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Interim results as at 30 September 2011

Third quarter results in line with expectations

- In the first nine months of 2011, Carlsberg Group's beer volumes grew by 2%, net revenue growth was 4% while operating profit declined by 12% in line with expectations.
- In Northern & Western Europe, the total beer market declined slightly in the first nine months with poor weather conditions in July across the region making the trend worse in Q3. Excluding the tough comparisons due to very favourable weather conditions last year, the underlying Russian market declined in Q3 in line with Q2 and full-year expectations. The market is still negatively impacted by the high price increases to compensate for the significant excise tax increase in 2010. Most markets in Asia continued to grow at high single-digit percentages.
- In Northern & Western Europe, the Group's market share improved slightly, mainly driven by Poland and the UK. In Eastern Europe, the Ukrainian business continued to improve its market share while our market share in Russia declined. In Asia, market share gains were once again achieved across most markets in the region.
- The Group achieved a positive price/mix of 4% with a particularly strong contribution from Eastern Europe and Asia. This reflects the Group's ambition to drive a profitable development through both volume and value share growth, and was supported by slightly higher marketing investments, primarily in key markets in Eastern Europe and Asia. During the year, the Carlsberg brand was repositioned and a number of product launches undertaken.
- Group beer volumes grew by 2% to 91.8m hl with 1% organic growth. Organic beer volumes in Northern & Western European were flat while Eastern Europe declined by 1%. Asia continued its strong growth and delivered 10% organic beer volume growth. Q3 Group organic beer volumes fell, as expected, by 3% impacted by the Russian market decline and the poor weather conditions in Northern & Western Europe in July.
- Net revenue increased by 4% to DKK 48.7bn (DKK 46.7n in 2010) with 5% organic growth. Q3 net revenue declined by 2% to DKK 17.4bn (DKK 17.7bn in 2010) with flat organic development.
- Operating profit declined organically by 12% to DKK 7,982m (DKK 9,122m in 2010). Q3 operating profit was DKK 3,284m (DKK 4,156m in 2010), a 20% organic decline. Weaker performance in Eastern Europe, higher input costs than last year and higher sales and marketing investments, primarily in key markets in Eastern Europe and Asia, impacted profits.

- Net profit was DKK 4,237m compared to DKK 4,645m in 2010 (adjusted for the DKK 390m non-cash, non-taxable income in Q1 2010).
- Free cash flow was DKK 2.6bn (DKK 5.8bn in 2010). Trade working capital to net revenue (MAT) was 1.9%, in line with Q2. Net interest bearing debt was DKK 32.7bn (DKK 32.7bn end 2010), impacted by acquisitions, share buy back and currency impact.
- As Q3 developed as anticipated, all major assumptions for the year are kept unchanged and the Carlsberg Group maintains its 2011 earnings expectations:
  - Operating profit before special items of around DKK 10bn.
  - Adjusted net profit growth of around 5-10%[1]

Commenting on the results, CEO Jørgen Buhl Rasmussen says: "2011 has been a challenging year and we have faced headwinds from rising input costs, adverse weather conditions and soft trading conditions in our largest market. Whilst we have been trying to compensate for the negative impact of these challenges through continued focus on driving efficiency in all that we do, we have at the same time kept our focus on profitable development by balancing volume and value growth. With an uncertain outlook for the global macro economy and consumer sentiment, we will closely monitor changes in our markets, so that we can adjust our investments in sales and marketing activities accordingly. Nevertheless, we already plan to speed up structural initiatives to become even more efficient and customer focused and we will continue to drive value in the category, which will also be necessary to offset the continued input costs inflation."

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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[1] Reported 2010 adjusted for the DKK 598m non-cash, non-taxable income in special items related to a new acquisition accounting regulation.

KEY FIGURES AND FINANCIAL RATIOS

DKK million		Q3 2011	Q3 2010	9 mths 2011	9 mths 2010	2010
Total sales volumes (million hl)						
Beer		40.4	40.8	108.9	106.9	136.5
Other beverages		5.7	6.5	16.9	17.2	22.5
Pro rata volumes (million hl)						
Beer		33.5	33.9	91.8	89.7	114.2
Other beverages		5.0	5.5	14.6	14.7	19.3
Income statement						
Net revenue		17,440	17,708	48,708	46,655	60,054
Operating profit before special items		3,284	4,156	7,982	9,122	10,249
Special items, net		-6	-462	-191	-108	-249
Financial items, net		-344	-725	-1,528	-1,542	-2,155
Profit before tax		2,934	2,969	6,263	7,472	7,845
Corporation tax		-734	-803	-1,566	-1,915	-1,885
Consolidated profit		2,200	2,166	4,697	5,557	5,960
Attributable to:						
Non-controlling interests		191	226	460	522	609
Shareholders in Carlsberg A/S		2,009	1,940	4,237	5,035	5,351
Statement of financial position						
Total assets		-	-	142,811	141,633	144,232
Invested capital		-	-	114,583	114,000	117,101
Interest-bearing debt, net		-	-	32,680	31,844	32,743
Equity, shareholders in Carlsberg A/S		-	-	63,542	62,022	64,248
Statement of cash flows						
Cash flow from operating activities		2,551	4,064	5,495	8,812	11,020
Cash flow from investing activities		-841	-692	-2,910	-2,997	-5,841
Free cash flow		1,710	3,372	2,585	5,815	5,179
Financial ratios						
Operating margin	%	18.8	23.5	16.4	19.6	17.1
Return on average invested capital (ROIC)	%	-	-	7.8	9.3	8.8
Equity ratio	%	-	-	44.5	47.5	44.5
Debt/equity ratio (financial gearing)	x	-	-	0.5	0.5	0.5
Interest cover	x	-	-	5.2	5.9	4.8
Stock market ratios						
Earnings per share (EPS)	DKK	13.2	12.7	27.8	33.1	35.1
Cash flow from operating activities per share (CFPS)	DKK	16.7	26.6	36.0	57.8	72.1
Free cash flow per share (FCFPS)	DKK	11.2	22.1	16.9	38.1	33.9
Share price (B-shares)	DKK			331	570	559
Number of shares (period-end)	1,000		152,555	152,514	152,555	152,539
Number of shares (average, excl. Treasury shares)	1,000	152,545	152,552	152,545	152,550	152,548

In accordance with IFRS 3 requirements, final purchase price allocations of the fair value of identified assets, liabilities and contingent liabilities in the step acquisitions and business combinations have changed comparative figures.

9M 2011 BUSINESS DEVELOPMENT

		Change				Change
DKK million	2010	Organic	Acq., net	FX	2011	Reported
Q3						
Beer sales (million hl)	33.9	-3%	2%		33.5	-1%
Net revenue	17,708	0%	0%	-2%	17,440	-2%
Operating profit	4,156	-20%	1%	-2%	3,284	-21%
Operating margin (%)	23.5				18.8	-470bp
9 mths						
Beer sales (million hl)	89.7	1%	1%		91.8	2%
Net revenue	46,655	5%	0%	-1%	48,708	4%
Operating profit	9,122	-12%	1%	-1%	7,982	-12%
Operating margin (%)	19.6				16.4	-320bp

Group performance was in line with the expectations outlined at the Q2 results announcement. While the Asian business continues to deliver strong performance, higher input cost; unfavourable weather conditions across Northern & Western Europe and Eastern Europe; and a declining Russian market impacted Group profits negatively.

