taxes paid of DKK 89 million (2014: DKK 55 million). The difference in working capital development was as expected.

Free cash flow for Q1-Q3 2015 amounted to DKK 793 million compared to DKK 772 million in 2014. The increase in free cash flow comprised DKK 49 million higher operating cash flows and dividend from associates, added DKK 10 million lower investments in property, plant and equipment and deducted DKK 38 million higher revenues from asset divestment, substantially relating to the brewery site in Aarhus.

## Outlook

Royal Unibrew is adjusting its earnings outlook for 2015 upwards as compared to the previously announced outlook (see Company Announcement No 35/2015 of 17 August 2015) as follows:

mDKK	Outlook 2015	Previous outlook 2015	Actual 2014	Pro forma actual 2013 <sup>*)</sup>
Net revenue	5,950-6,050	5,950-6,050	6,056	6,050
EBITDA	1,195-1,235	1,150-1,200	1,130	1,015
EBIT	885-925	840-890	826	730

<sup>\*)</sup> Pro forma actual has been calculated with Hartwall's realised net revenue and results for the full year before deduction of transaction costs of DKK 15 million.

The outlook for Royal Unibrew's financial development in 2015 has been prepared taking into account a number of circumstances, including how the Company's markets are expected to be affected by the general economic activity, fiscal measures and the general uncertainty experienced by consumers in several of Royal Unibrew's main markets, which affects their consumption behaviour. Moreover, the outlook has been prepared taking into account the development in material expense categories as well as the effect of initiatives completed and initiated.

The key changes to the assumptions of the financial development in 2015 as described in the Annual Report for 2014 are as follows:

- The weather in Denmark and Finland in the summer of 2015 up until the latter part of Q3, and thus during the peak season, was poorer than in 2014. On the other hand, the weather in the Baltic countries was better

than in 2014 and in Italy considerably better. On a total basis, the weather in Royal Unibrew's markets has affected net revenue and earnings negatively as compared to the outlook.

- As assumed, the Finnish market is characterised by declining consumption (besides the weather effect). Previously, consumption of branded products was assumed to show a low single-digit percentage decline, whereas consumption is now assumed to show a medium single-digit percentage decline due to, among other things, private label products winning market shares as well as a shift of channel mix from on-trade and convenience towards off-trade.
- As a result of the consumption shift towards branded products among Danish consumers – contrary to expectations – continuing in 2015, Royal Unibrew is now assumed to achieve a higher market share in 2015 than in 2014.

- Efficiency-enhancing measures are assumed to be at a higher level than previously announced.
- Gross investments are now assumed to be lower in 2015 at DKK 200-220 million compared to the DKK 230-250 million previously announced.

The above changes to the assumptions described in the Annual Report for 2014 are the reason for the changed EBITDA and EBIT outlook for 2015.

Extraordinary campaign activities in Q4 2015 are expected to affect free cash flow for 2015 positively by DKK 200-250 million due to changes in funds tied up in working capital. A corresponding negative effect on free cash flow is expected for Q2 2016.

## Financial targets and medium-term outlook

Based on developments in 2015 as well as the expected development for the coming period, the medium-term EBIT margin target is increased to about 15% compared to the previously announced 14%. The other financial targets remain unchanged, ie net interest-bearing debt should not exceed 2.5 times EBITDA and the equity ratio at year end should be 30%.

The underlying assumptions are as follows:

- The European markets will continue being challenged by stagnating or, as in Finland, declining consumption although consumer confidence is on the increase in certain markets, for example Denmark.
- Net revenue growth in the Malt Beverages and Exports segment is assumed to be lower than in recent years due to the macroeconomic development in a number of countries in Africa and the Americas. The development is to a large extent characterised by declining raw materials prices on the world market and thus lower foreign investments. High single-digit annual percentage growth in net revenue is assumed to be achieved in the coming years. No specific outlook for the development in the segment will be announced going forward.
- To protect its positions in key markets, Royal Unibrew will make additional investments in its market positions and brands.
- Focus on achieving continuous improvements and enhancing efficiency across the business and for all entities will continue, but efficiency gains are assumed to be considerably lower than those reaped in recent years.

# Developments in individual market segments

## Western Europe

	Q1-Q3 2015	Q1-Q3 2014	% change	Q3 2015	Q3 2014	% change	2014
Sales (thousand hectolitres)	2,779	2,776	0	1,021	1,012	1	3,630
Net revenue (mDKK)	2,096	2,080	1	770	753	2	2,674
EBIT (mDKK)	407.7	405.6		174.9	176.7		484
EBIT margin (%)	19.4	19.5		22.7	23.4		18.1

The **Western Europe** segment comprises the markets for beer and soft drinks in Denmark and Germany as well as Italy. Western Europe accounted for 40% of group sales for the nine months to 30 September 2015 and for 45% of net revenue (2014: 40% and 44%, respectively).

