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# Financial statement as at 31 December 2009

## Strong profit growth and significant cash flow in 2009

- Carlsberg delivered a strong 2009 operating profit of DKK 9.4bn (DKK 8.0bn in 2008). For the beverage activities organic operating profit growth was 28%. Group operating profit margin improved to 15.8% (13.3% in 2008) and free cash flow improved substantially to DKK 10.5bn. As a result of detailed planning and strong execution the Group managed to mitigate the impact from the market challenges and also improved market shares.

- The Group's beer volumes increased by 6% to 116.0m hl with an organic beer volume decline of 4% (flat for Q4) and net acquisitions contributing 10%. Throughout the year Asian volumes continued to grow at high single-digit growth rates. Eastern Europe and Northern & Western Europe volumes declined organically by mid-single-digit rates.

- Net revenue declined by 1% to DKK 59.4bn (DKK 59.9bn in 2008) with a flat organic net revenue development. Excluding currency impact, total net revenue would have increased by 6% in 2009. Value management initiatives and price increases resulted in a positive price/mix effect of 4%. Q4 net revenue was DKK 13.6bn with organic net revenue growth of 3%.

- In 2009 Carlsberg improved market share in a significant part of the business. The Group gained market shares in most markets in Eastern Europe and Asia, with particularly strong gains in the Ukraine and Russia. The Group maintained overall market share in Northern & Western Europe.

- New products were launched in all regions and Carlsberg will further intensify its focus and resources on building a strong portfolio of new products and brand innovations.

- Group operating profit increased to DKK 9,390m (DKK 7,978m in 2008) with 28% organic growth for the beverage activities. For Q4, Group operating profit was DKK 1,643m (DKK 1,386m in Q4 2008) with 32% organic growth in the beverage activities. The Eastern European and Asian regions were the main drivers behind the strong organic growth.

- Operating margin increased to 15.8% (13.3% in 2008). Q4 Group operating margin was 12.1% (9.6% in Q4 2008).

- Net profit was DKK 3.6bn (DKK 2.6bn in 2008) and earnings per share were DKK 23.6 (DKK 22.1 in 2008). For 2009 Carlsberg proposes a dividend per share of DKK 3.5 (DKK 3.5 for 2008).

- Driven by the intense and structured focus on cash flow improvements throughout the Group, free cash flow was exceptionally strong at DKK 10.5bn. Higher profits, lower capital expenditures and a significant year over year improvement in working capital were the main reasons behind this.

- In line with the intention of rapidly deleveraging the Group, net interest-bearing debt was reduced substantially to DKK 35.7bn compared to DKK 44.2bn at the end of 2008. Net debt/EBITDA was 2.7x at the end of 2009.

- Of the DKK 1.3bn synergy target related to the S&N acquisition, around DKK 970m annualised savings have been achieved as at 31 December 2009. The remainder of the synergy target will be achieved in line with the original plan.

- In a Russian market that declined by around 10% in 2009 Carlsberg improved its market share from 38.8% to 40.6% (+180bp). Due to the 200% increase in excise duties on 1 January 2010, Carlsberg expects the Russian beer market to show a low double-digit decline in 2010 and anticipates that Carlsberg will continue to outperform the market.

- For 2010 Carlsberg expects:
  - Operating profit to be in line with that reported for 2009 (notwithstanding the extra earnings in Q4 2009 generated by stockbuilding in Russia ahead of the excise duty increase as set out below).
  - Net profit growth of more than 20% based on the expected operating profit.

- Due to the Russian stockbuilding in Q4 2009 and subsequent destocking in Q1 2010, the Group's Q1 2010 and 2010 full-year operating profit will be negatively affected by approximately DKK 300m. This is included in the 2010 expectations. Furthermore, due to phasing of price increases linked to the excise duty increase in Russia, earnings will be skewed more towards the second half of the year.

- Carlsberg has set new medium-term (3-5 years) operating margin targets:
  - Northern & Western Europe at 15-17% (previously 14-16%)
  - Eastern Europe at 26-29% (previously 23-25%)
  - Asia at 15-20% (new)
  - Carlsberg Group at around 20% (new)

Commenting on the results, CEO Jørgen Buhl Rasmussen says: “We were well prepared for 2009 as we identified earnings protection and cash flow improvement as our top priorities going into the year. The 2009 result demonstrates that we have been successful in our efforts to meet these goals. For 2010 profitable market share growth through accelerated initiatives on brands and innovations will be a top priority as well as continuing our focus on efficiency improvements. While we expect consumer dynamics to be challenging in 2010, we also see many opportunities to strengthen our position in key markets."

*Carlsberg will present the financial statements at a conference call for analysts and investors today at 9.00 am CET (8.00 am GMT). The conference call will refer to a slide deck, which will be available beforehand at www.carlsberggroup.com.*

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## KEY FIGURES AND FINANCIAL RATIOS

| DKK million | | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|
| **Sales volumes, gross (million hl)** | | | | | | |
| Beer | | 101,6 | 100,7 | 115,2 | 126,8 | 137,0 |
| Non-beer | | 19,1 | 20,2 | 20,8 | 22,3 | 22,2 |
| **Income statement** | | | | | | |
| Net revenue | | 38.047 | 41.083 | 44.750 | 59.944 | 59.382 |
| Operating profit before special items | | 3.518 | 4.046 | 5.262 | 7.978 | 9.390 |
| Special items, net | | -386 | -160 | -427 | -1.641 | -695 |
| Financial items, net | | -1.240 | -857 | -1.201 | -3.456 | -2.990 |
| Profit before tax | | 1.892 | 3.029 | 3.634 | 2.881 | 5.705 |
| Corporation tax | | -521 | -858 | -1.038 | 312 | -1.538 |
| Consolidated profit | | 1.371 | 2.171 | 2.596 | 3.193 | 4.167 |
| Attributable to: | | | | | | |
| Non-controlling interests | | 261 | 287 | 299 | 572 | 565 |
| Shareholders in Carlsberg A/S | | 1.110 | 1.884 | 2.297 | 2.621 | 3.602 |
| **Statement of financial position** | | | | | | |
| Total assets | | 62.359 | 58.451 | 61.220 | 142.639 | 134.515 |
| Invested capital | | 42.734 | 43.160 | 45.394 | 118.643 | 109.538 |
| Interest-bearing debt, net | | 20.753 | 19.229 | 19.726 | 44.156 | 35.679 |
| Equity, shareholders in Carlsberg A/S | | 17.968 | 17.597 | 18.621 | 54.750 | 54.829 |
| **Cash flow** | | | | | | |
| Cash flow from operating activities | | 4.734 | 4.470 | 4.837 | 7.812 | 13.631 |
| Cash flow from investing activities | | -2.354 | 65 | -4.927 | -57.153 | -3.082 |
| Free cash flow | | 2.380 | 4.535 | -90 | -49.341 | 10.549 |
| **Investments** | | | | | | |
| Acquisition and disposal of property, plant and equipment, net | | 1.323 | 2.864 | 4.596 | 4.669 | 2.342 |
| Acquisition and disposal of entities, net | | 738 | -18 | 179 | -51.438 | 95 |
| **Financial ratios** | | | | | | |
| Operating margin | % | 9,2 | 9,8 | 11,8 | 13,3 | 15,8 |
| Return on average invested capital (ROIC) | % | 7,8 | 9,2 | 11,7 | 8,2 | 8,2 |
| Equity ratio | % | 31,3 | 32,5 | 32,6 | 42,0 | 44,2 |
| Debt/equity ratio (financial gearing) | x | 1,06 | 1,01 | 0,99 | 0,74 | 0,60 |
| Debt/operating profit before depreciation and amortisation | x | 3,29 | 2,73 | 2,43 | 3,80 | 2,71 |
| Interest cover | x | 2,84 | 4,72 | 4,38 | 2,31 | 3,14 |
| **Stock market ratios*** | | | | | | |
| Earnings per share (EPS) | DKK | 11,7 | 19,9 | 24,3 | 22,1 | 23,6 |
| Cash flow from operating activities per share (CFPS) | DKK | 50,1 | 47,1 | 51,2 | 65,8 | 89,3 |
| Free cash flow per share (FCFPS) | DKK | 25,2 | 48,0 | -1,0 | -415,4 | 69,1 |
| Dividend per share (proposed) | DKK | 4,0 | 4,8 | 4,8 | 3,5 | 3,5 |
| Pay-out ratio | % | 34 | 24 | 20 | 20 | 15 |
| Share price (B shares) | DKK | 272,8 | 452,9 | 498,1 | 171,3 | 384,0 |
| Number of shares (period-end) | 1.000 | 76.278 | 76.271 | 76.246 | 152.554 | 152.553 |
| Number of shares (average, excl. treasury shares) | 1.000 | 94.433 | 94.479 | 94.466 | 118.778 | 152.550 |

* Stock market ratios in 2008 were adjusted for the bonus factor from the rights issue in June 2008 in accordance with IAS 33. The number of shares (period-end) has not been adjusted.

## BUSINESS DEVELOPMENT

2009 was a challenging year for Carlsberg and the global brewing industry. The global economy affected consumer behaviour negatively and overall beer market volumes declined. While the Asian markets were less affected by the crisis, the Northern & Western European and, in particular, the Eastern European markets were materially impacted. Although consumers reduced their consumption, they remained loyal to their favourite brands leading to a positive price/mix across many markets. This occurred despite the negative channel mix from on-trade to off-trade.

