

FINANCIAL RESULTS

Full-year ended
31 December 2014



Agenda

Operational performance

Financial results

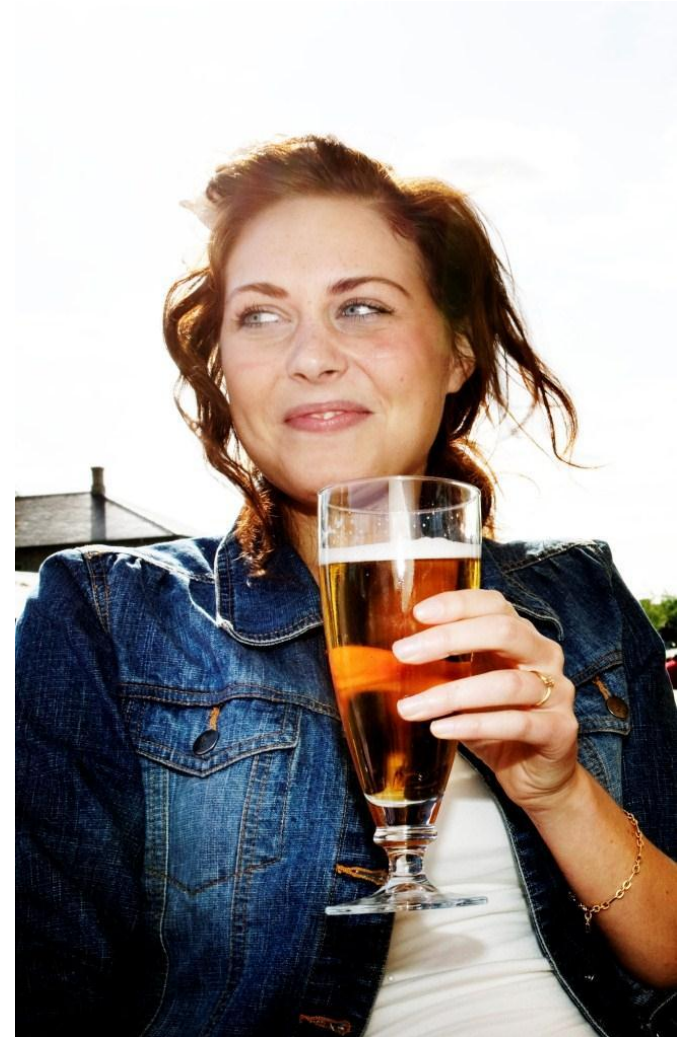
Outlook 2015

Appendix



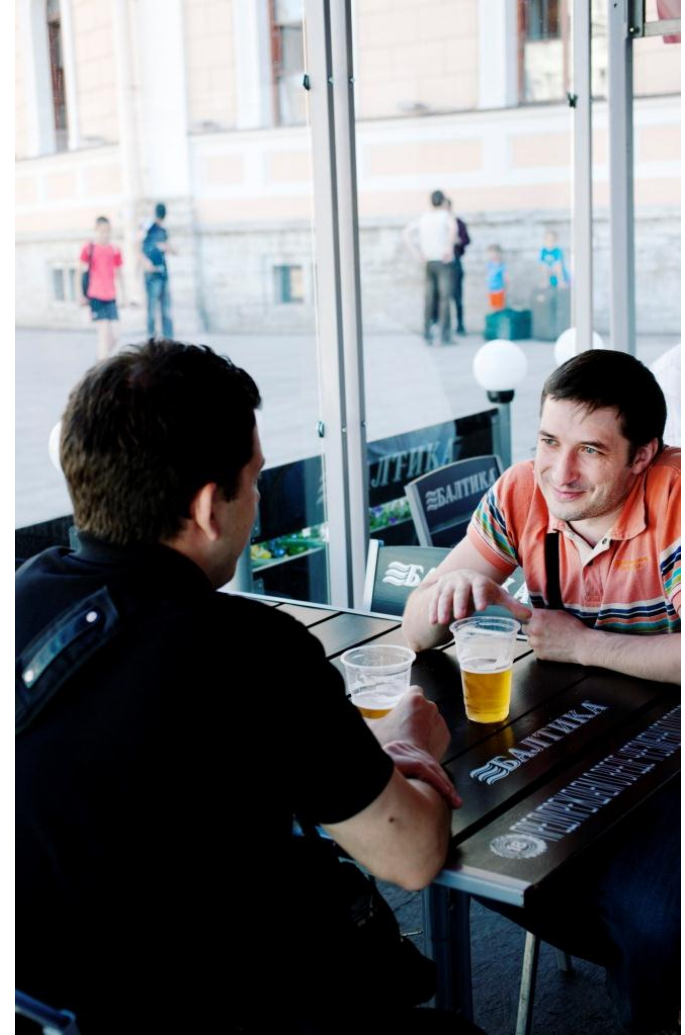
Solid 2014 performance

- Markets growing in value in all regions
- Market share improvement in most markets in Western Europe and Asia
- Price/mix improvements of +3%
- High level of investments behind brands, innovations and commercial execution
- Continuous execution of efficiency improvements
- 1% organic operating profit growth
- Adj. net result decline of 5% impacted by a significantly negative currency development
- Proposed dividend of DKK 9 per share (+13% increase)



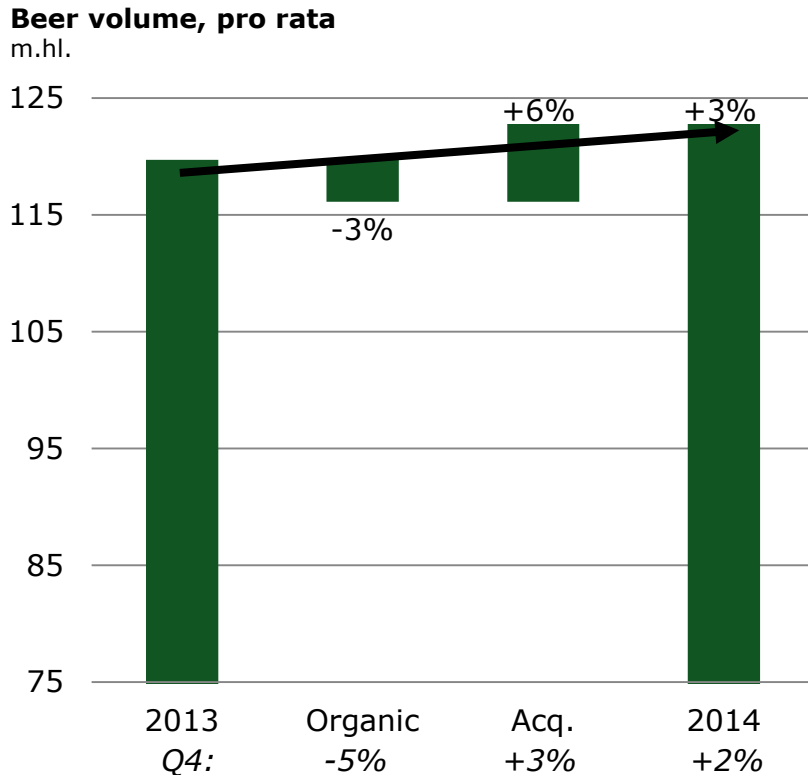
Well prepared for 2015

- Continued focus on driving strong commercial performance
 - Keep developing and expanding sales and go-to-market tools and capabilities
 - Slightly higher sales and marketing investments
- Eastern European challenges are countered by proactive measures across the Group
 - Scenario planning
 - Operating cost management
 - Further efficiency improvements
 - Further simplification of operating model
 - Significant capex reduction
- Key financial priorities for 2015
 - Mitigating the rouble impact
 - Improving cash flow
 - Increasing ROIC
 - Reduced financial leverage



