



Breweries

Oslo / Copenhagen 31 May 2000

Agenda

- 1. Participants**
- 2. Orkla ASA and Carlsberg A/S**
- 3. Carlsberg Breweries A/S**
- 4. Governance**
- 5. The Agreement**
- 6. Approvals**
- 7. Future prospects**
- 8. Q & A's**

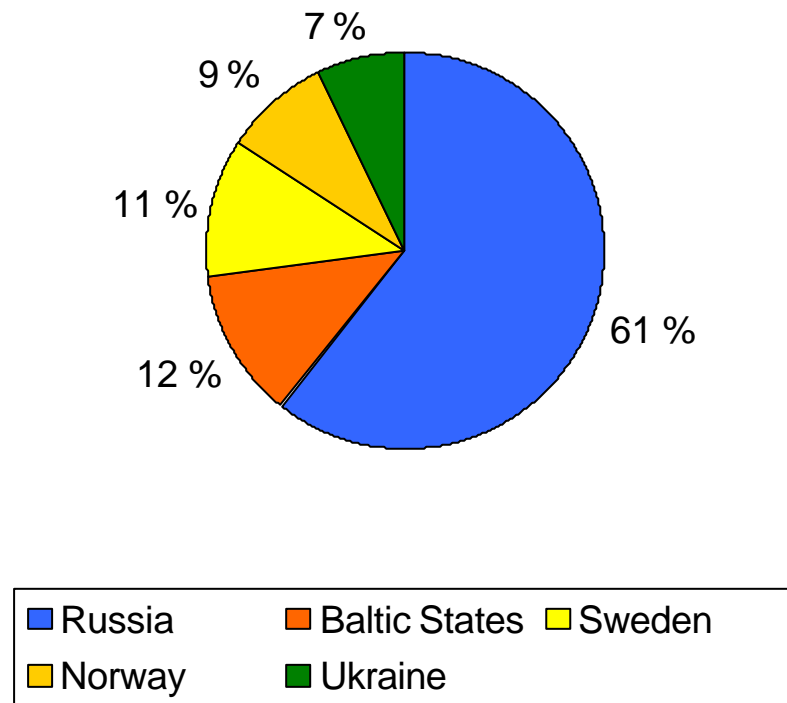
Orkla ASA beer activities - Pripps Ringnes

in SEK million	<u>1999</u>	<u>1998</u>
Operating revenues Nordic markets	5 091	5 289
Operating revenues BBH (50%)	1 675	1 803
Total operating revenues	6 766	7 092
Operating profit Nordic markets	300	150
Operating profit BBH (50%)*	425	594
Unallocated overhead	-25	-23
Operating profit before goodwill amort.**	700	721

* Including minority interests

** Excluding other revenues and expenses

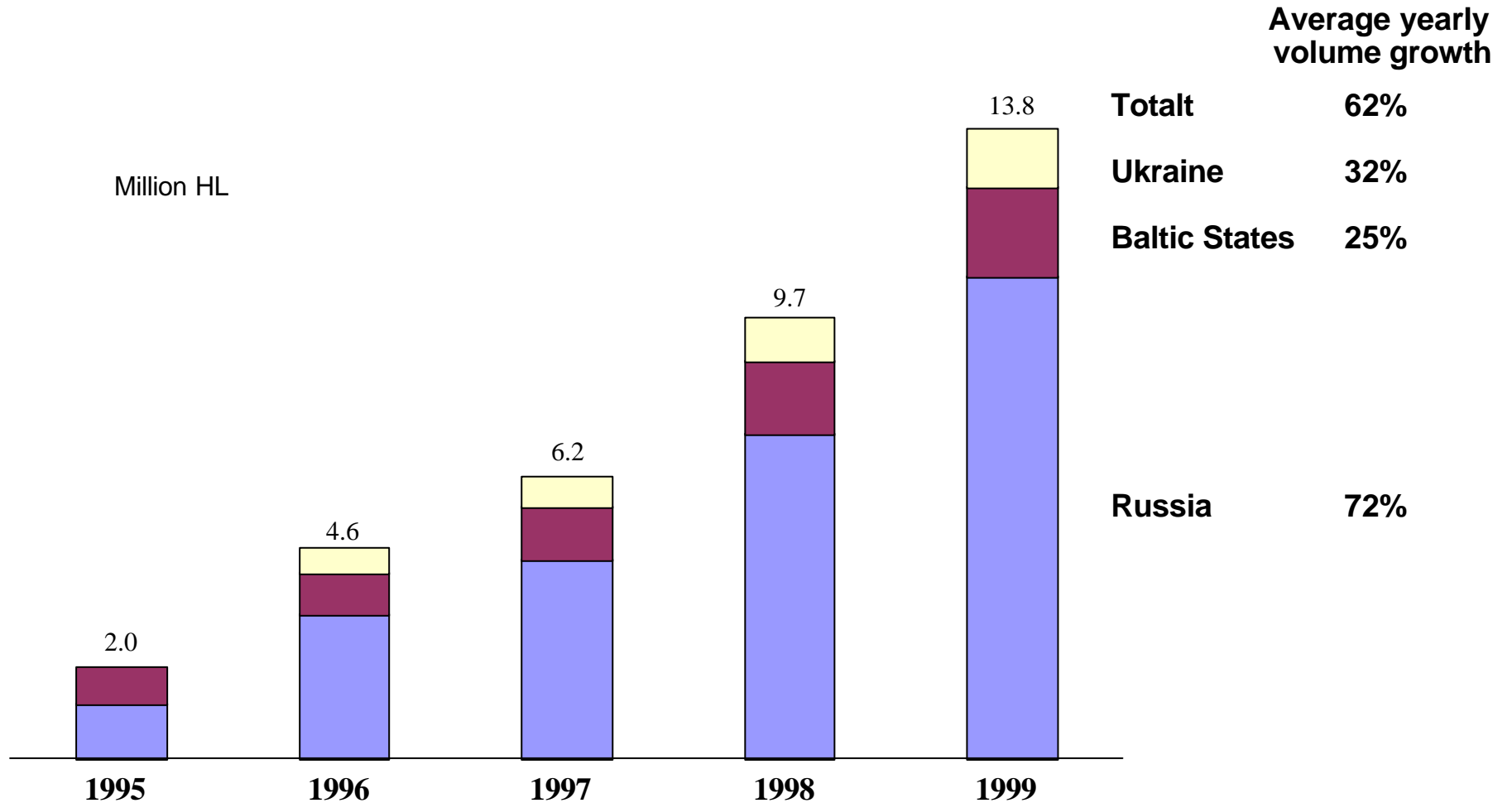
Pripps Ringnes's beer volumes 1999



Region	million HL
Russia*	10.6
Baltic States	2.0
Sweden	1.8
Norway	1.4
Ukraine*	1.3
Total	17.0

* Incl. 100% of breweries owned as of 30 April 2000

BBH the leading brewer in the former USSR



Activities not to be included

- **Orkla keeps 20.38% ownership interest in Hartwall**

The Carlsberg Group

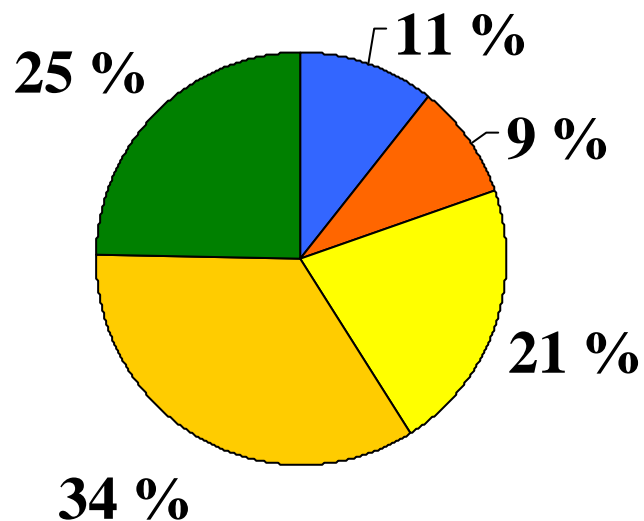
- **Carlsberg A/S - leading international brewer**
- **Carlsberg - second largest international brand**
- **Turnover DKK 31,3 billion**
- **Market cap DKK 16,1 billion**
- **Listed on the Copenhagen Stock Exchange**

Carlsberg A/S' beer activities

Proforma 1998/1999 figures for companies to be transferred from Carlsberg A/S

	DKK million
Operating Revenues	16.625
Operating Income (EBIT)	1.151
Employees approx.	14.200

Carlsberg A/S's beer volumes 1998/1999



Region	Million HL
Denmark	4
Other Nordic countries	3.3
U.K.	7.8
Other Europe	12.8
Asia, America, Africa	9.1
Total	37.0

■ Denmark ■ Other Nordic countries ■ U.K. ■ Other Europe ■ Asia, America, Africa

Activities not to be included

- **Carlsberg A/S retains**
 - Ownership in CCNB
 - Non beverage-related activities

- **Carlsberg A/S declines option for 25% of Hansa Borg ASA**

Carlsberg Breweries A/S a global brewer

- **Carlsberg A/S establishes Carlsberg Breweries A/S**
 - All beer activities
 - Saltum-Houlberg A/S
- **Orkla delivers in kind**
 - All activities in Sweden and Norway
 - The 50% stake in Baltic Beverages Holding (BBH)
- **Ownership**
 - Carlsberg 60 %
 - Orkla 40 %

Carlsberg Breweries A/S - Key figures

- **Total beer volume HL 54 mill.** (100%)
- **Net turnover approx. DKK 23 bill.**
- **EBIT approx. DKK 2 bill.**
- **Cost synergies currently identified**
 - Approx. DKK 300 mill. per year in reduced costs after 3 to 4 years
- **Employs approx. 27.000 people** (100%)

Carlsberg Breweries A/S - Strategy

- **Focus on beer**
- **Take part in the consolidation of the industry**
- **Focus on achieving market leadership**
- **Concentrate on large and growing markets**
- **Majority ownership in core breweries**
- **Branding strategy:**
 - Carlsberg leading international brand
 - Regional brands e.g. Tuborg
 - National brands e.g. Tetley's, Baltika, Pripps, Ringnes, etc.

Carlsberg Breweries A/S

- **Carlsberg, the world's second largest beer brand***
- **Market leader in Denmark, Sweden and Norway**
- **New growth markets: Russia, Ukraine and the Baltic States**
- **Important player in Western Europe**
- **Strong position in several Asian countries**

* by volume sold outside Denmark

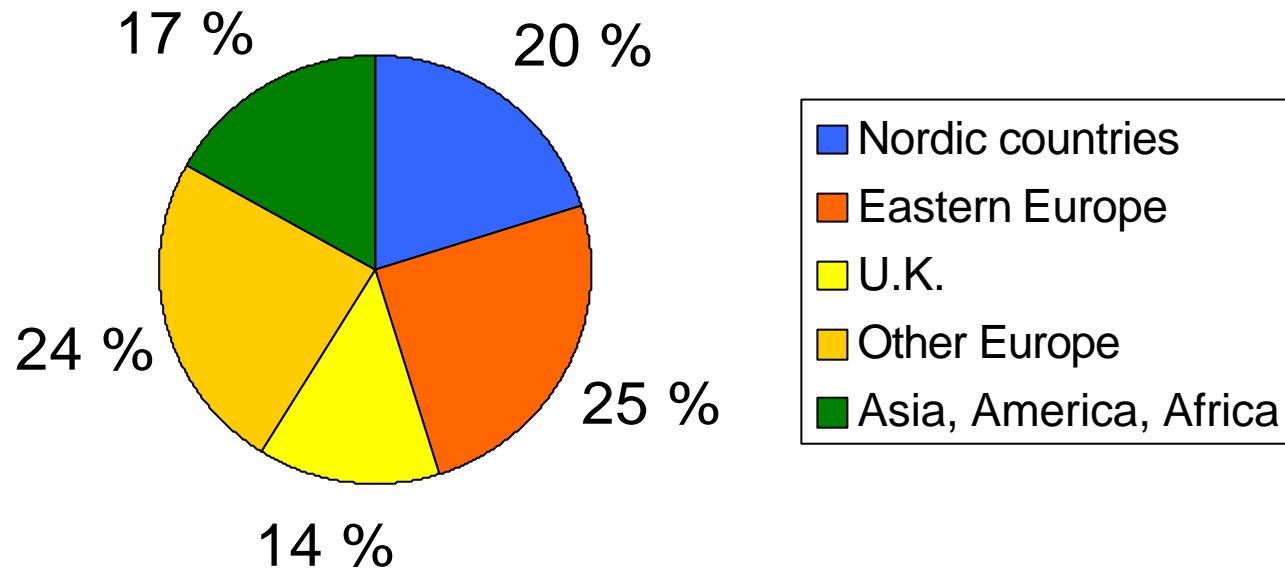
Important brands



TUBORG

KOFF

Volumes sold by market 1999

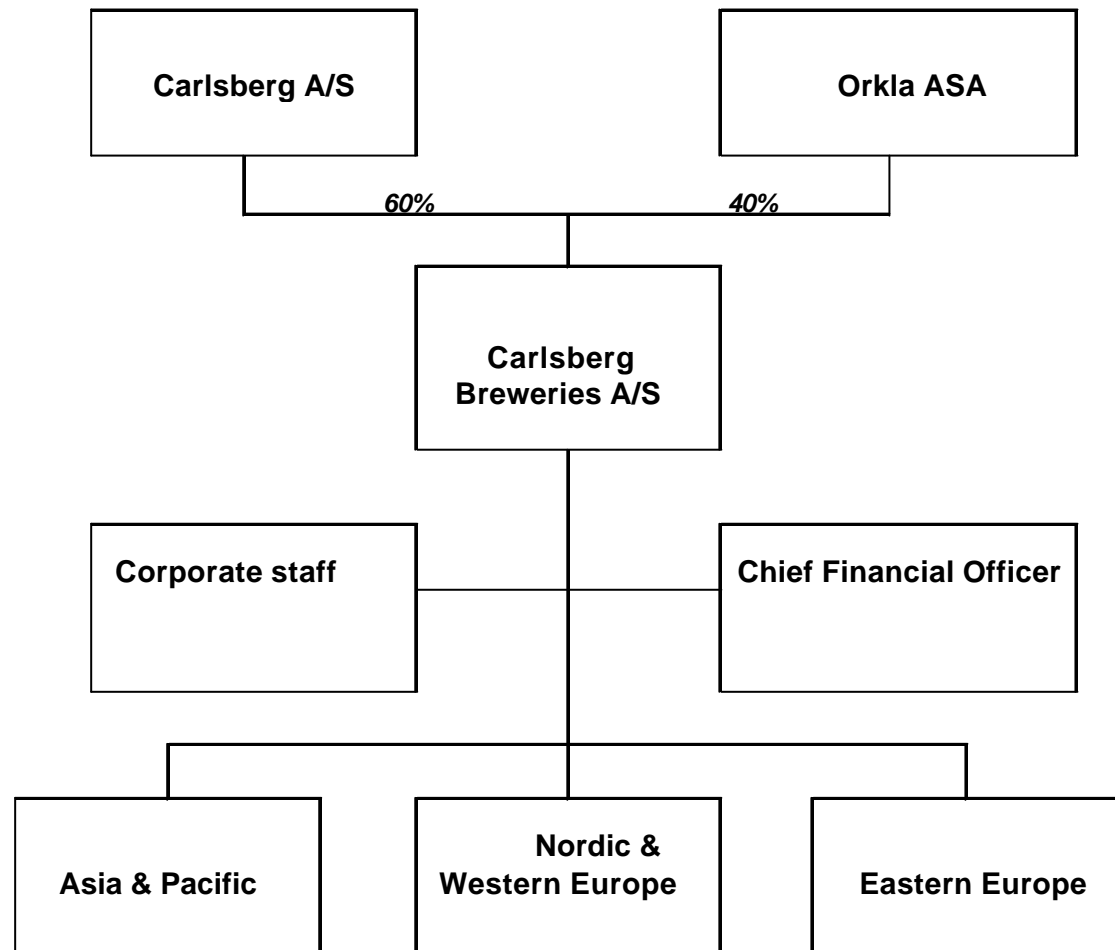


- **Total volume of beer HL 54 million HL**

Carlsberg Breweries A/S - Management

- **Board of directors:**
 - 5 from Carlsberg A/S
 - 3 from Orkla ASA
 - 4 employee representatives
- **Board of management:**
 - Flemming Lindeløv, President & Group CEO
 - Nils S. Andersen
 - Paul Bergqvist
 - Michael C. Luul
 - Bjørn Erik Næss

Organisation



Headlines from the agreement

- **No shares to be sold before July 2002**
- **Right of first refusal - both parties**
- **Both parties are represented on the Board of Directors**
 - **influence on key decisions**
- **Separate listing possible after 3 years**
- **Effect from 1 July 2000**

Agreement subject to:

- **Approvals by the authorities**
- **Satisfactory due diligence**
- **Approval of Orkla's Corporate assembly**

Future prospects

- **United forces give larger potential**
- **Significant player in the international beer market**
- **A concentrated growth strategy with focus on**
 - Beer
 - Brand building (Carlsberg)
 - Market leadership and majority ownership positions
 - Growth markets
- **Increased financial strength**
- **Potential for valuable synergies**
- **Owners with ambitions for continuous growth**

Value creation for Orkla's shareholders

- **Value per share**
 - Improved earnings
 - 40 % of Carlsberg Breweries
 - No dilution of shareholders equity
- **Improved position in global beer industry**
- **Carlsberg: Global brand with strong growth potential**

Value creation for Orkla's shareholders

- **Increased earnings potential in Eastern Europe:**
 - Added volume potential for the Carlsberg brand improves prospects for higher share value
 - Potential for premium pricing on the Carlsberg brand
- **Relative effects of political or economic risks in Eastern Europe reduced**