Both sales and net revenue in Western Europe for Q1-Q3 2015 were at the 2014

level, and Royal Unibrew is assessed to have increased its market shares on branded beer and soft drinks. The positive development in Q3 was due to, among other things, higher sales than in 2014 in both Italy and Denmark. Net selling prices per volume unit increased due to a better market mix in 2015 than in 2014.

Earnings before interest and tax (EBIT) for Q1-Q3 2015 increased by DKK 2 million from DKK 406 million in 2014 to DKK 408 million in 2015. EBIT margin decreased by 0.1 percentage point to 19.4% and was positively affected by a favourable market mix development, whereas higher sales and marketing expenses had a negative effect.

## Denmark and Germany

	Q1-Q3 2015	Q1-Q3 2014	% change	Q3 2015	Q3 2014	% change	2014
Sales (thousand hectolitres)	2,451	2,453	0	914	908	1	3,236
Net revenue (mDKK)	1,621	1,603	1	617	602	2	2,093

For **Denmark and Germany** it is estimated that Danish consumption of beer and soft drinks has generally remained at the 2014 level in 2015. However, the development in consumption from 2014 to 2015 was negatively affected by poorer weather during most of the peak season, which makes it difficult to assess the development in the underlying consumption.

Royal Unibrew's sales for Q1-Q3 2015 were at the 2014 level, whereas net revenue was 1% higher. The higher net revenue per volume unit was due to both

a high level of innovation and a number of commercial initiatives. It is estimated that Royal Unibrew has increased its market share, due to, among other things, a continued consumption shift towards branded products.

In 2015, Royal Unibrew successfully launched several new products, including the organic beer Royal Økologisk which meets some consumers' increasing demand for organic products. Moreover, Royal Unibrew launched its first proprietary products in the microbrew category under the brand names Lot-

trup and Schiøtz, as well as Royal Shandy, Faxe Kondi Booster and new product varieties of the Egekilde brand. Danish consumers received the new products well, and Royal Shandy has achieved a clear market leader position in the beer mix category. The Faxe Kondi communication platform "Når der går sport i den" (Becoming a sport) was further developed, and the "Tak Rock" (Thank You, Rock) concept was supported by cooperation with the legendary rock band Dizzy Mizz Lizzy.

## Italy

	Q1-Q3 2015	Q1-Q3 2014	% change	Q3 2015	Q3 2014	% change	2014
Sales (thousand hectolitres)	328	323	2	107	104	3	394
Net revenue (mDKK)	475	477	0	153	151	1	581

The market situation in **Italy** remains marked by consumer restraint. Consumption in both the on-trade and the off-trade sales channels is estimated to be at the 2014 level. The extraordinarily fine summer weather affected consumption positively. Consumption of

premium and super premium products is estimated to have increased marginally, whereas the consumption of economy products was somewhat lower than in 2014.

Royal Unibrew's sales for Q1-Q3 2015 showed a 2% increase, whereas net revenue remained unchanged due to a changed channel and product mix. It is assessed that Royal Unibrew has maintained its market shares in the premium and super premium segments in 2015.

## Baltic Sea

	Q1-Q3 2015	Q1-Q3 2014	% change	Q3 2015	Q3 2014	% change	2014
Sales (thousand hectolitres)	3,560	3,670	-3	1,311	1,371	-4	4,730
Net revenue (mDKK)	2,156	2,309	-7	790	853	-7	2,975
EBIT (mDKK)	310.6	266.4		154.2	156.3		295.3
EBIT margin (%)	14.4	11.5		19.5	18.3		9.9

The **Baltic Sea** segment primarily comprises the markets for beer, fruit juices and soft drinks in Finland and the Baltic countries (Lithuania, Latvia and Estonia) and in Finland also wine and spirits brands. For the nine months to 30 September 2015, Baltic Sea accounted for 52% of group sales and for 47% of net revenue (2014: 53% and 49%, respectively).

Sales and net revenue for Q1-Q3 2015 were 3% and 7%, respectively, below the figures for the same period of 2014.

The sales development comprises a positive development in the Baltic countries and a negative development in Finland where the macroeconomic situation still causes considerable consumer restraint. Moreover, the weather in Finland in the peak season was considerably poorer than in 2014 and sub-standard.

Earnings before interest and tax (EBIT) were DKK 44 million above the 2014 figure, which was negatively affected by non-recurring costs of DKK 50 million

for restructuring Hartwall. Adjusted for these, EBIT was DKK 6 million below the 2014 figure. Earnings development was positively affected by the full-year effect of the organisational change in Hartwall, whereas the lower sales and product and channel mix affected results negatively. EBIT margin went up by 2.9 percentage points from 11.5% to 14.4%. Adjusted for non-recurring costs in 2014, EBIT margin went up by 0.7 percentage point.

