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# Financial statement as at 30 September 2013

## Solid performance across Western Europe and Asia while Eastern Europe remains difficult

*Unless otherwise stated, comments in this announcement refer to year-to-date performance.*

### Financial highlights

- Organic net revenue up 1% to DKK 50.9bn (Q3: -1%).
- Positive price/mix of +2% (Q3:+3%) with solid performance in Western Europe and Asia.
- 2% organic operating profit growth (Q3: 0%).
- Reported operating profit of DKK 7,522m (Q3: DKK 3,426m) impacted by 4% negative currency impact.
- 5% adjusted net profit growth to DKK 4,488m (Q3: +4%).
- 2013 outlook maintained.

### Operational highlights

- Western European markets improved in Q3 due to favourable weather. Continued challenging market environment in Eastern Europe with Russia continuing to be impacted by outlet closures and slower macro-economic growth.
- Solid market share performance in all three regions.
- Organic beer volume decline of 2% (Q3: -5%). Continued growth in Asia offset by volume decline in Eastern and Western Europe, although Western Europe delivered strong growth in Q3.
- The implementation of the supply chain integration and business standardisation project (BSP1) is running according to schedule with our second market, Norway, having gone live in early November.
- Tuborg and Somersby continued to perform well with volume growth of 12% and 80%, respectively. The Carlsberg brand grew 5% in premium markets in Q3 following tough EURO 2012 comparisons in the first half of 2012.
- We started construction of two breweries in Myanmar and China and launched the partial tender offer of Chongqing Brewery.

Commenting on the results, CEO Jørgen Buhl Rasmussen says: "I am satisfied that the Group managed to deliver earnings growth for the nine months as well as maintaining its earnings outlook for the year in light of challenging and uncertain market conditions and an adverse currency impact. We have achieved this through ongoing tight cost control, underpinning the importance of our continued efforts to make our business more efficient and lean. We maintain an appropriate balance between becoming more efficient and ensuring that we continue to invest in our business for the longer term. The Group's solid market share performance clearly demonstrates that our focus on strengthening our commercial execution capabilities, bringing innovations to the market and investing in our strong brands is right."

### Contacts

| | | | | |
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## KEY FIGURES AND FINANCIAL RATIOS

| DKK million | | Q3 2013 | Q3 2012 | 9 mths 2013 | 9 mths 2012 | 2012 |
|---|---|---|---|---|---|---|
| **Total sales volumes (million hl)** | | | | | | |
| Beer | | 38.6 | 39.7 | 108.4 | 109.7 | 140.9 |
| Other beverages | | 5.8 | 5.9 | 16.4 | 16.7 | 22.0 |
| **Pro rata volumes (million hl)** | | | | | | |
| Beer | | 32.7 | 34.1 | 92.8 | 93.3 | 120.4 |
| Other beverages | | 5.3 | 5.2 | 15.0 | 14.6 | 19.1 |
| **Income statement** | | | | | | |
| Net revenue | | 17,973 | 18,587 | 50,891 | 50,698 | 66,468 |
| Operating profit before special items | | 3,426 | 3,596 | 7,522 | 7,641 | 9,793 |
| Special items, net | | -45 | -6 | -198 | 1,391 | 85 |
| Financial items, net | | -295 | -442 | -1,069 | -1,320 | -1,772 |
| Profit before tax | | 3,086 | 3,148 | 6,255 | 7,712 | 8,106 |
| Corporation tax | | -765 | -787 | -1,557 | -1,776 | -1,861 |
| Consolidated profit | | 2,321 | 2,361 | 4,698 | 5,936 | 6,245 |
| Attributable to: | | | | | | |
| Non-controlling interests | | 113 | 225 | 354 | 521 | 638 |
| Shareholders in Carlsberg A/S | | 2,208 | 2,136 | 4,344 | 5,415 | 5,607 |
| Shareholders in Carlsberg A/S (adjusted)* | | 2,241 | 2,146 | 4,488 | 4,288 | 5,504 |
| **Statement of financial position** | | | | | | |
| Total assets | | - | - | 148,219 | 155,651 | 153,965 |
| Invested capital | | - | - | 117,191 | 121,365 | 121,467 |
| Interest-bearing debt, net | | - | - | 31,490 | 31,790 | 32,480 |
| Equity, shareholders in Carlsberg A/S | | - | - | 68,264 | 71,372 | 70,261 |
| **Statement of cash flows** | | | | | | |
| Cash flow from operating activities | | 3,502 | 3,430 | 6,752 | 6,713 | 9,871 |
| Cash flow from investing activities | | -916 | -901 | -4,251 | -1,567 | -3,974 |
| Free cash flow | | 2,586 | 2,529 | 2,501 | 5,146 | 5,897 |
| **Financial ratios** | | | | | | |
| Operating margin | % | 19.1 | 19.3 | 14.8 | 15.1 | 14.6 |
| Return on average invested capital (ROIC) | % | - | - | 8.0 | 7.8 | 8.0 |
| Equity ratio | % | - | - | 46.1 | 45.9 | 45.6 |
| Debt/equity ratio (financial gearing) | x | - | - | 0.44 | 0.42 | 0.44 |
| Interest cover | x | - | - | 7.04 | 5.79 | 5.53 |
| **Stock market ratios** | | | | | | |
| Earnings per share (EPS) | DKK | 14.5 | 14.0 | 28.5 | 35.5 | 36.8 |
| Earnings per share (EPS) (adjusted)* | DKK | 14.7 | 14.1 | 29.4 | 28.1 | 36.1 |
| Cash flow from operating activities per share (CFPS) | DKK | 23.0 | 22.5 | 44.3 | 44.0 | 64.6 |
| Free cash flow per share (FCFPS) | DKK | 16.9 | 16.5 | 16.4 | 33.7 | 38.6 |
| Share price (B-shares) | DKK | - | - | 568 | 511 | 554 |
| Number of shares (period-end, excl. Trasury shares) | 1,000 | - | - | 152,547 | 152,555 | 152,555 |
| Number of shares (average, excl. Treasury shares) | 1,000 | 152,550 | 152,553 | 152,550 | 152,545 | 152,543 |

* Adjusted for special items net of tax.

## BUSINESS DEVELOPMENT

| DKK million | | Change | | | | Change |
|---|---|---|---|---|---|---|
| | 2012 | Organic | Acq., net | FX | 2013 | Reported |
| Q3 | | | | | | |
| Beer (million hl) | 34.1 | -5% | 1% | | 32.7 | -4% |
| Other beverages (million hl) | 5.2 | 2% | 1% | | 5.3 | 3% |
| Net revenue | 18,587 | -1% | 2% | -4% | 17,973 | -3% |
| Operating profit | 3,596 | 0% | 0% | -5% | 3,426 | -5% |
| Operating margin (%) | 19.3 | | | | 19.1 | -20bp |
| | | | | | | |
| 9 mths | | | | | | |
| Beer (million hl) | 93.3 | -2% | 2% | | 92.8 | 0% |
| Other beverages (million hl) | 14.6 | 3% | 0% | | 15.0 | 3% |
| Net revenue | 50,698 | 1% | 1% | -2% | 50,891 | 0% |
| Operating profit | 7,641 | 2% | 0% | -4% | 7,522 | -2% |
| Operating margin (%) | 15.1 | | | | 14.8 | -30bp |

### Group financial highlights

Group beer volumes declined organically by 2% (Q3: -5%) with reported beer volumes being flat. Growing volumes in Asia were not enough to offset the volume decline in Eastern and Western Europe. Other beverages grew organically by 3% (Q3: +2%).

