

Report and Accounts 1999 / 2000



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A Brief Presentation

The Carlsberg Group is one of the world's major international brewing groups and Carlsberg and Tuborg are two of the most widely-sold beer brands on a global scale.

The Group comprises the Parent Company - the Carlsberg Breweries founded in 1847 and Tuborg Breweries founded in 1873 - and about 100 subsidiaries and associated companies, the majority of which are situated outside Denmark. The Group has a workforce of approximately 23,600 employees, if all associated companies are included. It sells its products in about 150 markets.

The core business of the Carlsberg Group is the production and sale of beer. More than 90% of beer sales are achieved outside Denmark. International brewing operations include the export of beer brewed in Denmark, as well as local brewing at 67 production sites in 42 countries. Local production, according to the Group's specifications, is handled partly by breweries in which the Group holds capital interests, and partly by breweries and partners with which agreements have been made for the production and sale of Carlsberg and Tuborg beer.

The Group's activities within the soft drink sector are carried out mainly by Coca-Cola Nordic Beverages A/S, which produces and markets household names such as Coca-Cola, Fanta and Sprite in the Nordic countries.

Ever since Carlsberg's foundation, the Company has operated its own research departments. In 1875, the Carlsberg Laboratory was established. It has now been integrated into the Carlsberg Research Center which has 80 laboratories equipped with the latest technology and a staff of about 150.

In addition to extensive basic research, brewing related research is conducted into enzyme chemistry, protein chemistry, carbohydrate chemistry, plant breeding and genet-

ics, as well as the malting, brewing and fermenting processes. Moreover, process and product development takes place in a variety of departments within the Company.

Carlsberg A/S is a company publicly quoted on the Copenhagen Stock Exchange with some 14,000 registered shareholders. The largest, single shareholder by far is the Carlsberg Foundation, which is required by its charter to hold a minimum of 51% of the share capital in Carlsberg A/S. Only one other shareholder, the Danish Labour Market Supplementary Pension Scheme, accounts for more than 5% of the shares. Over the years, the employees of the Parent Company have accepted offers to buy shares on favourable terms or have been granted shares in connection with Carlsberg's 150 years' anniversary in 1997.

The Carlsberg Foundation was established by Carlsberg's founder, Brewer J.C. Jacobsen, and its income goes to support Danish natural and social sciences as well as the humanities. The Carlsberg Foundation also administers and maintains the Frederiksborg Museum of National History and the Carlsberg Laboratory.

The New Carlsberg Foundation, a separate department of the Carlsberg Foundation with its own board of directors, has the special task of acquiring works of art for Danish museums and institutions. It is also responsible for the administration and maintenance of the Ny Carlsberg Glyptotek, in collaboration with the Danish government and the City of Copenhagen.

The Tuborg Foundation is another department of the Carlsberg Foundation with its own board of directors. It operates in support of activities of benefit to society as is also the case with the Carlsberg Bequest to the Memory of Brewer J. C. Jacobsen.

The annual report includes examples of Carlsberg's international advertising campaign starring some of Carlsberg's world-famous means of distribution. Photos by Bent Rej.

The financial year 1999/2000 proved to be an exceptional year for Carlsberg. Our results showed marked progress and it was one of the busiest years in Carlsberg's history. At the threshold of the year 2001, Carlsberg is prepared to meet the challenges in a competitive, global market.

Report for 1999 / 2000



Letter to the Shareholders



The financial year 1999/2000 proved to be an exceptional year for Carlsberg. Our results showed marked progress and it was one of the busiest years in Carlsberg's history. Among the events are: the changes in the statutes of the Carlsberg Foundation; the formation of the subsidiary Carlsberg Breweries; the inclusion of the beverage activities of the Norwegian company Orkla ASA; the acquisition of the Swiss brewery Feldschlösschen; the sale of the shareholdings in Tivoli and Royal Scandinavia; and the formation of the biotech company Combio. At the threshold of the year 2001, Carlsberg is prepared to meet the challenges in a competitive, global market.

The financial year was extended until 31 December 2000, and thus covers 15 months (5 quarters). As a consequence of this extension and the good results, the Board of Directors proposes that a dividend of DKK 5.40 be paid per share as against DKK 4.00 per share last year. In future, the financial year will coincide with the calendar year.

Growth in earnings

Growth in earnings was substantial. Operating profit totalled DKK 2,934 million, corresponding to a comparable growth of 25%. Profit before tax totalled DKK 3,155 million (+39%).

In general, the upward trend in earnings is the

result of active adjustments in capacity and costs and increased attention on the competitive profile of the Carlsberg brand.

Carlsberg's share of profit for the year after tax totalled DKK 2,133 million (+41%) and earnings per share amounted to DKK 26.7 against DKK 18.2 last year.

Net turnover increased by 6% when applying comparable figures for the previous year. Particular progress was registered in the Nordic Coca-Cola companies and in Italy. Finland and Sweden also experienced a positive development, whereas turnover in the United Kingdom showed a declining trend as expected.

In recent years, substantial investments have been made in acquisitions and new production plant. As a consequence, the net interest-bearing debt has increased and now totals approx. DKK 10 billion or about 29% of the balance sheet total.

International structural development

It has been Carlsberg's goal to increase its presence in growth markets such as Eastern Europe and Asia while still improving results and seeking influence in more traditional markets in Western Europe.

The joining of Carlsberg's and Orkla's brewing and soft drink activities in the subsidiary Carlsberg Breweries A/S was the most important, progres-

sive decision of the year. This initiative created a significant international brewery and soft drink group with growth potential, which will strengthen the profile of the Carlsberg brand and market an extensive portfolio of strong regional and local brands.

Competition from other international brewery groups is intensifying and at the end of the year it was decided to establish a joint venture with Carlsberg's partner in Thailand in order to secure further progress for Carlsberg in Asia. Carlsberg Asia is a construction with prospects of growth in existing as well as new markets.

The acquisition of the Swiss brewery Feldschlösschen secured Carlsberg Breweries a substantial market share in a key European market.

Quality

Carlsberg's approach to quality has always been anchored in J.C. and Carl Jacobsen's "Golden Words":

"In working the Carlsberg breweries it should be a constant purpose, regardless of immediate profit, to develop the art of making beer to the greatest possible degree of perfection in order that these breweries as well as their products may ever stand out as a model and so, through their example, assist in keeping beer brewing on a high and honourable level."

Quality is an essential prerequisite for Carlsberg's success in traditional, new and future markets. Our products must be of supreme and outstanding quality worldwide and Carlsberg will never compromise on quality.

Employees and management

It is the Group employees who have created the improved results. There has been a marked influx of new employees and Carlsberg is a dynamic and market-oriented enterprise.

Carlsberg carries out extensive international supplementary training and development programmes on a regular basis for the Group's employees. The share option programme implemented for the company's management group (as

described in the report on the following pages) is expected to contribute to an even greater alignment of interests between the management and the shareholders.

Environment and alcohol policies

In all its company operations, Carlsberg works actively to protect the environment by reducing any negative impact and optimising the consumption of natural resources. Carlsberg will publish its first environmental report in 2001.

Carlsberg is one of the world's leading beer brands and, consequently, the brewery takes an active part in the political debate regarding alcohol. The alcohol policies are emphasised internally through information and training activities and externally through the co-operation with GODA (The Association of Sensible Alcohol Attitudes) in Denmark, The Amsterdam Group and The European Brewers' Association, and through voluntary agreements on guidelines for the marketing of alcohol products.

Board of Directors and Executive Board December 2000

Board of Directors

Poul Chr. Matthiessen

Professor D.Econ., Chairman.
Member of the Supervisory Board of Royal Scandinavia A/S,
Falcon Bryggerier AB, Sweden.

Palle Marcus

Managing Director, Deputy Chairman.
Chairman of the Board of Directors of Coloplast A/S and Novo
A/S. Member of the Board of Directors of Danske Bank A/S.

Hans Andersen

Brewery Worker, Carlsberg A/S.
Employee board member.

Torkild Andersen

Professor, D.Ph.

Jens Bigum

Managing Director, Arla Foods amba.
Member of the Board of Directors of Per Aarsleff A/S
and LEC A/S.

Henning Dyremose

President, Chief Executive Officer, TDC A/S (Tele Danmark).
Chairman of the Board of Directors of Talkline GmbH, Germany,
Deputy Chairman of the Board of Directors of Brødrene A. & O.
Johansen A/S, Member of the Board of Directors of Belgacom
S.A. and ADSB Telecommunications B.V., Belgium.

Povl Krosgaard-Larsen

Professor, D.Sc., Ph.D., Dr.h.c.
Member of the Board of Directors of
Acadia Pharmaceuticals A/S.

Jens Larsen

Porcelain Painter, Royal Scandinavia A/S.
Member of the Supervisory Board of Royal Scandinavia A/S.
Employee board member.

Axel Michelsen

Professor, D.Ph.

Erik Dedenroth Olsen

EDP Office Manager, Carlsberg A/S.
Employee board member.

John Petersen

Silversmith, Royal Scandinavia A/S.
Member of the Supervisory Board of
Royal Scandinavia A/S.
Employee board member.

Per Øhrgaard

Professor, D.Ph.

Executive Board

Flemming Lindeløv *

President, Group Chief Executive Officer.

Chairman of the Supervisory Board of Royal Scandinavia A/S,
Carlsberg Finans A/S, Ejendomsaktieselskabet af 3/9 1930.
Member of the Board of Directors of Coca-Cola Nordic
Beverages A/S, Danbrew Ltd. A/S, Carlsberg-Tetley PLC, UK,
Falcon Bryggerier AB, Sweden, Carlsberg Brewery Hong Kong
Limited, Hong Kong, Carlsberg Brewery Malaysia Berhad,
Malaysia, Dansk Olie og Naturgas A/S, H. Lundbeck A/S.

Michael C. Iuul *

Group Managing Director, International.

Chairman of the Board of Directors of Carlsberg International A/S,
Tuborg International A/S, United Breweries International
Limited A/S, Danbrew Ltd. A/S, Carlsberg Brewery Hong Kong
Limited, Hong Kong, Carlsberg Marketing (Singapore) Pte Ltd.,
Singapore, Carlsberg-Tetley Brewing Limited, UK, Carlsberg-
Tetley PLC, UK, Hannen Brauerei GmbH, Germany, Carlsberg
Brewery Malaysia Berhad, Malaysia, Deputy Chairman of the
Supervisory Board of Carlsberg Finans A/S, Carlsberg Brewery
(Thailand) Co. Ltd., Thailand, Carlsberg Italia S.p.A., Italy.
Member of the Board of Directors of Oy Sinebrychoff Ab Finland,
Carlsberg Malawi Brewery Limited, Malawi, Carlsberg-Importers
S.A., Belgium, Gorkha Brewery Ltd., Nepal, Hue Brewery Ltd.,
Vietnam, Israel Beer Breweries Ltd., Israel, South-East Asia
Brewery Ltd., Vietnam, Unicer-Bebidas de Portugal, S.A.,
Portugal, Carlsberg Brewery (Shanghai) Ltd., China, Carlsberg
Brewery (Guangdong) Ltd., China, Aktieselskabet Th. Wessel &
Vett, Magasin du Nord, Sophus Berendsen A/S, Aston IT Group
A/S.

Nils S. Andersen *

Group Managing Director, Nordic.

Chairman of the Board of Directors of Coca-Cola Nordic
Beverages A/S, Danish Malting Group A/S, Saltum og Neptun
Bryggerier A/S, Oy Sinebrychoff AB, Finland, Feldschlösschen
Management AG, Switzerland, Falcon Bryggerier AB, Sweden,
Dryckes Distributören AB, Sweden, Svyturys Brewery, Lithuania.
Member of the Board of Directors of Carlsberg Finans A/S,
Danbrew Ltd. A/S, Vingaaarden A/S, Hannen Brauerei GmbH,
Germany.

Jørn P. Jensen **

Group Managing Director, CFO.

Member of the Board of Directors of Coca-Cola Nordic
Beverages A/S, Carlsberg Finans A/S, Carlsberg-Tetley PLC, UK.

* Resigned from the Executive Board on
14 February 2001 to join the Executive Board of
Carlsberg Breweries A/S as from 14 February 2001.

** CEO of Carlsberg A/S as from 14 February 2001.

Divisions and Staff Functions

Divisions

Carlsberg Danmark

Nils S. Andersen, Group Managing Director
Lars Pahlson, CEO (January 2001)
Staffan Bremander, Communications Director (January 2001)
Vibeke Frank, Vice President
Jørgen Glistrup, Vice President
Steen Jespersen, Sales Director
Jette W. Knudsen, Supply Chain Director
Allan Korsholm, IT Director
Lars K. Pedersen, Vice President (February 2001)

UK

Ebbe Dinesen, Non Executive Chairman
Colin Povey, Chief Executive
Steve C. Bailey, Finance Director
Doug Clydesdale, Marketing and Managing Director Take Home Sales
Bernie W. Ray, Managing Director On-Trade Sales
John J. Smith, Operations Director

Nordic Region

Nils S. Andersen, Group Managing Director

Central, Eastern and Southern Europe

Finn Jakobsen, Vice President

Western Europe and Exports

Bjørn Søndenskov, Vice President

Asia, Africa, North and Latin America

Mogens Thomsen, Vice President

Group Staff Functions

Corporate Communications

Margrethe Skov, Public Affairs Officer

Secretariat

Hans Henrik Schmidt, Legal Counsel

Corporate Marketing

Alex Myers, Vice President

Corporate Technology Organisation

Svend Erik Albrethsen, Executive Vice President
Klaus Bock, Executive Vice President

Corporate Human Resources

Kurt Israelsen, Vice President

Corporate Finance

Jan Thieme Rasmussen, Vice President

Project Department

Lars Fellman, Vice President

Corporate Treasury and Risk Management

Jesper Bærnholdt, Vice President

Corporate IT

Torben Melskens, Vice President

Strategic Sourcing

Preben Østergaard, Vice President

Property Department

Orla Kristensen, Vice President

Trust Administration

Niels C. Roelsen, Vice President

Highlights and Key Figures, 5-year summary

	1995/96	1996/97	1997/98	1998/99	1999/2000 (15 months)	2000 (12 months) 1)
Sales of beer						
- in million hectolitres ²⁾						
Sold in Denmark	4.7	4.5	4.2	4.0	4.7	3.8
Sold outside Denmark	25.1	26.8	31.1	33.0	46.3	36.0
Total sales	29.8	31.3	35.3	37.0	51.0	39.8
Sales of soft drinks						
- in million hectolitres						
Sold in Denmark	2.4	2.5	2.6	3.2	4.5	3.5
Sold outside Denmark	1.8	3.1	6.9	10.6	14.4	11.3
Total sales	4.2	5.6	9.5	13.8	18.9	14.8
Total sales of beer and soft drinks	34.0	36.9	44.8	50.8	69.9	54.6
Highlights in DKK million						
Earnings						
Turnover	17,965	19,378	29,321	31,285	47,351	34,532
Excise duties	4,034	4,460	7,237	7,131	12,433	8,820
Turnover, net	13,931	14,918	22,084	24,154	34,918	25,712
Operating profit	1,252	1,255	1,554	1,673	2,934	2,087
Special items, net	-	-	243	79	428	428
Financials, net	319	501	423	-119	-207	-253
Profit before tax	1,570	1,756	2,220	1,633	3,155	2,262
Group profit	1,126	1,256	1,744	1,156	2,227	1,623
Carlsberg A/S' share	1,063	1,242	1,641	1,164	2,133	1,646
Balance sheet						
Fixed assets	10,234	12,641	15,819	17,913	20,695	
Current assets	11,233	12,287	15,133	11,976	14,296	
Share capital	1,278	1,278	1,278	1,278	1,278	
Equity	8,912	10,266	10,904	11,853	10,631	
Long-term liabilities	2,903	2,394	4,976	5,623	6,009	
Short-term liabilities	6,851	8,838	11,118	9,071	15,220	
Balance sheet total	21,467	24,928	30,952	29,889	34,991	
Interest-bearing debt, net	-1,047	-333	1,693	4,282	10,309	
Cash flow						
Cash flow, operations	2,396	2,323	2,357	1,821	3,224	
Cash flow, investments	-1,699	-1,254	-917	-1,459	-6,057	
Cash flow, financing	-212	-516	785	-1,409	3,541	

	1995/96	1996/97	1997/98	1998/99	1999/2000 (15 months)	2000 (12 months) 1)
Investments						
Investments in production plant, etc.	1,513	1,042	1,287	2,024	2,770	
Acquisition of companies	-	190	1,373	621	4,462	
Depreciation	834	877	1,305	1,354	2,153	
Key figures						
Net profit ratio ³⁾	9.0%	8.4%	7.0%	6.9%	8.4%	8.1%
Return on investment ⁴⁾	10.0%	8.1%	8.2%	7.3%	8.3%	7.4%
Return on equity ⁵⁾	13.1%	13.1%	16.5%	10.2%	15.8%	15.3%
Solvency ratio ⁶⁾	41.5%	41.2%	35.2%	39.7%	30.4%	30.4%
Gearing ⁷⁾	-11.7%	-3.2%	15.5%	36.1%	97.0%	97.0%
Stock market ratios						
Number of shares	63,906	63,906	63,906	63,906	63,906	
Earnings per share of DKK 20 ⁸⁾	16.6	19.4	25.7	18.2	26.7	25.8
Cash flow per share ⁹⁾	37.5	36.4	36.9	28.5	40.4	
Book value per share	131.5	150.9	151.0	162.6	140.5	
Year-end market quotation (B-shares)	353.0	374.0	400.0	257.0	468.0	
Dividend per share	3.4	3.6	4.0	4.0	5.4	
Payout ratio ¹⁰⁾	19%	18%	15%	22%	20%	
Price/Earnings ¹¹⁾	21.2	19.2	15.6	14.1	17.5	
Employees						
Number of employees ¹²⁾	18,519	18,081	20,589	21,906	23,641	

1) Unaudited comparable figures adapted to the calendar year 2000 and adjusted for the effects of the change in the basis of the accounts

2) Sales of Carlsberg and Tuborg beer, including brewed under licence and other beer brands brewed by breweries of the Carlsberg Group and its associated companies

3) Operating profit as per cent of net turnover

4) Operating profit as per cent of average operating assets

5) Group profit as per cent of average equity

6) Equity at year-end as per cent of total liabilities

7) Interest-bearing net liabilities as per cent of equity

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

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

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

11) Market price per share divided by earnings per share

12) Including all employees in pro rata consolidated companies

Report for 1999/2000

Basis of comparison

At the Extraordinary General Meeting on 30 August 2000, it was decided to change the financial year to follow the calendar year. This was done by extending the financial year 1999/00 by three months until 31 December 2000.

Consequently, the accounts and the financial review cover the accounting period from 1 October 1999 until 31 December 2000 (15 months).

Carlsberg has increased its shareholdings in the companies in Malaysia and Poland, achieving the controlling interest, and these companies are now fully consolidated. Previously, the companies were associated and included on a pro rata basis and one-line consolidated, respectively. A few Group companies which, for practical reasons, were previously included with a certain time lag are now included up until 31 December 2000. The changes in the basis of the accounts entail that operating profit is DKK 276 million higher than would otherwise have been the case.

To create a basis for comparison with previous years, figures covering 12 months are stated in brackets throughout the review when deemed expedient, corresponding to the calendar year 2000 adjusted for the effects of the changes made in the basis of the accounts.

Turnover

An increase in turnover was realised. When adjusted for the extended period and the changes in the basis of the accounts, the increase amounted to DKK 1.5 billion (+6%). The increase is

particularly attributable to the CCNB companies and the acquisition of companies through the subsidiary Carlsberg Italia S.p.A. Furthermore, Sinebrychoff, Finland and Falcon, Sweden also achieved a positive trend in turnover. As expected, turnover in the United Kingdom showed a declining trend.

Operating profit

After depreciation, operating profit totalled DKK 2,934 million (DKK 2,087 million) against DKK 1,673 million last year, corresponding to a comparable increase of 25%. Depreciation amounted to DKK 2,153 million (DKK 1,692 million) against DKK 1,354 million last year.

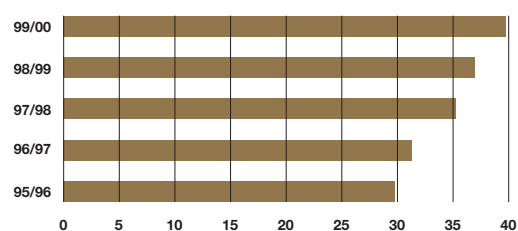
The results met with the expectations expressed in the Financial Statement of 30 September 2000.

Special items

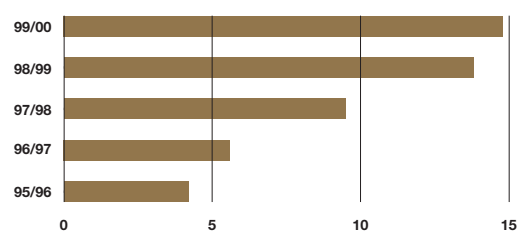
As in previous years, this item includes significant non-recurring amounts, which are not directly attributable to the normal running of the company. Special items amounted to DKK 428 million, against DKK 79 million last year.

This item primarily comprises a net profit of DKK 354 million from the sale of the shares in Grupo Cruzcampo and profit from the sale of the shares in Tivoli, amounting to DKK 182 million. Furthermore, the company Ejendomsaktieselskabet matr. nr. 43 ei Avedøre by was sold at a profit of DKK 41 million. The item also covers adjustments in provisions, totalling DKK 312 million.

SALES OF BEER, TOTAL
(MILLION HECTOLITRES) 12 months



SALES OF SOFT DRINKS, TOTAL
(MILLION HECTOLITRES) 12 months



This includes the write-back of DKK 60 million in connection with liabilities for deposits on returnable packaging.

The write-down of the brewery in Shanghai is registered as expenditure under this item. The brewery was written down by the sales price agreed with Tsingtao in August 2000. In addition, provisions have been made for severance payments, etc. in connection with the sale. A total of DKK 241 million has been registered as expenditure under this item.

Provisions of DKK 50 million have been made in connection with the decision to close down the distribution company in Sweden which is owned by Falcon and Coca-Cola, Sweden. The close-down is a consequence of the establishment of Carlsberg Breweries A/S, as the Swedish competition authorities have required that the co-operation with either Pepsi or Coca-Cola in Sweden and Norway be discontinued.

Of the remaining provisions, totalling DKK 170 million, the major part relates to the continued restructuring efforts in Denmark and the vacating of the premises in Hong Kong.

Financials, net

Financials showed expenditure of DKK 207 million, which is an increase on last year (DKK -119 million) because of the considerable investments in acquisitions of companies and production plant in recent years. However, expenditure is less substantial than expected due to the capital gain realised during the year from the sale of participat-

ing interests in Dansk Kapitalanlæg, Berlingske Tidende and other investments.

Profit

Profit before tax and Group profit amounted to DKK 3,155 million (DKK 2,262 million) and DKK 2,227 million (DKK 1,623 million), respectively, which is a considerable improvement on last year. This is mainly the result of positive developments in primary operations.

The tax rate totalled 29.4%, against 29.2% last year.

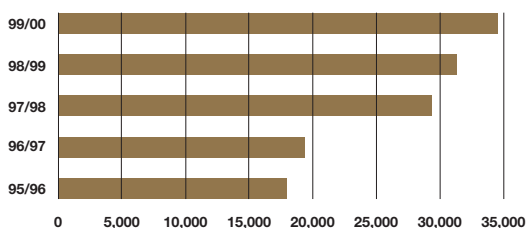
Carlsberg's share of the Group profit amounted to DKK 2,133 million (DKK 1,646 million) compared to DKK 1,164 million last year.

Equity

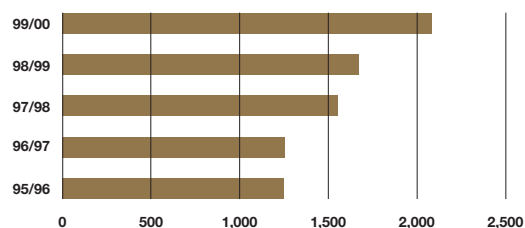
The Carlsberg Group's equity amounted to DKK 10,631 million against DKK 11,853 million last year. The parent company's share of the equity totalled DKK 8,980 million compared to DKK 10,391 million last year.

Equity was positively influenced by the year's profit (less dividend), and by changes in minority interests as well as exchange rate adjustments (a total of DKK 2,418 million). It was negatively affected by the write-off of Group goodwill (DKK 3,644 million). Of this amount DKK 1.4 billion relates to the acquisition of Feldschlösschen, DKK 0.9 billion to the increase in the shareholding in Sinebrychoff and another DKK 0.9 billion to the increase in the shareholding in the company in Malaysia.

TURNOVER (DKK MILLION) 12 months



OPERATING PROFIT (DKK MILLION) 12 months



Provisions

Provisions amounted to DKK 3,131 million, against DKK 3,342 million last year. The majority of this amount, DKK 2,432 million, relates to provisions for pensions, etc., DKK 366 million, repayment obligations in connection with packaging material, DKK 1,142 million, and deferred tax, DKK 924 million. These items saw a total increase of DKK 679 million, which is mainly attributable to the changes in the shareholdings in the companies in Malaysia and Poland and the acquisition of Feldschlösschen Getränke Holding AG in Switzerland.

Other provisions amounted to DKK 699 million compared to DKK 1,589 million last year. The decline is mainly ascribable to the application of provisions in connection with Coca-Cola Nordic Beverages and Carlsberg-Tetley and adjustments in other provisions.

Investments

The year saw total investments of DKK 7.2 billion, which is DKK 4.6 billion up on last year. The substantial increase in investments derives from investments in new production plant in Coca-Cola Nordic Beverages, Carlsberg-Tetley in the United Kingdom, Okocim in Poland and Sinebrychoff in Finland as well as the acquisition of the remaining 40% shareholding in Sinebrychoff, the increase in the shareholding in Carlsberg Brewery Malaysia Berhad to 50% and the acquisition of Feldschlösschen Getränke Holding AG in Switzerland.

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

At 31 December 2000, securities, cash and cash

equivalents, consisting of cash at bank and in hand and listed securities, amounted to DKK 2.9 billion, based on official stock exchange prices. Furthermore, confirmed but unutilised credit facilities amounted to about DKK 3.4 billion.

