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FINANCIAL STATEMENT AS AT 30 JUNE 2017

Strong earnings growth and cash flow; well on track to deliver on key priorities for 2017

Unless otherwise stated, comments in this announcement refer to H1 performance.

HIGHLIGHTS

- Organic and reported net revenue growth of 2% to DKK 31,765m.
- Solid price/mix improvement of +4% with good progress across all regions.
- Total organic volume down 2%, impacted by PET downsizing in Russia.
  - Tuborg volume +3% driven by Asia, Carlsberg -1% impacted by tough EURO 2016 comparables.
  - Craft & speciality volume +25%, alcohol-free beer volume in Western Europe +13%.
- Funding the Journey in good shape, delivering according to plan across all regions.
- Gross margin up 110bp; operating margin improvement of 200bp to 13.0% with strong contribution in all three regions.
- Strong organic operating profit growth of 15%; reported growth of 20% to DKK 4,125m, supported by a DKK 0.2bn positive currency impact.
- Reported net profit of DKK 2,304m (+23%) and adjusted net profit of DKK 2,286m (+63%).
- Continued improvement of free cash flow to DKK 5.9bn (+12%) despite last year being impacted by proceeds from disposals. Free operating cash flow increase of 37%.
- Net debt reduction of DKK 3.7bn to DKK 21.9bn; net interest-bearing debt/EBITDA reduced to 1.57x.

2017 EARNINGS EXPECTATION MAINTAINED

- Mid-single-digit percentage growth in organic operating profit.
- Financial leverage reduction.
- Positive translation impact of around DKK 50m now expected (previously DKK +300m).
- Financial expenses, excluding currency losses or gains and fair value adjustments, are now expected to be around DKK 1bn (previously DKK 1.0-1.1bn).

Commenting on the results, CEO Cees 't Hart says: "We delivered a strong set of results for the first half-year, improving earnings and cash flow and reducing leverage. The results show that we're well on track to deliver on our key priorities for this year: achieving a substantial proportion of the remaining Funding the Journey benefits, enabling investments in SAIL'22-related activities to grow the top-line in the future.

“Funding the Journey is now well established and being embedded as normal procedure across our markets and functions.

“Our strong financial results enable us to accelerate our investments in the SAIL’22 priorities to drive sustainable long-term growth of the Carlsberg Group. The growth of Tuborg in Asia, the expansion of Grimbergen and the further development of our fruitful cooperation with Brooklyn serve as excellent examples of SAIL’22 at this point in time.”

Carlsberg will present the results at a conference call today at 9.00 am CET (8.00 am GMT). Dial-in information and slide deck are available beforehand at www.carlsberggroup.com.

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KEY FIGURES AND FINANCIAL RATIOS

DKK million		H1 2017	H1 2016	2016
Sales volumes, pro rata (million hl)				
Beer		56.7	59.1	116.9
Other beverages		10.7	10.9	21.9
Income statement				
Net revenue		31,765	31,243	62,614
Gross profit		16,146	15,532	31,419
Operating profit before amortisation, depreciation and impairment losses		6,633	5,713	13,006
Operating profit before special items		4,125	3,448	8,245
Special items, net		38	406	251
Financial items, net		-351	-703	-1,247
Profit before tax		3,812	3,151	7,249
Corporation tax		-1,105	-1,040	-2,392
Consolidated profit		2,707	2,111	4,857
Attributable to:				
Non-controlling interests		403	244	371
Shareholders in Carlsberg A/S		2,304	1,867	4,486
Shareholders in Carlsberg A/S (adjusted)[1]		2,286	1,403	3,881
Statement of financial position				
Total assets		125,777	127,574	126,906
Invested capital[2]		91,461	94,508	96,089
Invested capital excluding goodwill[2]		40,278	43,639	43,224
Interest-bearing debt, net		21,852	28,290	25,503
Equity, shareholders in Carlsberg A/S		48,513	45,654	50,811
Statement of cash flows				
Cash flow from operating activities		6,986	5,293	9,329
Cash flow from investing activities		-1,124	-63	-713
Free cash flow		5,862	5,230	8,616
Financial ratios				
Operating margin	%	13.0	11.0	13.2
Return on invested capital (ROIC)[2]	%	6.5	5.9	5.9
Return on invested capital excluding goodwill (ROIC excl. GW)[2]	%	14.4	12.2	12.7
Equity ratio	%	38.6	35.8	40.0
Debt/equity ratio (financial gearing)	x	0.43	0.58	0.48
Debt/operating profit before depreciation and amortisation	x	1.57	2.16	1.96
Interest cover	x	11.73	4.91	6.61
Stock market ratios				
Earnings per share (EPS)	DKK	15.1	12.2	29.4
Earnings per share, adjusted (EPS-A)[1]	DKK	15.0	9.2	25.4
Cash flow from operating activities per share (CFPS)	DKK	45.8	34.7	61.2
Free cash flow per share (FCFPS)	DKK	38.4	34.3	56.5
Share price (B shares)	DKK	695.5	634.5	609.5
Number of shares (year-end, excl. treasury shares)	1,000	152,540	152,552	152,552
Number of shares (average, excl. treasury shares)	1,000	152,540	152,552	152,552

[1] Adjusted for special items after tax.
[2] Comparative figures for 2016 have been adjusted as a result of the change in ROIC calculation.

FUNDING THE JOURNEY AND SAIL'22

For 2017, the Group has defined the overall priorities: create the financial room (Funding the Journey) to improve shareholder value and invest in the future growth of the Group (SAIL'22).

At a regional level, the financial priorities are: improving margins and operating profit in Western Europe; continuing top-line and earnings growth in Asia; and growing operating profit organically in Eastern Europe.

On track to deliver on Funding the Journey

Funding the Journey is progressing as expected, and we are on track to deliver a large proportion of the expected total net benefits of DKK 1.5-2.0bn this year and the full net benefits in 2018.

In H1 2017, the programme was a key driver of the organic operating profit growth and margin improvement. The programme was on track and delivered on expectations in all regions, with several milestones having reached their initial targets. In general, the governance structure and processes implemented to deliver on the elements of Funding the Journey are being incorporated into standard business operations and will thus remain a vital part of the Carlsberg Group's efficiency mindset in the future.

