

Base Prospectus dated 1 June 2011



Carlsberg Breweries A/S

(incorporated with limited liability in the Kingdom of Denmark)

€4,000,000,000

Euro Medium Term Note Programme

Under the Euro Medium Term Note Programme described in this Base Prospectus (the "Programme"), Carlsberg Breweries A/S (the "Issuer"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "Notes"). The aggregate nominal amount of Notes outstanding will not at any time exceed €4,000,000,000 (or the equivalent in other currencies).

Application has been made to the Commission de Surveillance du Secteur Financier (the "CSSF") in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities, for the approval of this Base Prospectus as a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the "Prospectus Directive"). Application has also been made to the Luxembourg Stock Exchange for the Notes issued under the Programme to be admitted to the official list of the Luxembourg Stock Exchange (the "Official List") and to be admitted to trading on the Luxembourg Stock Exchange's regulated market. References in this Base Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. However, unlisted Notes may be issued pursuant to the Programme. The relevant Final Terms in respect of the issue of any Notes will specify whether or not such Notes will be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market (or any other stock exchange).

Each Series (as defined in "General Description of the Programme – Method of Issue") of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "temporary Global Note") or a permanent global note in bearer form (each a "permanent Global Note" and together with a temporary Global Note, "Global Notes"). If the Global Notes are stated in the applicable Final Terms to be issued in new global note ("NGN") form, the Global Notes will be delivered on or prior to the original issue date of the relevant Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream, Luxembourg"). Notes in registered form will be represented by registered certificates (each a "Certificate"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Registered Notes issued in global form will be represented by registered global certificates ("Global Certificates"). If a Global Certificate is held under the New Safekeeping Structure (the "NSS") the Global Certificate will be delivered on or prior to the original issue date of the relevant Tranche to a Common Safekeeper for Euroclear and Clearstream, Luxembourg.

Global notes which are not issued in NGN form ("Classic Global Notes" or "CGNs") and Global Certificates which are not held under the NSS will be deposited on the issue date of the relevant Tranche with a common depository on behalf of Euroclear and Clearstream, Luxembourg (the "Common Depository"). Each such temporary Global Note will be exchangeable, as specified in the applicable Final Terms, for either a permanent Global Note or Notes in definitive form, in each case upon certification as to non-US beneficial ownership as required by US Treasury regulations. A permanent Global Note will be exchangeable for definitive Notes in limited circumstances, all as further described in "Summary of Provisions relating to the Notes while in Global Form" herein.

The Programme has been rated by Moody's Investors Service, Limited ("Moody's") and by Fitch Ratings Ltd. ("Fitch"). The credit ratings included or referred to in this Prospectus will be treated for the purposes of Regulation (EC) No 1060/2009 on credit rating agencies (the "CRA Regulation") as having been issued by Moody's and Fitch. Moody's and Fitch are established in the European Union and have applied to be registered under the CRA Regulation, although the result of such applications have not yet been determined. Tranches of Notes (as defined in "General Description of the Programme – Method of Issue") to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the ratings assigned to the Programme. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Base Prospectus.

Arranger for the Programme

BNP PARIBAS

Dealers

BNP Paribas

Nordea

Société Générale Corporate & Investment Banking

Danske Bank

SEB

The Royal Bank of Scotland

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the “Prospectus Directive”) and for the purpose of giving information with regard to the Issuer and its subsidiaries taken as a whole (the “Group”) and the Notes which, according to the particular nature of the Issuer and the Notes, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Issuer (the “Responsible Person”) accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by final terms in relation to the offer of those Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

No person has been authorised to give any information or to make any representation other than those contained in this Base Prospectus in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (as defined in “General Description of the Programme”). Neither the delivery of this Base Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, (the “Securities Act”) and include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “Subscription and Sale”.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with the issue of any Tranche (as defined in “General Description of the Programme – Method of Issue”), the Dealer or Dealers (if any) named as the stabilising manager(s) (the “Stabilising Manager(s)”) (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

In this Base Prospectus, unless otherwise specified or the context otherwise requires, references to “US dollars” and “US\$” are to the lawful currency of the United States of America, those to “Sterling” and “£” are to the lawful currency of the United Kingdom, those to “Danish kroner”, “Kr” and “DKK” are to the lawful currency of the Kingdom of Denmark and those to “euro”, “EUR” or “€” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Union (as amended from time to time).

BASE PROSPECTUS SUPPLEMENT

If at any time the Issuer shall be required to prepare a prospectus supplement pursuant to Article 13 of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities, the Issuer will prepare and make available an appropriate supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market, shall constitute a base prospectus supplement as required by Article 13 of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities.

The Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion in or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, and the rights attaching to the Notes, the Issuer shall prepare a supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

TABLE OF CONTENTS

	Page
BASE PROSPECTUS SUPPLEMENT	iii
DOCUMENTS INCORPORATED BY REFERENCE	1
RISK FACTORS	3
GENERAL DESCRIPTION OF THE PROGRAMME	15
TERMS AND CONDITIONS OF THE NOTES	20
SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM.....	44
USE OF PROCEEDS	50
CARLSBERG BREWERIES A/S	51
TAXATION.....	71
SUBSCRIPTION AND SALE	73
FORM OF FINAL TERMS	76
PART B – OTHER INFORMATION	85
GENERAL INFORMATION	88

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2009 and 31 December 2010, respectively, together in each case with the audit report thereon, which have been previously published or are published simultaneously with this Prospectus or filed with the CSSF. Such documents shall be incorporated in and form part of this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus may be obtained without charge from www.carlsberggroup.com.

The table below sets out the relevant page references for the audited consolidated financial statements for the financial years ended 31 December 2009 and 31 December 2010, respectively, as set out in the Issuer's Annual Report. Information contained in the documents incorporated by reference other than information listed in the table below is for information purposes only, and does not form part of this Prospectus.

Audited consolidated annual financial statements of the Issuer for the financial year ended 31 December 2009

CARLSBERG BREWERIES A/S

Annual Report 2009

Carlsberg Breweries Group financial statements	Page 14
Income Statement	Page 15
Statement of comprehensive income	Page 16
Statement of financial position.....	Page 17
Statement of changes in equity.....	Page 19
Statement of cash flows	Page 20
Notes	Page 21
Financial statements, Parent Company Carlsberg Breweries A/S.....	Page 99
Income Statement	Page 100
Statement of comprehensive income	Page 101
Statement of financial position.....	Page 102
Statement of changes in equity.....	Page 104
Statement of cash flows	Page 105
Notes	Page 106
Company information.....	Page 134
Management statement	Page 136
The independent auditors' report.....	Page 137

**Audited consolidated annual financial statements of the Issuer for the financial year ended
31 December 2010**

CARLSBERG BREWERIES A/S

Annual Report 2010

Carlsberg Breweries Group financial statements	Page 15
Income Statement	Page 16
Statement of comprehensive income	Page 17
Statement of financial position.....	Page 18
Statement of changes in equity.....	Page 20
Statement of cash flows	Page 21
Notes	Page 22
Financial statements, Parent Company Carlsberg Breweries A/S	Page 109
Income Statement	Page 110
Statement of comprehensive income	Page 110
Statement of financial position.....	Page 111
Statement of changes in equity.....	Page 113
Statement of cash flows	Page 114
Notes	Page 115
Company information.....	Page 143
Management statement	Page 145
The independent auditors' report.....	Page 146

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme. The inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Risks Related to the Group's Industry

The Group's business, results of operations, cash flows or financial condition could be affected by increased excise duties, environmental fees and tax costs

Various legislative authorities in those countries in which the Group operates may from time to time consider proposals to impose environmental fees, additional excise and other taxes on the production and sale of alcoholic beverages, including beer and soft drinks. Changes in such duties applicable to the Group's products may affect the prices at which they are sold, which can in turn result in changes in demand for the Group's products. Increases in the levels of excise and other tax (either on an absolute basis or relative to the levels applicable to other alcoholic beverages) could have a significant adverse impact on sales volumes. In addition, there can be no assurance that the operations of the Group's breweries and other facilities will not become subject to increased excise duties and taxation by local, national or foreign authorities. Changes in corporate income tax rates or regulations on repatriation of dividends and capital could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

There are a variety of factors relating to consumer preferences that may cause lower demand for the Group's products, which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The beverage industry is highly competitive, and the beer segment in particular faces strong competition from alternative beverages. Consumer demand for beer and soft drinks depends on a variety of factors, including changes in demographic and social trends, health perceptions, the introduction of alternative spending opportunities and downturns in economic conditions. These factors may reduce consumers' willingness to purchase beer products and soft drinks and may lead to the consumption of substitute products. Reduced consumption of beer and, to a lesser extent, soft drinks in any of the Group's key markets could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Cost increases and shortages of raw materials and packaging could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

Management cannot predict future availability or prices of the raw materials (such as malt and hops) and packaging materials (which include mainly aluminium cans, glass and PET bottles, labels, plastic crates and cardboard products) required for the Group's production. The prices of raw materials and packaging can fluctuate widely and are determined by the relative strengths of suppliers (which may be increased by consolidation among suppliers, reducing supply alternatives for the Group), global supply and demand and

other factors, including changes in exchange rates, energy prices, global crop production, government regulations and legislation affecting agriculture, factors over which the Group has no control. A substantial increase in the prices of these materials (in particular if such incremental amounts cannot be passed on to the customer), a lack of availability of materials or a prolonged interruption in their supply, could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

In particular, the supply and price of raw materials used to produce the Group's products can be affected by a number of factors beyond the Group's control, including frosts, droughts and other adverse weather conditions, economic factors affecting growth decisions, various plant diseases and pests.

Furthermore, the Group's operations require access to significant amounts of water. Any sustained interruption in water supplies (as a result of drought or general water shortage) to the Group or any significant increase in water prices could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

A significant increase in the cost of energy could affect the Group's profitability

Energy prices, including the price of oil, natural gas, gasoline and diesel fuel, are cost drivers for the Group's business. Sustained high energy prices could negatively impact the Group's operating results and demand for the Group's products. Increases in energy costs would result in higher transportation, freight and other operating costs. The Group's future operating expenses and margins will be dependent upon its ability to manage the impact of cost increases. There can be no assurance that the Group will be able to pass increased energy costs to its customers through increased prices, and the inability to do so could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Competition in the beverage industry may lead to a reduction in margins and may affect the Group's profitability

Although the Group has a leading position in the beer market in a number of its key markets, the Group is subject to competition from existing competitors and new entrants, as well as from substitute beverages, and may be affected by further consolidation in the sector. In order to maintain its competitive position the Group may need to increase its advertising and promotion expenditure, develop new products through innovation and maintain and optimize its existing portfolio.

There can be no assurance that significant increases in advertising and promotion costs, loss of sales volume, price discounting, a lack of innovative products or a combination of these and other factors that may occur as a result of increased competition would not have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Changes in existing regulations, increased regulation or failure to comply with existing licensing, trade and other regulations could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The Group's brewing, bottling, marketing, sales and distribution operations are subject to regulation in the countries in which it operates regarding such matters as licensing requirements, trade and pricing practices (including grey market imports and parallel pricing), labelling, advertising, promotion and marketing practices, relationships with distributors, environmental, tax, labour and other matters. Failure to comply with these laws and regulations could result in the loss, revocation or suspension of the Group's licenses, permits or approvals and may also result in negative publicity.

In addition, changes in any of these or any other laws or regulations could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition. There can be no assurance that the

Group will not incur material costs or liabilities in connection with its compliance with current applicable regulatory requirements or that such regulations will not interfere with, restrict or affect the Group's business.

The level of regulation to which the Group is subject can be affected by changes in public perception of beer and soft drink consumption.

The Group is exposed to the risks of an economic downturn or recession and falls in per capita income, which could adversely affect the demand for its products

The Group is exposed to the risks of an economic downturn or recession either globally or in one or more of its key markets.

Beer and soft drink consumption in emerging and growth markets is linked to general economic conditions, tending to rise in such markets during periods of increasing per capita income and to fall during periods of declining per capita income. In addition to moving in line with changes in per capita income, beer consumption also increases or decreases in accordance with changes in disposable income, particularly in the emerging markets in which the Group operates. A decrease in disposable income resulting from an increase in income taxes, the cost of living, or other factors adversely affecting demand for beer and soft drinks, could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Seasonal consumption cycles and adverse weather conditions may result in fluctuations in demand for the Group's products, adversely affecting the Group's business, results of operations, cash flows and financial condition

Seasonal consumption cycles and adverse weather conditions in the markets in which the Group operates may result in fluctuations in demand for the Group's products. Accordingly, demand for beer is normally more depressed in the Group's major markets during the first three months of each year. As a result, the Group's consolidated net revenue is normally lower during these months. Moreover, exceptionally cold summer temperatures or hot summer temperatures in certain key markets of the Group, particularly in Western and Eastern Europe, may have a temporary negative impact on the demand for the Group's products as consumers substitute beer with alternative beverages, contributing to lower sales of beer and, therefore, could have a material adverse effect on the Group's business, results of operations, cash flows and financial condition.

The Group is exposed to the risk of litigation

Companies in the beverage industry are, from time to time, exposed to class action or other litigation relating to alcohol advertising, alcohol abuse programs or health consequences from the excessive consumption of alcohol or soft drinks. Increasing legislation increases the risk of non-compliance while more regulatory supervision and the growing claim culture potentially increase the impact of any non-compliance. If any of these types of litigation result in fines, damages or reputational damage, it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Negative publicity may adversely affect companies in the beverage industry

Negative publicity regarding alcohol or soft drink consumption, publication of studies that indicate a significant health risk from consumption of alcohol or soft drinks, or changes in consumer perceptions in relation to beer or soft drinks generally could adversely affect the sale and consumption of the Group's products and could harm the Group's business, results of operations, cash flows or financial condition as consumers and customers change their purchasing patterns.

The Group's ability to borrow from banks or in the capital markets may be materially adversely affected by a financial crisis in a particular geographic region, industry or economic sector

The Group's ability to borrow from banks or in the capital markets to meet its financial requirements is dependent on normal market conditions. Financial crises in particular geographic regions, industries or

economic sectors have, in the recent past, led and could in the future lead to sharp declines in the currencies, stock markets and other asset prices in those geographic regions, industries or economic sectors, in turn threatening affected financial systems and economies.

Significant costs can be incurred by companies in the beverage industry as a result of compliance with and violations or liabilities under environmental laws

The Group's operations are subject to various laws and regulations relating to the protection of the environment, including those governing the recycling of cans and bottles, the discharge of pollutants into the air and water, the management and disposal of hazardous substances and waste, and the cleanup of contamination. Potentially significant expenditures could be required as a result of violations of, or liabilities under, environmental laws or non-compliance with the environmental permits required at its production facilities or in order to comply with environmental laws that may be adopted or imposed in the future and there can be no assurance that the Group will not incur any environmental liability in the future. Any of the foregoing could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

If any of the Group's products contain contaminants, the Group may be subject to product recalls or other liabilities which could cause the Group to incur significant additional costs on a consolidated basis and suffer damage to its reputation

A risk of contamination exists at each stage of the production cycle, including the production and delivery of raw materials, the brewing and packaging of beer, the stocking and delivery of beer to distributors and retailers, and the storage and shelving of products at the points of final sale. Management believes that it takes reasonable precautions to ensure that the Group's beverage products are free of contaminants. In the event that contamination occurs, it may lead to business interruption, product recalls or liabilities, any of which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition and on the Group's reputation and prospects.

Risks Related to the Group's Business

Negative publicity may harm the Group's business

Companies in the beverage industry are, from time to time, adversely affected by negative publicity. See "Risks Related to the Group's Industry – Negative publicity may adversely affect companies in the beverage industry". The Carlsberg brand and other key brand names are used by the Issuer, the Group, subsidiaries of the Group, certain joint ventures and companies over which the Issuer does not have control and are licensed or sub-licensed to third-party brewers. To the extent that the Issuer, one of the Group's subsidiaries, joint ventures or licensees, or any of their brands, are subject to negative publicity which causes consumers and customers to change their purchasing patterns, it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition. The risk of negative publicity increases as the Group continues to expand its operations into emerging and growth markets that are often characterised by different cultures and standards, for instance with regard to environmental and social matters such as labour rights and local work conditions.