Carlsberg was well prepared entering 2009. In late 2008 and early 2009 the Group implemented and accelerated numerous efficiency improvement initiatives to protect earnings and improve cash flow and as a result was able to mitigate the impact from the declining markets. Carlsberg delivered a strong operating profit improvement, improved overall market shares and delivered a very substantial free cash flow improvement.

Organic Group beer volumes declined by 4%. Including acquisitions beer volumes increased by 6% to 116.0m hl (109.3m hl in 2008). In Q4 organic beer volumes were flat. Although there were signs of improvements in some Northern & Western European markets at the end of the year, underlying beer volumes continued to decline in the region. In Eastern Europe, volumes grew slightly in Q4. This growth was solely due to the Russian stockbuilding ahead of the excise duty increase on 1 January 2010. The Asian business continued to grow. Pro rata Group volumes of other beverages were 19.8m hl as in 2008.

Net revenue declined by 1% to DKK 59,382m (DKK 59,944m in 2008) driven by flat organic growth (consisting of total volume -4% and price/mix +4%), currency impact -7% and acquisition impact 6%. Organic net revenue growth was 3% in Q4.

The continued focus on portfolio and value management coupled with pricing and strong sales execution were the key drivers behind the price/mix effect of 4%. The positive mix in Northern & Western Europe and Asia was offset by the negative mix in Eastern Europe resulting from a shift in channel and packaging mix, and from Q3, also from a marginal shift between brands. The negative currency effect was mainly driven by weaker Eastern European currencies.

In early 2009, Carlsberg integrated its global R&D, innovation, sales and marketing activities into one organisation. The goal is to expand and focus the innovation process driving key concepts across more markets more quickly so as to accelerate revenue growth and gain volume and value shares in all regions. As part of these efforts Carlsberg will evolve and develop brand positions and portfolio structure. Several product launches took place in 2009, key events being the relaunch of the 1664 and Kronenbourg brands in France and the kvass Khlebny Krai launch in Russia. In China, Carlsberg Light was launched targeting the restaurant sector, and Somersby Cider was rolled out across new markets in Northern & Western Europe.

Higher input costs affected the Group negatively and cost of sales per hl increased organically by approximately 2% for the year. While Carlsberg benefited from lower raw material prices in Eastern Europe in 2009, the Group was negatively affected by higher raw material prices in

Northern & Western Europe and Asia. Driven by increase in net revenue per hl, lower input costs in Eastern Europe and production efficiencies across the Group, organic gross profit growth per hl was 8% (8% in Q4). Organic gross profit margin improvement per hl was around 130bp (approximately 180bp improvement in Q4).

The Group has maintained a focused marketing spend supporting our key brands and activities. The share of voice in 2009 was on a level with 2008 despite lower brand marketing costs. The lower brand marketing costs were primarily driven by media deflation, lower media activity overall and EURO 2008 sponsorship impacting 2008.

Group operating profit increased by 18% to DKK 9,390m (DKK 7,978m in 2008). Organic operating profit growth was 21%, currency impact was -13% and acquisitions contributed 10%. Operating profit for the beverage activities was DKK 9,460m (DKK 7,604m in 2008) with organic growth of 28% (14% in DKK). Organic operating profit growth accelerated in Q4 due to the Russian stockbuilding and was 35% for the Group and 32% for the beverage activities in the quarter.

Strong organic profit growth was achieved despite the volume decline. This is largely attributable to the Group's thorough planning for and execution during the year. The efficiency improvements consisting of both long-term projects and accelerated efficiency programmes were a key driver of the organic operating profit growth. Also, value management initiatives driving net revenue per hl, the synergies from the S&N acquisition and favourable raw material costs in Eastern Europe all contributed positively. The efficiency improvements were necessary due to the challenging market conditions and although some cost reductions were linked to volume, it is Carlsberg's expectation that a significant part of the cost base reduction is sustainable as it has predominantly been driven by structural and process changes.

Eastern Europe generated organic operating profit growth of 38%, and the region was a key contributor to the Group’s strong performance. This growth was achieved despite very challenging markets. Northern & Western Europe delivered 6% organic operating profit growth while the Asian business continued its strong organic performance throughout the year with 19% organic operating profit growth.

Net profit was DKK 3.6bn (DKK 2.6bn in 2008) and earnings per share were DKK 23.6 (DKK 22.1 in 2008).

Operating cash flow grew by 74% to DKK 13.6bn (DKK 7.8bn in 2008) and free cash flow increased substantially to DKK 10.5bn. The intense focus throughout the Group on improving cash flow was very successful, especially within working capital management. Also, capital expenditures, cash charges for taxes and interest costs were markedly reduced and profits improved.

Although capital expenditures have been reduced, the Group has continued to invest in markets with capacity constraints and long-term growth opportunities. In 2009 Carlsberg initiated construction of breweries in India and Vietnam.

A key focus area in 2009 has been debt reduction and as a result of the very strong free cash flow, net interest-bearing debt was reduced to DKK 35.7bn as at 31 December 2009 compared to DKK 44.2bn at the end of 2008. Net debt/EBITDA declined to 2.7x at 31 December 2009 compared to the Group's expectations of "below 3x".

Driven by Carlsberg's ambition to improve efficiency, several structural initiatives were carried out in 2009. The Norwegian Arendal brewery was sold, the Finnish Pori brewery was closed, the German Braunschweig brewery with its fighter brand activities was divested, Carlsberg entered into a distribution cooperation with the Nordmann Group in Germany and it was decided to close the Leeds brewery in 2011. Carlsberg also signed two Memoranda of Understanding with the aim of increasing its shareholdings in the Habeco and Hué breweries in Vietnam.

In addition to these efforts a number of projects were continued and initiated with the aim of improving governance, driving best practice, growing revenue and ultimately improving efficiency. Major projects included: establishment of a global procurement organisation, strengthened shared services, centralised IT organisation, expansion of value management toolbox, establishment of on-trade programmes based on consumer insights across regions, and a new integrated people performance assessment and organisational succession-planning process.

In 2009, the Executive Committee was strengthened by the appointments of Khalil Younes, Senior Vice President, Group Sales, Marketing & Innovation; Jesper Friis, Senior Vice President, Western Europe; Jørn Tolstrup Rohde, Senior Vice President, Northern Europe; and Roy Bagattini, Senior Vice President, Asia. These appointments have further strengthened the leadership competences and added further experience in global fast moving consumer goods to the Group.

## 2010 EARNINGS EXPECTATIONS

Driven by the Group's initiatives implemented in late 2008 and early 2009, Carlsberg managed to exceed the profit, cash flow and financial leverage expectations set out at the beginning of 2009.

Although there are positive signs in some markets, consumer dynamics will remain challenging. Despite this, the Group sees opportunities to further strengthen its market position in several key markets.

The Russian market will undoubtedly be negatively impacted by actual and phased consumer price increases following the 200% excise duty increase on 1 January 2010. However, based on our strong business set-up in Russia and a carefully planned pricing strategy, the Group believes this will bring opportunities to further strengthen the market position.

For 2010 Carlsberg is assuming the following:

- A slight decline in Northern & Western European markets

- A low double-digit percentage decline in the Russian market
- Continued market growth in Asia
- Continued implementation of operational and capital efficiency improvements
- Increased investments in brands and channel marketing to grow volume and value market shares

For 2010 Carlsberg expects:

- Operating profit to be in line with that reported for 2009 (notwithstanding the extra earnings generated by stockbuilding in Q4 in Russia ahead of the excise duty increase as set out below)
- Net profit growth of more than 20%

Due to the Russian stockbuilding in Q4 2009 and subsequent destocking in Q1 2010, the Group's Q1 2010 and 2010 full-year operating profit will be negatively affected by approximately DKK 300m. This is included in the 2010 expectations.

Furthermore, due to the chosen detailed strategy for phasing of price increases in Russia to compensate for the significant increase in excise duties on 1 January 2010, earnings in Eastern Europe in general will be skewed towards the second half of the year more than has been experienced in prior years.

Working capital improvement will continue to be a key focus area. However, the focus is changing from "year over year" improvement to "day over day" improvements. This is being done with the aim of achieving a higher reduction in average working capital during the year.

## MEDIUM-TERM FINANCIAL TARGETS

With an operating margin of 28.5%, the Eastern European region exceeded the region's medium-term operating margin target of 23-25% in 2009. Margin targets have been revised and the following medium-term (3-5 years) operating margin targets have been set:

- Northern & Western Europe at 15-17% (previously 14-16%)
- Eastern Europe at 26-29% (previously 23-25%)
- Asia at 15-20% (new)
- Carlsberg Group at around 20% (new)

These ambitious margin targets will be met through a combination of intensified focus on driving volume and value market shares, and a continuous drive for efficiency improvements.

2009 REGIONAL REVIEW

## NORTHERN & WESTERN EUROPE

| DKK million | Q4 2009 | Q4 2008 | Change (%) | 2009 | 2008 | Change (%) |
|---|---|---|---|---|---|---|
| Beer sales (million hl) | 11,4 | 12,1 | -6,0 | 50,2 | 51,0 | -1,5 |
| Net revenue | 8.451 | 8.915 | -5,2 | 36.466 | 37.128 | -1,8 |
| Operating profit | 657 | 847 | -22,4 | 4.237 | 3.953 | 7,2 |
| Operating margin (%) | 7,8 | 9,5 | -170bp | 11,6 | 10,6 | 100bp |

The overall beer markets in Northern & Western Europe declined by some 5-6% in 2009. However, during the latter part of the year there were some signs of improvement and the Q4 market decline was around 4%.