Accelerating SAIL'22 investments

Enabled by the Funding the Journey benefits, we accelerate investments in the SAIL'22 priorities to ensure that we strengthen our core business and capabilities as well as drive sustainable long-term top- and bottom-line growth of the company.

Within our growth categories, we saw good traction behind craft & speciality in most of our markets. Volumes in the craft & speciality category grew by 25%, further accelerating Group revenue per hl. A continued success in this category is Grimbergen, which grew by 23%. Furthermore, we launched "crafty" line extensions of local brands, extended the distribution of the Brooklyn brand, and expanded our successful cooperation with our US partner by acquiring London Fields Brewery and establishing a microbrewery in Lithuania. Both breweries will be run in cooperation with Brooklyn Brewery. In addition, in partnership with Brooklyn, we co-created an exclusive line of craft brews, HK YAU, available only in Hong Kong. Within the alcohol-free beer category, we saw good progress in Europe with volume growth of 13%.

Other important priorities of SAIL'22 include strengthening our core beer and driving premium growth in Asia. Tuborg served as a strong proof point of delivery on these priorities, achieving 6% growth in Asia in the first half year.

Together Towards ZERO

As an integral part of SAIL'22, we launched our new sustainability programme, Together Towards ZERO, in June. Together Towards ZERO expresses our vision for a better tomorrow at a time of serious challenges such as climate change, water scarcity and public health issues.

We have set industry-leading ambitions within four areas: carbon footprint, water waste, irresponsible drinking and health & safety. We believe that working towards achieving our new ambitions is not only the right thing for society but also pivotal to ensure the long-term health and growth of our company.

SAIL'22 financial priorities

For the first six months, the Group delivered well against the financial metrics of SAIL'22.

Organic growth in operating profit: The Group delivered 15% organic operating profit growth and is well on track to deliver on the 2017 outlook of mid-single-digit percentage growth in organic operating profit. As expected, the first six months delivered a stronger improvement than expected for H2 due to tough Q3 comparables in Eastern Europe and an increase in SAIL'22 investments.

ROIC improvement: ROIC (based on rolling 12 months) improved by 60bp compared with the end of June 2016 and the end of 2016. The improvement was driven by the organic growth in operating profit and lower capital employed.

Optimal capital allocation: Net interest-bearing debt/EBITDA declined to 1.57x (2.16x in H1 2016) because of the strong free cash flow.

2017 regional priorities

The Group also delivered according to plan on the regional financial priorities for 2017.

In *Western Europe*, the operating margin improved by 160bp to 12.5% and organic operating profit grew by 14%.

The *Asia* region delivered organic revenue growth of 6% because of a strong price/mix. Organic operating profit growth was 12%.

The *Eastern Europe* business delivered 17% organic operating profit growth and an operating margin improvement of 320bp despite challenging market conditions due to the PET downsizing.

Management and Supervisory Board changes

As of 1 September, Maj Britt Andersen will take over responsibility for HR in the Carlsberg Group. The HR role will no longer be part of the Executive Committee.

At the AGM in March, Nancy Cruickshank joined the Supervisory Board, replacing Elisabeth Fleuriot. Nancy has extensive digital knowledge and substantial insights in the opportunities offered by new technology.

Structural changes

During 2017, the Group has continued to streamline its portfolio of businesses, and the following transactions were concluded:

- Disposal of our 100% shareholding in Carlsberg Uzbekistan.
- Disposal of our 23% shareholding in United Romanian Breweries.
- Disposal of our 30% shareholding in Russian malt producer MSSP.

- Disposal of 100% of the German wholesale business Nordic Getränke.

EARNINGS EXPECTATIONS

We are maintaining our financial expectations for 2017:

- Mid-single-digit percentage organic growth in operating profit.
- Financial leverage reduction.

Based on the spot rates at 14 August, we now expect a positive translation impact of around DKK 50m compared to our previous expectation of DKK 300m.

Other relevant assumptions are:

Financial expenses, excluding currency losses or gains and fair value adjustments, are now expected to be around DKK 1bn compared to previous expectations of DKK 1.0-1.1bn.

The effective tax rate is expected to be just below 30%.

Capital expenditures are expected to be approximately DKK 4bn.

GROUP FINANCIAL PERFORMANCE

		Change				Change
	2016	Organic	Acq., net	FX	2017	Reported
H1						
Pro rata (million hl)						
Beer	59.1	-3%	-1%		56.7	-4%
Other beverages	10.9	4%	-6%		10.7	-2%
Total volume	70.0	-2%	-2%		67.4	-4%
DKK million						
Net revenue	31,243	2%	-2%	2%	31,765	2%
Operating profit	3,448	15%	-1%	6%	4,125	20%
Operating margin (%)	11.0				13.0	200bp

Group beer volumes declined organically by 3%, mainly impacted by the decline in Russia. Other beverages grew organically by 4%, driven by growth in the Nordics and Asia. Total volumes declined by 2% organically and 4% in reported terms. The acquisition impact primarily related to last year's divestment of Carlsberg Malawi and this year's divestment of Nordic Getränke.

Driven by a solid 4% price/mix improvement, net revenue grew organically by 2%. We achieved positive price/mix in all three regions, with particularly strong performance in Asia and Eastern Europe. Reported net revenue grew by 2%, as the positive impact from currencies was offset by divestments. The positive currency impact mainly related to the Russian rouble.

Cost of goods sold per hl increased organically by approx. 3%, mainly due to overall cost inflation and the volume decline in Eastern Europe. The solid price/mix and efficiency improvements meant that the gross margin improved by 110bp to 50.8%.

Operating expenses were down 1% organically, as the benefits from Funding the Journey are coming through. As a percentage of net revenue, operating expenses declined by 110bp to 38.3%.

Operating profit was up 15% organically, with all three regions delivering double-digit growth. Reported operating profit was DKK 4,125m, corresponding to a growth rate of 20%, as the positive currency impact from Russia and some Asian countries more than offset the small negative scope impact from divestment of businesses.

The operating margin improved by 200bp to 13.0%.

Reported net profit was DKK 2,304m (+23%) and earnings per share were DKK 15.1. Adjusted net profit (adjusted for special items after tax) was DKK 2,286m and adjusted earnings per share came in at DKK 15.0, corresponding to a strong 63% improvement. The strong adjusted net result was driven by the high operating profit growth, lower financial costs and a significantly lower tax rate compared with 2016.