Group beer volume dynamics

- Organic volume growth in Western Europe, flat in Asia and decline in Eastern Europe
- Acquisition impact from Chongqing Brewery

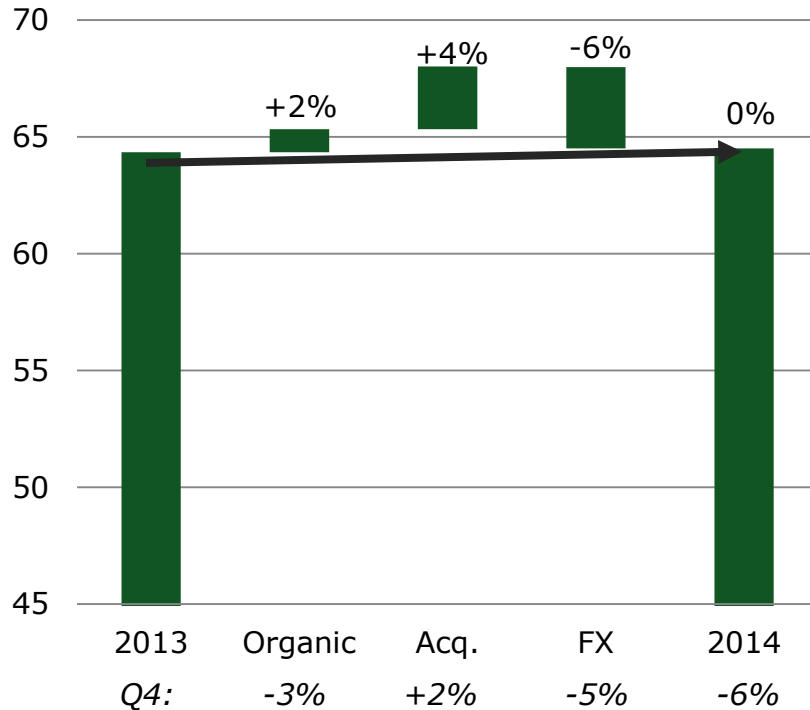


Revenue and profit dynamics

- Positive price/mix of +3%
- +1% organic operating profit growth driven by strong performance in Western Europe and Asia

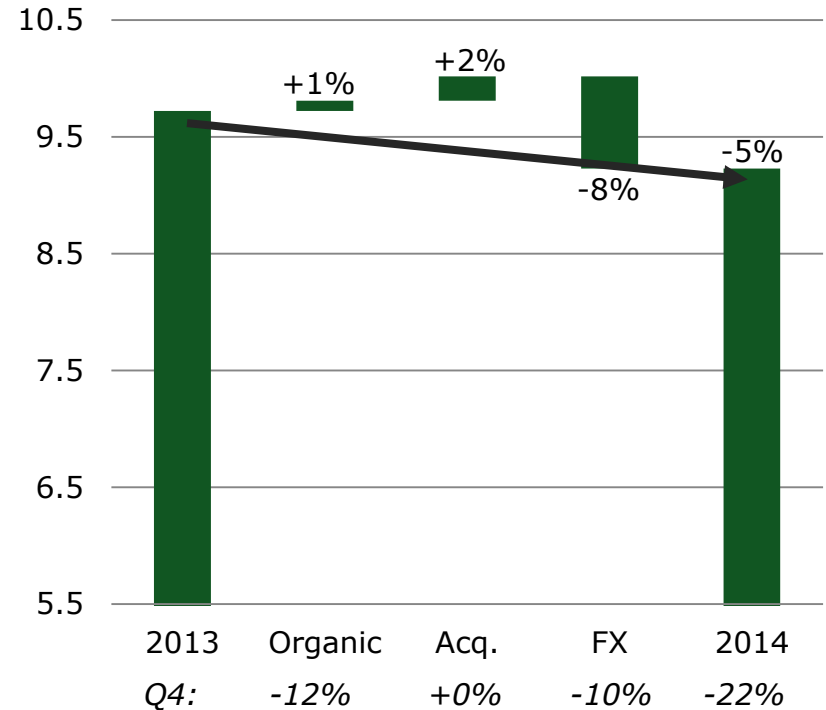
Net revenue

DKKbn



Operating profit

DKKbn



Strong performance of international premium brands



+1%

- 1% growth in premium markets
- Strong growth in India, China and France
- Successful football activation



+24%

- Strong Asian growth
- Fastest growing international premium beer brand in China
- Third largest beer brand in India



+9%

- 350th anniversary
- Growth driven by France and roll-out in new markets
- Solid performance by 1664 Blanc in super-premium segment in Asia



+27%

- Strong growth in France
- Expansion to new markets
- Available in 36 markets.



+43%

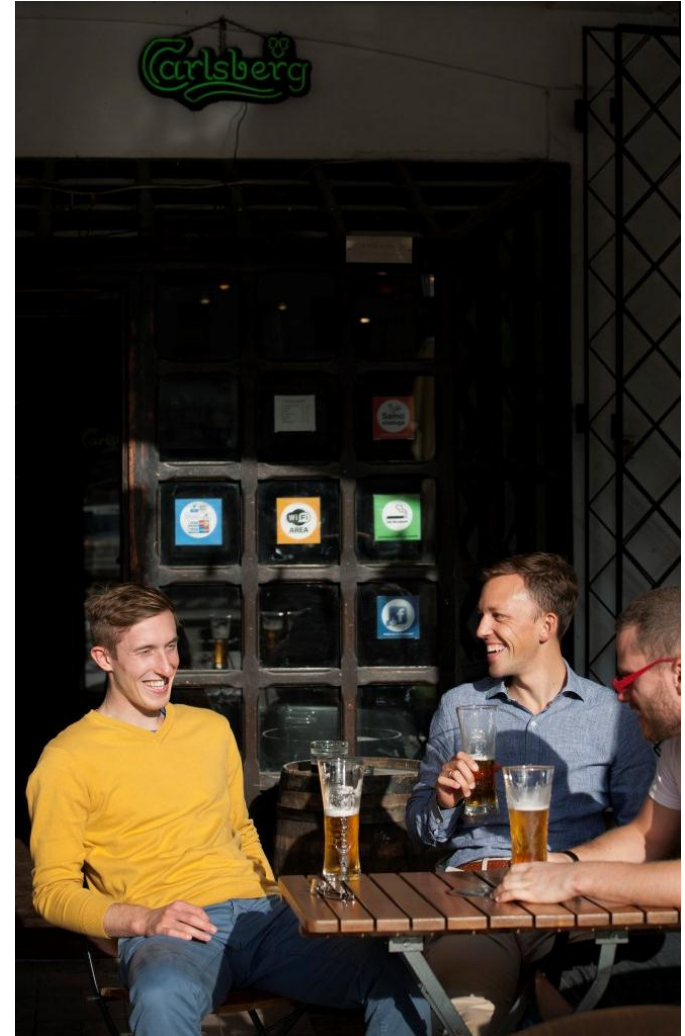
- Fastest growing cider among top 10 global ciders, driven by Poland, UK and Ukraine
- Line extensions and launch in new markets
- Available in 43 markets