Net revenue was DKK 50,891m as a result of 1% organic growth (total beverage volume of -1% and +2% price/mix), -2% from currencies and a net acquisition impact of +1%. The negative currency impact was mainly due to weaker currencies in Russia, Malawi and the UK while the acquisition impact mainly related to the Nordic Getränke distribution company in Germany. Organic net revenue declined by 1% in Q3 due to the weak volume development in Eastern Europe, while price/mix was a positive 3% for the quarter. The negative currency impact accelerated in Q3, driven by currencies in Russia, the UK, Norway and Malawi and several Asian currencies.

Cost of goods sold per hl increased organically by approximately 1% (Q3: +1%). However, due to the positive price/mix, gross profit per hl grew organically by approximately 4% (Q3: +6%). Total gross profit grew organically by 2% (Q3: +1%).

Operating expenses grew by 1% (Q3: -1%). In total, BSP1-related costs were approximately DKK 290m, in line with plans. Excluding the BSP1-related costs, operating expenses declined by 1% (Q3: -2%).

Consequently, Group operating profit was DKK 7,522m with 2% organic growth (Q3: flat). Adjusted for the BSP1-related costs, organic operating profit growth was 6%. All three regions delivered organic operating profit growth with particularly strong growth in Asia.

Adjusted net profit (adjusted for post-tax impact of special items) grew 5% to DKK 4,488m versus DKK 4,288m last year (Q3: +4%). Reported net profit was DKK 4,344m (2012: DKK

5,415m). Last year's net profit was positively impacted by the disposal of the Copenhagen brewery site.

Free operating cash flow was DKK 3,071m (2012: DKK 3,451m) as a slight increase in cash flow from operating activities was off-set by higher operating investments. The efforts to reduce average trade working capital continued and average trade working capital to net revenue improved to 0.3% (MAT) end of Q3 2013 vs 1.3% at the end of Q3 2012. Free cash flow was DKK 2,501m versus DKK 5,146m last year. The main difference is last year's proceeds from the disposal of the Copenhagen brewery site.

**Group operational highlights**
The Group continued the positive market share trend across regions in spite of tough comparables with last year's strong performance during the EURO 2012. The solid market share performance was achieved through a combination of further investments in and roll-out of our international premium brands, good performance of our local power brands; a high level of innovations; and the continued local deployment and application of our sales and marketing tools.

In Q3, the Carlsberg brand grew 5% in its premium markets but declined 5% for the nine months, cycling last year's EURO 2012 activations where the brand grew 9%. The brand continued its strong performance in Asia, particularly in China and India. During the year, we rolled out the innovative music engagement programme "Where's the Party" in 20 markets; renewed our long-standing partnership with Liverpool FC; and started activation of our English Premier League sponsorship.

The Tuborg brand continued its strong growth. The nine month growth was 12% which was driven by a strong Asian performance, not least in China and India, The rejuvenation programme continued with key initiatives being the launch of Tuborg Booster in India, the Tuborg 3G bottle in the UK and the launch of 'Skøll by Tuborg' in France.

Somersby continued its strong progress and grew 80%. Major drivers behind the growth were the on-going positive performance in Poland following last year's launch; line extensions in established markets; and the launch in the UK. The brand was launched in three new markets in 2013.

The Group's Belgian Abbey Beer Grimbergen continued its successful expansion in 2013 and is now available in 31 markets globally. During 2013, Grimbergen was launched in Denmark and Poland and the brand has recently been launched in Russia.

The BSP1 project was implemented in Sweden in April. Norway went live in early November and we are now entering the final preparations for implementation in the UK. The implementation process is running according to schedule.

## Structural changes

In the first nine months of 2013, the Group took several steps to further strengthen the company's growth profile. All these initiatives took place in Asia.

- In August, we started the construction of the first international brewery in Myanmar. The brewery is expected to be operational in late 2014.
- In October, we initiated the construction of a new brewery in the Yunnan province in China. The brewery is expected to be operational in 2015.
- We launched the partial take-over offer of up to 30.29% of the shares in Chongqing Brewery Company Co. Ltd.
- We increased our shareholdings in the Qinghai and Lanzhou joint ventures to 50% and increased our shareholding in Lao Brewery by 10% to 61%.

## Unchanged 2013 earnings expectations despite a continued Russian market decline

Due to tight cost control measures across all markets and functions, a solid performance by our Western European and Asian businesses, and slightly lower financial items, we keep our earnings outlook unchanged:

- Operating profit before special items of around DKK 10bn.
- Adjusted net profit[1] to increase by a mid-single-digit percentage.

Based on the Russian beer market dynamics up until late October, we have adjusted our expectations to this year's Russian beer market. The disruption from the changed retail landscape due to the closures of non-permanent outlets and the slower growth of the Russian economy, which has deteriorated consumer sentiment further, continue to impact the beer market negatively. Hence, we now assume the Russian beer market to decline by high-single digit percentages this year.

For 2013, the Carlsberg Group expects beer market dynamics in Asia and Western Europe to be similar to 2012.

Reported cost of goods sold per hl is expected to be flat with limited variation between the three regions.

The Group will continue to drive a focused commercial agenda, balancing volume and value share. For 2013, we expect sales and marketing investments to revenue to remain at the same level as last year.

Costs associated with the roll-out of the integrated supply chain and business standardisation project in Western Europe are now expected to impact Group operating profit in 2013 by close to DKK 400m.

[1] Adjusted for special items after tax.

Average all-in cost of debt is now assumed to be 75-100bp lower than in 2012.

The tax rate is expected to be 24-25%.

Capital expenditures are now expected to be around 10% higher than in 2012.

The outlook is based on an average EUR/RUB exchange rate of 42 (YTD September average of 41.6; an EUR/RUB change of +/- 1 impacts Group operating profit by slightly less than +/- DKK 100m). Due to the strength of the DKK compared to most currencies, the negative translation impact from weaker currencies is expected to be slightly higher than previously anticipated.

## WESTERN EUROPE

| DKK million | | Change | | | | Change |
|---|---|---|---|---|---|---|
| | 2012 | Organic | Acq., net | FX | 2013 | Reported |
| Q3 | | | | | | |
| Beer (million hl) | 13.9 | 2% | 0% | | 14.1 | 2% |
| Other beverages (million hl) | 4.0 | 3% | 1% | | 4.1 | 4% |
| Net revenue | 10,361 | 4% | 4% | -2% | 10,939 | 6% |
| Operating profit | 1,807 | 12% | 1% | -2% | 2,014 | 11% |
| Operating margin (%) | 17.4 | | | | 18.4 | 100bp |
| | | | | | | |
| 9 mths | | | | | | |
| Beer (million hl) | 38.6 | -3% | 0% | | 37.6 | -3% |
| Other beverages (million hl) | 10.9 | 2% | 1% | | 11.2 | 3% |
| Net revenue | 28,552 | 1% | 3% | -1% | 29,470 | 3% |
| Operating profit | 4,083 | 3% | 0% | -1% | 4,177 | 2% |
| Operating margin (%) | 14.3 | | | | 14.2 | -10bp |

The Western European beer market declined by an estimated 2% impacted by the continued challenging macro and consumer environment and tough comparison with the EURO event in 2012. In Q3, the market grew by an estimated 1% due to favourable weather across the region, except for Poland. Overall, our market share was slightly up with growing market share in Sweden, Norway, Finland, Poland, Portugal and Greece.

Our commercial activities remained at a high level. In addition to the ongoing roll-out of our international premium brands in new markets, there were a number of new product launches and roll-out of innovations during the period. A few examples are the introduction of Carlsberg Citrus and Somersby in the UK, Skøll by Tuborg in France, and the further geographical expansion of Radler products, Garage Hard Lemonade and the DraughtMaster™ technology.

Beer volumes declined organically by 3%. Excluding the Q1 destocking in France, beer volumes declined by an estimated 2%. Beer volumes were flat or grew in markets such as Finland, Norway, Poland, Sweden, Italy and Greece, driven primarily by market share growth. In Q3, beer volumes grew organically by 2% driven by strong execution and favourable weather. The volume of other beverages grew organically by 2% (Q3: +3%).