Free cash flow was DKK 5.9bn, a 12% increase over last year. The strong cash flow improvement was achieved even though last year was significantly impacted by the proceeds from divestments. Free operating cash flow improved by 37%, driven by EBITDA growth of 16% and a working capital improvement.

Return on invested capital (MAT) expanded to 6.5% (2016: 5.9%), impacted by lower capital employed and improved profitability. All regions improved, with a particularly strong improvement in Asia. Excluding goodwill, the return on invested capital was 14.4% (2016: 12.2%).

Net interest-bearing debt was reduced by DKK 3.7bn to DKK 21.9bn because of the strong cash flow. Net interest-bearing debt/EBITDA was 1.57x (1.96x at year-end 2016).

REGIONAL PERFORMANCE

WESTERN EUROPE

DKK million	2016	Change Organic	Change Acq., net	Change FX	2017	Change Reported
H1						
Pro rata (million hl)						
Beer	24.2	0%	0%		24.1	0%
Other beverages	7.9	4%	-5%		7.8	-1%
Total volume	32.1	1%	-2%		31.9	-1%
DKK million						
Net revenue	18,760	2%	-2%	-1%	18,544	-1%
Operating profit	2,042	14%	0%	0%	2,326	14%
Operating margin (%)	10.9				12.5	160bp

Net revenue in Western Europe grew organically by 2% due to volume growth of 1% and price/mix of 1%, the latter achieved despite a negative country mix. Price/mix was positive in most markets.

The region achieved strong organic operating growth of 14% and an improvement of 160bp in operating margin. The earnings improvement was driven by a stronger top line, Funding the Journey benefits and lower marketing investments compared with last year due to the investments in the EURO 2016 tournament. Within Funding the Journey, value management, supply chain savings and operating cost management (OCM) all delivered good results.

Other beverages grew by 4% due to good performance of non-beer products in the Nordics. Reported volumes declined by 1% due to the divestment of the German wholesaler Nordic Getränke. In Q2, volumes grew by approximately 1% despite tough EURO 2016 comparables.

Market comments

Our French volumes grew by 5%, driven by our premium portfolio with particularly strong growth in Kronenbourg 1664, Grimbergen and Skøll, whereas Kronenbourg in the mainstream segment declined. Despite a very competitive pricing environment, we strengthened the price/mix.

The Swiss market grew slightly, and our volumes developed in line with the market. Our core beer brands Feldschlösschen and Cardinal delivered good results, and we grew our craft & speciality and alcohol-free beer offerings well ahead of the market.

The Nordic markets declined slightly for the first six months. Our total volumes grew by 1%. Price/mix continued to develop favourably, mainly due to growth of our premium propositions. Our non-beer businesses in Sweden, Norway and Finland delivered solid growth, while we lost market share in Denmark.

In a slightly declining and highly competitive Polish market, we grew volumes by 7%. Our brands in the upper-mainstream and premium segments – such as Okocim, Kasztelan, Carlsberg and Somersby – grew, while Harnas in the strong beer segment declined.

In the UK, our volumes declined by 7% due to tough EURO 2016 comparables. We continued to focus on premiumising our portfolio and delivered a very solid price/mix, thus achieving flat organic revenue for the six months. The addition of Brooklyn to our portfolio, the rejuvenation of Carlsberg Export at the beginning of the year, further expansion of our portfolio with craft and premium products, and the recent acquisition of London Fields Brewery were all important initiatives in support of our new premium strategy in the country.

In the rest of the region, we saw particularly good top-line growth and margin improvement in markets such as Portugal, Italy and Bulgaria. Furthermore, the Baltics, Greece and Germany reported solid earnings improvement.

EASTERN EUROPE

DKK million		Change				Change
	2016	Organic	Acq., net	FX	2017	Reported
H1						
Pro rata (million hl)						
Beer	15.9	-9%	0%		14.5	-9%
Other beverages	1.0	-4%	0%		1.0	-4%
Total volume	16.9	-9%	0%		15.5	-9%
DKK million						
Net revenue	4,723	-1%	0%	17%	5,474	16%
Operating profit	751	17%	-1%	23%	1,047	39%
Operating margin (%)	15.9				19.1	320bp

Net revenue in Eastern Europe was down organically by 1%. This was caused by a 9% volume decline, as price/mix was strong at +8%. Reported net revenue grew by 16%, supported by a significantly positive currency impact driven by the Russian rouble.

The strong price/mix was the result of price increases last year and this year, and the introduction of smaller pack sizes in Russia following the PET restrictions. Price/mix was less pronounced in Q2, as we took less price increases compared with the same period last year.

Organic operating profit increased by a healthy 17%, driven by the positive price/mix and strong execution of Funding the Journey. Supported by the positive currency impact, reported operating profit grew by 39%. Operating margin strengthened significantly, improving by 320bp to 19.1%.

The volume decline was driven by Russia, as we delivered volume growth in Ukraine, Kazakhstan and Belarus.

Market comments

In Russia, we significantly improved profitability, driven by a solid price/mix and tight cost control.

The Russian beer market declined by an estimated 5% for the six months, impacted by the downsizing of PET bottles, continued challenging consumer environment and cold weather in parts of the country.

Our Russian volumes were severely impacted by the PET downsizing. In response to this significant change in the Russian marketplace, we adopted a value-based approach to drive further value in the market. Some competitors chose to adopt a volume-based approach. Consequently, our products in the PET segment are priced at a premium vis-à-vis the average price points in the market, resulting in market share loss and volume decline. However, our value approach was a key driver behind our strong profit improvement.

We saw good progress in our premium brand portfolio with brands such as Baltika 0, Baltika 3, Carlsberg, Tuborg and Zatecky Gus gaining market share. The aforementioned value approach impacted brands in the lower-mainstream segments, and brands such as Bolshaya Kruzhka and Zhigulevskoe lost share.

In Ukraine, our business continued to perform strongly, delivering volume growth and strong price/mix in a slightly declining market. We gained market share, driven by compelling performance by our local power brand Lvivske, as well as Carlsberg and Garage.