The Group is subject to competition regulations in certain jurisdictions in which it has a leading market share

In many of the countries in which the Group operates, it has a leading position in the local beer market, which means that future expansion through the acquisition of other businesses in the local market may be restricted or prevented. Where the Group has a strong leadership position, controls may be imposed to restrict its activities and prevent any possible abuse of such position. There can be no assurance that, were new or further competition regulations to be introduced into these markets, they would not have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group's inability to recruit and retain sufficient qualified personnel or the loss of the Group's management team or key personnel could negatively impact the Group

Certain aspects of the Group's business depend upon highly-skilled employees. The Group devotes considerable resources to recruiting and developing such individuals and encouraging such individuals to remain employed by the Group. While management believes that it has been successful in securing the loyalty of its key employees, it is possible that, in the future, the Group may experience personnel changes and may have difficulty attracting and retaining sufficient numbers of skilled employees. In addition, the Group is managed by a relatively small number of senior management and key personnel, many of whom have extensive knowledge and experience with the Group's business, products and services and would be costly and possibly difficult to replace. The Group's inability to recruit sufficient qualified personnel or any loss or interruption of the services of the Group's management team or key personnel, could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Reliance on key third-party suppliers could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The Group relies on a limited number of key third-party suppliers, including third-party suppliers for a range of raw materials for beer and soft drinks, and for packaging material, including aluminium cans, glass and PET bottles and kegs. The Group seeks to limit its exposure to market fluctuations in these supplies through entering into medium- and long-term fixed-price arrangements. Consolidation of suppliers, the termination of arrangements with certain key suppliers or the failure of a key supplier to meet its contractual obligations would require the Group to make purchases from alternative suppliers, in each case at potentially higher prices than those agreed with this supplier, and this could have a material impact on the Group's business, results of operations, cash flows or financial condition.

The Group also relies on bottling agreements with third parties. The loss of such licenses could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group's substantial dependence on third-party retailers and wholesalers for the distribution of its products could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The Group sells its products directly to retailers, including supermarkets, specialized beer or alcoholic beverage stores, pubs and restaurants, as well as to wholesalers for resale to retail outlets. Although in certain jurisdictions the Group owns some of these wholesalers, sales to third-party retailers and wholesalers (some of whom have significant market share and negotiating power) represent a significant portion of the Group's consolidated revenues. For instance, the Group relies primarily on third-parties to effect distribution in France. If third-party wholesalers and retailers give higher priority to other brands, purchase less of the Group's products or at lower prices, or devote inadequate promotional support to the Group's products, it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition. The Group is subject to credit risk in relation to certain customers and wholesalers. The Group provides credit to certain of its customers and wholesalers. These credit arrangements may include financing of all or a portion of the purchase price for the Group's products. The credit period is dependent on local practice and the creditworthiness of the customer or wholesaler. Any failure by these customers or wholesalers to discharge adequately their obligations on a timely basis or any event adversely affecting these third parties could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition. Consolidation among the Group's customers and wholesalers also exposes the Group to increased concentration of third-party credit risk. Although the Group is not dependent on any single customer or wholesaler, the loss of, or a significant reduction in, business from one or more of the Group's major customers or wholesalers could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Information technology failures could disrupt the Group's operations and could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition

The Group depends on information technology to enable it to operate efficiently and interface with customers, as well as maintain in-house management and control and minimise costs. The Group is dependent on a limited number of strategic partners for its information technology systems. As with all large systems, the Group's information systems may be vulnerable to a variety of interruptions due to events beyond its control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers, and other security issues. IT related operational disruption or security failures therefore expose the Group to a significant level of operational, reputational and financial loss risk, which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group may be adversely affected by changes in exchange rates

The Issuer publishes its consolidated financial statements in Danish kroner. A substantial portion of the Group's assets, liabilities, revenues and costs are denominated in currencies other than the Danish kroner. As a result, the Group is exposed in particular to fluctuations in the values of these currencies. These currency fluctuations can have a significant impact on the Group's business, results of operations, cash flows or financial condition.

The Group derives a substantial part of its revenue streams from Baltika Brewery in Russia. In the event that an economic downturn in Russia resulted in a significant devaluation of the Russian rouble, this would have a corresponding material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group derives a significant proportion of its consolidated earnings and cash flow from Northern & Western Europe and Eastern Europe

The Group derives a significant proportion of its consolidated earnings and cash flow from Northern & Western Europe and Eastern Europe. If sales of the Group's products in Northern & Western Europe and Eastern Europe significantly decreased, whether as a result of new and increased competition in Northern & Western Europe and/or Eastern Europe or other factors (including economic downturn or recession in these markets, negative consumer trends towards consumption of beer and soft drinks, fluctuations in exchange rates and the introduction of new laws, regulations, taxes or duties) it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group operates in several emerging and growth markets, which exposes it to political and economic risks in these markets

The Group has significant operations in emerging and growth markets in Eastern Europe and Asia, some of which provide a material part of its consolidated net revenue, including Russia.

The Group's operations in these markets are subject to risks including potential political and economic instability, application of exchange controls, nationalisation or expropriation, terrorism, crime and lack of law enforcement, political insurrection, external interference, labour unrest, currency fluctuations, inflation, economic recession and changes in government policy. Exposure to these risks has increased as a result of the Group's strategy to seek growth in emerging and growth markets.

Moreover, these economies may not grow in the manner envisaged at the time the Group entered the relevant markets, and may suffer from recession, high rates of inflation and real currency devaluation. Such factors could cause interruptions to the Group's operations, increase the costs of operating in those countries, adversely affect demand for the Group's products or the prices customers are willing to pay or limit the ability of the

Group to repatriate profits from those countries, all of which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Operational integration of assets or businesses acquired by the Group involves costs and uncertainties and may not be successful

The Group may, as part of its normal business, make selective acquisitions of businesses, assets and/or ownership stakes to strengthen and develop its existing activities. There may be substantial challenges or delays in integrating and adding value to the businesses or assets acquired or to be acquired by the Group. The costs of integration could be materially higher than budgeted and the Group may fail to realise synergies expected from such acquisitions. The challenges presented by integrating new businesses or assets may be greater in emerging markets as a result of cultural and linguistic difficulties. Moreover, realising the expected synergies may take longer than expected. Material costs or delays in connection with the integration of the operations that the Group acquires or the inability to realise any expected synergies from those acquisitions could have a material adverse effect on the Group's business, financial condition and results of operations.

Lack of full control of key operations subjects the Group to business decisions of third-party part-owners

Reflecting the historical development of the Group, and in part, the Group's aim to either retain the involvement of local business groups and/or to mitigate the risk of entering new markets, the Group owns controlling interests in some main operations while others are owned in partnership with other third-party brewers or investors in which the Group has a 50 per cent. interest or less. Disagreements with joint venture partners have previously resulted in the termination of agreements and led to litigation and arbitration. The shareholder approval requirements of a joint venture may also limit the Group's flexibility. In addition, under certain circumstances, the Group and its joint venture partners may elect to unwind operations or buy out the interests of one another, which could be costly and disruptive to the Group's business. Any of the above could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group is exposed to the risk of increased interest rates

A proportion of the Group's gross debt is at floating interest rates. Accordingly, the Group has significant exposure to changes in interest rates. An increase in interest rates could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

The Group may not be able to protect its intellectual property rights and any failure to protect the Group's intellectual property rights or any claims that the Group is infringing upon the rights of others may adversely affect the Group

The Group's future success depends significantly on its ability to protect its current and future brands and products and to defend its intellectual property rights. The Group has been granted numerous trademark registrations covering its brands and products and has filed, and expects to continue to file on a timely basis, trademark and patent applications seeking to protect newly-developed brands and products. The Group cannot be sure that trademark and patent registrations will be issued with respect to any of its applications, or that once issued these registrations will not be challenged or circumvented by competitors. Moreover, some of the countries in which the Group operates offer less intellectual property protection than is available in Europe.

An event, or a series of events, that materially damages the reputation of one or more of the Group's brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business, which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Pricing pressure and grey market imports or parallel imports may negatively impact the Group's results of operations

As a result of differential margins and rates of duty levied on beer and other beverages in individual countries, cross-border imports are a factor affecting both the volume of beer and other beverages purchased in certain

countries and the price of beer and other beverages which the market can support in those countries. This effect is particularly noticeable among Nordic countries, between the United Kingdom and France, across certain Asian countries and into and out of Germany. Pricing pressure resulting from grey market imports or parallel imports may lead to a reduction in margins and could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Labour disputes may cause work stoppages, strikes and disruptions

The success of the Group depends upon maintaining good relations with its workforce. Restructurings to lower production costs, improve efficiency, exploit synergies and cope with the demands of a changing market could harm the Group's employee relations and result in labour disputes, including work stoppages, strikes and disruptions, which could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Inability to gain from efficiency measures may lead to a reduction in margins and may affect the Group's profitability

Although the Group continues to implement a number of efficiency programmes, the Group may not realise the expected benefits from the efficiency measures taken under such programmes. There can be no assurance that any failure to derive benefits from such efficiency improvements would not have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

Notes may not be a suitable investment for all investors

Each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of such Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Index Linked Notes and Dual Currency Notes

The Issuer may issue Notes with principal or interest determined by reference to an index or formula, to changes in the prices of securities or commodities, to movements in currency exchange rates or other factors (each, a “Relevant Factor”). In addition, the Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be volatile;
- (ii) they may receive no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) the amount of principal payable at redemption may be less than the nominal amount of such Notes or even zero;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;
- (vi) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable is likely to be magnified; and
- (vii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield.

Partly-paid Notes

The Issuer may issue Notes where the issue price is payable in more than one instalment. Failure to pay any subsequent instalment could result in an investor losing all of its investment.

Variable rate Notes with a multiplier or other leverage factor

Notes with variable interest rates can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for securities that do not include those features.

Inverse Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of such Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

Fixed/Floating Rate Notes

Fixed/Floating Rate Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market and the market value of such Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium to their nominal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Noteholder Meetings

The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

European Monetary Union

It is possible that prior to the maturity of the Notes the euro may become the lawful currency of the Kingdom of Denmark. In that event (i) all amounts payable in respect of any Notes denominated in Danish kroner may become payable in euro; (ii) the law may allow or require such Notes to be re-denominated into euro and additional measures to be taken in respect of such Notes; and (iii) there may no longer be available published or displayed rates for deposits in Danish kroner used to determine the rates of interest on such Notes or changes in the way those rates are calculated, quoted and published or displayed. The introduction of the euro in any jurisdiction could also be accompanied by a volatile interest rate environment, which could adversely affect investors in the relevant Notes.

If the United Kingdom joins the European Monetary Union prior to the maturity of the Notes, there is no assurance that this would not adversely affect investors in the Notes. It is possible that prior to the maturity of the Notes the United Kingdom may become a participating Member State and that the euro may become the lawful currency of the United Kingdom. In that event (i) all amounts payable in respect of any Notes denominated in Sterling may become payable in euro; (ii) the law may allow or require such Notes to be re-denominated into euro and additional measures to be taken in respect of such Notes; and (iii) there may no

longer be available published or displayed rates for deposits in Sterling used to determine the rates of interest on such Notes or changes in the way those rates are calculated, quoted and published or displayed.

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income (the “EU Savings Directive”), each Member State is required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Luxembourg and Austria may instead (unless during that period they elect otherwise) apply a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland) with effect from the same date.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required, save as provided in Condition 7(e) of the Notes, to maintain a Paying Agent in a Member State that is not obliged to withhold or deduct tax pursuant to the EU Savings Directive.

The European Commission has proposed certain amendments to the EU Savings Directive, which may, if implemented, amend or broaden the scope of the requirements outlined above.

Change of law

The Terms and Conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes.

Integral multiples of less than €100,000

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination of €100,000 plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent) that are not integral multiples of €100,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This

is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

GENERAL DESCRIPTION OF THE PROGRAMME

The following overview is qualified in its entirety by the remainder of this Base Prospectus.

Issuer:	Carlsberg Breweries A/S
Description:	Euro Medium Term Note Programme
Size:	Up to €4,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Arranger:	BNP Paribas
Dealers:	BNP Paribas Danske Bank A/S Nordea Bank Danmark A/S Skandinaviska Enskilda Banken AB (publ) Société Générale The Royal Bank of Scotland plc
	The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Base Prospectus to “Permanent Dealers” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and references to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.
Fiscal Agent:	BNP Paribas Securities Services, Luxembourg Branch
Registrar and Transfer Agent:	BNP Paribas Securities Services, Luxembourg Branch
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the final terms (the “Final Terms”).
Issue Price:	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.

Form of Notes:

The Notes may be issued in bearer form only (“Bearer Notes”), in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) or in registered form only (“Registered Notes”). Unless otherwise specified in the applicable Final Terms, each Tranche of Bearer Notes and Exchangeable Bearer Notes will be represented on issue by a temporary Global Note if (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in “ – Selling Restrictions” below), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder’s entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as “Global Certificates”.

Clearing Systems:

Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer.

Initial Delivery of Notes:

On or before the issue date for each Tranche, if the relevant Global Note is an NGN or the relevant Global Certificate is held under the NSS, the Global Note or Global Certificate will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche, if the relevant Global Note is a CGN or the relevant Global Certificate is not held under the NSS, the Global Note representing Bearer Notes or Exchangeable Bearer Notes or the Global Certificate representing Registered Notes may (or, in the case of Notes listed on the official list of the Luxembourg Stock Exchange, shall) be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Global Notes or Certificates relating to Notes that are not listed on the Luxembourg Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer. Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.

Currencies:

Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealers.

Maturities:

Subject to compliance with all relevant laws, regulations and directives, any permitted minimum or maximum maturity.

Specified Denomination:

Definitive Notes will be in such denominations as may be specified in the relevant Final Terms save that (i) the minimum denomination of each Note admitted to trading on a European Economic Area exchange and/or offered to the public in an EEA State in circumstances which require the publication of a prospectus under the Prospectus Directive will be €100,000 (or, if

the Notes are denominated in a currency other than euro, the equivalent amount in such currency) or such other higher amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 (“FSMA”) will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Fixed Rate Notes:

Fixed interest will be payable in arrear on the date or dates in each year specified in the relevant Final Terms.

Floating Rate Notes:

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. or
- (ii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the relevant Final Terms) as adjusted for any applicable margin.

Interest periods will be specified in the relevant Final Terms.

Zero Coupon Notes:

Zero Coupon Notes (as defined in “Terms and Conditions of the Notes”) may be issued at their nominal amount or at a discount to it and will not bear interest.

Dual Currency Notes:

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes (as defined in “Terms and Conditions of the Notes”) will be made in such currencies, and based on such rates of exchange as may be specified in the relevant Final Terms.

Index Linked Notes:

Payments of principal in respect of Index Linked Redemption Notes (as defined in “Terms and Conditions of the Notes”) or of interest in respect of Index Linked Interest Notes (as defined in “Terms and Conditions of the Notes”) will be calculated by reference to such index and/or formula as may be specified in the relevant Final Terms.

Interest Periods and Interest Rates:

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Final Terms.

Redemption:

The relevant Final Terms will specify the basis for calculating the redemption amounts payable. Unless permitted by then current

laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).

Redemption by Instalments:

The Final Terms issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.

Other Notes:

Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, Partly Paid Notes and any other type of Note that the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Final Terms and the base prospectus supplement.

Optional Redemption:

The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders, and if so the terms applicable to such redemption.

Status of Notes:

The Notes will constitute direct, unsubordinated, unconditional and (subject to the Negative Pledge) unsecured obligations of the Issuer as described in “Terms and Conditions of the Notes – Status”.

Negative Pledge:

See “Terms and Conditions of the Notes – Negative Pledge”.

Cross Default:

See “Terms and Conditions of the Notes – Events of Default”.

Ratings:

The Programme has been rated by Moody’s and Fitch.

Tranches of Notes may be rated or unrated. The credit ratings included or referred to in this Prospectus will be treated for the purposes of the CRA Regulation as having been issued by Moody’s and Fitch. Moody’s and Fitch are established in the European Union and have applied to be registered under the CRA Regulation, although the result of such applications have not yet been determined. Where a Tranche of Notes is to be rated, such rating will be specified in the relevant Final Terms. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to Notes already issued under the Programme. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the European Union and registered under the CRA Regulation will be disclosed in the relevant Final Terms. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Early Redemption:

Except as provided in “– Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See “Terms and Conditions of the Notes – Redemption, Purchase and Options”.

