

INTERIM RESULTS

6 months ended 30 June 2011



THIRST FOR GREAT Great people
Great brands
Great moments

Agenda

Operational
performance

Financial results

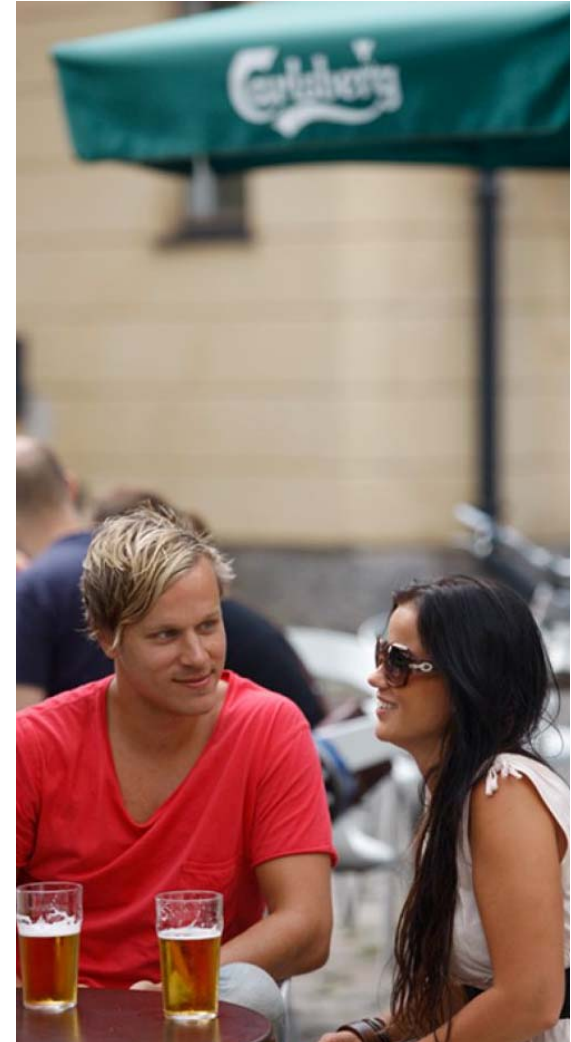
Outlook 2011

Appendix



Russian market below expectations, the rest of the Group on track

- Despite improved Russian macro economy, the beer market declined by 1%
 - Consumer behavior impacted more than expected by the substantial price increases
 - Poor Q2 weather conditions
- Northern & Western Europe and Asia on-track
- Market share gains in Northern & Western Europe, Asia and Ukraine
 - Russian market share gain in Q2 vs Q1, but year-on-year loss due to price leadership and value focus
 - New positioning of the Carlsberg brand
 - New product introductions
- 4% organic beer volume growth (Q2: flat)
- Revenue growth ahead of volume growth
 - 4% price/mix improvement (Q2: +5%)



Northern & Western Europe and Asia as planned

- Organic operating profit decline of 5%
 - Input costs increasing in line with expectations
 - Increasing operating expenses
 - Higher sales and marketing investments, in line with plans
 - Higher logistic costs in Eastern Europe
 - Continued operating profit growth in Northern & Western Europe and Asia
 - Russian market development below expectations
- Revised 2011 outlook



Regions





Northern & Western Europe - Volume growth and price/mix improvements



- Slight overall market growth
 - Modest market share improvements driven by several commercial initiatives, including product launches
- Organic beer volume growth of 1% (Q2: +3%)
 - Poland, Denmark and the Baltic States being main contributors
- Net revenue at DKK 18.1bn with 2% organic growth (Q2: +5%)
 - Price/mix of 2% despite negative country and channel mix
- 50bp operating margin improvement to 13.6% with 6% organic operating profit growth (Q2: +6%)
 - Continued efficiency improvements
 - Higher input costs impacting negatively





Eastern Europe - Russian market below expectations



- Organic beer volume growth of 5% (Q2: -6%)
 - 2% decline adjusted for Russian de-stocking
 - Continued volume growth in Ukraine
- Planned increasing sales and marketing investments
 - Increased channel marketing support
- Organic net revenue growth of 16% (Q2: +5%)
- 11% price/mix (Q2: 11%)
 - Price increases to off-set higher input costs and carry-over from last year
 - Up-trading in most markets
- 13% organic operating profit decline (Q2: -21%)
 - Impacted by higher input costs, sales and marketing investments and logistics costs
 - Q2 profit also impacted by lower Russian volumes