The net interest-bearing debt totalled DKK 10.3 billion, which is an increase of DKK 6.0 billion. This is a natural consequence of the substantial investments described above.

Free cash flow amounted to DKK -3.8 billion against DKK -0.7 billion last year. The contribution from operations saw a marked improvement compared to last year and the negative figure registered for free cash flow is thus attributable to the substantial investments, totalling DKK 7.2 billion.

Volume

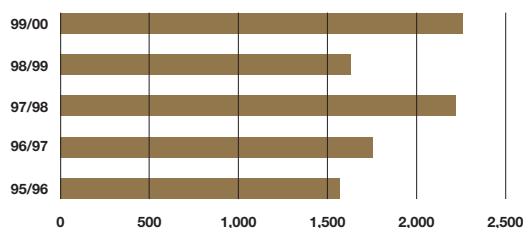
The Carlsberg Group's global beer sales in the past year (calendar year 2000) grew by 2.8 million hectolitres to 39.8 million hectolitres (+7.6%). The global consumption of beer continues to increase, although with large regional differences. Soft drink sales (calendar year 2000) amounted to 14.8 million hectolitres against 13.8 million hectolitres last year.

Developments in key markets

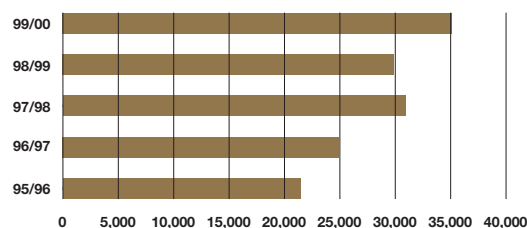
The positive development in operating profit must be seen in the light of important circumstances in the beer and soft drink sector:

Denmark: Beer consumption almost stabilised, but an increasing part of Danish consumption is purchased south of the Danish-German border. The cost-saving measures implemented in the Danish beer operations have resulted in a slight

PROFIT BEFORE TAX (DKK MILLION) 12 months



TOTAL ASSETS (DKK MILLION)



increase in profit. Competition in the Danish beer market has intensified further despite the fact that prices of low-priced beer brands rank among the lowest in Europe before excise duties and VAT.

In the spring, sales of the Neptun beer were transferred to the soft drink operation in Saltum, which then changed its name to Saltum og Neptun Bryggerierne A/S. Saltum og Neptun Bryggerierne also acquired the soft drink business Baldur A/S from Albani and production in Esbjerg was moved to Saltum.

Carlsberg is a registered supplier and co-founder of a new company, Dansk Retursystem A/S, which is a co-operation between the brewing industry and the retail trade to handle the returnable packaging system and to make it more efficient.

United Kingdom: Carlsberg-Tetley (UK) recorded an operating profit of DKK 533 million (DKK 380 million), which is an increase of 15% on last year when using comparable figures. This development was achieved despite the declining trend in turnover. The restructuring of the company and the intensified focus on Carlsberg-Tetley's attractive brands as well as cost savings, particularly on fixed costs, proceeded satisfactorily.

Finland: Sinebrychoff's results were highly satisfactory.

Sweden: Falcon Bryggerier AB achieved very satisfactory results and increased its sales volume for beer by about 8.5% in the past year. A reorganisation of the company is scheduled to take place in the forthcoming year as a result of the merger with Pripps into Carlsberg Sweden AB.

Russia: The Vena brewery in St. Petersburg (shareholding 66.7%) recorded unsatisfactory results, which did however pick up towards the end of the year.

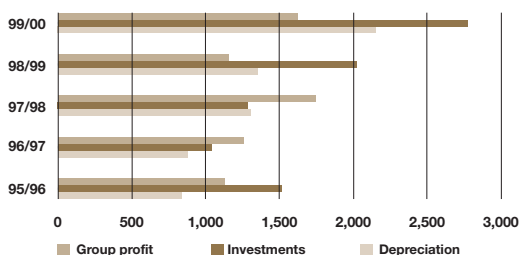
Lithuania: Developments at the Svyturys brewery in Lithuania have been very positive. The company recorded a fairly significant increase in turnover and consequently in earnings. Today, the brewery is the market leader in Lithuania.

Germany: The German beer market is characterised by declining beer consumption and intense price competition, which has led to an unfavourable trend in results for the majority of the German beer industry. This is also the case for Hannen Brauerei in Mönchengladbach, which again registered unsatisfactory results despite very high production efficiency. A restructuring and consolidation of the German beer industry in the near future now seems inevitable. Carlsberg will monitor developments closely and assess the possibilities of participating.

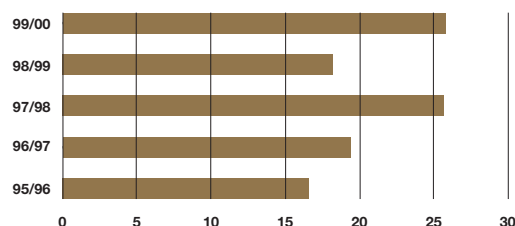
Italy: Carlsberg's brewing operations in Italy achieved positive developments in results. In Italy, the year was characterised by acquisitions of companies, which are consolidated in the Group. This has resulted in an increase in turnover for Carlsberg Italia S.p.A.

Portugal: The brewing activities in Unicer experienced a positive trend in results and during the year Carlsberg increased its shareholding to 44%. At the same time the company was delisted from the stock exchange.

GROUP PROFIT 12 months, INVESTMENTS IN PRODUCTION PLANT, ETC., DEPRECIATION (DKK MILLION)



EARNINGS PER SHARE OF DKK 20



Malaysia: Earnings in Carlsberg Brewery Malaysia Berhad remain high and Carlsberg increased its shareholding in the listed company to 50%.

China: Earnings in the Chinese brewery operations, which include breweries in Shanghai and Guangdong, and headquarters and a sales subsidiary in Hong Kong, experienced intensified pressure. In addition, brewery capacity has been too high and it was decided to sell 75% of the brewery in Shanghai to China Tsingtao Brewery Co. Ltd. (Tsingtao), which is the leading brewery enterprise in China.

Export: Carlsberg's export and licence activities registered progress.

Asia: On 15 December 2000, an agreement was concluded with Asian Chang Beverage Company regarding the establishment of Carlsberg Asia Ltd. The management team of the 50/50 joint venture will be from Carlsberg and will administrate and develop the marketing and brewing activities of the two companies in Asia. The agreement takes effect as from 1 January 2001 and it is expected to strengthen Carlsberg's position in the Asian markets considerably.

CCNB: The Coca-Cola Nordic Beverages group (CCNB), which handles production and sale of Coca-Cola products in Denmark, Sweden, Norway, Iceland and Finland achieved a positive trend in sales as well as earnings. In connection with the agreement with Orkla ASA, the Swedish and Norwegian competition authorities have required that Carlsberg cease bottling, sale and distribution of either Pepsi or Coca-Cola in the

Swedish and Norwegian markets. Carlsberg will thus give up the Coca-Cola companies in Sweden and Norway as from 1 January 2001, whereas the Coca-Cola activities in Denmark and Finland will continue as 100%-owned Carlsberg Breweries operations. The company in Iceland will be sold.

Royal Scandinavia: On 22 December 2000, Carlsberg announced a reduction in its shareholding in Royal Scandinavia A/S (from about 65% to 28%). A new-established company, RS Holding Frederiksberg a.s., in which Carlsberg holds 28%, will be the new owner of Royal Scandinavia. The results of Royal Scandinavia are fully consolidated for the full financial year 1999/2000. No profit will be realised from the sale. As from 31 December 2000, the company will be included as an associated company. The cash flow impact from the sale will be included in the accounts for the year 2001.

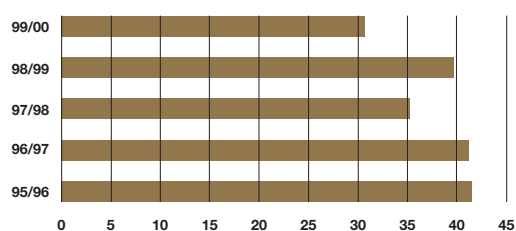
Pro forma financial highlights of Carlsberg Breweries

Carlsberg Breweries A/S was established on 1 July 2000, when Carlsberg A/S contributed all brewery related activities to the company. Orkla ASA's beverage activities will be included in the accounts as from 1 January 2001.

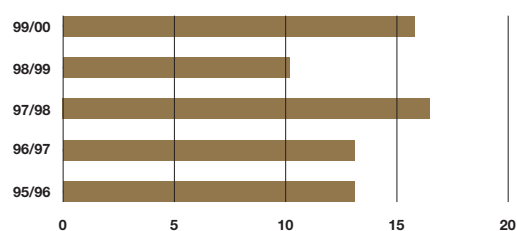
The unaudited, pro forma financial highlights for the calendar year 2000 set out below have been prepared in order to illustrate the size, results and balance sheet of Carlsberg Breweries A/S.

The pro forma accounting figures are based on - and are the sum total of - audited accounting figures of Orkla's beverage activities during the calendar year 2000 and unaudited interim statements for the calendar year 2000 of Carlsberg's beer activities.

SOLVENCY RATIO (%)



RETURN ON EQUITY (%)



Based on estimates, the accounting figures of Orkla's beverage activities have been adapted to Carlsberg's accounting policies.

Feldschlösschen Getränke Holding AG is included in the operations with one month and fully included in the balance sheet figures.

The establishment of a joint venture with Asian Chang Beverage Company regarding the activities in Asia and the Coca-Cola activities in Denmark and Finland are not included in the pro forma figures.

Possible synergy effects or other management initiatives as a consequence of the establishment of Carlsberg Breweries A/S are not included in the stated pro forma figures.

The pro forma statement shows an operating profit of DKK 2,325 million and a balance sheet total of DKK 32.4 billion.

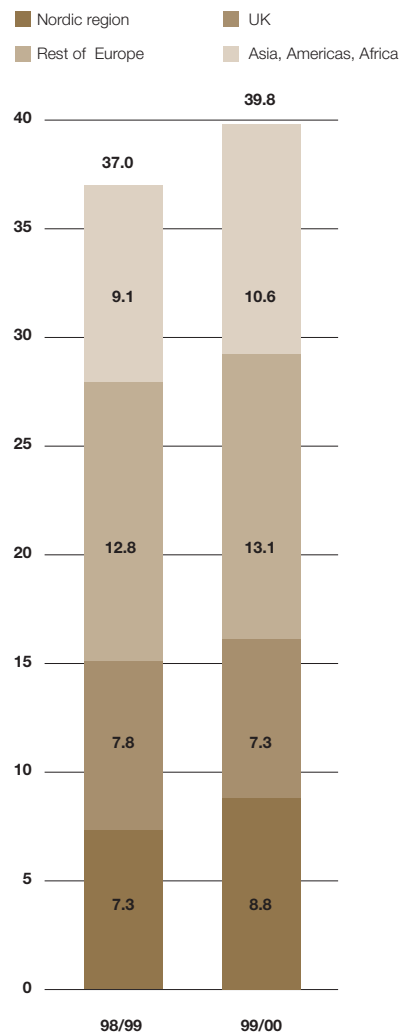
Research

The research and development activities of the Carlsberg Research Center, including the Carlsberg Laboratory, continued in 1999/00. Total expenses, amounting to approx. DKK 70 million after deduction of external grants (12 months), are charged to the profit and loss account. A new, independent company, Combio A/S, has been established based on patented inventions developed at the Carlsberg Laboratory. In November 2000, Combio received contributions totalling DKK 60 million from external investors.

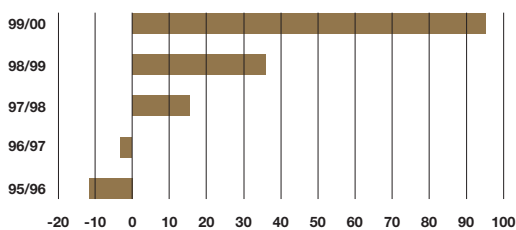
In the past year, 150 full-time employees and 25 visiting researchers have worked at the Research Center.

During the year, the Carlsberg Laboratory published 75 scientific articles in international journals with peer review. In addition, the Laboratory play-

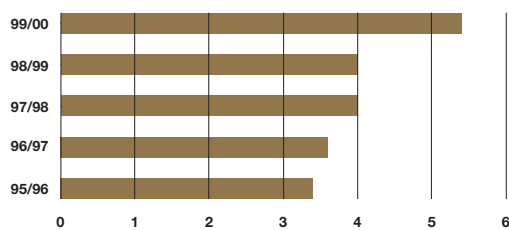
CARLSBERG GROUP SALES OF BEER (MILLION HECTOLITRES)



GEARING (%)



DIVIDEND PER SHARE (DKK)



ed a key part in the completion of 18 PhDs and MScs.

Future prospects

The agreement to establish Carlsberg Breweries A/S, the acquisition of Feldschlösschen Getränke Holding AG and the partnership agreement in Asia will have a positive effect on the earnings of the Carlsberg Group. For this reason, the Carlsberg Group expects a significant increase in turnover in 2001 and operating profit is also expected to be higher than the level achieved in 2000 (12 months).

The Carlsberg Group's focus areas are:

- Intensified efforts for the Carlsberg brand internationally
- Continued focus on the key markets in the Nordic region and Western Europe, Eastern Europe and Asia
- Increased efficiency and profitability within all functions
- Focus on value-generating activities, including the possibilities of commercialising specific biotechnology projects developed at the Carlsberg Research Center

As a result of the substantial investments in company acquisitions, financials will remain negative next year.

Profit before tax and Group profit (before special items) are expected to show an upward trend relative to the comparable figures for 2000 (12 months).

Following the restructuring of the Carlsberg Group, minority interests are expected to increase considerably.

On balance, Carlsberg A/S' share of the profit in the forthcoming year (before special items) is expected to match the profit level achieved in 2000 (12 months) when using comparable figures.

In the subsequent years, results are expected to see positive effects from the implemented agreements and alliances as well as the ongoing restructuring initiatives in the Nordic region and the Swiss market.

The Carlsberg Group is affected by the fluctuations in the most significant markets and in the international money, currency and interest rate markets and the comments on future prospects are thus based on the Group's present expectations to the movements in these markets.

Annual General Meeting

The Annual General Meeting will be held on Thursday 8 March, 2001 at 16.30 hours in Tivoli's Koncertsal, Copenhagen, Denmark.

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

As a result of the extension of the accounting period by one quarter, the Board of Directors proposes to the Annual General Meeting that a dividend of DKK 5.40 (DKK 4.00) per DKK 20 share be paid, or 27% (20%). DKK 345 million (DKK 256 million) has been appropriated for that purpose. As for the remaining amount available, totalling DKK 1,788 million, it is proposed that it be appropriated to reserves.

This is a translation of the original Danish Report for 1999/00. Please notice that only the Danish version has legal validity.

Management and Corporate Governance



Carlsberg continuously follows the international developments as well as the current debate on Corporate Governance in Denmark.

The Board of Directors of Carlsberg A/S ensures that the objectives and procedures stipulated by the board are respected by the Executive Board. The Executive Board keeps the Board of Directors informed both through various meetings and written and oral reports. The reports include general international developments, business developments, the company's earning capacity and the Group's financial situation, as well as other issues. At least once a year, a day-long meeting is held between the Board of Directors and the Executive Board with company mission, goal and strategy as the issues on the agenda.

The Carlsberg Foundation

Carlsberg A/S' largest shareholder is the Carlsberg Foundation (the "Foundation"), which is required to own a minimum of 51% of Carlsberg A/S' share capital. At the end of this financial year, the Foundation holds 55.2%. The Board of Directors of the Foundation constitutes an important part of Carlsberg A/S' Board of Directors and the chairman of the Board of Directors of the Foundation also holds the position as chairman of Carlsberg A/S' Board of Directors.

The Foundation's charter and statutes prescribe that it is subject to special obligations and rights in relation to Carlsberg A/S. Among other things, this means that Carlsberg A/S must bear all costs related to the running of the Carlsberg Laboratory. As a consequence, Carlsberg A/S' Board of Directors also approves the budget of the laboratory, which receives an annual grant amounting to 9% of the Foundation's yearly disbursements - at present totalling about DKK 100 million. The Carlsberg Laboratory is an independent unit of the Carlsberg Research Center, where efforts are now also made to highlight knowledge and results of potential financial value, particularly within the biotechnology sector.

In relation to the Foundation, Carlsberg A/S also holds special obligations as regards parts of the site and buildings owned in Valby, Denmark. The purpose of these obligations is to preserve historical buildings.

Finally, Carlsberg A/S handles the administration of the Tuborg Foundation and the Carlsberg Bequest to the Memory of Brewer J.C. Jacobsen. However, costs in this connection are very limited.

Investor relations

In 2001, Carlsberg A/S will implement a new Investor Relations Programme which is intended

to promote a more constructive dialogue between the company and the shareholders and between the company and the financial analysts. The Investor Relations Programme will comprise an increased number of meetings and presentations for investors and analysts, and in future Carlsberg A/S will also be more active in arranging and participating in international "road-shows". In addition, the section on Carlsberg's Internet site concerning investor relations will be extended.

Incentive programme

In December 2000, Carlsberg A/S announced the establishment of a share option programme for about 40 managers in the Carlsberg Group. The primary objective of the programme is to create an even greater alignment of interests between the company management and the shareholders. Initially, the programme will run for a trial period of two years.

The Board of Directors and the Executive Board

In the past financial year, the composition of the Board of Directors was changed as the deputy chairman, Director Erik B. Rasmussen, resigned at the Annual General Meeting on December 9, 1999 due to the age clause applying to board members. President and CEO Henning Dyremose was

elected as a new board member and the board elected Professor D.Econ. Poul Chr. Matthiessen as chairman and Managing Director Palle Marcus as deputy chairman.

At the end of January 2000, Group Managing Director Walther Paulsen resigned and Group Managing Director Jørn P. Jensen took up his position at the beginning of May 2000.

On 31 May 2000, in connection with the establishment of Carlsberg Breweries A/S, it was announced that the Board of Directors of Carlsberg Breweries A/S will consist of eight representatives elected by the shareholders. Five of these representatives will be appointed by Carlsberg A/S. It was also announced that the Executive Board of Carlsberg Breweries A/S will consist of President and CEO Flemming Lindeløv as well as the Executive Vice Presidents Nils S. Andersen, Michael C. Luul, Paul Bergqvist and Bjørn Erik Næss.

Subsequently, the Board of Directors decided to appoint Group Managing Director Jørn P. Jensen as the new CEO of Carlsberg A/S. It was also decided that Carlsberg A/S' five representatives on the Board of Directors of Carlsberg Breweries A/S will be Managing Director Palle Marcus (chairman), Professor D.Econ Poul Chr. Matthiessen, Managing Director Jens Bigum, President and CEO Henning Dyremose and CEO Jørn P. Jensen.

Shareholder Information

Shares

Carlsberg A/S' shares are listed on the Copenhagen Stock Exchange in class Carlsberg A with 20 votes per DKK 20 and in class Carlsberg B with 2 votes per DKK 20.

There are 35.3 million Carlsberg A-shares (nominal amount, DKK 705 million) and 28.6 million Carlsberg B-shares (nominal amount, DKK 573 million), a total nominal value of DKK 1,278 million.

The Carlsberg B-share is listed on the KFX-index and total turnover for the accounting period amounted to 36.6 million shares at a total value of about DKK 10.7 billion. The previous year (12 months) turnover amounted to 12.2 million shares at a value of about DKK 3.9 billion.

In the financial year 1999/00, the highest quoted price for the Carlsberg B-share was DKK 468 and the lowest quoted closing price was DKK 223. Highest and lowest quoted closing prices in 1998/99 were DKK 445 and DKK 255, respectively.

At the end of 2000, Carlsberg's market value amounted to DKK 28.8 billion against 16.4 billion the year before. The quoted price of the Carlsberg B-share at the year-end was DKK 468 against DKK 257 at the end of 1998/99.

Key figures in relation to shares

	1998/99	1999/00
Price of the B-share at year-end	257	468
Cash Flow per share	28.5	40.4
Earnings per share	18.2	26.7
Dividend per share	4.00	5.40

Shareholders

The Carlsberg Foundation holds 55% of the share capital and The Danish Labour Market Pension Scheme holds a stake of more than 5%. As at 31 December 2000, no other shareholder is recorded as holding a stake of more than 5%.

The remaining shares are held by approx. 20,000 shareholders of which 14,395 were registered on 31 December 2000. As at 31 December 2000, the registered shareholders represented a total share capital of DKK 1,099 million, corresponding to 86% of the share capital.

Based on information regarding the company's registered shareholders and various analyses, the company's shareholders can be divided into groups as set out below:

Danish shareholders	%
The Carlsberg Foundation	55.0
Banks and insurance companies	9.5
Pension funds	14.1
Others	4.9
Total	83.5

Foreign shareholders	%
Institutional investors :	
North America	9.6
United Kingdom	2.1
Other Europe	1.6
Rest of the world	0.1
Others	3.1
Total	16.5

Share references

Class of shares	ID code	Bloomberg	Reuters	Nominal value	Voting right
A	DK001018167-6	BRYO DC	CARCa.CO	20	20
B	DK001018175-9	BRYB DC	CARCb.CO	20	2

Investor inquiries

Shareholders, financial analysts, representatives of financial institutions and securities companies, and other interested parties should contact Carlsberg Investor Relations for information about the Carlsberg Group.

Carlsberg Investor Relations
Valby Langgade 1
DK-2500 Valby
Denmark
Phone: +45 3327 1541
Fax: +45 3327 4850
E-mail: investor.relations@carlsberg.com

Internet

Carlsberg's internet site www.carlsberg.com contains information about the Carlsberg Group, including Carlsberg's activities, announcements to the Copenhagen Stock Exchange, press releases and financial statements.

Incentive programme

The Board of Directors of Carlsberg A/S has decided to establish a share option programme for the Executive Board and a number of managers within the Carlsberg Group. The programme will apply to the next two years and will then be evaluated.

Carlsberg A/S' obligations will be covered by its portfolio and purchase of own shares.

The programme entitles the Executive Board and

a number of managers to purchase Carlsberg A/S B-shares during a period from three to eight years after the option right has been granted. The exercise rate will be determined as the average of the first five stock exchange business days following the publication of the preliminary profit statement of Carlsberg A/S, the first time following the publication of the preliminary profit statement for 1999/2000.

Initially, the programme will include about 40 people who will be granted a total of approx. 100,000 share options a year in 2001 and 2002.

The option programme will be supplemented with annual bonus schemes.

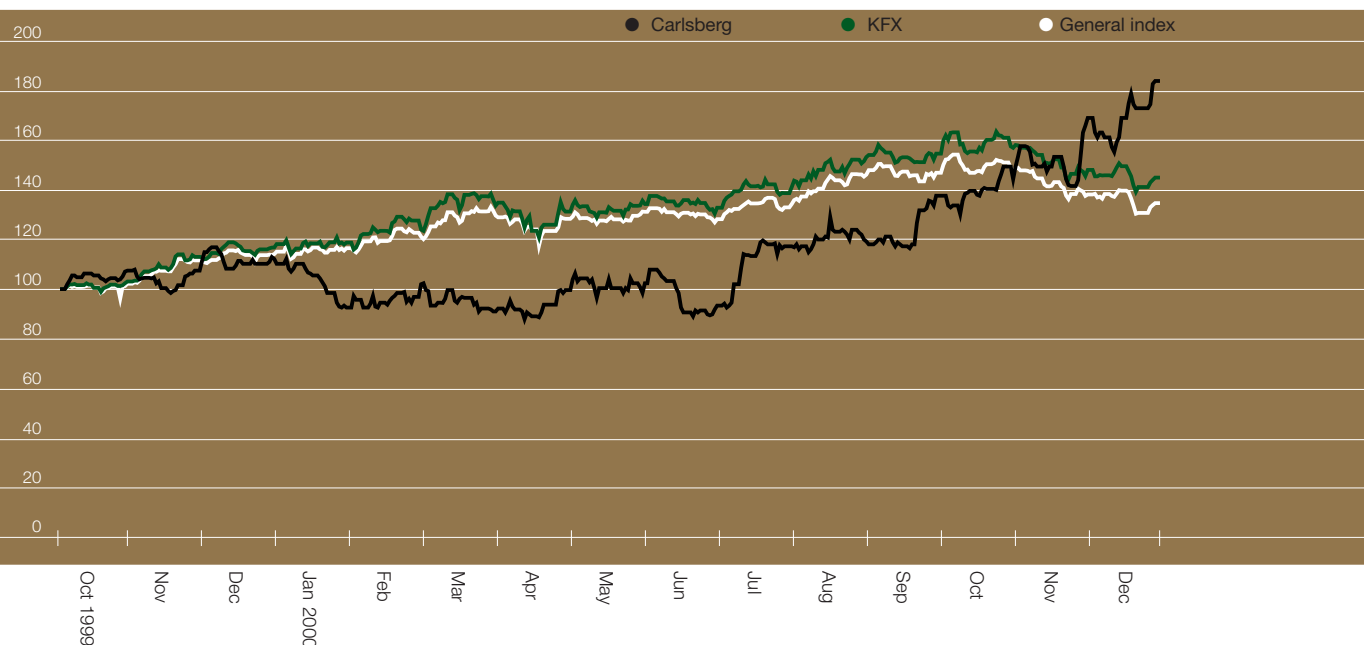
The incentive programme as a whole will thus ensure that a larger part of the total compensation will depend on performance.

The purpose of the programme is to create an even greater alignment of interests between the company's management and the shareholders, as the programme will influence both short and long-term goals.

