



ARCUSGRUPPEN

Ratos Capital Markets Day, March 16 2016
Kenneth Hamnes, Group CEO

Today's agenda

THINK BEFORE
YOU DRINK. MAKE
GREAT MOMENTS
EVEN BETTER.

ARCUSGRUPPEN

- 1 Overview**
- 2 Spirits**
- 3 Wine**
- 4 Summary and questions**

We are a leading Nordic BCG company

- #1 in spirits in Norway
- #1 in wine in Norway
- #2 in spirits in Denmark
- #2 in wine in Sweden
- #3 in wine in Finland



- ✓ Unique and attractive market dynamics
- ✓ Global category leader in aquavit
- ✓ Leading Nordic player within spirits with own iconic brand portfolio
- ✓ Leading player in the growing wine market
- ✓ Delivering growth and solid cash flow
- ✓ Multiple growth opportunities

“Strong positions within wine and spirits in all key markets”

We are a Nordic player with local insights

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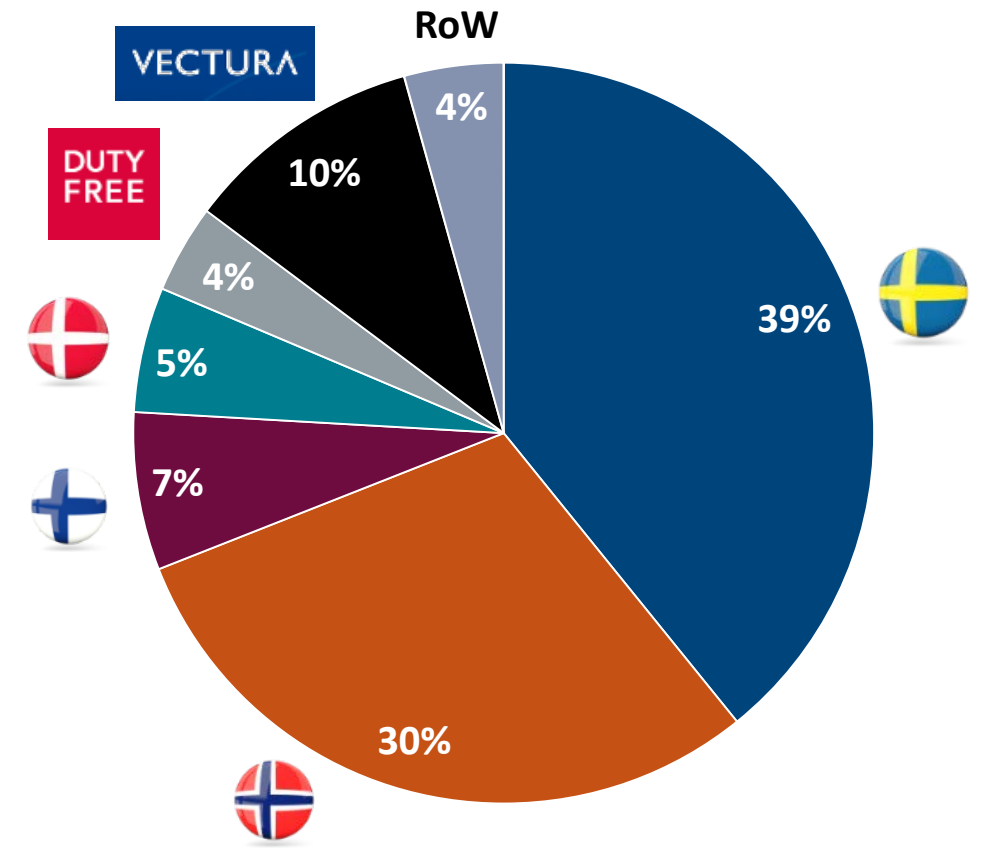
“Unique consumer insights on tastes, packaging, trends and pricing”

80% of NOK 2.5bn revenues from monopoly markets

Revenue per business area (2015)



Revenues pr country (2015)



“Nordic focus with international appeal”