Withholding Tax:	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Kingdom of Denmark, subject to customary exceptions (including the ICMA Standard EU Tax exemption Tax Language), all as described in “Terms and Conditions of the Notes – Taxation”.
Governing Law:	English.
Listing and Admission to Trading:	Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to be admitted to trading on the Luxembourg Stock Exchange’s regulated market or as otherwise specified in the relevant Final Terms and references to listing shall be construed accordingly. As specified in the relevant Final Terms, a Series of Notes may be unlisted.
Redenomination, Renominalisation and/or Consolidation:	Notes denominated in a currency of a country that subsequently participates in the third stage of European Economic and Monetary Union may be subject to redenomination, renominalisation and/or consolidation with other Notes then denominated in euro. The provisions applicable to any such redenomination, renominalisation and/or consolidation will be as specified in the relevant Final Terms.
Selling Restrictions:	<p>The United States, the Public Offer Selling Restriction under the Prospectus Directive (in respect of Notes having a specified denomination of less than €100,000 or its equivalent in any other currency as at the date of issue of the Notes), the United Kingdom, the Kingdom of Denmark and Japan. See “Subscription and Sale”.</p> <p>The Issuer is Category 2 for the purposes of Regulation S under the Securities Act, as amended.</p> <p>The Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(D) (the “D Rules”) unless (i) the relevant Final Terms states that Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “C Rules”) or (ii) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”), which circumstances will be referred to in the relevant Final Terms as a transaction to which TEFRA is not applicable.</p>

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of Part A of the relevant Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in Part A of the relevant Final Terms. Those definitions will be endorsed on the definitive Notes or Certificates, as the case may be. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued pursuant to an Agency Agreement (as amended or supplemented as at the Issue Date, the “Agency Agreement”) dated 1 June 2011 between the Issuer, BNP Paribas Securities Services, Luxembourg as fiscal agent and the other agents named in it and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the “Deed of Covenant”) dated 1 June 2011 executed by the Issuer in relation to the Notes. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the “Fiscal Agent”, the “Paying Agents” (which expression shall include the Fiscal Agent), the “Registrar”, the “Transfer Agents” and the “Calculation Agent(s)”. The Noteholders (as defined below), the holders of the interest coupons (the “Coupons”) relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the “Talons”) (the “Couponholders”) and the holders of the receipts for the payment of instalments of principal (the “Receipts”) relating to Notes in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these Terms and Conditions (the “Conditions”), “Tranche” means Notes which are identical in all respects.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

1 Form, Denomination and Title

The Notes are issued in bearer form (“Bearer Notes”, which expression includes Notes that are specified to be Exchangeable Bearer Notes), in registered form (“Registered Notes”) or in bearer form exchangeable for Registered Notes (“Exchangeable Bearer Notes”) in each case in the Specified Denomination(s) shown hereon provided that in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a Prospectus under the Prospectus Directive, the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

All Registered Notes shall have the same Specified Denomination. Where Exchangeable Bearer Notes are issued, the Registered Notes for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Notes.

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, an Index Linked Redemption Note, an Instalment Note, a Dual Currency Note or a Partly Paid.

Note, a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

Registered Notes are represented by registered certificates (“Certificates”) and, save as provided in Condition 2(c), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the “Register”). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, “Noteholder” means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be), “holder” (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be). Capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2 Exchanges of Exchangeable Bearer Notes and Transfers of Registered Notes

(a) Exchange of Exchangeable Bearer Notes

Subject as provided in Condition 2(f), Exchangeable Bearer Notes may be exchanged for the same nominal amount of Registered Notes at the request in writing of the relevant Noteholder and upon surrender of each Exchangeable Bearer Note to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 7(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes that are not Exchangeable Bearer Notes may not be exchanged for Registered Notes.

(b) Transfer of Registered Notes

One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be

made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) **Exercise of Options or Partial Redemption in Respect of Registered Notes**

In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) **Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in Condition 6(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition (d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) **Exchange Free of Charge**

Exchange and transfer of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) **Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered or an Exchangeable Bearer Note to be exchanged for one or more Registered Note(s) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Note, (ii) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Note called for redemption may, however, be exchanged for one or more Registered Note(s) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.

3 Status

The Notes and Coupons relating to them constitute direct, unsubordinated, unconditional and (subject to Condition 4) unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Notes and Coupons relating to them shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4, at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future.

4 Negative Pledge

So long as any Note or Coupon remains outstanding (as defined in the Fiscal Agency Agreement) the Issuer will not, and will ensure that none of its Principal Subsidiaries (as defined in Condition 10) will create, or have outstanding any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure (a) any Relevant Indebtedness, or (b) any guarantee or indemnity in respect of any Relevant Indebtedness without at the same time or prior thereto according to the Notes and the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Fiscal Agency Agreement) of the Noteholders.

In these Conditions, "Relevant Indebtedness" means any present or future indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market.

5 Interest and other Calculations

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h).

(b) Interest on Floating Rate Notes and Index Linked Interest Notes

(i) *Interest Payment Dates:*

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(h). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, Interest Payment Date shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention:*

If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would

thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest for Floating Rate Notes:*

The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified hereon
- (y) the Designated Maturity is a period specified hereon and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon.

For the purposes of this sub-paragraph (A), "Floating Rate", "Calculation Agent", "Floating Rate Option", "Designated Maturity", "Reset Date" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

- (x) Where Screen Rate Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at either 11.00 a.m. (London time in the case of LIBOR or Brussels time in the case of EURIBOR) on the Interest Determination Date in question as determined by the Calculation Agent.

If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean of such offered quotations.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified hereon as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided hereon.

- (y) if the Relevant Screen Page is not available or, if sub-paragraph (x)(1) applies and no such offered quotation appears on the Relevant Screen Page, or, if subparagraph (x)(2) applies and fewer than three such offered quotations appear on the Relevant Screen Page, in each case as at the time specified above, subject as provided below, the Calculation Agent shall request, if the Reference Rate is LIBOR, the principal London office of each of the Reference Banks or, if the Reference Rate is EURIBOR, the principal Euro-zone office of each of the Reference Banks, to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time), or if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Accrual Period shall be the arithmetic mean of such offered quotations as determined by the Calculation Agent; and
- (z) if paragraph (y) above applies and the Calculation Agent determines that fewer than two Reference Banks are providing offered quotations, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time) on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, if the Reference Rate is LIBOR, at approximately 11.00 a.m. (London time) or, if the Reference Rate is EURIBOR, at approximately 11.00 a.m. (Brussels time), on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) informs the Calculation Agent it is quoting to leading banks in, if the Reference Rate is LIBOR, the London inter-bank market or, if the Reference

Rate is EURIBOR, the Euro-zone inter-bank market, as the case may be, provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Accrual Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Accrual Period).

(iv) *Rate of Interest for Index Linked Interest Notes:*

The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified hereon and interest will accrue by reference to an Index or Formula as specified hereon.

(c) **Zero Coupon Notes**

Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)).

(d) **Dual Currency Notes**

In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified hereon.

(e) **Partly Paid Notes**

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified hereon.

(f) **Accrual of Interest**

Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).

(g) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts and Rounding:**

(i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.

- (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified hereon, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), all figures shall be rounded to seven significant figures (with halves being rounded up) and all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country[ies] of such currency.

(h) **Calculations**

The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts**

The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10, the accrued interest and the Rate of Interest payable

in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(j) **Definitions**

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency and/or
- (ii) in the case of euro, a day on which the TARGET system is operating (a “TARGET Business Day”) and/or
- (iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the “Calculation Period”):

- (i) if “Actual/Actual” or “Actual/Actual – ISDA” is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (ii) if “Actual/365 (Fixed)” is specified hereon, the actual number of days in the Calculation Period divided by 365
- (iii) if “Actual/360” is specified hereon, the actual number of days in the Calculation Period divided by 360
- (iv) if “30/360”, “360/360” or “Bond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30

- (v) if “30E/360” or “Eurobond Basis” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D₂ will be 30

- (vi) if “30E/360 (ISDA)” is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

“Y₁” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y₂” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M₁” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M₂” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D₁” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

“D₂” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30

- (vii) if “Actual/Actual – ICMA” is specified hereon,
- (a) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (b) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s).

“Euro-zone” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended.

“Interest Accrual Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date.

“Interest Amount” means:

- (i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as

being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

- (ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period.

“Interest Commencement Date” means the Issue Date or such other date as may be specified hereon.

“Interest Determination Date” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is euro.

“Interest Period” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“Interest Period Date” means each Interest Payment Date unless otherwise specified hereon.

“ISDA Definitions” means the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified hereon.

“Rate of Interest” means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon.

“Reference Banks” means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Calculation Agent (in consultation with the Issuer) or as specified hereon.

“Reference Rate” means the rate specified as such hereon.

“Relevant Screen Page” means such page, section, caption, column or other part of a particular information service as may be specified hereon.

“Specified Currency” means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated.

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

(k) **Calculation Agent**

The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or

if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption

- (i) Unless previously redeemed, purchased and cancelled as provided in this Condition 6, each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.
- (ii) Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within paragraph (i) above, its final Instalment Amount.

(b) Early Redemption

(i) *Zero Coupon Notes*

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made

(both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes*

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) or upon it becoming due and payable as provided in Condition 10, shall be the Final Redemption Amount unless otherwise specified hereon.

(c) **Redemption for Taxation Reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is either a Floating Rate Note or an Index Linked Note) or, at any time, (if this Note is neither a Floating Rate Note nor an Index Linked Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Denmark or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due. Before the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

(d) **Redemption at the Option of the Issuer**

If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the nominal amount of Registered

Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) **Redemption at the Option of Noteholders**

If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) **Partly Paid Notes**

Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified hereon.

(g) **Purchases**

The Issuer and any of its subsidiaries may at any time purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.

(h) **Cancellation**

All Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

7 Payments and Talons

(a) **Bearer Notes**

Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United

States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. "Bank" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.

(b) Registered Notes

- (i) Payments of principal (which for the purposes of this Condition 7(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.
- (ii) Interest (which for the purpose of this Condition 7(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "Record Date"). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank.

(c) Payments in the United States

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) Payments Subject to Fiscal Laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) Appointment of Agents

The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Transfer Agent in relation to Registered Notes, (iv) one or more Calculation Agent(s) where the Conditions so require, (v) Paying Agents having specified offices in at least two major European cities, (vi) such other agents

as may be required by any other stock exchange on which the Notes may be listed and (vii) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26–27 November 2000.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) **Unmatured Coupons and Receipts and unexchanged Talons**

- (i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes (other than Dual Currency Notes or Index Linked Notes), such Notes should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9).
- (ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, Dual Currency Note or Index Linked Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note that is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note that provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (vi) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9).

(h) **Non-Business Days**

If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “business day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “Financial Centres” hereon and:

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or
- (ii) (in the case of a payment in euro) which is a TARGET Business Day.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes, the Receipts and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Kingdom of Denmark or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (a) **Other connection:** to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Kingdom of Denmark other than the mere holding of the Note, Receipt or Coupon or
- (b) **Presentation more than 30 days after the Relevant Date:** presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day or
- (c) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26–27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or

- (d) **Payment by another Paying Agent:** (except in the case of Registered Notes) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union.

As used in these Conditions, “Relevant Date” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “principal” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “interest” shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “principal” and/or “interest” shall be deemed to include any additional amounts that may be payable under this Condition.

9 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10 Events of Default

If any of the following events (“Events of Default”) occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

- (a) **Non-payment:** the Issuer fails, for a period of fourteen days or more (in the case of interest) or seven days or more (in the case of principal), to pay interest or principal due in respect of any of the Notes; or
- (b) **Cross Default:**
- (i) any other present or future indebtedness for borrowed money of the Issuer or any of its Principal Subsidiaries becomes or is declared due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or
 - (ii) any such indebtedness is not paid when due or, as the case may be within any originally applicable grace period, or
 - (iii) the Issuer or any of its Principal Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any monies borrowed or raised

provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (b) have occurred equals or exceeds Euro 50,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the Euro as quoted by any leading bank on the day on which this paragraph operates); or

- (c) **Enforcement Proceedings:** a distress or execution or other similar legal process is levied or enforced or petitioned for and taken out upon or against any substantial part of the property, assets or revenues of the Issuer or any Principal Subsidiary and is not discharged or stayed within 60 days of having been so levied, enforced or sued out; or
- (d) **Insolvency:** the Issuer or any Principal Subsidiary becomes, is adjudicated or found to be, unable to pay its debts as they mature, or applies for, or consents to, or suffers the appointment of, a liquidator or receiver of the whole or any substantial part of its undertaking, property, assets or revenues or takes any proceeding under any law for a readjustment or deferment of its obligations or any substantial part thereof or stops or threatens to stop payment or is wound up or dissolved on grounds of insolvency or makes or enters into a general assignment or an arrangement or composition with or for the benefit of its creditors; or
- (e) **Winding-up:** an order is made or an effective resolution is passed for winding up the Issuer or any Principal Subsidiary or the Issuer or any Principal Subsidiary ceases or threatens to cease to carry on all or substantially all of its business, in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, solvent liquidation, merger or consolidation (i) on terms approved by an Extraordinary Resolution of the Noteholders or (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of the Principal Subsidiary are transferred to or otherwise vested in the Issuer or another of its Principal Subsidiaries or (iii) in the case of a Permitted Merger or (iv) in the circumstances referred to in Condition 11(c) or (v) in the case of a Principal Subsidiary, pursuant to a voluntary solvent winding-up where surplus assets are available for distribution; or
- (f) **Breach of other obligations:** default is made by the Issuer in the performance or observance of any obligation, Condition or provision binding on it under the Notes (other than any obligation for the payment of any principal moneys or interest in respect of the Notes) and, if capable of remedy, such default shall continue for 30 days after written notice thereof requiring the same to be remedied has been given to the Fiscal Agent at its specified office by any Noteholder; or
- (g) **Analogous Events:** any event occurs which under the laws of the Kingdom of Denmark or any other applicable jurisdiction has an effect similar to any of the events referred to in paragraphs (c), (d) or (e) above.

For the purposes of these Conditions:

“Permitted Merger” means a reconstruction, amalgamation, merger or consolidation with or transfer of assets and/or activities to Carlsberg A/S whereby Carlsberg A/S expressly and effectively by law, or by operation of law, assumes all of the obligations of the Issuer under the Notes, the Receipts, the Coupons and the Talons provided that (i) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Notes, Receipts, Coupons, Talons and Deed of Covenant represent valid, legally binding and enforceable obligations of Carlsberg A/S are taken, fulfilled and done and are in full force and effect, (ii) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Fiscal Agent) from a lawyer or firm of lawyers with a leading securities practice in Denmark and in England as to the fulfilment of the preceding condition of this paragraph and (iii) any solicited credit rating assigned to the Notes will remain the same or be improved when Carlsberg A/S assumes the obligations of the Issuer in respect of the Notes or, in the event that there is no solicited rating in respect of the Notes but there is a solicited rating in respect of the senior unsecured long term debt of the Issuer, the rating of the senior long term debt of Carlsberg A/S will be equal to or higher than the rating of the senior long term debt of the Issuer when Carlsberg A/S assumes the obligations of the Issuer under the Notes and, in each case, this has been

confirmed in writing by each rating agency which has assigned a solicited rating to the Notes or, as the case may be, the senior long term debt of the Issuer.

“Principal Subsidiary” at any time means a Subsidiary;

- (1) whose total consolidated assets or consolidated turnover attributable to the Issuer represents not less than 10 per cent. of the consolidated total assets or, as the case may be, consolidated turnover of the Issuer and its consolidated subsidiaries taken as a whole, all as calculated by reference to the then latest consolidated audited accounts of the Issuer and its consolidated subsidiaries; or
- (2) to which is transferred the whole or substantially the whole of the assets and undertakings of a Subsidiary which immediately prior to such transfer is a Principal Subsidiary (provided that the transferee shall cease to be a Principal Subsidiary upon the next audited accounts of the Issuer and its Subsidiaries becoming available if those accounts show that it is not a Principal Subsidiary within the terms of paragraph (1) above).

A certificate of two authorised signatories of the Issuer that in their opinion a Subsidiary is or is not or was or was not during a particular period a Principal Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer and the Noteholders; and

“Subsidiary” means any entity (whether or not now existing) more than 50 per cent. of whose issued equity capital (or equivalent) or voting rights in relation thereto is then held or beneficially owned or controlled, or the composition of whose board of directors is then controlled, directly or indirectly, by the Issuer and/or any one or more of its Subsidiaries.

11 Meeting of Noteholders, Modifications and Substitution

(a) Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the nominal amount of, or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, or (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent. or at any adjourned meeting

not less than 25 per cent. in nominal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of two or more persons holding or representing not less than 75 per cent. in nominal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Final Terms in relation to such Series.

(b) **Modification of Agency Agreement**

The Issuer shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Noteholders.

(c) **Substitution**

The Issuer may, without the consent of the Noteholders or the Couponholders, substitute Carlsberg A/S for itself as principal debtor under the Notes, the Receipts, the Coupons and the Talons (the "Substitute"). The substitution shall be made by a deed poll (the "Deed Poll"), to be substantially in the form scheduled to the Agency Agreement as Schedule 9, and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each Noteholder and Couponholder, on an after tax basis, against any tax, duty, assessment or governmental charge that is imposed on it by (or by any authority in or of) the jurisdiction of the country of residence of the Substitute for tax purposes and, if different, of its incorporation with respect to any Note, Receipt, Coupon, Talon or the Deed of Covenant and that would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Notes, Receipts, Coupons, Talons and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute have been taken, fulfilled and done and are in full force and effect, (iii) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, (iv) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Fiscal Agent) from a lawyer or firm of lawyers with a leading securities practice in Denmark and in England as to the fulfilment of the preceding conditions of this paragraph (c) and the other matters specified in the Deed Poll, (v) any solicited credit rating assigned to the Notes will remain the same or be improved when the Substitute replaces and substitutes the Issuer in respect of the Notes or, in the event that there is no solicited rating in respect of the Notes but there is a solicited rating in respect of the senior unsecured long term debt of the Issuer, such rating will remain the same or be improved when the Substitute replaces and substitutes the Issuer in respect of the Notes and, in each case, this has been confirmed in writing by each rating agency which has assigned a solicited rating to the Notes or, as the case may be, the senior long term debt of the Issuer and (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Noteholders, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Noteholders, shall be available for inspection at the specified

office of each of the Paying Agents. References in Condition 10 to obligations under the Notes shall be deemed to include obligations under the Deed Poll.