In Poland, we grew our volumes by 4% driven by a strong market share gain. The overall market declined due to tough EURO 2012 comparisons. Price/mix continued to improve slightly and our volume and value market share improved strongly underpinned by a strong performance by the Kasztelan, Okocim and Harnas brands. The launch of Somersby in the Polish market has been very successful and Poland is now the brand's largest market.

In France, we implemented an almost 15% price increase at the beginning of the year to recover the 160% excise tax increase. Following a strong Q3 that was positively impacted by favourable weather, the market decline year-to-date was an estimated 3% (-7% in H1). Adjusted for the destocking impact in Q1, our volumes declined by an estimated 4% (11% including destocking). For the first time in a long period, our market share improved in Q3 driven by good performances by Kronenbourg 1664, Grimbergen and Skøll by Tuborg. Year-to-date market share declined slightly.

The UK market declined by approximately 1%, positively impacted by favourable weather in Q3. We continued to strengthen our market share in the on-trade while our off-trade market share declined, mainly due to the impact from last year's strong EURO 2012 performance in Q2. Somersby and Carlsberg Citrus were launched nationally with promising initial results.

Volumes in the Nordics were flat in spite of slightly declining volumes in Denmark. We gained market share in three out of the four Nordic markets. In particular Sweden and Norway delivered very good results while introducing BSP1 into the businesses this year.

In the Baltic States, our volumes declined slightly, although we saw a strong improvement in Q3. In Q3, we announced plans to close our main brewery in Latvia and focus on craft beer production.

Net revenue grew organically by 1% to DKK 29,470m (Q3: +4%). Due to our successful value management efforts and price increases across the markets, the region delivered a strong price/mix of +2% (Q3: +2%).

Operating profit grew organically by 3% to DKK 4,177m (Q3: +12%) despite the negative earnings impact from the French destocking in Q1 and the BSP1 implementation costs. Adjusted for the French destocking impact and BSP1 costs, operating profit would have increased organically by high single-digit percentages. The earnings improvement was driven by an overall tight cost control, the positive price/mix and supply chain savings. Operating profit margin declined by 10bp (Q3: +100bp) to 14.2% (Q3: 18.4%).

## EASTERN EUROPE

| DKK million | | Change | | | | Change |
|---|---|---|---|---|---|---|
| | 2012 | Organic | Acq., net | FX | 2013 | Reported |
| Q3 | | | | | | |
| Beer (million hl) | 13.0 | -15% | 0% | | 11.0 | -15% |
| Other beverages (million hl) | 0.5 | -15% | 0% | | 0.5 | -15% |
| Net revenue | 5,805 | -14% | 0% | -7% | 4,598 | -21% |
| Operating profit | 1,600 | -12% | 0% | -7% | 1,297 | -19% |
| Operating margin (%) | 27.6 | | | | 28.2 | 60bp |
| | | | | | | |
| 9 mths | | | | | | |
| Beer (million hl) | 34.3 | -4% | 0% | | 32.9 | -4% |
| Other beverages (million hl) | 1.6 | -6% | 0% | | 1.5 | -6% |
| Net revenue | 15,022 | -5% | 0% | -4% | 13,745 | -9% |
| Operating profit | 3,128 | 1% | 0% | -5% | 2,988 | -4% |
| Operating margin (%) | 20.8 | | | | 21.7 | 90bp |

The difficult market environment in Russia continued in Q3. The Russian beer market declined by an estimated 7% (Q3: estimated -9%), mainly driven by the outlet restrictions; very unfavourable weather in September; and weaker economic growth and consumer sentiment. As a result of these factors, the Group now expects the Russian beer market to decline by high-single-digit percentages in 2013.

Our Russian volume market share grew by approximately 40bp to 38.7% for the nine months with our value market share showing similar positive dynamics. The market share improvement was broadly based in both modern and traditional trade, and across most regions, with particularly strong performances in the super premium and mainstream segments. Brands such as Holsten, Baltika 0, Baltika Cooler, Zatecky Gus and Zhigulevskoe did particularly well, while Baltika 7 was impacted by outlet restrictions. In Q3, our value share grew despite our volume share being flat, both versus Q3 2012 and previous quarter (39.0%) (source: Nielsen Retail Audit, Urban & Rural Russia).

The Ukrainian market declined by an estimated 6-7% due to the macro-economic slow-down and unfavourable weather. The market was particularly weak in June, mainly as a result of last year's EURO 2012, and in September, due to very poor weather.

Beer volumes declined organically by 4% to 32.9m hl. Our Q3 volumes declined by 15%, mainly due to the expected destocking among our Russian distributors in Q3 and the underlying market decline in Russia and Ukraine.

The level of commercial activities remained at a high level across the region. In Russia, several line extensions of Baltika, such as Baltika Praha and Baltika Munich, were launched and we introduced Grimbergen with good initial results. In addition, the sponsorships of the Sochi Olympic Games and the Russian National Hockey League are being activated. The rejuvenated Tuborg was launched in more markets in the region.

Organic net revenue declined by 5% (Q3: -14%). Reported net revenue declined by 9% to DKK 13,745m (Q3: -21%) due to negative currency impact from the Russian and Ukrainian currencies.

We achieved a flat price/mix for the nine months (Q3: +1%), positively impacted by price increases across all markets which more than offset the Russian excise tax increase and a negative packaging and channel mix. We increased prices in Russia in March, May, June and September.

Operating profit grew organically by 1% to DKK 2,988m (Q3: -12%) and operating profit margin improved by 90bp (Q3: +60bp) to 21.7%. Lower cost of goods sold; significant efficiency improvements across all markets and functions; and lower marketing expenses, mainly due to EURO 2012 and the Russian marketing restrictions, mitigated the negative volume impact.

## ASIA

| DKK million | | Change | | | | Change |
|---|---|---|---|---|---|---|
| | 2012 | Organic | Acq., net | FX | 2013 | Reported |
| Q3 | | | | | | |
| Beer (million hl) | 7.2 | 1% | 5% | | 7.6 | 6% |
| Other beverages (million hl) | 0.7 | 9% | 4% | | 0.7 | 13% |
| Net revenue | 2,389 | 8% | 0% | -8% | 2,392 | 0% |
| Operating profit | 502 | 5% | 0% | -7% | 493 | -2% |
| Operating margin (%) | 21.0 | | | | 20.6 | -40bp |
| | | | | | | |
| 9 mths | | | | | | |
| Beer (million hl) | 20.4 | 5% | 5% | | 22.3 | 10% |
| Other beverages (million hl) | 2.1 | 10% | 2% | | 2.3 | 12% |
| Net revenue | 7,029 | 14% | 0% | -7% | 7,555 | 7% |
| Operating profit | 1,366 | 14% | -1% | -5% | 1,479 | 8% |
| Operating margin (%) | 19.4 | | | | 19.6 | 10bp |

The Asian markets continued to grow, although they were affected by slightly slower economic growth and bad weather in some markets. Our Asian beer volumes grew organically by 5% (Q3: +1%). Including acquisitions, beer volumes grew by 10% (Q3: +6%) to 22.3m hl. Cambodia, India and Laos did particularly well. Other beverages grew organically by 10%, mainly due to the soft drink business in Laos. The acquisition impact derived from the increased ownership in the Chongqing Jianiang Brewery joint venture.

Our international premium brands continued deliver solid growth rates. The Carlsberg brand grew approximately 7% in its premium markets, mainly driven by a strong performance in India with Carlsberg Elephant, and in China with Carlsberg Chill and Light. The Tuborg brand is expanding rapidly across the region and became the fastest growing international premium brand in China and the largest international beer brand in India. The brand grew almost 65% in the region. The roll-out of Kronenbourg 1664, Somersby and Grimbergen continued with promising initial results.