Financial Calendar

8	March 2001	Annual General Meeting
14	March 2001	Payment of dividend
10	May 2001	Financial Statement, Q1
9	August 2001	Financial Statement, Q2
1	November 2001	Financial Statement, Q3
	February 2002	Preliminary Profit Statement

Development of the Carlsberg B-share compared to the KFX-index and the general index for the period 1.10.1999 - 31.12.2000



Analysts

The institutions below report on the developments in Carlsberg on a current basis:

Denmark

Broker	Name	Telephone	E-mail
Alfred Berg Bank	Kitty Bagai	+45 33 96 19 26	kitty.bagai@alfredberg.dk
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Carnegie	Julie Qvist	-	jquist@carnegie.dk
Danske Securities	Peter Kondrup	+45 33 44 07 30	peter.kondrup@danskecurities.com
Enskilda Securities	Hans Gregersen	+45 36 97 75 21	hans.gregersen@enskilda.dk
Jyske Analyser	Jacob Bundgaard	+45 89 22 28 61	jb@jyskebank.dk

Abroad

Company	Name	Telephone	E-mail
CAI Cheuvreux	Franz Hoyer	+44 20 7621 5172	fhoeyer@indocdv.com
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Cazenove & Co	Matthew Webb	+44 20 7825 9503	mcwebb@cazenove.com
Credit Suisse			
First Boston	Ian Shackleton	+44 20 7888 6883	ian.shackleton@csfb.com
Fortis Bank	Darrell Duthie	+31 20 527 2698	darell.duthie@meespierson.com
HSBC Investment Bank Plc.	Simon Hales	+44 20 7336 2643	simon.hales@hsbcib.com
Lehman Brothers	John Wakely	+44 20 7260 2029	jdwakely@lehman.com
Merrill Lynch Europe PLC	John Beaumont	-	-
Morgan Stanley Dean Witter	Alexandra Oldroyd	+44 20 7513 6648	alexandra.oldroyd@msdw.com



Group Staff Functions



Development and optimisation of a powerful brand portfolio is becoming increasingly important to Carlsberg. The primary company objective is global growth within the beer business. The efforts to stimulate such growth is portfolio based and focuses on a number of brands that play different roles.

Carlsberg's brand portfolio

The Carlsberg brand is the global premium brand, with the specific objective of creating growth on a world-wide basis through a more widespread distribution supported by increased resources for communication and general market cultivation. Regional brands such as Tuborg are developed in the relevant regions around the world, whereas strong local brands such as Tetley's, Super Bock, Okocim, Falcon, Koff, etc. create the basis for strong local business systems in close contact with local consumer preferences.

The Carlsberg brand

The Carlsberg brand is one of the company's most important assets and major resources are spent on strengthening its global position. The

global marketing activities have increased significantly in order to strengthen long-term brand equity and improve the consumer's close relationship with the brand worldwide.

The brand achieved overall growth in 2000, experiencing a particularly strong sales development in the UK, Sweden, Portugal, several markets in Asia and the Duty Free trade.

Though traditional advertising forms the "backbone" of the brand communication strategy in most key markets, Carlsberg has pursued an active strategy towards developing direct contact and communication with the consumers. Areas such as sport and music have been important components in this connection.

Carlsberg continues to participate actively in the international world of football, generating greater brand visibility and at the same time appealing to the hearts of the supporters of prob-

Carlsberg



ably the most popular sport in the world. Carlsberg was the main sponsor of the European Football Championships, Euro 2000, and it was the biggest event in the company's history – 48 markets implemented the activity locally. Even though Euro 2000 was the high point of the year, Carlsberg's involvement in football also included the UEFA Cup, Liverpool Football Club, FC Copenhagen, the Carlsberg Cup in Asia as well as events at grass-roots level.

Within individual sports, Carlsberg has been active in establishing a leading position as the *premium beer* in the world of skiing. The brand's involvement in skiing encompasses high visibility in prestigious ski resorts and sponsorships of international events such as the World Championships 2001 in St. Anton, Austria and regional skiing events. All this also brings the consumer "Probably the best After Ski in the World".

In keeping with the strategy for prestige sports, Carlsberg has made great efforts to expand its involvement in the golf sport in Asia by developing sponsorship programmes on the Malaysian Open, Singapore Masters and Hong Kong Open.

The link between Carlsberg and the world of music, cinema and other events was also strengthened in 2000 and Carlsberg will continue to develop the positive link between the brand and the global youth culture. The sponsorship of the MTV

The Carlsberg brand enjoys a high level of awareness worldwide.

Awareness in key markets

(Source: Nielsen Research):

Belgium	93%
Denmark	98%
Croatia	56%
Finland	81%
Germany	50%
Ireland	100%
Italy	33%
Norway	94%
Poland	35%
Spain	82%
Sweden	98%
Portugal	98%
UK	90%
Israel	95%
China	80%
Hong Kong	99%
Malaysia	100%
Singapore	100%
Thailand	99%
Vietnam	91%



European Music Awards, the development of the Asian "Carlsberg Turns on the Music" concept, and the Cannes Film Festival were among the many successful activities carried out this year.

Efforts to enhance the brand's worldwide premium image and keeping the brand innovative and up-to-date have been a key priority in recent years. A new Carlsberg design and a new, international Carlsberg Beer bottle were introduced in the majority of our markets. As regards cans, the development and implementation of the special Euro 2000 moulded cans was a major success in many markets.

The new media is becoming an increasingly valuable tool in the effort to get closer to the consumers. The media enables one-to-one communication and a more direct relationship between consumer and brand. The Carlsberg web site (www.carlsberg.com) has been developed into a popular point of contact with consumers, media and business associates. The site provides information, services and fun with links to the entire world of Carlsberg.

Finally, the international Corporate Campaign with its well-known motifs from all over the world, *Probably the best beer in the World*, extended its global reach with new motifs from Cuba, France, Brazil and Bali.

When implementing Carlsberg's marketing strategy, respect for national and international legislation and provisions is a key priority. This position is also reflected in the guidelines in Carlsberg's alcohol policy.

Innovation

Focus on innovation within areas such as product, packaging and production has been intensified in recent years.

Carlsberg's research and development programme is co-ordinated from Copenhagen, but know-how and resources are mobilised throughout the organisation.

Research is conducted by the various departments at the Carlsberg Research Center.

Packaging plays an increasingly important part in our innovation strategy and Carlsberg has been a pioneer in the development of new packaging types - both in terms of shape and material. The development of cans in new shapes has proven to be a highly successful promotion tool in many markets. Technological advances within PET and PEN plastic bottles are creating new opportunities for the company and the Danish and UK markets have taken the lead in exploring these areas with launches of these new packaging types. Introduction of new packaging types is being evaluated for

other markets in connection with the local brand portfolios.

Quality and benchmarking

High and consistent product quality is a crucial factor for Carlsberg's success. In order to ensure such high quality and optimise the use of all technical know-how, Carlsberg's technology organisation is divided into a control function and a service function. The control function - Operations Control - ensures that production and distribution of the Group's beer and soft drink products is in accordance with the guidelines set out for quality management, support for product

development and management of the comprehensive benchmarking system that was introduced this year.

Focus on benchmarking has been intensified because increased competition within beer and soft drink production has resulted in a growing need to measure the performance of own breweries and compare Carlsberg with the competitors.

The breweries have been divided into groups according to geographic location and size. A wide variety of Key Performance Indicators are collected and evaluated on an ongoing basis. The results are made available to the breweries participating in





the project. That way they can see who is “Performance Leader” within areas such as productivity (volume produced per employee), energy consumption, shrinkage, etc. In addition, the benchmarking system generates calculations of potential savings as each brewery is compared with the “Performance Leader” within its own group.

According to the benchmarking system, Carlsberg’s breweries are some of the most productive in the world and their average performance is high by international standards.

Carlsberg has implemented a global environmental management system that includes all Group breweries and is based on local environmental management.

The technology organisation’s service functions for own breweries and licence partners are handled by the subsidiary Danbrew Ltd. A/S, among others.



The environment

All breweries in which Carlsberg holds the controlling interest must comply with the environmental policy and consistently work to implement further improvements both as regards resource consumption and discharge management, etc.

In accordance with Carlsberg’s environmental policy, the local management of each brewery is fully liable for the day-to-day environmental management. Carlsberg’s reporting system forms the basis for the local environmental management and the system ensures that the local brewery as well as the Group can document that the environmental policy is being observed. The results contained in the reports are checked by Carlsberg Corporate Operations Control.

Carlsberg’s environmental policy

- Carlsberg recognises its responsibility as regards protection of the environment wherever Carlsberg operates.
- Carlsberg will seek to meet the needs of the consumers, customers, and employees in an environmentally sound and sustainable manner, through continuous improvement in environmental performance in all Group activities.

- Carlsberg will systematically endeavour to minimise adverse effects on the environment and optimise the use of natural resources.

The essential environmental parameters

The most important environmental endeavours include the effort to limit resource consumption, e.g. water and energy, as well as waste water treatment and reduction.

Brewing and bottling of beer and soft drinks obviously requires consumption of vegetable raw materials, water, energy and packaging materials.

The production processes generate waste water and solid waste material and the energy producing breweries also discharge flue gas from combustion. Furthermore, noise and odour emission may occur from production plants and distribution activities. To the extent possible, auxiliary substances are used, including cleaning materials, which do not affect the environment if used correctly.

Training

Carlsberg works at creating a healthy and safe working environment for all employees and for people who are otherwise in contact with the company's activities.

Committed employees are a precondition for successful environmental activities. The company tries to motivate employees through information and training, motivating their sense of responsibility as regards quality issues, the environment, safety and any potential risks.

Each year, environmental courses are held to promote the exchange of experience at an international level and a clearer understanding of Carlsberg's environmental policy and request for improvement. Representatives from own breweries as well as licence partners participate.

Environmental conditions at new breweries

In recent years, Carlsberg has experienced substantial growth in production volume and an influx of new operations.

Before Carlsberg takes over a brewery, an environmental evaluation of the operations is carried out. The purpose of this environmental "due diligence", which is performed by a specialist, is to assess the environmental standard of the brewery in relation to local legislation, and – depending on the actual situation – in relation to Danish, EU and World Bank standards for environmental protection.

The environmental evaluation includes solid, liquid and gaseous waste, odour and noise, working environment, consumption of raw materials and consumption of auxiliaries as well as any impact on soil and ground water.

The evaluation results in a report which partly describes how well the brewery complies with relevant legislation and rules and partly recommends any necessary changes. Based on the recommendations, Carlsberg prepares a detailed action plan to bring the brewery in question up to the standard required by Carlsberg.

Environmental reporting

The first joint environmental report for the Carlsberg breweries will be published in 2001. The report will give an account of the current environmental situation, including issues like environmental management, resource consumption, pollution load and goals for further development.

The report will comprise data submitted in 1999 and 2000.

Corporate Strategic Sourcing (CSS)

Corporate Strategic Sourcing (CSS) is responsible for preparation and implementation of global and pan-European sourcing strategies and the co-ordination of purchases for Carlsberg in Denmark, Carlsberg-Tetley in the United Kingdom, Falcon in Sweden, Sinebrychoff in Finland, Hannen in Germany, Okocim in Poland, Carlsberg Italia in Italy and Unicer in Portugal. A number of breweries in Eastern Europe and Asia participate on an ad hoc basis. Each brewery operates as an independent business unit with due consideration to the strategies and goals set out by CSS for the relevant sourcing area.

The purpose is to obtain competitive advantages through the introduction of effective purchasing procedures, for example through close co-operation with carefully chosen suppliers.

An E-procurement pilot project has been launched and implemented. The project focuses on internal business procedures and standardisation of intra-organisational and divisional business routines and will exploit the new technology to automate and streamline purchases of non-strategic products from a few, select suppliers.

IT

The Group's IT-strategy, which is to ensure that all IT-solutions support the business development, is currently being implemented in a number of Group companies. The IT-solutions must ensure simplification of the business model and boost the organisation's competencies. The leading standard IT systems in the market, which are based on best-practice processes and contain state-of-the-art functionalities, are used. "*The Carlsberg Way of doing E-Business*" provides the general framework to support and expedite successful E-business initiatives in the Group companies. A number of pilot projects covering strategic E-procurement, E-learning and E-selling have already been launched in several Group companies. The Group managements receive current, updated information on the development of E-business through the Group's intranet, CCWeb, which is a tool for sharing of knowledge and competence development of Group employees within all business areas.

Research and development

Combio A/S is a new biotechnology company based on patented technology developed at the Carlsberg Laboratory.

Carlsberg A/S, which is the largest, single shareholder, holding more than 33% of the share



capital, as well as Medicon Valley Capital, Novo A/S, Lønmodtagernes Dyrtdidsfond and Dansk Kapital-anlæg A/S have contributed a total of DKK 60 million to this new biotechnology company.

Combio A/S has patented a new technology that, together with combinatorial chemistry, will be used to identify compounds for new pharmaceuticals, particularly enzyme inhibitors – compounds that may limit the impact of viruses, bacteria and parasites. At first the company will make use of its know-how and technology to enter into co-operation agreements with pharmaceutical companies regarding identification of potential compounds for new pharmaceuticals.

The Carlsberg Research Laboratory works specifically with brewery-related tasks. One of the many important projects is "analytic assistance", which helps solve brewery problems around the world. In addition, analyses are made for Group associated companies such as Danish Malting Group and Alfred Jørgensens Laboratory - as well as advisory services for Carlsberg Strategic Sourcing.

In the past year, a number of studies on the decomposition of starch during the mashing procedure have been conducted in order to examine whether it is possible to shorten the procedure. In that connection, experiments have been carried out involving enzyme-based cleaning of mash fil-

ters. Various yeast strains have been classified and one case of bacteria infection has been identified. In addition, a number of other analyses have been carried out, exploiting the department's unique, analytical know-how.

Problem-solving on an international scale is one of Carlsberg Research Laboratory's key activities. Furthermore, the Research Laboratory has assisted in solving specific tasks for Division Denmark, Copenhagen – ranging from cleaning of mash filters in the brew house to cleaning of bottles in the bottling halls.

Human resources

A new module-based, international management course has been introduced. The modules include areas such as management, leadership, international management, finance, marketing and supply chain management. The course is aimed at young managers in Group companies and the first round includes approx. 70 managers from 18 countries.

The Diploma Management Course, which is offered by Carlsberg International Training Centre in Copenhagen, is supplemented with a number of specialist courses within marketing, human resources, distribution and production. Furthermore, a post-graduate Diploma Brewmaster Course conducted in English is also available. Increased mobility among employees and efficient

allocation of resources is ensured through an international career planning system. The Group companies submit relevant information about key employees and positions to this system.

For 10 years, Carlsberg's Danish trainee programmes within marketing/sales, finance and production have attracted highly-qualified candidates from universities and institutions of higher education. The two-year trainee programme is now made international through recruitment among all nationalities. This initiative will strengthen the internationalisation of the Group even further.

The first meeting in the European Works Council was held in February 2000. The 20 employee representatives from the Group's European companies met with the management to discuss topical problems for European companies.

Beer and society

Beer plays an important role in society and is often associated with spending a pleasant time with friends and family. Most people enjoy drinking a glass of beer and it is a natural element in a healthy diet. Recent research even shows that a moderate consumption of beer – two to three units a day – can have a favourable effect on health by reducing the risk of developing cardiovascular diseases and other disorders. Even the World Health Organisation (WHO) recognises the

beneficial qualities of beer when consumed in moderation in its most recent "European Alcohol Action Plan 2000-2005".

Thus, Carlsberg believes that beer should be enjoyed in moderate quantities and that beer as a low-alcohol product brewed from the natural raw materials malt, hops, yeast and water is compatible with a healthy lifestyle.

Nonetheless, it is a fact that irresponsible consumption of beer and other alcohol products is a cause for increasing concern in society. Carlsberg shares this concern and acknowledges that abuse may have serious consequences for the individual as well as for society, and that abuse is damaging to the brewing industry's reputation.

As a consequence, the breweries and society share a common interest in fighting abuse. Carlsberg is of the opinion that general restrictions to limit overall per capita consumption will not reduce abuse. Targeted activities such as information campaigns, education and dialogue will have the most positive effects on the individuals who are not able to recognise the personal and social consequences of abuse. In that connection, Carlsberg supports specific activities, both national and international, to promote sound beer culture and reduce abuse.

Carlsberg's active participation in The Amsterdam Group and the publication of "The Amsterdam Group Report 2001" is a good example of the way in which the industry contributes to a



constructive dialogue with authorities and interest groups regarding the alcohol policy's goals and instruments. It is also worth mentioning that The Amsterdam Group, in co-operation with i.a. the European Brewers' Association, has prepared international voluntary guidelines for the marketing of alcohol products. In Denmark, voluntary guidelines have been agreed with the authorities and an enforcement council has been established.

Marketing is a competitive necessity for Carlsberg's brands, but the marketing activities must never breach current legislation and regulations in the markets, where Carlsberg operates. That is why Carlsberg has introduced strict rules and procedures for approval of marketing initiatives. Those rules ensure that Carlsberg's marketing campaigns do not encourage irresponsible consumption and are not aimed at groups at risk, in particular young people.

Carlsberg's alcohol policy:

Carlsberg stresses that beer is a low-alcohol product, which is compatible with a healthy lifestyle and should be enjoyed in a responsible manner. However, Carlsberg acknowledges the fact that extreme and excessive consumption of our beer products may have adverse personal, social and health consequences.

Carlsberg recommends that consumers enjoy beer in a sensible manner and rejects abuse.

Carlsberg will not actively market beer products to children and young people.

Carlsberg urges consumers to avoid drink-driving.

Carlsberg aims at carrying out responsible sales and marketing activities in accordance with current national and international guidelines and applicable legislation in the individual markets.

Carlsberg supports specific activities to promote sound beer culture and limit alcohol abuse and related damages.

Regional Reports



The global brewing industry shows continued growth, but the trend varies from market to market. It is, however, a characteristic feature that a number of countries in Asia continue to register positive developments.

After years characterised by a negative trend in consumption in several of the traditionally large European markets with a high annual per capita consumption, the decline now seems to have stopped. In addition, many of the Eastern European countries continue to show good progress.

The on-going consolidation of the brewing industry towards fewer but larger players continues with undiminished force and this development is particularly evident in Europe, Asia and South America.

In Europe, a number of mergers within the brewing industry have either been disallowed or significantly limited by the competition authorities. Nevertheless, it must be expected that the consolidation of the brewing industry will intensify, which is also the case within other areas of the consumer goods industry, and at the same time attention will be focused on the building of strong brands both locally, regionally and internationally. In 2000 (12 months), Carlsberg's total beer sales

amounted to 39.8 million hectolitres, which is an increase of 7% compared to 1999.

The Nordic Region

Denmark

After years of declining sales, the trend in the Danish beer market remained almost unchanged in 2000. In aggregate, the taxable beer market totalled 5.4 million hectolitres, corresponding to a per capita consumption of 107 litres – a small decline of 0.3% compared to 1999. However, total beer consumption is estimated to be somewhat higher as Danish private import from Germany continues to increase and is now estimated to account for approx. 20% of total Danish beer consumption.

The share of low-priced brands and private label brands increased in 2000 and the total market share of the Carlsberg Group declined slightly to 69%.



Recent years' adjustments in the cost base continued with efficiency improvements within all function areas of Division Denmark. On 1 May 2000, the two sales organisations of Carlsberg and Tuborg were united in a new, and more customer-oriented joint sales organisation. Efficiency enhancement and reorganisations were carried through within production, production planning and purchase. These areas were combined in the new Supply Chain Management organisation and an agreement was reached with the distribution related unions regarding significant efficiency enhancement in Division Denmark's logistics organisation. Efficiency enhancement was also carried through within Division Denmark's staff functions.

The brands Tuborg Gold and Tuborg Super Light were relaunched with a view to strengthening the Group's brands in Denmark. The very popular commercial for Tuborg Green Label in cinemas and on TV featuring a kiosk owner continued and an advertisement campaign with a new theme was launched for Carlsberg Pilsner. Carlsberg also achieved success with the launch of a series of four high-quality beers called Semper Ardens intended for sale in selected restaurants. The new and lighter PEN plastic bottle, which was introduced in the autumn of 1999 for Tuborg Green Label and Carlsberg Pilsner, also ac-

counted for a considerable part of sales in kiosks and other outlets in the convenience sector in 2000.

Carlsberg also introduced a new, non-carbonated spring water product – Carlsberg Kildevæld – and the sales of this product in the year 2000 met with expectations.

This year, the Carlsberg Group once again participated in PR initiatives carried out by the Danish Brewers' Association (Bryggeriforeningen) to influence consumers' choice of beverages to the advantage of beer. Together with the Danish Brewers' Association, Carlsberg also participated actively in updating the voluntary guidelines on marketing of alcoholic beverages.

Furthermore, Carlsberg participated in negotiations with the retail trade and its organisations about a framework agreement for the establishment of Dansk Retur System A/S. The objectives of the company are to improve the present system for returnable bottles and make it more efficient and to establish a deposit and return system for one-way packaging in case such packaging is permitted on the Danish market. The framework agreement, which is the basis of the company, is currently being considered by the Danish Parliament and legislation is expected to be enacted at the beginning of 2001.

Finland

The Finnish beer market showed a slightly declining trend and total beer sales amounted to about 4 million hectolitres, corresponding to a per capita consumption of 80 litres.

Carlsberg A/S entered into an agreement to take over Rettig's 40% shareholding in Oy Sinebrychoff Ab. The agreement was completed in January 2000, making Oy Sinebrychoff Ab a 100%-owned subsidiary of the Carlsberg Group.

During the period, Sinebrychoff achieved progress in the beer market to a market share of 41.4% and maintained its position as market leader in the two niche markets for cider (Golden Cap) and energy drinks (Battery).

The Carlsberg brand showed a fairly substantial growth rate and remains the largest international beer brand in Finland.

Lithuania

At 2 million hectolitres, the Lithuanian beer market registered continued growth and per capita consumption totalled 54 litres.

During the past year and a half, Carlsberg's subsidiary Svyturys AB has experienced an increase in sales significantly above the general market trend. In 2000, the brewery achieved a market share of 27%, making Svyturys the leading brewery in Lithuania. Considerable investments have been made in modernisation and expansion of the production facilities to meet the rising demand.

The Carlsberg brand was launched in September 2000 and has shown a positive trend.



Norway

The Norwegian beer market registered a slight decline to a total of 2.2 million hectolitres and consumption was among the lowest in Europe at 51 litres per capita.

In Norway, Carlsberg is brewed and marketed by Ringnes a.s. The brand showed substantial sales progress and remains the leading international beer brand.

Tuborg is brewed and marketed by Hansa Borg Bryggerier in Norway. Like the Carlsberg brand, it has also experienced significant increases in recent years and today it is the second largest international beer brand.

Sweden

Following a slightly declining trend, total beer consumption in the Swedish market amounted to approx. 5.1 million hectolitres, corresponding to a per capita consumption of 60 litres.

Carlsberg is marketed by Falcon Bryggerier AB, which is a wholly owned subsidiary of Oy Sinebrychoff Ab.

Falcon increased its beer sales to a 25% share of the total beer market and managed to strengthen its market share in all distribution channels. At the state monopoly outlet, Systembolaget, new launches and growth for the biggest brands made Falcon the leading supplier.

Carlsberg sales developed positively throughout the year, which was characterised by a high level of activity for the brand. In several public surveys, Carlsberg is mentioned as one of Sweden's strongest brands.

The Tuborg brand is produced, sold and distributed partly by Falcon Bryggerier AB and partly by AB Pripps Bryggerier. The development of the Tuborg sales was not quite satisfactory, although Tuborg still enjoys a prominent position in the market.

Iceland

The Icelandic market for strong beer experienced continued growth and sales amounted to more than 130,000 hectolitres in 2000. Per capita consumption increased to 48 litres and foreign beer made up 60% of the total market. Tuborg remains one of the largest beer brands in the



Icelandic market and the brewery Egill Skallagrímsson ehf is Tuborg's long-standing business partner in Iceland.

Carlsberg is sold by the largest brewery in Iceland, Sól-Víking hf, and the brand enjoys a satisfactory position in the market.

Greenland

In Greenland, the Carlsberg and Tuborg brands are sold by the production company Nuuk Imeq, in which Carlsberg A/S holds a 24% stake. Tuborg and Carlsberg are by far the leading beer brands. Total beer sales showed a slight increase and soft drink sales registered continued progress with a gain of more than 7%.

Rest of Europe

United Kingdom

The beer market in the UK is still characterised by intense competition. Consolidation among the major brewers has continued and the growth of independent major pub retailers has accelerated as the traditional pattern of vertical integration, with breweries owning the next sales link, has been rapidly eroded.

The result is increased market shares for strong national brands at the expense of regional and

local players. Total beer sales in the UK amounted to almost 55.5 million hectolitres, a decline of 1.2% and the per capita consumption totalled 101 litres.

Carlsberg-Tetley successfully completed the final year of its restructuring plan with the commissioning of new plant and increased capacity at both the Northampton and Leeds breweries. The Wrexham brewery was closed as planned in the first quarter of 2000. The year also saw a satisfactory outcome to the agreement with one of the largest customers, the pub chain Punch, securing significant branded volume for the foreseeable future.

Strong branded growth was delivered in the retail sector which continues to take share at the expense of the restaurant sector.

The strategy to focus on core brands and improved operating and distribution efficiencies continues to pay dividends. The strong brands (Carlsberg and Tetley's) now constitute approx. 70% of total sales and both Carlsberg and Tetley's have continued to grow market share in their respective categories. Long-term and high-profile sponsorship deals have helped sustain momentum. Productivity in both operations and logistics has also continued to improve as benefits have been reaped from the recent capital investment in both the breweries and the new distribution network.

Although the market trend is stagnating, operating profits were once again better than expected



due to the positive results of the sales mix strategy focusing on brands, particularly in the restaurant sector, and further cost savings.

Ireland

The Irish beer market saw a slight increase and with per capita consumption at 155 litres, Ireland still ranks far above the European average. The major part of beer sales takes place in the restaurant sector, which accounts for more than 85% of total sales.

In recent years, lager beer has become the most important segment in the market and this development continued in the past year. Carlsberg holds a strong position in this segment and despite intensified competition, the brand maintained its position as the third largest lager brand.

Carlsberg is brewed under licence by Ireland's largest brewery, Guinness Ireland Limited.

Germany

Germany is the biggest market for beer in Europe and the third-largest worldwide. Consumption amounted to about 104 million hectolitres and the market maintained an annual per capita consumption of 127 litres. The German beer industry continues to be characterised by a highly fragmented brewery structure with more than 1,200 breweries and 5,000 brands of mainly regional importance. Total beer consumption has shown a declining trend in recent years which, added to the increasing excess capacity in the brewing industry, has resulted in intense price competition, expected to lead to continued consolidation of the market.

Despite intensified competition, Tuborg managed to improve sales. In the spring of 2000, the

Carlsberg brand was relaunched with the German restaurant sector as the primary aim and draught beer sales showed a positive trend. Hannen Brauerei GmbH's total sales showed progress, mainly because of the acquisition of the Altbier speciality brand Gatz. The sale of Hannen's other Altbier brand, Hannen Alt, was not satisfactory. The company, which is located in Nordrhein-Westfalen, is a wholly-owned subsidiary of Carlsberg A/S and it is one of the most efficient breweries in the Group as regards production technique. As a consequence of the limited market share, Hannen Brauerei GmbH's results are not satisfactory.

Switzerland

Total beer sales in Switzerland declined to a per capita consumption of 59 litres. The international beer segment showed fairly substantial growth, however. The market was characterised by intensified competition and the growth experienced for private labels so far seemed to be stagnating.

In November 2000, Carlsberg A/S acquired the largest brewery in Switzerland, Feldschlösschen Getränke AG, which means that Carlsberg's position in the market is strengthened significantly. Feldschlösschen Getränke AG controls a total market share of 46%. The core brands, Feldschlösschen and Cardinal, are the two largest brands in Switzerland, with market shares of 22% and 11%, respectively. The acquisition of Feldschlösschen Getränke AG also entails a marked improvement of the market possibilities for the Carlsberg brand. Feldschlösschen Getränke AG brews Tuborg under licence, while Carlsberg is imported from Denmark.



Italy

Italian beer consumption is the lowest in Europe at 27 litres per capita and the beer market showed no signs of growth. Carlsberg Italia S.p.A. maintained its position as number three in the market thanks to increased focus on the international brands Carlsberg and Tuborg.

Following intensified marketing efforts, Carlsberg sales continued to show progress and sales of Tuborg, which is Carlsberg Italia S.p.A.'s traditional main brand in the premium segment, matched the level of last year.

In 2000, Carlsberg Italia also made acquisitions of wholesalers. The company T & C Italia was established as an umbrella organisation for the 42 majority-owned or associated wholesalers in order to strengthen co-operation and synergy effects between the acquired companies.

Portugal

Carlsberg A/S increased its shareholding in the Portuguese brewery Unicer-União Cervejeira S.A. to 44%. The brewery is market leader within beer and enjoys a comfortable position in soft drinks, water and cask wine. The Portuguese beer market registered a stable per capita consumption of 65 litres.

Unicer's successful relaunch of Carlsberg, the leading international premium brand, in 1999 continued in 2000 and the Carlsberg brand achieved a marked improvement in sales and increased its market share. Unicer also produces and distributes Tuborg Royal Danish.

Spain

In March, Carlsberg A/S entered into a new

licence agreement with Mahou S.A. regarding production, distribution and sale of the Carlsberg brand.

Later that month, Mahou S.A. merged with San Miguel. The merger was approved by the Spanish authorities with the specific condition that Carlsberg remained the only international brand in the portfolio. This has resulted in strong national distribution for Carlsberg and a reinforcement of Carlsberg's position in the international segment.

Per capita consumption amounted to 68 litres in a market characterised by a stable trend in consumption.

Belgium

The Belgian market showed continued decline and per capita consumption amounted to 98 litres. The private labels continued to make headway in the market and this development particularly influenced the sales of canned beer, which have been affected by an aggressive price war in recent years.

Despite fierce competition in the market, the sales of Carlsberg fully met expectations and again showed progress. Carlsberg is the largest imported international beer brand in Belgium and the Carlsberg and Tuborg brands still dominate the Belgian premium segment, ranking 1st and 2nd, respectively.

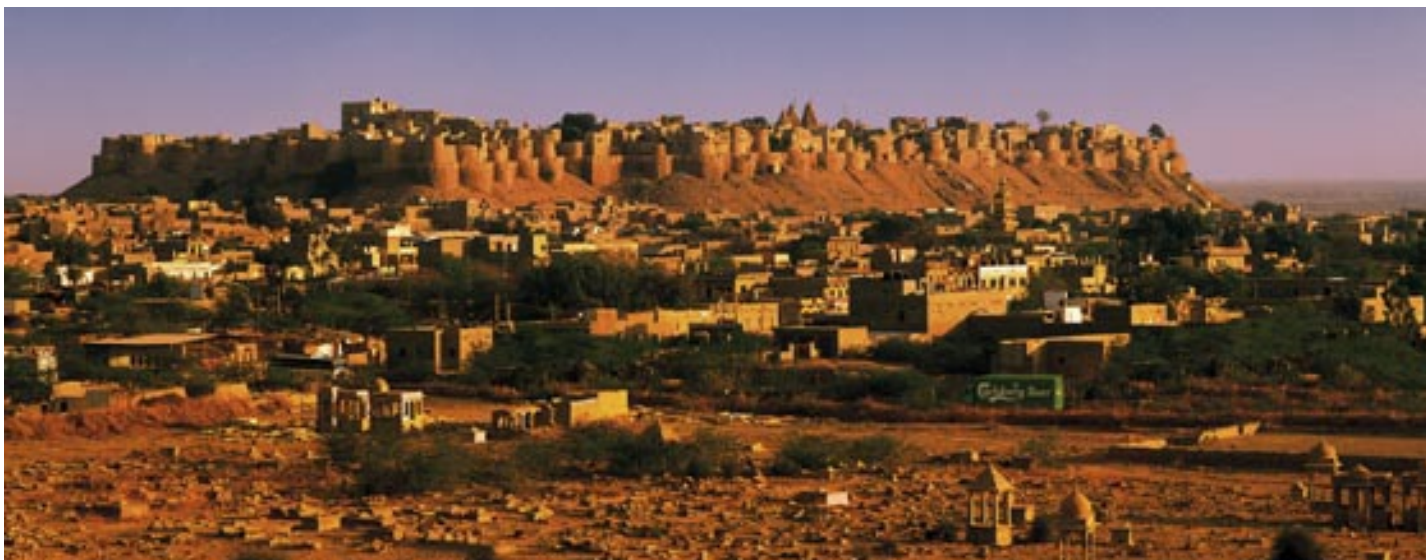
Special activities during the year include the European Football Championships, EURO 2000. The event was supported by extensive national advertisement and sales campaigns that influenced sales positively.

Carlsberg Importers S.A.-N.V. markets and distributes the Carlsberg and Tuborg brands in Belgium. Carlsberg Importers S.A.-N.V. is owned by the Haelterman Group and Carlsberg A/S holds a 10% stake in the company.

France

Total beer sales in France continued to decrease. The decline is primarily attributable to the weak trend in the restaurant sector, whereas the retail trade succeeded in maintaining status quo. Per capita consumption amounted to 39 litres.

Despite increased competition in the market, the sales of the Carlsberg brand developed fa-



avourably. Today, the largest brewery in France, Brasseries Kronenbourg SCA, is the sole distributor of Carlsberg in the country. Brasseries Kronenbourg also sells Tuborg. Carlsberg's subsidiary, the marketing company Carlsberg France S.A., was closed on 1 January 2000.

Carlsberg is brewed locally by Brasseries Kronenbourg, while Tuborg is imported from Denmark.

Poland

The Polish market saw an increase of per capita consumption to 60 litres. The brewing industry is maturing rapidly, resulting in intensified competition. Many brewery groups are investing heavily in increased capacity and a strong commitment to brands.

The partly-owned Carlsberg brewery Okocim was founded in 1845 and the company has produced Polish beer of superb quality for a considerable number of years. Okocim's sales of Polish premium brands declined, but the Carlsberg brand achieved an increase in sales results, however. Okocim's financial results were affected by stagnating sales and were not satisfactory.

Russia

The Russian beer market was characterised by continued growth and per capita consumption

increased to 35 litres. The segment for premium beer gained substantial momentum, but the cheap local standard products continued to dominate the market.

The Vena brewery, which is partly owned by Carlsberg through the Finnish brewery Sinebrychoff, has a long tradition of supplying Russian quality beer. Vena only produces beer for the premium segment and has registered a significant improvement in sales, although earnings remained unsatisfactory.

In the middle of 2000, the brewery introduced Tuborg brewed under licence and the brand has already now become a popular international premium brand in Russia. The brewery's local premium brand, Nevskoye, increased its market share, particularly in the large cities, and considerably improved its position among the leaders in the local premium segment.

Other markets

Tuborg is produced and sold locally by partly-owned breweries in Romania, Croatia and Turkey. The Carlsberg and Tuborg brands are both produced and sold in Israel. In addition, Carlsberg is marketed on the basis of licence agreements in Cyprus, Greece, Malta and The Canary Islands. A similar licence agreement applies for Tuborg in Hungary.

Asia, Americas, Africa

Malaysia

After the first six months, total beer sales in the market showed a positive trend, but the stout segment registered continued decline. However, an increase in the excise duty on beer from 15% to 20% as from the end of October 2000 is expected to dampen the increase in consumption. Carlsberg Brewery Malaysia Berhad again increased sales within both product groups and managed to improve its market share despite continued, intense price competition. Consequently, Carlsberg was the dominant beer brand with a market share of more than 60%.

Sales for Export/Duty Free also registered substantial growth.

During the year, Carlsberg A/S increased its shareholding in CBMB from 27.85% to 50%.

Singapore

Although the economy in Singapore was not as heavily affected by the economic crisis as other countries in Asia, a positive trend has not yet materialised in the beer market. However, Carlsberg Marketing (Singapore) Pte. Ltd. – a wholly-owned subsidiary of Carlsberg A/S – did succeed in increasing sales and gaining market share. Carlsberg thus strengthened its position as Singapore's second largest beer brand.

Thailand

The upward trend in the Thai beer market continued and the low-price market showed particular progress. During the year, Carlsberg increased its minority shareholding to 10% in both Carlsberg Brewery (Thailand) Co., Ltd. and Beer Thai Company Ltd. The companies strengthened their positions as market leaders with Thailand's most popular beer brand, Chang, selling 7 million hectolitres in 2000.

The market for premium beer, which includes the Carlsberg brand, showed a weaker growth rate and Carlsberg sales also showed moderate growth.

The steady growth rate of the market makes it necessary to increase production capacity in the group further and a third brewery with a capacity

of 4.5 million hectolitres of beer is now under construction and production is expected to start at the end of 2001.

Nepal

Although economic growth seems to be limited, the total market for beer experienced an increase and both Carlsberg and Tuborg sales gained significant market share. Both brands are produced and distributed by the partly-owned Gorkha Brewery Pvt. Ltd. The total market share for Carlsberg and Tuborg thus totalled more than 60%. The development in earnings did not match the development in sales because the market was characterised by fierce price competition.

The brewery received Carlsberg's Golden Words Award in 2000.

China

Despite a rising trend in beer consumption (the annual per capita consumption is expected to be just below 18 litres) the sales of premium beer did not show a similar development. In combination with intensified price competition, this resulted in declining sales for the Carlsberg brand. This is one of the reasons why a co-operation arrangement has been established between Carlsberg and the Chinese brewery, China Tsingtao Brewery Co. Ltd. (Tsingtao). Tsingtao has taken over 75% of the shares in Carlsberg Brewery (Shanghai) Ltd., and the remaining 25% have been purchased by Carlsberg A/S. Carlsberg Brewery Hong Kong Ltd. will continue to produce beer for the Chinese market from the brewery in Guangdong, and the





new joint venture will improve utilisation capacity. The agreement with Tsingtao is also expected to entail co-operation initiatives outside China. The Chinese authorities have approved the agreement.

The sales of the Group's local brand in southern China, Dragon 8, continued to develop positively.

Hong Kong

Economic growth in Hong Kong was higher this year compared to the previous years. This was also reflected to some extent in the level of consumption. Total consumption increased, as did the sales of Carlsberg. Carlsberg maintained its market share and even achieved a slightly rising trend despite intensified competition. The sales of Carlsberg's 33-cl bottle showed particular improvement and general progress was achieved in sales to supermarket chains and the restaurant sector. However, a slight decline was registered for draught beer because of declining international business activities in Hong Kong.

In addition to the Carlsberg brand, Carlsberg Hong Kong Ltd. supplies a number of complementary beer brands and a portfolio of Shandy products.

Japan

The stagnating trend for total beer sales in Japan continued and per capita consumption totalled 50 litres. However, this development conceals a marked shift from ordinary beer to the special beer type called "Happoushu", which is a less expensive product because it contains less alcohol and is subject to lower excise duties. This year, after only a few years in the market, Happoushu's market share amounted to about 22% of

total beer sales. Carlsberg again strengthened its market share in the otherwise declining international segment and enhanced its position as the leading international draught beer brand. Carlsberg's partner in Japan is Suntory Limited.

South Korea

The Korean beer market has been stagnating in recent years with a per capita consumption of 34 litres.

The sales of the premium brand Carlsberg, which is brewed by the partner Hite Brewery Co. Ltd. in South Korea, did not reach a satisfactory level and a decline was registered in this stagnating segment, partly because of customer loyalty towards local brands.

Over the past years, Hite Brewery has achieved an increase in its market share in a competitive market dominated by two suppliers.

Carlsberg A/S holds about 13% of the shares in Hite Brewery Co. Ltd. This stake can be increased to approx. 18 to 20% through the conversion of bonds into share capital.

Vietnam

The development in the Vietnamese beer market stagnated at a substantially lower level than the average per capita beer consumption in the rest of Asia. However, beer consumption is expected to increase as the economic situation improves.

Carlsberg is produced by South-East Asia Brewery Ltd. in Hanoi and the sales of the brand also showed a stagnating trend whereas the local brand Halida experienced a slight increase.

Hue Brewery Ltd. achieved a positive development in the sales of the Huda brand. Production

of Tuborg ceased at the turn of the year because of insufficient sales volumes.

The Americas

Total beer consumption in Canada remained unchanged and per capita consumption amounted to 65 litres. However, imports continued to show strong growth at the expense of local production. The sales of Carlsberg, which is brewed and distributed in Canada through a licence agreement with The Labatt Brewing Company Limited, again showed satisfactory growth unlike the major part of the local brands. Considering this trend, results were satisfactory. The strongest growth was registered in the draught beer segment. An upward trend was also recorded for sales of bottles and cans, although slightly weaker than expected.

In the USA, the total sales of beer again increased slightly and imported beer registered strong growth. The sales of Carlsberg remained unchanged and must be characterised as unsatisfactory. Sale and distribution of Carlsberg in the United States is handled in co-operation with Labatt USA L.L.C.

Carlsberg sales in Brazil showed a considerably higher growth rate than the general trend in the beer market. The results are satisfactory, but the growth potential for the brand is still substantial in a market with negligible import of premium brands. In Brazil, Carlsberg is produced under licence and distributed by AMBEV – which became the fourth largest brewing group in the world following the regulatory approval of the merger between Brahma and Antarctica in March 2000.

Other markets

Carlsberg is also produced and sold in Sri Lanka and Malawi by local breweries partly owned by Carlsberg and in The Philippines, Indonesia and Egypt on the basis of licence agreements. Similar Tuborg licence agreements exist in Cameroon and The Ivory Coast.

Exports

Total export business covers about 60 markets and showed a fair increase although exports to the markets in Eastern Europe, Latin America and Africa had not yet been fully re-established after the economic crisis in those areas.

Tuborg sales to Canada and Africa and Carlsberg sales to the Caribbean, Russia and the Gulf States developed positively. During the year, several new export projects were launched, including the introduction of Carlsberg in Sierra Leone and St. Marten and the introduction of Tuborg in Nigeria and Malta. In addition, activities were intensified in Austria, the Netherlands, The Balkans and The Canary Islands and other markets.

Following a period of sharp decline after the EU decision of 1 July 1999 prohibiting Duty Free take-home sales on plane and ferry lines within the EU, the market showed renewed growth. One of the reasons for this upward trend is the large differences in excise duties and VAT rates, particularly between the member countries in Northern Europe.

Export of the English brands from Carlsberg-Tetley's breweries showed good progress. The core brand Tetley's registered continued strong growth, particularly in priority markets such as the USA, Canada and Spain. This year saw the introduction of Tetley's in a number of markets, including Malaysia, China and the Gulf States and the brand is now distributed in more than 20 countries. Export of Skol Super was resumed during the year and fairly substantial progress was achieved in Russia and other markets.

Additional information

On 4 May 2000, representatives from the European Commission paid a visit to Carlsberg A/S looking for evidence of agreements or collusion with other major breweries regarding sharing of beer markets. Carlsberg has nothing to hide and has given the authorities full access to all papers.

Soft Drinks

CCNB

In October 1997, Carlsberg and The Coca-Cola Company established the "Anchor Bottler" company Coca-Cola Nordic Beverages a/s (CCNB), with the long-term perspective of handling production, sale, and distribution of The Coca-Cola Company's brands, such as Coca-Cola, Fanta and Sprite, in the Nordic region and the Baltic States. CCNB was owned 51% by Carlsberg and 49% by The Coca-Cola Company. In the past financial year, CCNB has been operating bottling plants in Denmark, Sweden, Norway and Iceland as well as sales in Finland.

Due to the establishment of Carlsberg Breweries, Carlsberg and The Coca-Cola Company started negotiations regarding their future co-operation. The discussions resulted in the dissolution of the Anchor Bottler as of 1 January 2001, after which date Carlsberg takes over the operations in Denmark and Finland. Activities in Sweden and Norway will be taken over by The Coca-Cola Company, and the Icelandic bottler will be sold and continue as a local company.

On the whole, consumption of soft drinks in the past financial year has not shown the expected rate of increase, but CCNB did, however, manage to increase its sales volume and its share of the total soft drink market. As regards earnings, CCNB registered considerable progress compared to last year, both due to increased sales and more targeted cost management.

After years of growth, the Danish soft drink market experienced a slight decline. During the financial year, production of all Coca-Cola brands

as well as Carlsberg's own soft drink brands were handled at Coca-Cola Tapperierne A/S' (CCTD) production plants in Glostrup and Fredericia. However, as of August 2000, all production was transferred to Fredericia, as the decision made in 1999 to concentrate production in Fredericia was carried through in accordance with plans. CCTD is now in a stronger position to face competition in future as the sales and administration activities have been streamlined during the financial year as well.

In the Swedish market, the Coca-Cola products are produced and sold by Coca-Cola Drycker AB (CCDS), whereas distribution is handled by Dryckes Distributören AB, a joint venture owned in equal shares by CCDS and Falcon Bryggerier AB. During the financial year, CCDS increased its market share, although not as much as expected.

The Norwegian market is largely supplied from the production plant in Lörenskog near Oslo by Coca-Cola Drikker AS (CCDN). During the financial year, CCDN took over new market areas from other bottlers and will take over the last bottler's area at the beginning of 2001. CCDN will then cover sales to the entire Norwegian market. Despite the fact that per capita consumption was already quite high, CCDN managed to create a positive trend in sales.

Coca-Cola Juomat Oy (CCJF) in Finland co-operates with the Carlsberg-owned Oy Sinebrychoff Ab on production and distribution of Coca-Cola products. CCJF registered fair progress in sales during the financial year.

Continued sales progress was once again registered in Iceland, where Coca-Cola Vifill ehf (CCVI) supplies the Coca-Cola brands. Iceland still has the highest per capita consumption of Coca-Cola products in the world – more than 100 litres annually.

In the past financial year, CCNB experienced intensified competition from other players in the soft drink market as well as increasing demands from customers for improved supply conditions. Through targeted efforts, CCNB has managed to reinforce its strong position in the segment of branded soft drinks in the Nordic region.



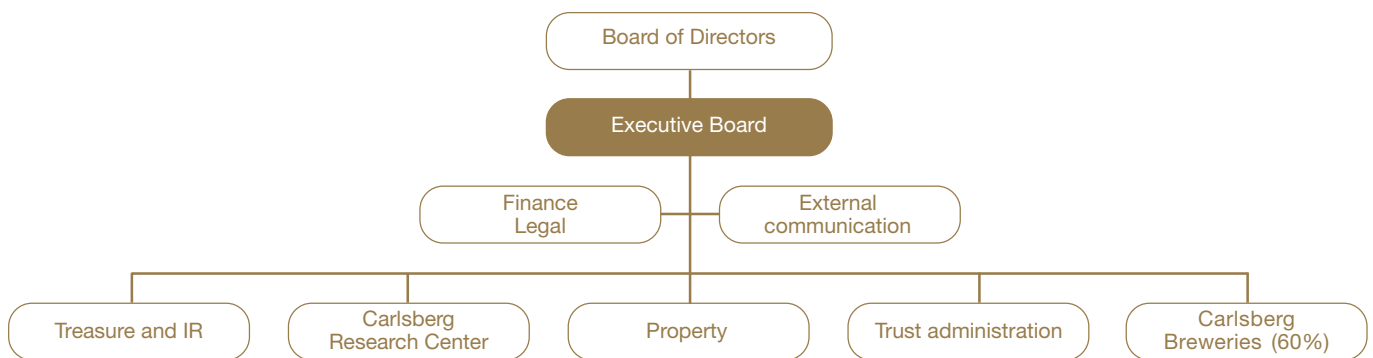
The formation of the subsidiary Carlsberg Breweries A/S, which handles all beer and soft drink activities of the Group, has resulted in significant changes to the organisation of the Carlsberg Group. The primary focus of Carlsberg A/S will be the activities and values of Carlsberg Breweries A/S - a large international brewing company with brands in all segments of the beer and soft drink market - locally, regionally and globally.

The New Carlsberg A/S



The New Carlsberg A/S

Carlsberg A/S



The formation of the subsidiary Carlsberg Breweries A/S, which handles all beer and soft drink activities of the Group, has resulted in significant changes to the organisation of the Carlsberg Group.

The primary focus of Carlsberg A/S will be the activities and values of Carlsberg Breweries A/S - a large international brewing company with brands in all segments of the beer and soft drink market - locally, regionally and globally. Carlsberg Breweries will make efforts to strengthen its position in a number of markets in the Nordic region, Eastern and Western Europe and Asia, and cultivate emerging markets. Carlsberg Breweries will be responsible for securing continuous performance-related growth.

As a listed company and the parent company of the Carlsberg Group, Carlsberg A/S will also actively strengthen investor relations and external communication will be handled from the company's communications department. As regards investor relations, Carlsberg A/S will carry through a number of national and international "road shows" for investors and analysts in order to extend the awareness of the company. In addition, the investor relations department will

have a separate section on the company's Internet site, which will make it easier for all shareholders and investors to keep abreast of the developments in the Carlsberg Group.

Carlsberg A/S is also investigating the possibilities of commercialising the ideas and results - especially within the area of biotechnology - of the Carlsberg Research Center, from which the company Combio A/S originated in 2000. The results seen so far are positive.

Furthermore, Carlsberg A/S will continue its efforts to develop the large property projects for industry and housing at the former brewery sites, Tuborg Nord and Tuborg Syd with highly attractive locations to the north of Copenhagen.

In addition, Carlsberg A/S will handle the administration of the Tuborg Foundation and the Carlsberg Bequest to the Memory of Brewer J.C. Jacobsen.

Executive Board Board of Directors



CEO
Jørn P. Jensen

Professor, D.Econ.
Poul Chr. Matthiessen
Chairman

Managing Director
Palle Marcus
Deputy chairman

Brewery Worker
Hans Andersen
Carlsberg Danmark A/S

Professor, D.Ph.
Torkild Andersen

Managing Director
Jens Bigum
Arla Foods a/s

President, CEO
Henning Dyremose
TDC A/S (Tele Danmark)

Sales Driver
Preben Hedegård
Coca-Cola Tapperierne A/S

Professor, D.Sc., Ph.D., Dr. h.c.
Povl Krogsgaard-Larsen

Professor, D.Ph.
Axel Michelsen

EDP Office Manager
Erik Dedenroth Olsen
Carlsberg Danmark A/S

Professor, D.Ph.
Per Øhrgaard

Group Companies

CARLSBERG A/S

Share capital DKK 1,278,125,640

Brewing Companies

Denmark

Carlsberg Breweries A/S, Copenhagen ● 60% 500,000 DKK

Other Companies

Investeringsselskabet af 17. januar 1991 A/S, Copenhagen ● 100% 14,500 DKK

Ejendomsaktieselskabet af 4. marts 1982, Copenhagen ● 100% 9,500 DKK

Ejendomsaktieselskabet Tuborg Nord B, Copenhagen ● 100% 25,000 DKK

Ejendomsinteressentskabet Tuborg Nord B

Ejendomsaktieselskabet Tuborg Nord C, Copenhagen ● 100% 10,000 DKK

Ejendomsaktieselskabet Tuborg Nord D, Copenhagen ● 100% 10,000 DKK

Coca-Cola Nordic Beverages A/S, Denmark 51% 600,009 DKK

Vingaarden A/S, Odense, Denmark ■ 40% 15,000 DKK

3 subsidiaries

RS Holding Frederiksberg a.s., Copenhagen ■ 2) 28% 700,500 DKK

Royal Scandinavia A/S, Copenhagen 1)

36 subsidiaries

Combio A/S, Copenhagen ■ 33% 120,000 DKK

Coperdan Promociones S.L., Spain ● 100% 500 ESP

● Subsidiaries

■ Other associated company

1) Stock-exchange listed company

2) RS Holding Frederiksberg a.s. owns 51% of Royal Scandinavia A/S

Carlsberg Breweries A/S



The establishment of Carlsberg Breweries has created a substantial international brewing company. The joining of Carlsberg's and Orkla's brewing and soft drink interests has considerably improved the basis for exploiting the growth potential in the brewing industry and for playing a significant part in future.

At present, the international brewing industry is experiencing to strong consolidation trends - the breweries are being concentrated on fewer and fewer players. Uniting forces is the only means of creating the size and growth potential necessary to secure earnings in future.

The strategy is to increase the focus on each of Carlsberg Breweries' markets. In the key markets, Carlsberg Breweries wishes to produce and market beer and engage in closely related activities such as soft drinks and water products.

The breweries' brands constitute one of Carlsberg Breweries' key assets. Carlsberg must be able to respond to the market demands for global, regional and local brands in order to secure growth within all segments of the beer market. The brand portfolio must be strengthened and developed further through enhancement of brand quality and a strong marketing profile.

Carlsberg Breweries aims at becoming market leader in all markets and market segments with Carlsberg operations by establishing majority shareholdings or partnerships.

Carlsberg Breweries will cultivate both mature, traditional markets and new growth markets that hold great potential. The brand strategy will be shaped to match the individual markets. Carlsberg Breweries will have global presence but with particular strength in the markets in Western Europe, Eastern Europe and Asia.

The establishment of Carlsberg Breweries will boost the financial strength and improve the ability to take advantage of market possibilities. It will also entail considerable synergy effects within production, sourcing, logistics, marketing, etc.

Carlsberg Breweries and its owners want to create continued growth.

Carlsberg's development

1880s	10 November 1847 Carlsberg founded Export	↓
1960s	Licence agreements First investments in own breweries	↓
1970s	Carlsberg and Tuborg joined 1970 Minority ownership	↓
1980s	Majority ownership Acquisition of breweries	↓
1990s	Divestment of non-core activities	↓
2000+	Carlsberg Breweries established Focus strategy: Beer and soft drinks	↓

Carlsberg Breweries through the ages

The history of Carlsberg Breweries dates back to the foundation of the Carlsberg Brewery in Copenhagen in 1847. Several of the breweries included in the Group today date back even further - Svyturys in Lithuania was founded in 1784.

Exports

Carlsberg made an early entry into the international market, initially in the Nordic markets around 1850 and the first shipment for Great Britain, which would later develop into a significant market, was sent from Copenhagen to Leith in Scotland in 1868.

The Carlsberg and Tuborg brands quickly achieved a wide distribution, although in modest quantities, and overseas exports to Asia and South America became a reality from the 1880s.

During the first half of the 20th century, exports increased steadily but suffered setbacks in connection with the world wars and, of course, because of competition from local breweries in the export markets.

International breakthrough

In 1970, when the merger between Carlsberg

and Tuborg took place, total production at the two breweries in Copenhagen amounted to 5 million hectolitres of which 1/3 was used for exports.

At that time, Carlsberg's most important export markets were the United Kingdom, Belgium and Asia and for Tuborg also the United Kingdom and a number of continental European markets.

The merger made it possible to co-ordinate efforts to widen the distribution of the Carlsberg and Tuborg brands in the international market.

Because of large export volumes for several markets it was no longer expedient to depend solely on production plants in Denmark and steps were taken to initiate the first production of Carlsberg and Tuborg at foreign breweries. This was realised in two ways partly through own investments and partly through licence agreements with local breweries. The first investments made by Carlsberg and Tuborg were breweries in Malawi and Turkey, respectively. The first of many licence arrangements, granting a local brewery the right to produce and market the Group's brands, was established in Cyprus. The Group founded its own brewery in Northampton, UK, in 1972.

In the overseas markets, the implementation of restrictions prevented future market prospects for imported goods and helped to accelerate the

establishment of own breweries and licence agreements.

As early as in 1976, the Group's sales in the international market surpassed domestic sales.

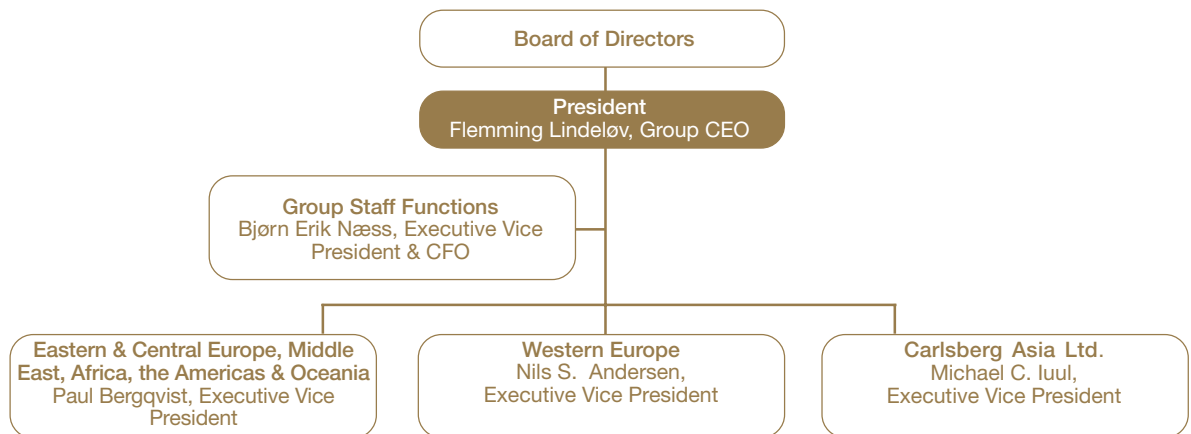
Alliances and licence agreements

The character of the international activities has changed in line with the expansion of Carlsberg's position with increased focus on majority holdings in local breweries and the formation of

complete, local business systems. To this must be added alliances and licence agreements with leading local partners, which is a strong and well-tested Carlsberg concept.

Today, Carlsberg Breweries includes 85 breweries in 46 countries with a total production of 60 million hectolitres (year 2000).

Carlsberg Breweries A/S (Carlsberg A/S 60%, Orkla ASA 40%)



Board of Directors

Managing Director
Palle Marcus
Chairman

Executive Vice President
Finn Jebsen
Orkla ASA
Deputy Chairman

Managing Director
Jens Bigum
Arla Foods amba

President and CEO
Henning Dyremose
TDC A/S (Tele Danmark)

CEO
Jens P. Heyerdahl d.y.
Orkla ASA

Chief Executive Officer
Jørn P. Jensen
Carlsberg A/S

Professor, D.Econ.
Poul Chr. Matthiessen
The Carlsberg Foundation

Executive Vice President
Tom Vidar Rygh
Orkla ASA

Employee representatives on
the Board (to be elected)

The Executive Board



President, CEO
Flemming Lindeløv,



Executive Vice
President
Nils S. Andersen



Executive Vice
President
Paul Bergqvist



Executive Vice
President
Michael C. Luul



Executive Vice
President & Group CFO
Bjørn Erik Næss

Group Companies

		Participating interest	Nominal share capital in 1,000	Currencies
CARLSBERG BREWERIES A/S				
Share capital DKK 500,000,000				
Northern Europe				
Carlsberg Danmark A/S, Copenhagen		100%	1,000	DKK
2 subsidiaries				
Pripps Ringnes AB, Stockholm, Sweden	●	100%	287,500	SEK
3 subsidiaries				
AB Pripps Bryggerier, Stockholm, Sweden	● 1)	100%	70,000	SEK
Ringnes AS, Oslo, Norway	● 1)	100%	248,590	NOK
Oy Sinebrychoff, Helsinki, Finland	●	100%	244,985	FIM
2 subsidiaries				
Falcon Holding Ab, Falkenberg, Sweden	●	100%	150,000	SEK
4 subsidiaries				
Coca-Cola Tapperierne A/S, Copenhagen	●	100%	100,000	DKK
United Kingdom				
Carlsberg-Tetley PLC, Northampton, United Kingdom	●	100%	90,004	GBP
8 subsidiaries				
Western and Southern Europe				
Carlsberg Italia S.p.A., Varese, Italy	●	75%	16,265	ITLm
28 subsidiaries				
Unicer-Bebidas de Portugal, S.A., Porto, Portugal		44%	50,000	EUR
9 subsidiaries				
Hannen Brauerei GmbH, Mönchengladbach, Germany	●	100%	35,003	DEM
5 subsidiaries				

Group Companies	Participating interest	Nominal share capital in 1,000	Currencies
Feldschlösschen Getränke Holding AG, Rheinfelden, Switzerland 19 subsidiaries	●	100%	95,000 CHF
Okocimskie Piwowarskie S.A, Brzesko, Poland 2 subsidiaries	● 2)	47%	22,000 PLN
Carlsberg France S.A., Paris, France	●	100%	5,200 FRF
Panonska Pivovara d.o.o., Koprivnica, Croatia	■	40%	159,932 HRK
AB Svyturys, Klaipeda, Lithuania	●	58%	18,000 LTL
International Breweries B.V., Bussum, Netherlands	■	16%	62 USD
Israel Beer Breweries Ltd., Ashkelon, Israel	■	20%	42 ILS
Nuuk Imaq A/S, Nuuk, Greenland	■	24%	38,000 DKK
Eastern Europe, Africa, North and South America			
BBH - Baltic Beverages Holding AB, Stockholm, Sweden 12 subsidiaries	◆ 3)	50%	100,000 SEK
Carlsberg Malawi Brewery Limited, Blantyre, Malawi Southern Bottlers Limited, Blantyre, Malawi	●	49%	20,000 MWK
Carlsberg Agency Inc., New York, USA 1 subsidiary	●	100%	10 USD
Asia			
Carlsberg Asia Pte Ltd, Singapore 3 subsidiaries	◆	50%	100 SGD
Carlsberg Marketing (Singapore) Pte Ltd., Singapore	●	100%	1,000 SGD
Carlsberg Brewery Hong Kong Limited, Hong Kong 3 subsidiaries	●	51%	250,000 HKD
Carlsberg Brewery Malaysia Berhad, Kuala Lumpur, Malaysia 3 subsidiaries	● 2)	50%	153,000 MYR
Gorkha Brewery Ltd, Katmandu, Nepal	■	48%	466,323 NPR
Hue Brewery Ltd., Hue, Vietnam		35%	216,788 VND
South-East Asia Brewery Ltd., Hanoi, Vietnam	■	5%	212,705 VND
Other Companies			
Carlsberg International A/S, Copenhagen	●	100%	1,000 DKK
Danbrew Ltd. A/S, Copenhagen 2 subsidiaries	●	100%	2,000 DKK
Danish Malting Group A/S, Vordingborg, Denmark	●	100%	100,000 DKK
Tuborg International A/S, Copenhagen	●	100%	1,000 DKK
United Breweries International Limited A/S, Copenhagen	●	100%	500 DKK
Carlsberg Finans A/S, Copenhagen	●	100%	25,000 DKK
Carlsberg (UK) Limited, Northampton, United Kingdom	●	100%	100 GBP
Investeringsselskabet af 29. oktober 1962 A/S, Copenhagen 1 subsidiary	●	100%	5,000 DKK
Nepko A/S, Copenhagen	●	100%	1,000 DKK

● Subsidiaries

◆ Pro rata consolidated associated company

■ Other associated company

1) AB Pripps Bryggerier and Ringnes AS are 100%-owned by Pripps Ringnes AB

2) Stock-exchange listed company

3) BBH - Baltic Beverages Holding AB is 50% owned by Pripps Ringnes AB

Carlsberg Breweries

Pro forma highlights for the calendar year 2000 (unaudited)

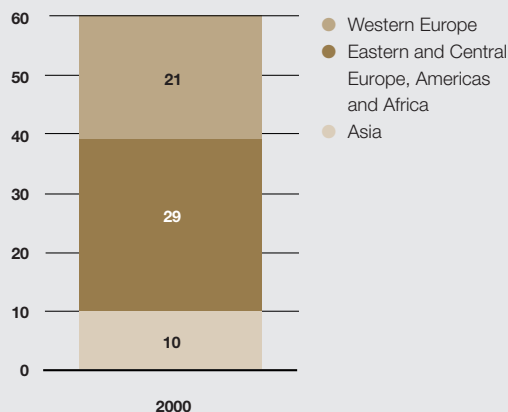
Million hectolitres	Beer	Soft drinks
Western Europe	21	7
Eastern and Central Europe, Americas, Africa	29	3
Asia	10	2
Total sales	60	12

DKK million

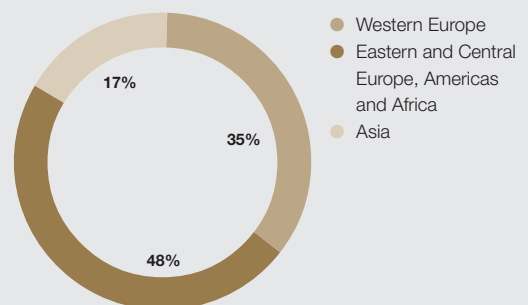
Turnover, net	25,813
Operating profit (EBITDA)	4,072
Operating profit (EBIT)	2,325
Profit before tax	2,257
Group profit	1,554
Fixed assets	20,220
Current assets	12,214
Equity	8,414
Long-term debt	6,559
Short-term debt	14,402
Balance sheet total	32,434
Interest-bearing debt, net	10,387
Average number of employees	29,335

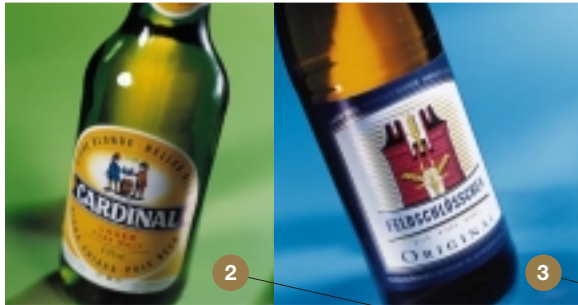
- The pro forma accounting figures are based on - and are the sum total of – audited accounting figures of Orkla's beverage activities during the calendar year 2000 and unaudited interim statements for the calendar year 2000 of Carlsberg's beer activities.
- Based on estimates, the accounting figures of Orkla's beverage activities have been adapted to Carlsberg's accounting policies.
- Feldschlösschen Getränke Holding AG is included in the operations with one month and fully included in the balance sheet figures.
- The establishment of a joint venture with Asian Chang Beverage Company regarding the activities in Asia and the Coca-Cola activities in Denmark and Finland are not included in the pro forma figures.
- Possible synergy effects or other management initiatives as a consequence of the establishment of Carlsberg Breweries A/S are not included in the stated pro forma figures.

CARLSBERG BREWERIES SALES
MILLION HECTOLITRES BEER
12 MONTHS END-2000



CARLSBERG BREWERIES
DIVIDED ON MARKETS

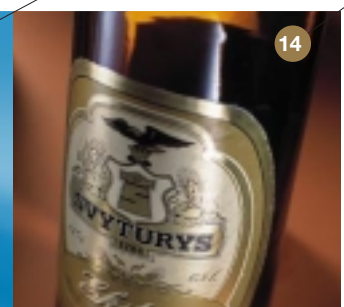
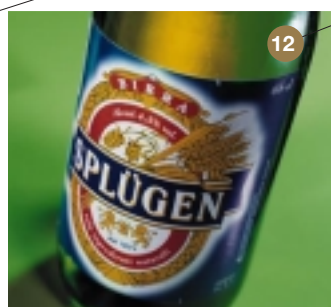
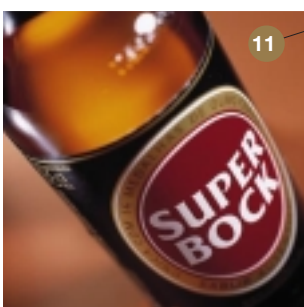
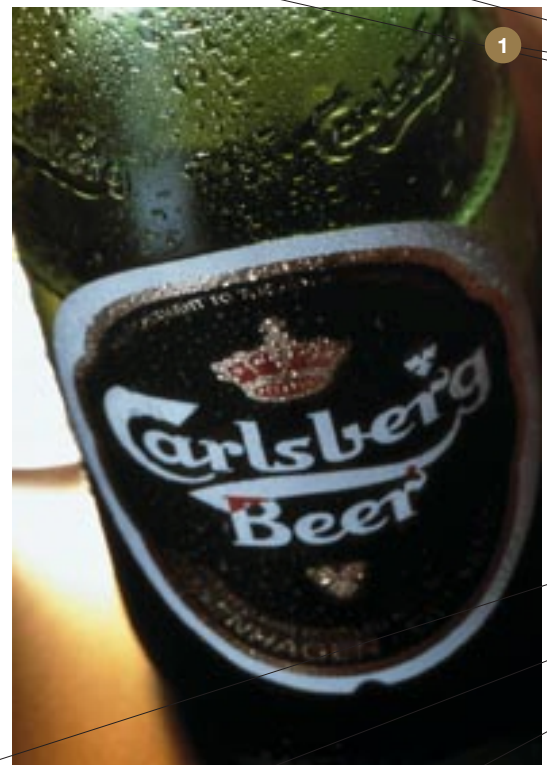


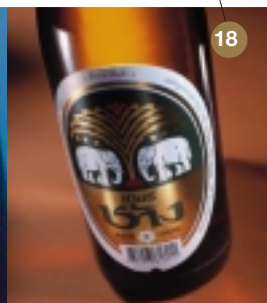
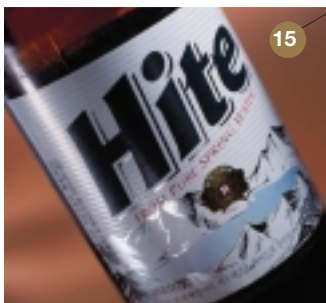
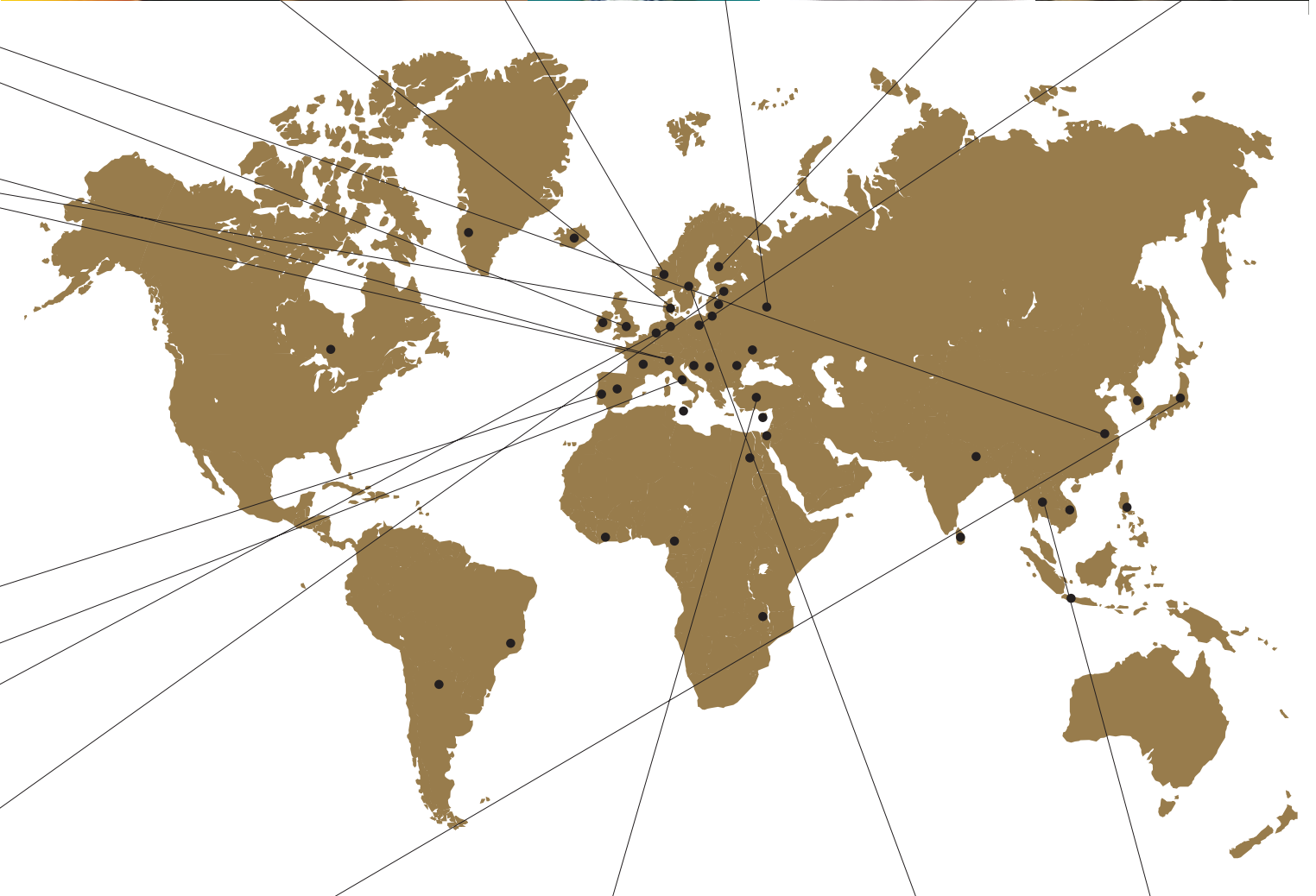


Carlsberg Breweries A/S

Carlsberg Breweries' portfolio of unique, leading brands includes strong global, regional and local beer brands.

1	Carlsberg	Global
2	Cardinal	Switzerland
3	Feldschlösschen	Switzerland
4	Tetley's	United Kingdom
5	Dragon 8	China
6	Tuborg	Europe
7	Ringnes	Norway
8	Baltika	Russia
9	Koff	Finland
10	Okocim	Poland
11	Super Bock	Portugal
12	Splügen	Italy
13	Hannen	Germany
14	Svyturys	Lithuania
15	Hite	Japan
16	Pan	Croatia
17	Pripps	Sweden
18	Beer Chang	Thailand





● Carlsberg Breweries' brands are produced at breweries in 46 countries

Carlsberg Research Center, Properties and Trusts



Carlsberg A/S is also investigating the possibilities of commercialising the ideas and results - especially within the area of biotechnology - of the Carlsberg Research Center, from which the company Combio A/S originated in 2000. The results seen so far are positive.

Carlsberg Research Center

Carlsberg Research Center (CRC) is part of Carlsberg A/S and includes the Carlsberg Laboratory and the Carlsberg Research Laboratory as well as affiliated auxiliary departments such as administration, service and workshops. CRC will have around 140 full-time employees distributed as follows: 70 at the Carlsberg Laboratory (around 20 financed by external means), 50 at the Carlsberg Research Laboratory and 20 in auxiliary functions and administration.

The task of the Carlsberg Research Center is to carry out brewing related research for e.g. Carlsberg Breweries A/S in order to ensure that the following services are provided to production activities worldwide:

- continuous improvement of quality;
- expert solutions to any production problems;

- lowest possible production costs based on research;
- range of goods based on research;
- participation in delivery of Carlsberg yeast to production sites in cooperation with Carlsberg Corporate Operations Control (CCOC);
- optimum positioning of Carlsberg in the future by preparing Carlsberg for the transgenic age.

Carlsberg Breweries requests these services through a steering group, consisting of the technical division managers and Danbrew's managing director and headed by the manager of CCOC.

The Carlsberg Laboratory has its own independent statutes, which form part of the Carlsberg Foundation's charter. The Carlsberg Laboratory constitutes an independent unit of the Research Center run by Carlsberg A/S.



Carlsberg Research Center



The main task of the laboratory is to provide a scientific basis for malting, brewing and fermenting operations, which is as complete as possible.

The laboratory is currently involved in:

- investigation of grain species applicable for brewing through chemical, biochemical, physiological, genetic and gene technological methods;
- investigation of genetic conditions and other conditions for yeast;
- investigation of the substances in the grain species, especially proteins and carbohydrates, and the reaction and conversion of these substances during brewing operations.

The Carlsberg Laboratory receives approx. DKK 25 million from external sponsors for the implementation of research projects.

At present, the Carlsberg Research Center is investigating how best to commercialise the biotechnological research results of the past decades in a possible future Carlsberg Bio-Incubator.

Carlsberg Properties

Carlsberg Properties handles the Group's property portfolio outside the actual production facilities, i.e. especially the development and building on the approx. 400,000 m² Tuborg area overlooking the sound between Denmark and Sweden in Hellerup, north of Copenhagen.

At present, three major office buildings with a total floorage of 38,000 covering the domicile of among others NCC Danmark, Microsoft and icl invia are under construction at Tuborg Nord, which constitutes almost half of the large area. When these three major office buildings have been completed, the non-residential part, which covers about 80% of Tuborg Nord is completed. The remaining 20% of the Tuborg Nord area will be used for housing construction and the first phase with construction of 40 high-quality flats has started. The flats are sold as condominiums and since they have already been sold, the second phase with 46 high-quality flats has just been initiated. 75-100 flats still remain to be built before the entire Tuborg Nord area is completed.

In co-operation with the city of Gentofte, a competition for ideas regarding the development of the area of Tuborg Syd was set up. The subsequent local district plan was finalised with the adoption by the local council of plan no. 178

on 28 August 2000. The district plan allows for new building to take place immediately in three areas, whereas the building on the remaining six areas is conditional upon prior preparation of an additional district plan. In total, the district plan makes it possible to build a total floorage of approx. 100,000 m² for non-residential building, 100,000 m² for flats and approx. 25,000 m² for public purposes, of which it is expected that the local authorities will use approx. 7,500 floorage for the construction of a new school.

The Carlsberg Bequest to the Memory of Brewer J.C. Jacobsen

On 1 October 1938, 60 years after the Carlsberg Foundation took over brewer J.C. Jacobsen's brewery, Old Carlsberg - the foundation established The Carlsberg Bequest to the Memory of Brewer J.C. Jacobsen as a tribute to the founder's founder, whose extensive engagement in society is well-known.

The trust was established with a basic capital of DKK 1 million and the charter stipulated that it is to "operate in support of socially beneficial aims within the sphere of practical life, particularly in connection with science".

Since its establishment, the trust has granted about DKK 200 million measured in current value to approx. 6,000 large and small projects within all branches of society. At present, the trust grants around DKK 4 million annually to about 180 activities in Denmark.



Carlsberg Laboratory

Contributing to scientific objectives is one of the trust's main objectives. As a result, the trust has supported the purchase of apparatus to be distributed among high schools and higher education courses to promote the development work with biotechnological experiments.

Every second year, the Royal Veterinary and Agricultural University in Copenhagen receives DKK 100,000 to be distributed as "Carlsberg's research prize for the promotion of agronomics".

The Copenhagen University Hospital has also received a scientific grant for the purchase of IT-equipment in connection with the establishment of the secretariat for the International Reference Centre for Continuing Technical Education.

The newest addition is the establishment of "Carlsberg's research prize for the promotion of chemistry" of DKK 100,000, granted as a tribute to chemical research. This prize is awarded every second year to a researcher within this field.

The Tuborg Foundation

On 9 February 1931, the board of The United Breweries Co. Ltd. decided to mark the 40th anniversary of the foundation of the company by establishing the Tuborg Foundation with a basic capital of DKK 1 million. The United Breweries was established on 9 February 1891, when 12 Copenhagen breweries joined forces.

On 1 October 1991, the Tuborg Foundation was merged with the Carlsberg Foundation. The latter continued with the Tuborg Foundation as an independent unit within the Carlsberg Foundation with its own administration.

According to its charter, the objective of the Tuborg Foundation is "to work for socio-beneficial objectives especially in support of Danish trade and industry". Since its establishment, the Tuborg Foundation has distributed approx. DKK 500 million in current value to around 11,000 large and small projects across the entire country. At present, the foundation grants about DKK 17 million annually to approx. 400 activities.

Throughout the foundation's 70 years, all branches of Danish society have benefited from



Carlsberg Laboratory

the Tuborg Foundation. Trade and industry, art, culture, education and sport have all received grants.

In particular, the Tuborg Foundation has supported trade and industry and the education of young business people. Each year, since 1950, the Tuborg Foundation has supported student trips for young people.

The foundation has also donated significant amounts to the study of economics in universities and business schools. Each year, the business economics prize of the Tuborg Foundation is awarded to seven PhD students. Each prize is DKK 150,000 for a six-month stay at a university or college in the US. The prizes are awarded to students who have shown particular interest in business economics and who have achieved significant expertise within the field.

The foundation has also supported trade organisations through grants to so-called contact groups in the regional towns of Vordingborg and Aalborg, helping small companies to establish sales channels in other European countries in an easy and inexpensive manner.

Accounts for 1999 / 2000

The Carlsberg Group
Accounts, Notes, etc. for 1999/2000

Financial Review of the Carlsberg Group

Basis of comparison

At the Extraordinary General Meeting on 30 August 2000, it was decided to change the financial year to follow the calendar year. This was done by extending the financial period 1999/00 by three months until 31 December 2000.

Consequently, the accounts and the financial review cover the accounting period from 1 October 1999 until 31 December 2000 (15 months).

Carlsberg has increased its shareholdings in the companies in Malaysia and Poland, achieving the controlling interest, and these companies are now fully consolidated. Previously, the companies were associated and included on a pro rata basis and one-line consolidated, respectively. A few Group companies which, for practical reasons, were previously included with a certain time lag are now included up until 31 December 2000. The changes in the basis of the accounts entail that operating profit is DKK 276 million higher than would otherwise have been the case.

To create a basis for comparison with previous years, figures covering 12 months are stated in brackets throughout the review when deemed expedient, corresponding to the calendar year 2000 adjusted for the effects of the changes made in the basis of the accounts.

1999/2000 in outline

- Sales of beer and soft drinks amounted to 69.9 million hectolitres against 50.8 million hectolitres in 1998/99.
- Net turnover totalled DKK 34.9 billion (DKK 25.7 billion) against DKK 24.2 billion in 1998/99, corresponding to a comparable increase of DKK 1.5 billion or 6%.
- Operating profit amounted to DKK 2,934 million (DKK 2,087 million) against DKK 1,673 million in 1998/99, corresponding to an increase of DKK 414 million or 25% when using comparable figures.
- Special non-recurring items amounted to net DKK 428 million against DKK 79 million in 1998/99.
- Net financials showed expenditure of DKK 207 million (DKK 253 million) against expenditure of DKK 119 million in 1998/99

- Profit before tax totalled DKK 3,155 million (DKK 2,262 million) compared to DKK 1,633 million in 1998/99.
- Group profit amounted to DKK 2,227 million (DKK 1,623 million) against DKK 1,156 million in 1998/99.
- Carlsberg A/S' share of profit for the year amounted to DKK 2,133 million (DKK 1,646 million) against DKK 1,164 million in 1998/99.
- Group assets amounted to DKK 35.0 billion against DKK 29.9 billion as at 30 September 1999.
- Equity amounted to DKK 10.6 billion after appropriations to reserves from the profit of the year, deduction of dividend and write-off of Group goodwill, etc. compared to DKK 11.9 billion as at 30 September 1999.
- Cash flow from operations for the period amounted to DKK 3.2 billion.

Accounting policies

The annual accounts have been prepared in accordance with the Danish Company Accounts Act and the reporting requirements of the Copenhagen Stock Exchange, which include current Danish accounting standards. The accounting policies are unchanged from last year. Please see the section on Accounting Policies.

In accordance with Carlsberg's long-standing accounting principles, Group goodwill is immediately written-off against equity.

During the past 10 years, the Carlsberg Group has made substantial company acquisitions and has thus written off DKK 7.5 billion against equity on acquisition, of which DKK 3,644 million occurred during the 15-month period from 1 October 1999. Had Group goodwill been capitalised and amortised over a period of 20 years, it is estimated that the Group profit would have been DKK 470 million smaller and, at 31 December 2000, equity would have been DKK 6.2 billion larger.

Indirect production costs are not included in the value of the Group's stocks. Had such indirect production costs been included, the value of the stocks would have been DKK 137 million higher at year-end. The impact on operating profit would have been an income of DKK 20 million.

Carlsberg is planning to implement changes in the accounting policies with effect from the financial year 2002 at the latest, which will harmonise them with the new Danish Company Accounts Act and consequently international accounting guidelines.

The profit and loss account

The operating profit of the Carlsberg Group amounted to DKK 2,934 million (DKK 2,087 million) against DKK 1,673 million last year. The comparable increase of DKK 414 million - or 25% - is the result of growth in the major Group companies. CCNB experienced a positive development in sales as well as improved results. Within the international beer business, the most substantial progress was achieved by Carlsberg-Tetley in the United Kingdom – among other things because of favourable exchange-rate developments – and in Falcon in Sweden, Carlsberg Brewery Malaysia Berhad and Svyturys in Lithuania. Satisfactory developments in earnings were also achieved in Denmark, and the effects of the restructuring projects are evident.

Significant events for the Group

In the spring of 2000, Carlsberg A/S increased its shareholding in Carlsberg Brewery Malaysia Berhad from 28% to 50%. As of 1 April 2000, the company is included as a subsidiary and consolidated 100%.

On 31 May 2000, an agreement was concluded with Orkla ASA regarding the inclusion of Orkla's beverage activities in Carlsberg Breweries. In accordance with the agreement, the company Carlsberg Breweries A/S was established on 1 July 2000 with headquarters in Copenhagen. With effect from 1 July 2000, Carlsberg A/S has contributed all national and international beer activities as well as Saltum og Neptun Bryggerier A/S to Carlsberg Breweries A/S.

Final approval from the competition authorities regarding Orkla's beverage activities was received on 2 January 2001. This means that Orkla will contribute all beverage activities to Carlsberg Breweries A/S with effect in the accounts from 1 January 2001. As regards the year 2000, Carlsberg Breweries A/S is thus a 100%-owned

subsidiary of Carlsberg A/S and Orkla's beverage activities are not included in the present annual accounts. When Orkla's beverage activities have been included in Carlsberg Breweries A/S, Carlsberg will own 60% of the company and Orkla ASA the remaining 40%. As Carlsberg Breweries A/S is of substantial importance to Carlsberg A/S, the present annual accounts include unaudited, pro forma financial highlights of Carlsberg Breweries A/S, indicating the situation had the company existed throughout the calendar year 2000. For further details please see the relevant, separate section below.

On 19 June 2000, the shareholding in Tivoli was sold to Skandinavisk Tobakskompagni A/S and Chr. Augustinus Fabrikker Aktieselskab for the amount of DKK 308 million. The profit from the sale, totalling DKK 182 million, is included in the profit and loss account under special items.

On 9 August 2000, the 51%-owned Carlsberg Hong Kong Ltd. (CBHK) entered into a co-operation agreement with the Chinese brewery China Tsingtao Brewery Co. Ltd. (Tsingtao). The agreement entails, among other things, that Tsingtao has taken over a 75% shareholding in the brewery Carlsberg Brewery (Shanghai) Limited (CBS), which was previously 95%-owned by CBHK and 5% by a local partner. The sales price is approx. DKK 154 million. On 31 December 2000, the remaining 25% of the shares in CBS are held by CBHK, but they are expected to be transferred to Carlsberg Asia Ltd. as from 1 January 2001, cf. below. The agreement was approved by the Chinese authorities at the end of December 2000. As a consequence, the operations of the Shanghai brewery are included in the accounts up until 31 December 2000. The agreement entails that tangible fixed assets have been written down and provisions have been made for severance payments, etc. totalling DKK 241 million, which is registered in the profit and loss account under special items.

On 3 November 2000, Carlsberg announced its acquisition of the largest brewery in Switzerland, Feldschlösschen Getränke Holding AG, for the amount of approx. CHF 870 million (approx. DKK 4.3 billion inclusive of external debt). The operations of the company are included in the Group

accounts as from 1 December 2000, resulting in a negative impact of DKK 32 million on operations and of approx. DKK 4 billion on the balance sheet as at 31 December 2000.

On 15 December 2000, Carlsberg entered into an agreement with Asian Chang Beverage Company regarding the establishment of Carlsberg Asia Ltd., a 50/50 joint venture that will administer and develop the marketing and brewing activities of the companies in Asia. The agreement takes effect as from 1 January 2001 and will thus have no impact on the annual accounts of 1999/2000. Carlsberg Asia Ltd. is expected to be pro rata consolidated in Carlsberg's accounts as from 1 January 2001.

On 22 December 2000, Carlsberg announced a reduction in its shareholding in Royal Scandinavia A/S (from approx. 65% to 28%). The new owner of Royal Scandinavia will be the new-established company RS Holding, Frederiksberg a.s., in which Carlsberg holds 28%. The transaction has no influence on the results of the annual accounts as the results of Royal Scandinavia will be fully consolidated for the full financial year. No profit will be realised from the sale as the profit of DKK 69 million relates to goodwill written off against equity in previous years, which has been written back. As from 31 December 2000, the company will be included as a 28% shareholding in an associated company, corresponding to a value of DKK 35 million. The cash flow impact from the sale will be included in the accounts for the year 2001.

In connection with the agreement with Orkla ASA, the Swedish and Norwegian competition authorities have required that Carlsberg cease bottling, sale and distribution of either Pepsi or Coca-Cola in the Swedish and Norwegian markets. Carlsberg will thus give up the Coca-Cola companies in Sweden and Norway as from 1 January 2001, whereas the Coca-Cola activities will continue in Denmark and Finland as 100%-owned operations. The company in Iceland will be sold. The positive trend in the Danish and Finnish Coca-Cola business is expected to continue. All consequences affecting the accounts as a result of the sale will be included in the financial year 2001.

Turnover

Sales of beer increased by 2.8 million hectolitres when using comparable figures, corresponding to an increase of 7.6% compared to last year. Soft drinks saw an increase of 1.0 million hectolitres, corresponding to an increase of 7.2% when using comparable figures.

The net turnover, which also includes royalties, increased by about 6% to DKK 25.7 billion for the comparable 12-month period. The increase is primarily attributable to Coca-Cola Nordic Beverages (CCNB), Sinebrychoff in Finland and Falcon in Sweden. Furthermore, the acquisition of companies in Italy through the subsidiary Carlsberg Italia S.p.A. has had a considerable impact on turnover.

As expected, turnover in the United Kingdom showed a declining trend.

Focus on the Group's brands – particularly the Carlsberg brand – continued.

Production costs

Production costs amounted to 49.5% of net turnover, which is about 3% points down on the annual accounts for 1998/99. This development is the consequence of, among other things, the considerable efficiency enhancing measures and restructuring initiatives implemented in recent years (particularly in Denmark and the United Kingdom) which are still in progress. Savings from these measures will continue to affect the annual accounts positively in the years to come.

Sales and distribution costs

In relation to net turnover, the sales and distribution costs amounted to 35.9%, corresponding to a rise of 2% points on last year. Substantial resources are still applied for advertising and sponsor activities in order to maintain and develop the brand value. During the financial year, attention has again been focused on continued improvement of distribution efficiency. This strategy will continue in the year 2001.

Administration costs

Administration costs amounted to 7.8% of the net turnover, which is somewhat higher than last year. The financial year has been characterised by many projects both in Denmark and abroad. The

projects have required substantial resources and investments. Investments in IT solutions to support the company mission will continue in the years ahead.

Other operating income, net

Other operating income relates to Carlsberg-Tetley's distribution of other beverages, which saw an increase in the past year, as well as the sale of land and buildings at Tuborg's former brewery site. In this connection, Carlsberg is co-operating with external partners on the construction and sale of non-residential property and rented accommodations. To this must be added the operating profit from the Group's investments in property.

Profit before tax of participating interests in associated companies

During the financial year, results of other associated companies showed a decline compared to last year. One of the reasons for this decline is the fact that Carlsberg has increased its shareholding in the Polish brewery, Okocim, which is now treated as a subsidiary and consolidated 100%. In addition, the operations of Tivoli are only included up until 31 March 2000 because of the sale.

Special items, net

As in previous years, this item includes significant non-recurring amounts which are not attributable to the normal running of the company. Special items amounted to DKK 428 million against DKK 79 million last year.

This item primarily comprises a net profit of DKK 354 million from the sale of the shares in Grupo Cruzcampo and profit from the sale of the shares in Tivoli, amounting to DKK 182 million. Furthermore, the company Ejendomsaktieselskabet matr. nr. 43 ei Avedøre by was sold at a profit of DKK 41 million. The item also covers adjustments in provisions totalling DKK 312 million. This includes the write-back of DKK 60 million in connection with liabilities for deposits on returnable packaging.

The write-down of the brewery in Shanghai is registered as expenditure under this item. The brewery was written down by the sales price agreed with Tsingtao in August 2000. In addition,

provisions have been made for severance payments, etc. in connection with the sale. A total of DKK 241 million has been registered as expenditure under this item.

Provisions of DKK 50 million have been made in connection with the decision to close down the distribution company in Sweden which is owned by Falcon and Coca-Cola, Sweden. The close-down is a result of the establishment of Carlsberg Breweries A/S as the Swedish competition authorities required that the co-operation with either Pepsi or Coca-Cola in Sweden and Norway be discontinued.

Of the remaining provisions, totalling DKK 170 million, the major part relates to the continued restructuring efforts in Denmark and the vacating of premises in Hong Kong. Please see note 5.

Financials, net

Financials showed expenditure of DKK 207 million which is an increase on last year (DKK -119 million) because of the acquisition of companies and the considerable investments made in production plant in recent years. However, expenditure is less substantial than expected, primarily due to the capital gain realised during the year from the sale of participating interests in Dansk Kapitalanlæg, Berlingske Tidende, and other activities.

Corporation tax

Corporation tax for the period totalled DKK 928 million, corresponding to an effective tax rate of 29.4% against 29.2% last year. When disregarding tax-exempt gains, non-deductible costs, etc., the effective tax rate amounted to 32.7%.

Minority interests

The minority interests' share of the profit increased compared to last year. This is primarily due to the following circumstances in the companies with significant minority shareholdings: Following an initial running-in period, earnings in the CCNB group companies showed improvement and earnings in Svytyrys increased.

The balance sheet

The balance sheet total at 31 December increased

by DKK 5.1 billion (17%) compared to last year. This is mainly ascribable to the acquisition of Feldschlösschen Getränke Holding AG and the full consolidation of Carlsberg Brewery Malaysia Berhad and Okocim in Poland. Furthermore, the GBP exchange rate movements have resulted in an increase in the value of Carlsberg-Tetley's balance sheet total. In contrast, Royal Scandinavia is now only included in the balance sheet as an associated company.

Equity

Equity amounted to DKK 10.6 billion (Carlsberg A/S' share is DKK 9.0 billion) and constitutes 30% of the Group's balance sheet total.

The increase in the Group's equity mainly derives from the profit for the year as well as exchange rate adjustments in capital invested in Group companies and the related long-term loans in foreign currencies.

Deductions in equity are primarily attributable to Group goodwill in connection with the takeover of the remaining 40% of the shares in Sinebrychoff, the increase of the shareholding in Carlsberg Brewery Malaysia Berhad to 50%, the increase of the shareholding in Unicer S.A. and Group goodwill in connection with the acquisition of Feldschlösschen Getränke Holding AG.

Provisions

Provisions amounted to DKK 3,131 million against DKK 3,342 million last year. The majority of this amount, DKK 2,432 million, relates to provisions for pensions, etc., DKK 366 million, repayment obligations in connection with packaging material, DKK 1,142 million, and deferred tax, DKK 924 million. These items saw a total increase of DKK 679 million, which is mainly attributable to the changes in the shareholdings in the companies in Malaysia and Poland and the acquisition of Feldschlösschen Getränke Holding AG in Switzerland.

At 31 December 2000, other provisions amounted to DKK 699 million against DKK 1,589 million last year. This year, additions of DKK 417 million were recorded under this item and disposals of DKK 1,307 million, including write-back of provisions of DKK 252 million.

Additions under this item amounted to DKK 417 million and relate to severance payments in relation to restructuring as well as provision for the closing of the distribution company in Sweden. In addition, provisions of DKK 107 million were made for decided restructuring costs in connection with the acquisition of Feldschlösschen Getränke Holding AG.

Provisions totalling DKK 168 million were applied during the year in connection with various projects related to restructuring measures, the division of Carlsberg's organisation, etc. as well as costs in connection with improvements in distribution efficiency.

In addition, provisions of DKK 142 million have been applied in connection with CCNB. The provisions include amounts for severance payments, expenses for the transfer of technical equipment and other expenses necessary to complete the restructuring project. Moreover, DKK 52 million were applied for IT systems.

Provisions of DKK 259 million were applied at Carlsberg-Tetley. The most substantial part – DKK 95 million – is related to the replacement of the IT outsourcing supplier and to severance payments.

Provisions of previous years in connection with CCNB have been applied according to plans. This concerns the application of provisions made on 1 October 1997 to cover the running-in expenses and structural changes during the start-up phase of the group. In 1999/00, DKK 285 million after tax (1998/99: DKK 420 million) was applied for these purposes within production, sale, distribution and administration. The remaining part of these provisions amounted to DKK 255 million after tax.

In 1995/96, Carlsberg received compensation from the former partner in Carlsberg-Tetley, Allied Domecq, covering future additional expenses in relation to new supply agreements and pension schemes. The share of the compensation relating to 1999/00 has been registered as income in the profit and loss account, amounting to DKK 69 million after tax (1998/99: DKK 141 million).

The remaining application of provisions, totalling DKK 80 million, relates to the restructuring measures initiated at Royal Scandinavia in previous years.

Cash flow

The cash flow statement gives a complete overview of the origin and application of the cash flow throughout the year.

Cash flow from the operations of the Group, inclusive of financials but exclusive of changes in the working capital, amounted to DKK 3.9 billion against DKK 2.7 billion last year. Total cash flow from operations totalled DKK 3.2 billion against DKK 1.8 billion last year, which is a considerable improvement.

The Group has sold securities, resulting in a positive net contribution of DKK 0.7 billion.

DKK 2.8 billion was applied for the purchase of tangible fixed assets, DKK 4.3 billion, net for the acquisition of companies, etc., and increased tied-up working capital amounted to DKK 0.6 billion.

During the year, DKK 0.9 billion of provisions and special items was applied.

Free cash flow amounted to DKK –3.8 billion against DKK –0.7 billion last year. The contribution from operations saw a marked improvement compared to last year and the negative figure registered for free cash flow is thus attributable to the substantial investments.

When taking the Group's increase in debt into consideration, a total negative cash flow of DKK 0.2 billion appears for the financial year.

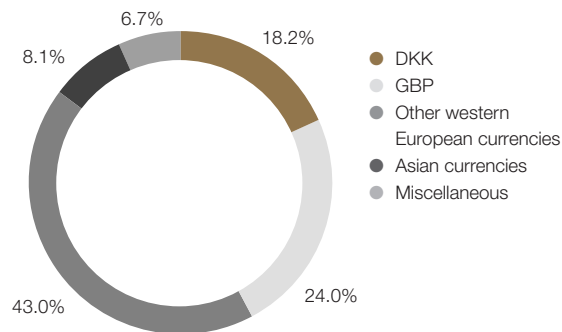
In aggregate, cash at bank and in hand of the Group amounted to DKK 1.7 billion at 31 December 2000.

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

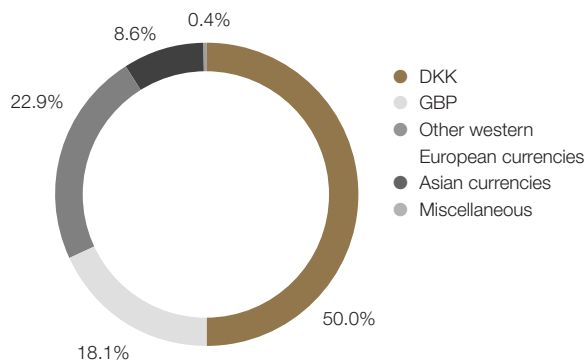
At 31 December 2000, securities, cash and cash equivalents, consisting of cash at bank and in hand and listed securities, amounted to DKK 2.9 billion (1998/99: DKK: 3.2 billion), based on official stock exchange prices. Furthermore, confirmed but unutilised credit facilities amounted to about DKK 3.4 billion (1998/99: DKK 3.0 billion). About DKK 0.8 billion (1998/99: DKK 1.4 billion) of securities, cash and cash equivalents consist of Danish bonds with an average duration of about 1.4 years (1998/99: 1.7 years).

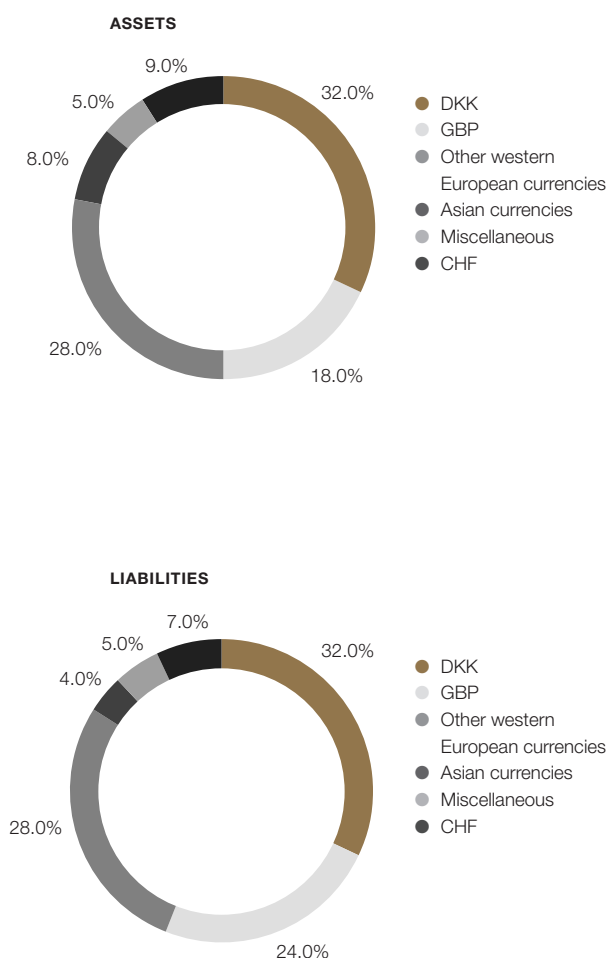
The net interest-bearing debt amounted to DKK 10.3 billion, which is an increase of about DKK 6 billion. This is a natural consequence of the

TURNOVER EXCL. EXCISE DUTIES: DKK 34.9BN
(1998/99: DKK 24.2BN)



OPERATING PROFIT 1999/00: DKK 2,934M
(1998/99: DKK 1,673M)





substantial investments described above.

The Group's loan portfolio consists of listed bond loans, bilateral loan agreements and syndicated credits, primarily drawn in currencies in which the Group holds assets.

The listed bond loans are: CHF 100 million, maturity 2004 and GBP 200 million, maturity 2013.

To hedge against interest rate risks, interest rate instruments as well as fixed and variable rate financial facilities are applied. 81% of the parent company's long-term loans are raised at fixed rates to maturity and 19% at variable rates.

Foreign currencies

The Group works on an international scale, and the preparation of the annual accounts consists in the adding up of items in a number of different currencies.

The distribution of currencies is illustrated by the graphs below, comprising five different categories of currency: Danish kroner, British pounds, other western European currencies, Asian currencies and miscellaneous.

As appears, GBP constitutes a substantial part of turnover and earnings. Other western European currencies constitute a large part of turnover but a smaller part of earnings. It should be noted that earnings in Danish kroner is substantial. However, it must be pointed out that the financial year has been characterised by large non-recurring income,

The development in the exchange rates of importance to the Carlsberg Group is as set out below:

	Profit and Loss Account		Balance Sheet	
	1999/00	1998/99	1999/00	1998/99
USD	789.82	676.63	802.05	696.37
GBP	1211.97	1101.35	1195.82	1146.20
DEM	381.31	380.19	381.58	380.05
SEK	87.82	82.75	84.51	85.24
FIM	125.30	125.05	125.52	125.02
ITL	0.38	0.38	0.39	0.38
CHF	475.92	-	489.96	465.30
PTE	3.72	3.71	3.72	3.71

the majority of which is included in the statement in Danish kroner.

Assets and liabilities within the individual currency categories are practically of the same dimension, with the British pound showing a bias in favour of the liabilities however.

When included in the Carlsberg Group accounts, the individual currencies are translated into Danish kroner in accordance with the official exchange rates. The balance sheet applies the exchange rates on the balance sheet date whereas the profit and loss account is translated according to a computed average of the exchange rates throughout the year.

As is shown in the table, all currencies stated have increased compared to Danish kroner against last year. GBP is particularly strong, which affects the profit and the balance sheet total of Carlsberg-Tetley in Danish kroner. Apart from that, the negative influence of these currency developments on the profit and loss account for this financial year are negligible.

As the Group has aimed at balancing assets and liabilities at a reasonable level in the individual currency categories, the development in exchange rates has resulted in a comparatively equal increase/decrease in assets and liabilities.

Financial risks

As an international business, the Group is exposed to a number of financial risks.

Currency exposure arises as a result of the fact that about 54% of the Group's ordinary activities originate from foreign companies translating into Danish kroner according to a computed average, and fluctuations in these currencies will have a direct impact on the profit and loss account of the Group.

Because of the distribution of primary operations on various currency groups, it will be fluctuations particularly in the British pound and other western European currencies that will influence the Group results.

In the balance sheet, fluctuations in exchange rates affect primarily the translation of the foreign companies' equity at the exchange rate ruling at the balance sheet date. Adjustment is made directly against equity as is also the case for long-

term loans in foreign currency raised to cover the investments. Not all investments are covered, but the uncovered part is not assessed to affect the Group's equity materially.

The Carlsberg Group advances loans to the on-trade, particularly in the United Kingdom through Carlsberg-Tetley. Even though loans have been reduced during the past years, total loans still constitute a considerable item in the balance sheet. The loans are subjected to continuous control and supervision, and it is assessed that provisions to the reserves are sufficient to cover any loss.

28%, or DKK 0.8 billion, of the Group's securities, cash and cash equivalents is in the form of Danish bonds with a DKK duration of approx. DKK 11.2 million, with which amount the year's result will be reduced should the interest rate increase by 1%. Cash at bank and in hand included in the cash and cash equivalents with DKK 1.7 billion are invested as short-term deposits in banks or other financial credit institutions, all having satisfactory creditworthiness. It is assessed that these arrangements involve no risk of loss.

