



Carlsberg A/S
2003 Half Year Results

Forward-looking statements

The forward-looking statements contained herein, including forecasts of sales and earnings performance, inherently involve risks and uncertainties and could be materially affected by factors such as global economic matters, including interest rate and currency developments, raw material developments, production and distribution related problems, breach or unexpected termination of contracts, price reductions resulting from market-driven price reductions, market acceptance of new products, launches of rival products and other, unforeseen, factors.

Carlsberg will only update and adjust the specifically stated expectations in as far as this is required by law.

Strategic Priorities

- Focus on beer
- Participate in the consolidation of the beer industry in a value creating way
- Achieve market leadership in core markets based on clear brand strategy
 - Carlsberg leading international brand supported by strong regional and national brands
- Concentrate on Western Europe, Eastern Europe and Asia
- Increase ownership in core breweries

Carlsberg Breweries Performance

Volume (Beer)

Million HL



Carlsberg Breweries Performance

EBITA

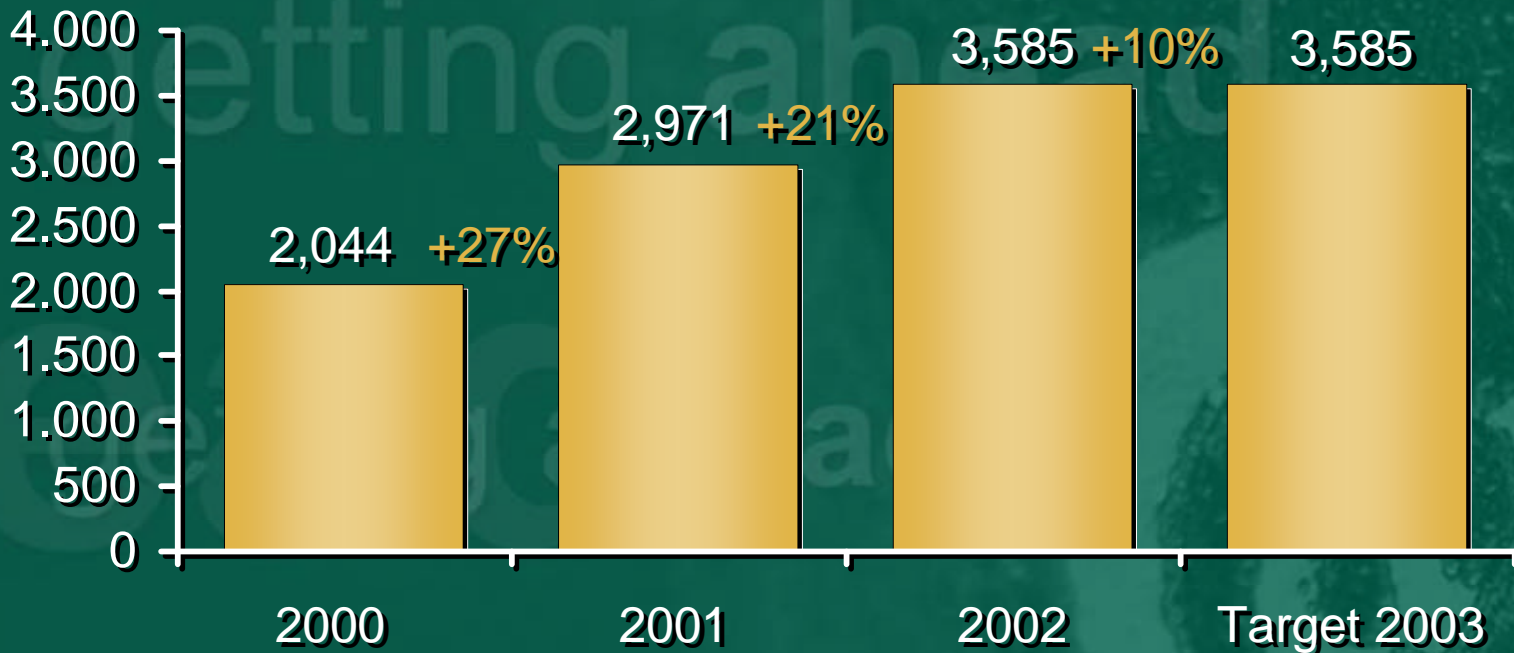
EBITA
Margin

8.0%

8.6%