Our Chinese volumes grew by 11% including acquisitions and 3% organically, in line with the market. Net revenue in China grew organically by a high single-digit, driven by a strong performance from our premium portfolio, as the Carlsberg and Tuborg brands continue to perform very strongly, and an improved price/mix of our local brands. Carlsberg Chill was successfully relaunched with a new upgraded design. We secured the deal in sponsoring the Chinese Super League football, becoming the official beer for the next three years.

In Indochina, our volumes grew by approximately 8%. Cambodia and Laos delivered particularly strong performance driven by market growth as well as strong activation of our local power brands Beerlao and Angkor.

Our Indian volumes grew organically by 19% as a result of strong performance of the Carlsberg, notably Carlsberg Elephant, and Tuborg brands. The launch of Tuborg Booster supported the strong performance of the Tuborg brand family.

Organic net revenue grew by 14% (Q3: +8%) with flat reported net revenue due to a negative currency impact, particularly from Malawi, but also from India, Nepal and Malaysia. Driven by price increases across most markets, the continued premiumisation and market share gains in the premium segments, and in spite of a negative country mix, price/mix grew +6% (Q3: +7%).

Operating profit grew organically by 14% (Q3: +5%) with reported growth of 8%, impacted negatively by currency impact. The operating profit margin improved by 10bp to 19.6%. The main profit drivers were China, Indochina and Nepal.

## CENTRAL COSTS (NOT ALLOCATED)

Central costs were DKK 1,019m (DKK 855m in 2012) and DKK 352m in Q3 (DKK 285m in 2012). 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 headquarters functions and central marketing (including sponsorships). The year-on-year increase was driven by BSP1-related costs and the establishment of the central supply chain organisation.

## 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 103m (loss of DKK 80m in 2012).

## 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.

Except for the below described changes, the interim report has been prepared using the same accounting policies as the consolidated financial statements for 2012. The consolidated financial statements for 2012, note 42, holds a complete description of the accounting policies.

As of 1 January 2013, the Carlsberg Group has changed the presentation of listing fees in Russia. According to the Group's accounting policies, specific listing fees closely related to the sale of beer are presented as discounts reducing net revenue. Listing fees in Russia were previously included in sales and distribution in line with the main nature of the activities in prior years, but are now presented as discounts due to the changed nature of the activities, following the change in cooperation with and services provided by retailers as a result of the changes in Russian marketing regulation. Comparative figures for 2012 have been restated accordingly.

IFRS 13 "Fair Value Measurement" and the amendments to IAS 19 "Employee Benefits", IAS 1 "Other Comprehensive Income", IFRS 7 "Disclosures – Offsetting Financial Assets and Financial Liabilities" and IAS 32 "Offsetting Financial Assets and Financial Liabilities" have been implemented from 1 January 2013. The new and amended standards have changed the presentation of other comprehensive income and valuation of assets in employee benefits. The changes have not had any significant impact on the quarterly financial statement.

IFRS 10-12 and the amendments to IAS 27-28 have not yet been implemented. The standards will be implemented 1 January 2014, when they become applicable within the EU. This will impact the Carlsberg Group's pro-rata consolidated companies such as Unicer and Cambrew that currently are pro-rata consolidated. From 1 January 2014 pro-rata consolidated entities will be included as associated companies.

## INCOME STATEMENT

Net special items (pre-tax) include costs related to restructuring measures across the Group and amounted to DKK -198m against DKK 1,391m in 2012. In 2012, special items were positively impacted by DKK 1.7bn related to the sale of the Copenhagen brewery site. A specification of special items is included in note 4.

Net financial items amounted to DKK -1,069m against DKK -1,320m in 2012. Net interest costs were DKK -1,123m, compared with DKK -1,184m in 2012 and other net financial items were DKK 54m against DKK -136m last year. Net financial items were in total impacted by lower average funding costs.

Tax totalled DKK -1,557m against DKK -1,776m in 2012.

Carlsberg's share of net profit was DKK 4,344m. Adjusted net profit (adjusted for post-tax impact of special items) was DKK 4,488m compared with DKK 4,288m in 2012.

## STATEMENT OF FINANCIAL POSITION

At 30 September 2013, Carlsberg had total assets of DKK 148.2bn against DKK 154.0bn at 31 December 2012.

### Assets

Total assets decreased by DKK 5.8bn to DKK 148.2bn at 30 September 2013 (DKK 154.0bn at 31 December 2012).

Intangible assets decreased to DKK 87.2bn (DKK 91.2bn at 31 December 2012), mainly because of foreign exchange adjustments of DKK -4.5bn, primarily related to Russia.

Property, plant and equipment decreased to DKK 30.8bn against DKK 32.0bn at 31 December 2012, mainly driven by net foreign exchange adjustments of DKK -1.3bn, primarily related to Russia.

Cash decreased from DKK 5.8bn at 31 December 2012 to DKK 3.4bn at 30 September 2013, mainly due to paid dividends.

Other receivables etc. totalled DKK 4.2bn against DKK 3.0bn at 31 December 2012. The change was mainly due to prepayments in relation to the partial takeover offer of Chongqing and prepayments in connection with the EURO 2016 and the English Premier League sponsorships.

### Liabilities

Equity decreased to DKK 71.5bn compared DKK 73.7bn at 31 December 2012. DKK 68.3bn were attributed to shareholders in Carlsberg A/S and DKK 3.2bn to non-controlling interests.

The difference in equity of DKK -2.2bn was mainly due to profit for the period of DKK 4.7bn, foreign exchange losses of DKK -5.3bn, payment of dividends to shareholders of DKK -1.2bn, and acquisition of non-controlling interests of DKK -0.3bn.

Liabilities decreased to DKK 76.7bn compared to DKK 80.3bn at 31 December 2012. The decrease was mainly due to lower borrowings. Lower deferred tax liabilities were off-set by an increase in trade payables.

The increase in current borrowings to DKK 9.2bn from DKK 3.4bn was due to a GBP bond of 1bn maturing in May 2014 and which has consequently moved from non-current to current borrowings.

## CASH FLOW

Operating profit before depreciation and amortisation was DKK 10,475m (DKK 10,612m in 2012).

The change in trade working capital was DKK 16m (DKK 291m in 2012), impacted by higher trade receivables at the end of September than last year, primarily due to higher sales in Western Europe. Other working capital was DKK -293m (DKK -855m in Q3 2012), impacted positively by higher duties and VAT payables, also due to the higher sales. Trade working capital to net revenue (MAT) was 0.3% at the end of Q3 2013 versus 1.3% at the end of Q3 2012 and 1.0% at the end of 2012.

Paid net interest etc. amounted to DKK -1,717m (DKK -1,623m in 2012).

Cash flow from operating activities was DKK 6,752m, on par with last year (DKK 6,713m in 2012).

Cash flow from investing activities amounted to DKK -4,251m against DKK -1,567m in 2012. In 2012, cash flow from investing activities was positively impacted by the proceeds from the sale of the Copenhagen brewery site of DKK 1.9bn. Financial investments were impacted by pre-payments made in the spring of 2013 related to the acquisition of shares in Chongqing.

Free cash flow was DKK 2,501m against DKK 5,146m in 2012.

## FINANCING

At 30 September 2013, the gross interest-bearing debt amounted to DKK 36.7bn and net interest-bearing debt amounted to DKK 31.5bn. The difference of DKK 5.2bn was other interest-bearing assets, including DKK 3.4bn in cash and cash equivalents.

Of the gross interest-bearing debt, 75% (DKK 27.5bn) was long term, i.e. with maturity more than one year from 30 September 2013. The net interest-bearing debt consisted primarily of facilities in EUR and approximately 66% was fixed interest (fixed-interest period exceeding one year).