ASIA

DKK million		Change				Change
	2016	Organic	Acq., net	FX	2017	Reported
H1						
Pro rata (million hl)						
Beer	19.0	-1%	-4%		18.1	-5%
Other beverages	2.0	12%	-16%		1.9	-4%
Total volume	21.0	0%	-5%		20.0	-5%
DKK million						
Net revenue	7,639	6%	-5%	0%	7,716	1%
Operating profit	1,328	12%	0%	1%	1,494	13%
Operating margin (%)	17.4				19.4	200bp

Net revenue in Asia grew organically by 6%, driven by a very solid 5% price/mix and flat volumes. Reported net revenue grew by 1%, impacted by last year's divestments, notably of Carlsberg Malawi in August 2016 and a number of breweries in China.

The price/mix improvement was driven by price increases and continued focus on expanding our premium offerings across the region, with strong performance by Tuborg, Carlsberg and 1664 Blanc.

Organic operating profit grew by 12% and the operating margin improved by 200bp to 19.4%. The premiumisation efforts and supply chain savings, especially in China, impacted gross margins very positively and were key drivers of the profit improvement.

The volume development was mixed across markets with solid growth in China, Nepal and Myanmar, whereas volumes declined in Cambodia, Vietnam and India.

Market comments

Our Chinese net revenue grew organically by 8%, driven by 5% price/mix and 3% organic volume growth. The growth was mainly driven by our premium brands, Tuborg, Carlsberg and 1664 Blanc, with Tuborg remaining the key driver. Profitability continued to improve and the operating margin improved by approximately 400bp. Following the restructuring of our Chinese supply chain network, a total of 18 sites have now been closed or sold since 2015.

In India, our business recovered in Q2 and delivered double-digit volume growth after a challenging Q1, which was impacted by the highway ban. Our volumes outperformed the market, further strengthening our market position in the country. We expect India to remain volatile for the remainder of the year because of the implementation of the highway ban and GST.

In Indochina, our business in Myanmar grew strongly, albeit from a small base. In Laos, we saw good progress for the Tuborg brand, which was launched last year in the premium segment. In Vietnam, our volumes declined in Q2 following a strong Q1. We have changed the management of Carlsberg Vietnam and are making a number of changes to strengthen our local commercial organisation. In Cambodia, our business was under pressure and lost market share.

Our business in Malaysia/Singapore delivered good performance for the six months. 1664 Blanc and Somersby achieved very strong growth rates, and we saw good progress on Funding the Journey initiatives.

CENTRAL COSTS (NOT ALLOCATED)

Central costs amounted to DKK 705m (DKK 608m in 2016). Central costs are incurred for ongoing support of the Group's overall operations, strategic development and driving efficiency programmes. In particular, they include the costs of running central functions and central marketing (including sponsorships). The increase in H1 mainly related to phasing of costs between H1 and H2 and investments in SAIL'22.

OTHER ACTIVITIES

The operation of the Carlsberg Research Laboratory and the non-controlling holding in the Carlsberg Byen company in Copenhagen are reported separately from the beverage activities. The non-beverage activities generated an operating loss of DKK 37m (loss of DKK 65m in 2016). The smaller loss in 2017 versus 2016 was mainly because of disposal of properties.

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 changes described below, the interim report has been prepared using the same accounting policies as the consolidated financial statements for 2016. Section 9 of the consolidated financial statements for 2016 contains a full description of the accounting policies.

As of 1 January 2017, the Group has changed its segmentation format. Carlsberg Supply Company is a separate legal entity, comprising the supply chain office and related activities. As it is operationally focused on Western Europe, which is also its key priority, the Group has decided to move the company to the Western Europe segment. Previously, the company was included in the "Not allocated" segment. Central costs, mainly overall management costs, not managed or influenced by Western Europe, will continue to be included in "Not allocated". The new segmentation reflects the structure used for internal control and monitoring of the Group's strategic and financial targets.

Furthermore, calculation of the return on invested capital (ROIC) has changed as of 1 January 2017, as the Group decided to align internal and external measurements. Compared with the 2016 calculation, the new ROIC calculation uses operating profit before special items adjusted for tax using the effective tax rate, includes assets held for sale and trade receivables sold, and excludes contingent considerations and corporation tax.

Following the implementation of IFRS 15 "Revenue Recognition" as of January 2018, net revenue will be impacted by a reclassification of certain marketing costs to discounts. Operating profit is not impacted.

Non-GAAP measures

In the reporting of financial information, the Group uses certain measures that are not required under IFRS. The Group believes that these additional measures, which are used internally, are useful to users of the financial information to help them understand the underlying business performance.

The principal non-GAAP measures that are used by the Group are defined in the accounting policies in the consolidated financial statements for 2016, section 9, and as described above for the new ROIC measure. The non-GAAP measures are disclosed in the key figures and financial ratios table on page 3, the tables on financial performance for the Group and each of the regions on pages 6, 8, 9 and 10, and in the segment reporting by region on pages 25-26.

INCOME STATEMENT

Please see a review of operating profit on pages 6-7.

Net special items (pre-tax) amounted to DKK +38m (2016: DKK +406m). Special items were impacted in particular by measures related to the Funding the Journey programme, including disposals of non-core assets and restructuring measures and impairments in Western Europe. A specification of special items is included in note 3.

Financial items, net, amounted to DKK -351m against DKK -703m in 2016. Financial income amounted to DKK 647m (2016: DKK 456m), mainly impacted by foreign exchange gains, net, of DKK 567m. Financial expenses amounted to DKK -998m (2016: DKK -1,159m), primarily impacted by interest expenses of DKK -425m and fair value adjustments of financial instruments of DKK -400m. Financial expenses, net, excluding currency gains and fair value adjustments thus amounted to DKK 518m.

Tax totalled DKK -1,105m against DKK -1,040m in 2016. The effective tax rate was 29% compared to 33% in 2016, the latter being impacted by a one-off expense related to a tax dispute in Finland.

Non-controlling interests were DKK 403m (2016: DKK 244m). In H1 2016, non-controlling interests were impacted by impairment and restructuring in Chongqing.

The Carlsberg Group's share of consolidated profit was DKK 2,304m against DKK 1,867m in 2016. Adjusted net profit (adjusted for special items after tax) was DKK 2,286m compared to DKK 1,403m in 2016. The increase was driven by the progress on most income statement items, including net revenue, operating profit, net financial items and tax.