Regions



Western Europe – Another year of strong performance

- Improved beer category dynamics
 - Slight volume and value growth
- Improving market share for fourth year in a row
 - Estimated +20bp market share growth
- Invest to drive profitable volume and value growth
 - Growth in innovations/speciality/craft
 - Roll-out and embedding sales tools
 - Focus on pockets of growth
- Organic beer volume growth of +2%
- +1% organic net revenue growth
 - Price/mix of -1% due to higher non-beer volumes and channel mix
- BSP1 roll-out in additional four countries
- +7% organic growth in operating profit
- +60bp operating profit margin growth to 14.5%



Western Europe – Effective execution in the market place

- Nordics
 - Strong performance in slightly growing beer and CSD markets
 - Market share growth in Denmark, Sweden and Norway
 - Successful commercial execution across markets
- Poland
 - Volume growth in a slightly growing market
 - Another year of positive development in volume and value share
- France
 - Market share gains in a growing market
 - Strong performance of our premium portfolio
 - High level of innovations
- UK
 - Overall market share down a little in a growing market
 - Positive price/mix for beer
 - Continued growth of Somersby



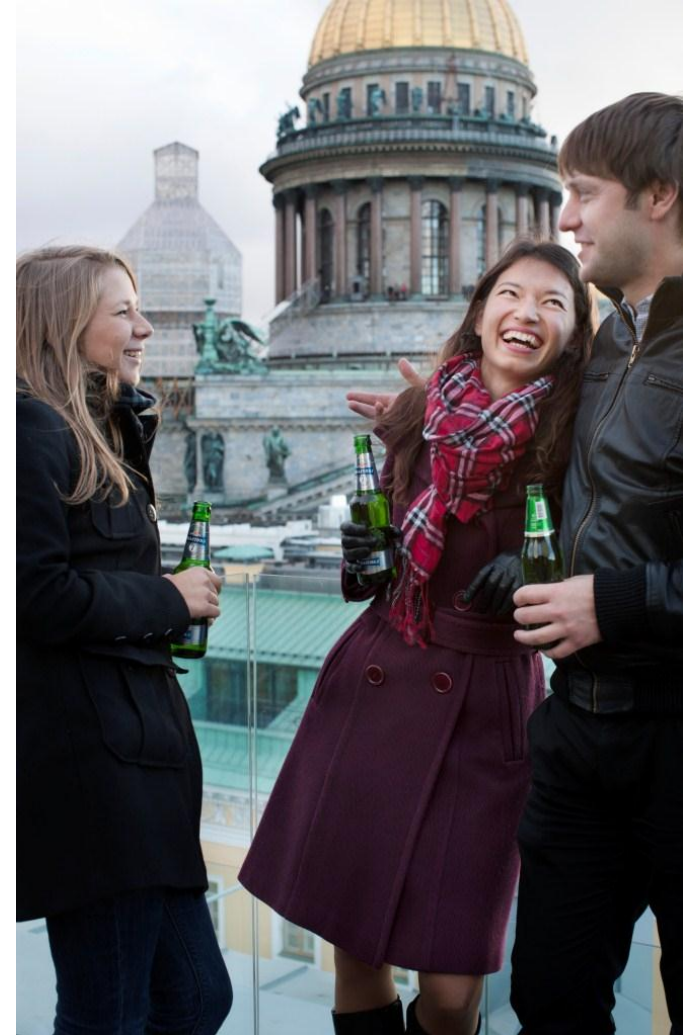
Eastern Europe – Challenging markets

- Positive market share development in most markets
- Overall decline in market volumes,
- 3% organic decline in net revenue
 - Negative currency impact
- Strong price/mix of +9%
 - Price increases
 - Small mix improvement
 - Launch of slightly smaller pack sizes in Russia
- 12% organic operating profit decline; 28% reported operating profit decline
 - Strong price/mix and efficiency improvements were more than offset by lower volumes, higher COGS, higher logistic costs and write-off on obsolete stocks
 - Significant negative currency impact



Russia and Ukraine impacted by macro environment

- Russia
 - Beer market decline of an estimated 7% with continued consumer value growth
 - +50bp y/y market share improvement in Q4 to 38.6%. Full-year market share of 37.8%
 - Price leadership in first nine months
 - Launch of slightly smaller pack sizes
 - Value market share outperforming volume share
 - 14% volume decline partly impacted by less stocking
 - Adjustment of cost structure and footprint
- Ukraine
 - Beer market decline of an estimated 8%
 - Challenging environment, especially in Eastern Ukraine
 - Estimated market share growth



Asia – Improving volume dynamics

- Volume growth in most markets. All markets growing in value
- Market share gains in most markets
 - Doubling of the Tuborg brand
 - +12% Carlsberg brand growth in premium markets
 - Rejuvenation of local power brands
 - Strengthening of sales capabilities
- +24% reported beer volume growth with flat organic volumes
- Strong price/mix of +5%
- +11% organic growth in net revenue
- +8% organic growth in operating profit
- Increasing focus on efficiency improvements
- Margin decline due to consolidation effect from Chongqing Brewery Company



Asia – Strengthening market positions

- 32% volume growth in China (7% organic decline)
 - Significant changes and investments in China to capture growth opportunities
 - Continued support behind the Carlsberg and Tuborg brands delivering strong results
 - Continued investments in premiumisation and in local power brands
- 8% organic beer volumes growth in Indochina
 - Driven by market growth and strong performance of local power brands
- Reaching 11% market share in India
 - 42% organic volume growth driven by the Carlsberg and Tuborg brands.
- Malaysia
 - Strong performance by 1664 and Somersby
 - Intensified focus on efficiency improvements