## AMENDMENT OF THE CARLSBERG FOUNDATION's CHARTER

The Danish Ministry of Justice/Civil Affairs Authority has approved the amendment of the Carlsberg Foundation's charter.

Reference is made to the stock exchange announcement of 25 October 2013 presenting the application to amend the charter in greater detail.

## FINANCIAL CALENDAR

The financial year follows the calendar year, and the following schedule has been set for 2014:

| 2014 | |
|---|---|
| 19 February 2014 | Financial statement as at 31 December 2013 |
| 7 May 2014 | Interim results for Q1 2014 |
| 20 August 2014 | Interim results for Q2 2014 |
| 10 November 2014 | Interim results for Q3 2014 |

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 the Executive Board have discussed and approved the interim report of the Carlsberg Group for the period 1 January – 30 September 2013.

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 2013, and of the results of the Carlsberg Group's operations and cash flow for the period 1 January – 30 September 2013. Further, in our opinion the management's review (p. 1-14) 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, 13 November 2013**

Executive Board of Carlsberg A/S

| | |
|---|---|
| Jørgen Buhl Rasmussen<br>President & CEO | Jørn P. Jensen<br>Deputy CEO & CFO |

Supervisory Board of Carlsberg A/S

| | | |
|---|---|---|
| Flemming Besenbacher<br>Chairman | Jess Søderberg<br>Deputy Chairman | Hans Andersen |
| Richard Burrows | Donna Cordner | Elisabeth Fleuriot |
| Kees van der Graaf | Thomas Knudsen | Søren-Peter Fuchs Olesen |
| Bent Ole Petersen | Nina Smith | 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.

# INCOME STATEMENT

| DKK million | Q3 2013 | Q3 2012 | 9 mths 2013 | 9 mths 2012 | 2012 |
|---|---|---|---|---|---|
| Net revenue | 17,973 | 18,587 | 50,891 | 50,698 | 66,468 |
| Cost of sales | -8,789 | -9,195 | -25,749 | -25,720 | -33,831 |
| Gross profit | 9,184 | 9,392 | 25,142 | 24,978 | 32,637 |
| Sales and distribution expenses | -4,738 | -4,820 | -14,354 | -14,456 | -18,912 |
| Administrative expenses | -1,074 | -1,041 | -3,404 | -3,115 | -4,185 |
| Other operating income, net | -16 | 26 | 14 | 140 | 145 |
| Share of profit after tax, associates | 70 | 39 | 124 | 94 | 108 |
| Operating profit before special items | 3,426 | 3,596 | 7,522 | 7,641 | 9,793 |
| Special items, net | -45 | -6 | -198 | 1,391 | 85 |
| Financial income | -96 | 441 | 716 | 832 | 900 |
| Financial expenses | -199 | -883 | -1,785 | -2,152 | -2,672 |
| Profit before tax | 3,086 | 3,148 | 6,255 | 7,712 | 8,106 |
| Corporation tax | -765 | -787 | -1,557 | -1,776 | -1,861 |
| Consolidated profit | 2,321 | 2,361 | 4,698 | 5,936 | 6,245 |
| Attributable to: | | | | | |
| Non-controlling interests | 113 | 225 | 354 | 521 | 638 |
| Shareholders in Carlsberg A/S | 2,208 | 2,136 | 4,344 | 5,415 | 5,607 |
| Earnings per share | 14.5 | 14.0 | 28.5 | 35.5 | 36.8 |
| Earnings per share, diluted | 14.4 | 14.0 | 28.4 | 35.5 | 36.7 |

## STATEMENT OF COMPREHENSIVE INCOME

| DKK million | Q3 2013 | Q3 2012 | 9 mths 2013 | 9 mths 2012 | 2012 |
|---|---|---|---|---|---|
| Profit for the period | 2,321 | 2,361 | 4,698 | 5,936 | 6,245 |
| Other comprehensive income: | | | | | |
| Retirement benefit obligations | 3 | -31 | -31 | -168 | -741 |
| Share of other comprehensive income in associates | - | - | - | - | 4 |
| Corporation tax relating to items that will not be reclassified | -1 | -20 | 8 | 11 | 131 |
| Items that will not be reclassified to the income statement: | 2 | -51 | -23 | -157 | -606 |
| Foreign exchange adjustments of foreign entities | -1,965 | 2,039 | -5,345 | 2,731 | 1,904 |
| Value adjustments of hedging instruments | 1 | -2 | 10 | -26 | 111 |
| Effect of hyperinflation | 6 | 27 | 33 | 57 | 75 |
| Other | -21 | -1 | - | -1 | -2 |
| Corporation tax relating to items that may be reclassified | -2 | 16 | 10 | 18 | -43 |
| Items that may be reclassified to the income statement: | -1,981 | 2,079 | -5,292 | 2,779 | 2,045 |
| Other comprehensive income | -1,979 | 2,028 | -5,315 | 2,622 | 1,439 |
| Total comprehensive income | 342 | 4,389 | -617 | 8,558 | 7,684 |
| Attributable to: | | | | | |
| Non-controlling interests | -35 | 230 | 303 | 554 | 582 |
| Shareholders in Carlsberg A/S | 377 | 4,159 | -920 | 8,004 | 7,102 |

## STATEMENT OF FINANCIAL POSITION

| DKK million | 30 Sept 2013 | 30 Sept 2012 | 31 Dec 2012 |
|---|---|---|---|
| Assets | | | |
| Intangible assets | 87,202 | 91,554 | 91,216 |
| Property, plant and equipment | 30,815 | 32,563 | 31,991 |
| Financial assets | 9,770 | 8,528 | 9,623 |
| Total non-current assets | 127,787 | 132,645 | 132,830 |
| Inventories and trade receivables | 12,771 | 12,640 | 12,369 |
| Other receivables etc. | 4,217 | 4,408 | 2,979 |
| Cash and cash equivalents | 3,417 | 5,932 | 5,760 |
| Total current assets | 20,405 | 22,980 | 21,108 |
| Assets held for sale | 27 | 26 | 27 |
| Total assets | 148,219 | 155,651 | 153,965 |
| Equity and liabilities | | | |
| Equity, shareholders in Carlsberg A/S | 68,264 | 71,372 | 70,261 |
| Non-controlling interests | 3,243 | 3,447 | 3,389 |
| Total equity | 71,507 | 74,819 | 73,650 |
| Borrowings | 27,493 | 34,612 | 36,706 |
| Deferred tax, retirement benefit obligations etc. | 15,255 | 15,314 | 16,074 |
| Total non-current liabilities | 42,748 | 49,926 | 52,780 |
| Borrowings | 9,217 | 4,928 | 3,352 |
| Trade payables | 12,636 | 11,577 | 11,862 |
| Deposits on returnable bottles and crates | 1,344 | 1,414 | 1,381 |
| Other current liabilities | 10,749 | 12,968 | 10,922 |
| Total current liabilities | 33,946 | 30,887 | 27,517 |
| Liabilities associated with assets held for sale | 18 | 19 | 18 |
| Total equity and liabilities | 148,219 | 155,651 | 153,965 |