12 Replacement of Notes, Certificates, Receipts, Coupons and Talons

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

13 Further Issues

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes (so that, for the avoidance of doubt, references in these Conditions to “Issue Date” shall be to the first issue date of the Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to “Notes” shall be construed accordingly.

14 Notices

Notices to the holders of Registered Notes shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Notes shall be valid if published in a daily newspaper of general circulation in Luxembourg (which is expected to be the Luxemburger Wort) or, so long as the Notes are listed on the official list of the Luxembourg Stock Exchange, published on the website of the Luxembourg Stock Exchange (www.bourse.lu). If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition.

15 Currency Indemnity

Any amount received or recovered in a currency other than the currency in which payment under the relevant Note, Coupon or Receipt is due (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the insolvency, winding-up or dissolution of the Issuer or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer shall only constitute a discharge to the Issuer to the extent of the amount in the currency of payment under the relevant Note, Coupon or Receipt that the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If the amount received or recovered is less than the amount expressed to be

due to the recipient under any Note, Coupon or Receipt, the Issuer shall indemnify it against any loss sustained by it as a result. In any event, the Issuer shall indemnify the recipient against the cost of making any such purchase. These indemnities constitute a separate and independent obligation from the Issuer's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note, Coupon or Receipt or any other judgment or order.

16 Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

17 Governing Law and Jurisdiction

(a) Governing Law

The Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Courts of England are to have jurisdiction to settle any disputes that may arise out of or in connection with any Notes, Receipts, Coupons or Talons and accordingly any legal action or proceedings arising out of or in connection with any Notes, Receipts, Coupons or Talons ("Proceedings") may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of the courts of England and waives any objection to Proceedings in such courts on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the holders of the Notes, Receipts, Coupons and Talons and shall not affect the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Service of Process

The Issuer irrevocably appoints Carlsberg UK Limited of 140 Bridge Street, Northampton NN1 1PZ, United Kingdom as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, the Issuer irrevocably agrees to appoint a substitute process agent and shall immediately notify Noteholders of such appointment in accordance with Condition 14. Nothing shall affect the right to serve process in any manner permitted by law.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1 Initial Issue of Notes

If the Global Notes or Global Certificates are stated in the applicable Final Terms to be issued in NGN form or to be held under the NSS (as the case may be), the Global Notes or the Global Certificates will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Notes or the Global Certificates with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Global notes which are issued in CGN form and Global Certificates which are not held under the NSS may be delivered on or prior to the original issue date of the Tranche to a Common Depository.

If the Global Note is a CGN, upon the initial deposit of a Global Note with a common depository for Euroclear and Clearstream, Luxembourg (the “Common Depository”) or registration of Registered Notes in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the relative Global Certificate to the Common Depository, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If the Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depository may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

2 Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other permitted clearing system (“Alternative Clearing System”) as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

3 Exchange

3.1 Temporary Global Notes

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

- (i) if the relevant Final Terms indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “General Description of the Programme – Selling Restrictions”), in whole, but not in part, for the Definitive Notes defined and described below; and
- (ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the relevant Final Terms, for Definitive Notes.

Each temporary Global Note that is also an Exchangeable Bearer Note will be exchangeable for Registered Notes in accordance with the Conditions in addition to any permanent Global Note or Definitive Notes for which it may be exchangeable and, before its Exchange Date, will also be exchangeable in whole or in part for Registered Notes only.

3.2 Permanent Global Notes

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes or, in the case of paragraph 3.4 below, Registered Notes:

- (i) if the permanent Global Note is an Exchangeable Bearer Note, by the holder giving notice to the Fiscal Agent of its election to exchange the whole or a part of such Global Note for Registered Notes and
- (ii) (a) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or (b) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3.3 Permanent Global Certificates

If the Final Terms state that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) if principal in respect of any Notes is not paid when due; or
- (iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

3.4 Partial Exchange of Permanent Global Notes

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions (i) for Registered Notes if the permanent Global Note is an Exchangeable Bearer Note and the part submitted for exchange is to be exchanged for Registered Notes, or (ii) for Definitive Notes (a) if principal in respect of any Notes is not paid when due or (b) if so provided in, and in accordance with, the Conditions (which will be set out in the relevant Final Terms) relating to Partly Paid Notes.

3.5 Delivery of Notes

If the Global Note is a CGN, on or after any due date for exchange, the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes or Registered Notes, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Notes and/or Certificates, as the case may be or if the Global Note is a NGN, the Issuer will procure that details of such exchange be entered *pro rata* in the records of the relevant clearing system. In this Base Prospectus, "Definitive Notes" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3.6 Exchange Date

"Exchange Date" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of an exchange for Registered Notes five days, or in the case of failure to pay

principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

4 Amendment to Conditions

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. The following is a summary of certain of those provisions:

4.1 Payments

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes or Registered Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note in CGN form will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. If the Global Note is a CGN, a record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. Condition 7(e)(vii) and Condition 8(d) will apply to the Definitive Notes only. If the Global Note is a NGN or if the Global Certificate is held under the NSS, the Issuer shall procure that details of each such payment shall be entered *pro rata* in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note or the Global Certificate will be reduced accordingly. Payments under a NGN will be made to its holder. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 7(h) (Non-Business Days).

Each payment in respect of Registered Notes whilst in global form will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where Clearing System Business Day means Monday to Friday inclusive except 25 December and 1 January.

4.2 Prescription

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 9).

4.3 Meetings

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. (All holders of Registered Notes are

entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.)

4.4 Cancellation

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the nominal amount of the relevant permanent Global Note.

4.5 Purchase

Notes represented by a permanent Global Note may only be purchased by the Issuer or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any) thereon.

4.6 Issuer's Option

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of account holders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) or any other Alternative Clearing System (as the case may be).

4.7 Noteholders' Options

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the nominal amount of Notes in respect of which the option is exercised and at the same time, where the permanent Global Note is a CGN or where the Global Certificate is held under the NSS, presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation. Where the Global Note is a NGN, the Issuer shall procure that details of such exercise shall be entered *pro rata* in the records of the relevant clearing system and the nominal amount of the Notes recorded in those records will be reduced accordingly.

4.8 NGN nominal amount

Where the Global Note is a NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, in addition to the circumstances set out above shall be entered in the records of the relevant clearing systems and upon any such entry being made, in respect of payments of principal, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

4.9 Events of Default

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 by stating in the notice to the Fiscal Agent the nominal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer under the terms of a Deed of Covenant executed as a deed by the Issuer on 1 June 2011 to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion or Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

4.10 Notices

So long as any Notes are represented by a Global Note and such Global Note is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note, except that so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Luxembourg Stock Exchange's regulated market and the rules of that exchange so require, notices shall also be published either on the website of the Luxembourg Stock Exchange (www.bourse.lu) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the Luxemburger Wort).

5 Partly Paid Notes

The provisions relating to Partly Paid Notes are not set out in this Base Prospectus, but will be contained in the relevant Final Terms and thereby in the Global Notes. While any instalments of the subscription moneys due from the holder of Partly Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a permanent Global Note or for Definitive Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly Paid Notes within the time specified, the Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

USE OF PROCEEDS

The net proceeds from the issue of each Tranche of Notes will be applied by the Issuer for general corporate purposes. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

CARLSBERG BREWERIES A/S

Introduction

Carlsberg Breweries A/S (“**Carlsberg Breweries**” or the “**Issuer**” and, together with its subsidiaries taken as a whole, the “**Group**”) was established on 1 July 2000 as a Danish registered company with registered number 25508343 pursuant to an agreement dated 31 May 2000 between Carlsberg A/S (“**Carlsberg**” and, together with its subsidiaries taken as a whole, the “**Carlsberg Group**”) and Orkla ASA. The Issuer is registered in Copenhagen and operates under Danish law. The Issuer has been a wholly owned subsidiary of Carlsberg since February 2004. The Issuer’s registered office is at 100 Ny Carlsberg Vej, 1799 Copenhagen V, Denmark and its telephone number is +45 33273300.

Carlsberg Breweries is the principal holding company for the domestic and international brewing business of the Carlsberg Group. The Carlsberg Group is one of the world’s major international brewing groups, with leading market positions in Northern & Western Europe, Eastern Europe and Asia (Sources: Canadean Global Beer Trends 2010, Carlsberg A/S Annual Report 2010).

The Group’s core business is the production, marketing, distribution and sale of beer. The Group’s beer brand portfolio consists of a combination of leading international and regional brands (Carlsberg, Tuborg, Baltika and Kronenbourg 1664) and strong local brands (such as Ringnes, Feldschlösschen, Kronenbourg, Slavutich and Dali). The Group markets its products in more than 150 markets worldwide, and has brewing operations in 32 countries.

The Group’s global operations are diversified among the large and mature markets of Northern & Western Europe, growth markets in Eastern Europe and emerging markets in Asia. In Northern & Western Europe, Carlsberg has leading positions in the Nordic countries (Denmark, Finland, Norway and Sweden), the Baltic market, France, Northern Germany, Switzerland and Portugal and a significant presence in the United Kingdom, Poland, Italy, South East Europe (Bulgaria, Croatia and Serbia) and Greece. In Eastern Europe, the Group is the market leader in Russia, Kazakhstan, Uzbekistan and Azerbaijan and the second largest brewer in the Ukraine and Belarus. In Asia, the Group has the leading position in six provinces of Western China, Laos and Cambodia; and number two positions in Malaysia, Singapore and Vietnam. The Group also has investments in other markets in Asia, including India.

In order to maximise the effectiveness of the Group’s beer product portfolio and to lower unit distribution costs, Carlsberg Breweries also produces, markets, sells and distributes soft drinks, mineral water, sports/energy drinks, cider and other alcoholic and non-alcoholic beverages in certain markets where the Group has access to a large, developed distribution system, in particular in the Nordic countries, the Baltic countries, Switzerland, the United Kingdom and Portugal. The Group has exclusive bottling agreements with The Coca-Cola Company in Denmark and Finland and PepsiCo Inc. in Norway and Sweden.

In 2010, 85 per cent. of the Group’s total *Pro Rata* Volume (133.5 million hl) was generated from beer and 15 per cent. of the Group’s total *Pro Rata* Volume was generated from soft drinks, mineral water and other non-beer beverages.

“**Pro Rata Volume**” means volumes taking account of 100 per cent. of sales volumes of all subsidiaries where full management control is exercised by the Group and sales volume *pro rata* to ownership in joint ventures and associated companies.

The Group has grown both organically and through acquisitions. The Group’s *Pro Rata* Volume of beer decreased from 116.0 million hl in 2009 to 114.2 million hl in 2010. Net revenue increased slightly from DKK 59.4 billion in 2009 to DKK 60.1 billion in 2010, while operating profit increased from DKK 9.5 billion in

2009 to DKK 10.3 billion in 2010. 2010 was an extraordinary year for the Group due to a substantial excise duty increase of 200 per cent. in Russia, its largest market. Nevertheless, the Group delivered strong performance as a result of continued application and development of value management and channel marketing tools which are to ensure that volume and value market share growth are maximised across channels and customers. While focusing intensively on driving profitable market share growth, this was balanced with the strong focus on improving efficiencies across the Group. This is a continuous process and an integrated part of the Carlsberg strategy and business model.

History

The Carlsberg Group was founded in 1847 by J.C. Jacobsen. His brewery, just outside the city ramparts of Copenhagen, pioneered steam brewing, refrigeration techniques and, most significantly, the propagation of a single yeast strain. J.C. Jacobsen demanded quality above all else, and his innovations in the art of making beer laid the cornerstone of the modern beer-brewing industry. Today almost all of the main lager products in mature markets derive their yeast from the strain developed by Carlsberg (*Saccharomyces Carlsbergensis*).

In 1970, Carlsberg merged with the second largest Danish brewery group, Tuborgs Bryggerier A/S, founded in 1873.

Since 2000, the Carlsberg Group has increasingly focused its resources on its core business, the production, marketing, distribution and sale of beer. The Carlsberg Group began investing in its existing brewing business and acquired a significant presence in countries where its activities historically had been relatively limited. Over the same period, the Carlsberg Group has actively sold off shareholdings from non-core positions and businesses in which controlling positions could not be achieved.

In May 2000, the Carlsberg Group announced the formation of the Carlsberg Breweries joint venture with Orkla. Carlsberg Breweries consisted of the beverage operations of the Carlsberg Group and Orkla, with Orkla contributing its leading positions in Norway and Sweden and its 50 per cent. shareholding in Baltic Beverages Holding AB (“**BBH**”). Carlsberg owned 60 per cent. of Carlsberg Breweries and Orkla owned the remaining 40 per cent.

In February 2004, Carlsberg announced the acquisition of Orkla’s holding in Carlsberg Breweries, which resulted in Carlsberg Breweries and its 50 per cent. shareholding in BBH becoming wholly-owned by the Carlsberg Group.

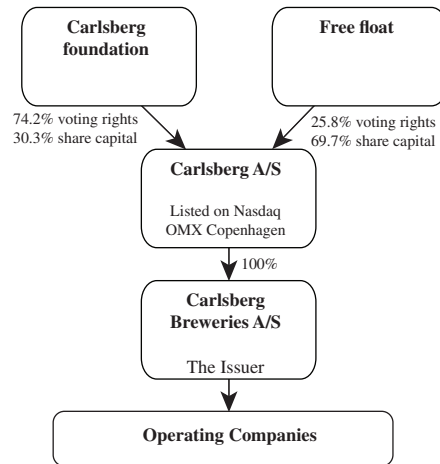
In 2008 Carlsberg and Heineken N.V. together acquired Scottish & Newcastle p.l.c. (“**S&N**”). As part of the transaction, Carlsberg acquired, among other things, the remaining 50 per cent. of BBH it did not already own and S&N’s French business, including Brasseries Kronenbourg and the worldwide brand rights to Kronenbourg.

Group Structure

Carlsberg Breweries is the principal holding company for the domestic and international brewing business of the Carlsberg Group. The Issuer has been a wholly owned subsidiary of Carlsberg since February 2004.

Carlsberg’s largest single shareholder is the Carlsberg Foundation, one of Denmark’s largest charitable organisations, which is required by its charter to hold more than 25 per cent. of Carlsberg’s share capital and a minimum of 51 per cent. of the voting rights in Carlsberg. As at 31 December 2010, the Carlsberg Foundation held 30.3 per cent. of the share capital of Carlsberg and 74.2 per cent. of the voting rights in Carlsberg. The remaining shares are freely traded.

The following is a simplified chart showing the position of the Issuer in the Carlsberg Group and the Issuer's relationship with its main operating subsidiaries as at 31 December 2010:



Competitive Strengths

Management believes that the key strengths that will help the Group achieve its strategies and that differentiate Carlsberg Breweries from its competitors include the following:

- The Group is the fourth largest brewer in the world by gross beer volume, with a number of leading market positions in Northern & Western Europe, Eastern Europe and Asia. More than 60 per cent. (including western China) of the Group's gross beer volume is sold in markets where the Group has either a number one or number two position. As such, the Group is able to benefit from significant economies of scale in production, procurement, marketing, distribution and sales. The acquisition of parts of the activities of S&N significantly increased the scale of the Group's business and further positioned it as one of the global and regional leaders in the brewing sector.
- Management believes that the Group is one of the world's fastest growing global brewers, driven by significant opportunities for efficiency improvements in Northern & Western Europe and Eastern Europe, continued growth in Eastern Europe and Asia and a long-term strategy of focusing investment on those markets with the greatest growth potential.
- The Carlsberg Group owns a portfolio of leading brands. The Carlsberg brand, which is licensed by Carlsberg to the Issuer, is one of the largest international beer brands, with a presence in more than 100 countries through direct sales, licensing and exports. Tuborg is a premium beer that has built on its Danish heritage and is now available in over 60 countries worldwide. The Baltika brand is the leading brand in Russia and the largest brand in Europe (source: Canadean). In recent years, the Baltika brand has expanded beyond its traditional Russian base and is now available in 50 countries. The Kronenbourg 1664 brand is a premium brand in France and now available in more than 50 countries worldwide.
- In Northern & Western Europe, the Group has maintained its leading positions and continued to expand through acquisitions, while increasing margins. Following implementation of its efficiency programmes and initiatives, the Group's operating margins have increased from 9.7 per cent. in 2006 to 17.1 per cent. in 2010. The addition of Brasseries Kronenbourg in 2008 strengthened the Group's regional footprint through the addition of another leading position in a major Western European market. Management believes that there continues to be significant potential to extract savings in Northern & Western Europe through a number of projects, including but not limited to: portfolio optimisation and simplification; network optimisation; business processes standardisation; and ongoing efficiency improvement.

Elsewhere in Northern & Western Europe, the Group has built significant positions in Poland and South Eastern Europe to create platforms, controlled by the Group, that have the necessary scale and product portfolio to take advantage of the growth potential of these markets.