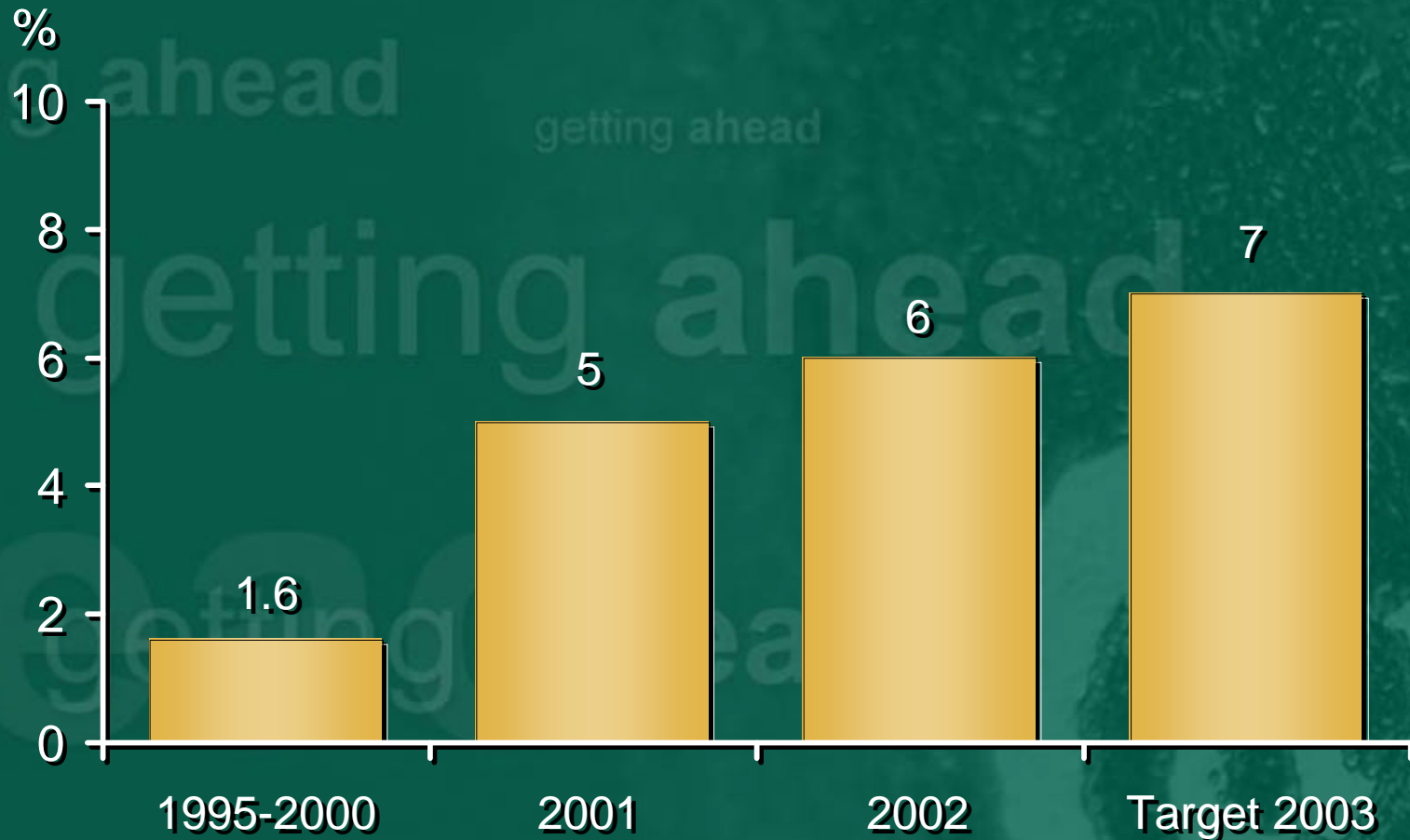
10.1%

DKK Million



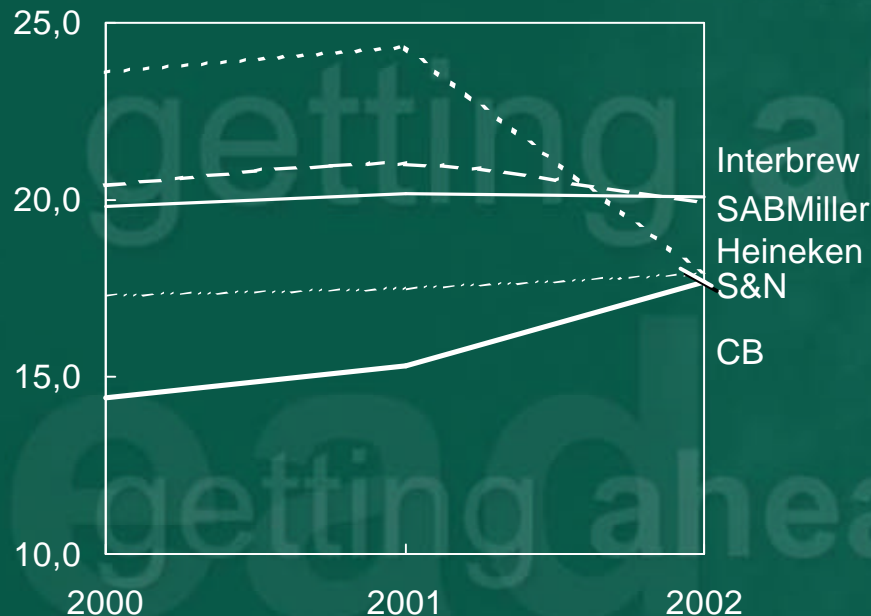
Carlsberg Breweries Performance

Carlsberg Brand Growth

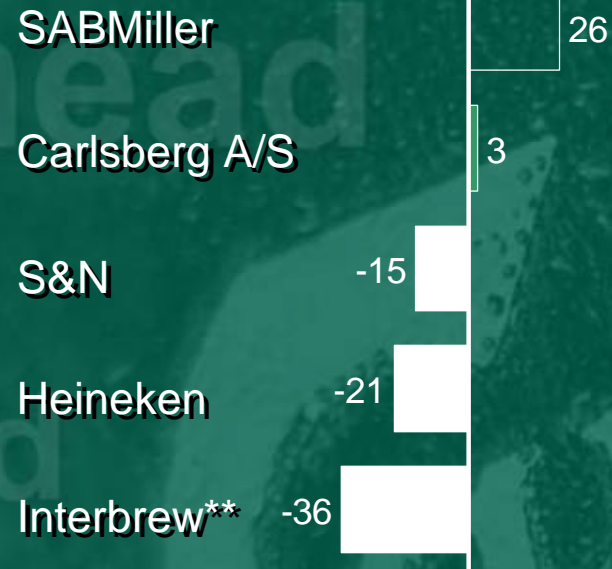


Carlsberg Breweries Still Outperforms Most Peers

Development in EBITDA-margin (%)



Implied Value Creation
Total return to shareholders*
1/6-2000 – 12/8-2003 (%)



* Includes dividends and share price developments

** Listed 30/11 2000

Growth Also Through M&A

Orkla ● Ringnes
● Pripps
● BBH

2000 ● Switzerland: Feldschlösschen

2001 ● Turkey: 81% of Türk Tuborg
● Poland: increased ownership in Okocim, majority in Piast, Bosman, Kasztelan

2002 ● Russia: 70% of Voronezh, new brewery in Samara
● Italy: ownership of Carlsberg Italia increased to 100%
● Laos: 25% of Beer Lao
● S. Korea: increased ownership in Hite Brewery to 25%
● Ukraine: BBH began building new brewery in Kiev
● Croatia: ownership of Panonska increased to 80%
● Bulgaria: majority in Shumensko
● Bulgaria: majority in Pirinsko
● Kazakhstan: 76% of Irbis

2003 ● China: 100% of Kunming Huashi Brewery Company Ltd.
● China: 100% of Dali Beer Ltd.
● Kazakhstan: 100% of Ak-Nar Brewery
● Vietnam: Majority/parity

Agenda

- Carlsberg Breweries
 - Financial Report
 - Operational Report
- Carlsberg A/S
- Outlook 2003



