Carlsberg

Report and Accounts 2001

Valentia, Ireland

St. Petersburg, Russia

Halong Bay, Vietnam

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.

A Brief Presentation

Apart from a 60% stake in Carlsberg Breweries, Carlsberg A/S, the Carlsberg Group, comprises the Carlsberg Research Center, Carlsberg Properties as well as the administration of the Carlsberg Bequest to the Memory of Brewer J. C. Jacobsen and the Tuborg Foundation.

Carlsberg Breweries
Carlsberg Breweries A/S is one of the world's major international brewing operations, and Carlsberg and Tuborg are two of the most widely sold beer brands on a global scale. Carlsberg Breweries was established in 2001 when Carlsberg's and Orkla's beer and soft drink activities were united.

Carlsberg Breweries comprises, among others, Carlsberg Bryggerierne (1847),Tuborgs Bryggerier (1873), Pripps (1828) and Ringnes (1877) – as well as a number of subsidiaries and associated companies, the majority of which are situated outside the Nordic region. Carlsberg Breweries has a total workforce of approximately 27,000 people, if all associated companies are included. It sells its products in about 150 markets.

The core business of Carlsberg Breweries is the production and sale of beer and soft drinks. More than 94% of beer sales are achieved outside Denmark. International brewing operations include the export of beer brewed in Denmark, as well as local brewing at 90 production sites in 45 countries. The Carlsberg and Tuborg beer brands are produced by 60 companies in 42 countries. Local production, according to the specifications of Carlsberg Breweries, is handled partly by breweries in which Carlsberg Breweries 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.

Carlsberg Research Center
Ever since Carlsberg's foundation, the Company has operated its own research departments. In 1875, the Carlsberg Laboratory was established. It is now integrated in the Carlsberg Research Center, which houses 80 laboratories equipped with state-of-the-art technology and a staff of about 140 people. When Carlsberg Breweries was established, the activities of the Carlsberg Research Center continued under Carlsberg A/S. In addition to extensive basic research, brewing related research is conducted into enzyme chemistry, protein chemistry, carbo-hydrate chemistry, plant breeding and genetics as well as the malting, brewing and fermentation processes. In addition, process and product development takes place at Carlsberg Breweries.

Carlsberg A/S
Carlsberg A/S is a company publicly quoted on the Copenhagen Stock Exchange with some 16,000 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 shares in Carlsberg A/S. Over the years, Carlsberg's employees 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 in 1876 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.

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Carlsberg®

Letter to the Shareholders

The financial year 2001 proved to be another very busy year. Carlsberg Breweries was officially established on 13 February and the formation of one of the world's largest breweries thus became a reality. Carlsberg is now better prepared than ever to meet the substantial challenges in a highly competitive market.

Carlsberg A/S' share of the profit for the year amounted to DKK 1.5bn, which is slightly above expectations.

Earnings

The financial year 1999/2000 covered 15 months as the financial year was changed on 1 January 2001 to follow the calendar year. The financial year 2001 thus covers 12 months.

Operating profit amounted to DKK 3.4bn, corresponding to a rise of 16% (or 63% when compared to a corresponding 12-month period). Profit before tax totalled DKK 3.4bn, corresponding to an increase of 6% (or +48% when compared to a corresponding 12-month period). Group profit, or profit after tax, amounted to DKK 2.6bn, which is an increase of 17% (61% when compared to a corresponding 12-month period).

In general, the upward trend in earnings is the result of considerable growth in the operations in Eastern Europe, including the addition of Orkla's beverage activities, as well as an active adjustment of capacity and costs within all companies and increased focus on the strengthening of the Carlsberg brand profile.

Carlsberg A/S' share of profit for the year per share amounted to DKK 23.6 against DKK 26.7. When comparing with a corresponding 12-month period and excluding special items and non-recurring gains from the sale of shares in Thai breweries in 2001, earnings per share totalled DKK 19.5 against DKK 19.1 last year (+2%).

Net turnover increased by 34% on last year (12 months) and the growth is mainly attributable to the addition of Orkla's beverage activities, the inclusion of the Feldschlösschen brewery in Switzerland for the entire financial year (against 1 month in 1999/2000), the acquisition of Türk Tuborg in Turkey and marked growth in Eastern Europe.

In recent years, substantial investments have been made in acquisitions and new production plant. As a result, the net interest-bearing debt has increased and now totals DKK 11bn or approx. 27% of the balance sheet total.

The Board of Directors proposes that a dividend of DKK 5.00 per DKK 20 share be paid, or 25% of the share capital, against DKK 5.40 per DKK 20 share last year (15 months). DKK 320m (DKK 345m in 1999/00) has been appropriated for that purpose. This is an actual increase of 16% as the dividend last year covered a period of 15 months. The proposed dividend corresponds to 21% of Carlsberg's share of profit for the year. It is proposed that the remaining amount of DKK 1,187m be appropriated to the reserves.

International structural adjustment and Carlsberg Breweries

Carlsberg will continue to strengthen its position as one of the world's large international breweries. The consolidation trend in the industry with the concentration of fewer and larger groups continues, and Carlsberg aims to play an active part in this process in order to capture significant market shares.

With the establishment of the subsidiary Carlsberg Breweries A/S, a goal-oriented and strong international brewery and soft drink group with considerable growth potential has been created. Carlsberg Breweries will profile the Carlsberg brand as a leading, international, top-quality brand and will market an extensive portfolio of strong regional and local brands.

It remains Carlsberg's goal to gain market share in the growth markets in Eastern Europe and Asia to compensate for the stagnating trend in the more traditional markets in Western Europe, while still seeking to expand influence in that region as well. Competition from other international brewery groups is intensifying in the growth markets. Joint ventures in Eastern Europe, Baltic Beverages Holding (BBH) and in Asia, Carlsberg Asia, enjoy strong market positions and strengthen Carlsberg's growth potential.