- The Group has established leading positions in Eastern Europe. The Group is today the largest brewery business in Russia, Kazakhstan, Uzbekistan and Azerbaijan by market share and the second largest brewery business in Ukraine and Belarus. Over the last five years, the Group's Eastern European subsidiaries have experienced consistently high operating margins and revenue growth with the exception of the Russian subsidiary which in 2010 was negatively impacted by the extraordinary duty increase of 200 per cent. as of 1 January 2010.
- In recent years most of the Group's subsidiaries in Eastern Europe have seen an increasing conversion of strong revenue into material cash flows.
- In Asia, the Group has solid market positions in Western China, Malaysia, Singapore, Vietnam, Cambodia and Laos. The Group also has a number of investments and partnerships in other promising markets in the region. The acquisitions of the holding in Chongqing Brewery Co. Ltd. in Western China and the joint venture in India have served to enhance the Group's position in these key future growth markets.

Business Strategy

Carlsberg aims to create value for its shareholders and other stakeholders through endeavouring to build the fastest growing global beer company in terms of average organic growth in net revenue and operating profit over a three-year period.

Carlsberg's activities are focused on markets in which it has the strength and the right products to secure a leading position. Due to the variation in the markets, the contribution to growth, earnings and development within the Group differs both at present and in the long-term projections.

The Group strategy embraces the three regions in which it has chosen to compete: Northern & Western Europe, Eastern Europe and Asia. In addition, the Group has exports to and licences with a number of markets outside its core markets.

The overall Group strategy is the same in all three regions, but as markets sometimes differ significantly, the strategy is of course adjusted locally. The strategy implies that Carlsberg will accelerate its focus on driving volume and value growth while at the same time continuing the strong focus on efficiency. While consistent with previous years, the strategy is continuously evolving in order to ensure the right balance between growth and efficiency.

The Carlsberg Group strategy includes five closely linked core priorities providing a clear direction for the entire business in how the Group's ambition is to be achieved. These are: People; Consumers and customers; Products and innovation; Efficiency; and Structure and society.

The priorities are of equal importance and not one can be neglected if the ambition to be the fastest growing global beer company is to be achieved. At certain times or in certain parts of the organisation, some of the priorities may get more focus than others. In general, however, the priorities must be balanced against each other.

A set of Winning Behaviours provides guidance on how to work with and implement the strategy and drive a performance culture. The Winning Behaviours pull the Carlsberg Group together across national borders and functions as well as promoting commitment and engagement.

Products

Beer Portfolio

The core business of the Group is beer. The Group currently manages a portfolio of beer brands, with the majority of these being local brands, in which sales are limited to a single market. The objective of the portfolio strategy, which is part of the brands strategy, is to maximise the value of the brands by having a portfolio that fulfils consumer needs and occasions a clear strategy for brand interaction, premiumisation and developing the portfolio.

In 2010, 85 per cent. of *Pro Rata* Volume (114.2 million hl) was generated from beer. The Group's beer brand portfolio consists of a combination of leading international and regional brands (Carlsberg, Tuborg, Baltika and Kronenbourg 1664) and local brands (such as Koff and Feldschlösschen).

The table below lists the Group's 10 largest brands for 2010 in terms of Gross Beer Volume.

Brand	Classification ⁽¹⁾	Gross Volumes 2010 ⁽²⁾ <i>(Million hl)</i>
Baltika	International	15.1
Carlsberg	International	12.0
Tuborg	International	7.6
Xinjiang (Wusu).....	Local	3.6
Kronenbourg 1664	International	3.3
Kronenbourg	Local	3.3
Arsenalnoye.....	Local	3.0
Slavutich	Local	2.7
Bolshaya Kruzhka.....	Local	2.5
Super Bock.....	Local	2.5

Note:

(1) Carlsberg's classification.

(2) Estimated sales in 2010 (source: Canadean).

The Group's International Brands

Carlsberg. The Carlsberg brand is an international premium brand. The Carlsberg brand is one of the largest international beer brands with a presence in more than 100 countries through direct sales, licensing and exports. The Carlsberg brand is licensed to Carlsberg Breweries by Carlsberg.

Tuborg. The Tuborg brand is an international premium brand. Tuborg is available in over 60 countries worldwide. Tuborg has in recent years been very successful in Eastern Europe and is a market leader in licensed premium brands in Russia. In 2007, Russia became the largest single market for the Tuborg brand.

Baltika. The Baltika brand is the biggest brand in Europe in terms of volume and is also the largest brand in the Group in terms of volume. In recent years, the Baltika brand has expanded beyond its traditional Russian

base and is now available in more than 50 countries. The Baltika brand includes among others the premium beer Baltika No. 7 and the mainstream beers, Baltika No. 3 and Baltika Cooler.

Kronenbourg 1664. The Kronenbourg 1664 brand is an international super-premium brand. Kronenbourg 1664 is available in more than 50 countries worldwide.

Leading Local Brands

Leading local brands play, and will continue to play, an important role in the Group's portfolio. In each of the Group's European markets, a local mainstream brand has been developed as a leading local brand to be a key driver in the local mainstream segment. The Kronenbourg brand is the leading brand in France and the 6th largest brand (incl. Kronenbourg 1664) in Western Europe (source: Canadean). The Kronenbourg brand is sold throughout France.

Other Beverages Portfolio

The Group produces, markets, sells and distributes soft drinks, mineral water, sports/energy drinks, cider and other alcoholic beverages. The soft drinks portfolio generally consists of the bottling and production under license of leading international brands such as Coca-Cola, Pepsi and Schweppes, and strong national brands (both carbonated and noncarbonated) such as Tuborg Squash in Denmark, and the water brand Ramlösa in Sweden. In 2010, approximately 15 per cent. of *Pro Rata* Volume (19.3 million hl) was generated from soft drinks, mineral water and other non-beer beverages.

Innovation

The core business of Carlsberg is beer. The Group's core competences are within cereals/grain, yeast, fermentation and brewing. Innovation and new products must and will therefore build on these core competences and focus primarily on beer and adjacent new platforms. Innovation must be fuelled by a deep understanding of consumer insights, trends and opportunities. Based on this, the Group has defined key innovation platforms which include women, health & well-being, convenience and improved draught beer experience.

Other beverages, for example soft drinks or water, can be tactically added to the portfolio in markets in which this is supported by infrastructure and in which the specific business case is strong. However, such beverages will not be a focus area for the internal innovation efforts.

Branding and Marketing

Carlsberg A/S owns the Carlsberg brand and licenses the use of it to Carlsberg Breweries under a long-term licensing agreement for a nominal fee. The Group is the owner of all its other regional and local brands, including Tuborg. With the exception of certain jurisdictions in which it is not possible to register trademarks, trademark registrations for the Carlsberg and Tuborg brands have been effected in almost every country in the world. Trademark registrations for local brands have also been effected in numerous countries, with the number of countries depending on the importance, volume and geographical presence of each such local brand.

In a number of markets where the Group's brands are licensed to third parties, various agreements have been entered into regarding requirements to and opportunities for licensees in relation to the marketing of the brands licensed.

Branding

The Group will continue to focus on developing and strengthening its brand portfolio based on a combination of strong local and international premium brands. An essential part of the Group's strategy is to develop its brands as premium brands. The Group's brand portfolio is strengthened and developed further through

enhancement of brand quality, marketing and product innovation. Where the Group does not own premium brands or cannot market its products as such, it will enter into partnerships to improve its brand portfolio.

The Carlsberg Group's premium brand portfolio includes the international brands Carlsberg, Tuborg, Baltika and Kronenbourg 1664. Management of Carlsberg's international brand portfolio is carried out centrally at Group level to ensure correct prioritisation and streamlining, and to build strong and efficient brand platforms and growth models in order to optimise profits. Execution and implementation of these strategies are secured through the Group's local sales organisations.

Strong local brands such as Ringnes, Feldschlösschen, Okocim, Falcon, Koff and Super Bock play an important role in the portfolio. As a rule, management of local brands is decentralised but in order to achieve synergies across markets, a central brand network has been established at Group level to facilitate the development and sharing of ideas, concepts and experiences, enabling these to be applied to local brands in different markets. As part of the Group's portfolio development strategy, the platform of strong local brands is used to offer consumers the opportunity to trade up, by introducing new packaging or line extensions (such as flavour variants or reduced-calorie and low-alcohol versions).

As beer markets mature, innovation plays an increasingly important role in driving value growth. In the future, the Group will aim to concentrate, and improve the efficiency of, its product visibility across more countries. This strategy applies to the beer category as well as other cereal-based beverages but also includes packaging, marketing and execution. Carlsberg will increase its focus not only on developing and launching new products but also on enhancements and innovations for existing products such as new flavours or new types of packaging in response to growing sales from convenience stores.

Marketing

Global marketing activities have significantly strengthened Carlsberg brand equity. Carlsberg connects and communicates with consumers through communication and advertising strategies targeting relevant activities programmes at key touch points. The world of sports is an integral part of the Carlsberg marketing programmes. The Group has been involved in the longest sponsorship ever in the English Premiership, sponsoring Liverpool Football Club since 1992. Carlsberg has sponsored one of the world's largest football events, UEFA EURO, for almost a quarter of a century and the 2012 tournament will be the seventh consecutive tournament with Carlsberg as the official partner. The final tournament of the 14th UEFA EURO will be held in Poland and Ukraine, which is the first time that the European Championship will be hosted in Eastern Europe. Carlsberg continues to explore new events and to develop activities that reflect the brand's values.

The Group also sponsors international live music events such as Roskilde Festival, the largest music festival in Northern Europe, which ties in with the brand image of Tuborg. Tuborg is frequently associated with music, sponsoring GreenFest venues in Southern and Eastern Europe and being the official beer of Live Nation, the UK's biggest organiser of festivals and live music events.

Raw Materials and Packaging

The principal raw materials that the Group uses in the brewing process are barley/malt, hops, yeast and water. The Group usually uses its own proprietary yeast which it grows in its facilities. In some regions, the Group imports hops to obtain appropriate quality and variety. The Group purchases these ingredients through the open market and through contracts with suppliers. The Group produces a part of its own malt requirements in Northern & Western Europe and Eastern Europe. Part of the Group's barley needs in Eastern Europe are sourced through direct collaboration with farmers.

Raw materials prices are determined by, among other factors: the level of supplier competition and consolidation; the level of crop production; weather conditions; overall beer market sales growth; demand from overseas markets; government regulations; and macro-economic conditions. In addition, prices of certain raw materials are impacted by the growing global demand for bio fuels.

The Group is continuing to reduce the number of its suppliers in order to develop closer strategic relationships thereby ensuring tighter quality control, more competitive prices and better service. Some of the Group's raw material supply contracts are long-term fixed-price contracts to ensure stable supply, price stability and predictability. The Group relies to some extent on a few third-party suppliers. See "Risk Factors – Risks Related to the Group's Business – Reliance on key third-parties could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition."

The main part of packaging material expenditures is related to beverage cans and glass and PET bottles. However, the Group is also a large buyer of steel kegs, crown corks, plastic closures, wet glue labels and cardboard products. It has a number of long-term contracts for the supply of packaging materials with strategic suppliers. The choice of packaging materials varies by price and availability in different regions, as well as by consumer preferences and the individual brand position and image.

The Group coordinates the procurement of all major raw materials and packaging in Northern & Western Europe, Eastern Europe and Asia with the exception of concentrates for third-party brands. In Northern & Western Europe, the Group mainly purchases its raw materials and packaging from large national and international suppliers. In Eastern Europe and Asia, the Group also purchases a part of its raw materials and packaging from small local or regional suppliers.

Production

Due to similar production methods employed to make different brands of beer, brewers have some flexibility to allocate production between their breweries so as to minimise overheads and distribution costs and reduce capital expenditure requirements. A brewer's ability to achieve such savings is largely driven by extra costs involved in changing production/packaging formats and the costs of distribution, together with other considerations such as products being associated with specific locations and different national tariff systems.

The Group builds, invests and develops its production facilities to meet the requirements and demands of local markets in terms of brand, volume and packaging type, while conforming to Group-wide policies concerning quality and safety assurance and environmental standards.

The Group brews beer in 32 countries. Individual production facilities across the Group vary widely in terms of scale. The largest single site is the Baltika plant in St. Petersburg, Russia, with a capacity of approximately 9.2 million hl per year. Product quality assurance is a key focus for the Group. The quality of raw materials and production is ensured through various activities, including operational audits at the breweries and suppliers as well as quality-standard certification requirements.

The Group has an ongoing focus on optimising its brewing, sales and distribution throughout the Group and on both a national and regional level as part of its ongoing commitment to free-up invested capital. The most significant recent projects have been the sale of the Braunschweig and Dresden breweries in Germany, the sale of the Arendal brewery in Norway and the closing down of the Pori brewery in Finland. The Group has also decided to close down the Leeds brewery in the UK and the brewery in Fribourg, Switzerland, in 2011.

The table below lists the Group's five largest breweries and includes their location and production capacity.

Brewery	Location	Production Capacity <i>(Million hl)</i>
Baltika SPB.....	St. Petersburg, Russia	8.1
Kronenbourg	Obernai, France	7.3
Fredericia Brewery.....	Fredericia, Denmark	6.5
Baltika Tula	Tula, Russia	6.3
Yarpivo	Yaroslavl, Russia	6.0

Sales and Distribution

The distribution of beer varies from country to country and from region to region. The nature of distribution reflects consumption patterns and market structure, geographic density of customers and the existence of third-party wholesalers. In some markets brewers distribute directly to customers (for example, the Nordic region) while in other markets they distribute to wholesalers. This is either for legal reasons (for example, the United States and Canada) or because of historical market practice (for example, Italy and France) which plays an important role in distributing a significant proportion of beer to customers.

The Group utilises three main distribution models, varying by market due to the Group's positions in those markets, regulatory considerations and local market dynamics (consumption patterns, market structure, geographic density of customers and existence of third-party wholesalers). These distribution models are:

- Direct distribution to the retail level (both on-trade and off-trade outlets);
- Third-party distribution (wholesalers, importers, distributors, and “cash and carry” outlets); and
- A combination of direct and third-party distribution, primarily through wholesalers.

The Group segments its customers by channel between on-trade outlets (for example, bars, pubs, restaurants and hotels), off-trade outlets (for example, supermarkets, kiosks and retail shops) and third-party sales (for example, wholesale, cash and carry and other third parties). This segmentation (the “channel model”) allows the Group to allocate resources to different types of customers by supplying each channel with the sales support, brand and trade marketing and supply chain that it needs.

In all markets, the Group strives to serve customers in the most cost-efficient way possible while maintaining appropriate service levels. In the Nordic region, this service level requires direct delivery to stores and outlets. In contrast, the German market is primarily served through wholesalers. Because the largest segment of the UK market consists of on-trade outlets, the Group focuses on these outlets by distributing both directly to outlets and through wholesalers. In Switzerland and Italy, a major portion of the Group's distribution is direct, whereas in Portugal distribution is primarily carried out through owned and third-party wholesalers.

In Northern & Western Europe, product handling is conducted in accordance with quality standards, and warehouse operations are enhanced by automation to improve storage and handling capacity. Distribution to retailers and wholesalers is accomplished either by using trucks owned or leased by the Group, driven and unloaded by employees of the Group, or by using third-party providers of transportation services.

In emerging and growth markets, customers often prefer to order through wholesalers rather than receiving direct deliveries. In Eastern Europe, Carlsberg Breweries sells largely through wholesalers, but with direct

deliveries to major retail chains. In Russia, Baltika is continuously adapting its method of distribution to changing market conditions and is expected to show more direct distribution business as the key retail account segment grows, but wholesalers remain the most important distributor in many of the country's regions. In Asia, distribution varies from country to country: in Malaysia, Singapore and China, the distribution network is primarily through wholesalers with direct deliveries to the major retail chains, but in Hong Kong the distribution is direct with a smaller part going through third-party wholesalers.

The sales system generally comprises selling efforts towards existing and new customers as well as order taking, distribution and payments. The Group principally uses telephone sales calls to serve the on-trade business, while the off-trade business is principally served by sales representative visits. Daily customer sales development in the larger outlets is generally handled by the field sales force and the agreements and negotiations with major key accounts, including category and promotional activities, are generally handled by the Group's key account managers.

Licensing and Export

Licenses issued by the Group grant authority to third-party licensees to manufacture, package, sell and market in a particular assigned territory (usually a country). The license covers only a particular brand and that brand is agreed to be produced under strict rules and technical requirements provided and monitored by Group headquarters. The Group also accesses new markets through international distribution agreements.

The Group has licensing agreements in more than 20 countries, predominantly for the Carlsberg brand (which is licensed by Carlsberg to Carlsberg Breweries and sub-licensed by Carlsberg Breweries to third parties), and exports to more than 100 countries. The other main brands in the Group that are licensed out to third parties are Tuborg, Baltika, Holsten and Kronenbourg 1664. In total, the Export and License business is responsible for approximately 9 million hl per year, of which the majority of volume relates to the Carlsberg brand. The Export and License business is important to building the global presence and awareness of the Group's brands. In connection with the acquisition of activities from S&N exclusive, long-term licensing agreements have been entered into with Heineken regarding the acquired brands Kronenbourg and Grimbergen for the markets in the United Kingdom and Belgium, respectively.