## Finland

	Q1-Q3 2015	Q1-Q3 2014	% change	Q3 2015	Q3 2014	% change	2014
Sales (thousand hectolitres)	2,103	2,257	-7	767	837	-8	2,910
Net revenue (mDKK)	1,650	1,795	-8	605	666	-9	2,321

The Finnish market for beer, soft drinks, wine and spirits products was declining due to negative economic growth and low consumer confidence and is expected to be negatively affected by the macroeconomic situation in the short as well as medium term. Moreover, peak season consumption in 2015 was below that of 2014 due to poorer weather. A medium single-digit percentage decline in the consumption of branded products is estimated. The decline is due partly to increased consumption of private label products, partly to a shift in sales channel mix from on-trade and convenience towards off-trade. Hartwall's market share on branded products is estimated to have declined in Q1-Q3 2015 due to a lower campaign share. The campaign share is expected to be higher in Q4. The campaign level will vary from one period to the next driven by market strategy and the competitive environment.

In Finland sales for Q1-Q3 2015 declined by 7%, and net revenue was 8% below the 2014 figure. In Q3, the poor summer weather resulted in a low out-of-home consumption, which shifted the distribution of sales from the on-trade sales channel towards the off-trade channel; this, combined with pressure on prices in the market, was the main reason for the larger percentage decline in net revenue than in sales.

The efforts to reinforce Hartwall's commercial position as a market-leading beverage provider in Finland have continued in 2015 with focus on strengthening partnerships with customers and increasing the presence and sale of Hartwall products with customers.

On the innovations side, Hartwall has focused in 2015 on trying to meet changed consumer and customer demands, and fewer new varieties have been launched to ensure commercial focus. The presence of Lapin Kulta and

Up cider in stores has been increased significantly, and the microbrew concept Hartwall Classic was launched in 2015. Moreover, new Original Gin Longdrink products were introduced, and with the Jaffa Pink and Novelle Vire launches in the soft drinks category, Hartwall is offering its customers and consumers new, popular products.

The integration of Hartwall is progressing satisfactorily. The key measures have been realised when it comes to efficiency improvement, but efforts are still directed at creating greater agility in order to achieve the planned continuous improvement of work processes and greater organisational flexibility with a view to increasing speed and efficiency. The implementation of the Group's SAP platform, which is expected in early 2016, will over time contribute towards synergies through process standardisation as well as consolidation and optimisation of the overall IT operations of Royal Unibrew.

## Baltic Countries

	Q1-Q3 2015	Q1-Q3 2014	% change	Q3 2015	Q3 2014	% change	2014
Sales (thousand hectolitres)	1,457	1,413	3	544	534	2	1,820
Net revenue (mDKK)	506	514	-2	185	187	-1	654

A low single-digit percentage increase of consumption of beer, fruit juices and soft drinks is estimated for Q1-Q3. It is estimated that Royal Unibrew has generally maintained its market share.

Royal Unibrew's sales showed a 3% increase for Q1-Q3 2015, whereas net revenue declined by 2% as compared to 2014. Beer prices in Lithuania generally declined in H2 2014 and have remained at the same level in 2015 due to price competition in the off-trade sales chan-

nel, which is the reason for net revenue per volume unit being lower in 2015 than in 2014. Moreover, a large increase in beer taxes in Latvia in the middle of Q3 2015 resulted in increased price competition and a reduction in total consumption.

As part of the continuous efficiency improvement, Royal Unibrew still has focus on optimisation and flexibility in the total supply chain across the operating units in the Baltic countries.

The level of innovation was high in the Baltic countries with many launches in both Lithuania and Latvia of beer as well as soft drinks products. Mangali Active, Royal Unibrew's first proprietary product in the functional water category, was successfully launched in Lithuania and Latvia; in the microbrew category, Vilkmerges Kriek was launched in Lithuania and became the best-selling product in the category.

## Malt Beverages and Exports

	Q1-Q3 2015	Q1-Q3 2014	% change	Q3 2015	Q3 2014	% change	2014
Sales (thousand hectolitres)	525	475	11	183	150	22	614
Net revenue (mDKK)	358	316	13	126	107	18	407
EBIT (mDKK)	82.7	68.1		30.2	24.9		83.9
EBIT margin (%)	23.1	21.5		23.8	23.4		20.7

The **Malt Beverages and Exports** segment comprises the export and licence business for malt beverages and beer exports to other markets. For the nine months to 30 September 2015, malt beverages accounted for 8% of group sales and for 8% of net revenue (2014: 8% and 7%, respectively).

Sales for Q1-Q3 2015 showed an 11% increase and net revenue a 13% increase. The sales growth is primarily related to the African markets and primarily to the beer category. Exchange rate developments affected net revenue positively by approx DKK 19 million. Adjusted for these, net revenue showed a 4% increase for Q1-Q3 2015, and the lower net revenue per volume unit is due to the changed market mix.

Sales in the segment are characterised by large volumes being exported to distributors at a time, which means that inventory changes should be taken into account when comparing periods. It is the assessment that inventories have been built up with distributors at the end of Q3.