Group organic beer volumes grew 1%. Including acquisitions, net, the increase was 2% to 91.8m hl (89.7m hl in 2010). Adjusting for the Russian destocking impact in Q1 2010 of an estimated 1.5m hl, the Group's organic beer volume growth would have been flat. Pro rata Group volumes of other beverages were 14.5m hl (14.7m hl in 2010).

Q3 organic beer volumes declined by 3%. The strong 11% organic volume growth in Asia and flat Northern & Western European volumes were more than offset by a 9% organic beer volume decline in Eastern Europe, caused by tough comparisons with last year's very warm and dry weather and an underlying Russian market decline. Pro rata Group volumes of other beverages declined organically by 12% to 4.9m hl in Q3, impacted by phasing-out of 3rd party-products in some markets and the wet and cold weather in July in Northern & Western Europe. Consequently, total beverage volumes declined organically by 4% for the quarter.

As planned, marketing investments, mainly in Eastern Europe and Asia, as a percentage of sales, grew slightly compared to last year. It remains important for the Group to drive value in the beer category and we continue to invest in brands and activities in order to balance volume/value market share development. For the nine months as well as for Q3, the Group achieved 4% price/mix as a result of price increases across the Group, with particularly strong pricing in Eastern Europe, and the numerous commercial activities such as value management; new products; and brand premiumisation. In the current environment, this has also been necessary to compensate for the input cost inflation.

An important milestone this year was the global repositioning of the Carlsberg brand that was launched on April 5. A significant number of activities have taken place since then and the activity level will remain high. It is a long-term plan but the first signs are encouraging with the brand achieving flat volumes for the nine months in spite of tough comparisons due to last year's football activation.

In 2011, we have introduced a number of new products and line extensions across our regions. An important Group innovation launched in selected markets in the Nordics in Q2, was the light, refreshing and stylish premium beer Copenhagen. Examples of new local products in the first nine months include Baltika Draught Non-filtered and 1664 Millésime.

Net revenue grew by 4% to DKK 48,708m (DKK 46,655m in 2010) with a strong 5% organic revenue growth (total volume 1% and 4% price/mix), currency impact of -1% and net acquisition impact of 0%. Organic net revenue growth for Q3 was 0% (total volume -4% and 4% price/mix), currency impact of -2% and net acquisition impact of 0%.

Cost of sales per hl grew organically by approximately 9% due to higher input costs in all regions. Prices in most categories increased with a particularly strong effect on malt. As anticipated, the impact was particularly pronounced in Eastern Europe. Despite the higher input costs, organic gross profit per hl increased slightly due to the positive price/mix and impact from the on-going efficiency improvements. However, gross profit margin declined by 190bp to 50.7%.

Operating expenses grew organically by 7% (approximately 6% per hl) due to higher sales and marketing investments, particularly in Eastern Europe and Asia, and also as a result of higher logistics costs, mainly in Eastern Europe.

Group operating profit declined by 12% to DKK 7,982m (DKK 9,122m in 2010) with an organic decline of 12%, currency impact of -1% and 1% net effect from acquisitions. Operating margin declined to 16.4%. Q3 operating profit declined, as expected, by 21% (20% organic decline). The profit and margin declines were due to weak volumes in Eastern Europe; the expected higher input costs in all regions; planned higher sales and marketing investments across the Group; and higher logistics costs in Eastern Europe.

The relentless focus on improving efficiency across the Group continues with several local, regional and Group-wide projects being implemented in recent years. This will continue as part of the Group transformation. An important step was taken in early October when the Group initiated a project with the aim of fully integrating supply chain across all markets in Northern and Western Europe with the purpose of improving customer service, speed, efficiency and optimising asset utilisation. The Business Standardisation Programme (BSP) where roll-out started in Switzerland in May 2011 will now be part of the integrated supply chain.

In October, the Group announced that the current CEO of Carlsberg UK, Isaac Sheps, will take over the position as Senior Vice President, Eastern Europe and President and CEO of Baltika Breweries, replacing Anton Artemiev who will remain as a member of the Supervisory Board of Baltika Breweries.

In line with our M&A strategy, several structural changes have taken place during 2011, aimed at strengthening the Group's position in growth markets:

- The Group has increased its ownership in its Indian business, South Asian Breweries Pte Ltd to 90%.
- The Group has expanded its presence in China through the establishment of the joint venture, Chongqing Xinghui Investment Co., Ltd. The Group is now directly or indirectly involved in 42 breweries in China.
- The Group has acquired an additional 1% of the shareholding in the joint venture Lao Brewery Co. Ltd., Laos, in a disproportionate capital increase thus gaining control of the entity in a step acquisition.
- The Group has signed the final agreement, increasing its ownership in the Vietnamese Hue Brewery from 50% to 100%.

Unchanged 2011 operating profit expectations

Notwithstanding the difficult macro environment, all major assumptions have developed in line with our expectations at the Q2 announcement on 17 August. Hence, the Group maintains the key assumptions for its 2011 outlook:

- Low single-digit decline in the Northern & Western European markets
- Low single-digit decline in the Russian market
- Continued growth in key markets across Asia
- Increased cost of sales due to higher input costs
- Marketing investments as percentage of sales at slightly higher levels than in 2010

Consequently, for 2011 the Carlsberg Group expects:

- Operating profit before special items at around DKK 10bn
- Adjusted net profit growth of 5-10%[2]

[2] 2010 is adjusted for the DKK 598m non-cash, non-taxable income in special items related to a new acquisition accounting regulation.

NORTHERN & WESTERN EUROPE

DKK million	2010	Change Organic	Change Acq., net	Change FX	2011	Change Reported
Q3						
Beer sales (million hl)	14.1	0%	-1%		13.9	-1%
Net revenue	10,198	-2%	-1%	1%	10,029	-2%
Operating profit	1,949	-9%	0%	1%	1,789	-8%
Operating margin (%)	19.1				17.8	-131bp
9 mths						
Beer sales (million hl)	38.4	0%	-1%		38.2	-1%
Net revenue	27,706	0%	0%	2%	28,164	2%
Operating profit	4,247	-1%	-1%	2%	4,253	0%
Operating margin (%)	15.3				15.1	-20bp

The beer markets in the region declined overall by an estimated 1% for the nine months. The decline was slightly higher in Q3 due to a very wet and cold July and beginning of August in most of our markets. So far, consumer behaviour has been quite resilient as to the macro economic situation with the exception of a few markets in Southern Europe.

The Group's market share grew slightly with improvements in markets such as Poland, the UK, and Greece, while our market share declined in markets such as France and Finland. The market share was slightly higher in Q3 versus the first nine months.

We continue our efforts to drive category value through a high level of commercial activity, aimed at supporting existing brands; introducing new products; and driving channel marketing and value management. The Copenhagen launch in pilot markets and the Carlsberg repositioning have been important activities. In addition, line extensions of Somersby were introduced, the brand was rolled out in more markets and Tuborg Lime Cut were introduced in new markets.

Organic beer volume growth was flat for the nine months, as well as in Q3. Markets such as Poland, the Baltic states and Greece achieved positive volume growth. Reported beer volumes declined by 1% due to the disposal of the Dresden brewery on January 1, 2011. Total volumes, including non-beer beverages, were flat for the nine months, but declined 2% organically in Q3, impacted negatively by weather conditions in July.