Carlsberg Breweries





25% growth in Q2 net profit

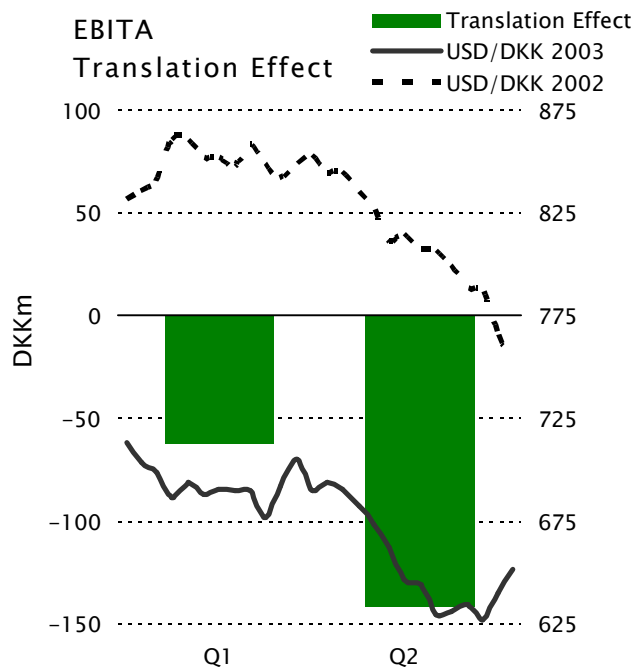
- Total volume numbers return to growth
- Carlsberg brand growth at 4%
- Operating profit (EBITA) weaker, mainly due to unfavourable forex development
- Russian market back on growth path
- Asian JV agreements terminated
- Production Excellence program initiated
- Summer trading boosted by favourable weather



Income Statement

DKK million	2003 Q2	2002 Q2	Change	2003 H1	2002 H1	Change
Net revenue	9,442	9,951	-5%	16,297	17,523	-7%
Operating profit (EBITA)	1,185	1,342	-12%	1,190	1,697	-30%
One-off items	5	-18	-	3	-18	-
Financials, net	-150	-300	+50%	-395	-555	+29%
Corporation tax	<u>-275</u>	<u>-341</u>	+19%	<u>-173</u>	<u>-358</u>	+52%
Profit before goodwill	765	683	+12%	625	766	-18%
Goodwill amortisation	<u>-93</u>	<u>-93</u>	0%	<u>-190</u>	<u>-188</u>	-1%
Consolidated profit	672	590	+14%	435	578	-25%
Minority interest	<u>-99</u>	<u>-130</u>	+24%	<u>-122</u>	<u>-211</u>	+42%
Carlsberg Breweries share of profit	573	460	+25%	313	367	-15%

Currency Update



- Currency exposure in RUB, GBP, SGD, NOK and CHF
- Average USD/DKK at 673.20 (-19%)
- Total translation effect on Net Sales amounts to DKK -1.1 bn
- Total translation effect on EBITA amounts to DKK -205m
- Unchanged forex rates will effect EBITA in H2 with est. DKK -170m



Sales and Margin Development

DKK million	2003 Q2	2002 Q2	Change	2003 H1	2002 H1	Change
Net sales	9,442	9,951	-5%	16,297	17,523	-7%
EBITA	1,185	1,342	-12%	1,190	1,697	-30%
EBITA margin	12.6%	13.5%	-0.9 p.	7.3%	9.7%	-2.4 p.
EBITA margin currency adj.	13.1%	13.5%	-0.4 p.	8.0%	9.7%	-1.7 p.

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Balance Sheet

DKK million	2003 30 Jun	2002 31 Dec	2002 30 Jun
Non current assets	27,741	29,058	29,870
Current assets	14,815	13,431	15,733
Capital and reserves	12,872	13,577	13,432
Provisions	3,132	3,337	3,699
Non-current liabilities	11,697	10,724	9,653
Current liabilities	14,854	14,850	18,819
Balance sheet total	42,555	42,489	45,603
Net interest bearing debt	12,698	13,070	13,865
Average capital employed	28,900	30,517	31,056
ROCE (MAT)	8.9%	10.2%	9.9%

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• Reduction of net interest bearing debt



Cash Flow

DKK million	2003 H1	2002 H1
Cash generated from operations	2,639	3,529
Net interest	-440	-150
Tax paid	-219	-273
Other	<u>-5</u>	<u>-107</u>
Net cash flow, operations	<u>1,975</u>	<u>2,999</u>
Capital expenditure	-1,586	-1,578
Other	<u>185</u>	<u>-680</u>
Net cash flow, investments	<u>-1,401</u>	<u>-2,258</u>
Free cash flow	<u>573</u>	<u>741</u>

Volume Definition

Gross volume numbers are consolidated as total beer volume (100%) produced by Carlsberg Group regardless of ownership interest, i.e. the industry standard.

Pro-rata volume numbers take into account the actual ownership interest, i.e. a fully controlled company is included with its total beer volume; whereas the beer volume in a 50/50 JV or a minority holding only reflects the actual holding interest, e.g. a 44% owned company is included with 44% of its beer volume. Carlsberg and Tuborg brand beers are included 100%.

Numbers are shown for the last quarter as well as Moving Annual Total (MAT); i.e. MAT 03 (Q2) is the cumulated beer volume for the period July 1, 2002 to June 30, 2003.

Beer Volume

HL million	2003 Q2	2002 Q2	Change	MAT 03 (Q2)	MAT 03 (Q1)	Change
Western Europe	6.6	6.8	-2%	23.9	24.0	-1%
Eastern Europe & Others	7.6	6.8	13%	24.5	23.6	4%
Asia	1.1	1.0	8%	4.5	4.4	2%
Total Pro-Rata Beer Volume	15.3	14.5	5%	52.9	52.1	1%
Total Gross Beer Volume	23.4	22.0	6%	80.1	78.6	2%

Western Europe

DKK million	2003 Q2	2002 Q2	Change	2003 H1	2002 H1	Change
Net sales	7,128	7,379	-3%	12,402	13,017	-5%
EBITA	771	848	-9%	753	987	-24%
EBITA margin	10.8%	11.5%	-0.7 p.	6.1%	7.6%	-1.5 p.