Strong revenue growth and solid margins

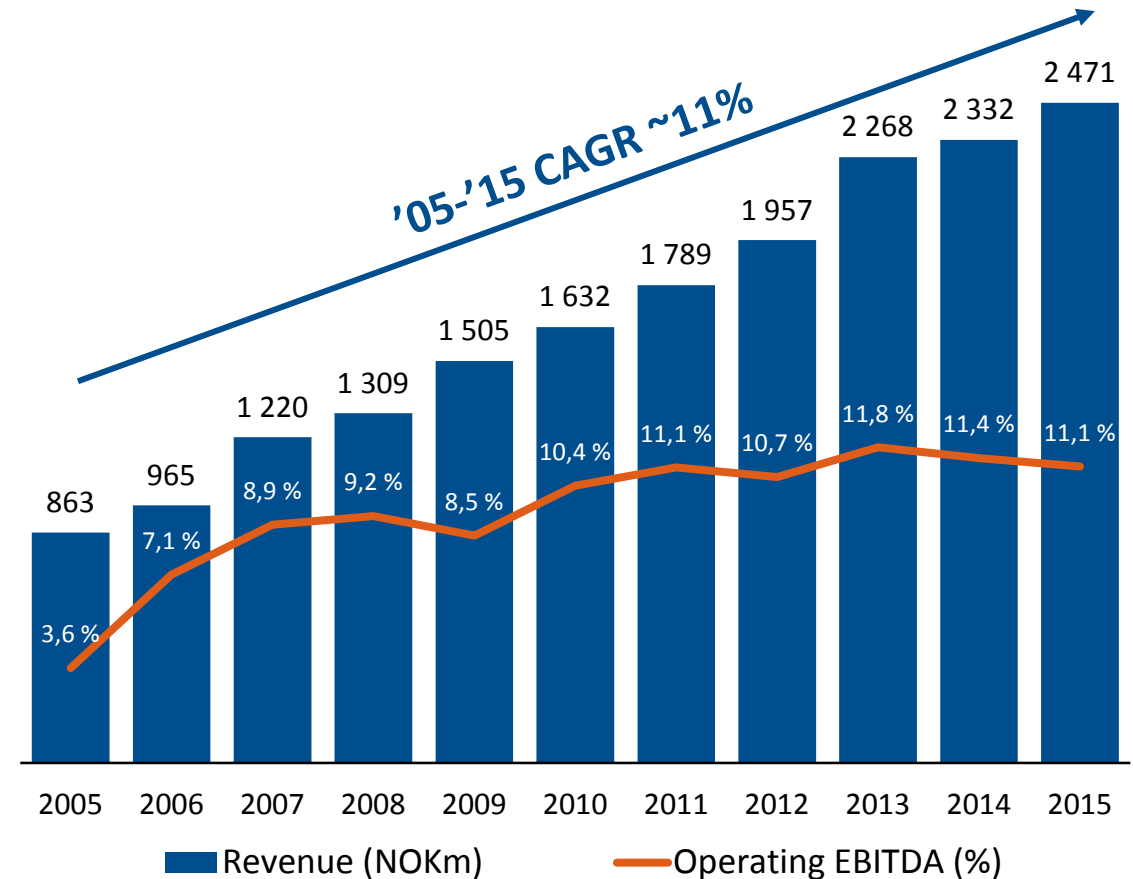
2005

2015



*From a local player in
the Norwegian market...*

*...to a powerful Nordic
BCG company*

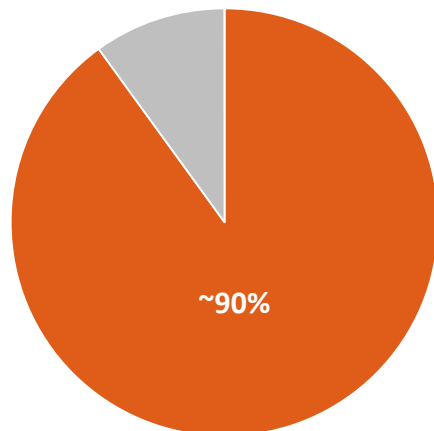


“A successful combination of organic and acquired growth”

We know the monopoly markets

Monopoly structure favours local players

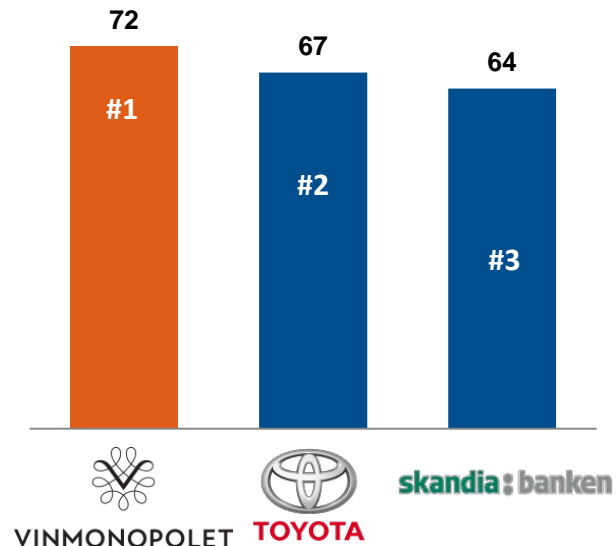
The monopolies dominate wine & spirits sales in Norway, Sweden and Finland¹



