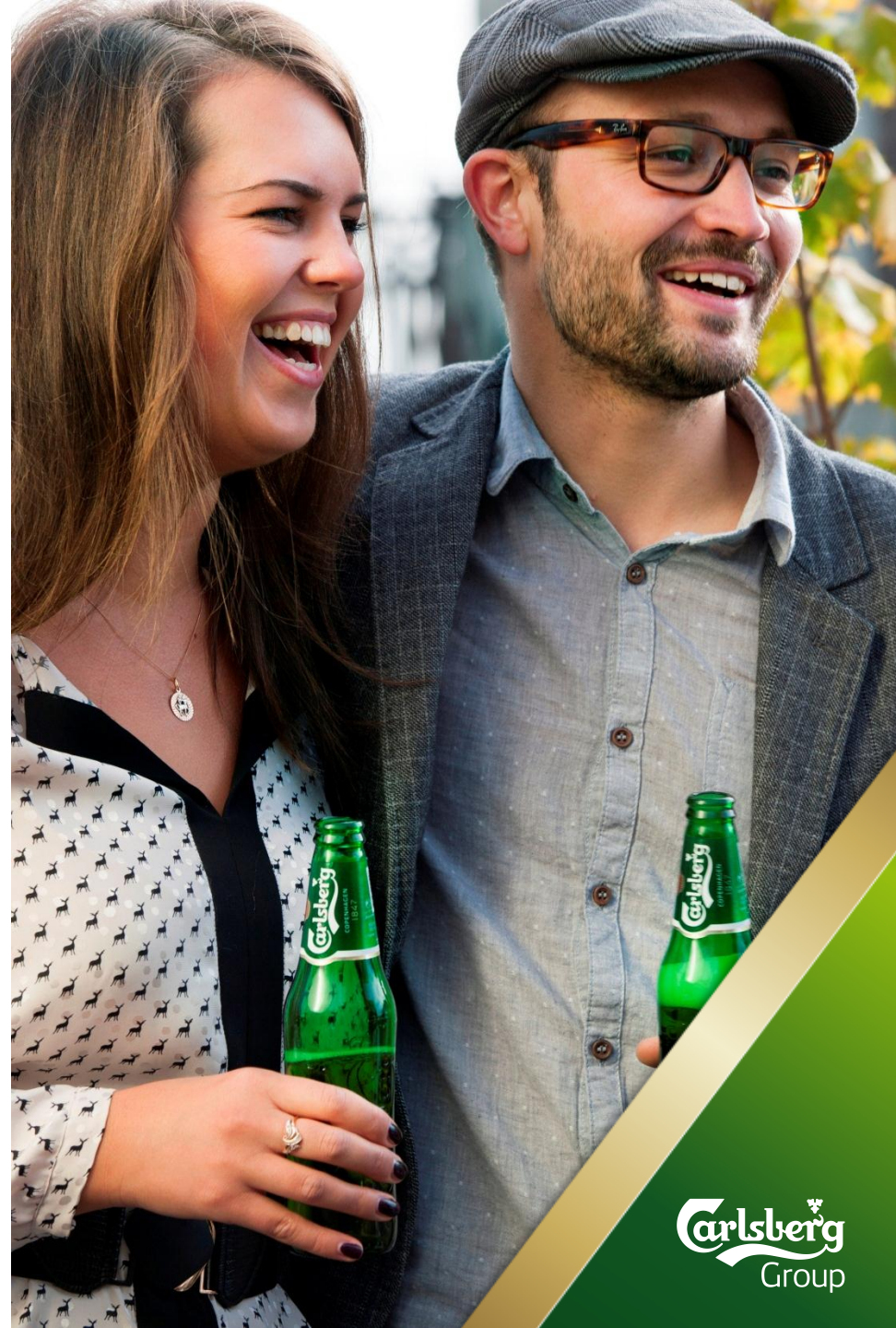


# Carlsberg A/S

Interim results  
H1 2015



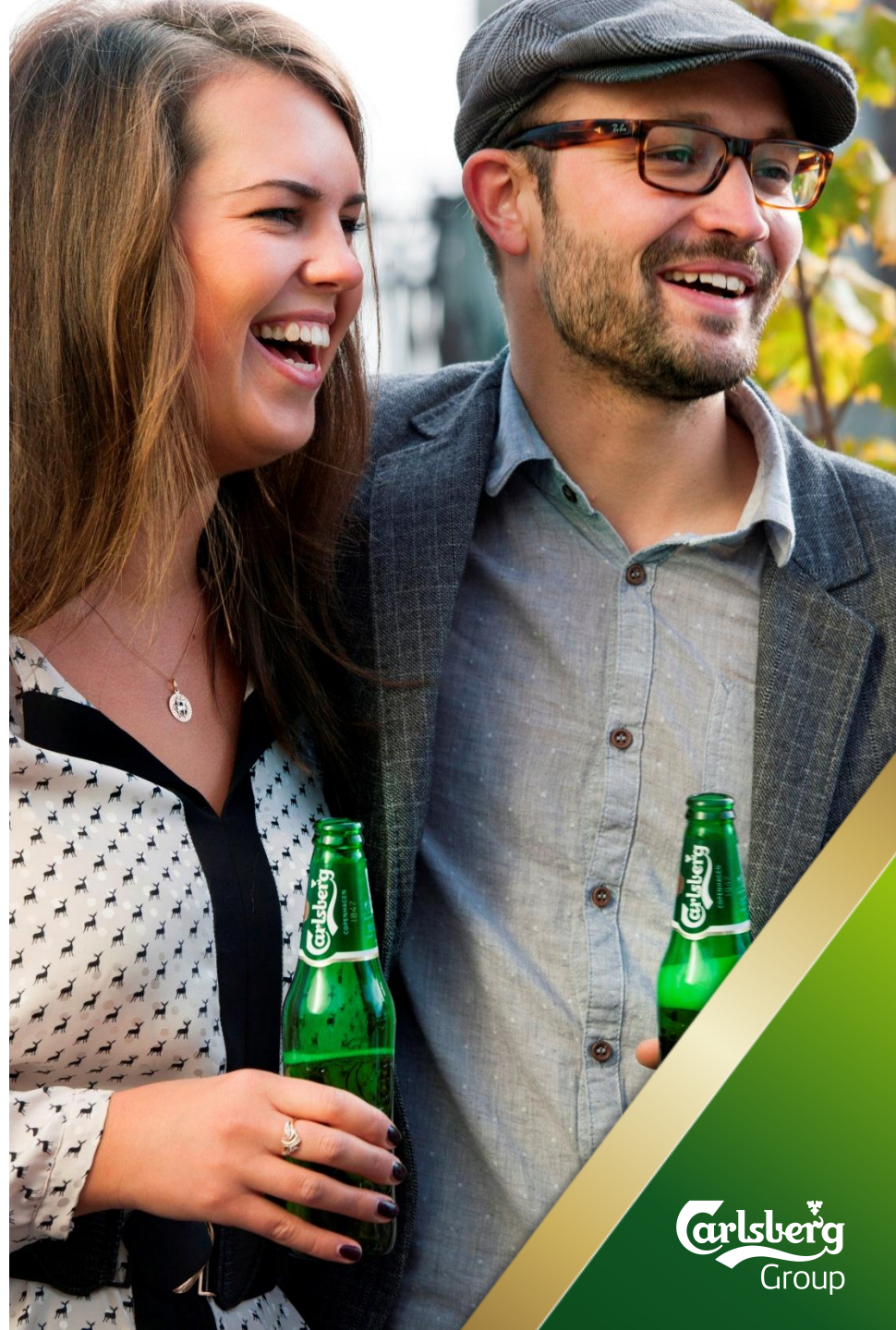
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# H1 Group highlights