Organic net revenue growth was flat (-2% in Q3). Reported growth was 2% to DKK 28,164m (DKK 27,706m). Net revenue for beer was flat (0% volume, 0% price/mix, 1% currency and -1% acquisition).

The flat price/mix in the nine months was driven by a positive price/mix in most markets in the region, offset by a negative country mix as the Polish business grew strongly, and by the negative channel mix from on-trade to off-trade; a development which further accelerated in Q3 as adverse weather conditions in many markets led to a shift in consumption pattern from on-trade to off-trade.

The focus on improving price/mix and driving category value continues with positive impact from value management efforts and from low single-digit price increases in most markets. One lever driving the continued positive impact of our value management efforts is the SKU harmonisation that started in the northern part of the region in 2011. This, in addition to our complexity reduction efforts will strengthen our ability to meet specific price points and pack sizes preferred by customers and consumers.

The Group's Polish business continued its strong performance with impressive double-digit organic volume growth in a market which grew by 3%. Driven by strong performance of the Harnas, Kasztelan, and Carlsberg brands and continued growth in the rapidly expanding modern trade channel, our market share improved by 220bp to 16.7%. The Group achieved positive pricing, while mix was negative due to channel shift. Volumes, revenue and profits grew strongly.

The UK market grew by 2% in Q3 while it contracted by 4% for the first nine months. Following strong performance in Q3 in both on-trade and off-trade, the Group's market share grew by 20bp to 15.9%. The product portfolio was expanded with the Staropramen brand which is a strong addition towards the on-trade channel. Carlsberg is now no. 3 in the UK on-trade. The Leeds brewery was closed in June and the Northampton brewery was expanded.

The French market was flat for the first nine months. The strong premiumisation trend in France continues to benefit our premium brands - 1664, Grimbergen and Carlsberg - which all gained share while the mainstream brand Kronenbourg lost share. Hence, overall market share declined by approximately 70bp. Several product launches have taken place in France, including 5L non-returnable keg for 1664 and Kronenbourg as well as line extensions of both 1664 and Kronenbourg.

Operating profit was unchanged versus last year at DKK 4,253m (DKK 4,247m in 2010) with a 1% organic decline (-9% for Q3). Gross margin declined due to higher input costs while operating profit margin remained stable compared to last year at 15.1% (15.3% in 2010). The Group continued to reduce the overall cost level as a result of the on-going efficiency improvement. The efficiency improvements were, in Q3, not enough to completely offset the negative impact from July weather, higher input costs and the slightly increasing level and phasing of sales and marketing investments.

EASTERN EUROPE

DKK million	2010	Change Organic	Change Acq., net	Change FX	2011	Change Reported
Q3						
Beer sales (million hl)	14.7	-9%	0%		13.3	-9%
Net revenue	6,016	-1%	0%	-6%	5,578	-7%
Operating profit	1,969	-29%	0%	-4%	1,315	-33%
Operating margin (%)	32.7				23.6	-910bp
9 mths						
Beer sales (million hl)	37.3	-1%	0%		36.9	-1%
Net revenue	14,696	9%	0%	-5%	15,335	4%
Operating profit	4,566	-20%	0%	-4%	3,482	-24%
Operating margin (%)	31.1				22.7	-840bp

For the nine months, the Eastern European beer markets were impacted by less favourable weather conditions compared to last year. In addition the weather impacted negatively the seasonal kvas category. Despite improving macro economic conditions versus last year, consumer behaviour in the beer category has been impacted negatively by the inflationary pressure on basic food items in the first nine months as well as last year's significant excise tax increase in Russia which has been passed on to prices.

The Russian beer market declined by an estimated 3% in the nine months and by an estimated 7% in Q3. Adjusted for the tough comparisons in Q3 due to the very favourable weather conditions last year, the underlying trend in Q3 was in line with Q2 and full-year expectations. The market has been negatively impacted by the substantial price increases of more than 30% taken since November 2009 when the industry started implementing price increases to offset the 200% excise tax increase from January 2010. The Ukrainian market was flat, impacted by a very wet summer.

The Group's beer volumes declined organically by 1%. Adjusted for the Russian destocking of an estimated 1.5m hl in Q1 2010, volumes would have declined organically by an estimated 5%. In Q3, beer volumes declined organically by 9%, mainly due to lower Russian volumes, resulting from underlying market decline and tough comparables with prior year.

Our Russian shipments declined by 1% (-11% for Q3). Adjusted for the destocking, the Group's Russian shipments would have declined by an estimated 6%. The Group's in-market-sales ("off-take") declined by 7% for the nine months and by 13% for Q3.

The Group's Russian volume market share declined from 39.3% to 37.8%, though with value share being down by a smaller 110bp (source: Nielsen Retail Audit, Urban Russia). The market share loss was caused by our price leadership since the substantial price increases started in November 2009; reduced focus on the economy segment; and a high level of promotional activities in the modern trade by several competitors. To ensure profitable development, the Group is determined to balance volume and value share development and as the market leader, we have refrained from fully participating in these promotional price activities. However, there was increased focus on some lower mainstream brands as of mid-August, in terms of increased but selective participation in promotional activities.

In Russia, price increases for 2011 were introduced in November 2010, March and May 2011 to cover the duty increase and the significant input cost increase. We will increase prices again in November ahead of the RUB 2 excise tax increase on 1 January 2012. The tax increase is expected to lead to stock-building among wholesalers and distributors in Q4 2011.

We have continued to invest in the health of the Russian business through the current challenges to prepare for a strong recovery. Higher investments in sales and marketing have in particular been driven by premiumisation efforts, channel marketing programmes, a higher promotional activity level, particularly in modern trade, and the fact that investments levels were lower in 2009 and 2010. The commercial agenda in Russia has thus included several product launches and revitalisation efforts for brands such as Arsenaloye. In addition, key account management capabilities are continuously upgraded and further developed.

The Ukrainian business continued to perform well and achieved yet another quarter of market share growth. The Group's Ukrainian market share is now 28.7% (+30bp) and with a stronger improvement in value share. The performance this year has been supported by several commercial activities such as the Carlsberg repositioning; the relaunch of the Slavutich brand; the launch of Somersby cider; and a line extension of the Kvas Taras brand. Net revenue and operating profit grew by double-digit percentages.

Net revenue grew 4% to DKK 15,335m (DKK 14,696m in 2010) and 9% organically (-1% in Q3). Price/mix continued to develop favourably and the Group achieved a +10% price/mix for beer for the nine months as well as for Q3. This was driven by price increases, distorted comparisons in H1 following the Russian excise tax increase in January 2010 and a healthy mix improvement in both Russia and Ukraine. The Group achieved a positive mix of approximately 4% in a slightly premiumising Russian market. The positive mix was driven by continued focus on mainstream, premium and super premium and the market share loss in the economy segment.

Operating profit declined by 24% DKK to 3,482m (DKK 4,566m in 2010) and 20% organically. Q3 operating profit declined organically by 29%. Operating profit margin was 22.7% (31.1% in 2010). As price increases offset the significantly higher input costs, organic gross profit per hl increased slightly by low single-digit percentages but gross profit margin declined by around 500bp. Operational expenses including sales and marketing investments increased due to higher investments and different phasing between the quarters versus last year. Logistic costs also increased due to higher fuel prices and higher freight rates.