The Group primarily applies financial instruments to cover agreements, resulting in no other significant material risks to the Group.

The Group's future financial risks which are not hedged stem from Orkla's contribution of activities into Carlsberg Breweries A/S, particularly the activities in Russia.

Accounting Policies

The annual accounts have been prepared in accordance with Danish accounting legislation and current accounting standards. The accounting policies are unchanged from last year.

Consolidation principles

The Group accounts for the Carlsberg Group comprise the accounts of the Parent Company, Carlsberg A/S, and its subsidiaries, i.e. entities in which the Parent Company, directly or indirectly, holds a controlling interest. Associated companies, which by agreement are managed jointly with one or more other companies are pro rata consolidated with the proportionate share of the individual items. Other associated companies are included in the accounts at a proportionate share of their financial results and equity.

The Group accounts are prepared on the basis of the accounts of the Parent Company, its subsidiaries and pro rata consolidated companies, by combining items of a uniform nature and eliminating intercompany sales, licences, interest, dividends, profit and balances. Shareholdings in subsidiary and pro rata consolidated associated companies are offset against a proportionate share of the equity of the relevant companies, stated in accordance with the accounting policies of the Group.

Minority shareholders' share of profit and equity in subsidiaries are stated separately.

In the case of acquisition of new subsidiary and associated companies as well as increases in shareholdings therein, any excess of the cost price over net assets stated in accordance with Group accounting policies at the date of acquisition is, wherever possible, allocated to the assets and liabilities of the individual companies. Any remaining amount (Group goodwill) is taken directly to equity. As a starting point, any negative difference in value (reduction in value) is taken to equity. To the extent that a negative difference in value at the time of acquisition is attributable to expected reductions in future operating results, the difference in value is appropriated to other reserves and used when the reductions are realised. In the case of disposal of subsidiaries and associated compa-

nies, the company's results are included in the Group's profit and loss account until the date of disposal. Any realised gains or losses constituting the difference in value compared to the book value at the date of disposal is recorded in the profit and loss account.

Foreign currencies

The accounts of foreign subsidiary and associated companies are translated into Danish kroner at the average exchange rates during the financial year for income and expense items and at the exchange rates ruling at the balance sheet date for assets and liabilities. Exchange gains and losses resulting from the translation of the net assets of foreign companies at the exchange rates ruling at the balance sheet date are taken directly to equity.

Amounts receivable and payable in foreign currencies are translated into Danish kroner at the exchange rates ruling at the balance sheet date. Hedging arrangements are assessed separately. Realised and unrealised exchange gains and losses are recorded in the profit and loss account. Exchange gains or losses after tax on liabilities to hedge investments in subsidiary or associated companies are taken directly to equity.

Turnover

Sales are recorded as income upon delivery. Licence fee income is recorded on the basis of amounts earned during the year. Contract work in progress for the account of third parties is recorded under the percentage of completion method and is recorded in the balance sheet under stocks after a conservative evaluation of each contract.

Research and development expenditure

Research and development expenditure is charged to the profit and loss account as incurred.

Special items

This item includes significant non-recurring items which are not directly attributable to the normal

running of the company, including certain relatively substantial profits or losses arising from disposals, special write-downs and depreciation, provisions and any reversals of such items.

Share of subsidiary companies' profit or loss

Share of the profit or loss of the subsidiary and associated companies is recorded in accordance with the accounting policies of the Carlsberg Group. Adjustments are made for changes in unrealised intercompany profits and the result is entered in the profit and loss account of the Parent Company. Share of the estimated tax charge of these companies is recorded under corporation tax.

Corporation tax

The Parent Company is taxed jointly with its wholly-owned Danish subsidiaries and certain foreign subsidiaries. The aggregate tax charge of the jointly-taxed Danish companies is allocated to the individual entities in proportion to their taxable incomes (the full allocation method).

Deferred tax

Deferred tax is provided for all temporary differences between accounting and tax values and deferred tax assets are included in the balance sheet at the expected realisable value. Provisions are not made for deferred tax which may arise from the realisation of shares at book value.

Intangible fixed assets

Intangible fixed assets are charged against income in the year of acquisition except for Group goodwill. In the event that intangible fixed assets are taken over in connection with the acquisition of a company, the amount is included in the computation of goodwill.

Tangible fixed assets

Tangible fixed assets are recorded at purchase price or cost less accumulated depreciation. Value adjustments have taken place in certain foreign subsidiary and associated companies in accordance with local accounting practice. The

draught beer equipment of Carlsberg-Tetley is recorded as a basic stock stated at cost. Depreciation is provided under the straight-line method over the estimated economic lives of the assets:

Buildings	20 - 50 years
Plant and machinery	10 - 20 years
Other fixtures and fittings, tools and equipment including soft drink machines	3 - 10 years

Plastic crates and returnable bottles together with other minor fixed assets are charged against profits in the year of acquisition.

Fixed asset investments

Participating interests in subsidiary and associated companies are stated in the balance sheet of the Parent Company with a share of the net assets of the companies in question in accordance with Group accounting policies, less unrealised intercompany profits.

Other fixed asset investments are stated at cost or lower value at the balance sheet date.

Stocks

Stocks are stated at purchase price or production cost (average method), or net realisable value, if lower. Write-down is effected for obsolete stocks. Indirect production overheads are not included in the production cost.

Marketable securities

Marketable shares and bonds are stated at cost or at the quoted price at year end if lower. Realised and unrealised gains or losses, constituting the difference between sales proceeds and cost, are included in the profit and loss account.

Financial instruments

Financial instruments, including forward exchange contracts and options, are used in the normal course of business of the Group, mainly to cover existing commitments, as well as repos.

Financial instruments are treated in the ac-

counts in accordance with the accounting policies applied for the underlying assets and liabilities.

Cash flow statement

The cash flow statement has been prepared in accordance with the indirect method and is based on the Group's operating profit. The statement shows the Group's cash flows in operating activities, investing activities and financing activities as cash and cash equivalents at the beginning and end of the financial year.

Cash flows from operating activities include the Group's operating result adjusted for financials, corporation tax paid, depreciation and other items not involving cash receipts and cash payments. The corrected operating profit is adjusted for the change in the working capital such as stocks, debtors, creditors etc. for the year.

Cash flows from investing activities arise from the acquisitions and disposals of undertakings, investments in other fixed assets and dividends received.

Cash flows from financing activities include dividends paid by the Parent Company and changes in long-term debt, etc.

Cash and cash equivalents at the end of the financial year include cash less short-term bank debt due on demand, computed in accordance with the accounting policies of the Carlsberg Group.

Profit and Loss Account 1999/00

Parent Company		Profit and Loss Account Note	Group		
1998/99 DKK million (12 months)	1999/00 DKK million (15 months)		1999/00 DKK million (15 months)	1998/99 DKK million (12 months)	
4,601	3,343	1	Turnover	47,351	31,285
1,535	1,200	2	Production costs	17,291	12,699
1,088	776		Excise duties on beer and soft drinks, etc.	12,433	7,131
1,978	1,367		Gross profit	17,627	11,455
1,688	1,115	2	Sales and distribution expenses	12,546	8,194
211	133	2	Administrative expenses	2,722	1,743
48	119	3	Other operating income, net	524	91
1,082	1,733	4	Profit before tax of participating interests in subsidiaries		
		4	Profit before tax of participating interests in pro rata consolidated associated companies		
170	174	4	Profit before tax of participating interests in other associated companies	51	64
1,435	2,160		Operating profit	2,934	1,673
153	644	5	Special items, net	428	79
1,588	2,804		Profit before financials	3,362	1,752
38	98	6	Income from other participating interests, etc.	386	46
492	652	7	Other interest income and similar income	1,114	593
16	49		Write-downs on fixed asset investments, securities, etc.	86	23
473	567	8	Interest expenses and similar charges	1,621	735
1,629	2,938		Profit before tax	3,155	1,633
465	805	9	Corporation tax	928	477
			Group profit	2,227	1,156
			Minority interests	94	-8
1,164	2,133		Profit for the year, Carlsberg A/S' share	2,133	1,164
			Proposed appropriation:		
256	345		Dividend to shareholders		
908	1,788		Appropriated to reserves		
1,164	2,133				

Balance Sheet at 31 December 2000

Parent Company		Assets Note	Group	
30.9.99 DKK million	31.12.00 DKK million		31.12.00 DKK million	30.9.99 DKK million
			Fixed assets	
		10	Tangible fixed assets	
1,288	437		6,805	4,730
928	12		5,984	5,737
109	4		3,230	3,082
29	30		476	374
2,354	483		16,495	13,923
		11	Fixed asset investments	
8,167	6,001			
326	6			
1,152	85		474	769
-	155		195	4
590	57		621	624
-	49		1,834	1,516
-	-	16	1,076	1,077
-	-	12	-	-
10,235	6,353		4,200	3,990
12,589	6,836		20,695	17,913
			Current assets	
			Stocks and debtors	
103	-	13	1,977	2,150
307	3		5,564	4,665
1,483	1,279			
176	636		969	280
804	998		2,380	1,394
11	-		506	247
2,884	2,916		11,396	8,736
			Securities, cash and cash equivalents	
28	8	14	10	30
1,415	821	14	1,212	1,417
719	179		1,678	1,793
2,162	1,008		2,900	3,240
5,046	3,924		14,296	11,976
17,635	10,760		34,991	29,889

Balance Sheet at 31 December 2000

Parent Company		Equity and Liabilities Note	Group	
30.9.99 DKK million	31.12.00 DKK million		31.12.00 DKK million	30.9.99 DKK million
		15	Equity	
1,278	1,278		Share capital	1,278
9,113	7,702		Reserves	7,702
10,391	8,980			8,980
			Minority interests	1,651
10,391	8,980		Total equity	10,631
			Provisions	
68	51		Pensions and similar commitments	366
305	-		Liabilities for deposits on returnable packaging	1,142
155	24	16	Deferred tax	924
327	25	17	Other	699
855	100		Total provisions	3,131
			Liabilities	
		18	Long-term liabilities	
-	-		Bond loans	3,047
4,047	-		Amounts owed to subsidiaries	2,887
202	-		Credit institutions	75
-	-		Other	10
4,249	-			6,009
			Current liabilities	
-	-		Bond loans	1,170
18	1,013		Credit institutions	6,022
247	4		Trade creditors	2,651
872	95		Amounts owed to subsidiaries	150
1	60		Amounts owed to associated companies	161
-	23		Corporation tax	1,262
267	3		Excise duties and VAT	2,278
454	124		Other creditors	1,181
25	13		Accrual and deferred income	345
256	345		Proposed dividend	
2,140	1,680			15,220
6,389	1,680		Total liabilities	14,694
17,635	10,760		Total equity and liabilities	34,991
				29,889

19 Contingent liabilities and other commitments, etc.

Cash Flow Statement of the Group 1999/00

	1999/00 DKK million	1998/99 DKK million
Operating profit	2,934	1,673
Depreciation	2,153	1,354
Other adjustments	66	-169
Financial income, net	-507	-96
Corporate tax paid	-753	-20
Cash flow from operations before changes in working capital	3,893	2,742
Change in debtors	-953	-503
Change in stocks	-254	-125
Change in creditors, excise duties, etc.	538	-293
Cash flow, operations	3,224	1,821
Special items including adjustments in provisions	-919	-1,091
Acquisition of tangible fixed assets	-2,770	-2,024
20 Acquisition/disposal of companies, net	-4,309	-496
Acquisition of other fixed asset investments, net	248	-399
Disposal of securities, net	736	1,427
Dividend received from associated companies	38	33
Cash flow, investments	-6,057	-1,459
Dividend paid	-256	-256
Minority interests	-353	255
Financial income and expenditure	4,150	-1,408
Cash flow, financing	3,541	-1,409
Net cash flow from operations, investments and financing	-211	-2,138
Cash and cash equivalents, beginning of year	1,793	3,890
Currency translation adjustments in cash and cash equivalents, beginning of year	96	41
Cash flow for the year	-211	-2,138
Cash and cash equivalents, year-end	1,678	1,793

The statement of cash flow cannot be derived solely from the published annual accounts.

Notes to the Accounts

Notes (DKK million)	1999/00		1998/99	
	(15 months)	%	(12 months)	%
1 Group turnover distributed over principal activities:				
Beverage companies in Denmark	7,605	16	6,121	20
Beverage companies outside Denmark	35,313	75	21,907	70
Other companies	4,433	9	3,257	10
	47,351	100	31,285	100

Licence fees are included in turnover. For further details, please see the Financial Review.

	1999/00		1998/99	
	(15 months)		(12 months)	
2 Total wages, salaries, personnel costs, fees to auditors appointed at the Annual General Meeting of the Parent Company and depreciation are as follows:				
Wages, salaries and personnel costs:				
Group:				
Wages, salaries and remuneration	6,467		4,402	
Pensions	361		278	
Other social security costs	698		473	
Other personnel costs	81		55	
	7,607		5,208	
Parent Company:				
Wages, salaries and remuneration	702		869	
Pensions	53		56	
Other social security costs	12		9	
Other personnel costs	16		28	
	783		962	

Wages, salaries, remuneration and pensions, etc. for the Group and the Parent Company include remuneration paid to the Executive Board of the Parent Company of DKK 17 million (1998/99: DKK 12 million) and to the Board of Directors of DKK 3 million (1998/99: DKK 3 million).

In the financial year, the average number of employees in the Parent Company was 1,749 (1998/99: 2,799) and in the Group 23,641 (1998/99: 21,906) of whom 1,506 (1998/99: 2,355) were employed in pro rata consolidated companies.

The information stated above regarding wages, salaries and personnel costs in the Parent Company was affected by the establishment of Carlsberg Breweries on 1 July 2000.

Fees to the auditors appointed at the Annual General Meeting:

KPMG :

Audit	2	2
Other services	22	4

PricewaterhouseCoopers:

Audit	2	2
Other services	3	9

Other services relate to fees for due diligence, restructuring, etc.

Depreciation and write-down:

Parent Company	317	263
Group companies	1,836	1,091
Group	2,153	1,354

- 3 Other operating income, net includes Carlsberg-Tetley's distribution of other beverages, income from rental properties, profit from disposal of properties and external contributions to the Carlsberg Research Center.

Notes to the Accounts

Notes (DKK million)	1999/00 (15 months)	1998/99 (12 months)
4 Profit from participating interests:		
Group:		
Profit from participating interests in other associated companies:		
Profit before tax	51	64
Corporation tax	11	28
Profit after tax	40	36
Parent company:		
Profit from participating interests in subsidiaries:		
Profit before tax	1,733	1,082
Corporation tax	695	360
Profit after tax	1,038	722
Profit from participating interests in pro rata consolidated associated companies:		
Profit before tax	174	170
Corporation tax	60	87
Profit after tax	114	83
Profit from participating interests in other associated companies:		
Profit before tax	15	56
Corporation tax	3	28
Profit after tax	12	28

	1999/00 (15 months)		1998/99 (12 months)	
	Group	Parent Company	Group	Parent Company
5 Special items:				
Income:				
Profits arising from the disposal of property	41	41	130	86
Reversal of provisions	312	207	56	56
Profits arising from the disposal of shares	536	536	61	61
Total income	889	784	247	203
Expenditure:				
Restructuring	461	140	168	50
Total expenditure	461	140	168	50
Special Items, net	428	644	79	153

Please see the Financial Review.

- 6 Income from other participating interests, etc:**
Realised gains relating to income from other participating interests, etc. amounting to DKK 80 million (1998/99: DKK 3 million), have been booked as income in the Group accounts.
- 7 Other interest income and similar income**
Includes interest, etc. paid by subsidiaries to the Parent Company of DKK 225 million (1998/99: DKK 88 million).
Realised gains relating to marketable shares and bonds totalling DKK 155 million (1998/99: DKK 149 million) have been included in the Group accounts.
- 8 Interest expenses and similar charges**
Includes interest paid by the Parent Company to subsidiaries of DKK 347 million (1998/99: DKK 299 million).

Notes to the Accounts

Notes (DKK million)	1999/00 (15 months)	1998/99 (12 months)
9 Corporation tax comprises:		
Parent Company's share of tax on profit for the financial year	43	97
Prior year adjustments	4	-107
Tax charge for Parent Company, adjusted	47	-10
Parent Company's share of tax in subsidiaries, cf. note 4	695	360
Parent Company's share of tax in associated companies, cf. note 4	63	115
Parent Company's share of Group tax	805	465
Minority shareholders' share of Group tax	123	12
Group	928	477

In the financial year, corporation taxes paid amounted to DKK 753 million for the Group (1998/99: DKK 20 million) and DKK -76 million for the Parent Company (1998/99: DKK -33 million) including taxes paid abroad. The Parent Company and its Danish subsidiaries participate in the tax on account scheme.

The corporation tax of the Parent Company is influenced by non-taxable gains etc.

10 Tangible fixed assets:	Land and buildings	Plant and machinery	Other fixtures and fittings, etc.	Construction in progress
Group:				
Cost				
Balance at 1 October 1999	6,315	10,417	5,826	610
Additions, acquisition of companies	2,136	2,768	1,626	54
Additions during year	698	1,264	808	977
Disposals from divestment of companies	354	408	304	20
Disposals during year	415	534	631	243
Currency translation adjustments, etc.	-68	-56	-248	2
Transfers	653	247	4	-904
Balance at 31 December 2000	8,965	13,698	7,081	476
Revaluation				
Balance at 1 October 1999	817	596	20	-
Additions, acquisitions of companies	108	20	-	-
Revaluation and write-downs for the year	24	-5	-4	-
Currency translation adjustments, etc.	-	-23	-1	-
Transfers	-	-	-	-
Balance at 31 December 2000	949	588	15	-
Depreciation and write-downs				
Balance at 1 October 1999	2,402	5,276	2,764	236
Additions, acquisition of companies	678	1,968	1,344	-
Depreciation and write-downs for the year	355	1,068	730	-
Disposals from divestment of companies	131	291	187	-
Depreciation and write-downs eliminated on disposals during year	131	242	383	-
Currency translation adjustments, etc.	-81	164	-262	-
Transfers	17	359	-140	-236
Balance at 31 December 2000	3,109	8,302	3,866	-
Book value at 31 December 2000	6,805	5,984	3,230	476

The book value of land and buildings in Denmark amounted to DKK 1,810 million.

The book value of investment property in Denmark amounted to DKK 125 million.

The value of property in Denmark as assessed for tax purposes amounted to DKK 3,542 million at 1 January 2000.

Notes to the Accounts

10 Tangible fixed assets:	Land and buildings	Plant and machinery	Other fixtures and fittings, etc.	Construction in progress
Parent Company:				
Cost				
Balance at 1 October 1999	2,515	2,396	207	29
Disposals from divestment	1,512	2,350	219	12
Additions during year	-	1	14	350
Disposals during year	182	7	19	242
Transfers	32	39	24	-95
Balance at 31 December 2000	853	79	7	30
Depreciation and write-downs				
Balance at 1 October 1999	1,227	1,468	98	-
Disposals from divestment	807	1,591	112	-
Depreciation and disposals for the year	87	195	35	-
Depreciation and write-downs eliminated on disposals during year	91	5	18	-
Transfers	-	-	-	-
Balance at 31 December 2000	416	67	3	-
Book value at 31 December 2000	437	12	4	30

The value of land and buildings as assessed for tax purposes at 1 January 2000 aggregated DKK 1,840 million to which should be added the value of land and buildings, for which no official valuation has been made, the net value of additions and disposals since 1 January 2000 and construction in progress. Differences in the value as compared to the book value are primarily related to production properties.

11 Fixed asset investments:	Participating interests	Associated companies Loans	Other securities and participating interests	Other loans
Group:				
Cost				
Balance at 1 October 1999	1,109	10	1,149	1,761
Additions, acquisition of companies	47	-	2	339
Additions during year	262	346	135	578
Disposals during year	640	1	697	647
Currency translation adjustments, etc.	5	1	37	89
Transfers	-	-	31	-31
Balance at 31 December 2000	783	356	657	2,089
Value adjustments				
Balance at 1 October 1999	-203	-	-418	-
Write-down, acquisition of company	-19	-	-	-
Share of profit for the year	40	-	-	-
Dividends received	-27	-	-	-
Disposals during year	180	-	418	-
Currency translation adjustments, etc.	-151	-	12	-
Balance at 31 December 2000	-180	-	12	-
Depreciation and write-downs				
Balance at 1 October 1999	137	6	107	245
Depreciation and write-downs for the year	1	155	6	-25
Disposals during year	-	-	24	17
Reversal of write-downs made in previous years	-	-	-41	-
Currency translation adjustments etc.	-9	-	-	52
Transfers	-	-	-	-
Balance at 31 December 2000	129	161	48	255
Book value at 31 December 2000	474	195	621	1,834

Other loans mainly relate to on-trade loans in the UK.

The quoted value of other stock-exchange listed shares of the Group at 31 December 2000 exceeds the book value by DKK 40 million (30.9.1999: DKK 50 million).

Notes to the Accounts

11 Fixed asset investments:	Subsidiaries		Associated companies		Other securities and participating interests
	Participating interests	Loans	Participating interests	Loans	
Parent Company:					
Cost					
Balance at 1 October 1999	7,956	438	1,579	6	1,101
Additions during year	2,015	13	-	310	6
Disposals during year	3,062	333	938	6	1,017
Transfers	408	-	-408	-	-
Balance at 31 December 2000	7,317	118	233	310	90
Value adjustments					
Balance at 1 October 1999	300	-	-305	-	-419
Share of profit for the year	1,038	-	126	-	-
Dividends received	-434	-	-24	-	-
Additions during year	1,139	-	-	-	-
Disposals during year	-211	-	287	-	418
Group goodwill, currency translation adjustments, etc.	-3,029	-	-351	-	1
Transfers	-119	-	119	-	-
Balance at 31 December 2000	-1,316	-	-148	-	-
Depreciation and write-downs					
Balance at 1 October 1999	89	112	122	6	92
Depreciation and write-downs for the year	-133	-	-	155	-
Disposals during year	-44	-	122	6	59
Balance at 31 December 2000	-	112	-	155	33
Book value at 31 December 2000	6,001	6	85	155	57

Loans to associated companies fall due after more than one year.

12 Holding of own shares:	Number of shares at DKK 20 each	Nominal value	% of share capital
Holding at 31 December 2000 and 1 October 1999	200,000	4	0.3

The quoted value of the holding of own shares at 31. December 2000 amounted to DKK 91 million booked at DKK 0.

Notes to the Accounts

Notes (DKK million)	31.12.2000	30.9.1999
13 Stocks:		
Group:		
Raw materials and consumables	662	624
Work in progress	150	230
Finished goods of own production and goods purchased for resale	1,117	1,275
Contract work in progress for the account of third parties	48	21
	1,977	2,150

Contract work in progress for the account of third parties is stated at the appropriate proportion of the contract price DKK 300 million (30.9.1999: DKK 333 million) less payments received on account, DKK 252 million (30.9.1999: DKK 313 million). Based on a conservative evaluation, accumulated profit on work in progress has been included in the amount of DKK 52 million (30.9.1999: DKK 44 million).

Parent Company:		
Raw materials and consumables	-	42
Work in progress	-	17
Finished goods of own production and goods purchased for resale	-	44
	-	103

- 14 The quoted values of shares and bonds owned by the Parent Company at 31 December 2000 exceed the book values by DKK 1 million (30.9.1999: DKK 17 million).

15 The share capital comprises:	Number of shares at DKK 20 each	Nominal value
A-shares	35,257,090	705
B-shares	28,649,192	573
		1,278

Movements in equity in the financial year:	Group		Parent Company	
	31.12.00	30.9.99	31.12.00	30.9.99
Equity, beginning of year	11,853	10,904	10,391	9,653
Profit for the year	2,227	1,156	2,133	1,164
Write-off of Group goodwill	-3,644	-438	-3,628	-374
Prior year adjustments of Group goodwill	-	29	-	111
Changes in minority interests	228	215	-	-
Reversal of previous write-off of Group goodwill relating to sale of shares	315	-	315	-
Currency translation adjustments of Group companies	478	484	247	399
Other adjustments of Group companies	-311	-134	-50	-199
Currency translation adjustments of loans, net	-170	-107	-83	-107
Proposed dividend for Carlsberg A/S	-345	-256	-345	-256
Equity, end of year	10,631	11,853	8,980	10,391
			31.12.00	30.9.99

Movements in reserves in the financial year:		
Reserves, beginning of year		9,113
Appropriated from profit for the year		1,788
Other movements		-3,199
Reserves, end of year		7,702
		8,375
		908
		-170
		9,113

Notes to the Accounts

Notes (DKK million)	31.12.2000	30.9.1999
16 Deferred tax:		
Group:		
Assets:		
Balance, beginning of year	1,077	698
Additions, acquisitions (incl. adjustment for previous years)	-	194
Disposals, divestments	-97	-
Relating to income for the year	96	185
Balance, end of year	1,076	1,077
Liabilities:		
Balance, beginning of year	682	361
Adjustment, previous years	-	-9
Additions, acquisitions	233	35
Disposals, divestments	-55	-2
Relating to income for the year	64	297
Balance, end of year	924	682
Parent Company:		
Liabilities:		
Balance, beginning of year	155	96
Adjustment, previous years	-	-6
Disposals during year	-30	-
Relating to income for the year	-101	65
Balance, end of year	24	155

The provision for deferred tax in the balance sheet relates to differences in accounting and tax values. Deferred tax assets are included at the expected realisable value.

No further provision has been made for tax liabilities which may arise from any realisation of tangible fixed assets and shares.

	Group	Parent Company
17 Other provisions:		
Balance at 1 October 1999	1,589	327
Addition during year	417	-
Applied and reversed during year	1,307	302
Balance at 31 December 2000	699	25

For further explanation, please see the Financial Review.

- 18** The long-term liabilities of the Group aggregate DKK 6,009 million (30.9.1999: DKK 5,623 million) and of the Parent Company DKK 0 million (30.9.1999: DKK 4,249 million) of which DKK 3,103 million (30.9.1999: DKK 3,541 million) DKK 0 million (30.9.1999: DKK 2,584 million) respectively, are due for repayment more than five years after the balance sheet date.