Earnings before interest and tax (EBIT) for Q1-Q3 2015 amounted to DKK 83 million, which is almost DKK 15 million above the 2014 figure, including approx DKK 13 million from exchange rate developments. Adjusted for the positive exchange rate effect, EBIT margin for Q1-Q3 2015 was 20.0% compared to 21.5% in 2014. The primary reason for the decline is that, as planned, higher investments were made in marketing and penetration of markets in 2015 than in 2014.

In the **Americas** a changed mix in sales channels was seen for Q1-Q3 2015 as compared to 2014, which along with the exchange rate developments contributed towards considerable net revenue growth.

The development in the business in **EMEA** was as expected for Q1-Q3 2015. The macroeconomic development in the economies relying on raw materials and the development in the local currencies of a number of markets in Africa have reduced growth rates in a number of countries. In spite of this, Royal Unibrew's sales in Africa showed handsome growth, as expected, and the positive development in the key European market was satisfactory.

# Management's Statement

The Executive Board and the Board of Directors have presented the Interim Report of Royal Unibrew A/S. The Interim Report has today been considered and adopted.

The Interim Report, which has not been audited or reviewed by the Company's independent auditors, was prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU

and additional Danish disclosure requirements for listed companies.

In our opinion, the Interim Financial Statements give a true and fair view of the financial position of the Group at 30 September 2015 as well as of the results of the Group operations and cash flows for the period 1 January - 30 September 2015.

In our opinion, Management's Review gives a true and fair account of the development in the activities and financial circumstances of the Group, of results of operations for the period and of the overall financial position of the Group, and a description of the key risks and uncertainties facing the Group.

Faxe, 25 November 2015

## Executive Board

Henrik Brandt  
President & CEO

Lars Jensen  
CFO

Johannes F.C.M. Savonije  
COO

## Board of Directors

Kåre Schultz  
Chairman

Walther Thygesen  
Deputy Chairman

Martin Alsø

Ingrid Jonasson Blank

Jørgen-Anker Ipsen

Kirsten Liisberg

Søren Lorentzen

Jens Due Olsen

Karsten Mattias Slotte

Jais Valeur

Hemming Van

## Income Statement

(DKK '000)	Q1-Q3 2015	Q1-Q3 2014	Q3 2015	Q3 2014	2014
<b>Net revenue</b>	<b>4,609,617</b>	<b>4,705,405</b>	<b>1,686,336</b>	<b>1,713,255</b>	<b>6,055,898</b>
Production costs	-2,136,880	-2,213,143	-760,617	-779,565	-2,906,089
<b>Gross profit</b>	<b>2,472,737</b>	<b>2,492,262</b>	<b>925,719</b>	<b>933,690</b>	<b>3,149,809</b>
Sales and distribution expenses	-1,457,282	-1,529,997	-495,927	-507,036	-1,987,350
Administrative expenses	-240,349	-250,113	-80,098	-75,514	-336,241
Other operating income		207		207	
<b>EBIT</b>	<b>775,106</b>	<b>712,359</b>	<b>349,694</b>	<b>351,347</b>	<b>826,218</b>
Income after tax from investments in associates	18,080	27,475	5,940	9,445	34,808
Financial income	2,496	2,566	429	489	8,174
Financial expenses	-39,951	-47,870	-13,121	-9,382	-68,596
<b>Profit before tax</b>	<b>755,731</b>	<b>694,530</b>	<b>342,942</b>	<b>351,899</b>	<b>800,604</b>
Tax on the profit for the period	-167,448	-155,862	-76,259	-78,799	-176,439
<b>Net profit for the period</b>	<b>588,283</b>	<b>538,668</b>	<b>266,683</b>	<b>273,100</b>	<b>624,165</b>
Earnings per share (DKK)	10.7	9.8	4.9	5.0	11.3
Diluted earnings per share (DKK)	10.7	9.8	4.9	5.0	11.3

## Statement of Comprehensive Income

(DKK '000)	Q1-Q3 2015	Q1-Q3 2014	Q3 2015	Q3 2014	2014
<b>Net profit for the period</b>	<b>588,283</b>	<b>538,668</b>	<b>266,683</b>	<b>273,100</b>	<b>624,165</b>
<b>Other comprehensive income</b>					
<i>Items that may be reclassified to the income statement:</i>					
Value and exchange adjustments of foreign group enterprises	7,393	-4,231	-10,165	-1,843	-14,184
Value adjustment of hedging instruments, opening	32,677	46,039	27,972	38,213	46,039
Value adjustment of hedging instruments, closing	-27,042	-34,447	-27,042	-34,447	-32,677
Tax on other comprehensive income					-2,336
	<b>13,028</b>	<b>7,361</b>	<b>-9,235</b>	<b>1,923</b>	<b>-3,158</b>
<i>Items that may not be reclassified to the income statement:</i>					
Revaluation of non-current assets	39,000	40,000			70,000
Tax on revaluation of non-current assets	-4,249	-9,200	4,331		-16,100
Actuarial loss on pension schemes					-2,791
Tax on actuarial loss on pension schemes					558
	<b>34,751</b>	<b>30,800</b>	<b>4,331</b>		<b>51,667</b>
<b>Total comprehensive income</b>	<b>636,062</b>	<b>576,829</b>	<b>261,779</b>	<b>275,023</b>	<b>672,674</b>