For Carlsberg Breweries, 2001 was primarily the year in which Orkla's beverage activities were integrated with the Carlsberg activities. In Sweden, Carlsberg Sverige was established and Pepsi was introduced. Coca-Cola was wholly or partly integrated into the companies in Denmark and Finland, and the brewery in Switzerland launched a restructuring process. At the same time, reductions were made in headquarter staff and organisational adjustments were implemented to meet the new challenges.

In Eastern Europe, BBH showed substantial, profitable growth, and the acquisition of local breweries continued. Furthermore, Carlsberg Breweries took over the controlling interest in Türk Tuborg, Turkey and established the majority owned Polish brewery Carlsberg Okocim through local acquisitions.

In Asia, the establishment of the new joint venture Carlsberg Asia has been delayed, primarily due to pending public authority approvals.

Western Europe was characterised by a generally stagnating market trend, leading to necessary restructuring projects and cost adjustment. The breweries in all markets showed better performance than expected, except for Sweden, which experienced problems due to a declining market as well as to the cost structure in the new and larger Carlsberg Sverige.

Corporate Governance

The concept of Corporate Governance is currently a topic of discussion in Denmark, primarily following the recommendations presented by a Danish committee of top business executives in a recent report on the subject. Carlsberg continuously follows the debate and has studied the recommendations, which the company already follow to a very large extent. The company has followed the international debate on the topic for some time and will continue to do so in future.

New accounting policies

A new Financial Statements Act has been implemented in Denmark with effect from 1 January 2002. This will entail a number of significant changes to the present accounting policies of the Carlsberg Group. As the most significant change, Group goodwill and other intangible assets will in future be capitalised and amortised. Other changes include capitalisation and depreciation of returnable packaging, capitalisation of indirect production costs as well as details on the practices relating to provisions for restructuring, etc.

The changes in accounting policies involve substantial efforts and completion of the changes is expected by the end of March 2002. Carlsberg will then immediately inform the market of the impact on the comparative figures resulting from the policy changes. In the Q1 financial statement of 2002, it will be possible to specify what effects the new accounting policies will have on the outlook for 2002.

It should be emphasised that the changes in the accounting policies are of a purely technical nature and will have no effect on the company's cash flow/available funds.

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. Our products must be of supreme and outstanding quality worldwide and Carlsberg will never compromise on quality.

Employees

All employees in the Carlsberg Group have helped create the results achieved.

Carlsberg carries out extensive international supplementary training and development programmes on a regular basis. The implementation of a management share option programme in 2001 contributes to an even greater alignment of interests between the management and the shareholders. In 2001, a total of 111,500 share options were granted to the Executive Boards and key managers of Carlsberg A/S and Carlsberg Breweries A/S at an exercise rate of 405. The number of share options in 2002 is expected to be in line with 2001.

Environment, beer and society – "social aspects"

Carlsberg works actively to reduce any negative impact on the environment and to optimise the use of natural resources. In 2001, Carlsberg Breweries published an actual environmental report for the first time.

As the brewer of one of the world's leading beer brands, Carlsberg 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.

The immediate future

Carlsberg will continue to take part in the international consolidation in the brewing industry.

As regards brands, the "Carlsberg" profile will be strengthened further and the focus on a "glocal" approach, local strength in a global perspective, will be emphasised with continued expansion of the market positions of strong regional and local brands.

Following the acquisition of breweries in recent years, efforts to capitalise on potential synergies will continue just as Carlsberg will work actively on adjusting capacity and costs to reflect the market situation.

Board of Directors and Executive Board/Management

Board of Directors

Poul Chr. Matthiessen, born 1933
Professor, D.Econ., The Carlsberg Foundation. (Chairman) *)
Member of the Board of Directors of Carlsberg Breweries A/S.
Chairman of the Board of Directors of 5 property companies affiliated to the Carlsberg Foundation. (2001)

Palle Marcus, born 1937
Managing Director. (Deputy Chairman) *)
Chairman of the Board of Directors of Coloplast A/S, Novo A/S and Carlsberg Breweries A/S (2001)

Hans Andersen, born 1955
Brewery worker, Carlsberg Danmark A/S.
(Elected employee member 1998)

Torkild Andersen, born 1934
Professor, D.Ph.
Member of the Board of Directors in 5 property companies affiliated to the Carlsberg Foundation. (1998)

Jens Bigum, born 1938
Managing Director, Arla Foods amba.
Member of the Board of Directors of Per Aarsleff A/S, LEC A/S, Carlsberg Breweries A/S as well as companies affiliated to Arla Foods amba. (2001)

Henning Dyremose, born 1945
President, Chief Executive Officer, TDC A/S.
Chairman of the Board of Directors in a number of companies affiliated to TDC A/S. Deputy Chairman of the Board of Directors of Brødrene A. & O. Johansen A/S. Member of the Board of Directors of Carlsberg Breweries A/S. (1999)

Preben Hedegaard, born 1946
Sales driver, Coca-Cola Tapperierne
(Elected employee member 2001)

Povl Krogsgaard-Larsen, born 1941
Professor, D.Sc, Ph.D., Dr.h.c.
Member of the Board of Directors of Acadia Pharmaceuticals A/S. (1999)

Axel Michelsen, born 1940
Professor, D.Ph.
(1998)

Erik Dedenroth Olsen, born 1949
EDP Office Manager, Carlsberg Danmark A/S.
(Elected employee member 1998)

Per Øhrgaard, born 1944
Professor, D.Ph.
Member of the Board of Directors of 5 property companies affiliated to the Carlsberg Foundation. (1999)

*) The chairmanship of the Board of Directors.
( ) The year of election to the Board of Directors of Carlsberg A/S.