Notes to the Accounts

	31.12.2000	30.9.1999
19	Contingent liabilities and other commitments etc. of the Group:	
Securities given to credit institutions	90	186
Mortgage loans secured in land and buildings, etc.	1,395	1,187
Security given for unused credit lines	603	598
Guarantees given, etc.	907	719
Leasing and rental commitments, etc.	259	385
Purchasing obligations related to tangible fixed assets	1,368	628

Carlsberg A/S has issued guarantees for loans amounting to DKK 7,585 million (30.09.1999: DKK 7,104 million) raised by subsidiaries.

Carlsberg A/S has joint and several liability for payment of corporation tax in the companies included in the joint taxation.

Carlsberg A/S is registered jointly with Carlsberg Breweries A/S and Carlsberg Danmark A/S regarding VAT and excise duties and has joint and several liability in connection with payment thereof.

Carlsberg is party to certain lawsuits. The management does not expect the outcome or continuation of these cases to have a material negative impact on the financial position of the Carlsberg Group.

Forward exchange contracts and options:

Parent Company:

Sale of foreign currencies	5,027	5,736
Purchase of foreign currencies	1,814	3,575

Carlsberg Finans A/S:

Sale of foreign currencies	1,802	426
Purchase of foreign currencies	446	17

The company has furthermore entered into forward rate agreements relating to the funding of marketable securities, etc.

	1999/00 (15 months)	1998/99 (12 months)
20	Acquisition and disposal of companies	
Acquisition:		
Assets acquired:		
Fixed assets	-3,203	-299
Current assets	-2,358	-208
Liabilities taken over:		
Provisions	652	35
Long-term liabilities	1,530	69
Short-term liabilities	1,097	188
Minority interests	667	-27
Transfer from associated company	278	-
Group goodwill	-3,125	-379
Total price	-4,462	-621
Disposals:		
Assets disposed of:		
Fixed assets	942	35
Current assets	1,645	185
Liabilities disposed of:		
Provisions	-63	-
Long-term liabilities	-38	-
Short-term liabilities	-1,128	-115
Reversal of previous write-off of goodwill	302	-
Payment receivable from sale	-1,103	-
Minority interests	-404	20
Total price	153	125
Acquisition and disposal of companies, net	-4,309	-496

Development in Results by Quarters for 1999/00 (unaudited)

DKK million	1st quarter (Oct-Dec)			2nd quarter (Jan-Mar)		
	1999/00	1998/99	Change	1999/00	1998/99	Change
Turnover	9,044	8,114	11%	6,960	6,417	8%
Operating profit	571	564	1%	82	74	11%
Special items	-	-	-	214	-	-
Profit before financials	571	564	1%	296	74	300%
Financials	(27)	(12)	-	(83)	57	-
Profit before tax	544	552	-1%	213	131	63%
Group profit	369	346	7%	247	49	404%

	3rd quarter (Apr-Jun)			4th quarter (Jul-Sep)		
	1999/00	1998/99	Change	1999/00	1998/99	Change
Turnover	12,406	8,603	44%	9,524	8,151	17%
Operating profit	902	593	52%	800	442	81%
Special items	214	89	-	10	(10)	-
Profit before financials	1,116	682	64%	810	432	88%
Financials	(13)	(72)	-	(67)	(92)	-
Profit before tax	1,103	610	81%	743	340	119%
Group profit	699	434	61%	580	327	77%

	5th quarter (Oct-Dec)			Financial Year (**)		
	1999/00	1999/00(*)	Change	1999/00	1998/99	Change
Turnover	9,417	9,044	4%	47,351	31,285	51%
Operating profit	579	571	1%	2,934	1,673	75%
Special items	(10)	-	-	428	79	-
Profit before financials	569	571	0%	3,362	1,752	92%
Financials	(17)	(27)	-	(207)	(119)	-
Profit before tax	552	544	1%	3,155	1,633	93%
Group profit	332	369	-10%	2,227	1,156	93%

(*) Is the 1st quarter 1999/00, which is the same period 12 months earlier

(**) 15 months for 1999/00 and 12 months for 1998/99

Turnover, Operating Profit and Equity

- in major subsidiaries and associated companies
(based on the accounts reported by the companies to the Carlsberg Group)

	Turnover DKK million	Operating profit DKK million	Equity DKK million	Participating interest
Companies outside Denmark				
Carlsberg-Tetley PLC, Northampton, United Kingdom	13,248	533	5,878	100%
Oy Sinebrychoff, Helsinki, Finland	7,473	397	965	100%
Carlsberg Brewery Malaysia Berhad, Kuala Lumpur, Malaysia	1) 2,688	505	1,116	50%
Carlsberg Italia S.p.A., Varese, Italy	2,044	72	65	75%
Okocimskie Piwowskie S.A., Brzesko, Poland	2) 1,558	-51	688	47%
Companies in Denmark				
Coca-Cola Nordic Beverages A/S, Copenhagen	8,311	85 3)	1,046	51%
Danbrew Ltd. A/S, Copenhagen	385	37	245	100%
Royal Scandinavia A/S, Copenhagen	3,450	207	-	-

The figures shown for turnover and operating profit represent the aggregate accounting figures (covering 15 months) of the companies in question, apart from the following:

- 1) The figures shown cover the period 1 July 1999 - 31 December 2000
- 2) The figures shown cover the period 1 January 1999 - 31 December 2000
- 3) Included in the accounts of the Carlsberg Group after adjustment for Carlsberg's provisions for running-in expenses and structural changes as mentioned in the Financial Review

Group Companies

		Participating interest	Nominal share capital in 1,000	Currency	Exchange rate at 31.12.2000
CARLSBERG A/S					
Share Capital DKK 1,278,125,640					
Brewing companies - according to the organisation structure					
Carlsberg A/S, Copenhagen					
Nordic region and Western Europe					
Carlsberg Breweries A/S, Copenhagen		● 100%	300,000	DKK	
Carlsberg Danmark A/S, Copenhagen		● 100%	1,000	DKK	
Oy Sinebrychoff, Helsinki, Finland	2 subsidiaries	● 100%	244,985	FIM	125.52
Falcon Holding Ab, Falkenberg, Sweden	4 subsidiaries	● 100%	150,000	SEK	84.51
Carlsberg-Tetley PLC, Northampton, England	8 subsidiaries	● 100%	90,004	GBP	1195.82
Carlsberg Italia S.p.A., Varese, Italy	28 subsidiaries	● 75%	16,265	ITLm	0.3854
Unicer - Bebidas de Portugal, S.A., Porto, Portugal	9 subsidiaries	◆ 44%	50,000	EUR	746.310
International Breweries B.V., Bussum, Netherlands		■ 16%	62	USD	802.05
Feldschlösschen Getränke Holding AG, Rheinfelden, Switzerland	19 subsidiaries	● 100%	95,000	CHF	489.96
Carlsberg France S.A., Paris, France		● 100%	5,200	FRF	113.77
Hannu Brauerei GmbH, Mönchengladbach, Germany	5 subsidiaries	● 100%	35,003	DEM	381.58
Asia					
Carlsberg Asia Pte Ltd, Singapore		● 100%	100	SGD	462.94
Carlsberg Marketing (Singapore) Pte Ltd., Singapore		● 100%	1,000	SGD	462.94
Carlsberg Brewery Hong Kong Limited, Hong Kong	3 subsidiaries	● 51%	250,000	HKD	102.84
Carlsberg Brewery Malaysia Berhad, Kuala Lumpur, Malaysia	3 subsidiaries	● 1) 50%	153,000	MYR	211.25
Gorkha Brewery Ltd, Katmandu, Nepal		■ 48%	466,323	NPR	10.75
Hue Brewery Ltd., Hue, Vietnam		■ 35%	216,788	VND	0.06
South-East Asia Brewery Ltd., Hanoi, Vietnam		■ 35%	212,705	VND	0.06
Eastern Europe, Eastern Europe, etc.					
Okocimskie Piwowarskie S.A, Brzesko, Poland	2 subsidiaries	● 1) 47%	22,000	PLN	193.73
Panonska Pivovara d.o.o., Koprivnica, Croatia		■ 40%	159,932	HRK	99.00
AB Svyturys, Klaipeda, Lithuania		● 58%	18,000	LTL	200.51
Carlsberg Malawi Brewery Limited, Blantyre, Malawi		● 49%	20,000	MWK	10.15
Southern Bottlers Limited, Blantyre, Malawi					
Israel Beer Breweries Ltd., Ashkelon, Israel		■ 20%	42	ILS	198.67
Nuuk Imeq A/S, Nuuk, Greenland		■ 24%	38,000	DKK	
Carlsberg Agency Inc., New York, USA	1 subsidiary	● 100%	10	USD	802.05
Other Brewing Related Companies					
Carlsberg International A/S, Copenhagen		● 100%	1,000	DKK	
Danbrew Ltd. A/S, Copenhagen	2 subsidiaries	● 100%	2,000	DKK	
Danish Malting Group A/S, Vordingborg, Denmark		● 100%	100,000	DKK	
Tuborg International A/S, Copenhagen		● 100%	1,000	DKK	
United Breweries International Limited A/S, Copenhagen		● 100%	500	DKK	
Soft Drink Companies					
Coca-Cola Nordic Beverages A/S, Copenhagen	5 subsidiaries	● 51%	600,009	DKK	
Saltum-Houlbjerg Bryggerier A/S, Saltum, Denmark	1 subsidiary	● 100%	10,000	DKK	
Other Companies					
J.C. Bentzen A/S, Copenhagen		● 100%	30,000	DKK	
Carlsberg Finans A/S, Copenhagen		● 100%	25,000	DKK	
Carlsberg (UK) Limited, Northampton, England		● 100%	100	GBP	1195.82
Ejendomsaktieselskabet Tuborg Nord B, Copenhagen		● 100%	25,000	DKK	
Ejendomsaktieselskabet Tuborg Nord C, Copenhagen		● 100%	10,000	DKK	
Ejendomsaktieselskabet Tuborg Nord D, Copenhagen		● 100%	10,000	DKK	
Investeringsselskabet af 29. oktober 1962 A/S, Copenhagen	1 subsidiary	● 100%	5,000	DKK	
Nepko A/S, Copenhagen		● 100%	1,000	DKK	
Investeringsselskabet af 17. januar 1991 A/S, Copenhagen		● 100%	14,500	DKK	
Ejendomsaktieselskabet af 4. marts 1982, Copenhagen		● 100%	9,500	DKK	
RS Holding Frederiksberg a.s., Denmark		■ 2) 28%	343,000	DKK	
Vingaarden A/S, Odense, Denmark	3 subsidiaries	■ 40%	15,000	DKK	

- Subsidiary
- ◆ Pro rata consolidated associated company
- Other associated company

1) Stock-exchange listed company

2) The shareholding in Royal Scandinavia A/S was reduced as at 31 December 2000
Carlsberg A/S's shareholding in Royal Scandinavia A/S is held indirectly through RS Holding Frederiksberg a. s.

Management Statement

The Board of Directors and the Executive Board have today approved that the annual accounts of both the Carlsberg Group and the Parent Company for the financial year 1999/2000, ended 31 December 2000, be presented to the Annual General Meeting for approval.

Copenhagen, 14 February 2001

Executive Board of Carlsberg A/S

Flemming Lindeløv *

Michael C. Luul *

Nils S. Andersen *

Jørn P. Jensen **

The Board of Directors of Carlsberg A/S

Poul Chr. Matthiessen
Chairman

Palle Marcus
Deputy Chairman

Hans Andersen

Torkild Andersen

Henning Dyremose

Preben Hedegård

Povl Krogsgaard-Larsen

Axel Michelsen

Erik Dedenroth Olsen

Jens Bigum

Per Øhrgaard

* Resigned from the Executive Board on 14 February 2001 to join the Executive Board of Carlsberg Breweries A/S.

** CEO of Carlsberg A/S as from 14 February 2001.

Auditors' Report

We have audited the financial statements for the financial year 1 October 1999 to 31 December 2000 presented by the Board of Directors and the Executive Board of the Carlsberg Group and the Parent Company Carlsberg A/S.

Basis of Opinion

We have planned and conducted our audit in accordance with generally accepted Danish auditing principles and international standards on auditing to obtain reasonable assurance that the financial statements are free from material misstatements or omissions. Based on an evaluation of materiality and risk, we have, during the audit, tested the basis and documentation for the amounts and the disclosures in the financial statements. Our audit

included an assessment of the accounting policies applied and the estimates made by the Board of Directors and the Executive Board. In addition, we have evaluated the overall adequacy of the presentation in the financial statements.

Our audit has not resulted in any qualifications.

Opinion

In our opinion, the financial statements of the Group and the Parent Company have been prepared in accordance with the accounting provisions of Danish legislation and give a true and fair view of the Group's and the Parent Company's assets and liabilities, financial position and profit for the financial year.

Copenhagen, 14 February 2001

KPMG C.Jespersen

Finn L. Meyer
State Authorised
Public Accountant

Poul Erik Olsen
State Authorised
Public Accountant

PricewaterhouseCoopers

Morten Iversen
State Authorised
Public Accountant

Fin T. Nielsen
State Authorised
Public Accountant

Subsidiaries

Carlsberg-Tetley PLC
Carlsberg-Tetley Brewing Ltd.
 United Kingdom
 140 Bridge Street
 GB-Northampton NN1 1PZ

Management: Colin Povey
 Employees: 2,849
 Share: 100%

Falcon Holding AB
Falcon Bryggerier AB
 Sweden
 Årstadvägen
 Box 164
 S-311 22 Falkenberg

Management: Anders Bolmén
 Employees: 526
 Share: 100%

Oy Sinebrychoff Ab
 Finland
 P.O. Box 87
 SF-04201 Kerava

Management: Johan Furuholm
 Employees: 937
 Share: 100%

OAQ Vena
 Russia
 1 Farforovskaya str.
 RUS-St. Petersburg 193171

Management: Barry C. Marshall
 Employees: 500
 Share: 66% owned by
 Oy Sinebrychoff Ab

AB Svyturys
 Lithuania
 Kuliu Vartu 7
 LT-5799 Klaipėda

Management: Tomas Kucinskas
 Employees: 321
 Share: 58.15%

Hannen Brauerei GmbH
 Germany
 Senefelderstrasse 25
 D-41066 Mönchengladbach

Management: Bjørn Søndenskov and
 Erik Juul Rasmussen
 Employees: 314
 Share: 100 %

Feldschlösschen
Getränke Holding AG
 Switzerland
 Theophil Roniger-Strasse
 CH-4310 Rheinfelden

Management: Erwin Flückiger
 Employees: 2,465
 Share: 100%

Okocimskie Zakłady
Piwowskie S.A.
 Poland
 Ul. Browarna 14
 PL-32-800 Brzesko

Management: Marcin Pirog
 Employees: 1,054
 Share: 47.02%

United Romanian Breweries
Bereprod SRL
 Romania
 89 Biruintei Blvd.
 Com. Pantelimon
 ROM-Bucharest

Management: Isaac Sheps
 Employees: 520
 Share: 100% owned by
 International Breweries
 (Netherlands) B.V., of which
 Carlsberg 15.56%

Panonska Pivovara d.o.o.
 Croatia
 Ulica Danica 3
 HR-48000 Koprivnica

Management: Zeljko Markovic
 Employees: 307
 Share: 40%

Türk Tuborg Bira ve Malt Sanayii A.S.
 Turkey
 P.K. 150
 TR-35212 Izmir

Management: Taner Ciger
 Employees: 279
 Share: 2.24%

Israel Beer Breweries Ltd.
 Israel
 Amitek Bldg.
 11 Ben Gurion Street
 Givat Shmuel

Management: Rafi Baharav
 Employees: 300
 Share: 20%

Nuuk Imeq A/S
 Greenland
 Postbox 1075
 3900 Nuuk

Management: Nis Nissen
 Employees: 51
 Share: 23.68%

Carlsberg Importers S.A.-N.V.
 Belgium
 Industrielaan 16-20
 B-1740 Ternat

Management: Paul Haelterman
 Employees: 40
 Share: 10%

Carlsberg Italia S.p.A.
 Italy
 Via Olona, 103
 I-21056 Induno Olona (VA)

Management: Marcello Verratti
 Employees: 799
 Share: 75%

Unicer – Bebidas de Portugal S.A.
 Portugal
 Apartado 1044
 P-4466-955 S. Mamede de
 Infesta Codex
 Porto

Management: Manuel Ferreira De Oliveira
 Employees: 1,506
 Share: 44%

Carlsberg Brewery Hong Kong Limited
 Hong Kong
 1 Dai Kwai Street
 Tai Po Industrial Estate
 Tai Po, New Territories

Management: Jesper Bjørn
 Madsen (Group), Vincent Kelly (CHK)
 Employees: 975
 (Group), 218 (CBHK)
 Share: 51%

Carlsbrew Brewery
(Guangdong) Limited
 China
 28 Elin South Road
 Huizhou City
 Guangdong 516001

Management: Edwin Lam
 Employees: 468
 Share: 99% owned by Carlsberg
 Brewery Hong Kong Limited

Tsingtao Beer Shanghai
Songjiang Company Ltd.
 China
 1 Jin Xi Road
 Songjiang Industrial Zone
 Shanghai 201600

Management: Ge Bao Wei
 Employees: 289
 Share: 25% owned by Carlsberg
 Brewery Hong Kong Limited

Carlsberg Malawi Brewery Limited

Malawi
P.O.Box 1050
Blantyre

Management: Chadwick L.
Mphande
Employees: 284
Share: 49%

Southern Bottlers Limited

Malawi
P.O.Box 406
Blantyre

Management: Chadwick L. Mphande
Employees: 1,966
Share: Carlsberg Malawi
Brewery Limited 49.8%
Carlsberg 8.56%

South-East Asia Brewery Ltd.

Vietnam
167B Minh Khai Street
Hanoi

Management: Nguyen Ngoc Bao
Employees: 324
Share: 35%

Hue Brewery Ltd.

Vietnam
Thuan An Street
Hue City

Management: Nguyen Minh
Employees: 245
Share: 35%

Carlsberg Brewery Malaysia Berhad

Malaysia
P.O. Box 10617
50720 Kuala Lumpur

Management: Jørgen Bornhøft
Employees: 669
Share: 50%

Carlsberg Marketing (Singapore) Pte. Ltd.

Singapore
745 Toa Payoh Lorong 5
#04-01 HBM Building
Singapore 319455

Management: Mervin Sim
Employees: 46
Share: 100%

Gorkha Brewery Limited

Nepal
P.O. Box 4140
New Baneshwor
Katmandu

Management: Chandra Prakash Khetan
Employees: 225
Share: 48.3%

Carlsberg Brewery (Thailand) Co., Ltd.

Thailand
288/35-37 Surawongse Road
Bangkok 10500

Management: Sawat Sopa
Employees: 440
Share: 8%

Beer Thai (1991) Co. Ltd.

Thailand
288/35-37 Surawongse Road
Bangkok 10500

Management: Sawat Sopa
Employees: 1,031
Share: 8%

Ceylon Brewery Ltd.

Sri Lanka
83, George R. De Silva Mawatha
Colombo 13

Management: Suresh Shah
Employees: 165
Share: 8%

Danbrew Ltd. A/S

Copenhagen, Denmark
Rahbeks Allé 21
DK-1801 Frederiksberg C

Management: Jens Due
Employees: 102
Share: 100%

Alfred Jørgensen Laboratorium A/S

Copenhagen, Denmark
Frydendalsvej 30
DK-1809 Frederiksberg C

Direktion: Olav Vind Larsen and
Annette Lillie
Employees: 62
Share: 100% owned by
Danbrew Ltd. A/S

Danish Malting Group A/S

Vordingborg, Denmark
Spirevej 5, Ørslev
DK-4760 Vordingborg

Management: Kim G. Jørgensen
Employees: 17
Share: 100%

J.C. Bentzen A/S

Copenhagen, Denmark
Ny Carlsberg Vej 100
DK-1799 Copenhagen V

Management: Ole Bent Andersen
Employees: 17
Share: 100%

Carlsberg Finans A/S

Copenhagen, Denmark
Ny Carlsberg Vej 100
DK-1799 Copenhagen V

Management: Jesper Bærnholt
Employees: 7
Share: 100%

Tuborg Nord B, C, D

Copenhagen, Denmark
Ny Carlsberg Vej 100
DK-1799 Copenhagen V

Management: Orla Kristensen
Share: 100%

Coca-Cola Nordic Beverages A/S

Hellerup, Denmark
Strandvejen 60
DK-2900 Hellerup

Management: Per Brøndum Andersen
Employees: 3,352
Share: 51%

Premium Beer Import A/S

Kolding, Denmark
Birkedam 10 A
DK-6000 Kolding

Management: Åge Vestergaard
Employees: 12
Share: 67.55 %

Saltum og Neptun Bryggerier A/S

Saltum, Denmark
Sdr. Saltumvej 4
DK-9493 Saltum

Management: Jørn Skipper
Employees: 121
Share: 100 %

Royal Scandinavia A/S

Copenhagen, Denmark
Smallegade 45
DK-2000-Frederiksberg

Management: Knud Odgaard Pedersen,
Michael Ring and Hardy Thøgersen
Employees: 3,682
Share: 28%

Vingaarden A/S

Odense, Denmark
Gammel Højmevej 30
DK-5250 Odense SV

Management: Peter Schaltz
Employees: 179
Share: 40%

Announcements to the Stock Exchange

Announcements to the Copenhagen Stock Exchange A/S

30 September 1999 – 31 December 2000

29 November 1999	Preliminary profit statement 1998/99.
7 December 1999	Executive Vice President Lars Kjær resigns.
20 December 1999	Carlsberg sole owner of Finnish Sinebrychoff and Swedish Falcon.
22 December 1999	Carlsberg sells shareholding in Dansk Kapitalanlæg A/S.
18 January 2000	Group Managing Director Walther Paulsen leaves Carlsberg.
27 January 2000	Sale of shareholding in Spanish Grupo Cruzcampo completed.
4 February 2000	Jørn P. Jensen joins Carlsberg's Executive Board as CFO.
9 February 2000	Quarterly financial statement 1:1999/2000 October-December to be released on 22 February 2000.
11 February 2000	Information regarding Unicer S.A., - União Cervejaria S.A. (Unicer).
22 February 2000	Financial Statement for the first quarter of 1999/2000.
25 February 2000	Increased shareholding in Carlsberg Malaysia.
9 March 2000	Information regarding sale of shares in Tivoli.
5 May 2000	Statement regarding visit by European Commission officials.
22 May 2000	Financial Statement for the first half of 1999/2000 to be released on 7 June 2000.
31 May 2000	Carlsberg Breweries A/S established.
7 June 2000	Financial Statement for the first half of 1999/2000.
19 June 2000	Carlsberg A/S to sell Tivoli shareholding.
23 June 2000	Information regarding shareholding in Tivoli.
9 August 2000	Joint venture co-operation with Chinese Brewery.
14 August 2000	Extraordinary General Meeting to take place 30 August 2000.
17 August 2000	Financial Statement for the first nine months of 1999/2000 to be released on 21 September 2000.
18 August 2000	Presentation of an offer to Albani's shareholders.
30 August 2000	Extraordinary General Meeting.
12 September 2000	The offer to Albani's shareholders.
18 September 2000	Re. Offer for Swiss brewery Feldschlösschen.
20 September 2000	Carlsberg will not raise its offer to Albani's shareholders.
21 September 2000	Financial Statement for the first 9 months of 1999/2000.
10 October 2000	Carlsberg will not complete its offer for Albani.
1 November 2000	Combio A/S gets capital injection.
3 November 2000	Carlsberg acquires largest Swiss brewery Feldschlösschen.
16 November 2000	Carlsberg and Coca-Cola: Iceland and Finland.
17 November 2000	Financial calendar.
28 November 2000	Financial Statement for the first 12 months of 1999/2000.
13 December 2000	Carlsberg Breweries in Sweden and Norway.
15 December 2000	Carlsberg Asia Ltd. established.
20 December 2000	Carlsberg to introduce incentive programme.
22 December 2000	Carlsberg reduces ownership in Royal Scandinavia.

Carlsberg A/S

December 2000

Board of Directors

Board of Directors and Executive Board



Professor D.Econ.
Poul Chr. Matthiessen
Chairman



Director
Palle Marcus
Deputy Chairman



Brewery Worker
Hans Andersen



Professor, D.Ph.
Torkild Andersen



Managing Director
Jens Bigum



Managing Director
and President
Henning Dyremose



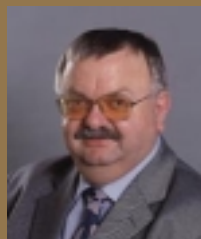
Professor, D.Sc.,
Ph.D., Dr.h.c.
Povl Krogsgaard-Larsen



Porcelain Painter
Jens Larsen



Professor, D.Ph.
Axel Michelsen



EDP Office Manager
Erik Dedenroth Olsen



Silversmith
John Petersen



Professor, D.Ph.
Per Øhrgaard



Executive Board



President, Group Chief
Executive Officer
Flemming Lindeløv *



Group Managing Director
Michael C. Iuul *



Group Managing Director
Nils S. Andersen *



Group Managing Director
Jørn P. Jensen **

* Resigned from the Executive Board on
14 February 2001 to join the Executive Board of
Carlsberg Breweries A/S.

** CEO of Carlsberg A/S as from 14 February 2001.



Carlsberg's primary activities are production, sale and distribution of beer and soft drinks as well as related activities.

Carlsberg is a market oriented company with a leading position within the global brewing industry. Carlsberg emphasises the importance of quality and strong competitive positioning of brands and services to the benefit of all links in the value chain.

Carlsberg's continued growth and increase in profits is to be ensured through reinforced activities in present markets and through the incorporation of new potential markets.

Carlsberg's objective is - through investments or co-operation with partners - to become a market leader in segments where size and growth make scale economies and cost effectiveness in e.g. production, logistics and marketing possible.

Carlsberg aims to work with great determination in all business areas in order to obtain growth, high profitability and increasing profits. The intention is to realise a result which is better than the general trend in the individual markets and the results of the competitors. This will create the basis for dynamic growth to the benefit of our customers, employees and shareholders.

Carlsberg acknowledges its responsibility in relation to environmental issues, our historical legacy and the respect for local cultures.

Annual General Meeting

Carlsberg A/S
8 March 2001 at 16.30 hours
Tivolis Koncertsal
20, Tietgensgade
Copenhagen V
Denmark

Carlsberg A/S

CVR No. 61056416

1, Valby Langgade

DK-2500 Valby, Denmark

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