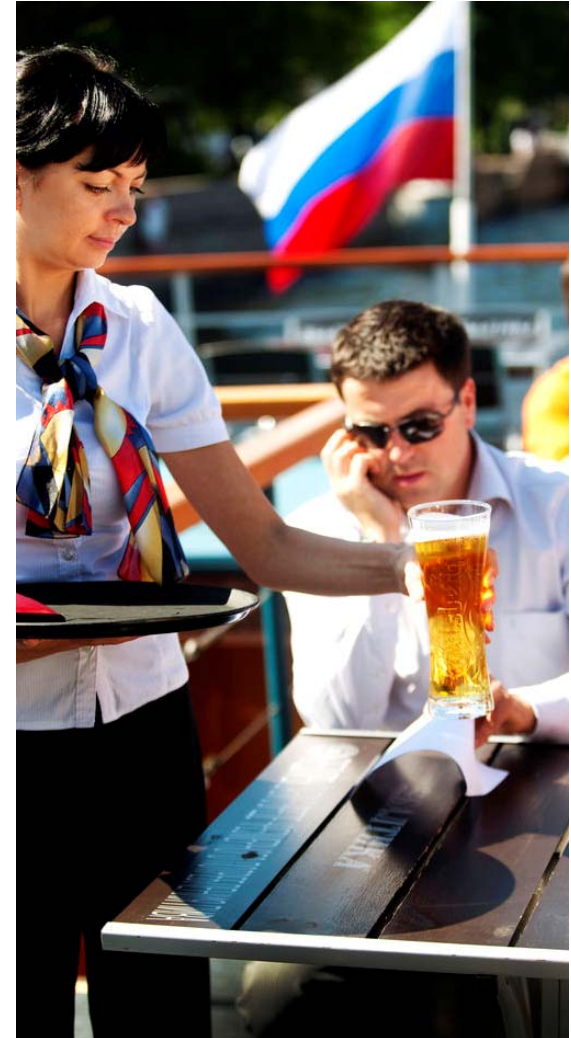




Russia – market impacted by substantial price increases



- Disappointing market decline of 1% (Q2: -2%)
 - 30% price increases last 18 months impacting consumer behaviour
 - Unfavourable weather in Q2
- Low single-digit market decline expected for 2011
- Higher sales and marketing investments
 - Increased modern trade focus
- 20bp volume market share growth vs Q1
 - Market share growth from mainstream to super premium, while contraction in economy
 - 50bp value growth vs Q1
- H1 year-on-year market share decline
 - Price leadership
 - Less focus on economy category





Russia – Positive price/mix



- Carlsberg Group in-market-sales decline of -2% (Q2: -5%)
 - Shipment growth of 6% distorted by destocking in Q1 2010
 - Q2 shipment declined by 9%
 - Inventory changes in distribution to reflect revised 2011 market growth expectations
- Continued value focus to drive profit pool growth
 - Positive price/mix of 10% (Q2: 9%)
 - Positive packaging mix
 - Portfolio shift towards higher priced products



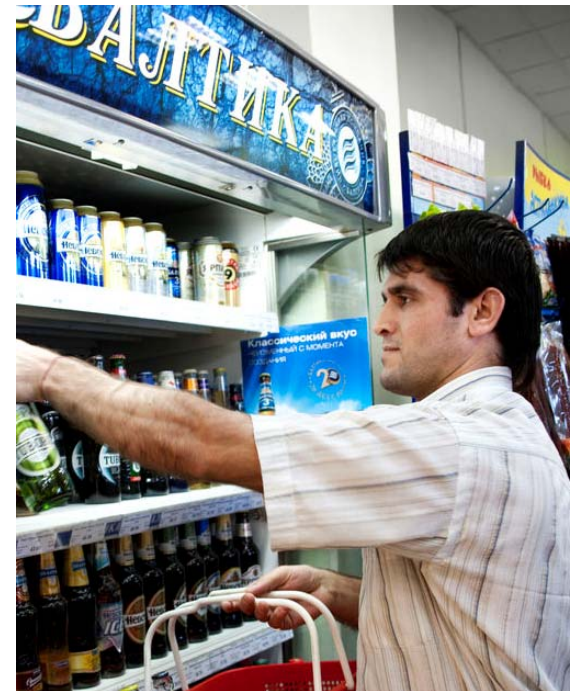
Regulatory changes driving channel and portfolio changes

- New legislation signed by President in July provides further clarity
- Some definitions and technical issues yet to be clarified
- Our current assessment of key elements:
 - +5.0% abv banned from non-stationary outlets, +0.5% abv banned from January 2013
 - +5.0% abv banned from night sales in off-trade, +0.5% abv banned from January 2013
 - Expansion of marketing restrictions from July 2012
 - No marketing of alcoholic products in TV, radio and on outdoor posters



The Group's response to the changed Russian regulation

- Channel shift in to modern trade and grocery
 - Route-to-market changes
 - Improved key account management and customer and channel marketing
 - Structural changes in sales
- Beer portfolio changes in relevant channels
- Expansion of on-trade sector
- Reallocation of sales and marketing investments
 - Optimise mass media for next 12 months
 - Accelerating focus on in-store-execution
 - The no. 1 portfolio - a competitive advantage
- Medium-term outlook for Russian market intact
 - Volume growth driven by economic growth and as low alcoholic products/beer capture larger part of throat
 - Value growth from premiumization and balanced pricing opportunities





Asia - Continued growth trend



- Majority of markets growing
- Market share improvement in most markets supported by a high innovation level and marketing activities
- 10% organic volume growth (Q2: +13%)
 - 7% organic growth in Indochina
 - 9% Chinese volume growth
 - Indian volumes almost doubling
- Organic net revenue growth +16% (Q2: +16%)
 - Positive price/mix from premiumisation efforts across the region
- 11% organic operating profit growth (Q2: +9%)
 - Higher input costs impacting negatively
- Increased ownership in India and recent engagement in more breweries in China



Agenda

Operational
performance

Financial results

Outlook 2011

Appendix



H1 results reflecting Russian market decline

- First six months results impacted by weaker than expected Russian market
- Northern & Western Europe and Asia results on track
- Gross profit increasing despite higher input costs
 - Gross margin down 160bp
 - Gross profit/hl up 2%
- Group focus remains unchanged
 - Continued earnings and cash focus
 - Increased brand support
 - Continued efficiency improvements
 - Start-up of BSP roll-out
 - Implementation of SKU harmonisation
- Closely monitoring of consumer reactions to global macro environment