Executive Board/Management

Jørn P. Jensen, born 1964
Chief Executive Officer.
Member of the Board of Directors of Coca-Cola Nordic Beverages A/S, Vingaarden A/S, Royal Scandinavia Holding Frederiksberg A/S and Carlsberg Breweries A/S.

Klaus Bock*), born 1944
Executive Vice President for Research.
Member of the Board of Directors of Pharmexa A/S and Combio A/S.

Jesper C. Bærnholdt*), born 1953
Chief Financial Officer.**)

*) Not registered with the Danish Commerce and Companies Agency.
**) Per Brøndum Andersen will take over as CFO in February 2002.

Other key employees and staff functions:

Orla Kristensen, Vice President	Property Department
Hans Henrik Schmidt, Legal Counsel	Secretariat
Margrethe Skov, Public Affairs Directors	Corporate Communications
Finn Terkelsen, Vice President	Trust Administration

The Carlsberg Group
Highlights and Key Figures, 5-year summary

	1996/97	1997/98	1998/99	1999/2000 (15 months)	2000 (12 months) [1])	2001
BEER SALES						
- million hl[2)]						
Sold in Denmark	4.5	4.2	4.0	4.7	3.8	3.9
Sold outside Denmark	26.8	31.1	33.0	46.3	36.0	64.0
Total sales	31.3	35.3	37.0	51.0	39.8	67.9
SOFT DRINK SALES						
- million hl						
Sold in Denmark	2.5	2.6	3.2	4.5	3.5	3.3
Sold outside Denmark	3.1	6.9	10.6	14.4	11.3	17.0
Total sales	5.6	9.5	13.8	18.9	14.8	20.3
TOTAL BEER AND SOFT DRINK SALES	**36.9**	**44.8**	**50.8**	**69.9**	**54.6**	**88.2**
HIGHLIGHTS – DKK million						
Earnings						
Turnover	19,378	29,321	31,285	47,351	34,532	46,975
Excise duties	4,460	7,237	7,131	12,433	8,820	12,515
Net turnover	14,918	22,084	24,154	34,918	25,712	34,460
Operating profit	1,255	1,554	1,673	2,934	2,087	3,400
Special items, net	-	243	79	428	428	17
Financials, net	501	423	-119	-207	-253	-58
Profit before tax	1,756	2,220	1,633	3,155	2,262	3,359
Group profit	1,256	1,744	1,156	2,227	1,623	2,616
Carlsberg A/S' share	1,242	1,641	1,164	2,133	1,646	1,507
Balance sheet						
Fixed assets	12,641	15,819	17,913	20,695		25,093
Current assets	12,287	15,133	11,976	14,296		15,976
Share capital	1,278	1,278	1,278	1,278		1,278
Equity	10,266	10,904	11,853	10,631		12,513
Long-term debt	2,394	4,976	5,623	6,009		12,042
Current debt	8,838	11,118	9,071	15,220		12,812
Balance sheet total	24,928	30,952	29,889	34,991		41,069
Net interest-bearing debt	-333	1,693	4,282	10,309		10,918
Cash flow						
Cash flow, operations	2,323	2,357	1,821	2,305		2,215
Cash flow, investments	-1,254	-917	-1,459	-6,057		-3,514
Cash flow, financing	-516	785	-1,409	3,541		2,302

	1996/97	1997/98	1998/99	1999/2000 (15 months)	2000 (12 months) [1]	2001
Investments						
Acquisitions of tangible fixed assets, net	1,042	1,287	2,024	2,770		3,551
Acquisition and sale of companies, net	190	1,373	621	4,309		1,996
Depreciation	877	1,305	1,354	2,153		2,224
KEY FIGURES						
Operating margin[3]	8.4%	7.0%	6.9%	8.4%	8.1%	9.9%
Return on investments[4]	8.1%	8.2%	7.3%	8.3%	7.4%	10.3%
Return on equity[5]	13.1%	16.5%	10.2%	15.8%	14.4%	22.6%
Solvency ratio[6]	41.2%	35.2%	39.7%	30.4%	30.4%	30.5%
Gearing[7]	-3.2%	15.5%	36.1%	97.0%	97.0%	87.3%
Stock market ratios						
Number of shares	63,906	63,906	63,906	63,906		63,906
Earnings per share of DKK 20[8]	19.4	25.7	18.2	26.7	25.8	23.6
Cash flow per share[9]	36.4	36.9	28.5	40.4		34.7
Book value per share, DKK	150.9	151.0	162.6	140.5		126.1
Year-end market quotation (B-shares)	374.0	400.0	257.0	468.0		347.8
Dividend per share	3.6	4.0	4.0	5.4		5.0
Payout ratio[10]	18%	15%	22%	20%		21%
Price/Earnings[11]	19.2	15.6	14.1	17.5		14.7
Employees						
Number of employees[12]	18,081	20,589	21,906	23,641		27,368

1) Unaudited comparative figures adapted to the calendar year 2000 and adjusted for the effects of the changes made in the basis of the accounts
2) Sales of Carlsberg and Tuborg beer, including beer brewed under licence and other beer brands produced by breweries of the Carlsberg Group and associated companies
3) Operating profit expressed as a percentage of net turnover
4) Operating profit expressed as a percentage of average operating assets
5) Group profit expressed as a percentage of average equity
6) Equity at year-end expressed as a percentage of total liabilities
7) Net interest-bearing debt expressed as a percentage 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


Carlsberg Beer

Report for 2001

Comments to the accounts for the past year (accounting policies unchanged)

Accounting policies and basis of comparison
The accounting policies applied remain unchanged from the accounts for 1999/00. However, minor changes have been made in the contents of a few items due to, inter alia, the inclusion of Orkla's beverage activities at book value as from 1 January 2001 computed in accordance with Carlsberg's accounting policies.

For comparison with the previous financial year, please note the changes in the Group's structure, including the addition of Orkla's beverage activities and the changes in the cola business in the Nordic region. In addition, the annual accounts of last year comprised 15 months. "Highlights and Key Figures, 5-year summary" includes the accounting figures of the official 15-month statement as well as figures for a comparable period covering the calendar year 2000 (12 months).

In order to provide relevant comments on developments in 2001 compared to 2000, this report contains comparative figures for the calendar year 2000 (12 months).

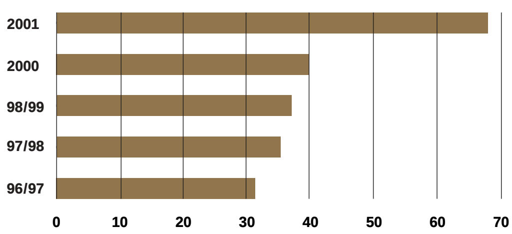
Carlsberg's Asian activities were not finally included in Carlsberg Asia Holding Ltd. due to pending authority approvals. The activities included in the accounts are based on Carlsberg's own companies according to the legal structure in Asia prior to the establishment of Carlsberg Asia (as in 2000). Carlsberg's companies/activities and the joint venture partner's Thai company are expected to be included in Carlsberg Asia Holding Ltd. with effect from 1 January 2002.

Carlsberg Breweries has made substantial acquisitions in Poland and Turkey in 2001. The results of these companies are included as from August and July, respectively. The acquisitions have had no significant impact on operating profit in 2001.

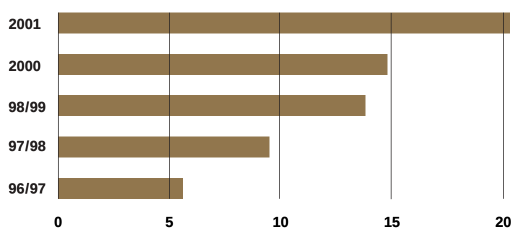
Turnover
Beer and soft drink sales volumes increased by 15% and 23%, respectively, compared to the calendar year 2000, including Orkla's beverage activities. Net turnover (turnover less excise duties) amounted to DKK 34,460m against DKK 25,712m in the same period last year (+34%). Most of the increase is due to the addition of Orkla's beverage activities, including activities in Eastern Europe and the acquisition of Feldschlösschen in Switzerland at the end of 2000.

Operating profit
Operating profit totalled DKK 3,400m against DKK 2,087m last year (+63%). In 2001, depreciation amounted to DKK 2,224m against DKK 1,737m in 2000. The improvement in results is mainly attributable to the addition of Orkla's beverage activities, to significant growth in Eastern Europe and to the Western European markets which improved slightly on last year, primarily due to the inclusion of Feldschlösschen, Switzerland and substantial profit growth in Sinebrychoff, Finland. In contrast, Carlsberg Sverige experienced a clearly unsatisfactory year and thus influenced results to the opposite effect. Developments in Carlsberg A/S'

BEER SALES, TOTAL (million hl) 12 months



SOFT DRINKS SALES, TOTAL (milion hl) 12 months



property activities were satisfactory and influenced operating profit positively with earnings from sale of properties amounting to approx. DKK 218m.

Special items, net

As in previous years, this item includes non-recurring amounts. Special items net amounted to DKK 17m against DKK 428m last year. Due to the favourable development in the results of the Vena brewery in Russia, DKK 200m was reversed in 2001 in relation to a previous write-down. In addition, a write-down of DKK 200m on the fixed assets of the loss-making Hannen brewery in Germany was made.

Financials, net

Financials showed a negative DKK 58m against a negative DKK 253m in 2000. Adjusted for the gains from i.a. the sale of minority shareholdings in the Thai breweries (net DKK 518m), financials showed net expenditure of DKK 576m in line with expectations. In 2001, financials were affected by interest expenses in connection with the financing of the acquisitions in Turkey and Poland in 2001 and the acquisition in Switzerland in December 2000.

Profit

Profit before tax and Group profit amounted to DKK 3,359m (DKK 2,262m in 2000) and DKK 2,616m (DKK 1,623m in 2000), respectively, which is considerably above the level of last year, mainly due to the addition of companies.

The tax rate totalled 22.1% against 29.4% last year (15 months). The reduced tax rate is mainly attributable to a reduction in tax on the relatively substantial capital gains and the low tax rate in Baltic Beverages Holding (BBH).

Carlsberg A/S' share of the Group profit amounted to DKK 1,507m against DKK 1,646m last year. When excluding special items and one-off gains from the sale of shares in the Thai breweries in 2001, profit was slightly better than previously expected (+2%).

Equity

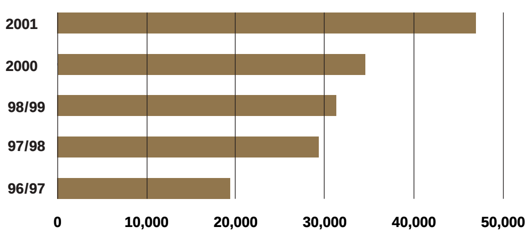
Equity amounted to DKK 12,513m against DKK 10,631m last year. The Parent Company's share of the equity totalled DKK 8,059m compared to DKK 8,980m last year.

Equity was positively influenced by the year's profit less dividend as well as the addition from Orkla's beverage activities, etc. (a total of DKK 4.2bn). It was negatively affected by the write-off of Group goodwill and changes in minority interests (a total of DKK 2.3bn). The DKK 1.6bn write-off of Group goodwill primarily relates to the acquisition of Türk Tuborg in Turkey and Piast in Poland.

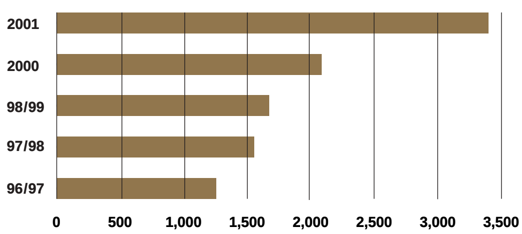
Other provisions

Other provisions amounted to DKK 546m, and provisions were applied according to plans during the period. A total of DKK 172m before tax was applied (against DKK 534m last year) of the provisions made regarding Coca-Cola Nordic Beverages (CCNB) and the compensation received in connection with the Allied Domecq (AD) agreement in 1995/96. The remaining provisions relating to

TURNOVER (DKK million) 12 months



OPERATING PROFIT (DKK million) 12 months



CCNB and AD amount to DKK 78m after tax and will be applied in 2002. Provisions of DKK 100m were made from the gains realised in connection with the sale of the shares in Thailand and will be applied in connection with costs in relation to the new structure in Asia.

Investments

The year saw total investments of DKK 5.5bn against DKK 7.1bn last year (15 months). The investments primarily relate to new production plants in Western Europe and BBH as well as the acquisition of shareholdings in Türk Tuborg, Turkey and Piast, Poland.

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

Cash flow from operations totalled DKK 2.2bn compared to DKK 2.3bn last year (15 months) and free cash flow amounted to a negative DKK 1.3bn against a negative DKK 3.8bn (15 months) last year. Carlsberg Breweries has launched various projects to reduce invested capital.

The net interest-bearing debt totalled DKK 10.9bn against DKK 10.3bn last year. This is a natural consequence of the investments described above reduced by cash flow from operations.

At 31 December 2001, securities, cash and cash equivalents, consisting of cash at bank and in hand and listed securities, amounted to DKK 3.3bn, based on official stock exchange prices. Furthermore, confirmed but unutilised credit facilities amounted to about DKK 4.4bn.

Volume

The Carlsberg Group's total beer sales in the past year grew by 9.0m hl to 67.9m hl (+15%). The global consumption of beer continues to increase, although with significant regional differences. Soft drink sales amounted to 20.3m hl against 16.5m hl last year.

Developments by regions

A review of the three regions in Carlsberg Breweries A/S is set out below with reference to pro forma comparative figures, including Orkla's beverage activities for the year 2000.

Western Europe:

DKK million	2000 (*)	2001	Δ %
Net turnover	22,567	26,294	*+16.5*
Operating profit	1,799	1,899	*+5.6*
Operating margin (%)	8.0	7.2	*-0.8*
Beer sales (million hl)	25.3	27.2	*+7.5*
Soft drink sales (million hl)	13.9	17.4	*+25.2*

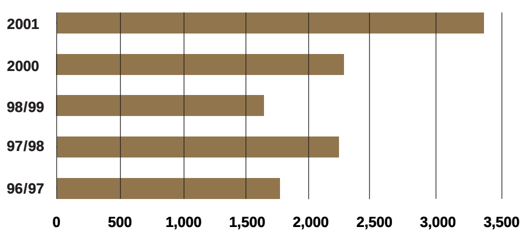
(*) Pro forma comparative figures for 2000 (12 months)

Net turnover rose by DKK 3,727m (16.5%), primarily due to the acquisition of Feldschlösschen, Switzerland, which was only included with one month in the year 2000.

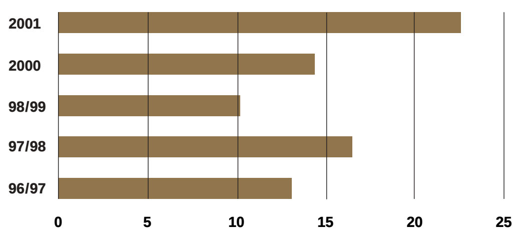
Operating profit was up on last year, which is attributable to the acquisition of Feldschlösschen as well as significant profit growth in Sinebrychoff, Finland. The operating margin declined from 8.0% in 2000 to 7.2% in 2001, mainly due to the unsatisfactory results in Sweden. If Sweden were excluded, operating margin in 2001 would amount to 8.7% against 8.6% in 2000.

In Denmark, beer and soft drink sales showed a slightly declining trend. Results are in line with last year, i.a. due to continued streamlining of business procedures. Carlsberg Danmark is currently working on the integration of the Coca-Cola business, and activities are proceeding according to plans.

PROFIT BEFORE TAX (DKK million) 12 months



RETURN ON EQUITY (%) 12 months



In the United Kingdom, Carlsberg-Tetley achieved a moderate increase in market share in an otherwise stagnating market, and results were better than expected although below the level of last year. A weak start to the year was followed by a more positive trend in the subsequent quarters.

In Switzerland, Feldschlösschen registered a more favourable development than expected and thus contributes satisfactorily to the results. The restructuring is proceeding according to plans and the effect of this process is still expected in 2002.

In Sweden, Carlsberg Sverige realised unsatisfactory earnings. The negative market trend, primarily during the first six months of the year, was one of the main reasons for this development in results, but large, unexpected costs in connection with the integration of Falcon and Pripps and the introduction of Pepsi also affected results negatively. The integration of the breweries requires substantial resources and the related synergies are expected to be realised in 2002 and 2003.

In Finland, Sinebrychoff achieved significant progress in profit due to increasing market share and increased productivity. During the year, the company integrated the Coca-Cola business into its organisation and thus improved efficiency.

In Norway, Ringnes achieved modest growth in profit despite a slight decline in total volume.

In Italy, Carlsberg Italia gained market share in a modestly increasing market and improved profit due to the acquisition of distribution companies. As of 1 January 2002, Carlsberg Italia is owned 100% by Carlsberg Breweries.

In Portugal, Unicer Bebidas showed a stable trend in market share and earnings in a weak market.

In Germany, market conditions remain difficult and Hannen registered unsatisfactory results, cf. comments under Special items.

Eastern Europe:

DKK million	**2000 (*)**	**2001**	**Δ %**
Net turnover	3,970	6,062	*+52.7*
Operating profit	708	1,183	*+67.1*
Operating margin (%)	17.8	19.5	*+1.7*
Beer sales (million hl)	23.0	29.4	*+27.8*

(*) Pro forma comparative figures for 2000 (12 months)

Net turnover rose by 52.7% to DKK 6,062m, which is due to growth in BBH and Vena as well as the consolidation of Türk Tuborg, Turkey and Piast, Poland.

Operating profit increased by 67.1% to 1,183m against DKK 708m last year. The increase is primarily attributable to organic growth in turnover and profit in Russia.

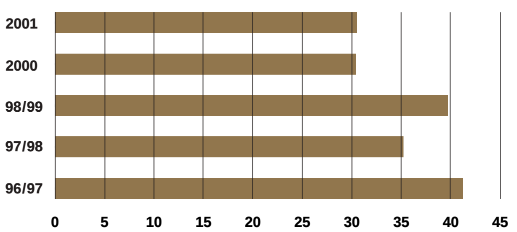
In BBH, net turnover rose by 54% to DKK 3,659m. The total volume growth in beer of 30% stems from organic growth. BBH increased its market share in Russia to 30%, corresponding to a rise of about 3%-points compared to last year. The company thus continued its strong progress, both as regards volume and profit.

In Russia, Vena saw significant growth and reversed last year's negative results to very satisfactory results.

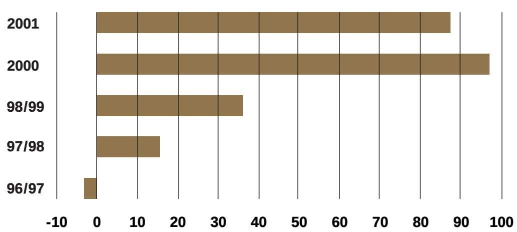
In Poland, the implementation of Carlsberg Okocim's new structure has been initiated. It is expected to be operational by Q2, 2002. The market trend was weaker than expected and results are unsatisfactory. The Piast brewery has been consolidated with effect from 1 August 2001.

In Turkey, Carlsberg Breweries increased its shareholding in Türk Tuborg to 82.46%. The company has experienced difficult market conditions and operating profit is slightly negative. The brewery has been consolidated with effect from 1 July 2001.

SOLVENCY RATIO (%)



GEARING (%)



Asia:

DKK million	2000 (*)	2001	Δ %
Net turnover	1,842	1,891	*+2.7*
Operating profit	355	417	*+17.5*
Operating margin (%)	19.3	22.1	*+2.8*
Beer sales (million hl)	10.5	11.3	*+7.6*

(*) Pro forma comparative figures for 2000 (12 months)

Net turnover increased by 2.7% to DKK 1,891m. Most markets showed modest progress.

Operating profit rose by 17.5% to DKK 417m. The increase is primarily due to the sale of the loss-making brewery in China last year.

Other activities in Carlsberg Breweries:
In 2001, Carlsberg Breweries has initiated a number of results-improving projects in several companies. This has also been the case at headquarters in Copenhagen where staff functions were reduced significantly. The effects are expected to be realised during 2002.

Other activities in the Carlsberg Group

Royal Scandinavia
The associated company Royal Scandinavia (ownership 28%) registered a deficit. Royal Scandinavia is included in the operating profit with a negative DKK 47m. The investment in Royal Scandinavia is booked at 0. A number of restructuring projects within the company are being implemented.

Properties
In 2001, property gains totalling approx. DKK 218m were included in the operating profit. The property area experienced a significantly higher level of activity than previously, and this has led to satisfactory earnings.

New accounting policies
A new Financial Statements Act has been implemented in Denmark with effect from 1 January 2002. This will entail a number of significant changes to the present accounting policies of the Carlsberg Group. As the most significant change, Group goodwill and other intangible assets will be capitalised and amortised. Other changes include capitalisation and depreciation of returnable packaging, capitalisation of indirect production costs as well as details on the practices relating to provisions for restructuring, etc.

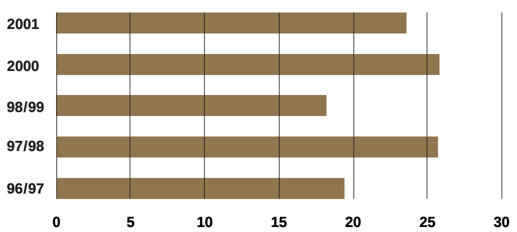
The changes in accounting policies involve substantial efforts and completion of the changes is expected by the end of March 2002. Carlsberg will then immediately inform the market of the impact on the comparative figures resulting from the changes in the policies. In the Q1 financial statement of 2002, it will be possible to specify what effects the new accounting policies will have on the outlook for 2002.

The changes in the accounting policies are of a purely technical nature and will have no effect on the company's cash flow/available funds.

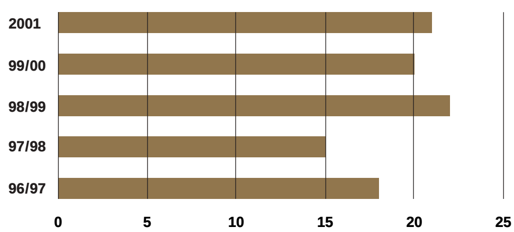
Profit expectations
The positive expectations to the outcome of the restructuring projects in Western Europe and the expected synergies in Sweden and Poland as well as continued expectations of growth in Eastern Europe will contribute positively to the operating profit of the Carlsberg Group. In addition, the agreement on the partnership in Asia will be included in the results as of 1 January 2002.

On that background, the Carlsberg Group ex-

EARNINGS PER SHARE OF DKK 20



PAYOUT RATIO %



pects 2002 to show an increase in turnover and a 10-12% rise in operating profit compared to 2001, when applying the present accounting policies. In 2002, Carlsberg Breweries is expected to account for a comparatively larger share of Group profit.

Due to the significant investments in the acquisition of companies and tangible fixed assets in recent years, financials are expected to remain negative next year and will be more substantial than in 2001, which was affected positively by the significant capital gains.

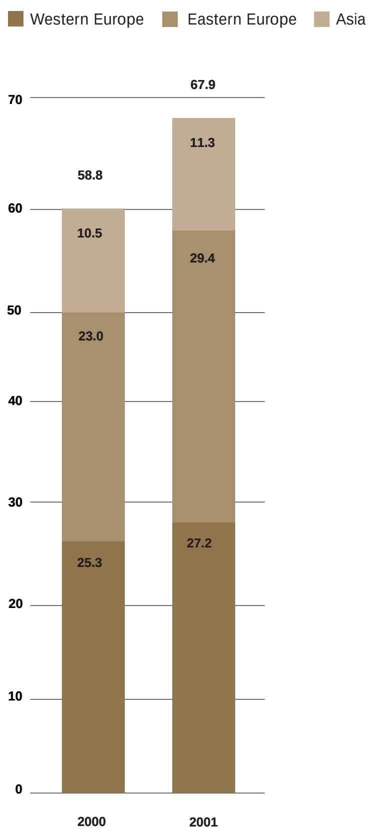
Incentive programmes

In 2001, a total of 111,500 share options were granted to the Executive Boards and key managers of Carlsberg A/S and Carlsberg Breweries A/S - a total of 44 employees - with an exercise rate of 405. In 2002, the number of share options is expected to be in line with 2001.

Forward-looking statement

The above sections in this financial statement reflect the management's expectations to future events and financial results as well as to the fluctuations in the most significant markets and to developments in the international money, currency and interest markets. Statements on future prospects naturally always involve uncertainties and actual results may thus differ materially from those projected. Therefore, it is important to bear in mind that a number of comprehensive integration, rationalisation and restructuring projects were launched this year in Western Europe in particular, and this contributes to the uncertainty as to projections regarding results. The synergies included in the expectations for 2002 are substantial and, all things considered, the accrual of total income and expenses is deemed uncertain due to the comprehensive nature of the projects. In Asia, Carlsberg's activities are still not finally included in Carlsberg Asia Holding Ltd. Carlsberg is a party to certain legal proceedings. Any rulings made on such legal proceedings or the continuation of such proceedings are not expected to have any substantial negative influence on the financial position of the Carlsberg Group. In that connection, it should also be mentioned that the EU Commission carried out a dawn-raid at Carlsberg A/S in May 2000 in order to investigate whether agreements or concerted practices existed with other large breweries regarding a sharing of the beer markets in the EEA.

CARLSBERG BREWERIES SALES
MILLION HL BEER, 12 MONTHS



Annual General Meeting

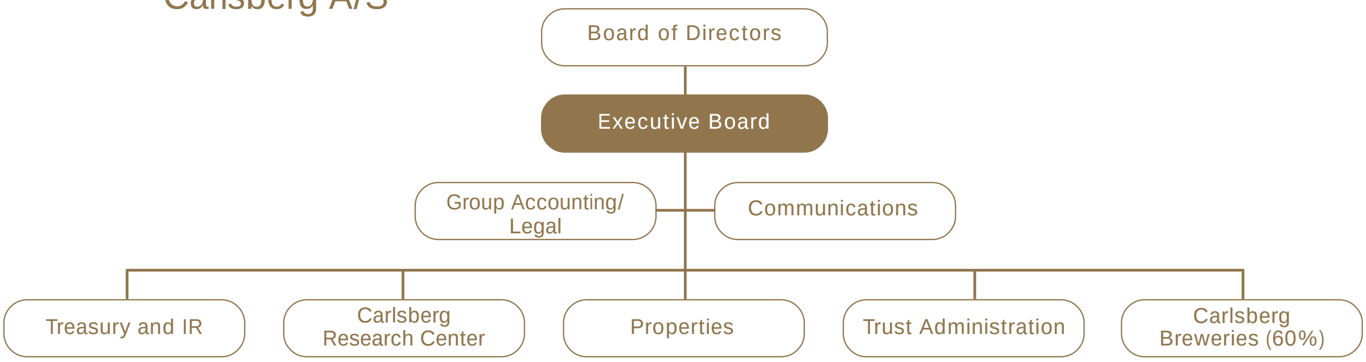
The Annual General Meeting will be held on Monday 18 March 2002 at 16.30 in Tivolis Koncertsal in Copenhagen, Denmark.

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

The Board of Directors proposes that a dividend of DKK 5.00 per DKK 20 share be paid, or 25% of the share capital, compared to DKK 5.40 per DKK 20 share last year (15 months). DKK 320m (DKK 345m) has been appropriated for that purpose. As for the remaining amount available totalling DKK 1,187m, it is proposed that it be appropriated to the reserves.