The impact from the economic crisis affected the individual markets very differently with the Finnish, Swedish, Swiss and French markets showing growth or flat development while the Baltic and Balkan markets declined by high single digits.

Carlsberg maintained an overall flat market share in the region with organic beer volumes declining by 5.6% (-3.7% for Q4). Reported beer volumes declined by 2% to 50.2m hl (51.0m hl in 2008).

Net revenue per hl increased 5% organically due to the Group's strong focus on value management across all markets which mitigated some of the negative volume impact. Organic net revenue development was -2% for the region (-2% for Q4). Net revenue for beer declined by 2% (-6% volumes, 4% price, flat mix, -4% currency and 4% from acquisitions).

Higher raw material prices for the region in 2009 compared to 2008 and the channel shift from on-trade to off-trade in several markets had a negative impact on gross profit margin. Although the full-year gross profit margin declined, the second half of the year showed an improvement as the positive impact from the accelerated production efficiency improvements became visible in the figures. In absolute terms, the higher input costs were more than offset by the higher organic net revenue per hl for the year. Mix was positive or flat in most Northern & Western European markets except the Baltics, Poland and South East Europe.

For 2009 operating profit for Northern & Western Europe increased by 7% to DKK 4,237m (DKK 3,953m in 2008) with 6% organic operating profit growth. For Q4 organic operating profit growth was -21%. Adjusting for the income from brand disposals in Q4 2008, organic operating profit growth would have been flat for the quarter and approximately 10% for the year.

Operating margin was 11.6%, an increase of approximately 100bp. This was largely driven by the accelerated efficiency improvements initiated in the second half of 2008 and at the beginning of 2009. The impact from these efforts became increasingly visible in the second half of the year. Most markets delivered organic operating profit growth for the year.

### France, the UK, Switzerland, the Balkans, and Greece

The French market was flat in 2009. As anticipated in the turnaround plan, the total market share of Brasseries Kronenbourg declined for the year as many of the consumer-facing activities started in the late spring. There was a stabilising trend in the second half of 2009 following the relaunch of the Kronenbourg and 1664 brands. According to Nielsen data for the off-trade there was no market share erosion of these two brands in the second half of the year despite the recent years of ongoing period-on-period market share decline. Synergies from the S&N transaction are on track and coupled with accelerated efficiency improvements, the new brand positioning and a changed pricing structure, the French business delivered double-digit organic operating profit growth. This is a very satisfactory result given that the turnaround plan is in its first year of implementation.

Carlsberg UK performed particularly well in 2009. There was a 4% market decline with a continued shift from on-trade to off-trade but Carlsberg gained both volume and value share in the on-trade and off-trade channels and increased its share of the total market by some 110bp to 14.4%. The positive trend accelerated in the latter part of 2009 fuelled by the impact of the JD Wetherspoon contract, strong off-trade execution and the inclusion of the super-premium San Miguel brand in the Carlsberg portfolio. Profits improved as a result of volume growth, value management efforts and efficiency initiatives.

In a flat Swiss market, Feldschlösschen continues to grow net revenue per hl and profits through premiumisation, mix and efficiency improvements. In late 2009 Feldschlösschen Premium was launched to further increase the average value per hl of the Feldschlösschen portfolio. The more female-oriented Eve continues to be a strong value contributor and will be introduced in more markets.

Carlsberg's beer volumes in South East Europe declined by 12% as the economic crisis affected consumer behaviour negatively. The Group kept margins unchanged compared to 2008 due to strong cost and value management focus.

The integration of Greek Mythos progressed and profits improved strongly.

### Denmark, Finland, Poland, Germany, and the Baltics

The Danish beer market declined by 8% (before adjusting for impact from border trade), though with an improved trend in the second half of the year. Carlsberg grew its beer market share by 60bp to 56.3%. Somersby Cider continued to grow throughout the year and has effectively established the cider category in Denmark. New entrants are coming into the category which will drive further category expansion. Operating profit growth was satisfactory as a result of cost reductions and positive value/mix development.

The Finnish beer market grew by approximately 1% in 2009. Sinebrychoff's growth outstripped the market and the market share reached 50%. Despite negative packaging and channel mix, profits improved due to volume growth and efficiency improvements, including the closure of the Pori brewery.

Several structural initiatives took place in Germany during the year. The Braunschweig brewery was sold, the Göttsche wholesaler was merged into a new distribution cooperation with the Nordmann Group and a focused brand strategy was established. Organic operating profit growth was achieved as a result of efficiency improvements.

The Baltic States were very severely affected by the difficult macroeconomic environment with subsequent volume decline and downtrading having a negative impact on profits. Several structural changes were made to reduce the cost base. Carlsberg's beer volumes declined by around 10% in 2009 although the Q4 volume decline was modest. Nevertheless, the Baltic business still delivered double-digit operating profit margins.

The Polish market, too, was challenging as a result of the economic recession. The market declined by 8% and there was downtrading. Carlsberg maintained market share. Despite several actions being implemented during the year, operating profit declined.

## EASTERN EUROPE

| DKK million | Q4 2009 | Q4 2008 | Change (%) | 2009 | 2008 | Change (%) |
|---|---|---|---|---|---|---|
| Beer sales (million hl) | 11,1 | 10,9 | 1,9 | 51,3 | 46,8 | 9,5 |
| Net revenue | 4.103 | 4.616 | -11,1 | 18.545 | 19.137 | -3,1 |
| Operating profit | 1.092 | 798 | 36,8 | 5.289 | 4.108 | 28,7 |
| Operating margin (%) | 26,6 | 17,3 | 930bp | 28,5 | 21,5 | 700bp |

2009 was a challenging year in Eastern Europe as the economic recession had a negative effect on beer consumption in the region. In this environment Carlsberg managed to gain market share in all markets except Kazakhstan.

The Group's total beer volumes in Eastern Europe increased by 10% while organic beer volumes declined by 6%. Due to the strong growth of the malt-based non-alcoholic drink kvass, the volume of other beverages increased by 26%. In Q4 organic beer volumes increased by 2%, but the recovery in the quarter was driven by stockbuilding in the Russian distribution chain ahead of the 200% excise duty increase on 1 January 2010. The underlying consumption trends in Q4 were unchanged.

Organic net revenue growth for the region was 1%. The positive price/mix improvement of 6% for beer offset lower beer volumes. In Q4 organic net revenue growth was 9% while reported net revenue declined by 11% due to devaluation in currencies.

Organic gross profit margin improved strongly by approximately 525bp with higher net revenue per hl accounting for approximately 70% of the increase. The lower cost of goods sold due to synergies, efficiency improvements and lower input costs accounted for the remaining 30%. Organic operating profit growth was 38%. Including acquisitions operating profit was DKK 5,289m (DKK 4,108m in 2008). As mentioned in the Company Announcement of 17 December 2009, the stockbuilding effect in Russia affected operating profit positively by approximately

DKK 300m. Consequently, Q4 organic operating profit growth was unusually strong at 64%. In 2009, operating margin increased to 28.5% (21.5% in 2008) with contribution from all markets.

The overall strong gross profit margin and operating margin improvements were driven by price increases, favourable input costs, synergies, the accelerated efficiency improvements and improved point-of-sales execution. All these initiatives enabled Carlsberg to more than offset the negative profit impact from lower volumes and negative operational leverage.

Russia

The Russian beer market development in 2009 was weaker than anticipated at the beginning of the year, declining by an estimated 10% as the weak macroeconomic environment affected consumer behaviour.

Carlsberg continued to strengthen its market share in Russia gaining 180bp and achieving a 40.6% share compared to 38.8% in 2008 (Q4 market share was 39.3% vs. 39.2% in Q4 2008). As communicated in the past, it is important to look at trends when assessing market share development since market share short term can be influenced by many factors, such as timing of price increases vis-à-vis competition, timing of innovations, promotions, etc. In 2009, Carlsberg reinforced its market leadership in all segments and increased market shares in each and every segment with the exception of lower mainstream where market share was flat. Key drivers behind the strong volume and value market share performance continue to be the superior brand portfolio and the strongest route-to-market with an integrated production, logistics and distribution set-up.

Carlsberg's Russian beer volumes (shipments) declined by 6%. Shipments in Q4 were up 1% which was substantially higher than consumer off-take as distributors were stockbuilding ahead of the excise duty increase on 1 January 2010. Carlsberg's "in-market sales" (off-take) declined by an estimated 8%. Inventory levels are closely monitored and managed and the higher inventory levels at the end of the year are expected to be reversed in Q1 2010.

There was a positive price effect of 9% and mix effect of -3%. The higher price per hl was driven by price increases, improved portfolio management and sales execution. The negative mix effect was primarily driven by a shift in packaging mix within brands and a changed channel mix in the off-trade with consumers moving from smaller outlets to discounters and supermarkets. There was also a shift between brands in the second half of the year.

In this challenging market the Russian business delivered strong operating margins throughout 2009 as a result of proactive management of costs and efficiency improvements.

In December 2009 the President of the Russian Federation signed the amendments to the Tax Code as a result of which Russian beer excise duty increased from RUB 3 to RUB 9 per litre in 2010. Due to price increases this will have a negative impact on the market development in Russia in 2010 and Carlsberg expects a low double-digit percentage decline. Carlsberg has been making detailed preparations for the new excise duty regime and is well prepared for 2010. The focus for 2010 will be to continue to strengthen the Russian market position whilst balancing volume and value development. This should be possible due to Carlsberg's superior brand portfolio and strong operational and commercial set-up.