ASIA

DKK million	2010	Change Organic	Change Acq., net	Change FX	2011	Change Reported
Q3						
Beer sales (million hl)	5.1	11%	12%		6.3	23%
Net revenue	1,464	20%	10%	-7%	1,805	23%
Operating profit	309	18%	15%	-7%	389	26%
Operating margin (%)	21.1				21.5	40bp
9 mths						
Beer sales (million hl)	14.0	10%	10%		16.7	20%
Net revenue	4,190	17%	9%	-4%	5,103	22%
Operating profit	823	10%	14%	-2%	1,003	22%
Operating margin (%)	19.6				19.7	10bp

The Asian markets continued the growth trend in the first nine months of the year, with Vietnam and Nepal being the only exceptions, due to cold weather in the beginning of the year and a challenging macro economic environment.

Organic beer volumes grew by 10% in the first nine months (11% in Q3). Including acquisitions, beer volumes grew by 20% to 16.7m hl. All markets, with the exception of Vietnam reported organic volume growth. The impact from acquisitions was due to the increased ownership in Chongqing Brewery Co Ltd. in China and Gorkha Brewery in Nepal in 2010 and South Asian Breweries (India) in 2011; and the establishment of the Chongqing Xinghui Investment Co., Ltd joint venture in China in 2011.

Our Chinese volumes grew organically by 10%, well ahead of the overall market. In reported terms, volumes grew by 22% due to acquisitions. Price/mix was positive due to our ongoing efforts to premiumise the portfolio with both our local and international brands. The Carlsberg brand portfolio, with Carlsberg Chill and Carlsberg Light, performed particularly well, achieving 25% volume growth.

Organic volume growth in our Indian business was very strong and volumes almost doubled. The strong growth has been driven by the Tuborg, and Carlsberg brands which all performed very well. The Group now has two of the top-10 beer brands in India. The Group's Indian market share is approximately 6% with a higher value share.

Indochina (Vietnam, Laos and Cambodia) performance was impacted negatively by the market decline in Vietnam. Despite this, Indochina volumes grew organically by 7% as the strong performance in Cambodia and Laos continued.

The Malaysian and Singaporean businesses performed well with good performance achieved by the Carlsberg brand, as well as the introduction of new premium brands such as 1664.

Organic net revenue growth was 17% (20% in Q3). Increased ownership in businesses in China, Nepal and India added 9% to reported revenue growth, whereas currency development in China, Cambodia and Vietnam impacted negatively. In total, reported net revenue growth was 22%.

Operating profit grew organically by 10% (18% in Q3) with a reported growth of 22% (26% in Q3) to DKK 1,003m (DKK 823m in 2010). Operating profit margin was 19.7% (19.6% in 2010) impacted negatively by slightly higher input costs and the increased ownership of the Indian business.

CENTRAL COSTS (NOT ALLOCATED)

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).

Central costs were DKK 728m (DKK 459m in 2010). The increase was primarily due to costs related to the Business Standardisation Programme and higher marketing costs, including costs for the new Carlsberg positioning.

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. These activities generated an operating loss of DKK 28m (DKK -55m in 2010).

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. Two large Danish investors have indicated that they will participate in the development of the Copenhagen brewery site, holding 25% and 20% respectively while Carlsberg will hold 25%. The final contract is yet to be completed and is conditional on finding investors to take up the remaining 30%.

COMMENTS ON THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES

The present interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and Danish regulations governing presentation of interim reports by listed companies.

The interim report has been prepared using the same accounting policies as the consolidated financial statements for 2010. The consolidated financial statements for 2010, note 41, holds a complete description of the accounting policies.

The effect of purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities in business combinations have changed the comparative figures in accordance with IFRS 3 requirements.

INCOME STATEMENT

Net special items amounted to DKK -191m against DKK -108m in 2010, and relate mainly to costs in connection with restructuring measures in Sweden, Denmark, Norway and UK, in total DKK 96m, and a non-cash loss on disposal of Sorex Holding SAS (logistic business in France) of DKK 86m.

Net financial items amounted to DKK -1,528m against DKK -1,542m in 2010. Interest expenses, net, accounted for DKK 1,312m, compared with DKK 1,441m in 2010 reflecting lower average net debt and lower average funding cost. Other net financial items were DKK -216m (DKK -99m in 2010). The change is primarily due to currency adjustments in Eastern Europe and that 2010 was impacted by net positive currency and fair value adjustments.

Tax totalled DKK -1,566m against DKK -1,915m in 2010. The effective tax rate was 25%.

Consolidated profit was DKK 4,697m, against DKK 5,557m in 2010.

Carlsberg's share of net profit was DKK 4,237m, against DKK 5,035m in 2010. The decline is explained by lower operating profit and higher special items countered by lower tax.

STATEMENT OF FINANCIAL POSITION

At 30 September 2011, Carlsberg had total assets of DKK 142.8bn (DKK 144.2bn at 31 December 2010).

Assets

Intangible assets decreased to DKK 84.1bn against 87.8bn at 31 December 2010, driven by currency impact from Eastern Europe.

Property, plant and equipment decreased to DKK 31.5bn against 32.4bn at 31 December 2010, mainly driven by currency impact from Eastern Europe.

Financial assets increased slightly to DKK 8.3bn against 8.1bn at 31 December 2010, mainly related to profit from investments in associates in Asia.

Inventories and trade receivables increased to DKK 12.2bn against 9.9bn at 31 December 2010. The increase is mainly related to receivables due to higher sales in September.

Liabilities

Equity decreased to DKK 67.6bn against DKK 69.6bn at 31 December 2010. DKK 63.5bn can be attributed to shareholders in Carlsberg A/S and DKK 4.1bn to non-controlling interests.

The difference in equity of DKK -2bn was mainly due to profit for the period of DKK 4.7bn, currency adjustments of DKK -4.6bn, payment of dividends to shareholders of DKK -0.9bn and share buy backs in Russia amounting to DKK -0.4bn.

Liabilities increased slightly to DKK 75.2bn against DKK 74.6bn at 31 December 2010, mainly due to an increase in current liabilities from DKK 27bn to DKK 28.5bn as trade payables were higher because of higher raw material prices.

Non-current liabilities decreased to DKK 46.7bn from DKK 47.4bn at 31 December 2010, mainly due to a change in deferred tax driven by currency impact from Eastern Europe.

CASH FLOW

Free cash flow was DKK 2,585m against DKK 5,815m for 2010.

Cash flow from operating activities in the first nine months of 2011 was DKK 5,495m against DKK 8,812m for the same period of 2010. Operating profit before depreciation and amortisation was DKK 10,776m against DKK 12,044m in 2010.

The YTD change in working capital was DKK -2,357m of which DKK -1,624m relates to trade working capital and DKK -733m relates to other working capital.

The change in trade working capital included an increase in accounts receivables of DKK 2.2bn, mainly due to the seasonality of the business; increased sales in September this year versus September last year; but also an unsatisfactory higher level in a few markets. The change in accounts receivables was in 2010 positively impacted by the unusually high level of receivables in Russia at year-end 2009, prior to the 200% increase in excise duties. Inventories increased by DKK 464m which was less than last year (DKK 520m). Accounts payables increased by DKK 1,082m.