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Western Europe Nordic Area

- Horeca channel continued to be depressed due to weak economy
- Ringnes closed down one brewery to strengthen future competitive platform
- Carlsberg Denmark hurt by softer beer volume and increasing problems with parallel import of beer and softdrink
- Sinebrychoff strengthened market position and continued to deliver strong results



Western Europe Sweden

- Second quarter profitability in line with last year, but still at unsatisfactory level
- Customer service significantly improved
- Management instructed to consider closure of Bromma plant and transfer of HQ function to Falkenberg
- Focus on increasing sales of brands and customer satisfaction
- Senior Vice President (Nordic) to take executive role for Sweden day-to-day management

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Western Europe UK

- Carlsberg brand continued to perform strongly, with growth of 5% in spite of challenging World Cup comparisons
- Operating performance influenced negatively by high costs in distribution, redundancy payments, pension costs
- Unfavourable forex development
- Strong cash flow and reduction of capital employed



Western Europe Southern Area

- Trading positively affected by favourable weather, but soft macro-economics still hurting consumer demand (on trade)
- Results improved in all countries
- Streamlining of operational set-up and focus on brand business continued, including sale of Hannen production facility and Eglisau bottling plant
- Feldschlösschen improved profit, operating margin, and market share following successful two-year optimisation project



Eastern Europe

DKK million	2003 Q2	2002 Q2	Change	2003 H1	2002 H1	Change
Net sales	2,135	2,230	-4%	3,461	3,823	-9%
EBITA	442	484	-9%	503	660	-24%
EBITA margin	20.7%	21.7%	-1.0 p.	14.5%	17.3%	-2.8 p.

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Eastern Europe

- Türk Tuborg ahead of turn-around plan
 - real price increases, mix improvement, and cost reduction
- Poland developed positively, and significant Carlsberg brand growth
- Build-up of market position in Balkan area affecting profit negatively



Baltic Beverages Holding (50%)

DKK million	2003 Q2	2002 Q2	Change	2003 H1	2002 H1	Change
Net sales	1,250	1,434	-13%	2,051	2,383	-14%
EBITA	343	414	-17%	453	635	-29%
EBITA margin	27.4%	28.9%	-1.5 p.	22.1%	26.6%	-4.5 p.

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- ➔ • Improved trend through Q2
- EBITA decline mainly due to (i) Currency impact; (ii) Start-up costs of new breweries; and (iii) Increased sales and marketing costs



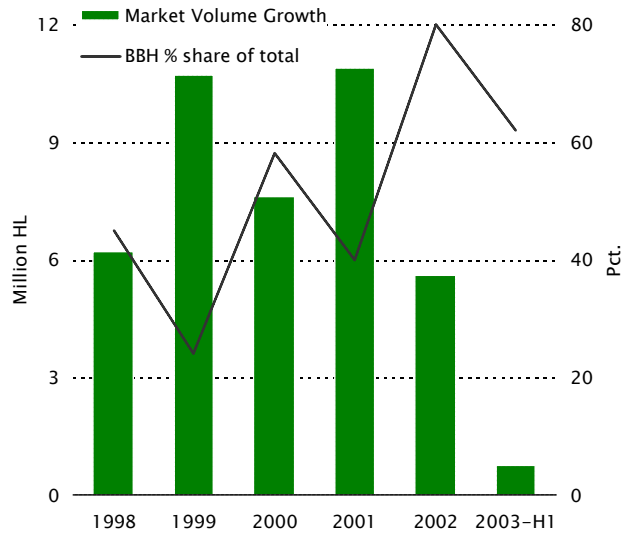
BBH: Market Trends (2003 – H1)

	Market vol. mhl	Market Growth	BBH Volume Growth	BBH Market Share	Per capita consumption 2002 (litres)
Russia	35.6	+2%	+4%	33%	48
Ukraine	7.6	+15%	+13%	19%	28
Baltics	2.4	-2%	0%	45%	67
Kazakhstan	1.2	17%	n/a	20%*	20

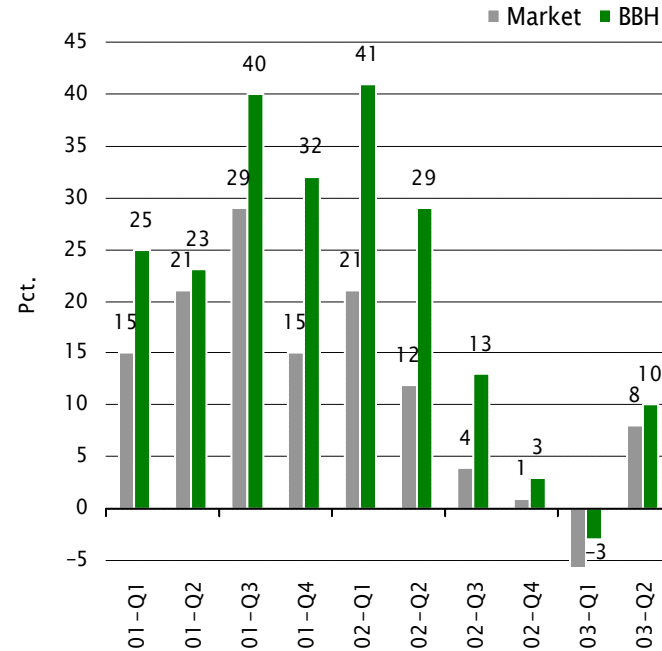
* Estimate, includes Baltika imports

BBH: Russian Beer Market Volume

Growth (Absolute)



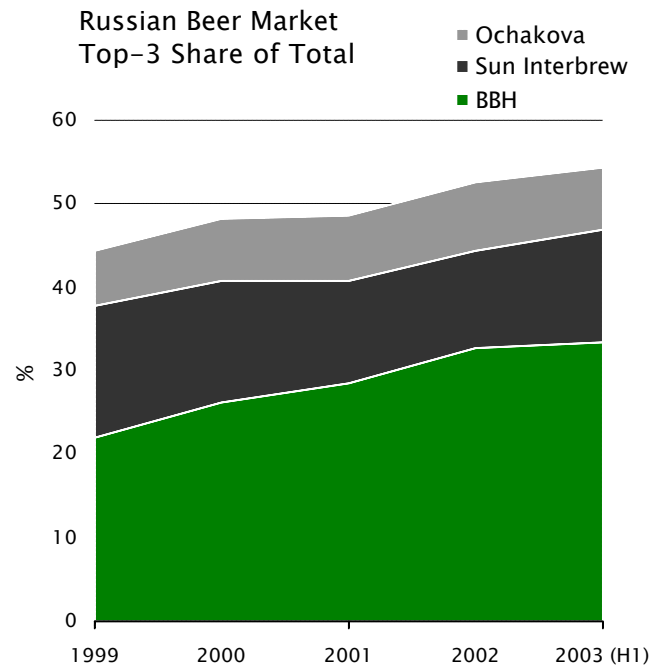
Growth (Relative)