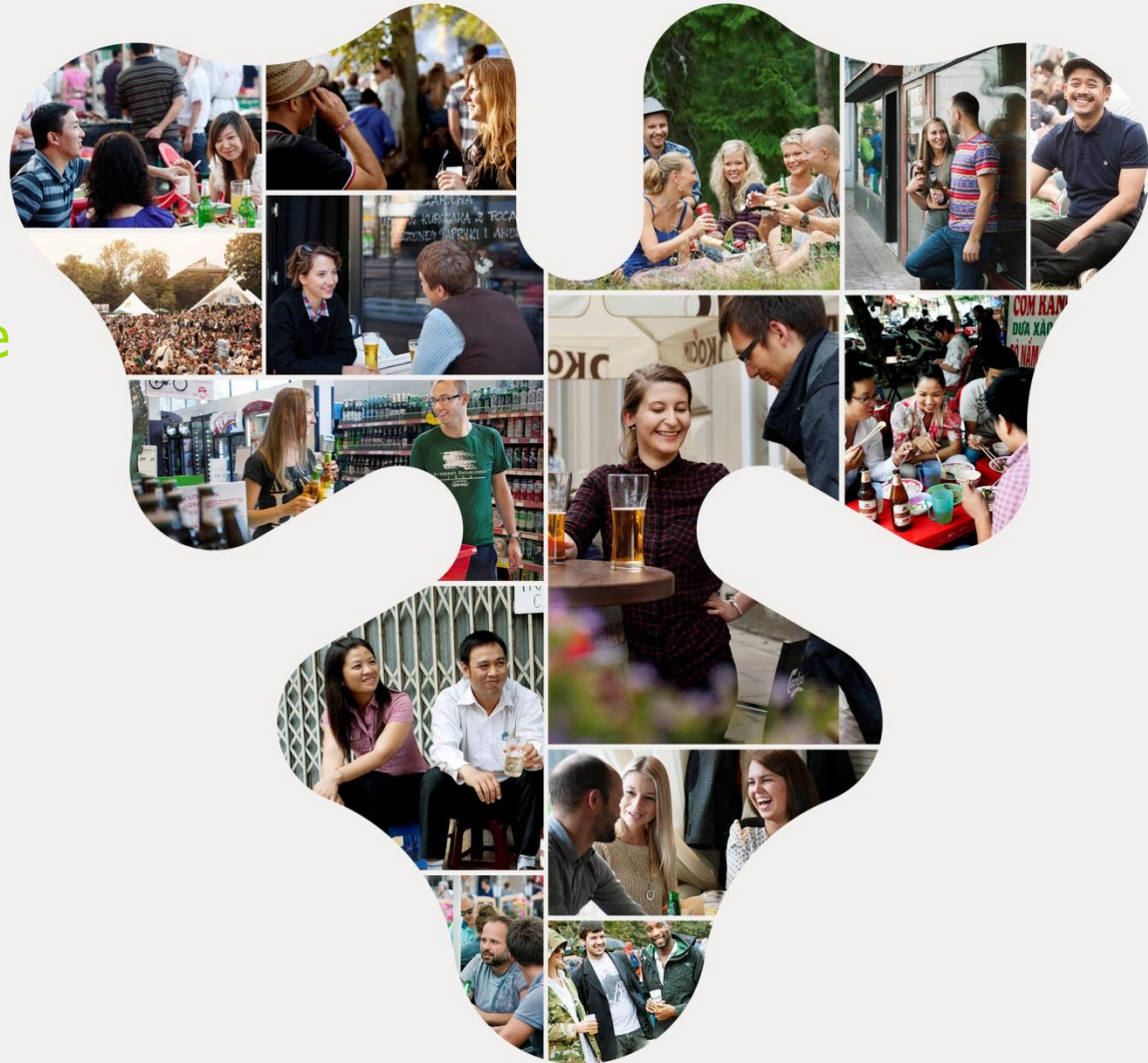
Agenda

Operational performance

Financial results

Outlook 2015

Appendix



Strong organic growth in Western Europe and Asia offsetting impact from Eastern Europe

- Strong organic top- and bottom-line performance in Western Europe and Asia
- Challenging trading conditions in Eastern Europe
- Organic growth in Group ratios
 - Price/mix +3%
 - Gross profit/hl +4%
 - Operating profit/hl +3%
- Free cash flow of DKK 670m, impacted by acquisition in Asia
- BSP1 now in 6 countries and ready for next wave of implementation



Income statement (1)

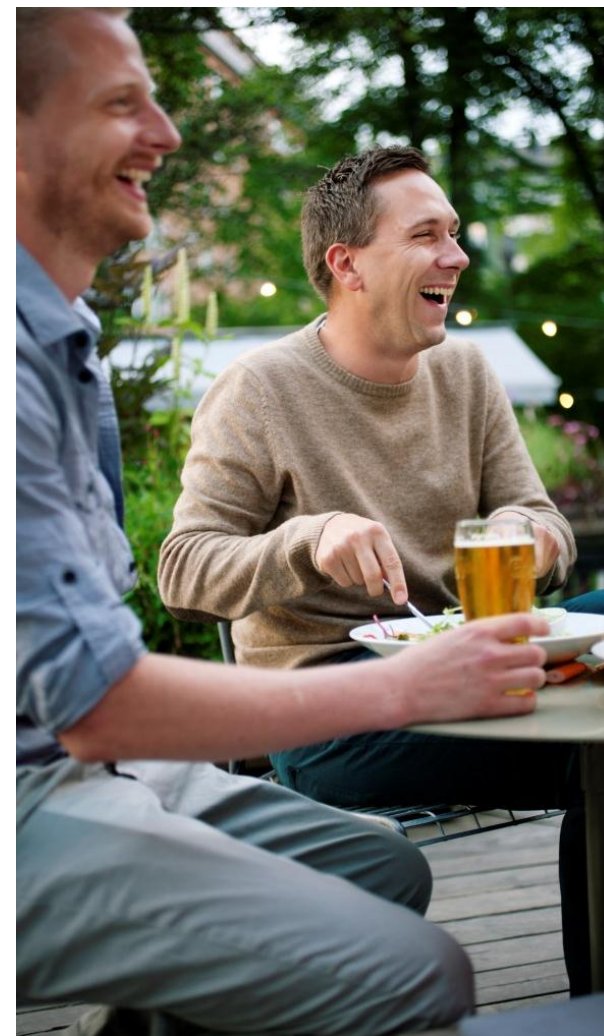
| DKKm | 2013 | Organic | Acq., net | FX | 2014 |
|--|---------------|------------|--------------|---------------|---------------|
| Net revenue | 64,350 | 982 | 2,658 | -3,484 | 64,506 |
| Gross profit | 31,927 | 704 | 959 | -1,809 | 31,781 |
| Operating expenses incl. brands marketing | -22,596 | -1,015 | -765 | 1,048 | -23,328 |
| Other income, net. | 392 | 396 | 16 | -27 | 777 |
| Operating profit before special items | 9,723 | 85 | 211 | -789 | 9,230 |
| - Brewing | 9,862 | 61 | 211 | -789 | 9,345 |
| - Other activities | -139 | 24 | - | - | -115 |

- Organic revenue growth of 2% driven by positive price/mix
- Organic growth in gross profit of 2%
- Operating expenses higher logistics costs and higher sales and marketing investments
- Organic growth in operating profit of 1%

Income statement (2)

| DKKm | 2013 | 2014 | △ |
|---|--------------|--------------|---------------|
| Special items, net | -435 | -1,353 | -918 |
| Financials, net | -1,506 | -1,191 | 315 |
| - Interests | -1,443 | -1,182 | 261 |
| - Other financial items | -63 | -9 | 54 |
| Profit before tax | 7,782 | 6,686 | -1,096 |
| Tax | -1,833 | -1,748 | 85 |
| Profit | 5,949 | 4,938 | -1,011 |
| Non-controlling interests | 478 | 524 | 46 |
| Carlsberg's share of profit | 5,471 | 4,414 | -1,057 |
| Carlsberg's share of profit (adjusted) | 5,772 | 5,496 | -276 |

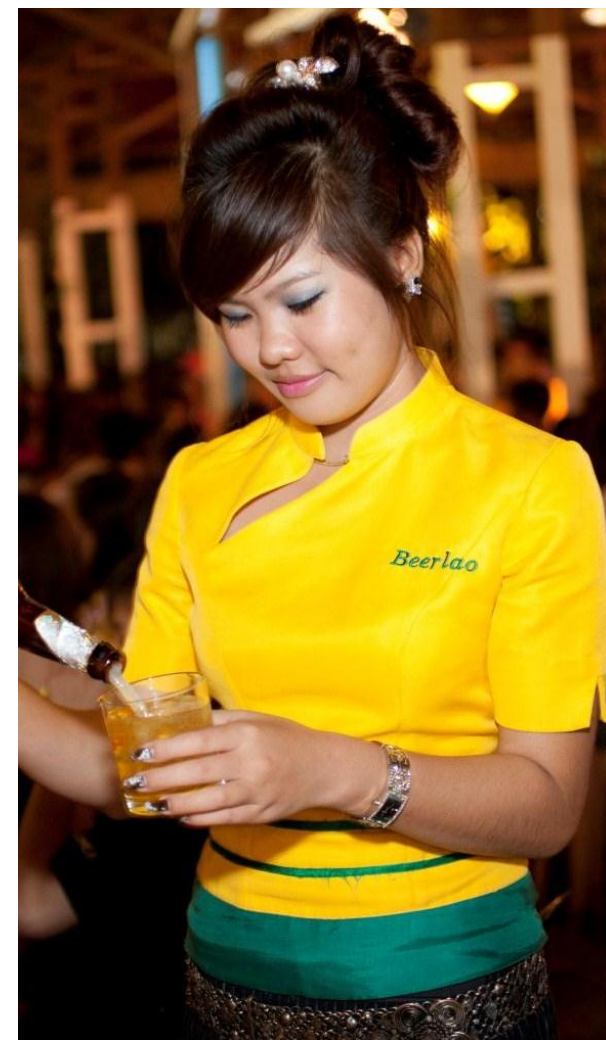
- Special items impacted by impairments related to closure of Russian breweries
- Net financials impacted by lower average funding costs
- Tax rate of 26.1%



Cash flow (1)

| DKKm | 2013 | 2014 | △ |
|----------------------------------|--------------|--------------|-------------|
| Operating profit | 9,723 | 9,230 | -493 |
| Depreciation | 3,869 | 4,108 | 239 |
| Other non-cash items | -221 | -514 | -293 |
| △ Trade working capital (TWC) | 620 | -177 | -797 |
| △ Other working capital | -843 | -682 | 161 |
| Restructuring costs paid | -617 | -397 | 220 |
| Paid interests, net | -2,095 | -1,995 | 100 |
| Paid tax | -2,294 | -2,168 | 126 |
| Cash flow from operations | 8,142 | 7,405 | -737 |

- TWC/net revenue (MAT) of -3.6%
- Total working capital impacted by lower excise duties, VAT payables and increase in other receivables
- Decline in paid net interests due to lower funding costs and settlement of financial instruments last year



Cash flow (2)

| DKKm | 2013 | 2014 | △ |
|--|---------------|---------------|--------------|
| Capital expenditures, net | -5,385 | -5,549 | -164 |
| Acq/sale of companies, minority shareholdings etc. | -2,609 | -1,166 | 1,443 |
| Real estate / other activities | -18 | -20 | -2 |
| Cash flow from investments | -8,012 | -6,735 | 1,277 |
| Free cash flow | 130 | 670 | 540 |

- CapEx slightly above last year
 - Capacity expansion in Asia, structural enhancements in Western Europe and investments in sales equipment
- Financial investments
 - 2013: Prepayment for the acquisition of shares in Chongqing
 - 2014: Purchase of Chongqing Eastern Assets
- Free cash flow up by DKK 0.5bn



Invested capital and ROIC

| | ROIC incl. goodwill (%) | | ROIC excl. goodwill (%) | |
|----------------|-------------------------|------|-------------------------|------|
| | 2013 | 2014 | 2013 | 2014 |
| Western Europe | 14.4 | 15.3 | 32.7 | 35.2 |
| Eastern Europe | 6.5 | 5.6 | 10.8 | 9.3 |
| Asia | 10.1 | 9.7 | 16.2 | 23.5 |
| Group | 8.1 | 8.0 | 14.5 | 15.3 |

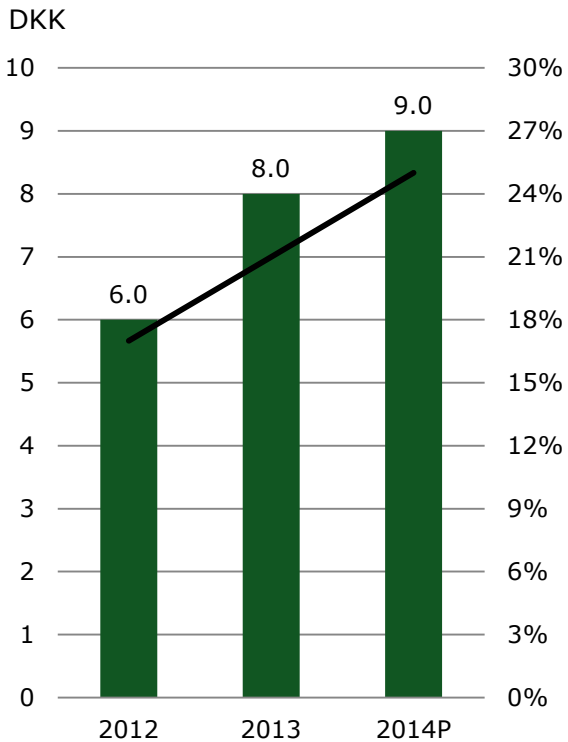
- Intensified focus on ROIC improvement throughout the Group
- ROIC improvement in incentive schemes for 2015



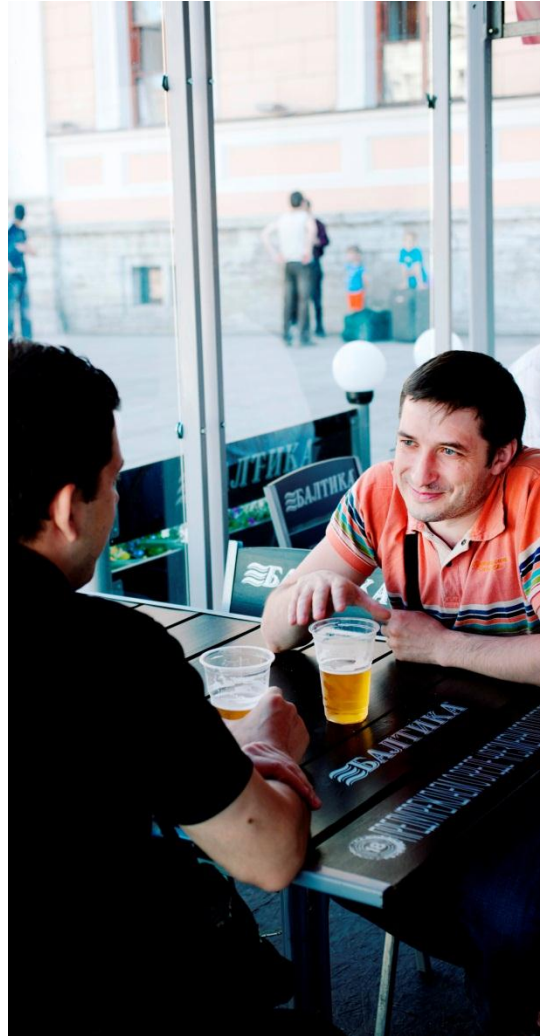
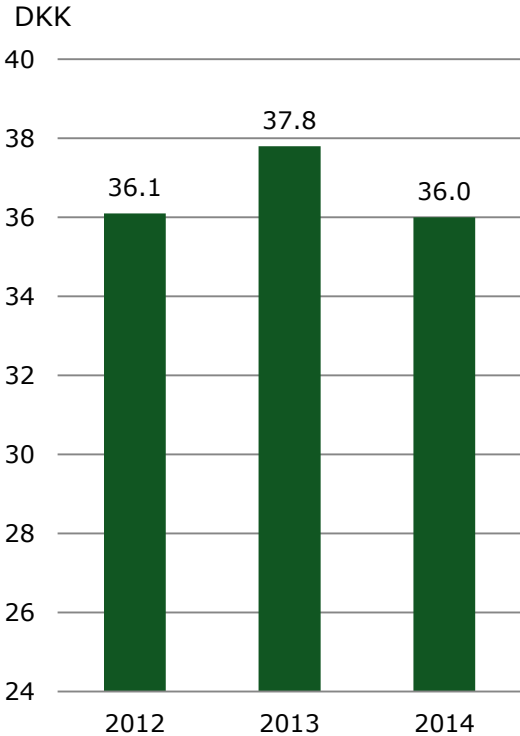
13% dividend increase proposed to AGM

- 21% dividend growth since 2009 (CAGR)
- 5% adjusted EPS decline
 - 6% growth since since 2009 (CAGR)

Dividend and pay-out ratio (rhs)



Adjusted EPS



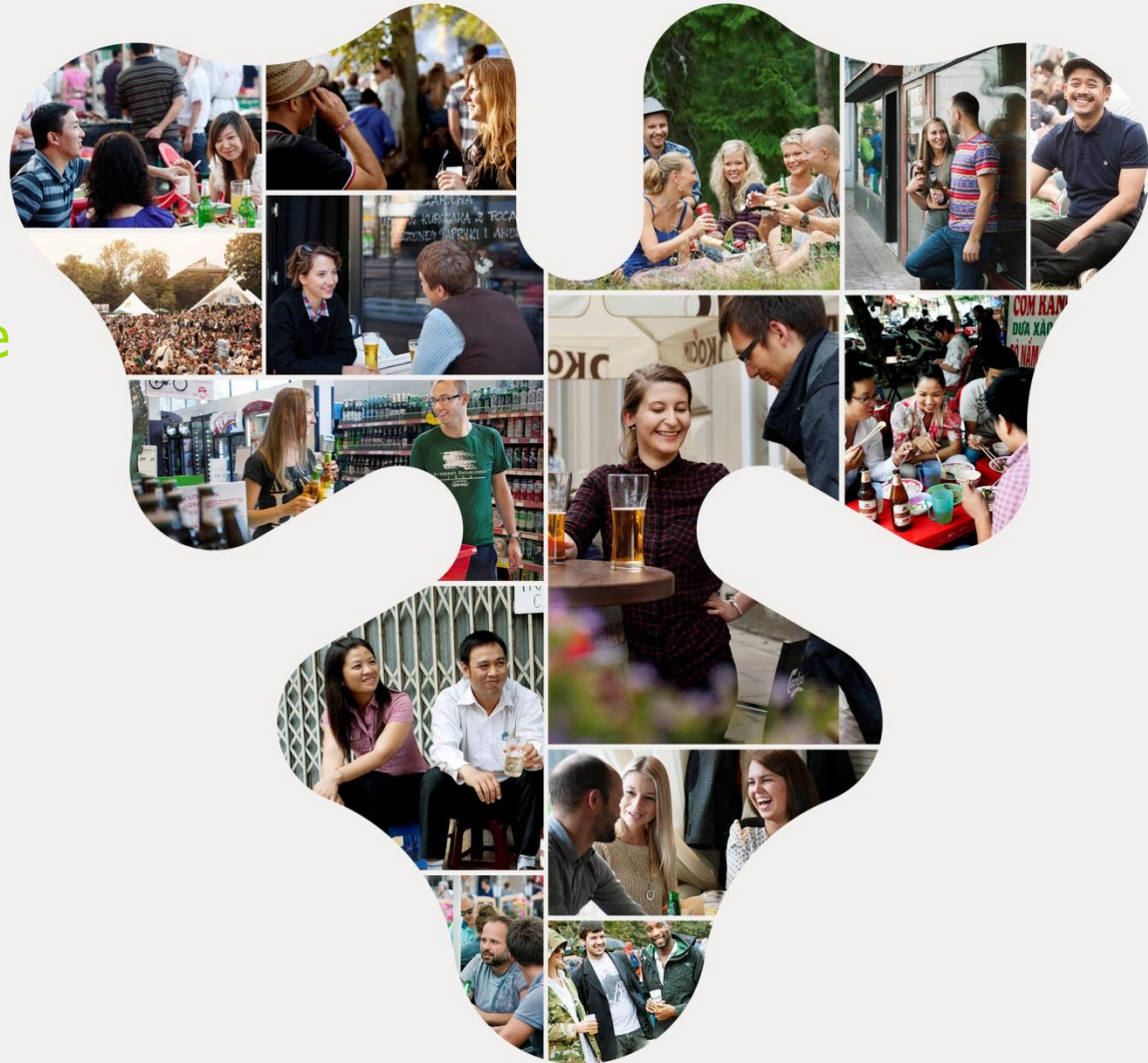
Agenda

Operational performance

Financial results

Outlook 2015

Appendix



2015 earnings expectations and assumptions

- Western European beer markets flattish
- Eastern European markets declining in volume, but growing in value
- Asian beer market volume growth
- Declining cost of goods sold per hl
- Slightly growing A&P to revenue

Earnings expectations

| | |
|------------------|--|
| Operating profit | Mid- to high-single-digit organic growth |
|------------------|--|

- Negative impact of the weaker Russian rouble on operating profit
 - C. DKK 0.9bn translation effect at YTD avg. EUR/RUB c. 75
 - Sensitivity: +/-10% EUR/RUB vs. YTD average impacts operating profit by c. DKK +/- 200m
- All-in cost of debt at around 4%
- 28% tax rate
- Capital expenditures at around DKK 4bn (~ index 90 to depr.)
- Net debt/EBITDA planned to be less than 2.5x by end-2015