### The Ukraine

The Ukrainian market declined by approximately 7% in 2009 whilst average beer retail prices increased by almost 30% driven by the price increases following the 94% increase in beer excise duties (implemented on 1 July 2009) and consumer price inflation. Carlsberg's organic beer volume growth was 5% and our market share increased significantly to 28.9% (25.5% in 2008). The Ukrainian business now accounts for more than 15% of Carlsberg's Eastern European volumes. Carlsberg is the clear number two in the market.

The market share gain was driven by a well-executed turnaround including expanded distribution network, improved sales execution, product launches and a more performance-driven governance system. In particular, the national launch of the mainstream brand Lvivske, on top of the already established Slavutich brand, has proved successful. Within the non-beer category, the kvass brand Taras grew strongly during the year.

Organic revenue growth was almost 20% mainly driven by a 15% positive price/mix effect. Driven by the volume growth, price/mix improvements and efficiency gains the Ukrainian margins improved significantly in 2009.

### Other markets

The volume development in the remaining Eastern European markets was mixed. Carlsberg gained substantial market share in Uzbekistan where volumes grew strongly in a market that declined by 12%. Beer volumes in Belarus were almost flat in a declining market with Carlsberg gaining market share.

The beer market in Kazakhstan was under significant pressure and Carlsberg lost market share on local brands. To strengthen and simplify the business model in Kazakhstan, Carlsberg has integrated the significant Russian export business with our local operation aiming to further strengthen our leading market share position.

The Group delivered significant organic operating profit growth in all markets.

## ASIA

| DKK million | Q4 2009 | Q4 2008 | Change (%) | 2009 | 2008 | Change (%) |
|---|---|---|---|---|---|---|
| Beer sales (million hl) | 4,6 | 2,7 | 68,1 | 14,5 | 11,5 | 26,0 |
| Net revenue | 1.041 | 984 | 5,8 | 4.224 | 3.555 | 18,8 |
| Operating profit | 147 | 125 | 17,1 | 666 | 511 | 30,3 |
| Operating margin (%) | 14,1 | 12,7 | 140bp | 15,8 | 14,4 | 140bp |

Note: Full-year income and volumes from the associated company Chongqing Brewery are included in Q4

The Asian markets were less affected by the economic crisis and the Group's beer volumes continued to grow throughout the year. The Asian business delivered 8% organic beer volume growth for the year (5% in Q4). The Asian beer volumes increased by 26% including acquisitions and consolidation changes. The Asian business now accounts for approximately 13% of Group beer volumes. As the Asian markets continue this growth trend the region will become even more important for Carlsberg in the future.

Organic net revenue growth was 14% (17% in Q4). The positive price/mix effect prevailed in the majority of the Asian markets with a particularly strong improvement in China.

Operating profit increased by 30% to DKK 666m (DKK 511m in 2008) with organic growth of 19%. Q4 organic operating profit growth was 14%. Despite the negative impact from higher input costs in 2009, all markets contributed to the strong organic operating profit growth with the exception of India where establishment and investment in our business is in the early stages.

In 2009 Carlsberg started construction of two greenfield breweries – one in India and one in Vietnam.

### Malaysia

The Malaysian market declined by approximately 2%. The early Chinese New Year in 2009 (January) and late Chinese New Year in 2010 (February) had a negative impact on the market development as stockbuilding ahead of the Chinese New Year took place in Q4 2008 for 2009 and Q1 2010 for 2010.

Carlsberg Malaysia gained 100bp market share reaching 44.1%. The business delivered organic operating profit growth due to price/mix and efficiency improvements.

In 2009 Carlsberg Malaysia acquired Carlsberg Singapore, creating a stronger and more efficient entity on the Malaysian peninsula.

### China

Carlsberg's Chinese beer volumes grew mid-single digit. The growth was driven by local brands and the Carlsberg brand. The Carlsberg brand grew by more than 15%, driven by Carlsberg Chill and the extension of the Carlsberg brand portfolio with the addition of Carlsberg Light, launched in 2009 and targeting the Chinese restaurant sector.

Carlsberg continued to gain market share both in Western China and in the international premium segment.

Organic operating profit growth was more than 30% as a result of volume growth, positive price/mix and efficiency improvements.

### Indochina

The markets in Indochina (Vietnam, Laos and Cambodia) continued the strong growth trend with high single-digit growth rates. In Vietnam and Cambodia Carlsberg increased market shares substantially while the business in Laos grew in line with the market. Hence, the Group's organic beer volume growth was 22% for the year.

Carlsberg signed two Memoranda of Understanding in Vietnam to increase the ownership in Habeco and Hué breweries. This will strengthen the Group's market position and opportunities in northern and central Vietnam.

## CENTRAL COSTS (NOT ALLOCATED)

Central costs were DKK 732m (DKK 968m in 2008). In Q4 central costs were DKK 271m (DKK 363m in 2008). Tight cost control in 2009 and the impact of EURO 2008 in 2008 were the main reasons behind the improvement.

Central costs are incurred for ongoing support of the Group's overall operations and strategic development and driving efficiency programmes. In particular, they include the costs of running the headquarters and central marketing (including sponsorships).

## OTHER ACTIVITIES

In addition to beverage activities, Carlsberg has interests in the sale of real estate, primarily at its former brewery sites, and the operation of the Carlsberg Research Center. Real estate gains were, as expected, insignificant in 2009, and overall these activities generated operating profit of DKK -70m (DKK +374m in 2008).

Monetising the value of redundant assets which are no longer used in operations, including the Copenhagen brewery site, remains an important opportunity to provide additional capital to the Group and enhance return on invested capital. As stated earlier the process of finding one or more partners for the Valby site is ongoing, although it has been delayed due to the current investment climate. Carlsberg will inform the market when a decision has been reached.

## COMMENTS ON THE FINANCIAL STATEMENTS

## ACCOUNTING POLICIES

The 2009 Consolidated Financial Statements of the Carlsberg Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports, cf. statutory order pursuant to the Danish Financial Statements Act.

In addition, the Consolidated Financial Statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the IASB.

The purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities in the acquisition of part of the activities in S&N was completed in April 2009 and for the acquisition of Baku-Castel Brewery in August 2009. The comparative figures for 2008 have been restated accordingly in accordance with IFRS 3 requirements.

## INCOME STATEMENT

In 2009 the Group generated total net revenue of DKK 59,382m (DKK 59,944m in 2008), a slight decrease of 1% compared to 2008, reflecting flat organic development, net acquisitions accounting for DKK 4,712m (+6%) and a negative impact of DKK -4,652m (-7%) from exchange rate movements. Foreign exchange movements were most notably caused by adverse currency impact developments in the RUB, UAH and GBP.

The flat organic revenue was achieved despite an organic volume decline of 4%, as this was offset by positive effects from pricing, including value management efforts.

Beer sales represented DKK 46,148m of total revenue (DKK 45,503m in 2008), equivalent to 78% of total revenue.

Gross profit was DKK 29,185m (DKK 28,695m in 2008), with organic growth being DKK 903m (+3%), net acquired activities representing DKK 1,889m and a negative impact of DKK -2,302m from exchange rate movements. Gross profit margin increased by almost 130bp to 49.1%. Gross profit was negatively impacted by lower organic volumes but positively impacted by lower raw material costs in Eastern Europe and declining non-material costs. Among other things it was also impacted by the lean project in Northern & Western Europe, accelerated efficiency initiatives, network optimisation and ongoing Excellence programmes in the supply chain.

Sales and distribution expenses were DKK -15,989m, a reduction of DKK 1,603m (+9%) compared to 2008. The lower sales and distribution expenses reflect efficiency programmes within sales and logistics, the impact of lower volumes and media deflation in 2009. The organic reduction was DKK 1,411m (+8%), net acquired activities represented DKK -886m (-5%) and there was a DKK 1,078m (+6%) impact from currencies. Administrative expenses amounted to DKK -3,873m (DKK -3,934m in 2008) with organic reduction of DKK 125m (+3%), net acquired activities representing DKK -233m (-6%), and DKK 169m (+5%) impact from currencies. All in all organic development in sales and distribution expenses and administration expenses was DKK +1.5bn or +7%.

Other operating income, net, was DKK -45m (DKK 728m in 2008). The decrease was expected and the result of significant real estate gains in the first half of 2008. The Group's share of the net profit of associates was DKK 112m against DKK 81m in 2008.

Operating profit before special items was DKK 9,390m against DKK 7,978m in 2008. Beverage activities generated a profit of DKK 9,460m, an increase of DKK 1,856m with strong organic growth representing DKK 2,122m (+28%) and net acquired activities DKK 788m of the increase. All regions contributed positively to the increase in operating profit. The Group achieved an operating margin of 15.8%, up 250bp compared to 2008.

Net special items amounted to DKK -695m against DKK -1,641m in 2008 and mainly comprise restructuring and redundancy costs in Northern & Western Europe and losses on excess contracting of raw materials. A more detailed specification is shown in note 4.

Net financial items amounted to DKK -2,990m against DKK -3,456m in 2008. Net interest costs accounted for DKK -2,161m compared to DKK -2,386m in 2008. The lower interest costs are primarily due to a decrease in average funding cost. Other net financial items were DKK -829m (DKK -1,070m in 2008) and were mainly related to losses on debt denominated in foreign currency, primarily in the first half of the year of DKK 581m (Eastern Europe approximately DKK 400m) and write-downs on financial assets of DKK 119m. The decline in other net financial items is among other things explained by the one-off costs in 2008 related to the establishment of financing for the S&N transaction.