Average trade working capital continues to be a focus area and trade working capital to net revenue (MAT) was reduced from 2.6% at the end of 2010 to 1.9% at Q3 2011.

The development in other working capital was higher than last year due to a decrease in pension obligations, mainly in the UK.

In Q3, the change in working capital was DKK -1.1bn, mainly due to a decrease in payable VAT and duties (DKK -465m), primarily in Russia due to lower sales than last year, and other payables (DKK -577m), partly due to a reduction of payables following completion of capital increase in India.

Paid net interest etc. amounted to DKK -1,612m against DKK -1,644m for the same period of 2010. The decrease is explained by lower interest payments due to reduction of the average net interest bearing debt, countered by settlement of financial instruments.

Cash flow from investing activities was DKK -2,910m against DKK -2,997m in the first nine months of 2010. Operational investments were DKK -3,140 (DKK -2,344m in 2010). The increase was in line with plans and mainly related to network and production optimisation and sales investments. Financial investments were DKK 212m (DKK -1,018m in 2010). The positive cash flow in 2011 primarily comes from the sale of the Dresden brewery in Germany and Sorex Holding SAS in France. 2010 was impacted by the acquisition of shares in Xinjiang and a prepayment/deposit for the acquisition of additional 12.25% in Chongqing. Investments, other activities, amounted to DKK 18m (DKK 365m in 2010 due to sale of real estate assets).

2010 free cash flow was positively impacted by the sale of real estate assets amounting to DKK 411m.

FINANCING

At 30 September 2011, the gross interest-bearing debt amounted to DKK 37.1bn and net interest-bearing debt amounted to DKK 32.7bn. The difference of DKK 4.4bn is other interest-bearing assets, including DKK 3.1bn in cash and cash equivalents.

Of the gross interest-bearing debt, 88% (DKK 32.7bn) is long term, i.e. with maturity more than one year from 30 September 2011, and consists primarily of facilities in EUR.

Committed credit facilities are more than sufficient to refinance maturing short-term debt.

FINANCIAL CALENDAR FOR THE FINANCIAL YEAR 2012

The financial year follows the calendar year, and the following schedule has been set for 2012:

20 February 2012	Financial Statement as at 31 December 2011
28 February 2012	Annual report for 2011
22 March 2012	Annual General Meeting
9 May 2012	Interim results for Q1 2012
15 August 2012	Interim results for Q2 2012
7 November 2012	Interim results for Q3 2012

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 Board of Directors and the Executive Board have discussed and approved the interim report of the Carlsberg Group for the period 1 January – 30 September 2011.

The interim report which has not been audited or reviewed by the Company's auditor has been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the EU, and additional Danish interim reporting requirements for listed companies.

In our opinion, the interim report gives a true and fair view of the Carlsberg Group's assets, liabilities and financial position at 30 September 2011, and of the results of the Carlsberg Group's operations and cash flow for the period 1 January – 30 September 2011.

Further, in our opinion the management's review (p. 1-16) gives a true and fair review of the development in the Group's operations and financial matters, the result of the Carlsberg Group for the period and the financial position as a whole, and describes the significant risks and uncertainties pertaining to the Group.

Copenhagen, 9 November 2011

Executive Board of Carlsberg A/S

Jørgen Buhl Rasmussen President & CEO	Jørn P. Jensen Deputy CEO & CFO

Supervisory Board of Carlsberg A/S

Povl Krogsgaard-Larsen Chairman	Jess Søderberg Deputy Chairman	Hans Andersen
Flemming Besenbacher	Richard Burrows	Kees van der Graaf
Niels Kærgård	Ulf Olsson	Bent Ole Petersen
Peter Petersen	Lars Stemmerik	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.

The Carlsberg Group is one of the leading brewery groups in the world, with a large portfolio of beer and other beverage brands. The flagship brand – Carlsberg – is one of the best-known beer brands in the world and the Baltika, Carlsberg, and Tuborg brands are among the six biggest brands in Europe. More than 41,000 people work for the Carlsberg Group, and its products are sold in more than 150 markets. In 2010, the Carlsberg Group sold more than 135 million hectolitres of beer, which is about 40 billion bottles of beer.

Find out more at www.carlsberggroup.com.

INCOME STATEMENT

DKK million	Q3 2011	Q3 2010	9 mths 2011	9 mths 2010	2010
Net revenue	17,440	17,708	48,708	46,655	60,054
Cost of sales	-8,476	-8,147	-24,031	-22,101	-28,982
Gross profit	8,964	9,561	24,677	24,554	31,072
Sales and distribution expenses	-4,930	-4,636	-14,050	-12,870	-17,158
Administrative expenses	-819	-815	-2,886	-2,829	-4,040
Other operating income, net	4	-8	143	159	227
Share of profit after tax, associates	65	54	98	108	148
Operating profit before special items	3,284	4,156	7,982	9,122	10,249
Special items, net	-6	-462	-191	-108	-249
Financial income	260	-190	574	943	1,085
Financial expenses	-604	-535	-2,102	-2,485	-3,240
Profit before tax	2,934	2,969	6,263	7,472	7,845
Corporation tax	-734	-803	-1,566	-1,915	-1,885
Consolidated profit	2,200	2,166	4,697	5,557	5,960
Profit attributable to:					
Non-controlling interests	191	226	460	522	609
Shareholders in Carlsberg A/S	2,009	1,940	4,237	5,035	5,351
Earnings per share	13.2	12.7	27.8	33.0	35.1
Earnings per share, diluted	13.2	12.7	27.7	32.9	35.0

STATEMENT OF COMPREHENSIVE INCOME

DKK million	Q3 2011	Q3 2010	9 mths 2011	9 mths 2010	2010
Profit for the period	2,200	2,166	4,697	5,557	5,960
Other comprehensive income:					
Foreign exchange adjustments of foreign entities	-3,673	-5,413	-4,616	3,995	5,947
Value adjustments of hedging instruments	-59	258	53	-778	-768
Value adjustments of securities	-	-	-	-	1
Retirement benefit obligations	-121	7	-303	-256	-167
Other	-	-18	-44	-23	11
Corporation tax	42	-117	45	85	47
Other comprehensive income	-3,811	-5,283	-4,865	3,023	5,071
Total comprehensive income	-1,611	-3,117	-168	8,580	11,031
Total comprehensive income attributable to:					
Non-controlling interests	54	-186	242	817	1,043
Shareholders in Carlsberg A/S	-1,665	-2,931	-410	7,763	9,988

STATEMENT OF FINANCIAL POSITION

DKK million	30 Sept 2011	30 Sept 2010	31 Dec 2010
Assets			
Intangible assets	84,104	85,519	87,813
Property, plant and equipment	31,489	32,318	32,420
Financial assets	8,342	6,026	8,057
Total non-current assets	123,935	123,863	128,290
Inventories and trade receivables	12,169	10,949	9,878
Other receivables etc.	3,469	3,855	2,910
Cash and cash equivalents	3,136	2,872	2,735
Total current assets	18,774	17,676	15,523
Assets held for sale	102	94	419
Total assets	142,811	141,633	144,232
Equity and liabilities			
Equity, shareholders in Carlsberg A/S	63,542	62,022	64,248
Non-controlling interests	4,085	5,196	5,381
Total equity	67,627	67,218	69,629
Borrowings	32,704	34,058	32,587
Deferred tax, retirement benefit obligations etc.	13,968	14,320	14,791
Total non-current liabilities	46,672	48,378	47,378
Borrowings	4,415	1,513	3,959
Trade payables	10,150	9,448	9,385
Deposits on returnable bottles and crate	1,290	1,305	1,279
Other current liabilities	12,623	13,730	12,424
Total current liabilities	28,478	25,996	27,047
Liabilities associated with assets held for sale	34	41	178
Total equity and liabilities	142,811	141,633	144,232