Continuous efficiency improvements

Improving efficiency and adjusting and optimising the cost and capital base in all markets is a continuous journey encompassing the entire value chain. In recent years, a number of excellence programmes were carried out covering systematic streamlining of processes and procedures across the whole value chain in areas such as production, procurement, administration, logistics, sales and marketing. The efficiency agenda continues and the Group now applies the approach of working with change projects combining efficiency gains with growth opportunities at local, regional and Group level. Many initiatives have been and are taken locally, regionally and globally in the pursuit of efficiency improvements – from cash flow management to network optimisation.

Another lever to increase efficiency across the Group involves globalising and centralising a number of back-office functions, as well as other relevant areas in which it makes sense to create centres of excellence at global, regional or sub-regional level. Examples include a shared accounting service centre in Poland, a centralised procurement centre in Switzerland, a centralised IT organisation for the Northern & Western European region, and an integrated Innovation, Research and Development organisation at Group level.

Further information on significant efficiency initiatives currently being implemented by Carlsberg are set out below.

Cash Race

Cash Race aims to reduce the capital tied up in net working capital. Cash Race focuses on optimising accounts payable, accounts receivable and inventory in order to free up capital. Whereas excellence programmes focus on optimising operational performance, Cash Race aims at reducing net debt by a reduction in working capital.

Carlsberg benchmarks itself against market leaders within the brewing sector as well as other fast moving consumer goods (“FMCG”) companies and further improvements in working capital management are planned going forward. The focus for 2011 continues to be improving the average working capital level throughout the year with the aim of impacting net interest bearing debt throughout the year.

Business Standardisation Project

The next steps on the efficiency journey are business standardisation and portfolio optimisation and simplification. The aim of the business standardisation programme – inspired by best practices in other fast moving consumer goods companies – is to standardise work processes across a number of areas throughout the value chain – from sales and production forecasting to billing processes – within each company and across several countries. The ultimate aim is to provide the right tools and processes to help Carlsberg professionals perform their jobs faster, smarter and leaner, giving employees more time to focus on local market needs and thereby generating growth in revenue and earnings.

In addition to creating immediate synergies by reducing the complexity of the Group, Management anticipates that the standardisation project will result in greater transparency across the Group, which will in turn provide new opportunities to optimise working methods and processes. The first phase of the programme was launched in 2008 and involved identifying and mapping the operational and administrative processes with a view to designing and optimising uniform business processes and IT systems across the Group’s subsidiaries. In 2009, the detailed design phase was launched in order to design a solution to optimise the Group’s processes. Currently, the system is being built and tested.

The system will first be implemented in Switzerland, in 2011. As with the excellence programmes, the standardisation project will be rolled out first in the developed Northern & Western Europe markets, and subsequently, in the Group’s other markets.

Portfolio Simplification

In September 2010, Carlsberg publicly announced its portfolio simplification project. Portfolio optimisation and simplification means a common, aligned packaging strategy for more markets or regions. This leads to a greater choice of, and flexibility in, packaging solutions in each market while reducing the overall number of packaging solutions, resulting in a number of efficiency gains within procurement and supply chain as it will allow for more products to be produced in one place and shipped cross-border, leading to fewer types of bottles and cans being produced in each brewery – and fewer line stoppages.

Stopping a production line to switch package size is very expensive. But a wide variety of packages is important to sales teams, which use the different packages to match different customer needs, occasions and price points, and to create consumer excitement around beer. A simplified portfolio will provide a wider variety of products for all markets as it allows packages from one country to be used in another while at the same time reducing production complexity, and hence costs.

Portfolio optimisation and simplification should therefore increase efficiency and reduce costs, and at the same time be a driver for growth.

Value Management

Carlsberg's Northern & Western Europe region is facing considerable challenges in its endeavours to increase net revenue per hl in a market environment characterised by flat or declining beer markets. Professional value management is an important way to turn this challenging environment into a balanced situation for Carlsberg and its customers.

Value management aims at increasing the value pool for both Carlsberg and the retailer rather than focusing on splitting a shrinking value pool between the two. This requires a fundamental shift in how Carlsberg approaches its customers. A new approach has therefore been developed by a team at Carlsberg using best practices from several countries and from other FMCG companies, and combining some of the best tools in the market. The approach covers various levers, including but not limited to product mix optimisation, pack sizes, pay-for-performance incentive schemes and targeted price increases in compliance with local practices and regulations. The approach is supported by tools and internal training programmes that Carlsberg expects will create a strong platform for revenue growth.

Carlsberg's Global Operations

The Group's operations consist of brewery activities in three geographical regions: Northern & Western Europe, Eastern Europe and Asia. The beer markets in these regions vary widely, from the mature markets of Northern & Western Europe to the emerging and growth markets of Eastern Europe and Asia, in particular in relation to growth rates, consumption per capita and the types of beers consumed. Consequently, the regions' contributions to the Group's growth, earnings and development differ significantly.

The following table shows the breakdown by *Pro Rata* Volumes of beer, net revenue and operating profit between the Group's three geographic regions for the year ended 31 December 2010.

	Year ended 31 December 2010		
	Pro Rata Volume	Net revenue	Operating Profit
	<i>(million) hectorlitres</i>	<i>DKK millions</i>	
Northern & Western Europe	49.5	36,156	5,086
Eastern Europe	46.8	18,187	5,048
Asia	17.9	5,613	1,044

Northern & Western Europe

Overview

The Carlsberg Group is the second-largest brewer in the region with market leader positions in a large number of countries and significant positions in others.

The region is the mature asset of the portfolio, comprising markets such as the Nordic countries, the UK, France and Switzerland. The economic crisis had a negative impact on beer consumption but, as a general trend, volumes in these markets are expected to be flat or slightly declining. However, value growth is still likely to be positive. The region also includes the beer markets of Poland, the Baltic States and some Balkan countries, in which beer consumption is still expected to grow.

The beer markets are generally characterised by a well-established retail structure, a strong tradition of beer consumption in most of the region, and consumers who are receptive to innovation.

The competitive landscape varies. In the Nordic countries, Carlsberg mainly competes with local players, while in most other markets we compete with large international brewers.

Denmark

Carlsberg Denmark is wholly owned by the Group and is the largest brewer in Denmark. The Group's largest brands in Denmark are Tuborg and Carlsberg. Carlsberg Denmark also bottles, distributes and sells the Coca-Cola Company brands in Denmark capturing a significant share of the Danish soft drink market. Carlsberg Denmark distributes most of its products directly to on-trade and off-trade customers.

Norway

Ringnes in Norway is wholly owned by the Group and is the largest brewer in Norway. The Group's largest brands in Norway are Tuborg and Ringnes. Ringnes also bottles, distributes and sells PepsiCo products in Norway. Ringnes distributes most of its products directly to on-trade and off-trade customers.

Sweden

Carlsberg Sweden is wholly owned by the Group and is the largest brewer in Sweden. The Group's largest brands in Sweden are Pripps and Falcon. Carlsberg Sweden also bottles, distributes and sells PepsiCo brands in Sweden and is the owner of Ramlosa mineral water, which is sold internationally. Carlsberg Sweden distributes most of its products directly to on-trade and off-trade customers.

Finland

Sinebrychoff in Finland is wholly owned by the Group and is the largest brewer in Finland. The Group's largest brands in Finland are Karhu and Koff. The Carlsberg brand is the best-selling international beer product by volume in Finland. Sinebrychoff also bottles, distributes and sells the Coca-Cola Company brands in Finland, as well as a range of other non-beer brands including cider and the Battery energy drink. Sinebrychoff distributes most of its products directly to on-trade and off-trade customers.

The Baltic Countries

Through its subsidiaries in Estonia, Latvia and Lithuania the Group is the market leader in the Baltic market. Saku is the largest brand in the Group's Estonian portfolio. Aldaris is the best-selling beer brand in Latvia, while the Svyturys and Utenos brands have the largest market share in Lithuania.

United Kingdom

Carlsberg UK is wholly owned by the Group and is, overall, the fourth largest brewer in the United Kingdom but with a stronger position in off-trade sales. The Group's largest brands in the United Kingdom are Carlsberg and Tetley's. Carlsberg UK distributes its products to the on-trade (restaurants and bars) directly.

France

Brasseries Kronenbourg is wholly owned by the Group and is the largest brewer in France. According to Canadean, Kronenbourg is the leading beer brand in France and Kronenbourg 1664 is the third leading beer brand in France, measured in volumes.

Northern Germany

Carlsberg Deutschland is wholly owned by the Group and is one of the leading breweries in Northern Germany. The Group's brand portfolio in Northern Germany includes Carlsberg, Duckstein, Holsten, Astra and Lübz.

In 2009, Carlsberg Deutschland's wholesale unit, Göttsche Getränke GmbH, and Nordmann Group formed a 50/50 joint venture creating the largest beverage distributor in Northern Germany. Nordic Getränke GmbH distributes all Carlsberg Deutschland brands

In 2009, Carlsberg Deutschland sold its brewery in Braunschweig and in 2011, the brewery in Dresden was sold.

Switzerland

Feldschlösschen is wholly owned by the Group and is the largest brewer in Switzerland. The Group's largest brands in Switzerland are Feldschlösschen and Cardinal, two of the leading brands in the Swiss beer market. Feldschlösschen distributes most of its products via direct distribution, and the remaining sales are split equally between central warehouse deliveries and third-party wholesalers.

Italy

Carlsberg Italia is wholly owned by the Group and holds a number four position in Italy. The Group's largest brands in Italy are Poretti and Tuborg. Carlsberg Italia distributes its on-trade products through its own Carlsberg Horeca set-up in which part of the volume goes through independent wholesalers.

Portugal

Unicer is 44 per cent. owned by the Group. Unicer's leading brands are Super Bock and Cristal. Carlsberg is the leading brand of the international premium beer segment. In addition, Unicer has a substantial water, soft drink and other beverage business, which supports the core beer operation. Within Portugal, Unicer distributes through third-party wholesalers and through its own distribution network. Further, Unicer exports 30 per cent. of their volumes.

Greece

Mythos Brewery is the second largest brewer in Greece. Mythos produces Mythos brand beer, among the leading Greek national brands.

Poland

Carlsberg Polska is the third largest brewer in Poland. The Group's largest national brands in Poland are Harnas and Okocim. In addition the Group also has strong regional brands in Poland. Further, the Carlsberg brand has a strong position as an international brand. Carlsberg Polska distributes most of its products through wholesalers.

South East Europe

The Group owns four breweries in South East Europe (Bulgaria, Croatia and Serbia) that produce Tuborg and leading local brands. There is a regional hub for the four countries based in Belgrade, Serbia. The regional South East European team together with the CEO's in the markets ensures greater standardization of operations and faster sharing of best practices at the same time as facilitating management for the region as a total.

Carlsberg Serbia is 80 per cent. owned by the Group and is the second largest brewer in Serbia, producing and selling the local LAV brand and Tuborg brand beers.

Carlsberg Croatia is 80 per cent. owned by the Group and is the third largest and fastest growing brewer in Croatia, producing and selling the local PAN brand and Tuborg brand beers.

Carlsberg Bulgaria is 80 per cent. owned by the Group and is the second largest and fastest growing brewer in Bulgaria. The largest local brands are Shumensko and Pirinsko.

Carlsberg also operates sales companies in Hungary and Bosnia-Herzegovina which sell and distribute beer from the Serbian and Croatian breweries.

In the Balkans, the Group's products are distributed through a combination of direct store delivery and distributors/wholesalers.

Eastern Europe

Overview

The Eastern Europe region covers the CIS region and the Group operates breweries in the growth markets of Russia and Ukraine and the emerging beer markets of Kazakhstan, Uzbekistan, Belarus and Azerbaijan.

The Group's Russian brewery, Baltika, is a strong market leader in Russia, and in Ukraine the Group holds a number two position. Eastern Europe is viewed as a growth region. The Russian beer market was negatively impacted by the significant duty increase in 2010 and the challenging macroeconomic environment, but growth is expected to resume in 2011. Mid-term average annual market growth in Russia is expected to be 3-5 per cent. The other markets in the region had positive growth rates in 2010 after a depressed 2009 and the positive growth rates are expected to continue.

Volumes are driven by increasing disposable income, strong consumer dynamics and consumers generally aspiring to brands and innovation. The retail structure is still in its developing stage and the on-trade sector still accounts for a smaller share of the total beer market than in the mature Western European markets.

The competitive landscape is dominated by international players.

The Group's beer portfolio in the region includes well-known brands such as Baltika, the biggest beer brand in Europe (Source: Canadean); other leading Russian brands including Yarpivo, Arsenalnoye and Nevskoye; and the Ukrainian brands Lvivske and Slavutich. The Baltika brand, in particular, holds a strong position in all markets in the region. Several of the Group's brands from the Eastern Europe region have received numerous prizes at international and national quality contests and beer festivals. In addition to the most popular beers, the Group's brand portfolios include a wide variety of specialty beers, such as non-alcoholic and flavoured beer. To complement the local and national brand portfolios, the Group's breweries in the region brew and distribute Carlsberg's international beer brands, including Carlsberg, Tuborg and Kronenbourg 1664, as well as producing third party beer brands such as Japanese Asahi under licence.

The Group's beer products in the region are primarily distributed through third-party wholesalers and secondly via direct distribution.

Russia

The Group's largest and most important market is Russia, the fourth largest beer market in the world.

Baltika Breweries is Russia's largest brewing group and is listed on the Moscow Stock Exchange. Carlsberg owns a total of 89 per cent. of Baltika Breweries. In Russia, Baltika Breweries has a leading brand portfolio across all market segments and holds a number one position in all price segments. This position is led by the local Baltika brand and premium brands Carlsberg, Tuborg and Kronenbourg 1664 and complemented by other leading local and regional brands spanning all price segments of the Russian beer market.

Historically high annual growth rates in the Russian market have been driven by a sustained increase in per-capita beer consumption as GDP has grown and consumer tastes have shifted from vodka to beer. 2009 and 2010 were unusual as the Russian beer market declined; in 2009 due to negative impact of the global economic downturn and in 2010 due to the extraordinary increase in beer excise duties of 200 per cent.

However, the beer market decline was in neither year due to structural changes of consumption habits and Carlsberg expects growth to return from 2011. The mid-term average annual growth rate in Russia is expected to be 3-5 per cent.

Ukraine, Kazakhstan, Uzbekistan, Azerbaijan and Belarus

Carlsberg Breweries owns the second largest brewing business in the Ukrainian beer market, the leading breweries in Kazakhstan, Uzbekistan and Azerbaijan, and the second largest brewing group in Belarus (including export from Baltika).

The Group's three breweries in the Ukraine produce the local brands Lvivske and Slavutich. In Kazakhstan, the Carlsberg Kazakhstan brewery produces the local brands Irbis and Derbes which hold strong positions in the Kazakhstan markets with Irbis positioned among the leading local premium brands and Derbes maintaining a solid position in the mainstream segment. In Uzbekistan, Carlsberg started brewing operations during 2007 and has already had success in building a mainstream platform with the local brand, Sarbast. Carlsberg Breweries today has a number one position in the Uzbekistan beer market. In Belarus, the Olivaria Brewery is also making progress with the local Olivaria brand.

In addition, the Group also exports its products to markets in the Eastern Europe region where the Group does not have production facilities.

Asia

Overview

The Group's activities in Asia comprise the mature markets in Malaysia, Hong Kong and Singapore, and emerging markets in China, Vietnam, Cambodia, Laos and South Asia, including India.

The Asian beer markets are characterised by large populations, growing economies, increasing urbanisation, rising per capita incomes and improving infrastructure. As a region, Asia has experienced less consolidation than other continents, although there are large domestic brewers in some Asian countries. Compared to other major international brewing groups, the Group is well exposed to key growth markets as well as more mature markets in this region.

In Asia's emerging markets beer consumption per capita is generally low but with high projected growth rates in the coming years.

The presence of international brewers in the region is high. In many cases, the exposure of the international brewers to the region is through joint venture arrangements or investments in local brewers.

A number of the Group's internal structures and processes have been evaluated and tailored to allow them to be introduced in the Group's Asian operations. In particular, the Group's experience from its operational excellence programmes has been adapted to improve the structures and processes in the Asian business, on both a national and regional basis, and the Group regional management has been strengthened and relocated to Hong Kong in 2010.

China

In the past eight years, the Group has accelerated the pace of acquisitions in Chinese breweries, concentrating on Western China, securing leading market positions with the aim of driving volume growth and creating the foundation for long term value growth. Today, the Group has full ownership of or joint ventures in 19 breweries in seven Chinese provinces, establishing the Group as the leading brewer in six provinces in Western China. To date, Carlsberg is the only international brewer to have active involvement and a significant presence in Western China.