- Strong market share improvement in the majority of markets
- Price/mix of +5%
- 13% organic operating profit decline
  - Strong Asian performance more than offset by Eastern Europe and, in Q2, Western Europe
- Adj. net result decline of 23%
- Implementation of organisational changes on track
- Revision of 2015 outlook



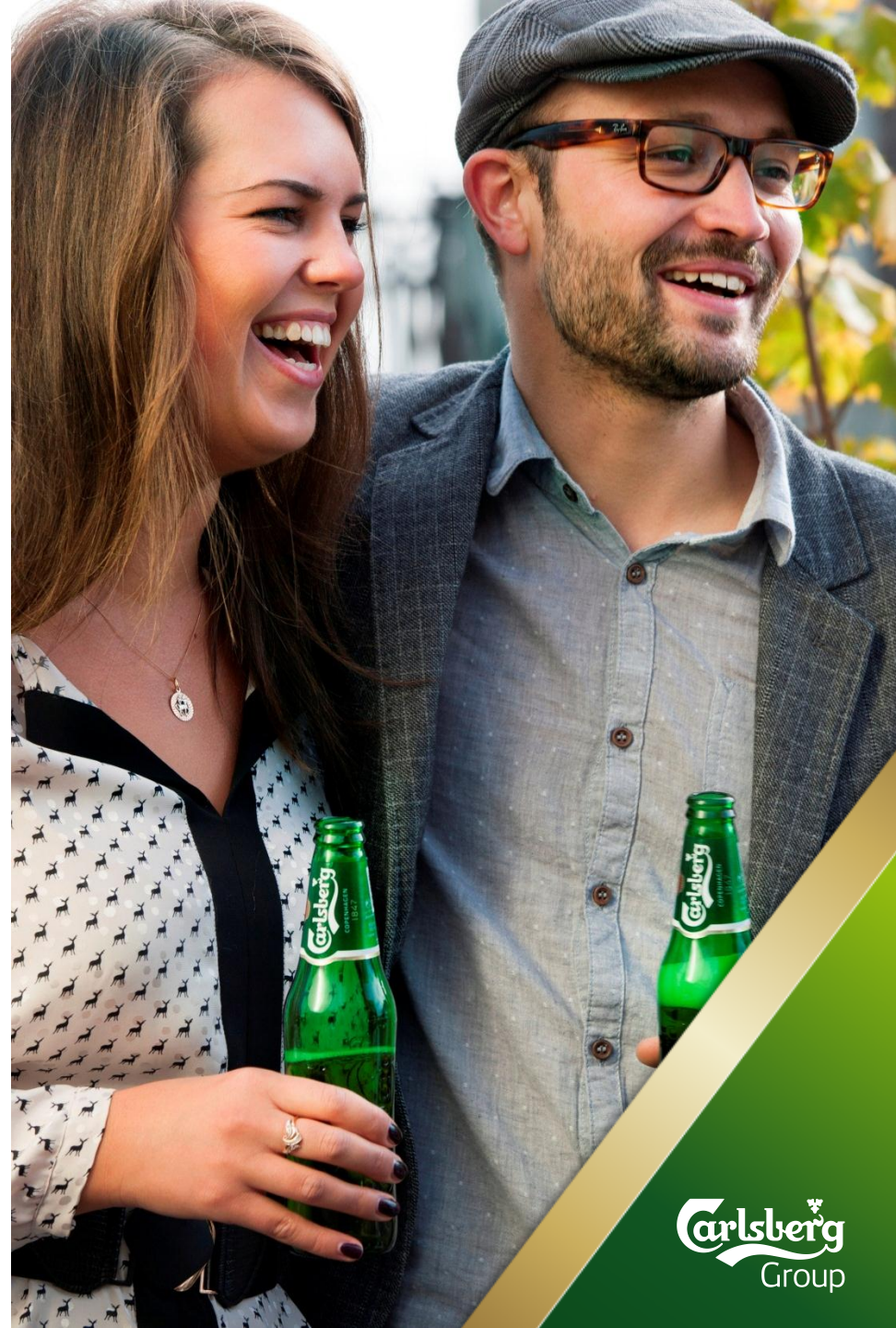
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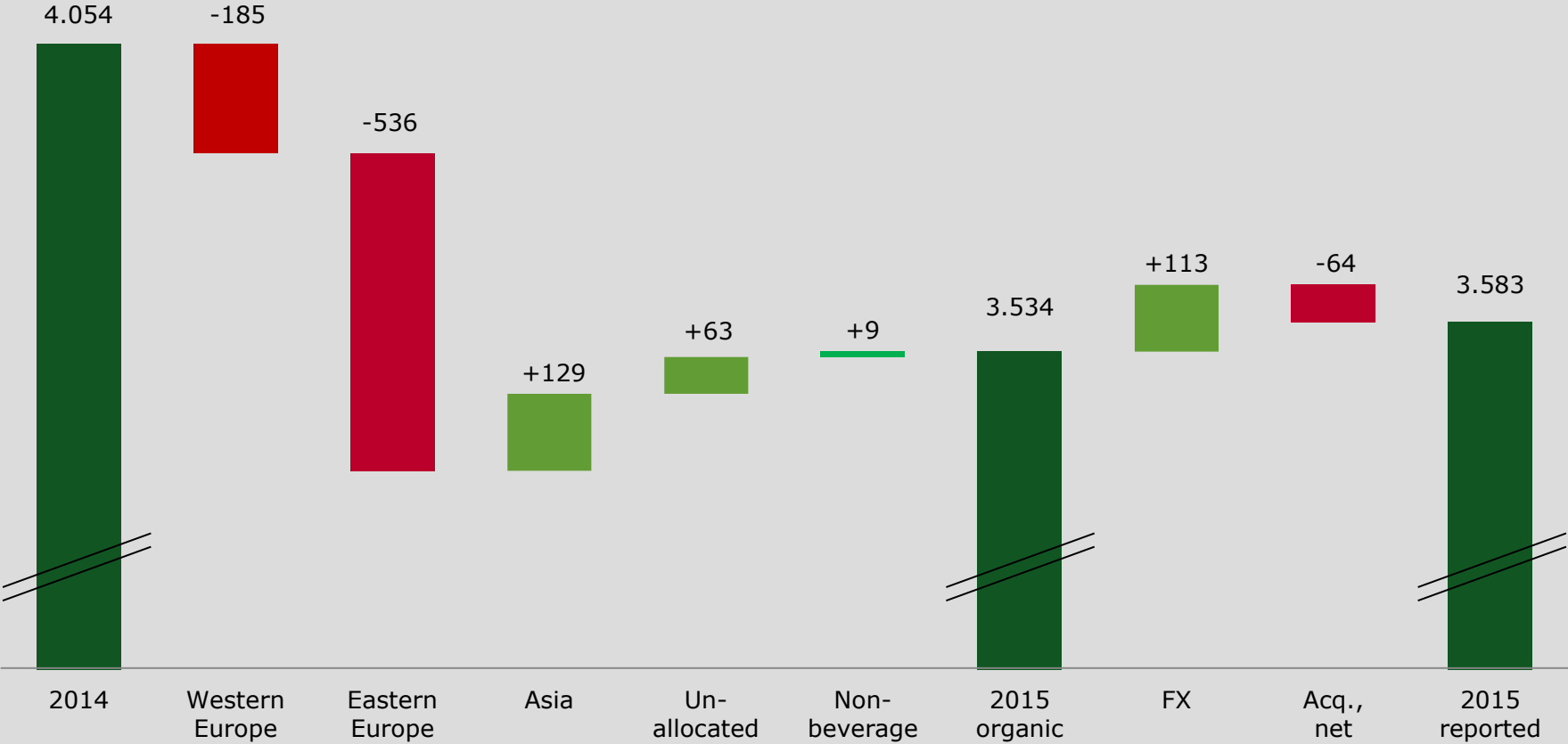
Operational performance

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# H1 Group operating profit

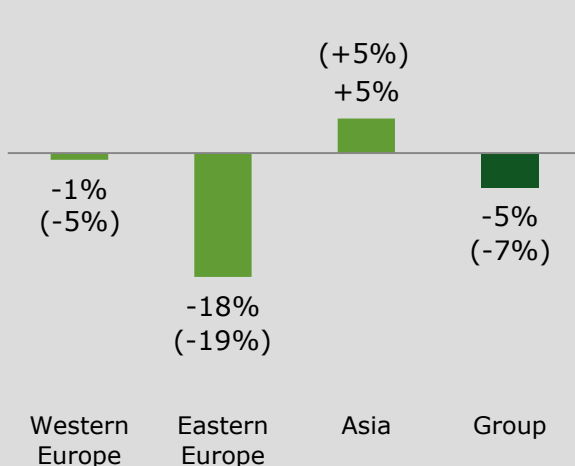
DKKm



# H1 Key figures (Q2)

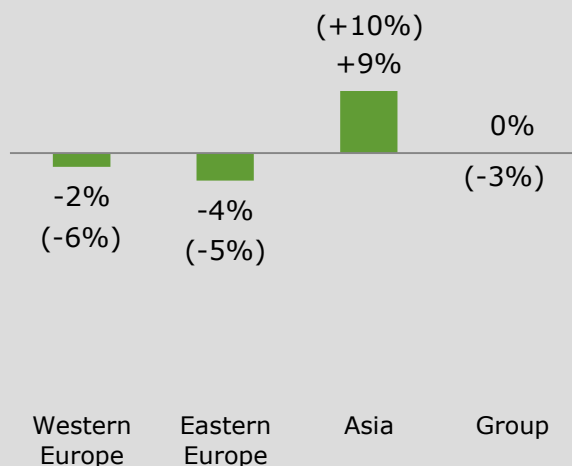
## Beer volume, pro rata

Organic growth



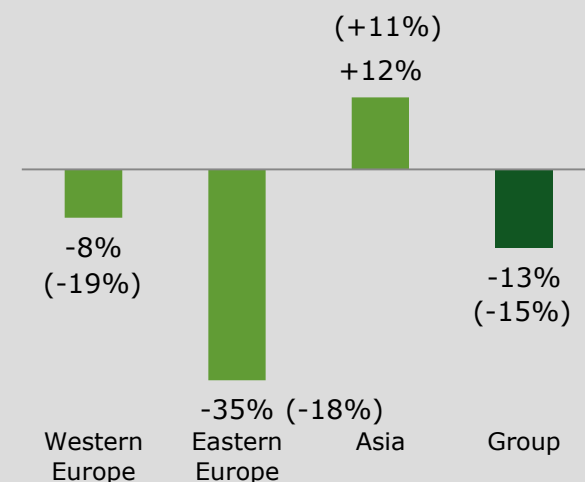
## Net revenue

Organic growth



## Operating profit

Organic growth



Price/mix	-1%	+14%	+3%	+5%				
FX	+3%	-22%	+21%	0%	+1%	-10%	+23%	+3%
Reported	+2%	-26%	+34%	+1%	-7%	-45%	+29%	-12%



# H1 Income statement – key points

Gross profit

**0%**

+4% organic growth per hl, driven positive net revenue/hl

Operating expenses

**-4%**

Organic increase of 3% driven by sales and marketing investments



Special items

**DKK -283m**

Mainly related to restructuring measures across the Group

Net financials

**DKK -770m**

Interests:  
DKK -577  
Other financial items:  
DKK -193m

Adj. net profit

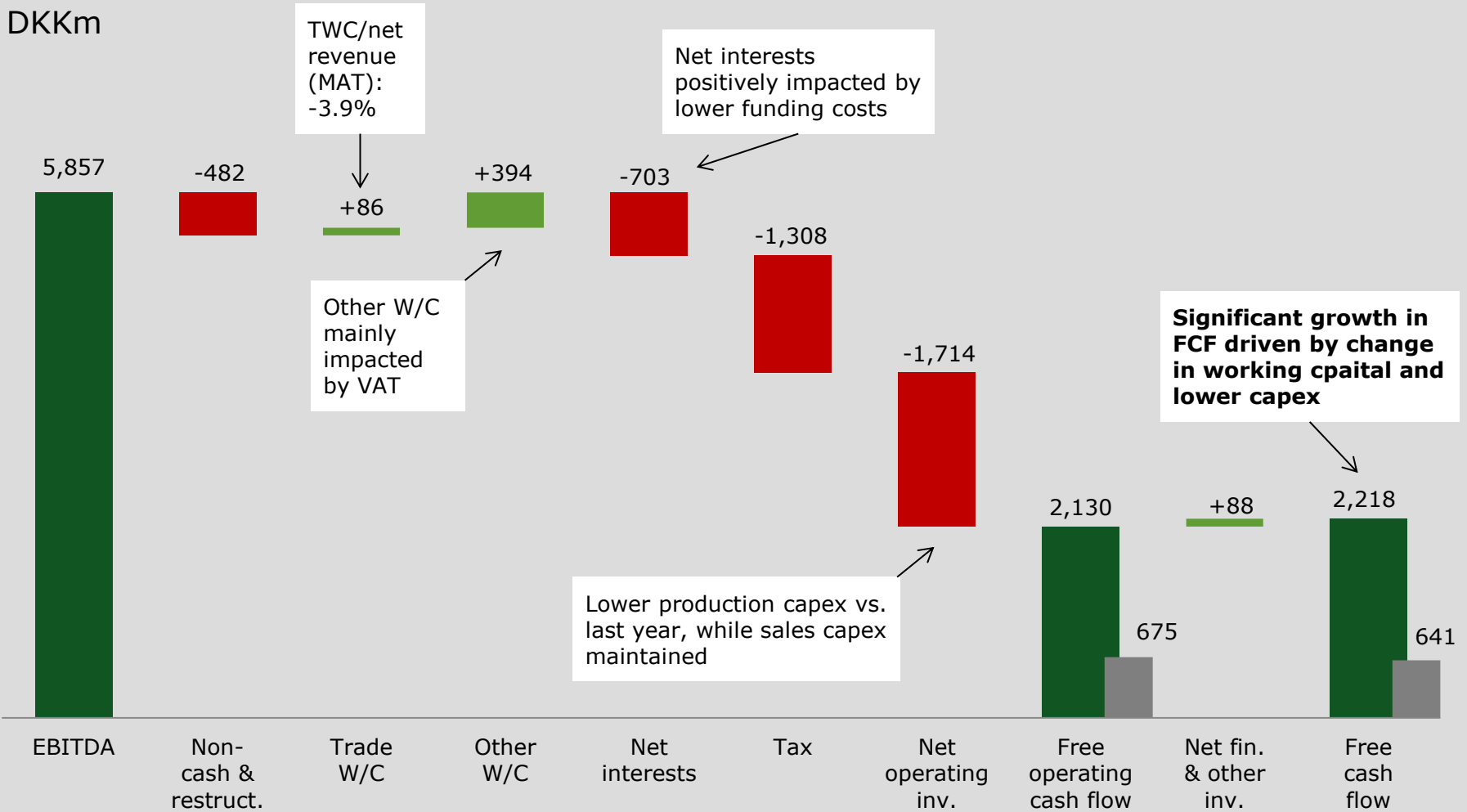
**DKK 1,734m**

Impacted by sales and marketing investments, net financials and tax rate

# H1 Cash flow

■ H1 2014

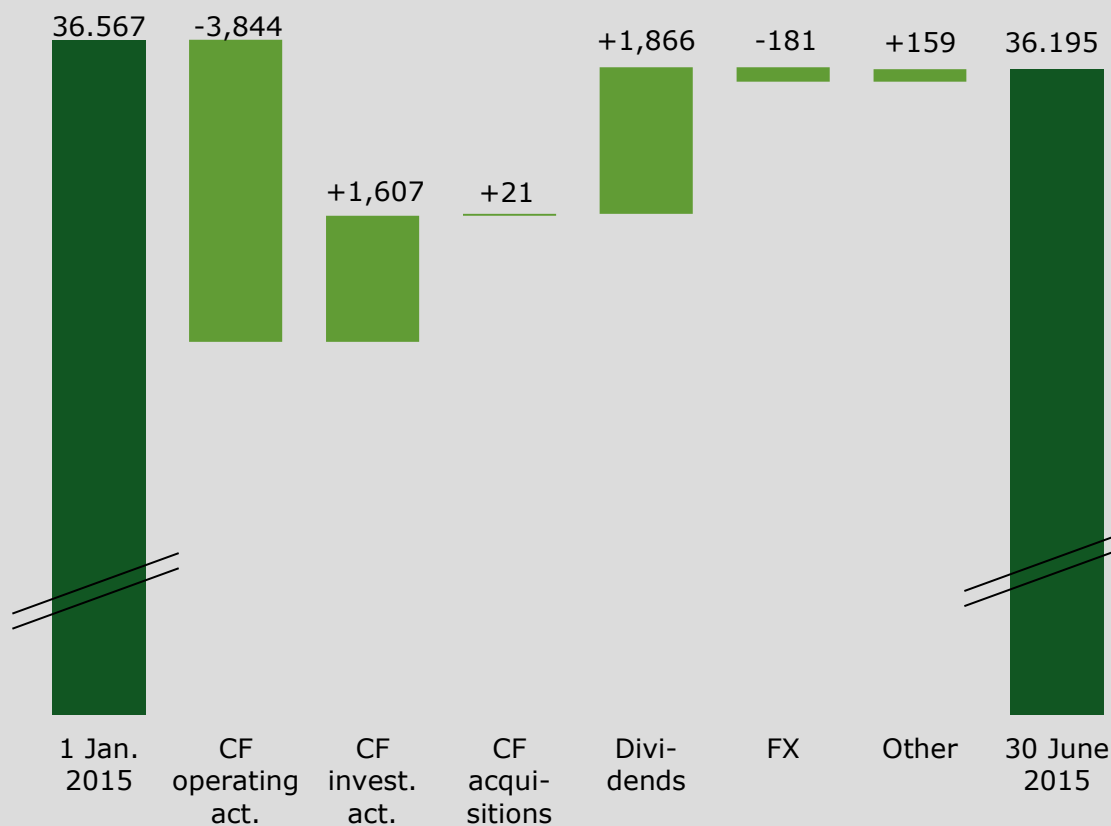
DKKm





# Net interest-bearing debt

DKKm



- NIBD impacted by normal seasonality
- As per 30 June 2015
  - NIBD/EBITDA (MAT): 2.7
  - Long-term gross financial debt: 95%
  - Net financial debt @ fixed rates: 78%
  - 95% of net financial debt denominated in EUR and DKK

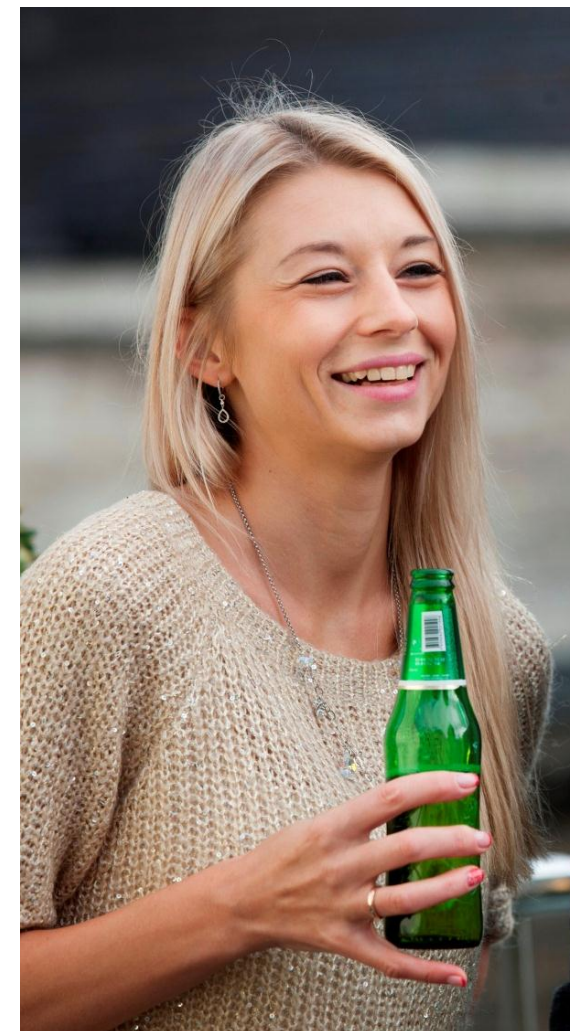
# H1 Invested capital & ROIC

Invested capital DKKm	2015	2014
Western Europe	36,715	35,489
Eastern Europe	42,994	58,318
Asia	27,795	21,456
<b>Group</b>	<b>109,989</b>	<b>118,828</b>

- Invested capital impacted by FX, reducing invested capital in Eastern Europe but increasing it in Western Europe and Asia
- Invested capital in Asia also impacted by the Eastern Assets acquisition

ROIC incl. goodwill (RTM) %	2015	2014
Western Europe	14.6	15.0
Eastern Europe	4.9	6.7
Asia	9.7	9.7
<b>Group</b>	<b>7.9</b>	<b>8.3</b>

- ROIC impacted by lower EBIT in Eastern Europe and Western Europe



# 2015 assumptions and outlook

- Slightly increasing cost of goods sold per hl
- Slightly growing A&P to revenue
- All-in cost of debt at around 4%
- 28% tax rate

## Earnings expectations

Organic operating profit	Slightly declining (previously mid- to high-single-digit percentages growth)
--------------------------	--

- A translation impact on operating profit of around DKK -300m (previously DKK -400m)
- Capital expenditures at around DKK 4bn (index ~90 to depreciation)
- Net debt/EBITDA planned to be less than 2.5x by end-2015
- The Supervisory Board expects to be able to propose to the AGM to keep dividend per share unchanged





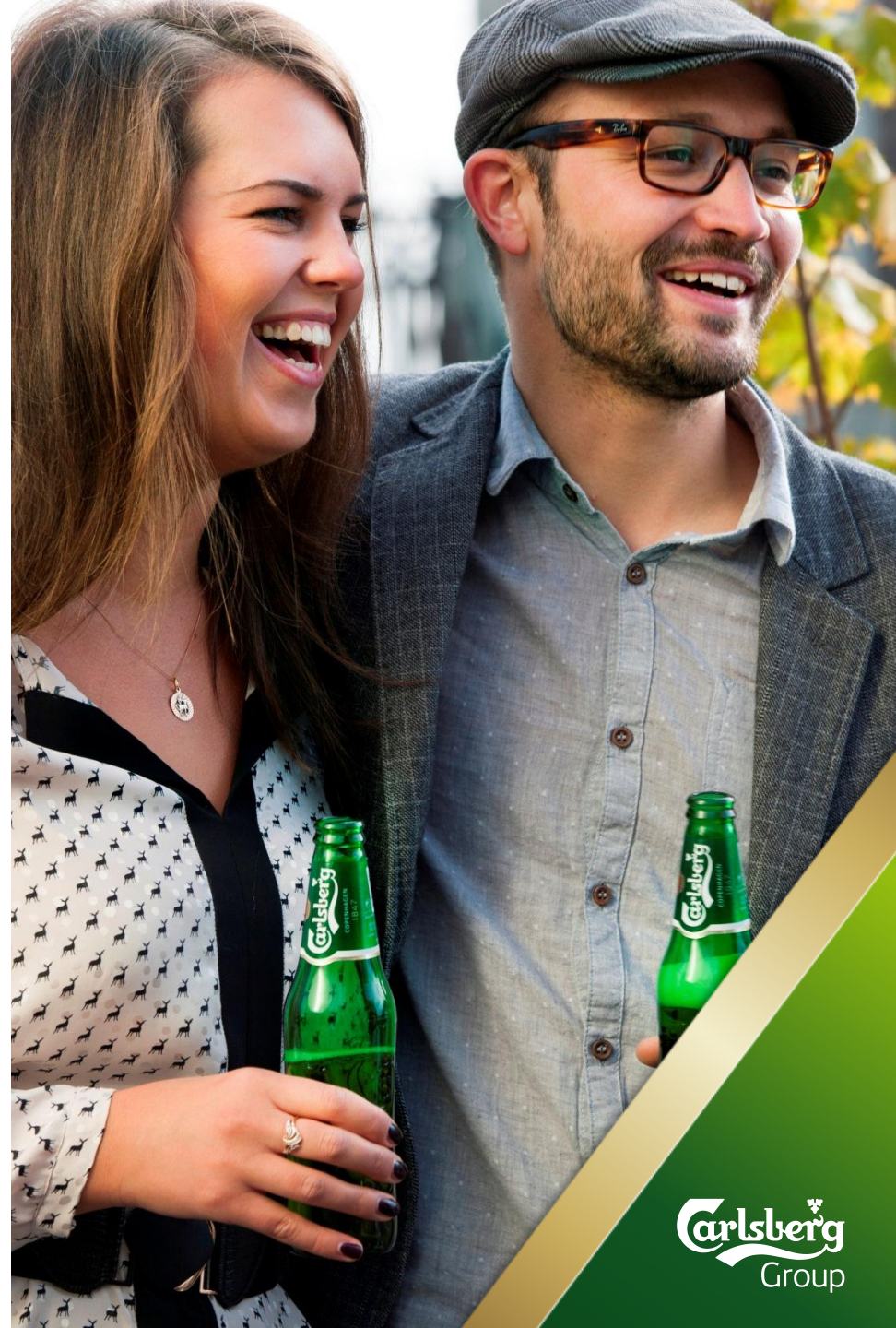
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# Western Europe

- Weak market development, especially in Q2
- Strong market share growth
  - Strong performance in the Nordics, France and Poland
- Regional volumes declined organically by 1%
  - Q2 saw reversal of positive impact from stocking and Easter in Q1 and bad weather
- Price/mix of -1% with flat pricing and negative mix
- Organic operating profit decline driven by lower volumes and price/mix and higher sales and marketing costs

DKKm	H1 2015	Organic growth	Reported growth
Beer volume	24.6	-1%	0%
Net revenue	18,872	-2%	+2%
Operating profit	2,155	-8%	-7%
Operating margin	11.4%	-	-



# Western Europe – Market comments

## The Nordics

- Flat volumes in slightly declining markets
- Strong market share performance achieved through sales execution and growth of speciality category

## France

- 7% volume growth in a market growing by 1%
- Continued positive momentum of premium brands: Kronenbourg 1664, Grimbergen and Tuborg Skøll
- Successful launch of non-alcoholic Tourtel Twist

## Poland

- Positive volume and value share in a flat market
- Market share growth driven by Okocim, Kasztelan and 38% volume growth of Somersby
- Negative channel mix and increased promotional pressure

## UK

- 6% volume decline in a market declining by 4%
- Revitalisation of the Carlsberg brand with initial positive response

## Switzerland

- Strong currency leading to changed consumer dynamics and driving imports
- Flat market share

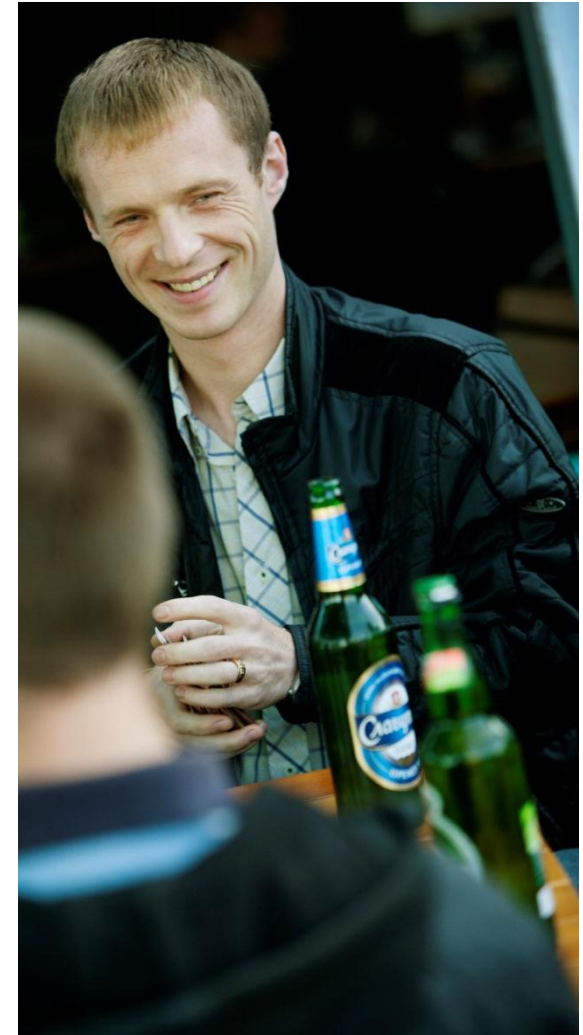




# Eastern Europe

- Russian market -9% and Ukraine -17%
- Flat regional market share
- Group regional volumes declined by 18%
- Strong price/mix of 14% due to price increases in Russia and Ukraine
- Increased gross profit/hl of 9%
- Operating profit decline due to negative currency impact, lower volumes and higher sales and marketing investments

DKKm	H1 2015	Organic growth	Reported growth
Beer volume	16.0	-18%	-18%
Net revenue	5,556	-4%	-26%
Operating profit	830	-35%	-45%
Operating margin	14.9%	-	-



# Eastern Europe – Market comments

## Russia

- Challenging macroeconomy
- Flat value market share
- Shipped volumes in line with consumer off-take in Q2
- Continued rapid channel shift from traditional to modern trade
- Good performance of the Baltika 7 and 9 brands while Baltika 3 and Cooler declined
- Closure of two breweries in Q1

In 2015, Russia's share of Group operating profit will be <20%

## Ukraine

- Deteriorating macroeconomy and accelerating inflation
- Strong market share performance due to Lvivske brand, Brewmasters Collection and regional brands

## Other markets

- Growing market share in growing Kazak market from relaunch and packaging innovations



- Overall market growth
- Positive market share development in most markets
  - Strong growth of Tuborg and Carlsberg
- Group regional volumes grew by 5%
- Price/mix of 3% resulting in 9% organic net revenue growth
- 12% organic operating profit growth driven by top-line growth and tight cost control

DKKm	H1 2015	Organic growth	Reported growth
Volume	19.8	+5%	+11%
Net revenue	7,948	+9%	+34%
Operating profit	1,331	+12%	+29%
Operating margin	16.8%	-	-





# Asia – Market comments

## Indochina

- 4% volume growth
- Strong growth of Angkor in Cambodia
- Accelerated growth in Q2 in Laos and Vietnam
- Good initial results of Halida re-launch

## China

- 1% organic volume growth in declining market
- 4% price/mix improvement from premiumisation
- CBC integration done

## India

- 43% organic volume growth
- 15% market share achieved in Q2
- Earnings improvement from top-line growth and cost control



## Myanmar

- Brewery start-up in May
- Launch of Yoma and Tuborg brands

Operating profit contribution from Asia quadrupled from 2008 to 2014

# International premium brands

Carlsberg



**-2%**

in premium markets

Strong growth in China and India

Decline in Western and Eastern Europe due to market weakness

Activation of EURO 2016

Tuborg



**+16%**

Growth mainly driven by India and China

Growth driven by increased distribution and ATL campaigns

1664



**+2%**

Good performance in France

Establishing a solid super-premium footprint in Asia, primarily with the K1664 Blanc

Grimbergen



**+19%**

Fastest growing international abbey beer since 2011

Strong performance in Western Europe, with France being an important growth generator

Somersby



**+26%**

Fastest growing cider brand among top 10 ciders globally

Broad-based growth across all regions

# Selected local brands

**Kasztelan**  
(Poland)



Kasztelan grows market share in the growing unpasteurised segment

**Tourtel Twist**  
(France)



Successful launch of the flavoured, non-alcoholic Tourtel Twist brand

Has reached almost 0.5% market share

**Lvivske**  
(Ukraine)



Well-executed activation around the Lviv brewery's 300-year anniversary

**Chongqing**  
(China)



Relaunch delivering positive share momentum

Brand position building on the literal meaning of the Chongqing city name of "double happiness"

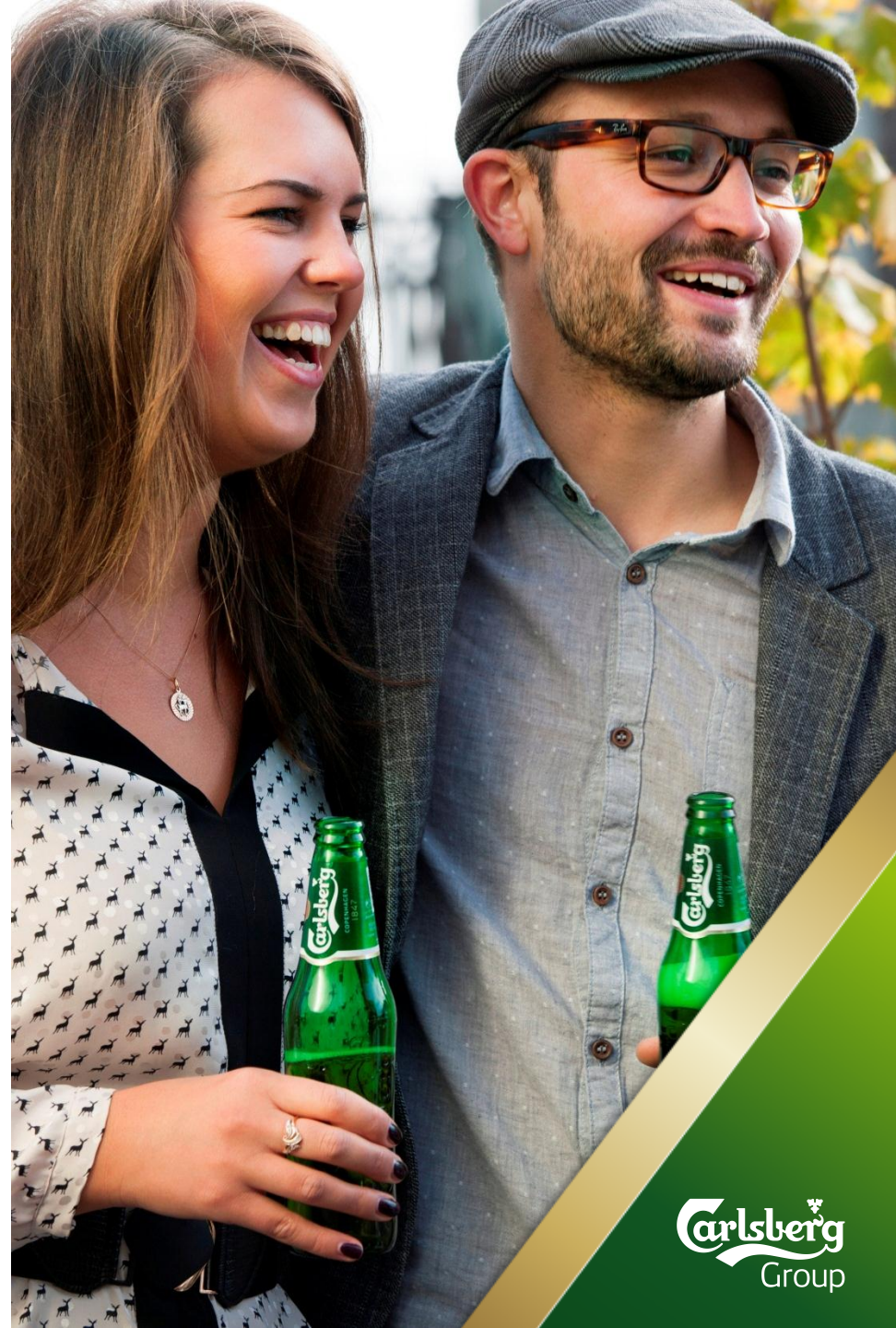
**Yoma**  
(Myanmar)



Launch of new mainstream brand in Myanmar

Developed for local consumer tastes, using local Myanmar rice

# Q&A





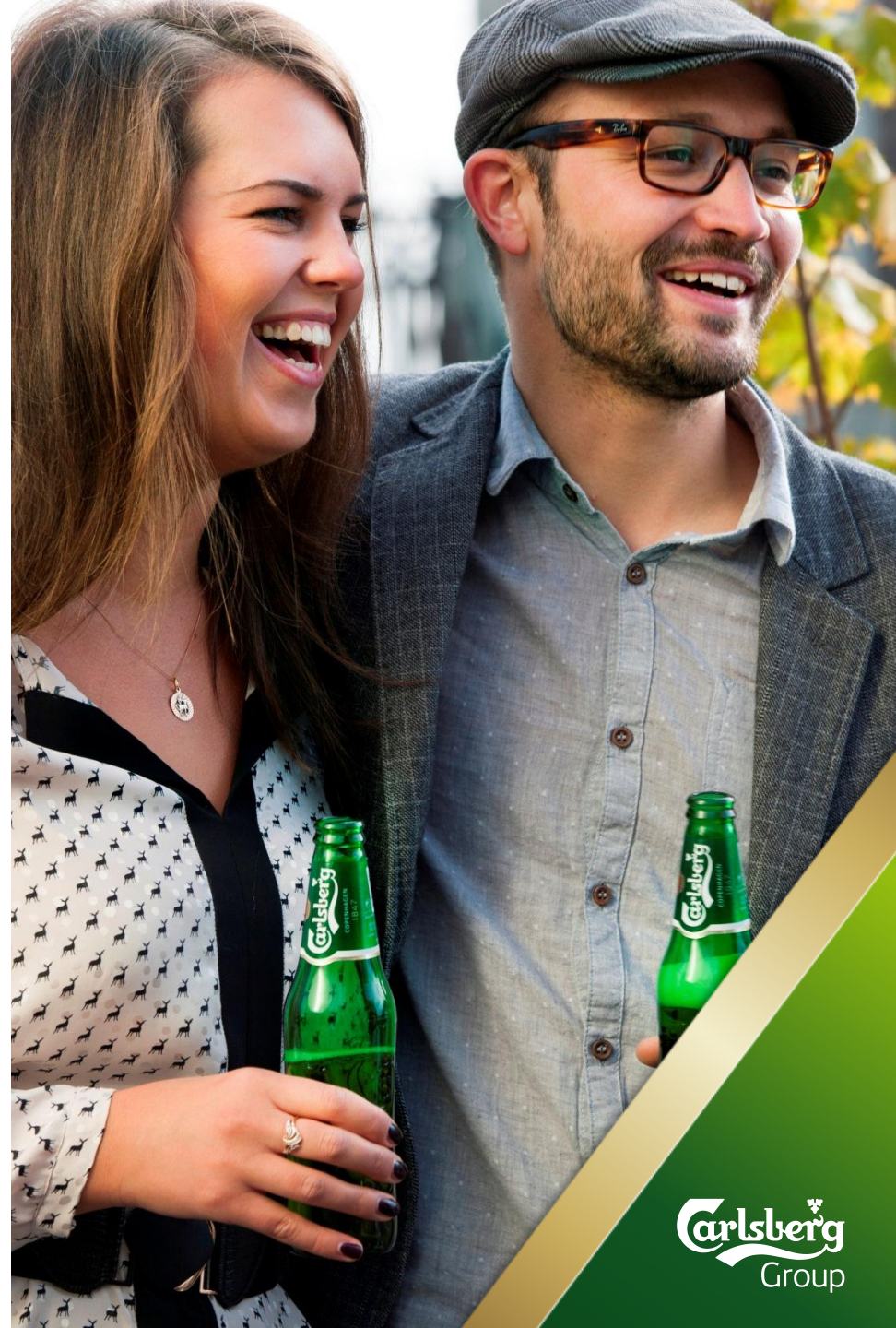
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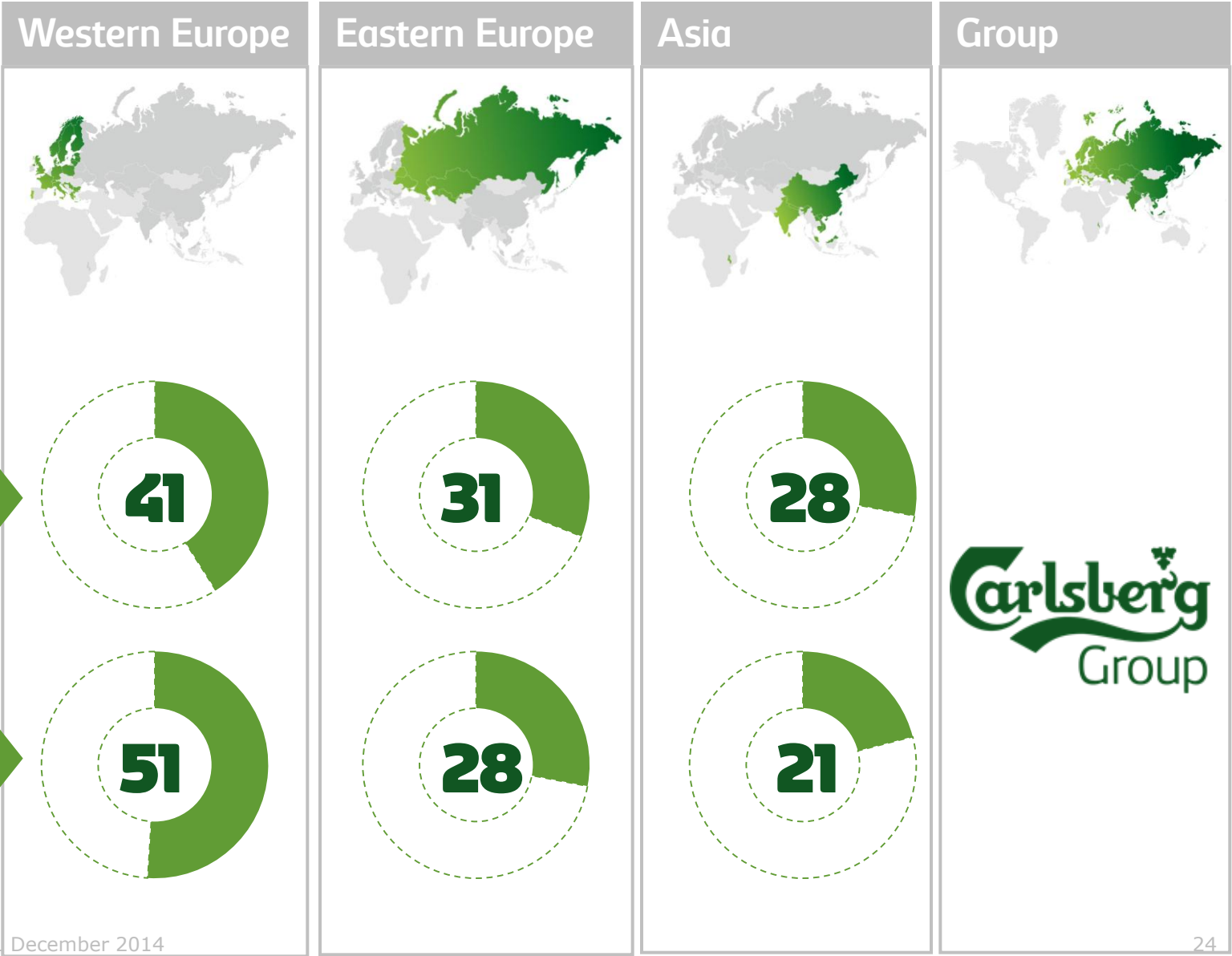
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# Income statement

YTD June, DKKm	2014	Organic	Acq., net	FX	2015
Net revenue	32,058	-97	315	126	32,402
Gross profit	15,836	-82	49	84	15,887
Operating expenses incl. brands marketing	-12,115	-353	-115	7	-12,577
Other income, net.	333	-85	2	22	273
<b>Operating profit before special items (EBIT)</b>	<b>4,054</b>	<b>-520</b>	<b>-64</b>	<b>113</b>	<b>3,583</b>
- Brewing	4,123	-529	-64	113	3,643
- Other activities	-69	9	-	-	-60
EBITDA	6,036	-229	81	-31	5,857

# Three regions



# Innovation and further roll-out of innovations



## Radler

- Global expansion of the low-alcoholic beer and juice mix
- Launched in Portugal, Germany and Greece in 2014
- Available in 11 markets



## Brewmasters' Collection

- A collection of premium specialty beers
- Launched in Russia, Denmark, Finland and Ukraine
- More markets to follow



## Jacobsen

- Super premium specialty beer
- Launched in premium off-trade in Russia and in UK on-trade
- Continued portfolio expansion in Denmark



## Seth & Riley's Garage

- Launched in 2 new markets in 2014
- Available in 6 markets globally



## DraughtMaster™

- Proprietary one way keg draught technology
- Expanded from Italy and Greece into new markets in Western Europe



# Financial calendar 2015

## Financial calendar 2015

Interim results for Q3

11 November



# Disclaimer

## 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.

Some important risk factors that could cause the Group's actual results to differ materially from those expressed in its forward-looking statements include, but are not limited to: economic and political uncertainty (including interest rates and exchange rates), financial and regulatory developments, demand for the Group's products, increasing industry consolidation, competition from other breweries, the availability and pricing of raw materials and packaging materials, cost of energy, production and distribution related issues, information technology failures, breach or unexpected termination of contracts, price reductions resulting from market driven price reductions, market acceptance of new products, changes in consumer preferences, launches of rival products, stipulation of market value in the opening balance sheet of acquired entities, litigation, environmental issues and other unforeseen factors. New risk factors can arise, and it may not be possible for management to predict all such risk factors, nor to assess the impact of all such risk factors on the Group's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.