STATEMENT OF CHANGES IN EQUITY (PAGE 1 OF 2)

DKK million	Shareholders in Carlsberg A/S								30 Sept 2011
	Share capital	Currency translation	Hedging reserves	A-f-S invest-ments	Total reserves	Retained earnings	Total capital and reserves	Non-controlling interests	Total equity
Equity at 1 January 2011	3.051	-6.049	-1.154	147	-7.056	68.253	64.248	5.381	69.629
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	4.237	4.237	460	4.697
Other comprehensive income									
Foreign exchange adjustments of foreign entities	-	-4.399	-	-	-4.399	-	-4.399	-217	-4.616
Value adjustments of hedging instruments	-	88	-35	-	53	-	53	-	53
Retirement benefit obligations	-	-	-	-	-	-303	-303	-	-303
Other	-	-	-	-	-	-43	-43	-1	-44
Corporation tax	-	-6	12	-	6	39	45	-	45
Other comprehensive income	-	-4.317	-23	-	-4.340	-307	-4.647	-218	-4.865
Total comprehensive income for the period	-	-4.317	-23	-	-4.340	3.930	-410	242	-168
Acquisition/disposal of treasury shares	-	-	-	-	-	-51	-51	-	-51
Share buy back	-	-	-	-	-	-	-	-370	-370
Share-based payment	-	-	-	-	-	-10	-10	-	-10
Dividends paid to shareholders	-	-	-	-	-	-763	-763	-110	-873
Acquisition of non-controlling interests and entities	-	-	-	-	-	528	528	-1.058	-530
Total changes in equity	-	-4.317	-23	-	-4.340	3.634	-706	-1.296	-2.002
Equity at 30 September 2011	3.051	-10.366	-1.177	147	-11.396	71.887	63.542	4.085	67.627

STATEMENT OF CHANGES IN EQUITY (PAGE 1 OF 2)

									30 Sept 2010
	Shareholders in Carlsberg A/S								
DKK million	Share capital	Currency translation	Hedging reserves	A-f-S invest-ments	Total reserves	Retained earnings	Total capital and reserves	Non-controlling interests	Total equity
Equity at 1 January 2010	3.051	-10.578	-1.384	146	-11.816	63.594	54.829	4.660	59.489
Total comprehensive income for the period									
Profit for the period	-	-	-	-	-	5.035	5.035	522	5.557
Other comprehensive income									
Foreign exchange adjustments of foreign entities	-	3.700	-	-	3.700	-	3.700	295	3.995
Value adjustments of hedging instruments	-	-869	91	-	-778	-	-778	-	-778
Retirement benefit obligations	-	-	-	-	-	-256	-256	-	-256
Other	-	-	-	-	-	-23	-23	-	-23
Corporation tax	-	207	-30	-	177	-92	85	-	85
Other comprehensive income	-	3.038	61	-	3.099	-371	2.728	295	3.023
Total comprehensive income for the period	-	3.038	61	-	3.099	4.664	7.763	817	8.580
Share-based payment	-	-	-	-	-	-34	-34	-	-34
Acquisition/disposal of treasury shares	-	-	-	-	-	41	41	-	41
Dividends paid to shareholders	-	-	-	-	-	-534	-534	-643	-1.177
Acquisition of non-controlling interests and entities	-	-	-	-	-	-43	-43	362	319
Total changes in equity	-	3.038	61	-	3.099	4.094	7.193	536	7.729
Equity at 30 September 2010	3.051	-7.540	-1.323	146	-8.717	67.688	62.022	5.196	67.218

STATEMENT OF CASH FLOWS

DKK million	Q3 2011	Q3 2010	9 mths 2011	9 mths 2010	2010
Operating profit before special items	3,284	4,156	7,982	9,122	10,249
Adjustment for depreciation, amortisation and impairment losses	939	1,012	2,794	2,922	3,987
Operating profit before depreciation, amortisation and impairment losses[1]	4,223	5,168	10,776	12,044	14,236
Adjustment for other non-cash items	-8	231	201	560	493
Change in working capital	-1,077	-278	-2,357	-284	716
Restructuring costs paid	-79	-148	-224	-356	-446
Interest etc. received	37	53	50	88	255
Interest etc. paid	-100	-335	-1,662	-1,732	-2,344
Corporation tax paid	-445	-627	-1,289	-1,508	-1,890
Cash flow from operating activities	2,551	4,064	5,495	8,812	11,020
Acquisition of property, plant and equipment and intangible assets	-869	-664	-2,858	-2,092	-3,326
Disposal of property, plant and equipment and intangible assets	53	28	124	77	181
Change in trade loans	-115	-112	-406	-329	-430
Total operational investments	-931	-748	-3,140	-2,344	-3,575
Free operating cash flow	1,620	3,316	2,355	6,468	7,445
Aquisition and disposal of entities, net	-5	-4	108	-511	-477
Acquisition of associated companies	-18	-10	-35	-12	-2,041
Disposal of associated companies	135	-	135	-3	-
Acquisition of financial assets	-4	-10	-19	-13	-35
Disposal of financial assets	5	13	7	17	18
Change in financial receivables	-26	-1	-2	-573	-233
Dividends received	5	49	31	77	93
Other investing activities	-13	-	-13	-	-
Total financial investments	79	37	212	-1,018	-2,675
Other investments in property, plant and equipment	-8	-10	-17	-46	-51
Disposal of other property, plant and equipment	19	29	35	411	460
Total other activities[2]	11	19	18	365	409
Cash flow from investing activities	-841	-692	-2,910	-2,997	-5,841
Free cash flow	**1,710**	**3,372**	**2,585**	**5,815**	**5,179**
Shareholders in Carlsberg A/S	-17	-15	-817	-568	-581
External financing and non-controlling interests	-1,067	-2,752	-2,346	-5,315	-4,828
Cash flow from financing activities	-1,084	-2,767	-3,163	-5,883	-5,409
Net cash flow	626	605	-578	-68	-230
Cash and cash equivalents at beginning of period	1,281	2,320	2,601	2,583	2,583
Currency translation adjustments	-6	-207	-122	203	248
Cash and cash equivalents at period-end[3]	1,901	2,718	1,901	2,718	2,601

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

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

[3] Cash and cash equivalent less bank overdrafts

NOTE 1

Segment reporting by region (beverages)