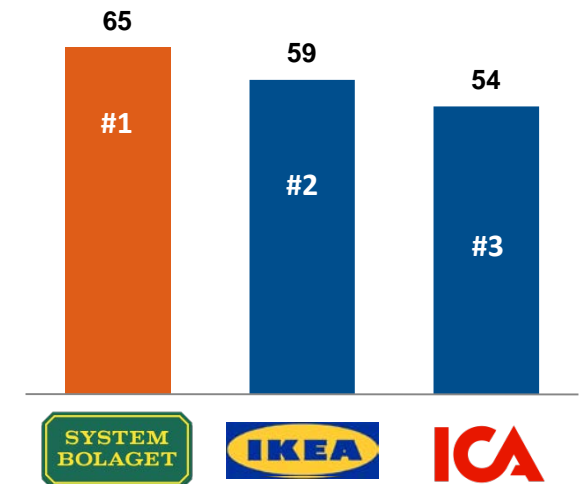
Monopolies enjoy strong public support



Results from TNS Gallup's reputation survey 2014



Results from TNS Sifo's Consumer confidence barometer 2015



“We are the monopoly market expert”

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We are the global aquavit leader

Global market leading aquavit brands



Other Nordic spirits favourites



- ✓ Iconic own brand portfolio
- ✓ Increased innovation focus an opportunity
- ✓ Global aquavit leader
- ✓ 83 % of aquavit value share in Norway
- ✓ 57 % of aquavit value share in Denmark

“We bring the best of Nordic spirits to the world”

Large untapped potential

Nordic market opportunities

- Product innovation
- Premiumisation
- New target groups
- New occasions
- Sweden and Finland with untapped growth potential



Opportunities outside Nordics

- Aquavit in Germany
- Aquavit in the U.S.
- Cognac



“Strong brand portfolio with untapped Nordic and international potential”

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Strong wine portfolio in growing markets



- ✓ Growing Nordic wine market
- ✓ Own and agency brands
- ✓ Insight-driven concepts grow
- ✓ Finnish position strengthened
- ✓ Bag-in-box highly popular

“We bring the best of the world’s wines to the Nordics”

Wine: A highly successful business model



WINE WORLD
Sweden



SYMPOSIUM
WINES

VINUNIC



VQ VINUNIQ

VALID
WINES



vinordia



Arcus
WINE
BRANDS

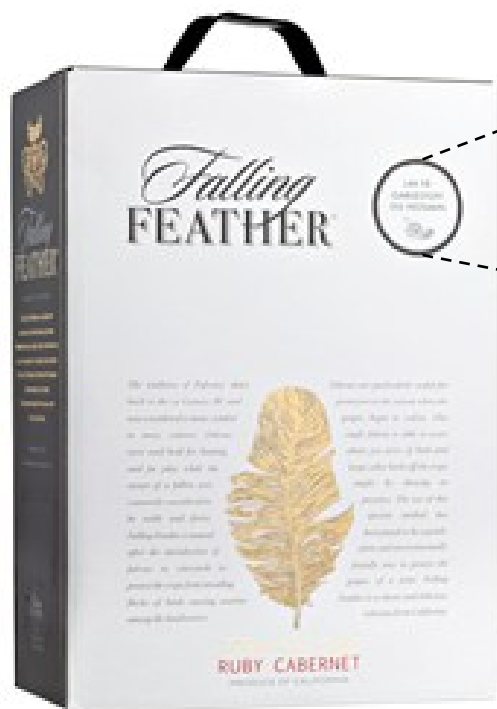
SOCIAL WINES

THE wineagency

heyday
WINES

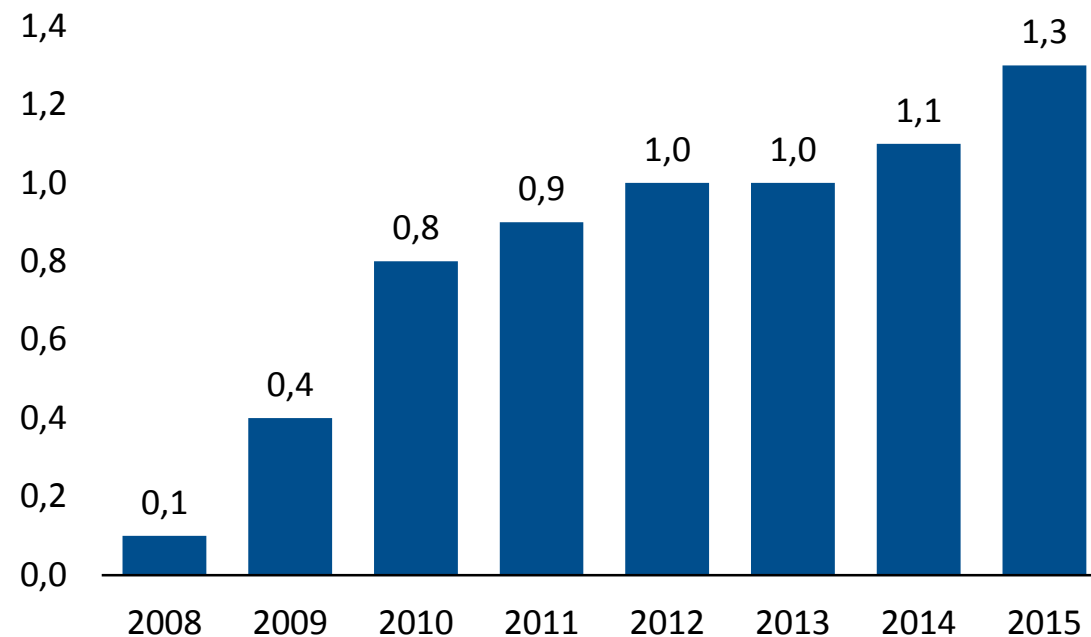
“Our portfolio companies are competitors, but share group functions and best practice”