Tax totalled DKK -1,538m against DKK 312m last year. The effective tax rate in 2009 was thus 27%.

Consolidated profit was DKK 4,167m against DKK 3,193m in 2008 (+31%).

Carlsberg's share of net profit was DKK 3,602m against DKK 2,621m last year (+37%).

## STATEMENT OF FINANCIAL POSITION

At 31 December 2009, Carlsberg had total assets of DKK 134,515m (DKK 142,639m at 31 December 2008). The decrease relates to a reduction in property, plant and equipment, current assets and foreign exchange movements, the last-mentioned in particular from the Russian rouble (RUB) impacting intangible assets and contributing to a reduction in current assets.

## Assets

Intangible assets totalled DKK 81,611m against DKK 84,091m at 31 December 2008. The decrease is related to foreign exchange impact mainly from the RUB as no material additions or impairment write-downs have been recognised in 2009.

Property, plant and equipment totalled DKK 31,825m, down DKK 2,227m from 31 December 2008. The development has mainly been driven by additions of DKK 2.8bn, disposals of DKK -0.4bn, depreciation of DKK -3.5bn and foreign exchange impact of DKK -0.6bn.

Financial assets amounted to DKK 5,850m (DKK 5,305m at 31 December 2008). Financial assets mainly comprise associated companies, deferred tax assets and trade loans. Apart from the establishment of the Nordic Getränke cooperation in Germany, there have been no material fluctuations within the Group.

Current assets amounted to DKK 14,841m (DKK 19,029m at 31 December 2008). The decrease is the result of the very strong focus, particularly in the second half of the year, on inventories and receivables which has led to a significant reduction in both items compared to year-end 2008.

## Equity and liabilities

Total equity was DKK 59,489m (shareholders in Carlsberg A/S DKK 54,829m and non-controlling interests DKK 4,660m). The decrease in equity compared to 31 December 2008 of DKK 0.4bn is mainly due to foreign exchange rate differences of approximately DKK -3.1bn primarily as a result of the devaluation of net assets, first and foremost in RUB, profit for the period of DKK 4.2bn, payment of dividends to shareholders and non-controlling interests of DKK 0.8bn and acquisition of non-controlling interests (in Latvia, Lithuania, Kazakhstan, the Ukraine and Uzbekistan) of DKK 0.4bn and actuarial losses on pension plans of DKK -0.4bn.

Net interest-bearing debt has been reduced from DKK 44.2bn as at 31 December 2008 to DKK 35.7bn as at 31 December 2009.

Total liabilities were DKK 75,026m (DKK 82,738m at 31 December 2008). Current liabilities were DKK 24,960m (DKK 25,616m at 31 December 2008). Excluding the current portion of borrowings, current liabilities totalled DKK 21,638m (DKK 20,325m at 31 December 2008) reflecting the focus throughout 2009 on working capital improvement.

# CASH FLOW

Free cash flow in 2009 amounted to DKK 10,549m as a result of the very intense focus on cash flow, including net working capital and capital expenditures, throughout the Group. The strong development is a reflection of the so called "cash race" programme.

Cash flow from operating activities in 2009 was DKK 13,631m against DKK 7,812m in 2008. The main contributors to the strong improvement of DKK 5,819m were operating profit before depreciation and amortisation and change in working capital. Operating profit before depreciation and amortisation was DKK 13,169m against DKK 11,610m in 2008.

Change in working capital amounted to DKK 3,675m against DKK 1,556m in 2008. The positive impact was driven by a significant reduction in inventories (DKK 1.6bn), lower receivables (DKK 1.0bn) and higher payables (DKK 1.1bn).

Paid net interests were DKK -1,597m (DKK -2,754m in 2008). The significant change in payments is due to lower interest payments, payments in 2008 related to the establishment of loan facilities linked to the acquisition of part of the activities in S&N and currency instruments (mainly hedging of the GBP 200m bond programme). Finally, in 2009 Carlsberg had a positive cash flow of approximately DKK 400m from settlement of various hedges.

Cash flow from investing activities was DKK -3,082m against DKK -57,153m in 2008. Adjusting for the acquisition of part of the activities in S&N in 2008, the decrease is essentially due to operating capital expenditures of DKK -2.8bn, down 48% from 2008, and a change in financial assets of DKK +950m. The lower operating capital expenditures are a result of the detailed planning for and continuous follow-up during 2009, and the change in financial investments is explained by prepayments and hedging instruments relating to the activities acquired in S&N in 2008.

## FINANCING

At 31 December 2009, Carlsberg's gross interest-bearing debt amounted to DKK 39.4bn and net interest-bearing debt amounted to DKK 35.7bn. The difference of DKK 3.7bn is other interest-bearing assets, including DKK 2.7bn in cash and cash equivalents.

Of the gross interest-bearing debt, 92% (DKK 36.1bn) is long term, i.e. with maturity of more than one year, and consists primarily of facilities in EUR.

Net interest-bearing debt at 31 December 2009 was reduced by DKK 8.5bn compared to 2008. The reduction reflects the very strong free cash flow. Net debt/EBITDA at the end of 2009 was 2.7x.

In May 2009, Carlsberg established a EUR 3bn EMTN programme under which notes with principal amounts of EUR 1bn and GBP 300m were issued. The proceeds were used to refinance part of the debt related to the acquisition of parts of S&N. Consequently, Carlsberg has no refinancing needs for a number of years.

Approximately 62% of net financial debt is at fixed rates of interest (fixed-rate period exceeding one year).

## INCENTIVE PROGRAMMES

In 2009 a total of 283,229 share options were granted to members of the Executive Board and other key management personnel in the Carlsberg Group, of which the Executive Board received 60,000 share options.

In addition, a total of 160,935 share options have been granted to other senior executives and key management personnel as part of a new long-term incentive programme. The number of options in this programme will change over the next two years, depending on the terms in the incentive programme and developments in the price of Carlsberg's B share.

The share options, in total 444,164, were granted to a total of 217 key employees at an average exercise price of DKK 268.90 (2008: 683,915 (adjusted) share options to 173 employees at an average price of DKK 446.90 (adjusted)).

In 2010 a total of approximately 150,000 share options will be granted to approximately 95 persons (members of the Executive Board and other key management personnel), of which 30,000 will be granted to the Executive Board. The exercise price will be calculated as the average of the share price on the first five trading days after publication of the present Company Announcement. In addition, members of the long-term incentive programme will be granted share options based on performance, programme terms and developments in the price of Carlsberg's B share.

## ANNUAL GENERAL MEETING

The Annual General Meeting will take place on Thursday 25 March 2010 at 4.30 pm (CET) at Forum Copenhagen, Julius Thomsens Plads 1, Frederiksberg, Denmark.

## BOARD RESOLUTIONS AND PROPOSALS TO THE ANNUAL GENERAL MEETING

The Parent Company recorded a loss of DKK -86m for 2009. As last year, the Supervisory Board will recommend to the Annual General Meeting that a dividend be paid of DKK 3.50 per share or a total of DKK 534m.

## ANNUAL REPORT

The Annual Report for 2009 will be available at www.carlsberggroup.com no later than 4 March 2010.

## FINANCIAL CALENDAR FOR THE FINANCIAL YEAR 2010

The financial year follows the calendar year, and the following schedule has been set for 2010:

| | |
|---|---|
| 4 March 2010 | Annual Report for 2009 (available electronically) |
| 25 March 2010 | Annual General Meeting |
| 11 May 2010 | Interim results for Q1 2010 |
| 17 August 2010 | Interim results for Q2 2010 |
| 9 November 2010 | Interim results for Q3 2010 (changed from 16 November 2010) |

Carlsberg's communication with investors, analysts and the press is subject to special restrictions during a four-week period prior to the publication of interim and annual financial statements.

## DISCLAIMER

This company announcement contains forward-looking statements, including statements about the Group's sales, revenues, earnings, spending, margins, cash flow, inventory, products, actions, plans, strategies, objectives and guidance with respect to the Group's future operating results. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe", "anticipate", "expect", "estimate", "intend", "plan", "project", "will be", "will continue", "will result", "could", "may", "might", or any variations of such words or other words with similar meanings. Any such statements are subject to risks and uncertainties that could cause the Group's actual results to differ materially from the results discussed in such forward-looking statements. Prospective information is based on management's then current expectations or forecasts. Such information is subject to the risk that such expectations or forecasts, or the assumptions underlying such expectations or forecasts, may change. The Group assumes no obligation to update any such forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements.
Some important risk factors that could cause the Group's actual results to differ materially from those expressed in its forward-looking statements include, but are not limited to: economic and political uncertainty (including interest rates and exchange rates), financial and regulatory developments, demand for the Group's products, increasing industry consolidation, competition from other breweries, the availability and pricing of raw materials and packaging materials, cost of energy, production- and distribution-related issues, information technology failures, breach or unexpected termination of contracts, price reductions resulting from market-driven price reductions, market acceptance of new products, changes in consumer preferences, launches of rival products, stipulation of market value in the opening balance sheet of acquired entities, litigation, environmental issues and other unforeseen factors. New risk factors can arise, and it may not be possible for management to predict all such risk factors, nor to assess the impact of all such risk factors on the Group's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.

## MANAGEMENT STATEMENT

The Supervisory Board and Executive Board have discussed and approved the Company Announcement on the financial statement as at 31 December 2009.

The Company Announcement on the financial statement as at 31 December 2009 has been prepared using the same accounting policies as the consolidated financial statements for 2009.

Copenhagen, 23 February 2010

Executive Board of Carlsberg A/S

| | |
|---|---|
| Jørgen Buhl Rasmussen | Jørn P. Jensen |

Supervisory Board of Carlsberg A/S

| | | |
|---|---|---|
| Povl Krogsgaard-Larsen<br>Chairman | Jess Søderberg<br>Deputy Chairman | Hans Andersen |
| Flemming Besenbacher | Hanne Buch-Larsen | Richard Burrows |
| Kees van der Graaf | Niels Kærgård | Axel Michelsen |
| Erik Dedenroth Olsen | Bent Ole Petersen | Per Øhrgaard |

## FINANCIAL STATEMENT



This statement is available in Danish and English. In the event of any discrepancy between the two versions, the Danish version shall prevail.

## INCOME STATEMENT

| DKK million | Q4 2009 | Q4 2008 | 2009 | 2008 |
|---|---|---|---|---|
| Net revenue | 13.616 | 14.524 | 59.382 | 59.944 |
| Cost of sales | -7.059 | -7.845 | -30.197 | -31.249 |
| Gross profit | 6.557 | 6.679 | 29.185 | 28.695 |
| Sales and distribution expenses | -3.834 | -4.381 | -15.989 | -17.592 |
| Administrative expenses | -1.070 | -1.116 | -3.873 | -3.934 |
| Other operating income, net | -51 | 191 | -45 | 728 |
| Share of profit after tax, associates | 41 | 13 | 112 | 81 |
| Operating profit before special items | 1.643 | 1.386 | 9.390 | 7.978 |
| Special items, net | -324 | -1.344 | -695 | -1.641 |
| Financial income | 232 | 131 | 609 | 1.310 |
| Financial expenses | -1.005 | -1.412 | -3.599 | -4.766 |
| Profit before tax | 546 | -1.239 | 5.705 | 2.881 |
| Corporation tax | -42 | 1.522 | -1.538 | 312 |
| Consolidated profit | 504 | 283 | 4.167 | 3.193 |
| Profit attributable to: | | | | |
| Non-controlling interests | 121 | 172 | 565 | 572 |
| Shareholders in Carlsberg A/S | 383 | 111 | 3.602 | 2.621 |
| Earnings per share* | 2,5 | 0,8 | 23,6 | 22,1 |
| Earnings per share, diluted* | 2,5 | 0,8 | 23,6 | 22,1 |

* Adjusted for the bonus factor from the rights issue in June 2008 in accordance with IAS 33, excl. number of shares at period-end.

## STATEMENT OF COMPREHENSIVE INCOME

| DKK million | Q4 2009 | Q4 2008 | 2009 | 2008 |
|---|---|---|---|---|
| Profit for the period | 504 | 283 | 4.167 | 3.193 |
| Other comprehensive income | | | | |
| Foreign exchange adjustments of foreign entities | 1.717 | -8.714 | -3.135 | -8.388 |
| Value adjustments of hedging instruments | 206 | -697 | 23 | -1.552 |
| Value adjustments of securities | 1 | -29 | 1 | 115 |
| Retirement benefit obligations | -415 | 30 | -382 | -46 |
| Value adjustment of step acquisition of subsidiaries | 65 | 1.779 | - | 14.745 |
| Share of other comprehensive income in associates | 31 | - | 31 | - |
| Other | -4 | -16 | -6 | -9 |
| Tax on other comprehensive income | -1 | 106 | 39 | 335 |
| Other comprehensive income | 1.600 | -7.541 | -3.429 | 5.200 |
| Total comprehensive income | 2.104 | -7.258 | 738 | 8.393 |
| Total comprehensive income attributable to: | | | | |
| Non-controlling interests | 488 | -1.537 | 171 | 1.777 |
| Shareholders in Carlsberg A/S | 1.616 | -5.721 | 567 | 6.616 |

## STATEMENT OF FINANCIAL POSITION

| DKK million | 31 Dec. 2009 | 31 Dec. 2008 |
|---|---|---|
| Assets | | |
| Intangible assets | 81.611 | 84.091 |
| Property, plant and equipment | 31.825 | 34.052 |
| Financial assets | 5.850 | 5.305 |
| Total non-current assets | 119.286 | 123.448 |
| Inventories and trade receivables | 9.499 | 11.597 |
| Other receivables etc. | 2.608 | 4.575 |
| Cash and cash equivalents | 2.734 | 2.857 |
| Total current assets | 14.841 | 19.029 |
| Assets held for sale | 388 | 162 |
| Total assets | 134.515 | 142.639 |
| Equity and liabilities | | |
| Equity, shareholders in Carlsberg A/S | 54.829 | 54.750 |
| Non-controlling interests | 4.660 | 5.151 |
| Total equity | 59.489 | 59.901 |
| Borrowings | 36.075 | 43.230 |
| Deferred tax, retirement benefit obligations etc. | 13.940 | 13.439 |
| Total non-current liabilities | 50.015 | 56.669 |
| Borrowings | 3.322 | 5.291 |
| Trade payables | 7.929 | 8.009 |
| Deposits on returnable bottles and crates | 1.361 | 1.455 |
| Other current liabilities | 12.348 | 10.861 |
| Total current liabilities | 24.960 | 25.616 |
| Liabilities associated with assets held for sale | 51 | 453 |
| Total equity and liabilities | 134.515 | 142.639 |

## STATEMENT OF CHANGES IN EQUITY

| DKK million | Share capital | Currency translation | Hedging reserves | A-f-S investments | Total reserves | Retained earnings | Total capital and reserves | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| | Shareholders in Carlsberg A/S | | | | | | | | 2009 |
| Equity at 1 January 2009 | 3.051 | -7.693 | -1.515 | 145 | -9.063 | 60.762 | 54.750 | 5.151 | 59.901 |
| Total comprehensive income for the year | - | -2.885 | 131 | 1 | -2.753 | 3.320 | 567 | 171 | 738 |
| Capital increase | - | - | - | - | - | - | - | 7 | 7 |
| Acquisition/disposal of treasury shares | - | - | - | - | - | -6 | -6 | - | -6 |
| Share-based payment | | - | - | - | - | 52 | 52 | - | 52 |
| Dividends paid to shareholders | - | - | - | - | - | -534 | -534 | -312 | -846 |
| Acquisition of non-controlling interests and entiti | - | - | - | - | - | - | - | -357 | -357 |
| Total changes in equity | - | -2.885 | 131 | 1 | -2.753 | 2.832 | 79 | -491 | -412 |
| Equity at 31 December 2009 | 3.051 | -10.578 | -1.384 | 146 | -11.816 | 63.594 | 54.829 | 4.660 | 59.489 |

| DKK million | Share capital | Currency translation | Hedging reserves | A-f-S investments | Total reserves | Retained earnings | Total capital and reserves | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|---|
| | Shareholders in Carlsberg A/S | | | | | | | | 2008 |
| Equity at 1 January 2008 | 1.526 | -170 | 41 | 26 | -103 | 17.198 | 18.621 | 1.323 | 19.944 |
| Total comprehensive income for the year | - | -7.523 | -1.556 | 119 | -8.960 | 15.576 | 6.616 | 1.777 | 8.393 |
| Capital increase | 1.525 | - | - | - | - | 28.413 | 29.938 | 15 | 29.953 |
| Acquisition/disposal of treasury shares | - | - | - | - | - | 2 | 2 | - | 2 |
| Share-based payment | - | - | - | - | - | 31 | 31 | - | 31 |
| Dividends paid to shareholders | - | - | - | - | - | -458 | -458 | -265 | -723 |
| Acquisition of non-controlling interests and entiti | - | - | - | - | - | - | - | 2.295 | 2.295 |
| Disposal of entities | - | - | - | - | - | - | - | 6 | 6 |
| Total changes in equity | 1.525 | -7.523 | -1.556 | 119 | -8.960 | 43.564 | 36.129 | 3.828 | 39.957 |
| Equity at 31 December 2008 | 3.051 | -7.693 | -1.515 | 145 | -9.063 | 60.762 | 54.750 | 5.151 | 59.901 |

## STATEMENT OF CASH FLOWS

| DKK million | Q4 2009 | Q4 2008 | 2009 | 2008 |
|---|---|---|---|---|
| Operating profit before special items | 1.643 | 1.386 | 9.390 | 7.978 |
| Adjustment for depreciation, amortisation and impairment losses | 1.002 | 992 | 3.779 | 3.632 |
| Operating profit before depreciation, amortisation and impairment losses[1] | 2.645 | 2.378 | 13.169 | 11.610 |
| Adjustment for other non-cash items | 54 | -315 | 265 | -604 |
| Change in working capital[2] | 2.556 | 2.437 | 3.675 | 1.556 |
| Restructuring costs paid | -134 | -191 | -507 | -482 |
| Interest etc. received | 92 | 67 | 255 | 256 |
| Interest etc. paid | 206 | -615 | -1.852 | -3.010 |
| Corporation tax paid | -245 | -183 | -1.374 | -1.514 |
| Cash flow from operating activities | 5.174 | 3.578 | 13.631 | 7.812 |
| Acquisition of property, plant and equipment and intangible assets | -729 | -1.012 | -2.767 | -5.292 |
| Disposal of property, plant and equipment and intangible assets | 101 | 255 | 255 | 374 |
| Change in trade loans | -107 | -106 | -411 | -290 |
| Total operational investments | -735 | -863 | -2.923 | -5.208 |
| Aquisition and disposal of entities, net | -15 | 189 | 95 | -51.438 |
| Aquisition of associated companies | -48 | -581 | -48 | -587 |
| Disposal of associated companies | -7 | 201 | -7 | 300 |
| Acquisition of financial assets[3] | 37 | -278 | -11 | -961 |
| Disposal of financial assets | -1 | 3 | 44 | 39 |
| Change in financial receivables | -113 | 337 | -98 | 427 |
| Dividends received | 4 | 61 | 56 | 69 |
| Total financial investments | -143 | -68 | 31 | -52.151 |
| Other investments in property, plant and equipment | -41 | -410 | -388 | -1.117 |
| Disposal of other property, plant and equipment | 178 | 51 | 198 | 1.323 |
| Total other activities[4] | 137 | -359 | -190 | 206 |
| Cash flow from investing activities | -741 | -1.290 | -3.082 | -57.153 |
| **Free cash flow** | **4.433** | **2.288** | **10.549** | **-49.341** |
| Shareholders in Carlsberg A/S | 5 | 111 | -540 | 29.482 |
| Non-controlling interests | -53 | -130 | -591 | -549 |
| External financing[5] | -4.115 | -2.724 | -8.862 | 21.151 |
| Cash flow from financing activities | -4.163 | -2.743 | -9.993 | 50.084 |
| Net cash flow | 270 | -455 | 556 | 743 |
| Cash and cash equivalents at beginning of period | 2.299 | 2.577 | 2.065 | 1.351 |
| Currency translation adjustments | 14 | -57 | -38 | -29 |
| Cash and cash equivalents at period-end[6] | 2.583 | 2.065 | 2.583 | 2.065 |

[1] Impairment losses excluding those reported in Special items.

[2] 2008 FY includes DKK 1,065m received from the licence agreement with The Coca-Cola Company in June 2008.

[3] 2008 FY includes costs of hedging instruments acquired prior to the acquisition of part of the activities in S&N.

[4] Other activities cover real estate and assets under construction, separate from beverage activities, including costs of construction contracts.

[5] 2008 FY includes loan raised for the financing of the acquisition of part of the activities in S&N and repayment of parts of the loan following the capital increase.

[6] Cash and cash equivalents less bank overdrafts.

## NOTE 1 (PAGE 1 OF 2)

### Segment reporting by region (beverages)

| DKK million | Q4 2009 | Q4 2008 | 2009 | 2008 |
|---|---|---|---|---|
| **Beer sales (pro rata, million hl)** | | | | |
| Northern & Western Europe | 11,4 | 12,1 | 50,2 | 51,0 |
| Eastern Europe | 11,1 | 10,9 | 51,3 | 46,8 |
| Asia | 4,6 | 2,7 | 14,5 | 11,5 |
| Total | 27,1 | 25,7 | 116,0 | 109,3 |
| **Net revenue (DKK million)** | | | | |
| Northern & Western Europe | 8.451 | 8.915 | 36.466 | 37.128 |
| Eastern Europe | 4.103 | 4.616 | 18.545 | 19.137 |
| Asia | 1.041 | 984 | 4.224 | 3.555 |
| Not allocated | 21 | 9 | 147 | 124 |
| Beverages, total | 13.616 | 14.524 | 59.382 | 59.944 |
| **Operating profit before depreciation, amortisation and special items (EBITDA - DKK million)** | | | | |
| Northern & Western Europe | 1.220 | 1.353 | 6.366 | 6.081 |
| Eastern Europe | 1.454 | 1.208 | 6.638 | 5.348 |
| Asia | 198 | 179 | 874 | 694 |
| Not allocated | -252 | -343 | -655 | -900 |
| Beverages, total | 2.620 | 2.397 | 13.223 | 11.223 |
| **Operating profit before special items (EBIT - DKK million)** | | | | |
| Northern & Western Europe | 657 | 847 | 4.237 | 3.953 |
| Eastern Europe | 1.092 | 798 | 5.289 | 4.108 |
| Asia | 147 | 125 | 666 | 511 |
| Not allocated | -271 | -363 | -732 | -968 |
| Beverages, total | 1.625 | 1.407 | 9.460 | 7.604 |
| **Operating profit margin (%)** | | | | |
| Northern & Western Europe | 7,8 | 9,5 | 11,6 | 10,6 |
| Eastern Europe | 26,6 | 17,3 | 28,5 | 21,5 |
| Asia | 14,1 | 12,7 | 15,8 | 14,4 |
| Not allocated | … | … | … | … |
| Beverages, total | 11,9 | 9,7 | 15,9 | 12,7 |

## NOTE 1 (PAGE 2 OF 2)

### Segment reporting by region (beverages)

| DKK million | 2009 | 2008 |
|---|---|---|
| **Capital expenditure, CAPEX (DKK million)** | | |
| Northern & Western Europe | 1.400 | 2.517 |
| Eastern Europe | 879 | 2.149 |
| Asia | 258 | 391 |
| Not allocated | 230 | 235 |
| Beverages, total | 2.767 | 5.292 |
| **Depreciation and amortisation (DKK million)** | | |
| Northern & Western Europe | 2.119 | 2.124 |
| Eastern Europe | 1.349 | 1.240 |
| Asia | 208 | 183 |
| Not allocated | 77 | 68 |
| Beverages, total | 3.753 | 3.615 |
| **Capital expenditure/Depreciation and amortisation (%)** | | |
| Northern & Western Europe | 66% | 119% |
| Eastern Europe | 65% | 173% |
| Asia | 124% | 214% |
| Not allocated | - | - |
| Beverages, total | 74% | 146% |
| **Invested capital, period-end (DKK million)** | | |
| Northern & Western Europe | 28.466 | 31.493 |
| Eastern Europe | 63.270 | 68.771 |
| Asia | 5.154 | 5.485 |
| Not allocated | 464 | 351 |
| Beverages, total | 97.354 | 106.100 |
| **Return on average invested capital, ROIC (%) (running 12 months)** | | |
| Northern & Western Europe | 13,6 | 12,2 |
| Eastern Europe | 8,2 | 9,0 |
| Asia | 12,1 | 12,1 |
| Not allocated | - | … |
| Beverages, total | 9,3 | 8,9 |

## NOTE 2

### Segment reporting by activity

| DKK million | Q4 2009 Beverages | Q4 2009 Other activities | Q4 2009 Total | Q4 2008 Beverages | Q4 2008 Other activities | Q4 2008 Total |
|---|---|---|---|---|---|---|
| Net revenue | 13.616 | | 13.616 | 14.524 | - | 14.524 |
| Operating profit before special items | 1.625 | 18 | 1.643 | 1.407 | -21 | 1.386 |
| Special items, net* | 51 | -375 | -324 | -1.344 | - | -1.344 |
| Financial items, net | -768 | -5 | -773 | -1.313 | 32 | -1.281 |
| Profit before tax | 908 | -362 | 546 | -1.250 | 11 | -1.239 |
| Corporation tax | -40 | -2 | -42 | 1.523 | -1 | 1.522 |
| Consolidated profit | 868 | -364 | 504 | 273 | 10 | 283 |
| Attributable to: | | | | | | |
| Non-controlling interests | 121 | - | 121 | 172 | - | 172 |
| Shareholders in Carlsberg A/S | 747 | -364 | 383 | 101 | 10 | 111 |

| DKK million | 2009 Beverages | 2009 Other activities | 2009 Total | 2008 Beverages | 2008 Other activities | 2008 Total |
|---|---|---|---|---|---|---|
| Net revenue | 59.382 | - | 59.382 | 59.944 | - | 59.944 |
| Operating profit before special items | 9.460 | -70 | 9.390 | 7.604 | 374 | 7.978 |
| Special items, net* | -262 | -433 | -695 | -1.641 | - | -1.641 |
| Financial items, net | -2.980 | -10 | -2.990 | -3.455 | -1 | -3.456 |
| Profit before tax | 6.218 | -513 | 5.705 | 2.508 | 373 | 2.881 |
| Corporation tax | -1.561 | 23 | -1.538 | 383 | -71 | 312 |
| Consolidated profit | 4.657 | -490 | 4.167 | 2.891 | 302 | 3.193 |
| Attributable to: | | | | | | |
| Non-controlling interests | 565 | - | 565 | 571 | 1 | 572 |
| Shareholders in Carlsberg A/S | 4.092 | -490 | 3.602 | 2.320 | 301 | 2.621 |

* Special items are affected by intra-Group sale between a company in the beverage activity and a company in other activities which is eliminated at Group level.