## Assets

(DKK '000)	30/9 2015	30/9 2014	31/12 2014
<b>NON-CURRENT ASSETS</b>			
Goodwill	1,455,273	1,451,837	1,451,828
Trademarks	1,235,953	1,233,259	1,233,341
Distribution rights	198,200	209,812	206,768
Customer relations	39,256	52,686	49,310
<i>Intangible assets</i>	<i>2,928,682</i>	<i>2,947,594</i>	<i>2,941,247</i>
Project development properties	195,497	208,470	238,439
Other property, plant and equipment	2,244,233	2,339,693	2,331,310
Investments in associates	124,435	138,424	136,249
Other fixed asset investments	11,809	17,961	16,768
<b>Non-current assets</b>	<b>5,504,656</b>	<b>5,652,142</b>	<b>5,664,013</b>
<b>CURRENT ASSETS</b>			
Inventories	393,959	369,427	312,041
Receivables	609,669	579,101	536,320
Prepayments	20,081	17,807	20,011
Cash at bank and in hand	200,125	449,283	491,453
<b>Current assets</b>	<b>1,223,834</b>	<b>1,415,618</b>	<b>1,359,825</b>
<b>Assets</b>	<b>6,728,490</b>	<b>7,067,760</b>	<b>7,023,838</b>

## Liabilities and Equity

(DKK '000)	30/9 2015	30/9 2014	31/12 2014
<b>EQUITY</b>			
Share capital	110,985	110,985	110,985
Other reserves	889,354	932,815	917,142
Retained earnings	1,895,755	1,673,431	1,412,875
Proposed dividend			377,349
<b>Equity</b>	<b>2,896,094</b>	<b>2,717,231</b>	<b>2,818,351</b>
Deferred tax	382,481	435,945	431,774
Mortgage debt	1,003,715	1,151,310	1,012,807
Credit institutions	493,728	782,548	859,108
Other payables	8,748	21,543	24,713
<b>Non-current liabilities</b>	<b>1,888,672</b>	<b>2,391,346</b>	<b>2,328,402</b>
Mortgage debt	14,153	14,084	164,480
Credit institutions	11,843	107,724	7,649
Trade payables	894,158	841,933	810,529
Corporation tax	151,540	113,915	22,156
Other payables	872,030	881,527	872,271
<b>Current liabilities</b>	<b>1,943,724</b>	<b>1,959,183</b>	<b>1,877,085</b>
<b>Liabilities</b>	<b>3,832,396</b>	<b>4,350,529</b>	<b>4,205,487</b>
<b>Liabilities and equity</b>	<b>6,728,490</b>	<b>7,067,760</b>	<b>7,023,838</b>

# Cash Flow Statement

(DKK '000)	Note	Q1-Q3 2015	Q1-Q3 2014	2014
Net profit for the period		588,283	538,668	624,165
Adjustments for non-cash operating items	4	421,315	400,368	515,677
		<b>1,009,598</b>	<b>939,036</b>	<b>1,139,842</b>
Change in working capital:				
Receivables		-72,440	-69,647	-29,751
Inventories		-81,295	-38,807	18,533
Payables		68,357	18,974	-22,967
<b>Cash flows from operating activities before financial income and expenses</b>		<b>924,220</b>	<b>849,556</b>	<b>1,105,657</b>
Financial income		2,398	2,566	1,669
Financial expenses		-39,082	-46,848	-60,759
<b>Cash flows from ordinary activities</b>		<b>887,536</b>	<b>805,274</b>	<b>1,046,567</b>
Corporation tax paid		-89,079	-54,693	-151,126
<b>Cash flows from operating activities</b>		<b>798,457</b>	<b>750,581</b>	<b>895,441</b>
Dividends received from associates		25,661	24,346	24,346
Sale of property, plant and equipment		94,536	132,512	135,278
Corporation tax paid				-24,500
Purchase of property, plant and equipment		-125,505	-135,721	-206,310
<i>Free cash flow</i>		<i>793,149</i>	<i>771,718</i>	<i>824,255</i>
Purchase/sale of intangible assets and fixed asset investments		4,835	856	2,005
<b>Cash flows from investing activities</b>		<b>-473</b>	<b>21,993</b>	<b>-69,181</b>
<i>Debt financing:</i>				
Proceeds from increased drawdown on credit facilities		200,000	447,168	425,788
Repayment on credit facilities		-724,917	-1,014,425	-1,004,674
<i>Shareholders:</i>				
Dividends paid to shareholders		-373,957		
Acquisition of shares for treasury		-191,787		
<b>Cash flows from financing activities</b>		<b>-1,090,661</b>	<b>-567,257</b>	<b>-578,886</b>
<b>Change in cash and cash equivalents</b>		<b>-292,677</b>	<b>205,317</b>	<b>247,374</b>
Cash and cash equivalents at 1 January		491,453	243,962	243,962
Exchange adjustment		1,349	4	117
<b>Cash and cash equivalents at 30 September</b>		<b>200,125</b>	<b>449,283</b>	<b>491,453</b>