# STATEMENT OF CHANGES IN EQUITY (PAGE 1 OF 2)

| DKK million | | | | | | | | | 30 Sept 2013 |
|---|---|---|---|---|---|---|---|---|---|
| | Shareholders in Carlsberg A/S | | | | | | | | |
| | Share capital | Currency translation | Hedging reserves | A-f-S invest-ments | Total reserves | Retained earnings | Equity, shareholders in Carlsberg A/S | Non-controlling interests | Total equity |
| Equity at 1 January 2013 | 3,051 | -5,865 | -758 | 147 | -6,476 | 73,686 | 70,261 | 3,389 | 73,650 |
| Profit for the period | - | - | - | - | - | 4,344 | 4,344 | 354 | 4,698 |
| Other comprehensive income: | | | | | | | | | |
| Foreign exchange adjustments of foreign entities | - | -5,292 | - | - | -5,292 | - | -5,292 | -53 | -5,345 |
| Value adjustments of hedging instruments | - | -116 | 126 | - | 10 | - | 10 | - | 10 |
| Retirement benefit obligations | - | - | - | - | - | -31 | -31 | - | -31 |
| Effect of hyperinflation | - | 31 | - | - | 31 | - | 31 | 2 | 33 |
| Corporation tax | - | 45 | -35 | - | 10 | 8 | 18 | - | 18 |
| Other comprehensive income | - | -5,332 | 91 | - | -5,241 | -23 | -5,264 | -51 | -5,315 |
| Total comprehensive income for the period | - | -5,332 | 91 | - | -5,241 | 4,321 | -920 | 303 | -617 |
| Capital increase | - | - | - | - | - | - | - | 32 | 32 |
| Acquisition/disposal of treasury shares | - | - | - | - | - | -43 | -43 | - | -43 |
| Share-based payment | - | - | - | - | - | 54 | 54 | - | 54 |
| Dividends paid to shareholders | - | - | - | - | - | -915 | -915 | -311 | -1,226 |
| Acquisition of non-controlling interests | - | - | - | - | - | -173 | -173 | -174 | -347 |
| Acquisition of entities | - | - | - | - | - | - | - | 4 | 4 |
| Total changes in equity | - | -5,332 | 91 | - | -5,241 | 3,244 | -1,997 | -146 | -2,143 |
| Equity at 30 September 2013 | 3,051 | -11,197 | -667 | 147 | -11,717 | 76,930 | 68,264 | 3,243 | 71,507 |

## STATEMENT OF CHANGES IN EQUITY (PAGE 2 OF 2)

| DKK million | Shareholders in Carlsberg A/S | | | | | | | | 30 Sept 2012 |
|---|---|---|---|---|---|---|---|---|---|
| | Share capital | Currency translation | Hedging reserves | A-f-S invest-ments | Total reserves | Retained earnings | Equity, shareholders in Carlsberg A/S | Non-controlling interests | Total equity |
| Equity at 1 January 2012 | 3,051 | -7,728 | -1,159 | 147 | -8,740 | 71,555 | 65,866 | 5,763 | 71,629 |
| Profit for the period | - | - | - | - | - | 5,415 | 5,415 | 521 | 5,936 |
| Other comprehensive income: | | | | | | | | | |
| Foreign exchange adjustments of foreign entities | - | 2,690 | - | - | 2,690 | - | 2,690 | 41 | 2,731 |
| Value adjustments of hedging instruments | - | -209 | 183 | - | -26 | - | -26 | - | -26 |
| Retirement benefit obligations | - | - | - | - | - | -157 | -157 | -11 | -168 |
| Effect of hyperinflation | - | - | - | - | - | 54 | 54 | 3 | 57 |
| Other | - | - | - | - | - | -1 | -1 | - | -1 |
| Corporation tax | - | 62 | -44 | - | 18 | 11 | 29 | - | 29 |
| Other comprehensive income | - | 2,543 | 139 | - | 2,682 | -93 | 2,589 | 33 | 2,622 |
| Total comprehensive income for the period | - | 2,543 | 139 | - | 2,682 | 5,322 | 8,004 | 554 | 8,558 |
| Acquisition/disposal of treasury shares | - | - | - | - | - | -16 | -16 | - | -16 |
| Share-based payment | - | - | - | - | - | 34 | 34 | - | 34 |
| Dividends paid to shareholders | - | - | - | - | - | -839 | -839 | -261 | -1,100 |
| Acquisition of non-controlling interests | - | - | - | - | - | -1,677 | -1,677 | -2,609 | -4,286 |
| Total changes in equity | - | 2,543 | 139 | - | 2,682 | 2,824 | 5,506 | -2,316 | 3,190 |
| Equity at 30 September 2012 | 3,051 | -5,185 | -1,020 | 147 | -6,058 | 74,379 | 71,372 | 3,447 | 74,819 |

## STATEMENT OF CASH FLOWS

| DKK million | Q3 2013 | Q3 2012 | 9 mths 2013 | 9 mths 2012 | 2012 |
|---|---|---|---|---|---|
| Operating profit before special items | 3,426 | 3,596 | 7,522 | 7,641 | 9,793 |
| Adjustment for depreciation, amortisation and impairment losses | 977 | 1,016 | 2,953 | 2,971 | 4,019 |
| Operating profit before depreciation, amortisation and impairment losses[1] | 4,403 | 4,612 | 10,475 | 10,612 | 13,812 |
| Adjustment for other non-cash items | 157 | 165 | 402 | 267 | 334 |
| Change in trade working capital | 1,491 | 496 | 16 | 291 | 852 |
| Change in other working capital | -1,315 | -1,035 | -293 | -855 | -523 |
| Restructuring costs paid | -149 | -93 | -327 | -198 | -324 |
| Interest etc. received | 74 | 88 | 154 | 116 | 354 |
| Interest etc. paid | -453 | -151 | -1,871 | -1,739 | -2,350 |
| Corporation tax paid | -706 | -652 | -1,804 | -1,781 | -2,284 |
| Cash flow from operating activities | 3,502 | 3,430 | 6,752 | 6,713 | 9,871 |
| Acquisition of property, plant and equipment and intangible assets | -1,021 | -1,098 | -3,470 | -3,377 | -5,067 |
| Disposal of property, plant and equipment and intangible assets | 13 | 88 | 93 | 414 | 440 |
| Change in trade loans | -76 | -83 | -304 | -299 | -447 |
| Total operational investments | -1,084 | -1,093 | -3,681 | -3,262 | -5,074 |
| Free operating cash flow | 2,418 | 2,337 | 3,071 | 3,451 | 4,797 |
| Aquisition and disposal of entities, net | - | - | -138 | - | -27 |
| Acquisition and disposal of associated companies, net | - | - | -72 | -219 | -822 |
| Acquisition and disposal of financial assets, net | 7 | 17 | 4 | -21 | -14 |
| Change in financial receivables | 148 | 144 | -421 | -53 | -28 |
| Dividends received | 28 | 28 | 72 | 90 | 100 |
| Total financial investments | 183 | 189 | -555 | -203 | -791 |
| Other investments in property, plant and equipment | -15 | - | -15 | -1 | -6 |
| Disposal of other property, plant and equipment | - | 3 | - | 1,899 | 1,897 |
| Total other activities[2] | -15 | 3 | -15 | 1,898 | 1,891 |
| Cash flow from investing activities | -916 | -901 | -4,251 | -1,567 | -3,974 |
| **Free cash flow** | **2,586** | **2,529** | **2,501** | **5,146** | **5,897** |
| Shareholders in Carlsberg A/S | -8 | -16 | -959 | -855 | -864 |
| Non-controlling interests | -9 | -2,860 | -630 | -3,592 | -5,198 |
| External financing | -2,001 | 718 | -3,395 | 444 | 2,473 |
| Cash flow from financing activities | -2,018 | -2,158 | -4,984 | -4,003 | -3,589 |
| Net cash flow | 568 | 371 | -2,483 | 1,143 | 2,308 |
| Cash and cash equivalents at beginning of period | 1,987 | 3,482 | 5,059 | 2,835 | 2,835 |
| Currency translation adjustments | -91 | 111 | -112 | -14 | -84 |
| Cash and cash equivalents at period-end[3] | 2,464 | 3,964 | 2,464 | 3,964 | 5,059 |

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

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

[3] Cash and cash equivalents less bank overdrafts.