DKK million	Q3 2011	Q3 2010	9 mths 2011	9 mths 2010	2010
Beer sales (pro rata, million hl)					
Northern & Western Europe	13.9	14.1	38.2	38.4	49.5
Eastern Europe	13.3	14.7	36.9	37.3	46.8
Asia	6.3	5.1	16.7	14.0	17.9
Total	33.5	33.9	91.8	89.7	114.2
Net revenue (DKK million)					
Northern & Western Europe	10,029	10,198	28,164	27,706	36,156
Eastern Europe	5,578	6,016	15,335	14,696	18,187
Asia	1,805	1,464	5,103	4,190	5,613
Not allocated	28	30	106	63	98
Beverages, total	17,440	17,708	48,708	46,655	60,054
Operating profit before depreciation, amortisation and special items (EBITDA - DKK million)					
Northern & Western Europe	2,252	2,456	5,661	5,751	7,143
Eastern Europe	1,679	2,379	4,565	5,708	6,555
Asia	481	382	1,250	1,035	1,331
Not allocated	-164	-18	-686	-410	-817
Beverages, total	4,248	5,199	10,790	12,084	14,212
Operating profit before special items (EBIT - DKK million)					
Northern & Western Europe	1,789	1,949	4,253	4,247	5,086
Eastern Europe	1,315	1,969	3,482	4,566	5,048
Asia	389	309	1,003	823	1,044
Not allocated	-180	-35	-728	-459	-932
Beverages, total	3,313	4,192	8,010	9,177	10,246
Operating profit margin (%)					
Northern & Western Europe	17.8	19.1	15.1	15.3	14.1
Eastern Europe	23.6	32.7	22.7	31.1	27.8
Asia	21.5	21.1	19.7	19.6	18.6
Not allocated	…	…	…	…	…
Beverages, total	19.0	23.7	16.4	19.7	17.1

NOTE 2

Segment reporting by activity

DKK million	Q3 2011			Q3 2010		
	Bever-ages	Other activities	Total	Bever-ages	Other activities	Total
Net revenue	17,440	-	17,440	17,708	-	17,708
Operating profit before special items	3,313	-29	3,284	4,192	-36	4,156
Special items, net	-6	-	-6	-462	-	-462
Financial items, net	-332	-12	-344	-716	-9	-725
Profit before tax	2,975	-41	2,934	3,014	-45	2,969
Corporation tax	-744	10	-734	-815	12	-803
Consolidated profit	2,231	-31	2,200	2,199	-33	2,166
Attributable to:						
Non-controlling interests	191	-	191	226	-	226
Shareholders in Carlsberg A/S	2,040	-31	2,009	1,973	-33	1,940

DKK million	9 mths 2011			9 mths 2010		
	Bever-ages	Other activities	Total	Bever-ages	Other activities	Total
Net revenue	48,708	-	48,708	46,655	-	46,655
Operating profit before special items	8,010	-28	7,982	9,177	-55	9,122
Special items, net	-191	-	-191	-108	-	-108
Financial items, net	-1,497	-31	-1,528	-1,520	-22	-1,542
Profit before tax	6,322	-59	6,263	7,549	-77	7,472
Corporation tax	-1,581	15	-1,566	-1,940	25	-1,915
Consolidated profit	4,741	-44	4,697	5,609	-52	5,557
Attributable to:						
Non-controlling interests	460	-	460	522	-	522
Shareholders in Carlsberg A/S	4,281	-44	4,237	5,087	-52	5,035

NOTE 3

Segment reporting by quarter

DKK million	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011
Net revenue								
Northern and Western Europe	8,451	7,309	10,199	10,198	8,450	7,311	10,824	10,029
Eastern Europe	4,103	2,386	6,294	6,016	3,491	3,569	6,188	5,578
Asia	1,041	1,234	1,492	1,464	1,423	1,610	1,688	1,805
Not allocated	21	44	-11	30	35	38	40	28
Beverages, total	13,616	10,973	17,974	17,708	13,399	12,528	18,740	17,440
Other activities	-	-	-	-	-	-	-	-
Total	13,616	10,973	17,974	17,708	13,399	12,528	18,740	17,440
Operating profit before special items								
Northern and Western Europe	657	406	1,892	1,949	839	433	2,031	1,789
Eastern Europe	1,092	321	2,276	1,969	482	490	1,677	1,315
Asia	147	223	291	309	221	300	314	389
Not allocated	-271	-230	-194	-35	-473	-246	-302	-180
Beverages, total	1,625	720	4,265	4,192	1,069	977	3,720	3,313
Other activities	18	7	-26	-36	58	26	-25	-29
Total	1,643	727	4,239	4,156	1,127	1,003	3,695	3,284
Special items, net	-324	349	5	-462	-141	-81	-104	-6
Financial items, net	-773	-515	-302	-725	-613	-569	-615	-344
Profit before tax	546	561	3,942	2,969	373	353	2,976	2,934
Corporation tax	-42	-47	-1,066	-803	30	-92	-740	-734
Consolidated profit	504	514	2,876	2,166	403	261	2,236	2,200
Attributable to:								
Non-controlling interests	121	47	248	226	87	88	181	191
Shareholders in Carlsberg A/S	383	467	2,628	1,940	316	173	2,055	2,009

NOTE 4

Special items

DKK million	9 mths 2011	9 mths 2010	2010
Special items, income:			
Gain in relation to sale of Dresden Brewery	11		
Adjustment to gain on disposal of entities in prior year	7	124	134
Revaluation on step acquisition of subsidiary		390	598
Income total	18	514	732
Special items, cost:			
Impairment of trademarks	-	-300	-300
Impairment of Dresden Brewery, Carlsberg Deutschland	-	-	-128
Impairment of properties and breweries, Unicer	-	-	-105
Impairment of non-current assets in connection with production structure, Carlsberg Sweden	-39	-	-
Impairment of non-current assets in connection with production structure, Carlsberg Denmark	-19	-	-
Restructuring and impairment of Arendal Brewery, Ringnes, Norway	-19	-	-
Restructuring of Fribourg Brewery, Feldschlösschen, Switzerland	-	-159	-161
Restructuring of Leeds Brewery, Carlsberg UK	-20	-19	-19
Termination benefits, impairments etc. in connection with Operational Excellence Programmes and restructurings	-21	-98	-154
Costs in relation to acquisitions and disposals of entities, mainly Wusu and Chongqing	-2	-7	-71
Loss on disposal of Sorex, France	-86	-	-
Other restructuring costs etc., other entities	-3	-39	-43
Cost total	-209	-622	-981
Special items, net	-191	-108	-249

NOTE 5 (PAGE 1 OF 2)

Debt and credit facilities

DKK million	30 Sept 2011
Non-current borrowings:	
Issued bonds	19,302
Bank borrowings	11,185
Mortgages	1,982
Lease liabilities	43
Other non-current borrowings	192
Total	32,704
Current borrowings:	
Current portion of other non-current borrowings	2,318
Bank borrowings	1,581
Lease liabilities	12
Other current borrowings	504
Total	4,415
Total non-current and current borrowings	37,119
Cash and cash equivalents	-3,136
Net financial debt	33,983
Other interest bearing assets	-1,303
Net interest bearing debt	32,680

All borrowings are measured at amortised cost. However, fixed-rate borrowings swapped to floating rates are measured at fair value. The carrying amount of these borrowings is DKK 2,593m

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Debt and credit facilities

DKK million Time to maturity for non-current borrowings						30 Sept. 2011
	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Issued bonds	1,718	7,415	13	-	10,156	19,302
Bank borrowings	9,595	416	1,099	75	-	11,185
Mortgages*	-	-	-	-	1,982	1,982
Other non-current borrowings and leases	125	21	14	9	66	235
Total	11,438	7,852	1,126	84	12,204	32,704