Income statement (1)

DKKkM	H1 2010	Δ DKKkM			H1 2011
		Organic	FX	Acq., net	
Net sales	28,947	2,235	-26	112	31,268
Gross profit	14,993	619	36	65	15,713
Operating expenses incl. brands mkt.	-10,248	-816	-80	-43	-11,187
Other income, net	221	-40	-3	-6	172
Operating profit before special items	4,966	-237	-47	16	4,698
- Brewing	4,985	-257	-47	16	4,697
- Other activities	-19	20	-	-	1

- Gross profit margin negatively impacted by higher input costs but gross profit per hl maintained
- Planned higher sales and marketing spend and higher logistics costs impacting operating expenses

Income statement (2)

DKKm	H1 2010	H1 2011	Δ DKKm
Special items, net	354	-185	-539
Financials, net	-817	-1,184	-367
- Interests	-993	-846	147
- Other financial items	176	-338	-514
Tax	-1,113	-832	281
Profit	3,390	2,497	-893
Non-controlling interests	295	269	-26
Carlsberg's share of profit	3,095	2,228	-867

- Interests down as deleveraging continues
- Other financial items impacted by currency adjustments in Eastern Europe
- Effective tax rate 25%



Cash flow (1)

DKKm	H1 2010	H1 2011	Δ DKKm
Operating profit	4,966	4,698	-268
Depreciation	1,910	1,855	-55
Other non-cash items	329	209	-120
Δ Working capital	-6	-1,280	-1,274
Paid restructuring & special items	-208	-145	63
Paid interest, net	-1,362	-1,549	-187
Paid tax	-881	-844	37
Cash flow from operations	4,748	2,944	-1,804

- Change in working capital distorted by the implementation of the business standardisation programme in Switzerland
- Trade working capital / net revenue (MAT) at 1.9% end of Q2 vs 2.6% end of 2010



Cash flow (2)

DKKm	H1 2010	H1 2011	Δ DKKm
Capital expenditures, net	-1,596	-2,209	-613
Acq/sale of companies, minority shareholdings etc.	-1,055	133	1,188
Real estate / other activities	346	7	-339
Cash flow from investments	-2,305	-2,069	236
Free cash flow	2,443	875	-1,568

- Higher capex due to planned sales investments and network and production optimisation
- Net interest-bearing debt of DKK 32.8bn



Agenda

Operational
performance

Financial results

Outlook 2011

Appendix



Revised 2011 earnings outlook

- 2011 earnings outlook based on:
 - Slightly declining Northern & Western European markets
 - Low single digit Russian market decline (previous '2-4% market growth')
 - Continued market growth in Asia

Reported operating profit	around DKK 10bn (2010: DKK 10.25bn)
Net profit ^(*)	around 5-10% growth

(*) 2010 net profit is adjusted for the non-cash and non-taxable DKK 598m income (IFRS 3) related to step-acquisitions. I.e. 2010 adjusted net profit of DKK 4,753m (reported DKK 5,351m less DKK 598m)



Q&A

Every journey starts with a single step



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That calls for a **Carlsberg**

Agenda

Operational
performance

Financial results

Outlook 2011

Appendix





Group beer volume dynamics

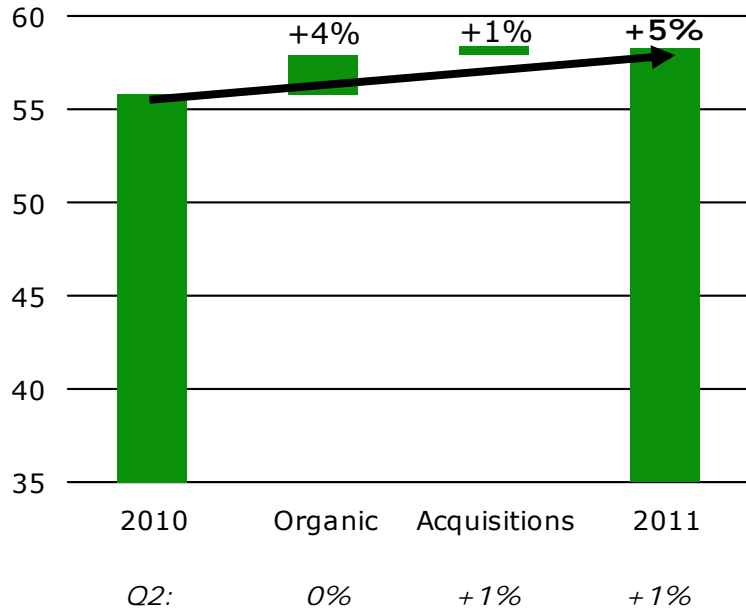


4% organic beer volume growth driven by all regions

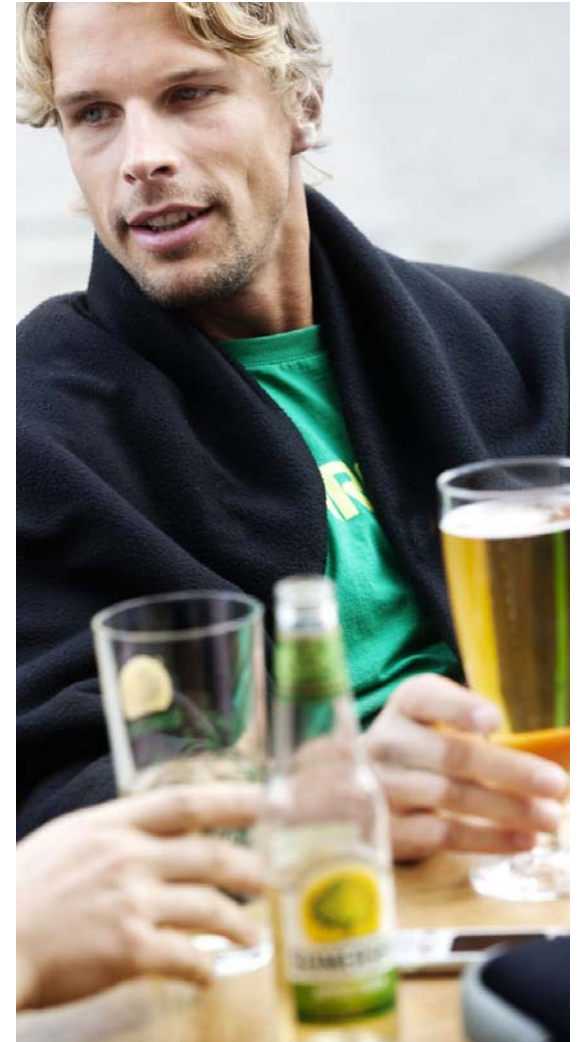
H1 YTD

Beer volumes

m.hl.
(pro rata)



Adjusted for Russian destocking H1 volumes grew 1%
Flat Q2 beer volumes due to lower Russian volumes





Revenue and profit dynamics for beverage activities

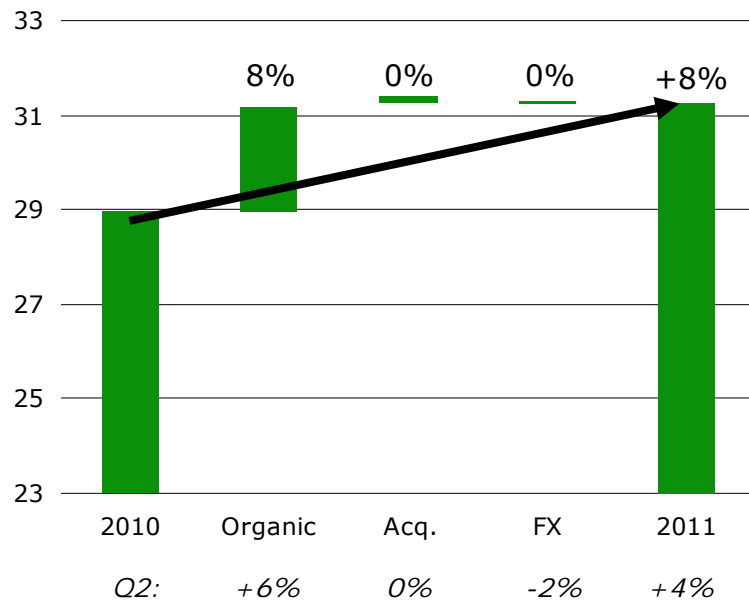


4% volume growth and 4% price/mix driving organic revenue growth

H1 YTD

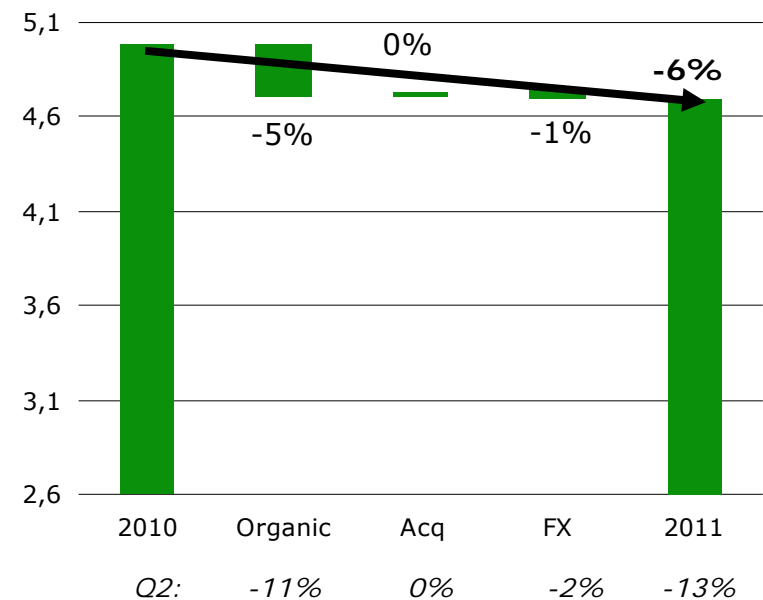
Net revenue

DKKbn



Operating profit

DKKbn



Organic operating profit growth in Northern & Western Europe and Asia



Northern and Western Europe

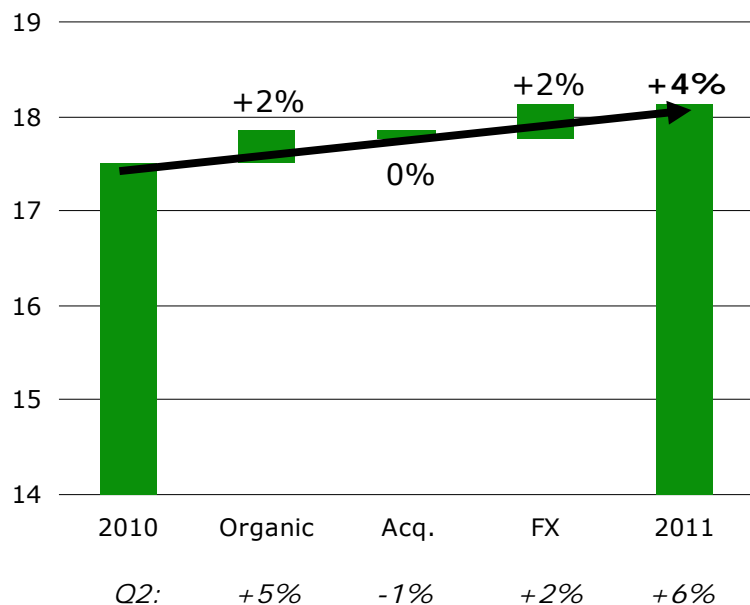


Positive price/mix from value management and product launches

H1 YTD

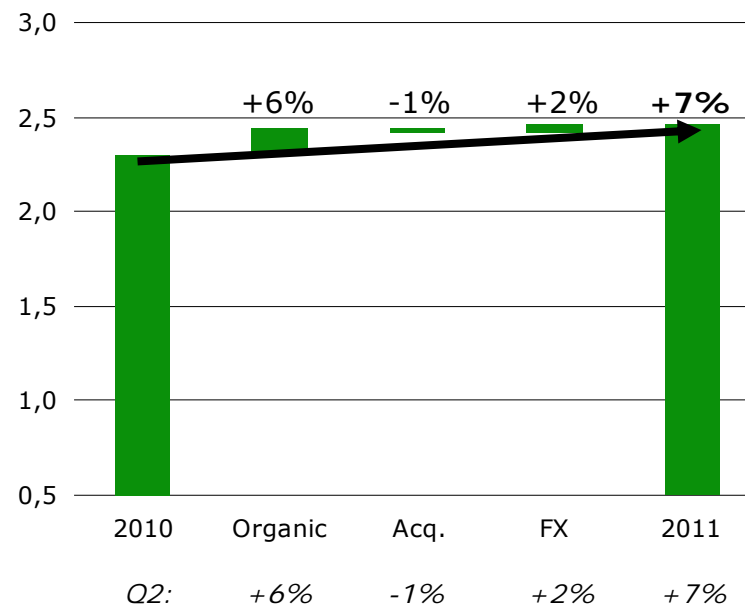
Net revenue

DKKbn



Operating profit

DKKbn



50bp operating margin improvement despite higher input costs



Eastern Europe

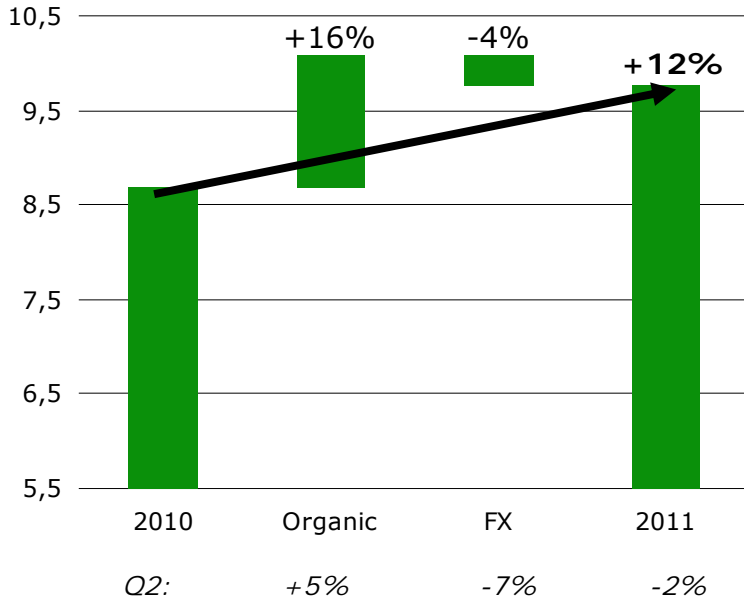


Organic revenue growth from very positive price/mix

H1 YTD

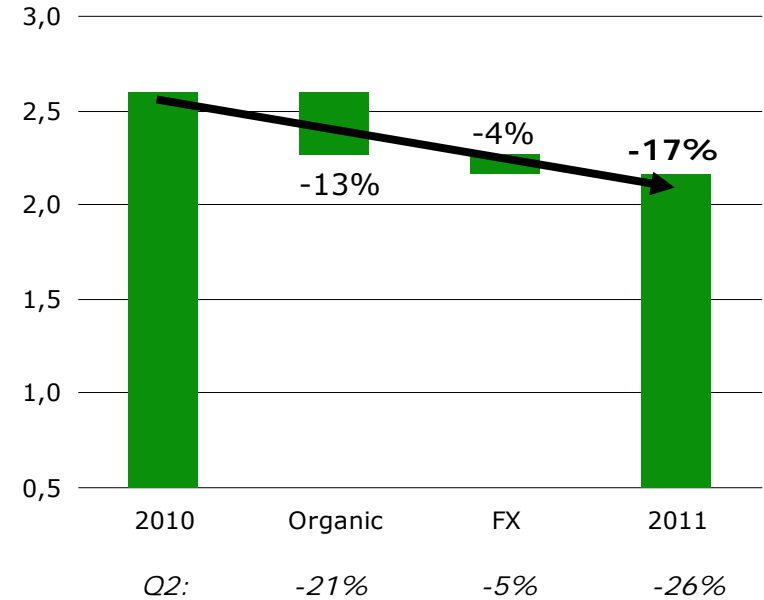
Net revenue

DKKbn



Operating profit

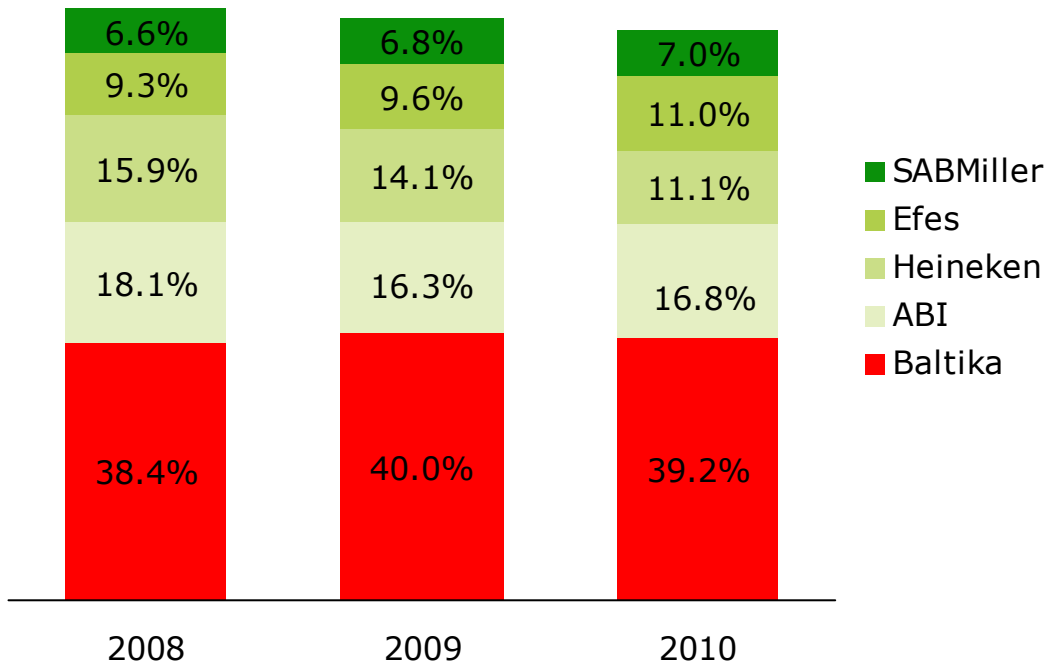
DKKkm



Lower than expected Russian volumes impacting Q2 profits and margins negatively

Russian market share development

Russian market share, %



Source: Nielsen Retail Audit, National Urban



Russian market shares by quarter

Russian market share, %

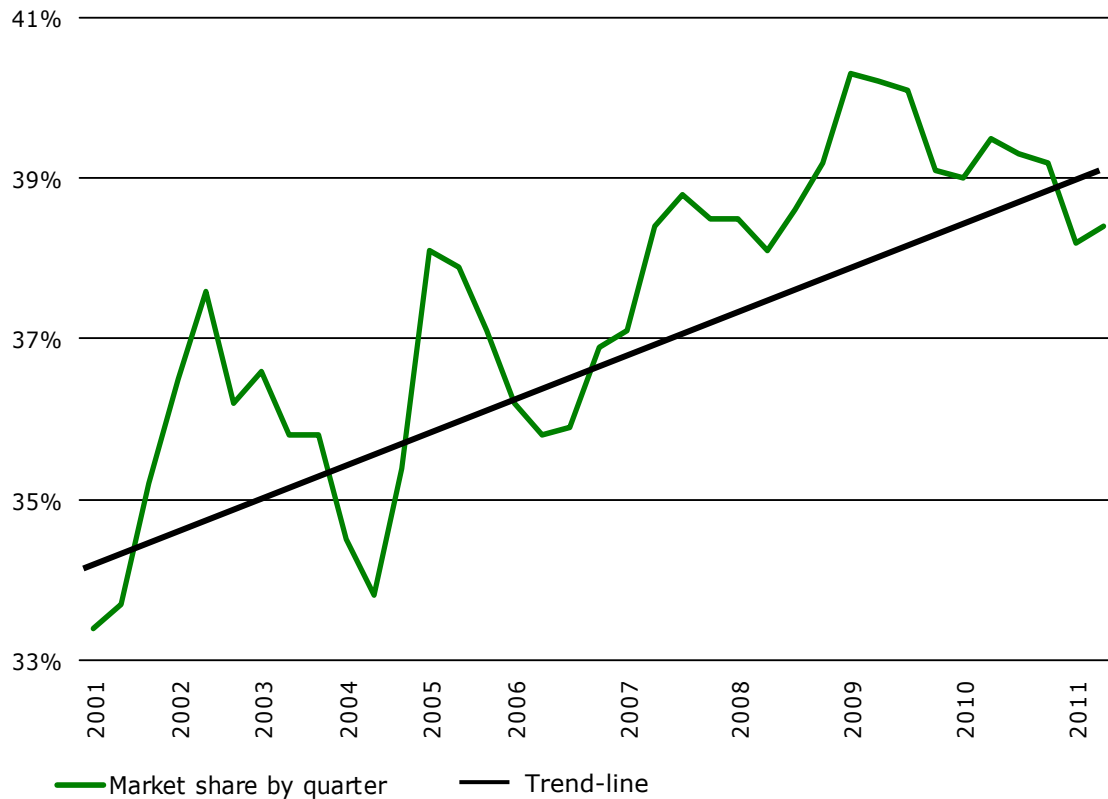
	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011
Baltika	39.5	39.3	39.2	38.2	38.4
ABI	16.9	17.0	16.9	16.6	16.1
Heineken	10.8	10.7	11.0	11.4	11.5
Efes	11.0	11.3	11.1	11.1	10.8
SABMiller	6.8	7.0	7.1	7.2	7.1
Others	15.0	14.7	14.7	15.5	16.1
	100.0	100.0	100.0	100.0	100.0

Note: Nielsen updated its retail universe by May 2011 to include a larger part of the modern trade. Historical numbers have been adjusted accordingly.

Source: Nielsen Retail Audit, National Urban



Carlsberg Group's Russian market share

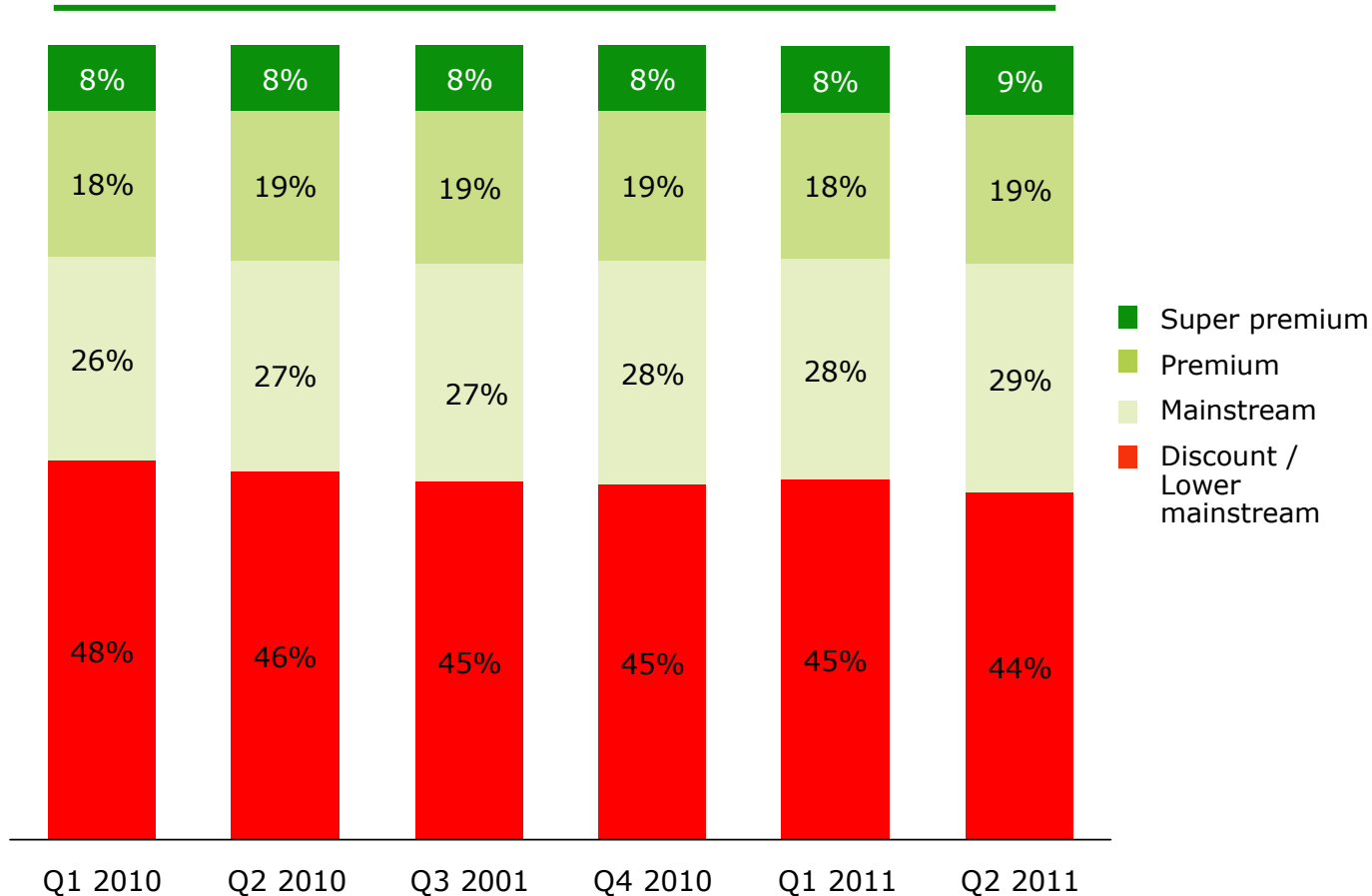


Note: Nielsen updated its retail universe by May 2011 to include a larger part of the modern trade. Historical numbers have been adjusted accordingly.
 Source: Company's estimate, Business Analytica and Nielsen Retail Audit, National Urban (from Q1 2008)



Improving Russian mix

Market



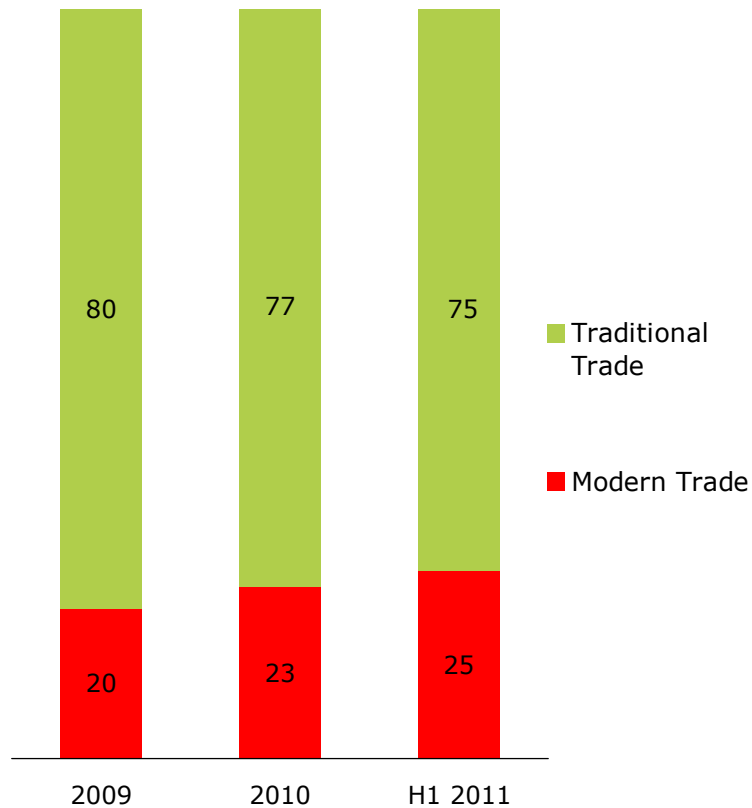
Source: Nielsen Retail Audit, National Urban

Interim Results: 6 months ended 30 June 2011

Changing Russian channel mix

Volume split per channel

% total off-trade



Source: Carlsberg Group estimate





Asia

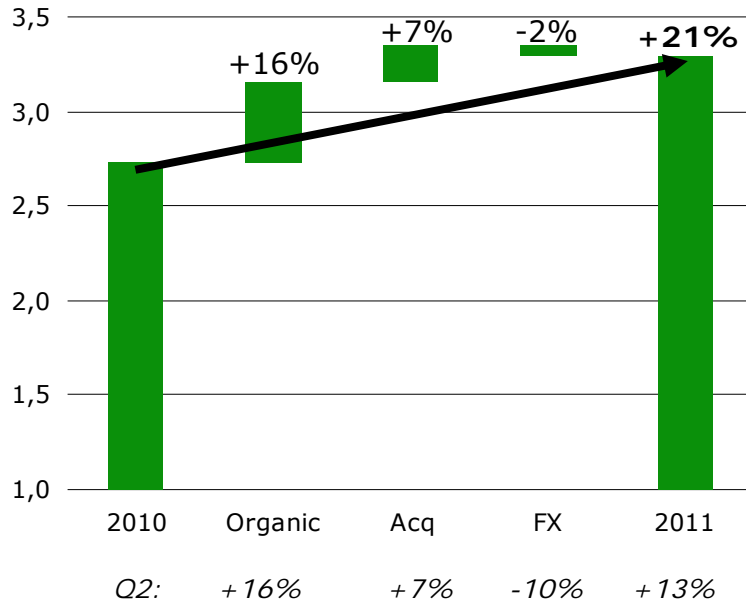


Continued broad-based strong organic revenue growth

H1 YTD

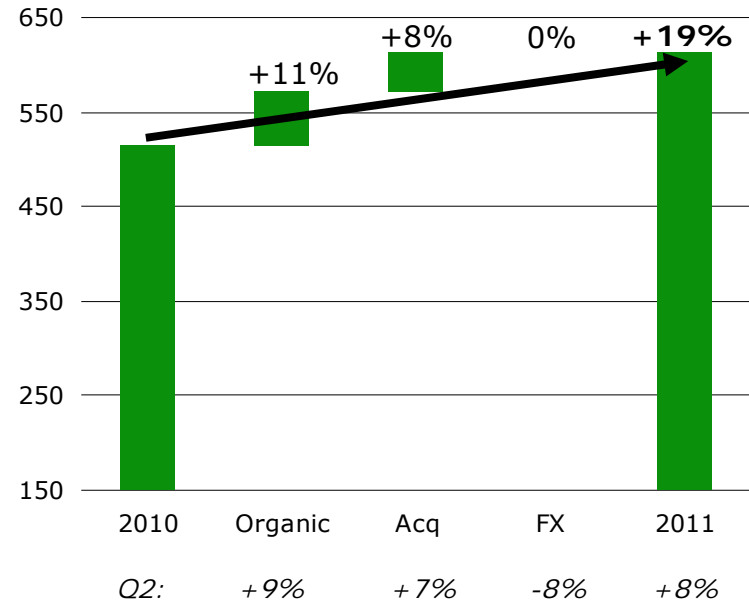
Net revenue

DKKbn



Operating profit

DKKkm



Slight operating margin reduction from the expected higher input costs

Financial Calendar 2011

2011 Q3 Interim results

9 November 2011



Forward-looking statements

This presentation contains forward-looking statements, including statements about the Group's sales, revenues, earnings, spending, margins, cash flow, inventory, products, actions, plans, strategies, objectives and guidance with respect to the Group's future operating results. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe", "anticipate", "expect", "estimate", "intend", "plan", "project", "will be", "will continue", "will result", "could", "may", "might", or any variations of such words or other words with similar meanings. Any such statements are subject to risks and uncertainties that could cause the Group's actual results to differ materially from the results discussed in such forward-looking statements. Prospective information is based on management's then current expectations or forecasts. Such information is subject to the risk that such expectations or forecasts, or the assumptions underlying such expectations or forecasts, may change. The Group assumes no obligation to update any such forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements.

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