## NOTE 1

### Segment reporting by region (beverages)

| | Q3 2013 | Q3 2012 | 9 mths 2013 | 9 mths 2012 | 2012 |
|---|---|---|---|---|---|
| **Beer sales (pro rata, million hl)** | | | | | |
| Western Europe | 14.1 | 13.9 | 37.6 | 38.6 | 50.3 |
| Eastern Europe | 11.0 | 13.0 | 32.9 | 34.3 | 44.7 |
| Asia | 7.6 | 7.2 | 22.3 | 20.4 | 25.4 |
| Total | 32.7 | 34.1 | 92.8 | 93.3 | 120.4 |
| **Other beverages (pro rata, million hl)** | | | | | |
| Western Europe | 4.1 | 4.0 | 11.2 | 10.9 | 14.5 |
| Eastern Europe | 0.5 | 0.5 | 1.5 | 1.6 | 1.8 |
| Asia | 0.7 | 0.7 | 2.3 | 2.1 | 2.8 |
| Total | 5.3 | 5.2 | 15.0 | 14.6 | 19.1 |
| **Net revenue (DKK million)** | | | | | |
| Western Europe | 10,939 | 10,361 | 29,470 | 28,552 | 37,727 |
| Eastern Europe | 4,598 | 5,805 | 13,745 | 15,022 | 19,502 |
| Asia | 2,392 | 2,389 | 7,555 | 7,029 | 9,114 |
| Not allocated | 44 | 32 | 121 | 95 | 125 |
| Beverages, total | 17,973 | 18,587 | 50,891 | 50,698 | 66,468 |
| **Operating profit before depreciation, amortisation and special items (EBITDA - DKK million)** | | | | | |
| Western Europe | 2,464 | 2,267 | 5,522 | 5,440 | 6,984 |
| Eastern Europe | 1,649 | 2,011 | 4,082 | 4,333 | 5,883 |
| Asia | 647 | 634 | 1,926 | 1,736 | 2,194 |
| Not allocated | -334 | -275 | -958 | -824 | -1,144 |
| Beverages, total | 4,426 | 4,637 | 10,572 | 10,685 | 13,917 |
| **Operating profit before special items (EBIT - DKK million)** | | | | | |
| Western Europe | 2,014 | 1,807 | 4,177 | 4,083 | 5,121 |
| Eastern Europe | 1,297 | 1,600 | 2,988 | 3,128 | 4,302 |
| Asia | 493 | 502 | 1,479 | 1,366 | 1,685 |
| Not allocated | -352 | -286 | -1,019 | -856 | -1,199 |
| Beverages, total | 3,452 | 3,623 | 7,625 | 7,721 | 9,909 |
| **Operating profit margin (%)** | | | | | |
| Western Europe | 18.4 | 17.4 | 14.2 | 14.3 | 13.6 |
| Eastern Europe | 28.2 | 27.6 | 21.7 | 20.8 | 22.1 |
| Asia | 20.6 | 21.0 | 19.6 | 19.4 | 18.5 |
| Not allocated | … | … | … | … | … |
| Beverages, total | 19.2 | 19.5 | 15.0 | 15.2 | 14.9 |

## NOTE 2

### Segment reporting by activity

| DKK million | Q3 2013 | | | Q3 2012 | | |
|---|---|---|---|---|---|---|
| | Bever-ages | Other activities | Total | Bever-ages | Other activities | Total |
| Net revenue | 17,973 | - | 17,973 | 18,587 | - | 18,587 |
| Operating profit before special items | 3,452 | -26 | 3,426 | 3,623 | -27 | 3,596 |
| Special items, net | -45 | - | -45 | -164 | 158 | -6 |
| Financial items, net | -291 | -4 | -295 | -438 | -4 | -442 |
| Profit before tax | 3,116 | -30 | 3,086 | 3,021 | 127 | 3,148 |
| Corporation tax | -772 | 7 | -765 | -759 | -28 | -787 |
| Consolidated profit | 2,344 | -23 | 2,321 | 2,262 | 99 | 2,361 |
| Attributable to: | | | | | | |
| Non-controlling interests | 113 | - | 113 | 225 | - | 225 |
| Shareholders in Carlsberg A/S | 2,231 | -23 | 2,208 | 2,037 | 99 | 2,136 |

| DKK million | 9 mths 2013 | | | 9 mths 2012 | | |
|---|---|---|---|---|---|---|
| | Bever-ages | Other activities | Total | Bever-ages | Other activities | Total |
| Net revenue | 50,891 | - | 50,891 | 50,698 | - | 50,698 |
| Operating profit before special items | 7,625 | -103 | 7,522 | 7,721 | -80 | 7,641 |
| Special items, net | -205 | 7 | -198 | -505 | 1,896 | 1,391 |
| Financial items, net | -1,054 | -15 | -1,069 | -1,285 | -35 | -1,320 |
| Profit before tax | 6,366 | -111 | 6,255 | 5,931 | 1,781 | 7,712 |
| Corporation tax | -1,736 | 179 | -1,557 | -1,470 | -306 | -1,776 |
| Consolidated profit | 4,630 | 68 | 4,698 | 4,461 | 1,475 | 5,936 |
| Attributable to: | | | | | | |
| Non-controlling interests | 354 | - | 354 | 521 | - | 521 |
| Shareholders in Carlsberg A/S | 4,276 | 68 | 4,344 | 3,940 | 1,475 | 5,415 |

## NOTE 3

### Segment reporting by quarter

| DKK million | Q4 2011 | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 |
|---|---|---|---|---|---|---|---|---|
| Net revenue | | | | | | | | |
| Western Europe | 8,715 | 7,524 | 10,667 | 10,361 | 9,175 | 7,767 | 10,764 | 10,939 |
| Eastern Europe | 4,384 | 2,951 | 6,266 | 5,805 | 4,480 | 2,902 | 6,245 | 4,598 |
| Asia | 1,735 | 2,261 | 2,379 | 2,389 | 2,085 | 2,555 | 2,608 | 2,392 |
| Not allocated | 19 | 39 | 24 | 32 | 30 | 54 | 23 | 44 |
| Beverages, total | 14,853 | 12,775 | 19,336 | 18,587 | 15,770 | 13,278 | 19,640 | 17,973 |
| Other activities | - | - | - | - | - | - | - | - |
| Total | 14,853 | 12,775 | 19,336 | 18,587 | 15,770 | 13,278 | 19,640 | 17,973 |
| Operating profit before special items | | | | | | | | |
| Western Europe | 1,166 | 477 | 1,799 | 1,807 | 1,038 | 426 | 1,737 | 2,014 |
| Eastern Europe | 804 | 19 | 1,509 | 1,600 | 1,174 | 83 | 1,608 | 1,297 |
| Asia | 283 | 433 | 431 | 502 | 319 | 493 | 493 | 493 |
| Not allocated | -386 | -332 | -238 | -286 | -343 | -290 | -377 | -352 |
| Beverages, total | 1,867 | 597 | 3,501 | 3,623 | 2,188 | 712 | 3,461 | 3,452 |
| Other activities | -33 | -23 | -30 | -27 | -36 | -51 | -26 | -26 |
| Total | 1,834 | 574 | 3,471 | 3,596 | 2,152 | 661 | 3,435 | 3,426 |
| Special items, net | -1,074 | -48 | 1,445 | -6 | -1,306 | -60 | -93 | -45 |
| Financial items, net | -490 | -467 | -411 | -442 | -452 | -360 | -414 | -295 |
| Profit before tax | 270 | 59 | 4,505 | 3,148 | 394 | 241 | 2,928 | 3,086 |
| Corporation tax | -272 | -15 | -974 | -787 | -85 | -60 | -732 | -765 |
| Consolidated profit | -2 | 44 | 3,531 | 2,361 | 309 | 181 | 2,196 | 2,321 |
| Attributable to: | | | | | | | | |
| Non-controlling interests | 83 | 120 | 176 | 225 | 117 | 119 | 122 | 113 |
| Shareholders in Carlsberg A/S | -85 | -76 | 3,355 | 2,136 | 192 | 62 | 2,074 | 2,208 |