# Statement of Changes in Equity for the period 1 January - 30 September 2015

(DKK '000)	Share capital	Share premium account	Revaluation reserves	Translation reserve	Hedging reserve	Total other reserves	Retained earnings	Proposed dividend for the year	Total
<b>Equity at 31 December 2014</b>	110,985	855,839	126,616	-32,636	-32,677	917,142	1,412,875	377,349	2,818,351
<b>Changes in equity in 2015</b>									
Net profit for the year						0	588,283		588,283
Other comprehensive income			34,751	7,393	5,635	47,779			47,779
Realised revaluation reserve			-75,567			-75,567	75,567		0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-40,816</b>	<b>7,393</b>	<b>5,635</b>	<b>-27,788</b>	<b>663,850</b>	<b>0</b>	<b>636,062</b>
Dividends paid to shareholders						0		-373,957	-373,957
Dividend on treasury shares						0	3,392	-3,392	0
Acquisition of shares for treasury						0	-191,787		-191,787
Share-based payments						0	7,425		7,425
<b>Total shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-180,970</b>	<b>-377,349</b>	<b>-558,319</b>
<b>Total changes in equity 1/1 - 30/9 2015</b>	<b>0</b>	<b>0</b>	<b>-40,816</b>	<b>7,393</b>	<b>5,635</b>	<b>-27,788</b>	<b>482,880</b>	<b>-377,349</b>	<b>77,743</b>
<b>Equity at 30 September 2015</b>	<b>110,985</b>	<b>855,839</b>	<b>85,800</b>	<b>-25,243</b>	<b>-27,042</b>	<b>889,354</b>	<b>1,895,755</b>	<b>0</b>	<b>2,896,094</b>
The share capital at 30 September 2015 amounts to DKK 110,985,000 and is distributed on shares of DKK 2 each (at 30 June 2014 shares of DKK 10 each)									
<b>Equity at 31 December 2013</b>	110,985	855,839	136,505	-18,970	-46,039	927,335	1,094,657	0	2,132,977
<b>Changes in equity in 2014</b>									
Net profit for the year						0	538,668		538,668
Other comprehensive income			30,800	-4,043	11,592	38,349	-188		38,161
Realised revaluation reserve			-32,869			-32,869	32,869		0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-2,069</b>	<b>-4,043</b>	<b>11,592</b>	<b>5,480</b>	<b>571,349</b>	<b>0</b>	<b>576,829</b>
Share-based payments						0	7,425		7,425
<b>Total shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,425</b>	<b>0</b>	<b>7,425</b>
<b>Total changes in equity 1/1 - 30/9 2014</b>	<b>0</b>	<b>0</b>	<b>-2,069</b>	<b>-4,043</b>	<b>11,592</b>	<b>5,480</b>	<b>578,774</b>	<b>0</b>	<b>584,254</b>
<b>Equity at 30 September 2014</b>	<b>110,985</b>	<b>855,839</b>	<b>134,436</b>	<b>-23,013</b>	<b>-34,447</b>	<b>932,815</b>	<b>1,673,431</b>	<b>0</b>	<b>2,717,231</b>

# Notes to the Interim Report

## Note 1 – Significant Accounting Policies; Accounting Estimates and Judgements

The Interim Report is presented in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

The accounting policies are unchanged from those applied in the Annual Report for 2014, to which reference is made.

The Annual Report for 2014 provides the total description of accounting policies significant to the Financial Statements.

### Accounting Estimates and Judgements

The preparation of interim financial reporting requires that Management make accounting estimates and judgements which affect the application of accounting policies and recognised assets, liabilities, income and expenses. Actual results may deviate from these estimates.

The key estimates made by Management in applying the Group's accounting policies and the key uncertainties relating to the estimates are the same when preparing the interim financial reporting as

when preparing the Annual Report at 31 December 2014.

As the fair value of project development properties at 30 June 2015 was estimated at approx DKK 195 million, the carrying amount has been written up by DKK 39 million. The revaluation has been recognised in equity less deferred tax of DKK 4.2 million, which has increased this liability.

## Note 2 – Assets and derivative financial instruments measured at fair value

DKK '000	30/9 2015	30/9 2014	2014
Assets (project development properties)	195,497	208,470	238,439
Derivative financial instruments	-27,042	-34,447	-32,677

Assets are classified as level 3 in the fair value hierarchy, whereas derivative financial instruments are classified as level-2 instruments in the FRS fair value hierarchy. The determined fair value of derivative financial instruments is based on observable market data such as yield curves or forward rates.

The fair value of the total debt is assessed to correspond to carrying amount.

# Notes to the Interim Report

## Note 3 – Segment Reporting

The Group's results break down as follows on segments:

Q1-Q3 2015					
(mDKK)	Western Europe	Baltic Sea	Malt Beverages and Exports	Unallocated	Total
Net revenue	2,096.3	2,156.0	357.3		4,609.6
<b>Earnings before interest and tax (EBIT)</b>	<b>407.7</b>	<b>310.6</b>	<b>82.7</b>	<b>-25.9</b>	<b>775.1</b>
Share of income from associates	18.1				18.1
Other financial income and expenses	-0.4	-7.9	-0.2	-29.0	-37.5
<b>Profit/loss before tax for the period</b>	<b>425.4</b>	<b>302.7</b>	<b>82.5</b>	<b>-54.9</b>	<b>755.7</b>
Tax on the profit/loss for the period				-167.4	-167.4
<b>Net profit for the period</b>					<b>588.3</b>
<b>EBIT margin, %</b>	<b>19.4</b>	<b>14.4</b>	<b>23.1</b>		<b>16.8</b>

Q1-Q3 2014					
(mDKK)	Western Europe	Baltic Sea	Malt Beverages and Exports	Unallocated	Total
Net revenue	2,079.8	2,308.9	316.7		4,705.4
<b>Earnings before interest and tax (EBIT)</b>	<b>405.6</b>	<b>266.4</b>	<b>68.1</b>	<b>-27.8</b>	<b>712.3</b>
Share of income from associates	27.5				27.5
Other financial income and expenses	-0.6	-11.3	-0.2	-33.2	-45.3
<b>Profit/loss before tax for the period</b>	<b>432.5</b>	<b>255.1</b>	<b>67.9</b>	<b>-61.0</b>	<b>694.5</b>
Tax on the profit/loss for the period				-155.8	-155.8
<b>Net profit for the period</b>					<b>538.7</b>
<b>EBIT margin, %</b>	<b>19.5</b>	<b>11.5</b>	<b>21.5</b>		<b>15.1</b>

2014					
(mDKK)	Western Europe	Baltic Sea	Malt Beverages and Exports	Unallocated	Total
Net revenue	2,674.6	2,974.8	406.5		6,055.9
<b>Earnings before interest and tax (EBIT)</b>	<b>483.7</b>	<b>295.3</b>	<b>83.9</b>	<b>-36.7</b>	<b>826.2</b>
Share of income from associates	34.8				34.8
Other financial income and expenses	-0.7	-15.4	-0.2	-44.1	-60.4
<b>Profit/loss before tax for the period</b>	<b>517.8</b>	<b>279.9</b>	<b>83.7</b>	<b>-80.8</b>	<b>800.6</b>
Tax on the profit/loss for the period				-176.4	-176.4
<b>Net profit for the period</b>					<b>624.2</b>
<b>EBIT margin, %</b>	<b>18.1</b>	<b>9.9</b>	<b>20.7</b>		<b>13.6</b>

# Notes to the Interim Report

## Note 3 – Segment Reporting

The Group's results break down as follows on segments:

Q3 2015					
(mDKK)	Western Europe	Baltic Sea	Malt Beverages and Exports	Unallocated	Total
Net revenue	769.7	790.1	126.5		1,686.3
<b>Earnings before interest and tax (EBIT)</b>	<b>174.9</b>	<b>154.2</b>	<b>30.2</b>	<b>-9.6</b>	<b>349.7</b>
Share of income from associates	6.0				6.0
Other financial income and expenses	-0.2	-2.4		-10.2	-12.8
<b>Profit/loss before tax for the period</b>	<b>180.7</b>	<b>151.8</b>	<b>30.2</b>	<b>-19.8</b>	<b>342.9</b>
Tax on the profit/loss for the period				-76.2	-76.2
<b>Net profit for the period</b>					<b>266.7</b>
<b>EBIT margin, %</b>	<b>22.7</b>	<b>19.5</b>	<b>23.9</b>		<b>20.7</b>

Q3 2014					
(mDKK)	Western Europe	Baltic Sea	Malt Beverages and Exports	Unallocated	Total
Net revenue	753.6	853.0	106.6		1,713.2
<b>Earnings before interest and tax (EBIT)</b>	<b>176.7</b>	<b>156.3</b>	<b>24.9</b>	<b>-6.6</b>	<b>351.3</b>
Share of income from associates	9.5				9.5
Other financial income and expenses	-0.4	-2.9	-0.1	-5.5	-8.9
<b>Profit/loss before tax for the period</b>	<b>185.8</b>	<b>153.4</b>	<b>24.8</b>	<b>-12.1</b>	<b>351.9</b>
Tax on the profit/loss for the period				-78.8	-78.8
<b>Net profit for the period</b>					<b>273.1</b>
<b>EBIT margin, %</b>	<b>23.4</b>	<b>18.3</b>	<b>23.4</b>		<b>20.5</b>