Q&A



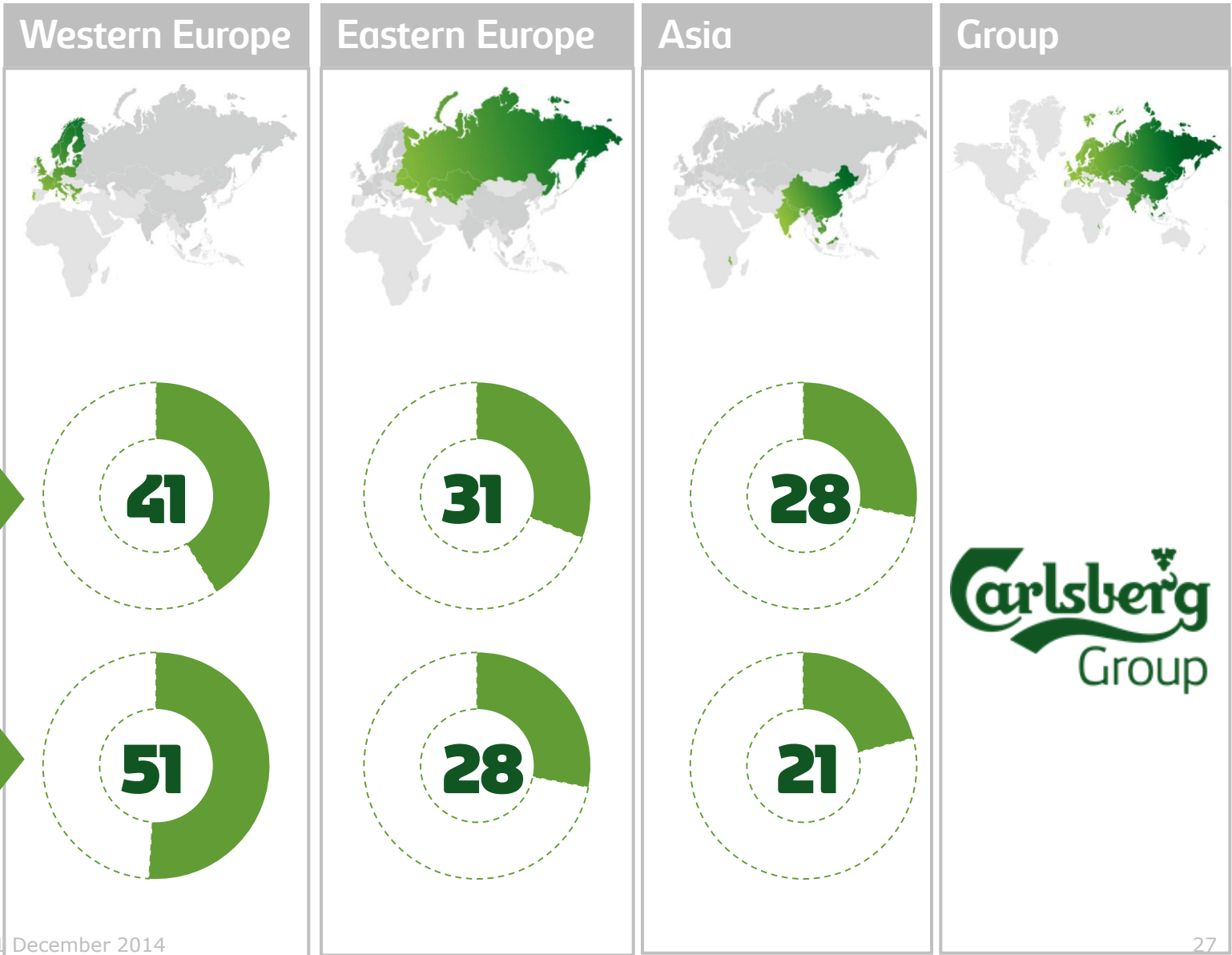
Agenda

- Operational performance
- Financial results
- Outlook 2015

Appendix



Three regions



Innovation and further roll-out of innovations



Radler

- Global expansion of the low-alcoholic beer and juice mix
- Launched in Portugal, Germany and Greece in 2014
- Available in 11 markets



Brewmasters' Collection

- A collection of premium specialty beers
- Launched in Russia, Denmark, Finland and Ukraine
- More markets to follow



Jacobsen

- Super premium specialty beer
- Launched in premium off-trade in Russia.
- Continued portfolio expansion in Denmark



Seth & Riley's Garage

- Launched in 2 new markets in 2014
- Available in 6 markets globally



DraughtMaster™

- Proprietary one way keg draught technology
- Expanded from Italy and Greece into new markets in Western Europe

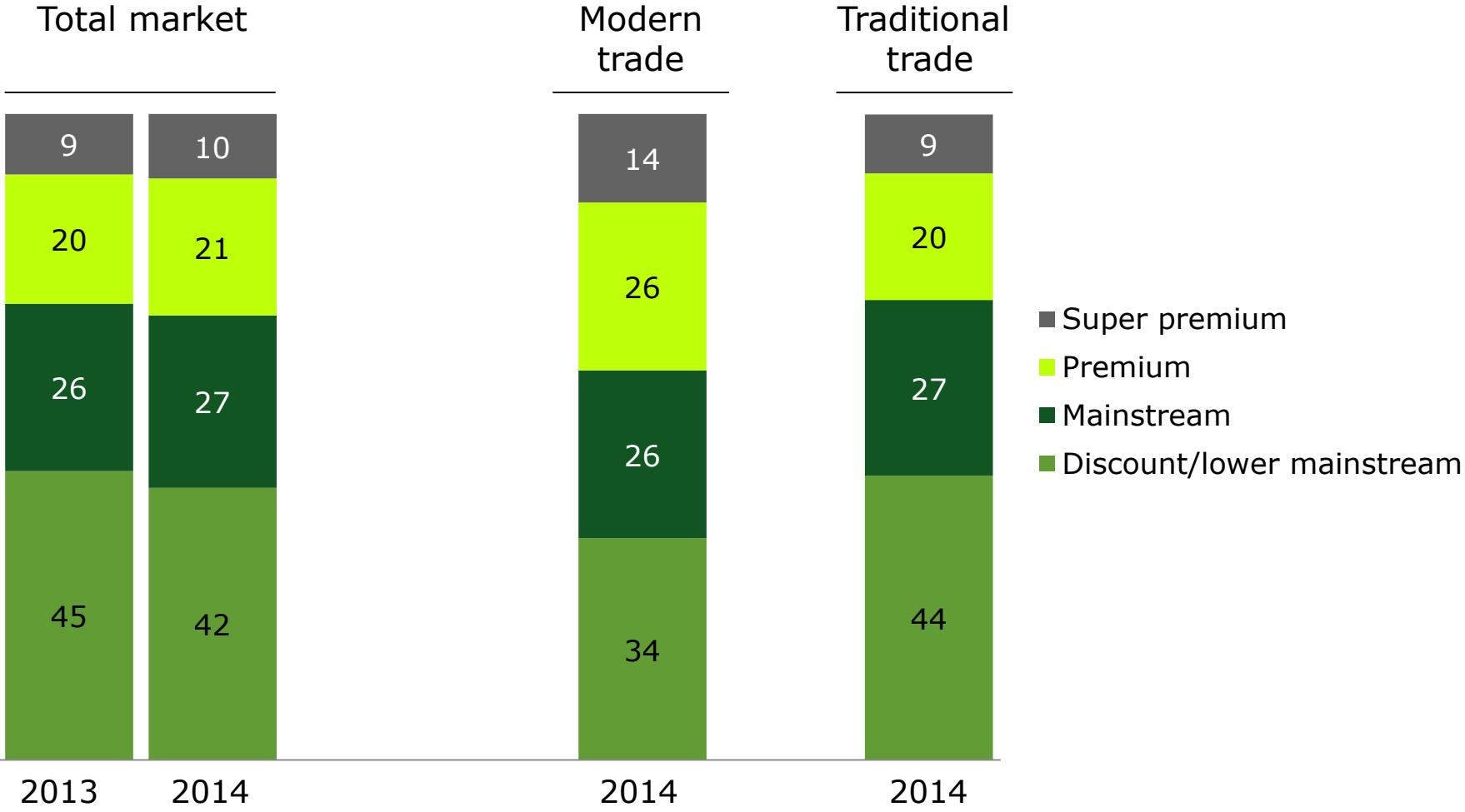
Russian market shares

| Russian market shares (%) | Q4 2013 | Q1 2014 | Q2 2014 | Q3 2014 | Q4 2014 |
|---------------------------|---------|---------|---------|---------|---------|
| Baltika | 38.2 | 38.4 | 36.5 | 37.9 | 38.6 |
| Efes RUS | 13.6 | 13.7 | 13.9 | 13.5 | 13.6 |
| ABI | 13.9 | 13.1 | 13.4 | 12.9 | 12.2 |
| Heineken | 13.5 | 13.2 | 13.4 | 12.9 | 12.5 |
| Others | 20.8 | 21.6 | 22.8 | 22.8 | 23.1 |
| | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Source: Nielsen Retail Audit, Urban & Rural Russia



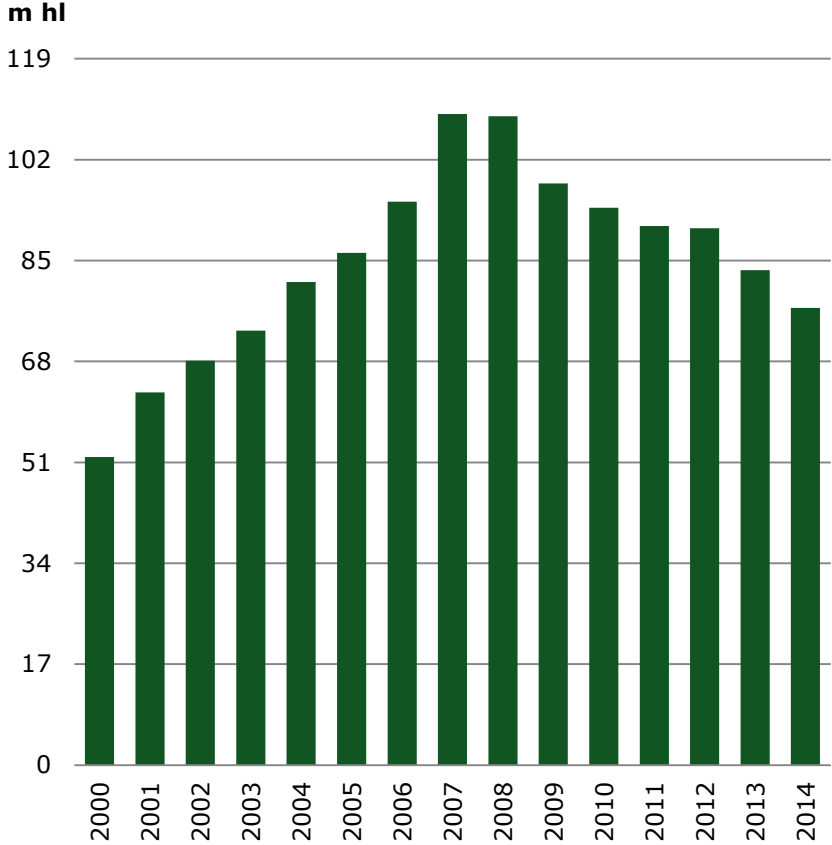
Russian market segment mix



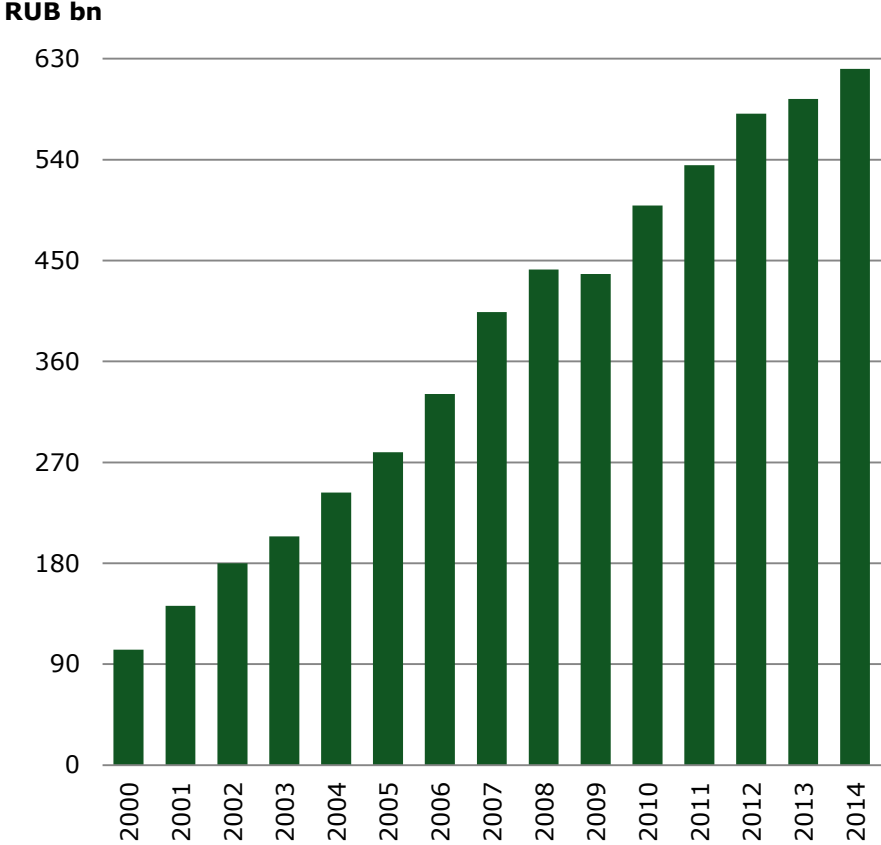
Source: Nielsen Retail Audit, Urban & Rural Russia

Russian beer market dynamics

Russian beer market



Russian beer market, consumer value



Source: Own estimates

Forward-looking statements

This presentation 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.

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