DKK Million Interest risk at 30 Sept 2011	Net financial debt	Interest*			
		Floating	Fixed	Floating %	Fixed %
EUR	26,884	1,210	25,674	5%	95%
DKK	-2,515	-3,267	752	130%	-30%
Other currencies	9,615	7,799	1,816	81%	19%
Total	33,984	5,742	28,242	17%	83%

* After interest rate swaps

DKK million Commited credit facilities*	30 Sept. 2011
Less than 1 year	4,878
1 to 2 years	12,464
2 to 3 years	7,850
3 to 4 years	1,123
4 to 5 years	12,620
More than 5 years	12,205
Total	51,140
Short term	4,878
Long term	46,262

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

NOTE 6

Net interest-bearing debt

DKK million	Q3 2011	Q3 2010	9 mths 2011	9 mths 2010	2010
Net interest-bearing debt is calculated as follows:					
Non-current borrowings			32,704	34,058	32,587
Current borrowings			4,415	1,513	3,959
Gross interest-bearing debt			37,119	35,571	36,546
Cash and cash equivalents			-3,136	-2,872	-2,735
Loans to associates			-68	-12	-24
Loans to partners			-225	-	-225
On-trade loans			-2,020	-2,072	-2,065
less non-interest-bearing portion			1,043	1,266	1,286
Other receivables			-2,031	-1,670	-1,487
less non-interest-bearing portion			1,998	1,633	1,447
Net interest-bearing debt			32,680	31,844	32,743
Changes in net interest-bearing debt:					
Net interest-bearing debt at beginning of period	32,828	35,299	32,743	35,679	35,679
Cash flow from operating activities	-2,551	-4,064	-5,495	-8,812	-11,020
Cash flow from investing activities, excl acquisition of entities	836	688	3,018	2,486	5,364
Cash flow from acquisition of entities,net	5	4	-108	511	477
Dividend to shareholders of Carlsberg A/S	-	-	763	534	534
Dividend, acquisition and share buy back of non-controlling interests	1,181	178	1,551	768	878
Acquisition/disposal of treasury shares	14	15	51	34	47
Acquired net interest-bearing debt from acquisition/ disposal of entities	11	-121	56	-85	97
Change in interest-bearing lending	-16	144	-219	211	15
Effects of currency translation	314	-165	148	558	808
Other	58	-134	172	-40	-136
Total change	-148	-3,455	-63	-3,835	-2,936
Net interest-bearing end of period	32,680	31,844	32,680	31,844	32,743

NOTE 7

Acquisition of entities

In 2011, Carlsberg gained control with Lao Brewery Co. Ltd. which was previously recognised using proportionate consolidation. In 2010 Carlsberg gained control with Gorkha Brewery in Nepal which was previously recognised using the equity method.

DKK million Acquired entity	Previous method of consolidation	Previously held ownership interest	Acquired ownership interest	Total Carlsberg interest	Acquisition date	Main activity	Cost
Gorkha Brewery	Equity method	49.97%	40.03%	90.00%	12 Nov. 2010	Brewery	228

The total interest in Gorkha Brewery includes put options recognised at the time of acquisition.

DKK million	Gorkha Brewery
Fair value of consideration transferred for acquired ownership interest	228
Fair value of previously held ownership interest	285
Fair value of non-controlling ownership interest	57
Fair value of entities acquired in step acquisition, total	**570**
Carrying amount of identified assets and liabilities recognised before step acquisition	76
Revaluation of identified assets and liaiblities recognised before step acquisition	20
Fair value of acquired identified assets, liabilities and contingent liabilities	96
Fair value of identified assets, liabilities and contingent liabilities	**192**
Total goodwill	**378**
Goodwill recognised before step acquisition	-
Change in total recognised goodwill	**378**
Goodwill is attributable to:	
Shareholders in Carlsberg A/S	340
Non-controlling interest	38
Total goodwill	**378**
Gain on revaluation of previously held ownership interest in entities acquired in step acquisitions:	
Carrying amount of previously held ownership interest	-76
Fair value of previously held ownership interest	285
Recycling of cumulative exchange differences	-1
Total	**208**
Elements of cash consideration paid:	
Cash	-
Cash and cash equivalents, acquired	-30
Total cash consideration paid	**-30**
Contingent consideration	228
Total consideration transferred	**198**

Acquired cash only comprises the additional consolidated share in the step acquisition due to the change from proportional consolidation to full consolidation equal to the difference between the previous ownership interest and 100% for previously proportionally consolidated entities.

DKK million	Acquired share of net assets recognised at fair value	Recognition of previously recognised net assets at fair value	Total change in net assets from acquisition
Property, plant and equipment	91	91	182
Investments, excl. deferred tax	-	-76	-76
Inventories	18	18	36
Loans and receivables, current	44	44	88
Cash and cash equivalents	15	15	30
Deferred tax assets and liabilities, ne	-11	-11	-22
Borrowings	-30	-30	-60
Trade payables and other payables	-31	-31	-62
Net assets	**96**	**20**	**116**

Acquisition of entities

2011. Late in Q3 Carlsberg acquired an additional 1% of the shareholding in the joint venture Lao Brewery Co. Ltd. in a disproportionate capital increase thus gaining control of the entity in a step acquisition. The fair value of the consideration injected amounted to 33m DKK. Accounting for the acquisition will be completed within the 12 month period required in IFRS 3. This step acquisition is a natural step for Carlsberg and in line with the strategy of obtaining full control of key operating activities.

2010. In Q4 Carlsberg gained control of Gorkha Brewery through a step acquisition. The purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities has been completed.

This step acquisition was a natural step for Carlsberg and in line with the strategy of obtaining full control of key operating activities. The calculation of goodwill represents staff competences as well as expectations of positive growth. Goodwill related to the non-controlling interest's share of Gorkha Brewery was recognised as part of goodwill.

The fair value of the non-controlling ownership interest was estimated based on net present value of expected future cash flows from the entity, cost of newly acquired shareholdings in the entity, excluding control premium, and other fair value models as applicable for the transaction. The key assumptions applied for the Gorkha transaction the applied after-tax WACC was 16.8% and a terminal growth rate of 2.5%.

Acquisition of proportionally consolidated entities

2011. In Q2 Carlsberg acquired another 22.5% of the shares in the jointly controlled entity South Asian Breweries Pte. Ltd., India, which is recognised by proportionate consolidation. The purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities in the acquisition has not been completed. Fair value of identified assets, liabilities and contingent liabilities less the cost of the acquisition, DKK 79m, is recognised as goodwill. Accounting for the acquisition will be completed within the 12 month period required in IFRS 3.

2010. In Q4 Carlsberg acquired an additional 22.5% of the shares in the jointly controlled entity South Asian Breweries Pte. Ltd., India, which is recognised by proportionate consolidation. The purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities in the acquisition has been completed. Fair value of identified assets, liabilities and contingent liabilities less the cost of the acquisition, DKK 119m, is recognised as goodwill.

Disposal of subsidiaries

In Q2 2011, Carlsberg sold the subsidiary Sorex Holding SAS, a logistical company in France, for a sales price of DKK 134m. The entity had a net book value of DKK 220m, including goodwill of DKK 6m, resulting in a loss of DKK 86m which is recognised in special items.