Note: BBH domestic beer volume

BBH: Russian Beer Market Share

Market Shares in Russia		
Brewery	2003 H1	2002 H1
BBH	33.4	33.1
Sun Interbrew	13.5	11.2
Ochakova	7.5	8.3
Krasny Vostok	7.0	7.2
Bravo (Heineken)	4.6	4.0
Efes	3.3	2.8
Stepan Razin	2.1	2.6
Others	<u>28.6</u>	<u>30.8</u>
Total	100.0	100.0





Pricing trends in Russia

- Some pressure on prices and margins in RUB due to:
 - Change in packaging mix (increased PET volume)
 - Increased volumes and market share for discount brands
- RUB (USD)/EUR depreciation not compensated



BBH: Russian Operational Performance

- Implementation of new Baltika sales and distribution system in place
- Launch of cost cutting programmes in Baltika
- Positive launch and sales of Carlsberg brand by Baltika
- Continued steady gains in market share
- Russian beer market is regaining vigour and is expected to grow in H2 on back of less challenging comparisons
 - Full year growth rate of 6-7%

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Asia (50%)

DKK million	2003 Q2	2002 Q2	Change	2003 H1	2002 H1	Change
Net sales	199	233	-15%	472	556	-15%
EBITA	95	104	-9%	208	241	-14%

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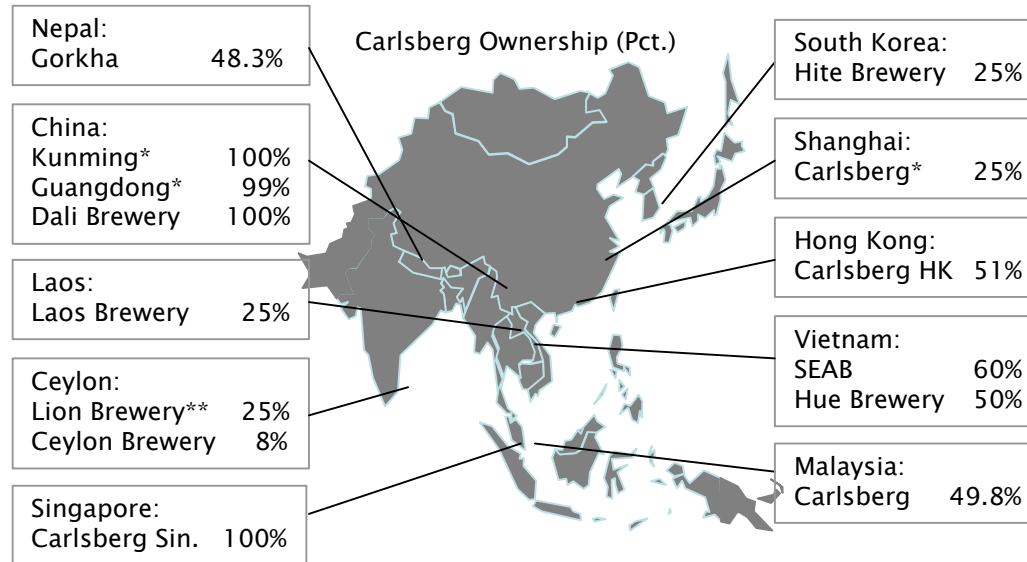


Asia

- Operating profit declined due to currency
- Sales in Hong Kong, Singapore, and Malaysia affected by weak economy and SARS outbreak from mid March to May
- Carlsberg terminated joint venture agreements in Asia
- No significant impact on Carlsberg Breweries operating profit in 2003
- Asian region holds attractive business potential