## NOTE 3

### Segment reporting by quarter

| DKK million | Q1 2008 | Q2 2008 | Q3 2008 | Q4 2008 | Q1 2009 | Q2 2009 | Q3 2009 | Q4 2009 |
|---|---|---|---|---|---|---|---|---|
| Net revenue | | | | | | | | |
| Northern & Western Europe | 6.633 | 10.776 | 10.804 | 8.915 | 7.200 | 10.705 | 10.110 | 8.451 |
| Eastern Europe | 1.972 | 5.888 | 6.661 | 4.616 | 3.466 | 5.841 | 5.135 | 4.103 |
| Asia | 811 | 828 | 932 | 984 | 1.074 | 1.049 | 1.060 | 1.041 |
| Not allocated | 20 | 49 | 46 | 9 | 46 | 28 | 52 | 21 |
| Beverages, total | 9.436 | 17.541 | 18.443 | 14.524 | 11.786 | 17.623 | 16.357 | 13.616 |
| Other activities | - | - | - | - | - | - | - | - |
| Total | 9.436 | 17.541 | 18.443 | 14.524 | 11.786 | 17.623 | 16.357 | 13.616 |
| Operating profit before special items | | | | | | | | |
| Northern & Western Europe | 135 | 1.570 | 1.401 | 847 | 140 | 1.740 | 1.700 | 657 |
| Eastern Europe | 285 | 1.388 | 1.637 | 798 | 695 | 1.952 | 1.550 | 1.092 |
| Asia | 124 | 117 | 145 | 125 | 155 | 167 | 197 | 147 |
| Not allocated | -163 | -199 | -243 | -363 | -169 | -184 | -108 | -271 |
| Beverages, total | 381 | 2.876 | 2.940 | 1.407 | 821 | 3.675 | 3.339 | 1.625 |
| Other activities | 7 | 274 | 114 | -21 | -33 | -20 | -35 | 18 |
| Total | 388 | 3.150 | 3.054 | 1.386 | 788 | 3.655 | 3.304 | 1.643 |
| Special items, net | -37 | -91 | -169 | -1.344 | -107 | -84 | -180 | -324 |
| Financial items, net | -470 | -812 | -893 | -1.281 | -904 | -546 | -767 | -773 |
| Profit before tax | -119 | 2.247 | 1.992 | -1.239 | -223 | 3.025 | 2.357 | 546 |
| Corporation tax | 32 | -659 | -583 | 1.522 | 65 | -878 | -683 | -42 |
| Consolidated profit | -87 | 1.588 | 1.409 | 283 | -158 | 2.147 | 1.674 | 504 |
| Attributable to: | | | | | | | | |
| Non-controlling interests | 42 | 173 | 188 | 172 | 54 | 207 | 183 | 121 |
| Shareholders in Carlsberg A/S | -129 | 1.415 | 1.221 | 111 | -212 | 1.940 | 1.491 | 383 |

## NOTE 4

### Special items

| DKK million | 2009 | 2008 |
|---|---|---|
| Gain on sale of Braunschweig Brewery and fighter brand activities, Carlsberg Deutschland (2008: Impairment of brewery) | 49 | -135 |
| Impairment of finite brands | -37 | - |
| Impairment (2008) and restructuring of Leeds Brewery, Carlsberg UK | -67 | -197 |
| Loss on disposal of Türk Tuborg | - | -232 |
| Relocation costs, termination benefits and impairment of non-current assets in connection with new production structure in Denmark | -40 | -19 |
| Termination benefits and impairment of non-current assets in connection with new production structure at Sinebrychoff, Finland | -20 | -30 |
| Provision for onerous malt contracts | -175 | -245 |
| Termination benefits etc. in connection with Operational Excellence programmes | -31 | -150 |
| Termination benefits in connection with restructuring of sales force, logistics and administration, Carlsberg UK | -34 | - |
| Termination benefits etc., Carlsberg Italia | -56 | -93 |
| Termination benefits etc. in connection with restructuring, Brasseries Kronenbourg, France | -95 | -291 |
| Termination benefits in connection with restructuring, Carlsberg Deutschland | -72 | - |
| Restructuring, Ringnes, Norway | - | -26 |
| Other restructuring costs etc., other entities | -100 | -154 |
| Integration costs related to acquisition of part of the activities in S&N | -17 | -69 |
| **Special items, net** | **-695** | **-1.641** |

## NOTE 5 (PAGE 1 OF 2)

### Debt and credit facilities

| DKK million | 31 Dec. 2009 |
|---|---|
| Non-current borrowings: | |
| Issued bonds | 13.522 |
| Mortgages | 1.990 |
| Bank borrowings | 20.110 |
| Financial lease liabilities | 13 |
| Other non-current borrowings[1] | 440 |
| Total | 36.075 |
| Current borrowings: | |
| Issued bonds | - |
| Mortgages | - |
| Bank borrowings | 3.013 |
| Lease liabilities | 17 |
| Other current borrowings | 292 |
| Total | 3.322 |
| Total non-current and current borrowings | 39.397 |
| Cash and cash equivalents | 2.734 |
| Net financial debt | 36.663 |
| Other interest-bearing assets | 984 |
| Net interest-bearing debt | 35.679 |

[1] Other non-current borrowings include employee bonds of DKK 18m.

Borrowings are measured at amortised cost. Carlsberg designated a fixed-rate GBP 300m bond issue and two fixed-rate mortgages as the hedged items in the fair value hedge with the designated risk being movements in the benchmark interest rate (floating interest rate). Hence, the carrying amount of these borrowings is adjusted for movements in the fair value as a result of movements in the benchmark rate. The carrying amount of these borrowings is DKK 2,803m.

## NOTE 5 (PAGE 2 OF 2)

### Debt and credit facilities

| DKK million | | | | | | 31 Dec. 2009 |
|---|---|---|---|---|---|---|
| Time to maturity for non-current borrowings: | | | | | | DKK million |
| | 1-2 years | 2-3 years | 3-4 years | 4-5 years | > 5 years | Total |
| Issued bonds | 2.046 | - | 1.647 | 7.396 | 2.433 | 13.522 |
| Bank borrowings | 743 | 18.308 | 202 | 113 | 744 | 20.110 |
| Mortgages* | - | - | - | - | 1.990 | 1.990 |
| Financial lease liabilities | 7 | 5 | 1 | - | - | 13 |
| Other non-current borrowings | 338 | 32 | 25 | 16 | 29 | 440 |
| Total | 3.134 | 18.345 | 1.875 | 7.525 | 5.196 | 36.075 |

| Interest risk at 31 December: | Net financial | | Interest* | | |
|---|---|---|---|---|---|
| DKK million | debt* | Floating | Fixed | Floating % | Fixed % |
| EUR | 28.141 | 10.224 | 17.917 | 36% | 64% |
| DKK | -875 | -1.265 | 390 | 145% | -45% |
| PLN | 1.780 | 1.774 | 6 | 100% | - |
| USD | 757 | 55 | 702 | 7% | 93% |
| CHF | 2.582 | 2.582 | - | 100% | - |
| RUB | -259 | -259 | - | 100% | - |
| Other currencies | 4.537 | 935 | 3.602 | 21% | 79% |
| Total | 36.663 | 14.046 | 22.617 | 38% | 62% |

* After swaps

| Committed credit facilities* | 31 Dec. 2009 |
|---|---|
| DKK million | |
| Less than 1 year | 3.322 |
| 1 to 2 years | 5.813 |
| 2 to 3 years | 25.048 |
| 3 to 4 years | 1.875 |
| 4 to 5 years | 7.525 |
| More than 5 years | 5.196 |
| Total | 48.779 |
| | |
| Short-term | 3.322 |
| Long-term | 45.457 |

* Defined as short-term borrowings and long-term committed credit facilities.

## NOTE 6

### Net interest-bearing debt

| DKK million | Q4 2009 | Q4 2008 | 2009 | 2008 |
|---|---|---|---|---|
| Net interest-bearing debt is calculated as follows: | | | | |
| Non-current borrowings | | | 36.075 | 43.230 |
| Current borrowings | | | 3.322 | 5.291 |
| Gross interest-bearing debt | | | 39.397 | 48.521 |
| Cash and cash equivalents | | | -2.734 | -2.857 |
| Loans to associates | | | -36 | -6 |
| On-trade loans | | | -2.143 | -2.278 |
| less non-interest-bearing portion | | | 1.368 | 1.403 |
| Other receivables | | | -1.533 | -2.032 |
| less non-interest-bearing portion | | | 1.360 | 1.405 |
| Net interest-bearing debt | | | 35.679 | 44.156 |
| Changes in net interest-bearing debt: | | | | |
| Net interest-bearing debt at beginning of period | 38.533 | 46.323 | 44.156 | 19.726 |
| Cash flow from operating activities | -5.174 | -3.578 | -13.631 | -7.812 |
| Cash flow from investing activities | 741 | 1.290 | 3.082 | 57.153 |
| Dividend to shareholders and non-controlling interests | 13 | 34 | 846 | 723 |
| Acquisition of non-controlling interests | -241 | 96 | 286 | 299 |
| Acquisition/disposal of treasury shares | -3 | 1 | 6 | -2 |
| Acquisition of entities, net | -43 | 29 | 45 | 4.015 |
| Capital increase | - | -112 | - | -29.938 |
| Change in interest-bearing lending | -30 | -270 | - | 140 |
| Effects of currency translation | 1.600 | -280 | 562 | -226 |
| Other | 283 | 623 | 327 | 78 |
| Total change | -2.854 | -2.167 | -8.477 | 24.430 |
| Net interest-bearing debt at end of period | 35.679 | 44.156 | 35.679 | 44.156 |

NOTE 7

Acquisition of entities

The purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities in the acquisition of part of the activities in S&N was completed in April 2009 and for the acquisition of Baku-Castel Brewery in August 2009. The final allocation of fair value resulted in total net assets of DKK 21.2bn, a decline of DKK 0.2bn compared to the preliminary allocation 31 December 2008, and total goodwill amounts to DKK 34bn, an increase of DKK 0.2 bn. Furthermore, there have been some reclassifications between the individual balance sheet items. Adjustments will be made to the purchase price depending on the final allocation of debt according to agreement.