## Note 4 – Cash Flow Statement

DKK '000	Q1-Q3 2015	Q1-Q3 2014	2014
<b>Adjustments for non-cash operating items</b>			
Financial income	-2,496	-2,566	-8,174
Financial expenses	39,951	47,870	68,596
Amortisation, depreciation and impairment of intangible assets and property, plant and equipment	228,066	221,703	304,719
Tax on the profit for the period	167,448	155,862	176,439
Income from investments in associates	-18,080	-27,475	-34,808
Net profit/loss from sale of property, plant and equipment	-999	-2,451	-995
Share-based remuneration and payments	7,425	7,425	9,900
<b>Total</b>	<b>421,315</b>	<b>400,368</b>	<b>515,677</b>

## Quarterly Financial Highlights and Key Ratios

	Q1 2015	Q1 2014	Q2 2015	Q2 2014	Q3 2015	Q3 2014
Sales (thousand hectolitres)	1,899	1,847	2,450	2,541	2,515	2,533
<b>Income Statement (mDKK)</b>						
Net revenue	1,290	1,267	1,633	1,725	1,686	1,713
EBITDA	204	110	370	394	428	428
<i>EBITDA margin (%)</i>	15.8	8.7	22.7	22.8	25.4	25.0
Earnings before interest and tax (EBIT)	131	43	294	318	350	351
<i>EBIT margin (%)</i>	10.2	3.4	18.0	18.4	20.7	20.5
Income after tax from investments in associates	1	-1	11	19	6	9
Other financials, net	-13	-22	-11	-14	-13	-8
Profit before tax	119	20	294	323	343	352
Net profit for the period	92	14	229	252	267	273
<b>Balance Sheet (mDKK)</b>						
Non-current assets	5,641	5,800	5,552	5,744	5,505	5,652
Total assets	6,768	6,995	6,910	7,282	6,728	7,068
Equity	2,900	2,157	2,724	2,440	2,896	2,717
Net interest-bearing debt	1,710	2,638	1,627	2,042	1,323	1,606
Net working capital	-555	-567	-721	-756	-742	-757
<b>Cash Flows (mDKK)</b>						
From operating activities	-96	-207	472	568	422	390
From investing activities	-27	-52	54	26	-27	48
Free cash flow	-122	-254	521	594	394	432
<b>Financial ratios (%)</b>						
Free cash flow as a percentage of net revenue	-9	-20	32	34	23	25
Cash conversion	-133	-1,814	227	236	147	158
Equity ratio	43	31	39	34	43	38

Ratios comprised by the "Recommendations and Financial Ratios 2015" issued by the Danish Society of Financial Analysts have been calculated according to the recommendations.

# Financial Highlights and Key Ratios for the period 1 January - 30 September

	2015	2014	2013	2012	2011
Sales (thousand hectolitres)	6,864	6,921	4,897	4,191	4,431
<b>Income Statement (mDKK)</b>					
Net revenue	4,610	4,705	3,056	2,670	2,667
EBITDA	1,002	932	545	490	480
<i>EBITDA margin (%)</i>	21.7	19.8	17.8	18.4	18.0
Earnings before interest and tax (EBIT)	775	712	449	400	389
<i>EBIT margin (%)</i>	16.8	15.1	14.7	15.0	14.6
Income after tax from investments in associates	18	27	20	19	8
Other financials, net	-37	-44	-22	-22	-23
Profit before tax	756	695	447	397	374
Net profit for the period	588	539	356	299	282
Parent Company shareholders' share of profit	588	539	356	297	281
<b>Balance Sheet (mDKK)</b>					
Non-current assets	5,505	5,652	5,926	2,166	2,300
Total assets	6,728	7,068	7,235	3,063	3,016
Equity	2,896	2,717	2,025	1,336	1,297
Net interest-bearing debt	1,323	1,606	2,604	404	596
Net working capital	-742	-757	-583	-171	-143
<b>Cash Flows (mDKK)</b>					
From operating activities	798	751	420	472	387
From investing activities	0	22	-2,837	74	17
Free cash flow	793	772	357	551	388
<b>Share Ratios (DKK per share of DKK 2)</b>					
Earnings per share	10.7	9.8	7.0	5.6	5.1
Cash flow per share	14.6	13.6	8.2	8.8	7.0
Year-end price per share	249.8	196.2	131.0	88.0	56.8
<b>Financial Ratios (%)</b>					
Free cash flow as a percentage of net revenue	17	16	12	21	15
Cash conversion	135	143	100	184	138
Net interest-bearing debt/EBITDA (running 12 months)	1.1	1.4	3.9	0.7	1.2
Equity	43	38	28	44	43

Ratios comprised by the "Recommendations and Financial Ratios 2015" issued by the Danish Society of Financial Analysts have been calculated according to the recommendations.