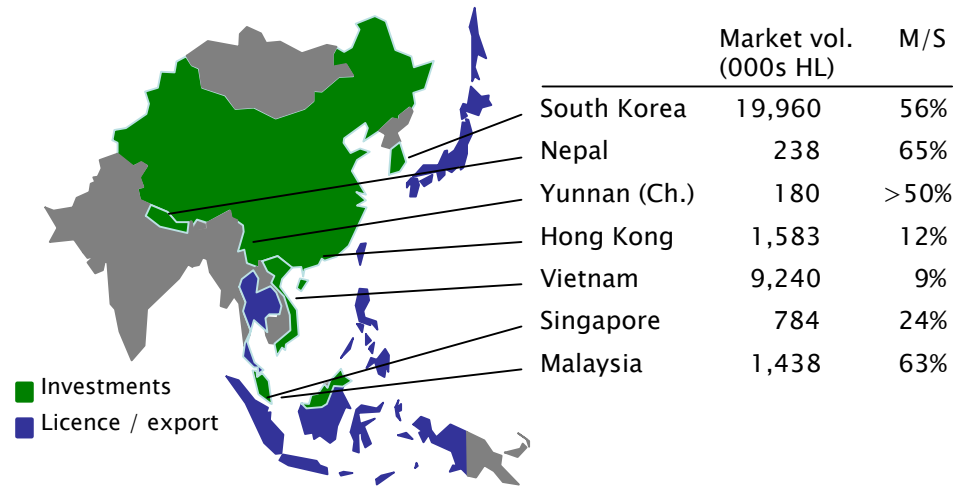
Asia



* via CBHK ** via CBMB

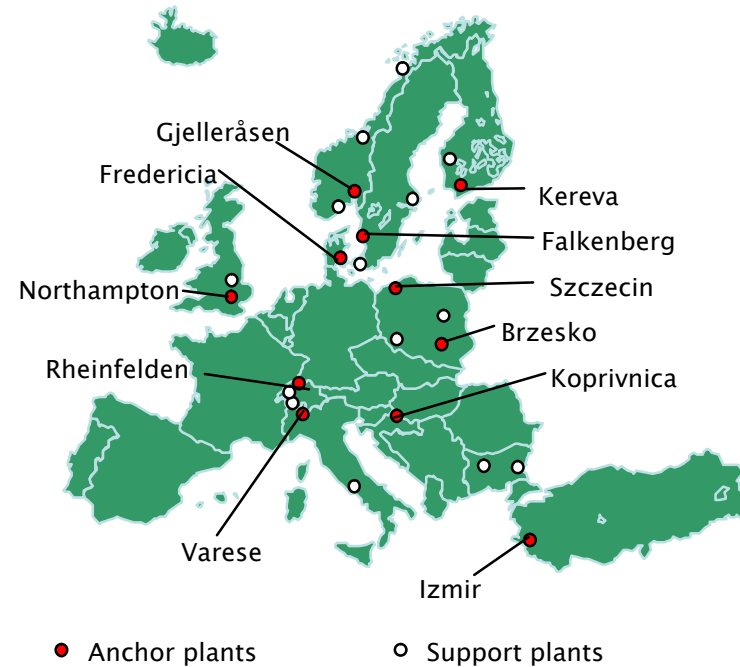


Asia



Production Excellence Program

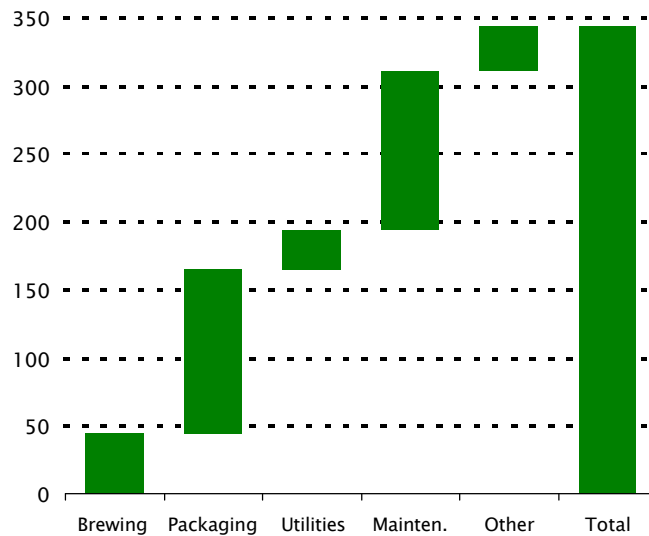
- Carlsberg tradition for quality leadership
- Production Excellence program will focus on:
 - ? Reducing costs
 - ? Reducing capex
 - ? Increasing production flexibility to better meet customer demand
- Program important element in plan to achieve margin target



Bulgaria: under development / not evaluated

Production Excellence Program

Savings plan of DKKm 300+



- Roll-out in 3 plants in 2003 and all major plants to be covered by end of 2004
- ProdEx will lead to savings of DKKm 300+
- Packaging and maintenance are the largest potential improvement areas
- Full effect from 2006

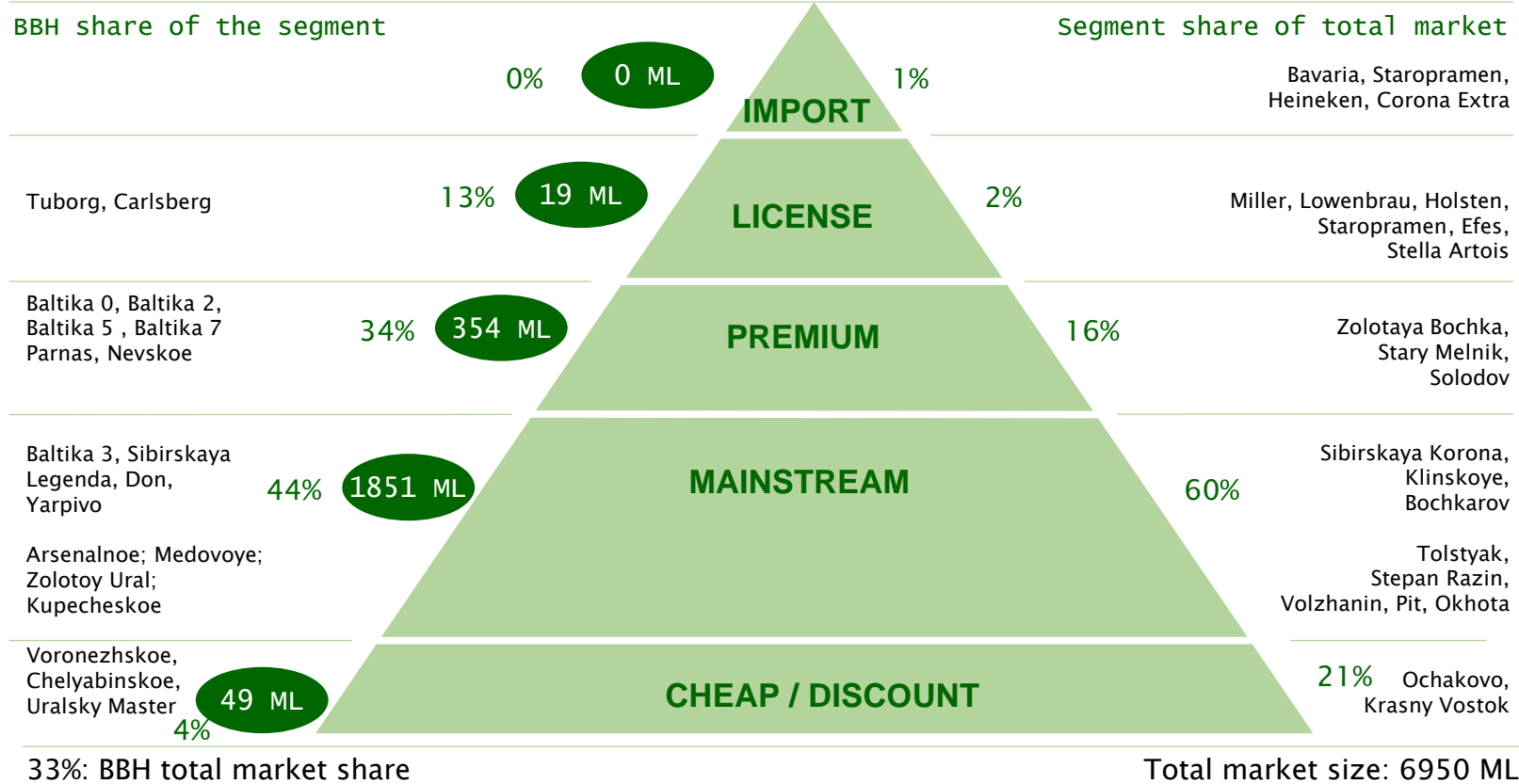


Expectations for 2003

- Net profit to increase by approx. 15%
- Operating profit (EBITA) in line with last year
- Carlsberg brand growth of 7%
- Reduction of capital employed by more than DKK 1 bn

Supplementary Information

Russian Beer Market Segmentation

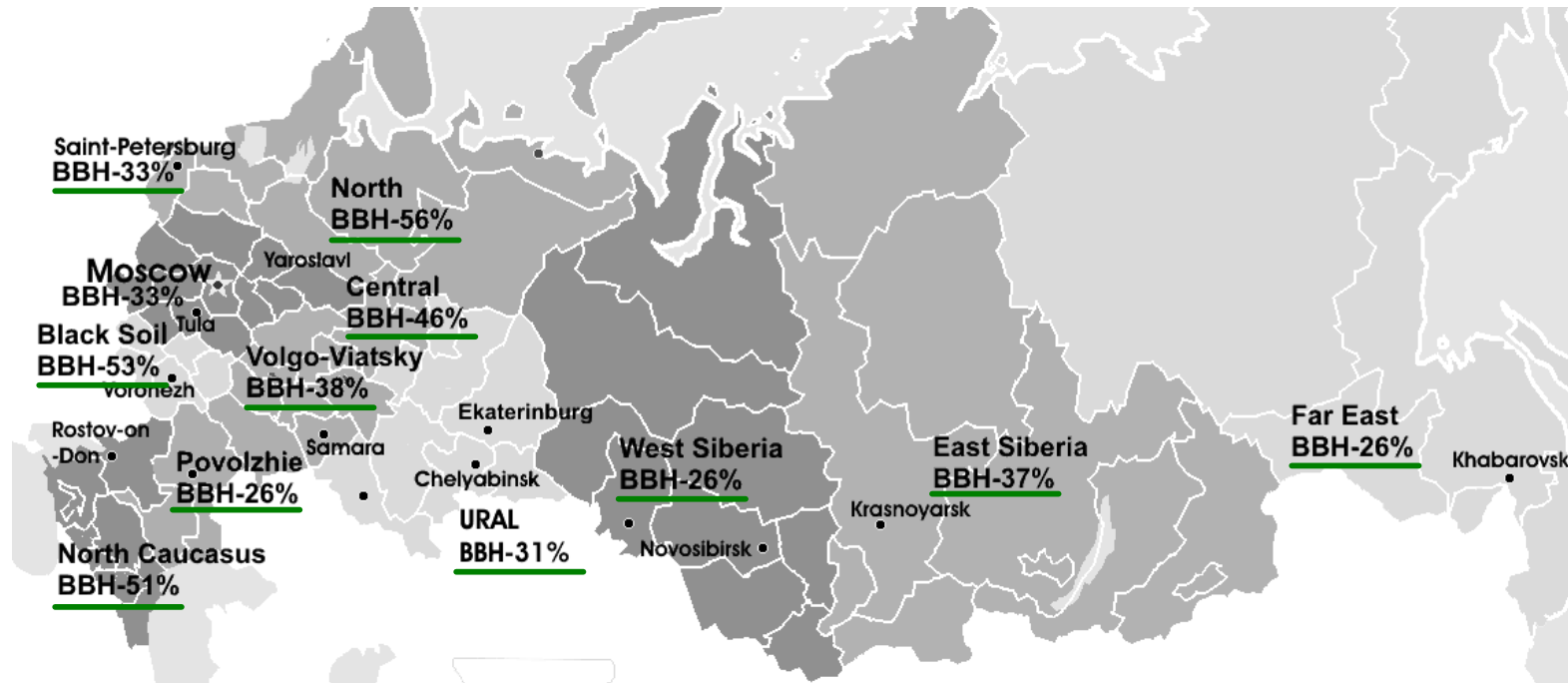


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Supplementary Information

Russia

BBH Regional Market Shares

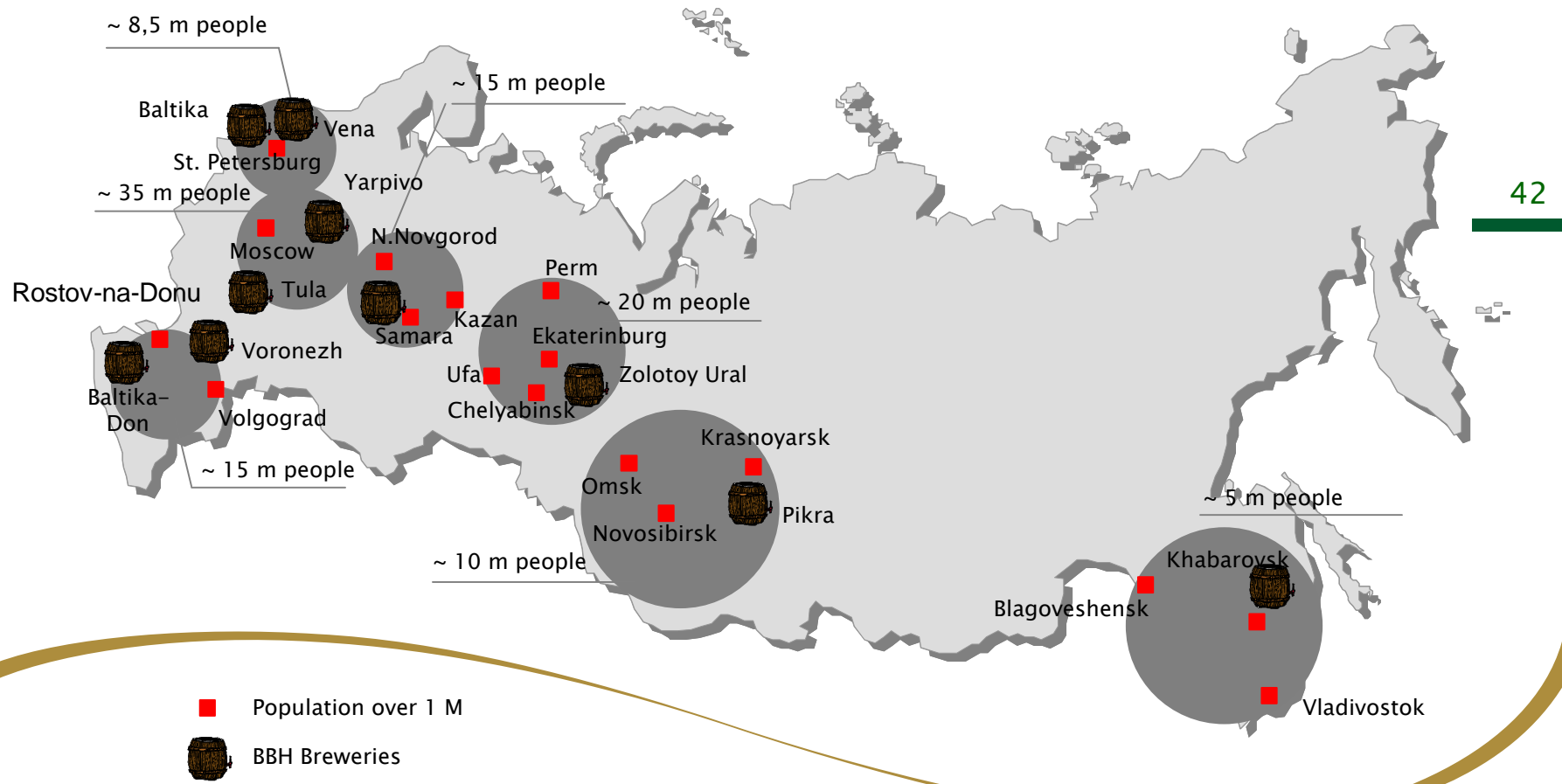




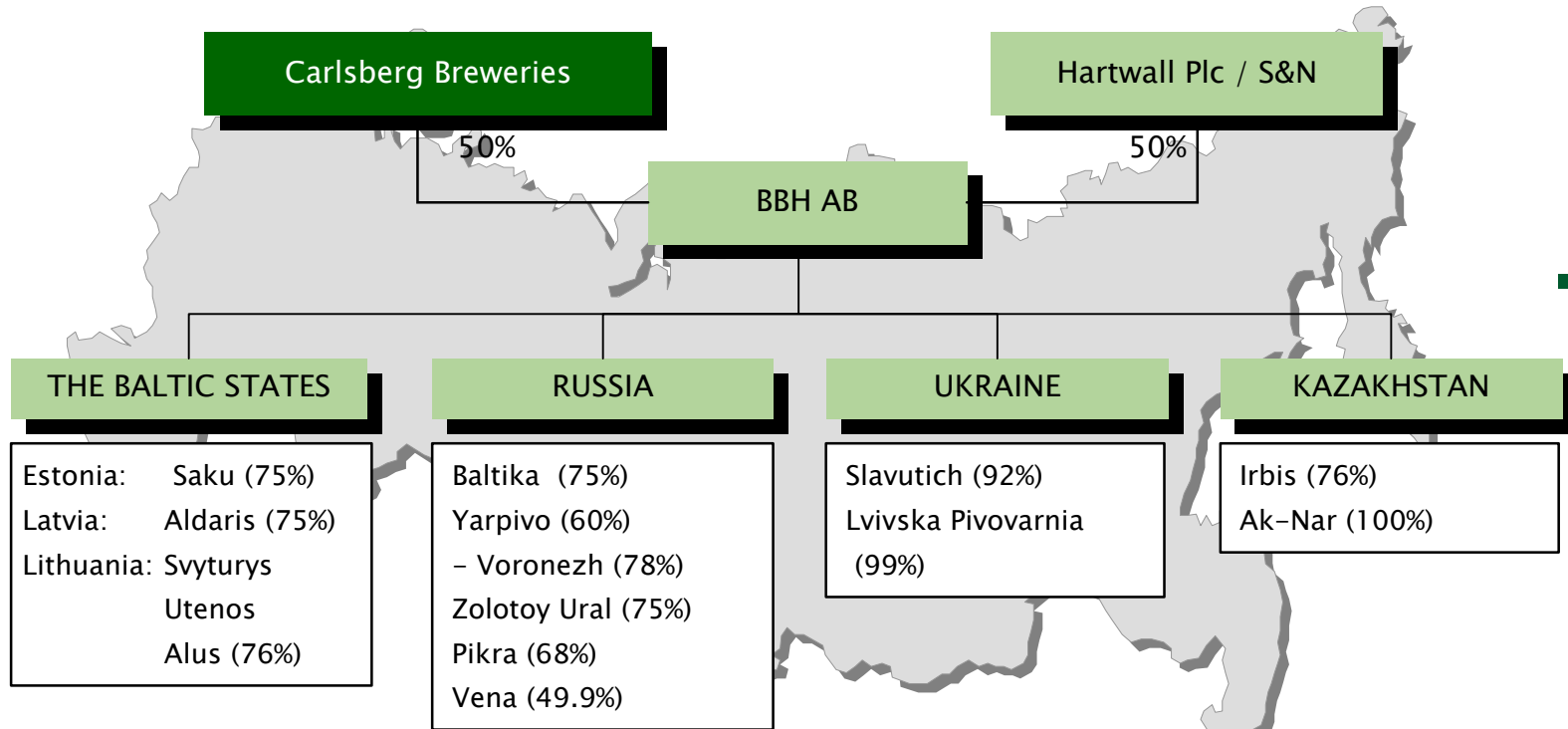
Baltic Beverages Holding Foreign Exchange Impact

Exchange Rates	Average in Period			Close end of Period		
	2003 H1	2002 H1	Change	2003 H1	2002 H1	Change
EUR/RUB	34,53	27,91	-19%	34,86	31,07	-11%
EUR/USD	1.1056	0.8982	-19%	1.1483	0.9895	-14%

Baltic Beverages Holding Coverage of main population centres in Russia



Baltic Beverages Holding Ownership Structure



BBH: Brand Leadership



Baltika no. 2 brand in Europe

Key Brands M/S (Russia)	2002	2001
Baltika	12.4%	12.0%
Ochakova	7.7%	7.6%
Arsenalnoye	5.3%	4.5%
Krasny Vostok	4.5%	4.4%
Yarpivo	4.0%	3.2%
Klinskoye	3.8%	3.9%
Tolstyak	2.7%	3.0%
Stary Melnik	2.7%	2.3%
Volga	2.6%	2.4%
St. Razin	2.6%	2.6%
Top-10 Total	48.3%	45.9