Wusu Brewery Group is one of Carlsberg's most important investments in Western China. Carlsberg owns either directly or indirectly 65 per cent. of the Wusu Brewery Group.

In Southern China, Carlsberg Brewery Guangdong in Huizhou is 100 per cent. owned by the Group and supplies Carlsberg brands to China, Hong Kong and the Macau markets and also produces its own local Dragon 8 brand.

The Carlsberg Chill brand was developed exclusively for the Chinese market. It is one of the most popular premium beers in large Chinese cities, holding a number two position in the international super premium segment. In China, the Group's products are distributed primarily through wholesalers supported by a strong presence of the Group's own sales offices in more than 30 cities. The Group's position in China was reinforced by the acquisition of a 17.5 per cent. holding in the Chongqing Brewery Co. Ltd. in the Chongqing province in connection with the S&N transaction. In 2010, the holding in Chongqing Brewery Co. Ltd. was further increased to 29.7 per cent.

The Chongqing Brewery Co. Ltd. is one of the seven largest brewers in China. The Chongqing Brewery Co. Ltd.'s principal brands are regionally-focused and sold under the names Chongqing Beer and Shancheng. The Chongqing Brewery Co. Ltd is listed on the Shanghai Stock Exchange. The Group is the largest shareholder in Chongqing Brewery Co. Ltd. followed by the Chongqing Beer (Group) Co Ltd., which has a 20 per cent. holding.

Malaysia

The Group has been active in the Malaysian beer market for more than 100 years and since 1972 has held an investment in Carlsberg Brewery Malaysia Berhad ("Carlsberg Malaysia"). The Group owns 51 per cent. of Carlsberg Malaysia, which is listed on the Kuala Lumpur Stock Exchange. Its main brand in Malaysia is Carlsberg. In Malaysia, the Group's products are distributed primarily through third-party wholesalers with direct deliveries to the major retail chains. Carlsberg Malaysia is the second largest brewer in Malaysia.

Singapore

Carlsberg has been imported into Singapore since the beginning of the twentieth century. Carlsberg Singapore, wholly-owned by Carlsberg Brewery Malaysia Berhad, is a sales and marketing company. Most of the beer sold by Carlsberg Singapore is now being brewed by its parent company, Carlsberg Malaysia. Carlsberg Singapore is the second largest beer company in Singapore.

Vietnam

Carlsberg entered the Vietnamese market in 1993 through the formation of a joint venture with Viet Ha Brewery owned by the Hanoi Peoples Committee. South East Asia Brewery ("SEAB") in Hanoi is currently 60 per cent. owned by the Group. SEAB's beer brand Halida competes in the mainstream segment as the second largest brand in northern Vietnam. In 1994 the second Carlsberg joint venture was founded through cooperation with the Hue Peoples Committee in Hué Brewery, of which Carlsberg owns 50 per cent. Hue Brewery Ltd. ("HBL") is located in central Vietnam and the beer brand Huda competes in the mainstream segment. Both the Huda and Halida brands were among the 9 largest beer brands in Vietnam in 2010 (source: Canadean).

In 2006, the Carlsberg brand was repositioned as one of the most expensive locally-produced premium beers and is currently among the top three international premium beers in Vietnam.

In 2007 Carlsberg acquired a 30 per cent. shareholding in Halong Brewery and later in 2007 Habeco and Carlsberg jointly established a new greenfield brewery joint venture in the Vung Tau province outside of Ho Chi Minh City in southern Vietnam.

In March 2007 the Vietnamese Ministry of Industry approved state-owned brewery Habeco's choice of Carlsberg as strategic partner in connection with the initial privatisation of Habeco and in 2008, the Group acquired a 16.1 per cent. shareholding in Habeco.

In 2009, Carlsberg signed a Memorandum of Understanding in which Carlsberg intends to acquire the remaining 50 per cent. of the Hué Brewery. Also in 2009, Carlsberg signed a Memorandum of Understanding with the aim of increasing its ownership in Habeco from 16.1 per cent. up to 30 per cent.

In Vietnam, the Group's products are distributed primarily through wholesalers.

India

In 2006, the Group took the first steps in establishing a platform in India through entering a joint venture (South Asia Breweries Pvt. Ltd., India, renamed to Carlsberg India Pvt. Ltd. in February 2009). Management believes that the Indian beer market has considerable long term growth potential because annual consumption per capita is among the lowest in Asia, and India is experiencing strong economic growth, urbanisation and improved consumption patterns.

Commercial operations began in the second quarter of 2007 at the Himachal Pradesh brewery. Since then two more breweries started operation (Rajasthan and Maharashtra). A partnership was also established in Kolkata, West Bengal to establish a fourth brewery, which began operations in the third quarter of 2009. In 2010, the Group began operations at its fifth brewery, Andhra Pradesh to cater for the South India market.

Nepal, Sri Lanka, Cambodia, Laos and Hong Kong

The Group has a substantial market share in Nepal, Sri Lanka, Cambodia, Laos and Hong Kong. In Nepal, the Group has a controlling stake in Gorkha Brewery Pvt. Ltd via a holding company in Singapore. Ltd.; in Sri Lanka, the Group has a shareholding of 24.6 per cent. in Lion Brewery Ceylon Ltd. via Carlsberg Malaysia; in Cambodia, the Group has a shareholding of 50 per cent. in Cambrew Ltd; in Laos, the Group has a shareholding of 50 per cent. in Lao Brewery Company Ltd. and a shareholding of 70 per cent. in Pepsi Laos; and in Hong Kong, the Group has a wholly-owned subsidiary, Carlsberg Hong Kong Ltd. The Group has shown strong volume growth in this region in recent years.

Competition

The competitive landscape varies from region to region. In Northern Europe (in particular in the Nordic region) and in parts of Asia (in particular in Western China and Vietnam), Carlsberg competes mainly with local players and local beer brands. In Western and Eastern Europe (in particular in Russia and Poland) and Asia, Carlsberg competes mainly with large leading international brewers and international brands.

Regulatory Environment

The Group's business is subject to a comprehensive regulatory framework applicable to the brewing industry including local, regional, EU and international standards, rules and regulations covering such areas as environmental protection, competition, and health and safety at work. Several of Carlsberg's markets feature restrictions on advertising and other communication to consumers or regulation of behaviour in places where products are used. There can also be restrictions on sales, for example based on consumers' age. Changes in these rules can, in isolation, entail a risk of a decrease in sales in these markets. See "Risk Factors – Risks Related to the Group's Industry – Changes in existing regulations, increased regulation or failure to comply with existing licensing, trade and other regulations could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition."

The Group works both independently and together with other breweries to limit the negative consequences of inappropriate use of alcoholic products, and actively promotes responsible sales and consumption.

Insurance

The Group is able to obtain insurance coverage for its operations at levels that Management considers to be prudent. Management believes that the Group's insurance coverage is adequate and is in accordance with the Group's insurance policy. The Group's captive insurance programme, Carlsberg Insurance A/S, insures a small part of the Group's all-risk insurance programme.

Litigation

The Group is involved in a number of legal proceedings that have arisen in the ordinary course of its business. However there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had during the 12 months preceding the date of this Base Prospectus, significant effects on the financial position or profitability of the Issuer or the Group.

Supervisory Board

The Supervisory Board of the Issuer consists of 7 members. The following table sets out the names of the directors, their functions and their other principal activities outside of the Issuer.

Name	Function	Other Principal Activities
Jess Søderberg	Chairman, Managing Director	Managing Director. Former CEO of the A.P. Møller-Mærsk Group (1993-2007) and previously CFO for the same company since 1981. Member of the Supervisory Board and Audit Committee of The Chubb Corporation, advisor to Permira and member of Danske Bank's Advisory Board. Elected 2009.
Povl Krogsgaard-Larsen	Deputy Chairman	Professor, D.Pharm. Chairman of the Executive Board of the Carlsberg Foundation. Chairman of Carlsberg A/S. Chairman of the Supervisory Boards of Auriga A/S and Bioneer A/S. Elected 2001.
Jørgen Buhl Rasmussen	President and CEO	President, Chief Executive Officer since 2007. Appointed to the Executive Board of Carlsberg A/S in 2006. Chairman, Deputy Chairman or member of the Supervisory Boards of Carlsberg Group companies. Member of the Supervisory Board of Novozymes A/S. Elected 2007.
Eva Vilstrup Decker	Customer Service Manager	Carlsberg Breweries A/S. Elected 2002.

Name	Function	Other Principal Activities
Jørn P. Jensen	Deputy CEO and CFO	Deputy CEO since 2007; CFO since 2004. Appointed to the Executive Board of Carlsberg A/S in 2000. Chairman, Deputy Chairman or member of the Boards of Directors of Carlsberg Group companies. Member of the Supervisory Board of Dong Energy A/S. Elected 2006.
Carsten Buhl	Snr Marketing Activation Manager	Carlsberg Breweries A/S. Elected 2011.
Peter Petersen	Chairman of the Staff Association	Carlsberg Danmark A/S. Elected 2010. Carlsberg Demand Planner.

The Supervisory Board appoints the Executive Board. The Executive Board of the Issuer currently comprises Jørgen Buhl Rasmussen and Jørn P. Jensen. The Executive Board meets on a regular basis with the Supervisory Board in order to discuss overall strategy for the business.

The business address for each member of the Supervisory Board and Executive Board is Ny Carlsberg Vej 100, 1799 Copenhagen V, Denmark.

The Issuer is not aware of any potential conflicts of interest between the duties to the Issuer of the persons listed above and their private interests or duties.

Recent Developments

In the traditionally small first quarter of 2011, volume, revenue and profit development have been in line with management's expectations and targets.

TAXATION

Persons considering the purchase, ownership or disposition of the notes should consult their own tax advisers concerning the tax consequences in the light of their own particular situations. No representations with respect to the tax consequences of any particular Noteholder are made hereby.

Kingdom of Denmark

Taxation of Residents in Denmark

Under existing Danish tax laws, private individuals, including persons who are engaged in financial trade, and companies, funds and similar entities, who are domiciled in Denmark for tax purposes, are (save for certain exceptions) liable to pay tax on capital gains from the redemption or sale of the Notes and on payments of interest under the Notes.

Taxation of Non-residents

Under the Danish tax laws in effect as of the date of this Base Prospectus, payments of interest or principal amounts to any non-resident holders of Notes are not subject to taxation in Denmark, no withholding tax will be payable with respect to such payments and any capital gain realised upon the sale, exchange or retirement of a Note will not be subject to taxation in Denmark.

However, interest payments made by a Danish borrower pursuant to an intra-group loan or other arrangement to an affiliated foreign company (as defined in Section 3B of the Danish Tax Control Act of 24 November 2005, as amended) may be subject to a Danish withholding tax of 25 per cent. This withholding tax also applies to the payment of any capital gains in respect of such intra-group loans on other arrangements.

This tax treatment applies solely to holders of Notes who are not subject to full tax liability in Denmark or included in a Danish joint taxation scheme and do not carry on business in Denmark through a permanent establishment.

Luxembourg

The following is a general description of certain tax laws relating to the Notes as in effect and as applied by the relevant tax authorities as at the date hereof and does not purport to be a comprehensive discussion of the tax treatment of the Notes.

Prospective investors should consult their own professional advisers on the implications of making an investment in, holding or disposing of Notes and the receipt of interest with respect to such Notes under the laws of the countries in which they may be liable to taxation.

Withholding tax

Under Luxembourg tax law currently in effect and with the possible exception of interest paid to certain individual Noteholders and to certain entities, there is no Luxembourg withholding tax on payments of interest (including accrued but unpaid interest). There is also no Luxembourg withholding tax, with the possible exception of payments made to certain individual Noteholders and to certain entities, upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes.

Taxation of Luxembourg non-residents

Under the Luxembourg laws dated 21 June 2005 implementing the European Council Directive 2003/48/EC of 3 June 2003 on the taxation of savings income (the "Savings Directive") and several agreements concluded between Luxembourg and certain dependent and associated territories of the European Union ("EU") Member

States, a Luxembourg-based paying agent (within the meaning of the Savings Directive) is required since 1 July 2005 to withhold tax on interest and other similar income paid by it to (or, under certain circumstances, to the benefit of) an individual resident in another Member State or in certain EU dependent or associated territories, unless the beneficiary of the interest payments elects for the procedure of exchange of information or for the tax certificate procedure. The same treatment will apply to payments of interest and other similar income made to certain “residual entities” within the meaning of Article 4.2 of the Savings Directive established in a Member State or in certain EU dependent or associated territories (i.e., entities which are not legal persons (the Finnish and Swedish companies listed in Article 4.5 of the Savings Directive are not considered as legal persons for this purpose), and whose profits are not taxed under the general arrangements for the business taxation, and that are not, or have not opted to be considered as, UCITS recognised in accordance with the Council Directive 85/611/EEC or similar collective investment funds located in Jersey, Guernsey, the Isle of Man, the Turks and Caicos Islands, the Cayman Islands, Montserrat or the British Virgin Islands and have not opted to be treated as, UCITS recognised in accordance with the Council Directive 85/611/EEC).

The withholding tax rate is 20 per cent. increasing to 35 per cent. as from 1 July 2011. The withholding tax system will only apply during a transitional period, the ending of which depends on the conclusion of certain agreements relating to information exchange with certain third countries.

Taxation of Luxembourg residents

Interest payments made by Luxembourg paying agents (defined in the same way as in the Savings Directive) to Luxembourg individual residents or to certain residual entities that secure interest payments on behalf of such individuals (unless such entities have opted either to be treated as UCITS recognised in accordance with the Council Directive 85/611/EEC or for the exchange of information regime) are subject to a 10 per cent. withholding tax.

Pursuant to the Luxembourg law of 23 December 2005 as amended by the law of 17 July 2008, Luxembourg resident individuals, acting in the course of their private wealth, can opt to self-declare and pay a 10 per cent. tax on interest payments made after 31 December 2007 by paying agents (defined in the same way as in the Savings Directive) located in an EU Member State other than Luxembourg, a Member State of the European Economic Area other than an EU Member State or in a State or territory which has concluded an international agreement directly related to the Savings Directive.

EU Directive on the Taxation of Savings Income

Under the EU Savings Directive, each Member State is required to provide to the tax authorities of another Member State details of payments of interest (and/or other similar income) paid by a person within its jurisdiction to an individual or to certain other persons in that other Member State. However, for a transitional period, Luxembourg and Austria instead may (unless during that period they elect otherwise) apply a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

Investors should note that the European Commission announced proposals to amend the Savings Directive. If implemented, the proposed amendments would, *inter alia* extend the scope of the Savings Directive to (i) payments made through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to interest.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Offerings of Notes will be made subject to the terms and on the conditions contained in a dealer agreement dated 1 June 2011 (the “Dealer Agreement”) between the Issuer, the Permanent Dealers and the Arranger. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the update of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Final Terms.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

United States

The Notes have not been and will not be registered under the Securities Act, as amended and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Notes in bearer form having a maturity of more than one year are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has represented and agreed that, except as permitted by the Dealer Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Public Offer Selling Restriction Under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes which are the subject of

the offering contemplated by this Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (iii) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (i) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

United Kingdom

Each Dealer has represented and agreed that:

- (i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the FSMA by the Issuer;
- (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Kingdom of Denmark

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer, sell or deliver any Notes directly or indirectly in the Kingdom of Denmark by way of a public offering, unless in compliance with the

Danish Securities Trading Act, (Consolidated Act no. 298 of 8 April 2011), as amended, and Executive Orders issued thereunder.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (the “Financial Instruments and Exchange Act”). Accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

Neither the Issuer nor any Dealer has made any representation that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Base Prospectus, any other offering material, in all cases at its own expense.

FORM OF FINAL TERMS

Final Terms dated [•]

Carlsberg Breweries A/S

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]
under the €4,000,000,000 Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 1 June 2011 [and the supplemental Base Prospectus dated [•] which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [as so supplemented]. The Base Prospectus [and the Base Prospectus Supplement] [is] [are] available for viewing at www.bourse.lu [and] during normal business hours at [100 Ny Carlsberg Vej, 1760 Copenhagen V, Denmark] [and copies may be obtained from BNP Paribas Securities Services, Luxembourg Branch, 33, rue de Gasperich, Howald-Hesperange, L-2085 Luxembourg].

The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “Conditions”) contained in the Agency Agreement dated [original date] and set forth in the Base Prospectus dated [original date] [and the Base Prospectus Supplement dated [•]. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC) (the “Prospectus Directive”) and must be read in conjunction with the Base Prospectus dated [current date] [and the Base Prospectus Supplement dated [•], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] [and the Base Prospectus Supplement dated [•] and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] and [current date] [and the Base Prospectus Supplements dated [•] and [•]. The Base Prospectuses [and the Base Prospectus Supplements] are available for viewing at www.bourse.lu [and] during normal business hours at [100 Ny Carlsberg Vej, 1760 Copenhagen V, Denmark] [and copies may be obtained from BNP Paribas Securities Services, Luxembourg Branch, 33, rue de Gasperich, Howald-Hesperange, L-2085 Luxembourg].