STATEMENT OF FINANCIAL POSITION

Assets

Total assets amounted to DKK 125.8bn at 30 June 2017, a decrease of DKK 1.1bn from 31 December 2016 (DKK 126.9bn). The decrease was mainly due to intangible assets, property, plant and equipment, financial assets and other receivables, partly offset by increases in inventories and trade receivables and cash and cash equivalents.

Intangible assets were DKK 73.8bn (31 December 2016: DKK 76.7bn). The decrease of DKK 2.9bn was attributable to currencies, primarily the depreciation of the Russian rouble.

Property, plant and equipment amounted to DKK 24.6bn against DKK 25.8bn at 31 December 2016, mainly impacted by depreciation and currencies.

Current assets were impacted by normal seasonality and the intensified focus on cash. Inventories and trade receivables increased by DKK 1.7bn to DKK 11.1bn from 31 December 2016 to 30 June 2017.

Cash and cash equivalents increased by DKK 2.2bn to DKK 5.7bn at 30 June 2017 because of the strong free cash flow.

Equity and liabilities
Equity amounted to DKK 51.1bn at 30 June 2017 (31 December 2016: DKK 53.7bn), of which DKK 48.5bn was attributed to shareholders in Carlsberg A/S and DKK 2.6bn to non-controlling interests.

The change in equity of DKK 2.6bn was mainly explained by the consolidated profit of DKK 2.7bn offset by the foreign exchange loss of DKK 2.7bn and the payout of dividends of DKK 2.0bn.

Liabilities increased to DKK 74.7bn against DKK 73.3bn at 31 December 2016, impacted by normal seasonality and a decrease in borrowings.

The total decline in long- and short-term borrowings amounted to DKK 1.5bn and was due to the strong free cash flow. At 30 June 2017, long-term borrowings were DKK 20.4bn (31 December 2016: DKK 21.1bn) and short-term borrowings were DKK 8.3bn (31 December 2016: DKK 9.1bn).

Current liabilities excluding short-term borrowings increased by DKK 3.0bn to DKK 28.1bn at 30 June 2017. The increase was mainly due to increases in trade payables of DKK 2.0bn and other current liabilities of DKK 0.8bn.

CASH FLOW

Free cash flow amounted to DKK 5,862m versus DKK 5,230m in 2016. The increase was mainly driven by stronger earnings and a positive contribution from working capital and was achieved despite the significant inflow from disposals of non-core businesses in 2016.

Cash flow from operating activities was DKK 6,986m against DKK 5,293m in 2016.

Operating profit before depreciation, amortisation and impairment losses was DKK 6,633m (DKK 5,713m in 2016).

The change in trade working capital was DKK +1,168m (DKK +1,415m in 2016). Average trade working capital to net revenue improved further and was -12.9% for 2017 compared to -12.0% for 2016. The change in other working capital was DKK +192m (DKK -555m in 2016, impacted by pension obligations and a reclassification).

Restructuring costs paid amounted to DKK -105m (DKK -255m in 2016). Net interest etc. paid amounted to DKK +95m (DKK -119m in 2016). The decline was due to lower interest-bearing debt and the settlement of financial instruments. Corporation tax paid was DKK -891m (DKK -869m in 2016).

Cash flow from investing activities was DKK -1,124m against DKK -63m in 2016. Operational investments totalled DKK -1,778m (DKK -1,480m in 2016). Total financial investments amounted to DKK +629m (DKK +1,426m in 2016). Again this year, financial investments were positively impacted by the disposal of non-core assets, although at a lower level than in 2016. Total other activities were DKK +25m against DKK -9m in 2016.

FINANCING

At 30 June 2017, gross interest-bearing debt amounted to DKK 28.7bn and net interest-bearing debt to DKK 21.9bn. The difference of DKK 6.8bn comprised other interest-bearing assets of DKK 1.1bn and cash and cash equivalents of DKK 5.7bn.

The net interest-bearing debt to operating profit before depreciation and amortisation (EBITDA) ratio declined to 1.57x (1.96x at year-end 2016).

Of the gross financial debt, 71% (DKK 20.4bn) was long term, i.e. with maturity of more than one year from 30 June 2017. A EUR 1bn bond with a coupon rate of 3.375% will mature on 13 October 2017.

Of the net financial debt, 86% was denominated in EUR and DKK (after swaps) and 89% was at fixed interest (fixed-interest period exceeding one year). The interest rate risk is measured by the duration of the net financial debt, for which our target is between two and five years. At the end of June 2017, the duration was 3.7 years, which was the same level as in 2016.

FINANCIAL CALENDAR

The financial year follows the calendar year, and the following schedule has been set for 2017:

12 October	Capital Markets Day
2 November	Q3 trading statement

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 fair value in the opening balance sheet of acquired entities, litigation, environmental issues and other unforeseen factors. New risk factors can arise, and it may not be possible for management to predict all such risk factors, nor to assess the impact of all such risk factors on the Group's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.

MANAGEMENT STATEMENT

The Supervisory Board and Executive Board have discussed and approved the interim report of the Carlsberg Group for the period 1 January – 30 June 2017.

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 June 2017, and of the results of the Carlsberg Group's operations and cash flow for the period 1 January – 30 June 2017. Further, in our opinion the Management's review (pp. 1-15) 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, 16 AUGUST 2017

Executive Board of Carlsberg A/S

Cees 't Hart CEO	Heine Dalsgaard CFO

Supervisory Board of Carlsberg A/S

Flemming Besenbacher Chairman	Lars Rebien Sørensen Deputy Chairman	Hans Andersen
Carl Bache	Richard Burrows	Donna Cordner
Nancy Cruickshank	Eva V. Decker	Kees van der Graaf
Finn Lok	Erik Lund	Søren-Peter Fuchs Olesen
Peter Petersen	Nina Smith	Lars Stemmerik

FINANCIAL STATEMENTS

INCOME STATEMENT

DKK million	H1 2017	H1 2016	2016
Net revenue	31,765	31,243	62,614
Cost of sales	-15,619	-15,711	-31,195
Gross profit	16,146	15,532	31,419
Sales and distribution expenses	-9,617	-9,735	-18,476
Administrative expenses	-2,540	-2,575	-5,220
Other operating activities, net	41	41	198
Share of profit after tax, associates and joint ventures	95	185	324
Operating profit before special items	4,125	3,448	8,245
Special items, net	38	406	251
Financial income	647	456	919
Financial expenses	-998	-1,159	-2,166
Profit before tax	3,812	3,151	7,249
Corporation tax	-1,105	-1,040	-2,392
Consolidated profit	2,707	2,111	4,857
Attributable to:			
Non-controlling interests	403	244	371
Shareholders in Carlsberg A/S	2,304	1,867	4,486
Earnings per share	15.1	12.2	29.4
Earnings per share, diluted	15.1	12.2	29.4

STATEMENT OF COMPREHENSIVE INCOME

DKK million	H1 2017	H1 2016	2016
Consolidated profit	2,707	2,111	4,857
Other comprehensive income:			
Retirement benefit obligations	14	-255	-957
Share of other comprehensive income, associates and joint ventures	2	-	3
Corporation tax	-	-	55
Items that will not be reclassified to the income statement	16	-255	-899
Foreign exchange adjustments of foreign entities	-2,651	1,945	5,843
Value adjustments of hedging instruments	-205	173	141
Corporation tax	36	-39	-34
Items that may be reclassified to the income statement	-2,820	2,079	5,950
Other comprehensive income	-2,804	1,824	5,051
Total comprehensive income	-97	3,935	9,908
Attributable to:			
Non-controlling interests	201	171	393
Shareholders in Carlsberg A/S	-298	3,764	9,515

STATEMENT OF FINANCIAL POSITION

DKK million	30 June 2017	30 June 2016	31 Dec. 2016
Assets			
Intangible assets	73,805	74,334	76,736
Property, plant and equipment	24,576	25,246	25,810
Financial assets	6,917	7,382	7,382
Total non-current assets	105,298	106,962	109,928
Inventory	4,356	4,462	3,963
Trade receivables	6,777	7,628	5,485
Other receivables etc.	3,627	4,270	3,903
Cash and cash equivalents	5,719	3,642	3,502
Total current assets	20,479	20,002	16,853
Assets classified as held-for-sale	-	610	125
Total assets	125,777	127,574	126,906
Equity and liabilities			
Equity, shareholders in Carlsberg A/S	48,513	45,654	50,811
Non-controlling interests	2,585	3,172	2,839
Total equity	51,098	48,826	53,650
Borrowings	20,400	27,603	21,137
Deferred tax, retirement benefit obligations etc.	17,910	16,058	17,969
Total non-current liabilities	38,310	43,661	39,106
Borrowings	8,304	5,719	9,067
Trade payables	15,525	15,406	13,497
Deposits on returnable packaging	1,855	2,012	1,681
Other current liabilities	10,685	11,754	9,890
Total current liabilities	36,369	34,891	34,135
Liabilities associated with assets held-for-sale	-	196	15
Total equity and liabilities	125,777	127,574	126,906

STATEMENT OF CHANGES IN EQUITY (PAGE 1 OF 2)

DKK million	Shareholders in Carlsberg A/S							
	Share capital	Currency translation	Hedging reserves	Total reserves	Retained earnings	Equity, shareholders in Carlsberg A/S	Non-controlling interests	Total equity
Equity at 1 January 2017	3,051	-29,080	-421	-29,501	77,261	50,811	2,839	53,650
Consolidated profit	-	-	-	-	2,304	2,304	403	2,707
Other comprehensive income:								
Foreign exchange adjustments of foreign entities	-	-2,449	-	-2,449	-	-2,449	-202	-2,651
Value adjustments of hedging instruments	-	-201	-4	-205	-	-205	-	-205
Retirement benefit obligations	-	-	-	-	14	14	-	14
Share of other comprehensive income in associates and joint ventures	-	-	-	-	2	2	-	2
Corporation tax	-	42	-6	36	-	36	-	36
Other comprehensive income	-	-2,608	-10	-2,618	16	-2,602	-202	-2,804
Total comprehensive income for the year	-	-2,608	-10	-2,618	2,320	-298	201	-97
Acquisition/disposal of treasury shares	-	-	-	-	-21	-21	-	-21
Share-based payments	-	-	-	-	26	26	-	26
Dividends paid to shareholders	-	-	-	-	-1,525	-1,525	-451	-1,976
Acquisition and disposal of non-controlling interests	-	-	-	-	-480	-480	-	-480
Disposals of entities	-	-	-	-	-	-	-4	-4
Total changes in equity	-	-2,608	-10	-2,618	320	-2,298	-254	-2,552
Equity at 30 June 2017	3,051	-31,688	-431	-32,119	77,581	48,513	2,585	51,098

STATEMENT OF CHANGES IN EQUITY (PAGE 2 OF 2)

DKK million	Shareholders in Carlsberg A/S							
	Share capital	Currency translation	Hedging reserves	Total reserves	Retained earnings	Equity, shareholders in Carlsberg A/S	Non-controlling interests	Total equity
Equity at 1 January 2016	3,051	-34,910	-537	-35,447	75,885	43,489	3,742	47,231
Consolidated profit	-	-	-	-	1,867	1,867	244	2,111
Other comprehensive income:								
Foreign exchange adjustments of foreign entities	-	2,018	-	2,018	-	2,018	-73	1,945
Value adjustments of hedging instruments	-	58	115	173	-	173	-	173
Retirement benefit obligations	-	-	-	-	-255	-255	-	-255
Corporation tax	-	-39	-	-39	-	-39	-	-39
Other comprehensive income	-	2,037	115	2,152	-255	1,897	-73	1,824
Total comprehensive income for the period	-	2,037	115	2,152	1,612	3,764	171	3,935
Acquisition/disposal of treasury shares	-	-	-	-	-20	-20	-	-20
Share-based payments	-	-	-	-	56	56	-	56
Dividends paid to shareholders	-	-	-	-	-1,373	-1,373	-440	-1,813
Acquisition and disposal of non-controlling interests	-	-	-	-	-262	-262	-301	-563
Total changes in equity	-	2,037	115	2,152	13	2,165	-570	1,595
Equity at 30 June 2016	3,051	-32,873	-422	-33,295	75,898	45,654	3,172	48,826

STATEMENT OF CASH FLOWS

DKK million	H1 2017	H1 2016	2016
Operating profit before special items	4,125	3,448	8,245
Adjustment for depreciation, amortisation and impairment losses[1]	2,508	2,265	4,761
Operating profit before depreciation, amortisation and impairment losses[1]	6,633	5,713	13,006
Adjustment for other non-cash items	-106	-37	-410
Change in trade working capital	1,168	1,415	1,021
Change in other working capital	192	-555	-1,126
Restructuring costs paid	-105	-255	-407
Interest etc. received	77	105	190
Interest etc. paid	18	-224	-1,193
Corporation tax paid	-891	-869	-1,752
Cash flow from operating activities	6,986	5,293	9,329
Acquisition of property, plant and equipment and intangible assets	-1,846	-1,519	-3,820
Disposal of property, plant and equipment and intangible assets	75	68	223
Change in on-trade loans	-7	-29	43
Total operational investments	-1,778	-1,480	-3,554
Free operating cash flow	5,208	3,813	5,775
Acquisition and disposal of entities, net	245	788	1,969
Acquisition and disposal of associates and joint ventures, net	244	627	716
Acquisition and disposal of financial assets, net	6	-2	5
Change in financial receivables	-20	-99	-78
Dividends received	154	112	228
Total financial investments	629	1,426	2,840
Other investments in property, plant and equipment	-	-9	-20
Disposal of other property, plant and equipment	25	-	21
Total other activities[2]	25	-9	1
Cash flow from investing activities	-1,124	-63	-713
Free cash flow	**5,862**	**5,230**	**8,616**
Shareholders in Carlsberg A/S	-1,546	-1,393	-1,438
Non-controlling interests	-455	-810	-1,015
External financing	-857	-3,427	-6,752
Cash flow from financing activities	-2,858	-5,630	-9,205
Net cash flow	3,004	-400	-589
Cash and cash equivalents at beginning of period	2,348	3,020	3,020
Foreign exchange adjustment of cash and cash equivalents	-129	-110	-83
Cash and cash equivalents at period-end[3]	5,223	2,510	2,348

[1] Impairment losses excluding those reported in special items.
[2] Other activities cover real estate, separate from beverage activities.
[3] Cash and cash equivalents less bank overdrafts.

NOTE 1 (PAGE 1 OF 2)

Segment reporting by region

	Q2 2017	Q2 2016	H1 2017	H1 2016	2016
Beer sales (pro rata, million hl)					
Western Europe	14.3	14.5	24.1	24.2	48.4
Eastern Europe	8.4	9.6	14.5	15.9	32.4
Asia	9.8	10.3	18.1	19.0	36.1
Total	32.5	34.4	56.7	59.1	116.9
Other beverages (pro rata, million hl)					
Western Europe	4.3	4.5	7.8	7.9	16.3
Eastern Europe	0.7	0.7	1.0	1.0	2.0
Asia	1.0	1.1	1.9	2.0	3.6
Total	6.0	6.3	10.7	10.9	21.9
Net revenue (DKK million)					
Western Europe	10,744	11,026	18,544	18,760	37,597
Eastern Europe	3,159	3,028	5,474	4,723	10,205
Asia	4,142	4,128	7,716	7,639	14,666
Not allocated	18	50	31	121	146
Beverages, total	18,063	18,232	31,765	31,243	62,614
Non-beverages	-	-	-	-	-
Total	18,063	18,232	31,765	31,243	62,614
Operating profit before depreciation, amortisation and special items (EBITDA, DKK million)[1]					
Western Europe			3,337	3,006	6,831
Eastern Europe			1,465	1,100	2,569
Asia			2,227	1,999	4,171
Not allocated			-362	-331	-517
Beverages, total			6,667	5,774	13,054
Non-beverages			-34	-61	-48
Total			6,633	5,713	13,006
Operating profit before special items (EBIT, DKK million)[1]					
Western Europe			2,326	2,042	4,858
Eastern Europe			1,047	751	1,832
Asia			1,494	1,328	2,802
Not allocated			-705	-608	-1,191
Beverages, total			4,162	3,513	8,301
Non-beverages			-37	-65	-56
Total			4,125	3,448	8,245
Operating margin (%)[1]					
Western Europe			12.5	10.9	12.9
Eastern Europe			19.1	15.9	18.0
Asia			19.4	17.4	19.1
Not allocated			…	…	…
Beverages, total			13.1	11.2	13.3
Non-beverages			…	…	…
Total			13.0	11.0	13.2

[1] Comparative figures for Western Europe for 2016 have been adjusted as a result of the change in segmentation.

NOTE 1 (PAGE 2 OF 2)

Segment reporting by region

DKK million	30 Jun. 2017	30 Jun. 2016	2016
Invested capital, period-end			
Western Europe	37,881	38,495	37,749
Eastern Europe	32,785	31,422	35,265
Asia	20,659	23,328	22,659
Not allocated	-329	751	-56
Beverages, total	90,996	93,996	95,617
Non-beverages	465	512	472
Total	91,461	94,508	96,089
Invested capital excl goodwill, period-end			
Western Europe	17,076	17,958	16,956
Eastern Europe	16,649	15,956	18,284
Asia	6,417	8,462	7,568
Not allocated	-329	751	-56
Beverages, total	39,813	43,127	42,752
Non-beverages	465	512	472
Total	40,278	43,639	43,224
EBIT adjusted for effective tax			
Western Europe	1,661	1,486	3,539
Eastern Europe	789	553	1,394
Asia	1,047	928	1,943
Not allocated	-540	-608	-1,322
Beverages, total	2,957	2,359	5,554
Non-beverages	-28	-49	-30
Total	2,929	2,310	5,524
Return on invested capital, ROIC (%) , rolling 12 mths			
Western Europe	9.7	9.6	9.2
Eastern Europe	4.8	4.4	4.5
Asia	9.2	8.0	8.3
Not allocated	…	…	…
Beverages, total	6.5	6.1	5.9
Non-beverages	…	…	…
Total	6.5	5.9	5.9
Return on invested capital excl. goodwill (%), rolling 12 mths			
Western Europe	21.3	20.5	19.8
Eastern Europe	9.5	8.2	8.8
Asia	27.5	21.0	23.2
Not allocated	…	…	…
Beverages, total	14.5	12.7	12.9
Non-beverages	…	…	…
Total	14.4	12.2	12.7

NOTE 2

Segment reporting by activity

DKK million	H1 2017			H1 2016		
	Beverages	Non-beverages	Total	Beverages H1	Non-beverages	Total H1
Net revenue	31,765	-	31,765	31,243	-	31,243
Operating profit before special items	4,162	-37	4,125	3,513	-65	3,448
Special items, net	38	-	38	406	-	406
Financial items, net	-339	-12	-351	-698	-5	-703
Profit before tax	3,861	-49	3,812	3,221	-70	3,151
Corporation tax	-1,115	10	-1,105	-1,055	15	-1,040
Consolidated profit	2,746	-39	2,707	2,166	-55	2,111
Attributable to:						
Non-controlling interests	403	-	403	244	-	244
Shareholders in Carlsberg A/S	2,343	-39	2,304	1,922	-55	1,867

NOTE 3

Special items

DKK million	H1 2017	H1 2016	2016
Special items, income:			
Gain on disposal of entities and activities, and adjustments to gains in prior years	270	1,127	2,078
Reversal of impairments in prior years related to disposed entities	-	108	207
Gain on disposal of property, plant and equipment impaired in prior years	-	3	26
Reversal of provision recognised in a purchase price allocation in prior years	-	-	80
Income, total	270	1,238	2,391
Special items, expenses:			
Loss on disposal of entities and activities, and adjustments to loss in prior years	-70	-	-
Loss on disposal and reversal of property, plant and equipment impaired in prior years	-44	-	-
Impairment of brands, Baltika Breweries, Russia, and Chongqing Brewery Group, China	-	-	-867
Impairment and restructuring of Eastern Assets, China	2	-8	-22
Impairment and restructuring of Chongqing Brewery Group, China	-6	-242	-277
Impairment and restructuring of Carlsberg UK, including onerous contract	-71	-270	-395
Impairment of Bihar Brewery, India	-	-232	-199
Impairment and restructuring of Carlsberg Deutschland, Germany	-	-2	-152
Impairment and restructuring in relation to optimisation and standardisation in Western Europe	-37	-65	-103
Impairment and restructuring of Xinjiang Wusu Group, China	-	-5	-18
Group-wide organisational efficiency programme	-	-1	-3
Disposal and impairment of real estate, including adjustments to gains in prior years	-	-	-70
Severance and share-based payments to members of the Executive Committee	-15	-7	-39
Other, net	9	-	5
Expenses, total	-232	-832	-2,140
Special items, net	38	406	251

NOTE 4

Net financial expenses

DKK million	H1 2017	H1 2016	2016
Financial income:			
Interest income	70	69	152
Fair value adjustments of financial instruments	-	-	564
Foreign exchange gains, net	567	357	-
Expected return on plan assets, defined benefit plans	-	-	173
Other financial income	10	30	30
Total	647	456	919
Financial expenses:			
Interest expenses	-425	-514	-1,034
Capitalised financial expenses	1	2	3
Fair value adjustments of financial instruments	-400	-147	-
Foreign exchange losses, net	-	-	-148
Interest cost on obligations, defined benefit plans	-43	-55	-296
Other financial expenses	-131	-445	-691
Total	-998	-1,159	-2,166
Financial items, net, recognised in the income statement	-351	-703	-1,247

NOTE 5 (PAGE 1 OF 2)

Debt and credit facilities

DKK million	30 June 2017
Non-current borrow ings:	
Issued bonds	18,500
Bank borrow ings	354
Mortgages	420
Other non-current borrow ings and leases	1,126
Total	20,400
Current borrow ings:	
Issued bonds	7,432
Current portion of other non-current borrow ings	183
Bank borrow ings	683
Other current borrow ings and leases	6
Total	8,304
Total non-current and current borrow ings	28,704
Cash and cash equivalents	-5,719
Net financial debt	22,985
Other interest-bearing assets net	-1,133
Net interest-bearing debt	21,852

NOTE 5 (PAGE 2 OF 2)

Debt and credit facilities

DKK million Time to maturity for non-current borrowings						30 June 2017
	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Issued bonds	-	5,582	-	-	12,918	18,500
Bank borrowings	290	21	17	13	13	354
Mortgages	-	-	-	-	420	420
Other non-current borrowings and leases	1,110	-	-	-	16	1,126
Total	1,400	5,603	17	13	13,367	20,400

DKK million Currency split of net financial debt[1] at 30 June 2017	
EUR	17,710
DKK	1,983
Other currencies	3,291
Total	22,984

[1] After currency swaps.

87% of the net financial debt was at fixed interest rates as at 30 June 2017.

DKK million Commited credit facilities[2]	30 June 2017
Less than 1 year	9,303
1 to 2 years	2,492
2 to 3 years	5,603
3 to 4 years	18,665
4 to 5 years	13
More than 5 years	13,367
Total	49,443
Short term	9,303
Long term	40,140

[2] Defined as short-term borrowings and long-term committed credit facilities.

NOTE 6

Net interest-bearing debt

DKK million	H1 2017	H1 2016	2016
Net interest-bearing debt is calculated as follow s:			
Non-current borrow ings	20,400	27,603	21,137
Current borrow ings	8,304	5,719	9,067
Gross interest-bearing debt	28,704	33,322	30,204
Cash and cash equivalents	-5,719	-3,642	-3,502
Loans to associates	-274	-315	-300
On-trade loans, net	-805	-963	-863
Other receivables, net	-54	-112	-36
Net interest-bearing debt	21,852	28,290	25,503
Changes in net interest-bearing debt:			
Net interest-bearing debt at beginning of period	25,503	30,945	30,945
Cash flow from operating activities	-6,986	-5,293	-9,329
Cash flow from investing activities, excl. acquisition of entities	1,369	851	2,682
Cash flow from acquisition of entities, net	-245	-788	-1,969
Dividend to shareholders and non-controlling interests	1,976	1,813	1,990
Acquisition of non-controlling interests	-	370	399
Acquisition/disposal of treasury shares and exercise of share options	21	20	65
Acquired/disposed net interest-bearing debt from acquisition and disposal of entities	18	64	-83
Change in interest-bearing lending	26	536	725
Effects of currency translation	170	-355	-46
Other	-	127	124
Total change	-3,651	-2,655	-5,442
Net interest-bearing debt, end of period	21,852	28,290	25,503