Falling Feather: A Norwegian brand success



Low tannin and histamine content

Falling Feather sales volumes on Vinmonopolet (m litres)



“The environmentally friendly bag-in-box represents 54% of total wine sales in Norway and Sweden”

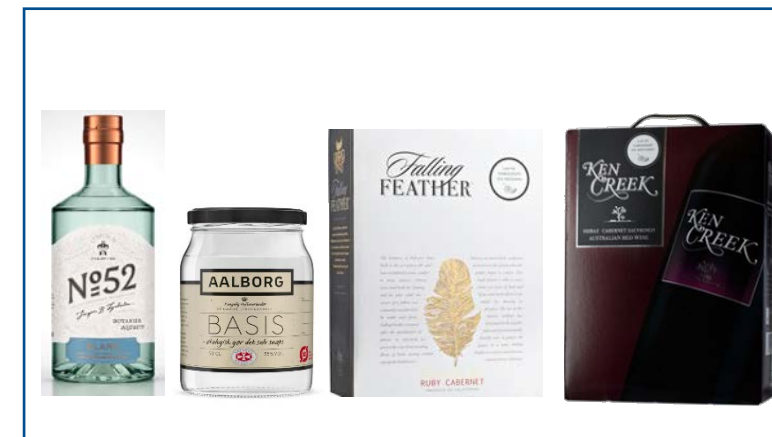
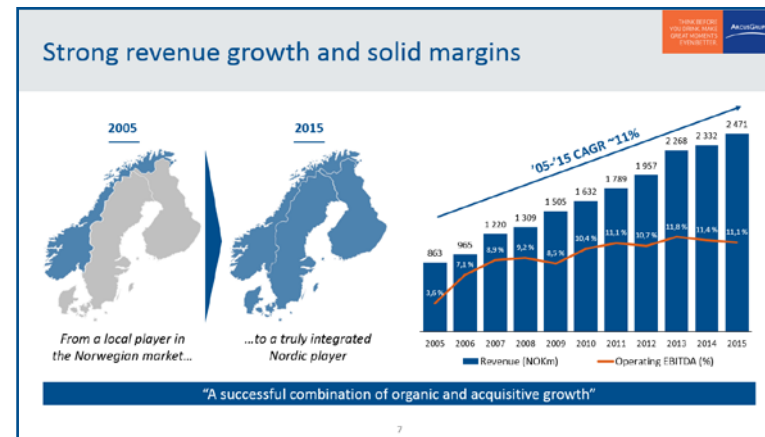
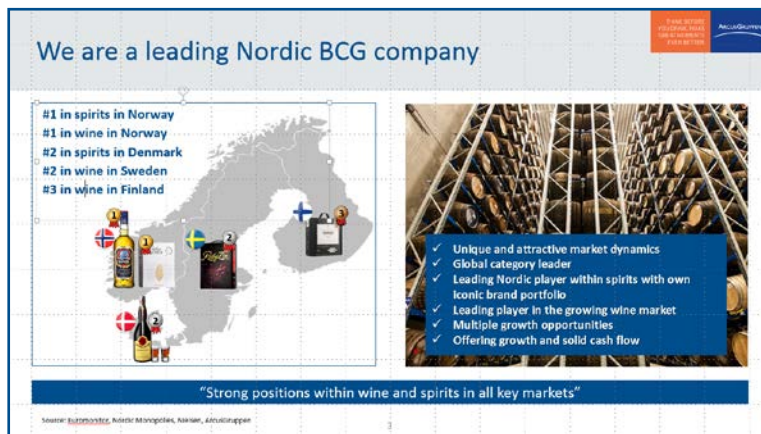
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ArcusGruppen going forward



1. Leverage leading positions

- Strong Nordic position
- Iconic brands
- Monopoly competence
- Modern and efficient plant

2. Build on growth track-record

- Core products in core markets
- Bolt-on acquisitions
- Improve operational efficiency

3. Further growth initiatives

- Revitalize, premiumize
- Insight-driven innovation



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Q&A