



"The results for 2007 are very satisfactory and confirm that Carlsberg is in good shape. The marked increases in raw material prices will make 2008 a challenging year, so it will be more important than ever to focus on value growth in sales and efficiency in the organisation.

The results for 2007 demonstrate once again that we are well equipped both to face challenges and for the next major transformation of Carlsberg."

# Our course is set...

**JØRGEN BUHL  
RASMUSSEN,  
CEO**

2007 was a great year for Carlsberg with progress in important markets and record-high earnings from brewery activities. But it was also a momentous year when, together with one of our global competitors, we put in a bid to take over Scottish & Newcastle. When the acquisition of Scottish & Newcastle – hopefully – falls into place, it will bring a marked change in Carlsberg's business platform – but not in our overall business strategy. If the transaction does not go ahead, Carlsberg will remain a company with considerable development potential.

The successful course and strategy which Carlsberg has pursued in recent years will remain basically the same no matter what. The strategy has proved its worth with growth and better results, and it is now strongly rooted in our organisation. Our business is thus to focus on the beer markets in Western Europe, Eastern Europe and Asia.

2007 was also the year when I took over from Nils S. Andersen as CEO of Carlsberg A/S. This happened on 1 October, and it is a privilege for me to be able to contribute to Carlsberg's continued development and growth.

The Annual Report contains a detailed presentation of our regions, so I would merely like to highlight the following here:

Our operating results in 2007 were highly satisfactory. Altogether, the Carlsberg Group's operating profit before special items increased by 30% to DKK 5.3bn.

In Western Europe, good results were achieved despite an unusually wet summer, and Carlsberg increased its market share. The recipe for success has been innovation and the launch of new products combined with investment in advertising to strengthen our beer brands. In addition, there has been a constant focus on how processes can be made more efficient and so support better cost control.

In Eastern Europe, it was another year of solid progress. BBH, whose principal market is Russia, further cemented its position. One particular success story, not only in Russia but throughout Eastern Europe, has been the Tuborg brand. In just a few years Tuborg has grown virtually from scratch to being the leading brand in the Russian premium segment, and the brand is behind a substantial proportion of BBH's overall sales growth.

The Asian markets are ready for take-off. Carlsberg has been building up a platform in this region in the last few years as a foundation for future growth. In 2007 we extended our activities to include a joint venture in southern Vietnam and investments in India.

There are many encouraging signs in the results for the past year. There are also many challenges which we know we must tackle in the coming year. The heavily increasing raw material prices are necessitating increases in the price of beer and other beverages, and competition in our markets has not diminished. We will continue to work on enhancing our competitiveness, not least by further strengthening our innovation processes, investing in our brands and reducing our costs.

This year sees the finals of the UEFA European Football Championship – EURO 2008™ – in Switzerland and Austria, and, as on previous similar occasions, Carlsberg is a main sponsor. This is a major event which will contribute to the international strength of Carlsberg and provide an opportunity for a wide range of activities in both the on-trade and the off-trade.

With Carlsberg becoming increasingly multinational, we also want to try to make our organisation more international and engage the many strong managers and other employees throughout the Carlsberg Group.

On behalf of Carlsberg, I would like to thank all of our employees, who worked so hard to achieve the year's results. I would also like to thank our customers, suppliers and other partners for a rewarding business relationship.

Naturally, the increased freedom to manoeuvre created in recent years by improved financial performance and a strong organisation has given us the courage to set our sights even higher and introduce new targets for Carlsberg's development – to the benefit of Carlsberg, our employees, our customers and consumers, and our shareholders.

We aim to be the best beer company in the world – probably.