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub paragraphs. Italics denote guidance for completing the Final Terms.]

[When completing final terms or adding any other final terms or information consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]

- | | | | |
|---|--------|-----------------|-------------------------|
| 1 | (i) | Issuer: | Carlsberg Breweries A/S |
| 2 | [(i)] | Series Number: | [•] |
| | [(ii)] | Tranche Number: | [•] |

(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).]

3	Specified Currency or Currencies:	[•]
4	Aggregate Nominal Amount of Notes:	[•]
	[(i)] Series:	[•]
	[(ii)] Tranche	[•]
5	Issue Price:	[•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] <i>(if applicable)</i>]
6	(i) Specified Denominations ^{1 2}	[•] <i>(N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €100,000 minimum denomination is not required.)</i>
	(ii) Calculation Amount:	[•]
7	(i) Issue Date:	[•]
	(ii) Interest Commencement Date:	[Specify/Issue Date/Not Applicable]
8	Maturity Date:	[Specify date or (for Floating Rate Notes) Interest Payment Date <i>falling in or nearest to the relevant month and year</i>]
9	Interest Basis:	[[•] per cent. Fixed Rate] [[specify reference rate] +/- [•] per cent. Floating Rate] [Zero Coupon] [Index Linked Interest] [Other <i>(specify)</i>] (further particulars specified below)
10	Redemption/Payment Basis:	[Redemption at par] [Index Linked Redemption] [Dual Currency] [Partly Paid] [Instalment] [Other <i>(specify)</i>]

¹ Notes (including notes denominated in sterling) in respect of which the issue proceeds are to be accepted by the issuer in the United Kingdom or whose issue otherwise constitutes a contravention of Section 19 FSMA and which have a maturity of less than one year must have a minimum redemption value of £100,000 (or its equivalent in other currencies).

² If the specified denomination is expressed to be €100,000 or its equivalent and multiples of a lower principal amount (for example €1,000), insert the additional wording as follows:
“€100,000 and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No notes in definitive form will be issued with a denomination above [€199,000].”

- 11 Change of Interest or Redemption/Payment Basis: *[Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis]*
- 12 Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
- 13 [(i)] Status of the Notes: [Senior/[Dated/Perpetual]]
[(ii)] [Date [Board] approval for issuance of Notes obtained: [•]
(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)
- 14 Method of distribution: [Syndicated/Not Applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

- 15 **Fixed Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate[(s)] of Interest: [•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly/other (*specify*)] in arrear]
- (ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"/not adjusted]
- (iii) Fixed Coupon Amount[(s)]: [•] per Calculation Amount
- (iv) Broken Amount(s): [•] per Calculation Amount payable on the Interest Payment Date falling [in/on] [•]
- (v) Day Count Fraction: [30/360/Actual/Actual (ICMA/ISDA)/other]
- (vi) [Determination Dates: [•] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA)*)]
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/*give details*]
- 16 **Floating Rate Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Interest Period(s): [•]
- (ii) Specified Interest Payment Dates: [•]
- (iii) First Interest Payment Date: [•]
- (iv) Interest Period Date: [•]
(Not applicable unless different from Interest Payment Date)

- (v) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (*give details*)]
- (vi) Business Centre(s): [•]
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination/other (*give details*)]
- (viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Agent]): [•]
- (ix) Screen Rate Determination: [•]
 – Reference Rate:
 – Interest Determination Dates [•]
 – Relevant Screen Page: [•]
- (x) ISDA Determination: [•]
 – Floating Rate Option: [•]
 – Designated Maturity: [•]
 – Reset Date: [•]
 – [ISDA Definitions: [2000/2006]]:
- (xi) Margin(s): [+/-][•] per cent. per annum
- (xii) Minimum Rate of Interest: [•] per cent. per annum
- (xiii) Maximum Rate of Interest: [•] per cent. per annum
- (xiv) Day Count Fraction: [•]
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [•]

17 **Zero Coupon Note Provisions** [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (i) Amortisation Yield: [•] per cent. per annum
- (ii) Any other formula/basis of determination amount payable: [•]

18	Index-Linked Interest Note/other variable-linked interest Note Provisions	[Applicable/Not Applicable]
		<i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Index/Formula/Other variable:	[give or annex details]
	(ii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the [Agent]):	[•]
	(iii) Provisions for determining Coupon where calculated by reference to Index and/or Formula and/or other variable:	[•]
	(iv) Interest Determination Date(s):	[•]
	(v) Provisions for determining Coupon where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted:	[•]
	(vi) Interest Period(s)	[•]
	(vii) Specified Interest Payment Dates:	[•]
	(viii) Business Day Conventions:	[Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other <i>(give details)</i>]
	(ix) Business Centre(s):	[•]
	(x) Minimum Rate of Interest:	[•] per cent. per annum
	(xi) Maximum Rate of Interest:	[•] per cent. per annum
	(xii) Day Count Fraction:	[•]

- 19 **Dual Currency Note Provisions** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
 - (ii) (Party, if any, responsible for calculating the principal and/or interest due (if not the [Agent]): [•]
 - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable [•]
 - (iv) Person at whose option Specified Currency(ies) is/are payable: [•]
- 20 **Call Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
 - (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•]
 - (iii) If redeemable in part:
 - (a) Minimum Redemption Amount: [•] per Calculation Amount
 - (b) Maximum Redemption Amount: [•] per Calculation Amount
 - (iv) Notice period: [•]
- 21 **Put Option** [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]

- (ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s): [•] per Calculation Amount
- (iii) Notice period: [•]
- 22 **Final Redemption Amount of each Note** [•] per Calculation Amount
- In case where the Final Redemption Amount is Index-Linked or other variable-linked: [•]
- (i) Index/Formula/variable: [*give or annex details*]
- (ii) Party responsible for calculating the Final Redemption Amount (if not the [Agent]): [•]
[ADDRESS]
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:
- (iv) Determination Date(s): [•]
- (v) Provisions for determining Final Redemption Amount where calculations by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: [•]
- (vi) Payment Date:
- (vii) Minimum Final Redemption Amount: [•] per Calculation Amount
- (viii) Maximum Final Redemption Amount: [•] per Calculation Amount

- 23 **Early Redemption Amount**
 Early Redemption Amount(s) per [•]
 [•] Calculation Amount payable
 on redemption for taxation
 reasons or on event of default or
 other early redemption and/or the
 method of calculating the same
 (if required or if different from
 that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- | | | |
|----|---|--|
| 24 | Form of Notes: | Bearer Notes/Exchangeable Bearer Notes:
[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
[Temporary Global Note exchangeable for Definitive Notes on [•] days' notice] ³
[Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note]
[Temporary Global Note exchangeable for Registered Notes on [•] days' notice/at any time/in the limited circumstances specified in the Temporary Global Note]
[Global Certificate registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the NSS)] |
| 25 | New Global Note: | [Yes] [No] |
| 26 | Financial Centre(s) or other special provisions relating to | [Not Applicable/give details. Note that this paragraph relates to the date and place of payment, and not interest period end dates, to which sub-paragraphs 15(ii), 16(v) and 18(ix) relate] |
| 27 | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes/No. If yes, give details] |
| 28 | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: | [Not Applicable/give details] |

³ Please note that (to ensure that exchange for definitives in these circumstances cannot occur when the notes have multiple denominations above €100K – i.e. €101K, €102K etc.) the Clearing Systems require a footnote stating the following on wholesale programmes:
“If the Temporary Global Note is exchangeable for definitives at the option of the holder, the Notes shall be tradeable only in amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided in paragraph 6 and multiples thereof”.

- | | | |
|----|---|--|
| 29 | Details relating to Instalment
Notes: amount of each instalment,
date on which each payment is to
be made: | [Not Applicable/give details] |
| 30 | Redenomination,
renominalisation and | [Not Applicable/The provisions [in Condition [•]] apply] |
| 31 | Consolidation provisions: | [Not Applicable/The provisions [in Condition [•]] apply] |
| 32 | Other final terms: | [Not Applicable/give details]

<i>(When adding any other final terms consideration should be given
as to whether such terms constitute a “significant new factor” and
consequently trigger the need for a supplement to the Base
Prospectus under Article 16 of the Prospectus Directive.)</i> |
| 33 | (i) If syndicated, names of
Managers: | [Not Applicable/give names] |
| 34 | (ii) Stabilising Managers
(if any): | [Not Applicable/give names] |
| 35 | If non-syndicated, name of Dealer: | [Not Applicable/give names] |
| 36 | U.S. Selling Restrictions: | [Reg. S Compliance Category; TEFRA C/TEFRA D/TEFRA not
applicable] |
| 37 | Additional selling restrictions: | [Not Applicable/give names] |

[PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to listing on [the official list of the Luxembourg Stock Exchange and admission to trading on the Regulated Market of the Luxembourg Stock Exchange] of the Notes described herein pursuant to the €4,000,000,000 Euro Medium Term Note Programme of Carlsberg Breweries A/S.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. [*Relevant third party information*] has been extracted from (*specify source*). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of Carlsberg Breweries A/S:

.....
By: [•]
Duly authorised

PART B – OTHER INFORMATION

1 Listing and Admission to Trading

- (i) Admission to trading and listing: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the [official list] of the [specify relevant regulated market] and to be admitted to trading on [specify relevant regulated market] with effect from [•].][Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant regulated market] with effect from [•].] [Not Applicable.]
- (Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)
- (ii) Estimate of total expenses related to admission to trading: [•]

2 Ratings

- Ratings: The Notes to be issued have been rated:
- [S&P: [•]]
- [Moody's: [•]]
- [[Fitch: [•]]
- [[Other]: [•]]
- [and endorsed by *[insert details]*]⁴
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)
- Insert one (or more) of the following options, as applicable:*
- [[*Insert credit rating agency/ies*] [is]/[are] established in the European Union and [has]/[have each] applied for registration under Regulation (EC) No 1060/2009, although the result of such application has not yet been determined.]⁵
- [[*Insert credit rating agency/ies*] [is]/[are] established in the European Union and registered under Regulation (EC) No 1060/2009.]
- [[*Insert credit rating agency/ies*] [is]/[are] not established in the European Union and [has]/[have] not applied for registration under Regulation (EC) No 1060/2009.]

⁴ “and endorsed by ...”: Insert this wording where one or more of the ratings included in the Final Terms has been endorsed by an EU registered credit rating agency for the purposes of Article 4(3) of the CRA Regulation.

⁵ It is important to liaise with the Issuer and/or the relevant credit rating agencies to determine (i) the specific legal entity which will issue the credit ratings, and (ii) the status of any application which has been made to the relevant competent authority by that entity. It is recommended that these enquiries are made at an early stage to allow sufficient time for the information to be obtained.

3 **[Interests of Natural and Legal Persons Involved in the Issue/Offer]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“[[Save as discussed in “Subscription and Sale”,] so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”]

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

4 **[Fixed Rate Notes only – YIELD]**

Indication of yield: [•]

Calculated as *[include details of method of calculation in summary form]* on the Issue Date

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

5 **[Index-Linked or other variable-linked Notes only – Performance of Index/Formula/other Variable and other Information Concerning the Underlying]**

*Need to include details of where past and future performance and volatility of the index/formula/other variable can be obtained. Where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained. Where the underlying is not an index need to include equivalent information. Include other information concerning the underlying required by paragraph 4.2 of Annex XII of the Prospectus Directive Regulation.]**

[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

The Issuer *[intends to provide post-issuance information [specify what information will be reported and where it can be obtained]] [does not intend to provide post-issuance information]**

6 **[Dual Currency Notes only – Performance of Rate[s] of Exchange]**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained.]**

[(When completing this paragraph, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]

* Required for derivative securities to which Annex XII of the Prospectus Directive applies.

7 **Operational Information**

ISIN Code:	[•]
Common Code:	[•]
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant	[Not Applicable/ <i>give name(s) and Number(s) [and address(es)]</i>]
Delivery:	Delivery [against/free of] payment
Names and address of initial Paying Agent(s):	[•]
Names and addresses of additional Paying Agent(s) (if any):	[•]
Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes] [No] [Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,] [<i>include this text for registered notes</i>] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.][<i>include this text if “yes” selected in which case bearer Notes must be issued in NGN form</i>]
The time period, including any possible amendments, during which the offer will be open and description of the application process:	[•]
Details of the minimum and/or maximum amount of application	Not Applicable/ <i>give details</i>]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/ <i>give details</i>]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/ <i>give details</i>]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/ <i>give details</i>]

GENERAL INFORMATION

- (1) Application has been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to the Official List and to be admitted to trading on the Luxembourg Stock Exchange's regulated market.
- (2) The Issuer has obtained all necessary consents, approvals and authorisations in The Kingdom of Denmark in connection with the establishment and update of the Programme. The update of the Programme was authorised by the Supervisory Board of the Issuer and passed on 10 May 2011.
- (3) There has been no significant change in the financial or trading position of the Issuer or of the Group since 31 December 2010 and no material adverse change in the prospects of the Issuer or of the Group since 31 December 2010.
- (4) Neither the Issuer nor any of its subsidiaries is nor has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Base Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Issuer or the Group.
- (5) Each Bearer Note having a maturity of more than one year, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
- (6) Notes have been accepted for clearance through the Euroclear, Clearstream, Luxembourg (which are the entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Final Terms.
- (7) The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of any alternative clearing system will be specified in the applicable Final Terms.
- (8) There are no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Issuer's Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to noteholders in respect of the Notes being issued.
- (9) Where information in this Base Prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.
- (10) The issue price and the amount of the relevant Notes will be determined, before filing of the relevant Final Terms of each Tranche, based on the prevailing market conditions. The Issuer will not provide any post-issuance information, except if required by any applicable laws and regulations.

- (11) For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of BNP Paribas Securities Services, Luxembourg Branch:
- (i) the Agency Agreement (which includes the form of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons, the Receipts and the Talons);
 - (ii) the Deed of Covenant;
 - (iii) the Memorandum and Articles of Association of the Issuer;
 - (iv) the published annual report and audited accounts of the Issuer and the Group for the two financial years ended 31 December 2009 and 31 December 2010;
 - (v) each Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market within the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer and the Issuing and Paying Agent as to its holding of Notes and identity);
 - (vi) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus; and
 - (vii) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Base Prospectus.

The Base Prospectus, the Final Terms for Notes that are listed on the Official List and admitted to trading on the Luxembourg Stock Exchange's regulated market will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

- (12) Copies of the latest annual report and consolidated accounts of the Issuer and copies of the Agency Agreement and the Deed of Covenant will be available for inspection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.
- (13) KPMG Statsautoriseret Revisionspartnerselskab of Borups Allé, Postboks 250, 2000 Frederiksberg, Denmark and a member of the Danish Association of State Authorised Public Accountants (FSR) have audited, and issued unqualified audit reports on, the Financial Statements of the Issuer for the two years ended 31 December 2010.
- (14) Financial information that has previously been published for any financial years or interim periods can differ from subsequently published financial information due to retrospective implementation of subsequent changes in accounting policies and other prospective adjustments made in accordance with IFRS. Any such retrospective changes in respect of financial statements will be disclosed in the notes to the subsequently published financial statements to which reference is made.

Registered Office of the Issuer

Carlsberg Breweries A/S

100 Ny Carlsberg Vej
1760 Copenhagen V
Denmark

Dealers

BNP PARIBAS

10 Harewood Avenue
London NW1 6AA
United Kingdom

Danske Bank A/S

2-12 Holmens Kanal
DK-1092 Copenhagen K
Denmark

Nordea Bank Danmark A/S

Christiansbro, Strandgade 3
DK-1401 Copenhagen
Denmark

Skandinaviska Enskilda Banken AB (publ)

Kungsträdgårdsgatan 8
106 40 Stockholm
Sweden

Société Générale

29 boulevard Haussmann 1
75009 Paris
France

The Royal Bank of Scotland plc

135 Bishopsgate
London EC2M 3UR
United Kingdom

Fiscal Agent, Principal Paying Agent, Registrar And Transfer Agent

BNP Paribas Securities Services, Luxembourg Branch

33, rue de Gasperich, Howald-Hesperange
L-2085 Luxembourg

Calculation Agent/Agent Bank

BNP Paribas Securities Services, Luxembourg Branch

33, rue de Gasperich, Howald-Hesperange
L-2085 Luxembourg

Arranger

BNP Paribas

10 Harewood Avenue
London NW1 6AA
United Kingdom

Luxembourg Listing Agent

BNP Paribas Securities Services, Luxembourg Branch

33, rue de Gasperich, Howald-Hesperange
L-2085 Luxembourg

Auditors to the Issuer

KPMG Statsautoriseret Revisionspartnerselskab

Borups Allé
Postboks 250
2000 Frederiksberg
Denmark

**Legal Advisers
To the Issuer**

in respect of Danish law

Kromann Reumert
Sundkrogsgade 5
2100 Copenhagen Ø
Denmark

To the Dealers

as to English law

Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom