

Copenhagen, 20 February 2003  
4/2003

## **Preliminary Profit Statement 2002**

*The Board of Directors of Carlsberg A/S has today approved that the annual report of the Carlsberg Group and the Parent Company for 2002 be presented to the Annual General Meeting.*

### **2002 in outline**

- The results are in line with the expectations expressed in the Q3 Financial Statement.
- Net revenue rose by 3% to DKK 35.5bn.
- Operating profit (EBITA) amounted to DKK 3.8bn (+15%).
- Profit before amortisation and write-down of goodwill totalled DKK 2,149m. Adjusted for one-off items the profit amounted to DKK 2,172m (+8%).
- Carlsberg's share of the profit amounted to DKK 1,011m. Adjusted for one-off items, the share of profit amounted to DKK 1,025m (+10%).
- Results per share (before goodwill, own shares and one-off items) rose to DKK 20.50 (+18%).
- Cash flow from operating activities and free cash flow amounted to DKK 5.6bn and 1.6bn, respectively, which is considerably above last year.
- It is proposed that a dividend of DKK 5.00 per share be paid (unchanged compared to 2001).

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**Pro forma highlights for 2002 and 2001**

DKK million	2001	2002	Changes in percent
<b><u>Before one-off items:</u></b>			
Net revenue	34,419	35,544	+3
<b>Operating profit</b>	3,294	3,779	+15
Financials, net	-773	-884	-14
Corporation tax	-502	-723	-44
<b>Profit before goodwill amortisation and write-down</b>	2,019	2,172	+8
Goodwill amortisation and write-down	-303	-375	-24
Consolidated profit	1,716	1,797	+5
<b>Carlsberg A/S' share of profit</b>	933	1,025	+10

One-off items are non-recurring profit from the sale of shares in Thai breweries in 2001 as well as special items. Results including these items are shown in Appendix 1.

DKK million	31.12. 2001	31.12. 2002	Changes in percent
Capital and reserves	19,158	17,286	-10
Total assets	47,455	46,523	-2
Net interest-bearing debt	10,918	10,923	+0

Movements in consolidated capital and reserves:

<b>Consolidated capital and reserves as at 31 December 2001</b>		19,158	
Consolidated profit		1,774	
Dilution, Carlsberg Asia		-907	
Dividend, Carlsberg A/S		-320	
Dividend, minority interests		-324	
Repurchase of own shares		-970	
Currency translation adjustments, etc.		-1,125	
<b>Consolidated capital and reserves as at 31 December 2002</b>		17,286	
Minority interests as at 31 December 2002		6,450	
<b>Carlsberg A/S' share of capital and reserves as at 31 December 2002</b>		10,836	

## Comments to the accounts for the past year

### Accounting policies and basis of comparison

The accounting policies applied have been changed from those used in the annual accounts for 2001 and now follow the new Danish Financial Statements Act of 7 June 2001, as well as current Danish accounting standards. Comparative figures for previous accounting periods have been adjusted accordingly. The change of accounting policies is described in the announcement to the Copenhagen Stock Exchange of 16 April 2002.

With effect from 1 January 2002, the financial statement for Asia (Carlsberg Asia Pte Ltd.) is based on the agreed 50/50 joint venture structure with proportionate consolidation of Carlsberg Asia.

The translation method for the companies in Russia and the Ukraine (BBH) has been changed, as the general inflation rate in these countries over a three-year period has been significantly below 100%. The companies are now consolidated in accordance with the same financial principles applying to other undertakings in countries characterised by moderate inflation (current cost approach).

When comparing with the past financial year, allowances should be made for the changes in the Group structure due to acquisitions and divestments during the year. In January 2002, Carlsberg Breweries acquired another 8.4% of the shares in Hite Brewery Co., and now holds 25% of the shares. The company is consequently consolidated as an associate in 2002. In Poland, the reorganisation of Carlsberg's brewery group was completed, and in December 2002, Carlsberg Breweries increased its shareholding by approx. 10% to 71.9%. The increased shareholding will first show in the results for 2003. In May 2002, Carlsberg Breweries increased its shareholding in Panonska, Croatia, from 40% to 80%, and the company is now included as a subsidiary. In June and August 2002, respectively, Carlsberg Breweries acquired two breweries in Bulgaria - Shumensko Pivo and Pirinsko Pivo. These acquisitions have no profit impact in 2002, but are included in the balance sheet as at 31 December 2002.

### Segment information

The main activity of the Group is the production and sale of beer and other beverages. These activities make up more than 90% of the Group's revenue. In accordance with the Group's management structure, the beverage activities are segmented according to the geographical regions where production takes place.

### Volume

In the past year, total beer sales in the Carlsberg Group increased by 11.6m hl to 78.6m hl (+17%), of which +6% relate to the Carlsberg brand. Global beer consumption is still increasing, but with large regional differences. Soft drink sales amounted to 20.9m hl against 21.2m hl last year.

## Net revenue

Net revenue (revenue less excise duties) amounted to DKK 35,544m against DKK 34,419m in the same period last year (+3%). The increase in revenue is primarily due to organic growth in western Europe and eastern Europe as well as the companies acquired in Turkey and Poland in July and August 2001. The new structure in Asia with proportionate consolidation reduced revenue.

## Operating profit (EBITA)

Operating profit totalled DKK 3,779m against DKK 3,294m last year (+15%). This is due to, among other things, a significant profit increase in Carlsberg Breweries in western Europe and eastern Europe, and good progress in the results in Asia due to Hite (South Korea) and the profit guarantee in Carlsberg Thailand. In 2002, Carlsberg Breweries increased marketing expenses by more than DKK 0.4bn. of which a substantial part was spent on marketing of the Carlsberg brand. Results from Carlsberg A/S' properties were in line with expectations and operating profit was positively affected by profit on sale of properties amounting to about DKK 120m (2001 approx. DKK 218m). Depreciation on property, plant and equipment, etc. is included in operating profit with DKK 2,630m against DKK 2,523m in 2001.

## Special items, net

As in previous years, these items include one-off items. Special items amounted to a negative DKK 23m against a positive DKK 32m last year. The items include restructuring expenses as well as gains from the divestment of activities.

## Financials, net

Financials amounted to a negative DKK 884m against a negative DKK 255m in 2001. If 2001 is adjusted for profit from the sale of minority shareholdings in the Thai breweries (net DKK 518m), net expenses have increased by well over DKK 100m. This rise mainly relates to rather substantial interest expenses in the subsidiary acquired in Turkey in 2001 as well as significant currency translation adjustments of foreign currency loans in Russia/Vena (DKK 140m) and currency translation adjustments etc. in Turkey (DKK 44m, total).

## Corporation tax

The tax rate amounted to 25.2% against 20.1% last year. The lower tax rate in 2001 was mainly due to lower tax on the relatively substantial capital gains as well as the somewhat lower tax in Baltic Beverages Holding (BBH).

## **Profit before goodwill amortisation and write-down**

Profit before goodwill amortisation and write-down amounted to DKK 2,172m against DKK 2,019m in 2001 (adjusted for one-off items), which is 8% above last year, primarily due to increased earnings in Carlsberg Breweries.

## **Carlsberg A/S' share of profit**

Carlsberg A/S' share of profit amounted to DKK 1,025m against DKK 933m last year (adjusted for one-off items of DKK 261m in total), corresponding to an increase of 10%.

## **Consolidated goodwill**

In accordance with the new accounting policies, goodwill has been capitalised and totalled DKK 5.2bn as at 31 December 2002, following amortisation of DKK 375m in 2002. Tests have been made on the goodwill for the companies whose results have not lived up to expectations (i.a. Türk Tuborg, Turkey). The tests, based on the most recent business plans, have shown that it is unnecessary to write-down the capitalised goodwill amounts.

## **Capital and reserves**

Consolidated capital and reserves amounted to DKK 17,286m against DKK 19,158m last year. The Parent Company's share of capital and reserves totalled DKK 10,836m against DKK 12,041m last year.

Capital and reserves was positively influenced by the profit for the year, less dividend paid in 2002, and negatively affected by the repurchase of own shares, currency translation adjustments and dilution in connection with the establishment of Carlsberg Asia.

## **Retirement benefit obligations**

At the end of 2002, analyses of any underfunded pension obligations were carried out. These relate mainly to the companies in the UK and in Switzerland. Total underfunding amounted to about DKK 1bn, which will cause additional revenue expenditure of around DKK 30-40m in the years ahead if circumstances remain unchanged.

## **Other provisions**

Other provisions amounted to DKK 198m at the end of 2002. Provisions were applied during the period in accordance with plans. DKK 118m before tax (against DKK 172m last year) of the remaining provisions in the Parent Company, relating to Coca-Cola Nordic Beverages A/S (CCNB) and compensation received in connection with the Allied Domecq agreement (AD) in 1995/1996, were applied. No further provisions regarding CCNB and AD remain.

## Investments

The year saw total investments of DKK 4.1bn against DKK 5.5bn last year. The investments primarily relate to new production plants in western Europe and in BBH as well as the acquisition of shareholdings in breweries in Bulgaria, Poland, Russia and Asia.

## Securities, cash and cash equivalents, and net interest-bearing debt

Cash flow from operating activities totalled DKK 5.6bn compared to DKK 2.2bn last year, and free cash flow amounted to DKK 1.6bn against a negative DKK 1.3bn last year. The project launched by Carlsberg Breweries to reduce invested capital has contributed positively to the cash flow for 2002 and will continue to do so in 2003. The project has furthermore contributed to a rise of about 0.6 percentage-points to 10.3% in return on capital employed (ROCE) in Carlsberg Breweries.

The net interest-bearing debt totalled DKK 10.9bn, which is unchanged compared with last year. This is a natural consequence of the size of investments as well as the repurchase of own shares and dividend paid, covered by the cash flow from operating activities.

At 31 December 2002, securities and cash and cash equivalents, consisting of cash at bank and in hand and listed securities, amounted to DKK 4.0bn, based on market prices. To this may be added unutilised credit facilities amounting to about DKK 6.7bn.

## Development by regions

### Western Europe

In western Europe, the total beer volume amounted to 26.3m hl, which is an increase of 2%. Operating profit for the region was DK 484m (27%) above last year. This resulted in an increase in operating margin from 6.8% to 8.4%. The general development was satisfactory and particularly the Nordic countries and the UK showed improvement.

DKK million	2001	2002	Changes in percent	Q4 2001	Q4 2002	Changes in percent
Net revenue	26,064	<b>26,997</b>	+4	6,911	6,869	-1
Operating profit	1,785	<b>2,269</b>	+27	138	391	+183
Operating margin (%)	6.8	<b>8.4</b>		2.0	5.7	
Beer sales (million hl)	25.7	<b>26.3</b>	+2	6.5	6.6	+3

**Net revenue** rose by 4% to DKK 27.0bn primarily due to developments in the Nordic countries, United Kingdom, Italy, and Portugal.

**Operating profit** was DKK 484m above last year (+27%), of which the four Nordic markets contributed with DKK 359m.

In **Denmark**, beer consumption was stable during the year, and Carlsberg Danmark maintained its market share. Because of the large differences in excise duties between Denmark and Germany, a significant part of total Danish beer consumption is still purchased south of the border. So far, the introduction of cans on the Danish market has been of minor significance as the market share is less than 5% for this type of packaging. The results of the Danish activities are up on last year, which is due to increased efficiency.

In **Sweden**, the integration of Pripps and Falcon into Carlsberg Sverige is proceeding according to plans, including the closing of the brewery in Gothenburg, which was completed in April. However, Carlsberg Sverige realised somewhat lower total results than expected, which is primarily due to less efficient production and distribution than planned. The company has by and large maintained its market share following the divestment of brands required by the authorities. The company's focus on profitable brands and the restructuring project has led to significant improvement in the results for the year which are still too low, however.

In **Finland**, Sinebrychoff achieved good progress in volume, especially on the Carlsberg and Karhu brands and the market position was strengthened. As a result, the company realised a substantial increase in results.

In **Norway**, operating profit was significantly up on last year, especially due to progress in volume and improved product mix. During the year, focus has been on the most profitable product groups, which among other things has led to an increase in the Carlsberg brand of 7% and a total increase in beer volume of 3%.

In the **United Kingdom**, Carlsberg-Tetley increased its market share and volume, particularly for the Carlsberg brand (+13%) and achieved better results than last year (DKK +66m). Progress in results was primarily driven by increases in volume, but a reduced cost level also affected results positively. The company has thus increased the operating margin by almost 1 percentage-point to 7.4%. The free cash flow was also improved considerably because of a reduction in working capital and divestment of non-current assets.

In **Switzerland**, Feldschlösschen has implemented the restructuring plans, which resulted in the expected savings. Still, a weaker market trend than anticipated – among other things due to poor summer weather as well as a decline in sales following the introduction of a new organisation structure - has led to results somewhat short of expectations. The company achieved a modest rise in the profit margin to 5.4% and improved cash flow significantly.

In **Portugal**, results were slightly below those of last year, i.a. due to poor summer weather. The acquired water company VMPS in Portugal is included in the accounts with effect from 1 January 2002.

In **Italy**, results were at level with last year's despite poor summer weather, which led to a reduction in total consumption of well over 3%.



In **Germany**, Hannen showed good progress in results and achieved a positive result by adjusting the cost base to the regional strategy.

## Eastern Europe

This region showed a growth in volume of 17% and total sales of 37.5m hl. Operating profit was 6% up on last year and amounted to DKK 1,274m. The high operating margins previously shown by the region dropped in 2002, which is mainly attributable to Turkey, where results are highly unsatisfactory.

DKK million	2001	2002	Changes in percent	Q4 2001	Q4 2002	Changes in percent
Net revenue	5,842	<b>7,475</b>	+28	1,368	1,442	+5
Operating profit	1,204	<b>1,274</b>	+6	165	146	-12
Operating margin (%)	20.6	<b>17.0</b>		12.0	10.1	
Beer sales (million hl)	32.1	<b>37.5</b>	+17	7.1	7.6	+8

**Net revenue** rose by 28% to DKK 7.5bn, primarily due to growth in Baltic Beverages Holding (BBH) and the addition of new companies in Turkey and Poland in the second half of 2001.

**Operating profit** increased by 6% to DKK 1,274m. The operating margin was 3.6 percentage-points lower than last year, but when adjusted for the effect of the exchange rate in BBH and the business in Turkey, the operating margin has remained at the high level achieved last year.

In **BBH** (50%), net revenue rose by 26% to DKK 4.6bn. However, measured in local currency the increase was higher as the exchange rate (USD/EUR) has had substantial negative effects on 2002. The organic growth and acquired undertakings resulted in a 22% increase in beer volume, particularly driven by growth in Russia and the Ukraine. The volume increase shows that BBH continues to outperform the market. BBH's market share in Russia was 33% (including Vena), which was 5 percentage-points higher than for the same period last year. Market growth this year in Russia was 9%, which was slightly less than previously expected, and 14% in the Ukraine. In the Baltic States, the market rose by 18%, and BBH increased its market share to 46%. The USD/EUR exchange rate development had a negative effect of approximately DKK 75m on operating profit, and on that basis the actual increase in operating profit was 30%. The inflation in Russia was approximately 15%. The Russian beer market is expected to grow by 8-9% in 2003 and BBH is expected to outperform the market again. Market growth is expected to be modest/neutral in the first half of 2003 and thus larger than 8-9% in the second half. The reason for this is a build-up of stocks at external distributors during the first half of 2002.



In **Poland**, market conditions are showing signs of improvement and the brand portfolio has been strengthened. The reorganisation of Carlsberg's brewery group has been implemented as planned, and the breweries Kasztelan and Bosman have been consolidated into Carlsberg Okocim with effect from the second quarter. The shareholding in Carlsberg Okocim thus amounts to 62%. As expected, operating profit from activities in Poland was at break-even.

In **Turkey**, Türk Tuborg achieved volume growth and grew market share. Significant cost increases as well as increased sales and marketing activities were only partially covered by increased sales prices and volume progress. In addition, the exchange rate developments were extremely negative. Consequently, the company recorded very unsatisfactory results for 2002. Operating profit showed a negative DKK 123m while Carlsberg Breweries' share of the profit for the year was a total loss of DKK 270m. The effect of Türk Tuborg's results on the results of the Group is thus significant. The management of Türk Tuborg has been changed and a new Chief Executive Officer has been appointed. Various analyses have been carried out and a new business plan, which aims at improving profitability, has been worked out. In 2003, the company must realise results in line with 2001 and in the long term it must achieve margins corresponding to western European standards.

## Asia

Activities are concentrated on the agreed joint venture Carlsberg Asia, which is included in the financial statements with 50% in Carlsberg Breweries and 50% in Thai Chang Beverage Company. The transfer of activities/undertakings to Carlsberg Asia continued in 2002 and should be finalised during the first half of 2003.

The establishment of the new structure with proportionate consolidation of Carlsberg Asia has led to significant changes in the accounting figures from this region. Operating profit increased by DKK 64m to DKK 467m.

DKK million	2001*	2002	Changes in percent	Q4 2001*	Q4 2002	Changes in percent
Net revenue	1,847	<b>1,019</b>	-45	357	222	-38
Operating profit	403	<b>467</b>	+16	111	70	-37
Operating margin (%)**	21.8	<b>21.4</b>		31.1	8.6	
Beer sales (million hl)	9.2	<b>14.7</b>	+60	2.7	3.9	+44

\* Figures relate to Carlsberg's old structure in Asia.

\*\* For 2002 excluding the one-line consolidated brewery Hite (South Korea) as well as the effect of the profit guarantee for the companies in Thailand.

**Net revenue** decreased by 45% to DKK 1,019m which is a consequence of the new structure in Asia with the proportionate consolidation (50%) as Carlsberg Thailand is still under establishment, hence the low net revenue.

**Operating profit** rose by DKK 64m to DKK 467m. The two important markets Malaysia and Singapore both showed stable results. The Thai activities are included in operating profit with DKK 196m, of which 122m is the difference up to the profit guarantee agreed with the joint venture partner for the set-up phase. Furthermore, Hite

(South Korea) is included with DKK 126m.

## Repurchase of own shares

During the second half of 2002, Carlsberg has repurchased its own shares for a total of DKK 970m. The company's holding of own shares now amounts to 1,557,838 A-shares and 1,485,721 B-shares, corresponding to 4.8% of the entire share capital.

## Profit expectations

- **Generally**, expectations involve uncertainties, cf. forward-looking statement below. In particular, attention should be drawn to the exchange rates and especially the USD/EUR and USD/RUB relation. Significant movements in exchange rates compared to the present will affect profit expectations.
- **Operating profit** is expected to increase by 5-10% in Carlsberg Breweries. In the rest of the Carlsberg Group the financial results will be considerably lower, which is particularly due to the reversal of provisions in 2002 relating to CCNB and the Allied Domecq agreement (a total of DKK 118m), which will not be included as from 2003. The growth in Carlsberg Breweries is expected to take place in western Europe and eastern Europe. Property gains in the Parent Company in 2003 are expected to be in line with 2002. Consequently, a general increase of 3-5% is expected for the entire Carlsberg Group.
- As regards **financials**, a minor reduction is expected in Carlsberg Breweries' financial expenses, whereas the rest of the Carlsberg Group will have less interest income due to a reduction in cash at bank and in hand (due to repurchase of own shares in 2002 of approx. DKK 1bn).
- **Corporation tax** is expected to increase from 25% of profit before tax in 2002 to about 29% in 2003, particularly due to increased taxes in eastern Europe.
- **Carlsberg Breweries' share of profit for the year** is expected to increase by approx. 15%.
- **Minority interests** will also increase due to Carlsberg Breweries' progress in results.
- **Carlsberg A/S' share of profit for the year** is expected to fall by approx. 10%. This is mainly due to:
  - Income in the Parent Company in 2002 of DKK 79m after tax (DKK 118m before tax) from reversal of provisions relating to CCNB and AD ceases.
  - Interest income in the Parent Company will be reduced due to repurchase of own shares in 2002.

- In Carlsberg Breweries, results are expected to increase by approx. 15%. Of this amount, 60% go to Carlsberg A/S.
- A small increase in goodwill amortisation is expected.

The underlying development in the Carlsberg Group thus shows progress of not less than 5%. The underlying progress should be understood as progress less one-off items, goodwill amortisation and the effect in the Parent Company in 2002 of reversed provisions regarding CCNB/AD as well as repurchase of own shares in 2002.

- **Cash flow from operating activities and free cash flow** (excl. any acquisition of undertakings) in 2003 is expected to increase on 2002, as the most significant part of the above-mentioned accounting decrease in results in the Carlsberg Group (excl. Carlsberg Breweries) relates to items with no effect on the cash situation. This includes the fact that Carlsberg Breweries in 2003 aims at reducing working capital/invested capital by approximately DKK 1bn.

### Forward-looking statement

The above sections in this financial statement reflect the management's expectations to future events and financial results as well as to fluctuations in the most significant markets and to developments in the international money, currency, stock, and interest markets. Statements about future prospects naturally always involve uncertainties and actual results may thus differ materially from those projected.

### Incentive programmes

In 2002, 101,500 share options with an exercise price of DKK 333.91 (101,500 in 2001 with an exercise price of DKK 405.75) were granted to the Executive Board and a number of managers in Carlsberg A/S and Carlsberg Breweries A/S, a total of about 40 employees. In 2003, 130,000 options will be granted in accordance with the guidelines applied in previous years.

### Annual General Meeting

The Annual General Meeting will be held on Monday, 17 March 2003 at 16.30 in Tivolis Koncertsal in Copenhagen, Denmark.

### Decisions and proposals of the Board of Directors to the Annual General Meeting

The Board of Directors proposes that a dividend of DKK 5.00 per share be paid, which corresponds to 25% of the share capital. DKK 304m has been appropriated for this purpose. It is proposed that the remaining amount of DKK 707m be appropriated to the reserves.

## **The printed annual report**

The printed annual report for 2002 is expected to be available on 7 March 2003.

This financial statement is available in Danish and English. In case of doubt, the Danish version shall apply.

### **Appendices:**

1. Highlights, Key Figures and Ratios, Five-Year Summary
2. Income Statement 2002
3. Balance Sheet as at 31 December 2002
4. Cash Flow Statement 2002
5. Movements in Capital and Reserves
6. Quarterly Movements in Results (unaudited)

**The Carlsberg Group****Highlights, Key Figures and Ratios, Five-Year Summary**

	1997/98	1998/99	2000 (12 months) <sup>1)</sup>	2001	2002
<b>BEER SALES</b>					
<b>- million hl<sup>2)</sup></b>					
Sold in Denmark	4.2	4.0	3.8	3.9	<b>3.9</b>
Sold outside Denmark	31.1	33.0	36.0	63.1	<b>74.7</b>
Total sales	35.3	37.0	39.8	67.0	<b>78.6</b>
<b>SOFT DRINK SALES</b>					
<b>- million hl</b>					
Sold in Denmark	2.6	3.2	3.5	3.3	<b>3.1</b>
Sold outside Denmark	6.9	10.6	11.3	17.9	<b>17.8</b>
Total sales	9.5	13.8	14.8	21.2	<b>20.9</b>
<b>TOTAL BEER AND SOFT DRINK SALES</b>	<b>44.8</b>	<b>50.8</b>	<b>54.6</b>	<b>88.2</b>	<b>99.5</b>
<b>HIGHLIGHTS - DKK million</b>					
<b>Income Statement</b>					
Revenue	29,303	31,253	34,470	46,934	<b>48,603</b>
Excise duties	7,237	7,131	8,820	12,515	<b>13,059</b>
Net revenue	22,066	24,122	25,650	34,419	<b>35,544</b>
Operating profit	1,599	1,715	1,995	3,294	<b>3,779</b>
Special items, net	85	-93	363	32	<b>-23</b>
Financials, net	-8	-222	-264	-255	<b>-884</b>
Profit before tax	1,676	1,400	2,094	3,071	<b>2,872</b>
Profit before goodwill	1,153	905	1,547	2,454	<b>2,149</b>
Consolidated profit	1,092	764	-117	2,151	<b>1,774</b>
Carlsberg A/S' share of profit	956	852	34	1,194	<b>1,011</b>
<b>Balance sheet</b>					
Non-current assets	18,745	21,133	25,597	31,171	<b>30,600</b>
Current assets	15,513	12,254	14,571	16,284	<b>15,923</b>
Share capital	1,278	1,278	1,278	1,278	<b>1,278</b>
Capital and reserves	14,713	15,647	16,083	19,158	<b>17,286</b>
Non-current liabilities	5,004	5,646	6,034	12,124	<b>10,724</b>
Current liabilities	10,891	8,889	14,988	12,315	<b>15,115</b>
Balance sheet total	34,258	33,387	40,168	47,455	<b>46,523</b>
Net interest-bearing debt	1,693	4,282	10,309	10,918	<b>10,923</b>
<b>Cash flow</b>					
Cash flow from operating activities	2,357	1,821	2,305*	2,215	<b>5,550</b>
Cash flow from investing activities	-917	-1,459	-6,057*	-3,514	<b>-3,946</b>
Cash flow from financing activities	785	-1,409	3,541*	2,302	<b>-1,107</b>

## Appendix 1 (continued)

**The Carlsberg Group****Highlights, Key Figures and Ratios, Five-Year Summary (cont.).**

	1997/98	1998/99	2000 (12 months) <sup>1)</sup>	2001	2002
<b>Investments</b>					
Acquisition of property, plant and equipment, net	1,287	2,024	2,770*	3,551	<b>2,991</b>
Acquisition and sale of undertakings, net	1,373	621	4,309*	1,996	<b>1,131</b>
Depreciation	1,305	1,354	2,153*	2,523	<b>2,630</b>
<b>Key figures</b>					
Operating margin <sup>3)</sup>	7.2%	7.1%	7.8%	9.6%	<b>10.6%</b>
Return on investments <sup>4)</sup>	6.2%	6.4%	6.5%	8.9%	<b>9.4%</b>
Return on capital and reserves <sup>5)</sup>	7.4%	5.0%	-0.7%	12.2%	<b>9.7%</b>
Solvency ratio <sup>6)</sup>	42.9%	46.9%	40.0%	40.4%	<b>37.2%</b>
Gearing <sup>7)</sup>	11.5%	27.4%	64.1%	57.0%	<b>63.2%</b>
<b>Stock market ratios</b>					
Number of shares	63,906	63,906	63,906	63,906	<b>63,906</b>
Number of shares excl. own shares	63,706	63,706	63,706	63,706	<b>60,862</b>
Earnings per share <sup>8)</sup>	15.0	13.3	0.5	18.7	<b>16.6</b>
Earnings per share before goodwill and own shares	15.6	14.7	14.0	21.4	<b>20.2</b>
Earnings per share before goodwill, own shares and one-off items				17.4	<b>20.5</b>
Cash flow per share <sup>9)</sup>	36.9	28.5	40.4	34.7	<b>89.1</b>
Book value (DKK per share) excl. own shares				189.0	<b>177.9</b>
Year-end market quotation (B-shares)	400.0	257.0	468.0	347.8	<b>311.3</b>
Dividend per share	4.0	4.0	5.4	5.0	<b>5.0</b>
Payout ratio <sup>10)</sup>	27%	30%	Na	27%	<b>30%</b>
Price/Earnings <sup>11)</sup>	26.7	19.3	Na	18.6	<b>18.8</b>
<b>Employees</b>					
Number of employees <sup>12)</sup>	20,589	21,906	23,641	27,368	<b>28,466</b>

\* The figures cover 15 months

1) Unaudited comparative figures adapted for the calendar year 2000 and adjusted for the effects of the changes made in the basis of the financial statements

2) Sales of Carlsberg and Tuborg beer, including beer brewed under licence and other beer brands produced by breweries of the Carlsberg Group and associates

3) Operating profit expressed as a percentage of net revenue

4) Operating profit expressed as a percentage of average operating assets

5) Consolidated profit expressed as a percentage of average consolidated capital and reserves

6) Consolidated capital and reserves at year-end expressed as a percentage of total liabilities

7) Net interest-bearing debt expressed as a percentage of consolidated capital and reserves

8) Carlsberg A/S' share of profit for the year per DKK 20 share excl. own shares

9) Cash flow from operations divided on average number of shares excl. own shares

10) Dividend paid divided by Carlsberg A/S' share of profit

11) Market price per share divided by earnings per share before own shares (see 8)

12) Including all employees in proportionally consolidated undertakings

## Appendix 2

**Income Statement 2002**

PARENT COMPANY			GROUP	
2001 DKK million	2002 DKK million		2002 DKK million	2001 DKK million
-	-	Revenue	48,603	46,934
-	-	Excise duties on beer and soft drinks, etc.	-13,059	-12,515
-	-	<b>Net revenue</b>	<b>35,544</b>	<b>34,419</b>
-	-	Cost of sales	-17,674	-16,666
-	-	<b>Gross profit</b>	<b>17,870</b>	<b>17,753</b>
-	-	Sales and distribution expenses	-11,943	-11,898
-46	-45	Administrative expenses	-2,674	-2,826
128	85	Other operating income, net	320	226
1,373	1,137	Profit, subsidiaries		
4	4	Profit, other associates	206	39
<b>1,459</b>	<b>1,181</b>	<b>OPERATING PROFIT</b>	<b>3,779</b>	<b>3,294</b>
-	-	Special items, net	-23	32
<b>1,459</b>	<b>1,181</b>	<b>PROFIT BEFORE FINANCIALS</b>	<b>3,756</b>	<b>3,326</b>
391	218	Financial income	514	1,797
-325	-13	Financial expenses	-1,398	-2,052
<b>1,525</b>	<b>1,386</b>	<b>PROFIT BEFORE TAX</b>	<b>2,872</b>	<b>3,071</b>
-331	-375	Corporation tax	-723	-617
		<b>PROFIT BEFORE GOODWILL AMORTISATION AND WRITE-DOWN</b>	<b>2,149</b>	<b>2,454</b>
		Goodwill amortisation and write-down	-375	-303
		<b>CONSOLIDATED PROFIT</b>	<b>1,774</b>	<b>2,151</b>
		Minority interests	-763	-957
<b>1,194</b>	<b>1,011</b>	<b>PROFIT FOR THE YEAR, Carlsberg A/S share</b>	<b>1,011</b>	<b>1,194</b>
		Proposed appropriation:		
320	304	Dividend to shareholders		
874	707	Appropriated to reserves		
<b>1,194</b>	<b>1,011</b>			



**Balance sheet as at 31 December 2002**

<b>ASSETS</b>				
<b>PARENT COMPANY</b>			<b>GROUP</b>	
<b>31.12.01</b>	<b>31.12.02</b>		<b>31.12.02</b>	<b>31.12.01</b>
DKK million	DKK million		DKK million	DKK million
<b>NON-CURRENT ASSETS</b>				
<b>Intangible assets</b>				
-	-	Goodwill	5,224	5,356
-	-	Other intangible non-current assets	407	366
-	-	Advance payments	7	29
-	-		5,638	5,751
<b>Tangible assets</b>				
828	749	Land and buildings	8,309	7,412
9	3	Plant, machinery and equipment	7,505	7,917
2	1	Other assets, vehicles, etc.	3,397	3,768
230	384	Construction in progress	1,639	1,668
<b>1,069</b>	<b>1,136</b>		<b>20,850</b>	<b>20,765</b>
<b>Investments</b>				
7,745	7,279	Investments in subsidiaries		
6	6	Receivables from subsidiaries		
178	156	Investments in associates	1,183	650
-	29	Receivables from associates	75	17
34	92	Other investments and shareholdings	364	1,717
80	70	Deferred tax	475	403
-	-	Other receivables	2,015	1,868
<b>8,043</b>	<b>7,632</b>		<b>4,112</b>	<b>4,655</b>
<b>9,112</b>	<b>8,768</b>	<b>TOTAL NON-CURRENT ASSETS</b>	<b>30,600</b>	<b>31,171</b>
<b>CURRENT ASSETS</b>				
<b>Inventories and receivables</b>				
-	-	Inventories	2,780	2,902
8	8	Trade receivables	6,139	6,780
2,771	248	Receivables from subsidiaries		
97	109	Receivables from associates	157	92
418	80	Other receivables	1,967	2,250
-	-	Prepayments and accrued income	894	968
<b>3,294</b>	<b>445</b>		<b>11,937</b>	<b>12,992</b>
390	1,972	Securities, cash and cash equivalents	3,986	3,292
<b>3,684</b>	<b>2,417</b>	<b>TOTAL CURRENT ASSETS</b>	<b>15,923</b>	<b>16,284</b>
<b>12,796</b>	<b>11,185</b>	<b>TOTAL ASSETS</b>	<b>46,523</b>	<b>47,455</b>

## Appendix 3 (cont.)

**Balance sheet as at 31 December 2002**

<b>CAPITAL AND RESERVES AND LIABILITIES</b>				
<b>PARENT COMPANY</b>			<b>GROUP</b>	
<b>31.12.01</b>	<b>31.12.02</b>		<b>31.12.02</b>	
DKK	DKK		DKK	DKK
million	million		million	million
		<b>CAPITAL AND RESERVES</b>		
1,278	1,278	Share capital		1,278
10,763	9,558	Reserves	9,558	10,763
<b>12,041</b>	<b>10,836</b>	<b>TOTAL CAPITAL AND RESERVES</b>	<b>10,836</b>	<b>12,041</b>
		Minority interests	6,450	7,117
		<b>CONSOLIDATED CAPITAL AND RESERVES</b>	<b>17,286</b>	<b>19,158</b>
		<b>LIABILITIES</b>		
		<b>Provisions</b>		
51	51	Retirement benefit obligations and similar obligations	699	734
-	-	Liabilities for deposits on returnable packaging	1,197	1,214
-	-	Deferred tax	1,304	1,295
50	10	Other	198	615
<b>101</b>	<b>61</b>		<b>3,398</b>	<b>3,858</b>
		<b>Non-current liabilities</b>		
-	-	Borrowings	10,696	12,045
-	-	Other	28	79
-	-		<b>10,724</b>	<b>12,124</b>
		<b>Current liabilities</b>		
-	-	Borrowings	5,839	2,169
55	34	Trade payables, etc.	3,652	3,146
467	77	Payables to subsidiaries		
65	42	Payables to associates	62	82
-	38	Corporation tax	342	477
53	89	Other	4,977	6,201
14	8	Deferred income	243	240
<b>654</b>	<b>288</b>		<b>15,115</b>	<b>12,315</b>
<b>755</b>	<b>349</b>	<b>TOTAL LIABILITIES</b>	<b>29,237</b>	<b>28,297</b>
		<b>TOTAL CAPITAL AND RESERVES AND LIABILITIES</b>		
<b>12,796</b>	<b>11,185</b>		<b>46,523</b>	<b>47,455</b>

**Cash Flow Statement 2002**

	<b>2002</b> DKK million	<b>2001</b> DKK million
Cash flow from operating activities	6,671	3,632
Financials, net	-482	-578
Corporation tax paid	-639	-839
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>5,550</b>	<b>2,215</b>
Acquisition of property, plant and equipment, net	-2,991	-3,551
Acquisition/divestment of undertakings, net	-1,131	-1,996
Acquisition of investments, net	141	1,013
Dividend	35	1,020
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-3,946</b>	<b>-3,514</b>
<b>FREE CASH FLOW</b>	<b>1,604</b>	<b>-1,299</b>
Dividend paid	-320	-345
Repurchase of own shares	-970	-
Receivables from divestment of undertakings, etc.	-	656
Repayment on debt	-1,312	-1,013
Minority interests	-127	-513
Financial payments and repayments	1,622	3,517
<b>CASH FLOW, FINANCING</b>	<b>-1,107</b>	<b>2,302</b>
<b>CASH FLOW FROM OPERATING, INVESTING AND FINANCING ACTIVITIES</b>	<b>497</b>	<b>1,003</b>
Cash and cash equivalents, beginning of year	3,165	1,678
Bonds transferred to cash and cash equivalents, beginning of year	117	-
Debt transferred to cash and cash equivalents, beginning of year	-320	-
Currency translation adjustment relating to cash and cash equivalents, beginning of year	-45	-21
Acquired/sold cash at bank and in hand	-419	505
Cash flow for the year	497	1,003
<b>CASH AND CASH EQUIVALENTS, YEAR-END</b>	<b>2,995</b>	<b>3,165</b>

The cash flow statement cannot be derived solely from the published financial statement.

## Movements in Consolidated Capital and Reserves

	Share capital	Share premium	Revaluation reserve – equity method	Retained earnings	Proposed dividend	Total
Capital and reserves as at 1 January 2002	1,278			11,235		12,513
Accumulated effect of change in ac- counting principles				6,325	320	6,645
Adjusted capital and reserves as at 1 January 2002	1,278			17,560	320	19,158
Profit for the year				1,774		1,774
Dividend paid to shareholders					-320	-320
Repurchase of own shares				-970		-970
Dividend, minority shareholders				-324		-324
Dilution, Carlsberg Asia				-907		-907
Currency translation adjustment, etc.				-1,125		-1,125
Dividend proposed for 2002				-304	304	-
<b>Capital and reserves as at 31 December 2002</b>	<b>1,278</b>			<b>15,704</b>	<b>304</b>	<b>17,286</b>

Capital and reserves as at 1 January 2001	1,278	5,058		4,295		10,631
Accumulated effect of change in ac- counting principles				5,107	345	5,452
Adjusted capital and reserves as at 1 January 2001	1,278	5,058		9,402	345	16,083
Profit for the year				2,151		2,151
Dividend paid to shareholders					-345	-345
Influx of Orkla's beverage activities				1,814		1,814
Dividend etc., minority shareholders				-756		-756
Share premium, transfer to reserves		-5,058		5,058		-
Currency translation adjustment, etc.				211		211
Dividend proposed for 2001				-320	320	-
<b>Capital and reserves as at 31 December 2001</b>	<b>1,278</b>			<b>17,560</b>	<b>320</b>	<b>19,158</b>

## Appendix 5 (continued)

## Movements in Parent Company's Capital and Reserves

	Share capital	Share premium	Revaluation reserve – equity method	Retained earnings	Proposed dividend	Total
Capital and reserves as at 1 January 2002	1,278			6,781		8,059
Accumulated effect of change in accounting principles			1,454	2,208	320	3,982
Adjusted capital and reserves as at 1 January 2002	1,278		1,454	8,989	320	12,041
Profit for the year			791	220		1,011
Dividend paid to shareholders			-260	260	-320	-320
Repurchase of own shares				-970		-970
Dividend, minority shareholders						-
Dilution, Carlsberg Asia			-455			-455
Currency translation adjustment, etc.			-511	40		-471
Dividend proposed for 2002				-304	304	-
<b>Capital and reserves as at 31 December 2002</b>	<b>1,278</b>		<b>1,019</b>	<b>8,235</b>	<b>304</b>	<b>10,836</b>

  

Capital and reserves as at 1 January 2001	1,278			7,702		8,980
Accumulated effect of change in accounting principles			1,936	1,268	345	3,549
Adjusted capital and reserves as at 1 January 2001	1,278		1,936	8,970	345	12,529
Profit for the year			983	211		1,194
Dividend paid to shareholders					-345	-345
Influx of Orkla's beverage activities			-1,361			-1,361
Currency translation adjustment, etc.			-104	128		24
Dividend proposed for 2001				-320	320	-
<b>Capital and reserves as at 31 December 2001</b>	<b>1,278</b>		<b>1,454</b>	<b>8,989</b>	<b>320</b>	<b>12,041</b>

## Segment Information by Quarters - Q1

DKK million	Western Europe	Eastern Europe	Asia	Not distrib-uted *	Bever-ages total**	Other	Carlsberg Group, total
<b>2001***</b>							
Net revenue	5,232	915	530	292	6,969		6,969
<b>Operating profit</b>	<b>32</b>	<b>120</b>	<b>91</b>	<b>-122</b>	<b>121</b>	<b>23</b>	<b>144</b>
Special items, net					-		-
Financials, net					367	-115	252
Corporation tax					-132	73	-59
<b>Profit before goodwill amortisation and write-down</b>					<b>356</b>	<b>-19</b>	<b>337</b>
Goodwill amortisation and write-down					-71	2	-69
Consolidated profit					285	-17	268
Minority interests					-60		-150
Carlsberg Breweries' share of the profit					225		
Carlsberg A/S' share of the profit							118
<b>2002</b>							
Net revenue	5,638	1,593	323	18	7,572		7,572
<b>Operating profit</b>	<b>139</b>	<b>176</b>	<b>137</b>	<b>-97</b>	<b>355</b>	<b>85</b>	<b>440</b>
Special items, net					-		-
Financials, net					-255	39	-216
Corporation tax					-17	-35	-52
<b>Profit before goodwill amortisation and write-down</b>					<b>83</b>	<b>89</b>	<b>172</b>
Goodwill amortisation and write-down					-95	3	-92
Consolidated profit					-12	92	80
Minority interests					-81		-44
Carlsberg Breweries' share of the profit					-93		
Carlsberg A/S' share of the profit							36

\* "Not distributed" includes corporate functions, other undertakings, elimination of inter-company trade in the three geographical segments, etc. of Carlsberg Breweries A/S.

\*\* Carlsberg Breweries A/S, total.

\*\*\* Included in Carlsberg Breweries A/S is non-recurring gains from the sale of shares in Thai breweries: financials amounting to DKK 518m and tax totalling a negative DKK 115m, a positive total of DKK 403m. From these gains, DKK 161m has been allocated for minority interests in Carlsberg A/S, whose share of the profit is thus positively affected by DKK 242m.

## Appendix 6 (continued)

## Segment Information by Quarters - Q2

DKK million	Western Europe	Eastern Europe	Asia	Not distrib- uted *	Bever- ages total**	Other	Carlsberg Group, total
<b>2001</b>							
Net revenue	7,061	1,553	453	205	9,272		9,272
<b>Operating profit</b>	<b>812</b>	<b>372</b>	<b>78</b>	<b>-82</b>	<b>1,180</b>	<b>27</b>	<b>1,207</b>
Special items, net					-		-
Financials, net					-213	39	-174
Corporation tax					-217	-23	-240
<b>Profit before goodwill amortisation and write-down</b>					<b>750</b>	<b>43</b>	<b>793</b>
Goodwill amortisation and write-down					-68	3	-65
Consolidated profit					682	46	728
Minority interests					-120		-344
Carlsberg Breweries' share of the profit					562		
Carlsberg A/S' share of the profit							384
<b>2002</b>							
Net revenue	7,379	2,230	233	109	9,951		9,951
<b>Operating profit</b>	<b>848</b>	<b>484</b>	<b>104</b>	<b>-94</b>	<b>1,342</b>	<b>32</b>	<b>1,374</b>
Special items, net					-18		-18
Financials, net					-300	69	-231
Corporation tax					-341	-13	-354
<b>Profit before goodwill amortisation and write-down</b>					<b>683</b>	<b>88</b>	<b>771</b>
Goodwill amortisation and write-down					-93	2	-91
Consolidated profit					590	90	680
Minority interests					-130		-313
Carlsberg Breweries' share of the profit					460		
Carlsberg A/S' share of the profit							367

\* "Not distributed" includes corporate functions, other undertakings, elimination of inter-company trade in the three geographical segments, etc. of Carlsberg Breweries A/S.

\*\* Carlsberg Breweries A/S, total.



## Appendix 6 (continued)

## Segment Information by Quarters - Q3

DKK million	Western Europe	Eastern Europe	Asia	Not distrib- uted *	Bever- ages total**	Other	Carlsberg Group, total
<b>2001</b>							
Net revenue	6,860	2,006	507	85	9,458		9,458
<b>Operating profit</b>	<b>803</b>	<b>547</b>	<b>123</b>	<b>-123</b>	<b>1,350</b>	<b>154</b>	<b>1,504</b>
Special items, net					-		-
Financials, net					-268	111	-157
Corporation tax					-280	-39	-319
<b>Profit before goodwill amortisation and write-down</b>					<b>802</b>	<b>226</b>	<b>1,028</b>
Goodwill amortisation and write-down					-89	3	-86
Consolidated profit					713	229	942
Minority interests					-151		-376
Carlsberg Breweries' share of the profit					562		
Carlsberg A/S' share of the profit							566
<b>2002</b>							
Net revenue	7,111	2,211	241	-164	9,399		9,399
<b>Operating profit</b>	<b>891</b>	<b>468</b>	<b>156</b>	<b>-90</b>	<b>1,425</b>	<b>24</b>	<b>1,449</b>
Special items, net					29	-	29
Financials, net					-222	53	-169
Corporation tax					-302	-20	-322
<b>Profit before goodwill amortisation and write-down</b>					<b>930</b>	<b>57</b>	<b>987</b>
Goodwill amortisation and write-down					-93	3	-90
Consolidated profit					837	60	897
Minority interests					-121		-408
Carlsberg Breweries' share of the profit					716		
Carlsberg A/S' share of the profit							489

\* "Not distributed" includes corporate functions, other undertakings, elimination of inter-company trade in the three geographical segments, etc. of Carlsberg Breweries A/S.

\*\* Carlsberg Breweries A/S, total.

## Appendix 6 (continued)

## Segment Information by Quarters - Q4

DKK million	Western Europe	Eastern Europe	Asia	Not distrib- uted *	Bever- ages total**	Other	Carlsberg Group, total
<b>2001</b>							
Net revenue	6,911	1,368	357	84	8,720		8,720
<b>Operating profit</b>	<b>138</b>	<b>165</b>	<b>111</b>	<b>-94</b>	<b>320</b>	<b>119</b>	<b>439</b>
Special items, net					32		32
Financials, net					-174	-2	-176
Corporation tax					7	-6	1
<b>Profit before goodwill amortisation and write-down</b>					<b>185</b>	<b>111</b>	<b>296</b>
Goodwill amortisation and write-down					-86	3	-83
Consolidated profit					99	114	213
Minority interests					-79		-87
Carlsberg Breweries' share of the profit					20		
Carlsberg A/S' share of the profit							126
<b>2002</b>							
Net revenue	6,869	1,442	222	89	8,622		8,622
<b>Operating profit</b>	<b>391</b>	<b>146</b>	<b>70</b>	<b>-144</b>	<b>463</b>	<b>53</b>	<b>516</b>
Special items, net					-34	-	-34
Financials, net					-306	38	-268
Corporation tax					-38	43	5
<b>Profit before goodwill amortisation and write-down</b>					<b>85</b>	<b>134</b>	<b>219</b>
Goodwill amortisation and write-down					-105	3	-102
Consolidated profit					-20	137	117
Minority interests					-11		2
Carlsberg Breweries' share of the profit					-31		
Carlsberg A/S' share of the profit							119

\* "Not distributed" includes corporate functions, other undertakings, elimination of inter-company trade in the three geographical segments, etc. of Carlsberg Breweries A/S.

\*\* Carlsberg Breweries A/S, total.

## Appendix 6 (continued)

## Segment Information by Quarters - Accumulated as at 31 December

DKK million	Western Europe	Eastern Europe	Asia	Not distrib- uted *	Bever- ages total**	Other	Carlsberg Group, total
<b>2001***</b>							
Net revenue	26,064	5,842	1,847	666	34,419		34,419
<b>Operating profit</b>	<b>1,785</b>	<b>1,204</b>	<b>403</b>	<b>-421</b>	<b>2,971</b>	<b>323</b>	<b>3,294</b>
Special items, net					32		32
Financials, net					-288	33	-255
Corporation tax					-622	5	-617
<b>Profit before goodwill amortisation and write-down</b>					<b>2,093</b>	<b>361</b>	<b>2,454</b>
Goodwill amortisation and write-down					-314	11	-303
Consolidated profit					1,779	372	2,151
Minority interests					-410		-957
Carlsberg Breweries' share of the profit					1,369		
Carlsberg A/S' share of the profit							1,194
<b>2002</b>							
Net revenue	26,997	7,475	1,019	53	35,544		35,544
<b>Operating profit</b>	<b>2,269</b>	<b>1,274</b>	<b>467</b>	<b>-425</b>	<b>3,585</b>	<b>194</b>	<b>3,779</b>
Special items, net					-23	-	-23
Financials, net					-1,085	201	-884
Corporation tax					-697	-26	-723
<b>Profit before goodwill amortisation and write-down</b>					<b>1,780</b>	<b>369</b>	<b>2,149</b>
Goodwill amortisation and write-down					-386	11	-375
Consolidated profit					1,394	380	1,774
Minority interests					-342		-763
Carlsberg Breweries' share of the profit					1,052		
Carlsberg A/S' share of the profit							1,011

\* "Not distributed" includes corporate functions, other undertakings, elimination of inter-company trade in the three geographical segments, etc. of Carlsberg Breweries A/S.

\*\* Carlsberg Breweries A/S, total.

\*\*\* Included in Carlsberg Breweries A/S is non-recurring gains from the sale of shares in Thai breweries: financials amounting to DKK 518m and tax totalling a negative DKK 115m, a total positive of DKK 403m. From these gains, DKK 161m has been allocated for minority interests in Carlsberg A/S, whose share of the profit is thus affected positively by DKK 242m.