## NOTE 4

### Special items

| DKK million | 9 mths 2013 | 9 mths 2012 | 2012 |
|---|---|---|---|
| Special items, income: | | | |
| Gain on disposal of entities and adjustments to gain in prior year | - | 6 | 107 |
| Gain on disposal of the Copenhagen Brewery Site | - | 1,719 | 1,719 |
| Income total | - | 1,725 | 1,826 |
| Special items, cost: | | | |
| Impairment and restructuring of Carlsberg Uzbekistan | -4 | -67 | -290 |
| Impairment of Nordic Getränke GmbH, Germany | - | - | -118 |
| Restructuring of Carlsberg Danmark | -25 | - | - |
| Restructuring of Carlsberg Sverige | -3 | -55 | -76 |
| Impairment of Vena Brewery, production and sales equipment in connection with restrucuring, Baltika Breweries, Russia | - | -200 | -589 |
| Restructuring of Ringnes AS, Norway | -72 | - | -262 |
| Impairment and restructuring in relation to optimisation and standardisation in Western Europe | -72 | - | -93 |
| Termination benefits and impairment of non-current assets in connection with new administration structure at Brasseries Kronenbourg, France | -30 | - | -76 |
| Termination benefits etc. in connection with Operational Excellence Programmes | - | -20 | -86 |
| Other restructuring costs etc., other entities | 8 | 8 | -151 |
| Cost total | -198 | -334 | -1,741 |
| Special items, net | -198 | 1,391 | 85 |

## NOTE 5 (PAGE 1 OF 2)

### Debt and credit facilities

| DKK million | 30 September 2013 |
|---|---|
| Non-current borrowings: | |
| Issued bonds | 21,443 |
| Bank borrowings | 4,299 |
| Mortgages | 1,457 |
| Lease liabilities | 37 |
| Other non-current borrowings | 257 |
| Total | 27,493 |
| Current borrowings: | |
| Current portion of other non-current borrowings | 7,636 |
| Bank borrowings | 1,469 |
| Lease liabilities | 7 |
| Other current borrowings | 105 |
| Total | 9,217 |
| Total non-current and current borrowings | 36,710 |
| Cash and cash equivalents | -3,417 |
| Net financial debt | 33,293 |
| Other interest bearing assets net | -1,803 |
| Net interest bearing debt | 31,490 |

All borrowings are measured at amortised cost. However, EMTN £300m bond with fixed-rate swapped to floating rate, is measured at fair value. The carrying amount of this bond is DKK 2,861m.

# NOTE 5 (PAGE 2 OF 2)

## Debt and credit facilities

| DKK million<br>Time to maturity for non-current borrow ings | 1-2 years | 2-3 years | 3-4 years | 4-5 years | > 5 years | 30 September 2013<br>Total |
|---|---|---|---|---|---|---|
| Issued bonds | - | - | 2,861 | 7,408 | 11,174 | 21,443 |
| Bank borrow ings | 272 | 3,856 | 30 | 28 | 113 | 4,299 |
| Mortgages | - | - | - | - | 1,457 | 1,457 |
| Other non-current borrow ings and leases | 139 | 57 | 65 | 21 | 12 | 294 |
| Total | 411 | 3,913 | 2,956 | 7,457 | 12,756 | 27,493 |

| DKK million<br>Interest risk at 30 September 2013 | Net financial debt | Interest*<br>Floating | Fixed | Floating % | Fixed % |
|---|---|---|---|---|---|
| EUR | 31,363 | 9,740 | 21,623 | 31% | 69% |
| DKK | 1,712 | 1,490 | 222 | 87% | 13% |
| Other currencies | 218 | 166 | 52 | 76% | 24% |
| Total | 33,293 | 11,396 | 21,897 | 34% | 66% |

* After interest rate and currency sw aps.

| DKK million<br>Commited credit facilities* | 30 September 2013 |
|---|---|
| Less than 1 year | 9,629 |
| 1 to 2 years | 411 |
| 2 to 3 years | 14,222 |
| 3 to 4 years | 8,922 |
| 4 to 5 years | 7,457 |
| More than 5 years | 12,756 |
| Total | 53,397 |
| Short term | 9,629 |
| Long term | 43,768 |

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

# NOTE 6

## Net interest-bearing debt

| DKK million | Q3 2013 | Q3 2012 | 9 mths 2013 | 9 mths 2012 | 2012 |
|---|---|---|---|---|---|
| Net interest-bearing debt is calculated as follows: | | | | | |
| Non-current borrowings | | | 27,493 | 34,612 | 36,706 |
| Current borrowings | | | 9,217 | 4,928 | 3,352 |
| Gross interest-bearing debt | | | 36,710 | 39,540 | 40,058 |
| Cash and cash equivalents | | | -3,417 | -5,932 | -5,760 |
| Loans to associates | | | -92 | -152 | -110 |
| Loans to partners | | | -268 | -236 | -226 |
| On-trade loans | | | -1,939 | -2,019 | -2,022 |
| less non-interest-bearing portion | | | 926 | 999 | 1,012 |
| Other receivables | | | -2,045 | -2,160 | -1,862 |
| less non-interest-bearing portion | | | 1,615 | 1,750 | 1,390 |
| Net interest-bearing debt | | | 31,490 | 31,790 | 32,480 |
| Changes in net interest-bearing debt: | | | | | |
| Net interest-bearing debt at beginning of period | 33,965 | 31,154 | 32,480 | 32,460 | 32,460 |
| Cash flow from operating activities | -3,502 | -3,430 | -6,752 | -6,713 | -9,871 |
| Cash flow from investing activities, excl acquisition of entities | 916 | 901 | 4,113 | 1,567 | 3,947 |
| Cash flow from acquisition of entities,net | - | - | 138 | - | 27 |
| Dividend to shareholders and non-controlling interest | 7 | - | 1,226 | 1,100 | 1,121 |
| Acquisition of non-controlling interests | 2 | 2,860 | 319 | 3,331 | 4,916 |
| Acquisition/disposal of treasury shares | 7 | 16 | 43 | 16 | 25 |
| Acquired net interest-bearing debt from acquisition/ disposal of entities | 1 | -11 | 9 | -147 | -154 |
| Change in interest-bearing lending | 9 | 148 | 43 | 125 | 18 |
| Effects of currency translation | 60 | 147 | -222 | 433 | 327 |
| Other | 25 | 5 | 93 | -382 | -336 |
| Total change | -2,475 | 636 | -990 | -670 | 20 |
| Net interest-bearing debt, end of period | 31,490 | 31,790 | 31,490 | 31,790 | 32,480 |

# NOTE 7

## Acquisition of entities

**Acquisition and disposal of entities**

In 2013, Carlsberg and its partner in Nordic Getränke GmbH agreed to cease cooperation and split the entity between them. Hence, Carlsberg acquired the entity from Nordic Getränke GmbH through the assumption of debt of Nordic Getränke GmbH. The entity has been fully consolidated as of 1 January. The fair value of the consideration amounted to DKK 138m. Accounting for the acquisition will be completed within the 12 month period required in IFRS 3.

The financial impact from the acquisition is not material.

The Group did not complete any acquisitions of entities in 2012.

**Acquisition of proportionally consolidated entities**

The Group has not completed any acquisitions of proportionally consolidated entities in 2013.

In Q2 2012, Carlsberg acquired 6% of the shares in the jointly controlled entity South Asian Breweries Pte. Ltd., which is recognised by proportional consolidation. The purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities in the acquisition has been completed. The fair value of identified assets, liabilities and contingent liabilities less the cost of the acquisition was recognised as goodwill.