Organisation and Group Companies

Carlsberg A/S



Group Companies

		Participating interest	Nominal share capital in '000	Currency
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 Ejendomsinteressentskabet Tuborg Nord B	●	100%	25,000	DKK
Ejendomsaktieselskabet Tuborg Nord C, Copenhagen	●	100%	10,000	DKK
Ejendomsaktieselskabet Tuborg Nord D, Copenhagen	●	100%	10,000	DKK
Vingaarden A/S, Odense	■	40%	15,000	DKK
RS Holding A/S, Copenhagen Royal Scandinavia A/S, Copenhagen	■	28%	100,500	DKK
Combio A/S, Copenhagen	■	33%	1,092	DKK
Coca Cola Nordic Beverages a/s, Hellerup *)	■	51%	10,000	DKK

● Subsidiaries

■ Other associated company

*) See page 92

Corporate Governance in the Carlsberg Group

The concept of Corporate Governance encompasses a company's aims and the general principles and structures regulating the interaction between the management of the company, the owners and other parties directly affected by the transactions and operations of the company.

Carlsberg continuously follows the international developments as well as the current debate on Corporate Governance, including the recommendations presented by a Danish committee of top business executives in a recent report on the subject, which has been studied in detail by the Board of Directors.

The basic framework of Corporate Governance includes, among other things, the Danish Companies Act, the Danish Financial Statements Act, the Danish Securities Trading Act, "Rules Governing Securities Listing on the Copenhagen Stock Exchange A/S" etc. as well as the companies' articles of association. In addition, a number of internal procedures are followed to ensure active, safe and profitable governance of the companies.

The Boards of Directors of Carlsberg A/S, Carlsberg Breweries A/S and the other Carlsberg Group companies ensure that the Executive Boards implement the goals and procedures established by the Boards of Directors. The Executive Boards keep the Boards of Directors of the various companies up-to-date both through various meetings and written and oral reports. The reports include i.a. general international developments, business developments, the company's earnings capacity and the financial situation of the company/ Group. The Boards generally meet 5 to 6 times a year, and at least once a year a day-long meeting is held between the Board of Directors and the Executive Board with issues such as company mission, goals and strategy on the agenda. The Boards make decisions on a wide variety of issues, including acquisitions, large investments and divestments, raising of capital, long-term obligations and significant operational matters.

The Board of Directors in Carlsberg A/S evaluates the various risks arising from the Group's substantial commitments in international operations. The methods comprise assessment and formulation of policies on financial risks, including exchange rate and interest rate fluctuations in the financial markets, as well as insurance issues and environmental considerations.

Further, the Board also supervises the special risks inherent in the company mission in relation to the Group's marketing of alcoholic beverages.

The Boards of Directors appoint the Chief Executive Officer and other Executive Board members, and the Executive Board under the management of the CEO is responsible for the preparation and implementation of the strategic plans. The CEOs are not members of their respective Boards but participate in the board meetings together with other members of the Executive Board.

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, and at the end of the financial year 2001 the foundation holds 55.2%. Due to the combination of A and B shares held by the foundation, it has 80.1% of the votes at General Meetings.

The Executive Board of the foundation constitutes an important part of Carlsberg A/S' Board of Directors, and the Chairman of the Executive Board of the foundation holds the position as Chairman of Carlsberg A/S' Board of Directors. According to the foundation's charter and statutes, the foundation is subject to special obligations and rights in relation to Carlsberg A/S. Among other things, this means that Carlsberg A/S must bear costs related to the running of the Carlsberg Laboratory. As a consequence, Carlsberg A/S' Board of Directors approves the budget of the laboratory, which receives an annual grant amounting to 9% of the foundation's disbursements – at present totalling about DKK 100m. The Carlsberg Laboratory is an independent unit within the Carlsberg Research Center.

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

Carlsberg A/S' Board of Directors and Executive Board

The composition of the Board of Directors of Carlsberg A/S remains unchanged as regards the members elected by the shareholders.

The Chairman and Deputy Chairman of the Board of Directors constitute the Chairmanship, which, among other things, organises the board meetings in cooperation with the CEO. In connection with the divestment of the majority holding in Royal Scandinavia A/S, the employee representatives of Royal Copenhagen resigned from the Board on 1 February 2001, i.e. porcelain painter Jens Larsen and silversmith John Petersen. On the same date, sales driver Preben Hedegaard joined the Board.

Group Managing Director Jørn P. Jensen was appointed Chief Executive Officer of Carlsberg A/S on 14 February 2001, and on the same date the other Executive Board members of Carlsberg A/S resigned from their positions in order to join the Executive Board of Carlsberg Breweries A/S.

Carlsberg Breweries

Carlsberg Breweries A/S encompasses all beer and soft drink activities in the Carlsberg Group. Carlsberg A/S is the majority owner of Carlsberg Breweries with a 60% ownership share.

Carlsberg Breweries started its actual activities on 1 January 2001 when the necessary government approvals had been obtained. The first financial year thus corresponds to the calendar year 2001. The company mainly encompasses Carlsberg's beer and soft drink activities in Denmark and abroad as well as Orkla's beer and soft drink activities. Companies and activities not related to beer and soft drinks continue under Carlsberg A/S and Orkla ASA, respectively.

Carlsberg A/S has maintained its ownership of the Carlsberg brand, and Carlsberg Breweries has the right to use the brand in connection with beverages. The ownership right of the Tuborg brand and other beer and soft drink brands has been transferred to Carlsberg Breweries A/S.

The shareholders of Carlsberg Breweries have, among other things, agreed that a substantial share of the profit for the year will be paid as dividend.

The Board of Directors consists of 8 members appointed by the shareholders, 5 appointed by Carlsberg A/S, 3 by Orkla ASA, and 4 employee representatives will be elected at the beginning of 2002. The Chairman and the Deputy Chairman are appointed by Carlsberg A/S and Orkla ASA, respectively. The Board of Directors will primarily consist of members with a commercial background.

On 1 September 2001, Group Managing Director Nils S. Andersen replaced Flemming Lindeløv as President and Chief Executive Officer. On the same date, Group Managing Director Michael C. Iuul resigned from the Executive Board to take up the position as CEO of Carlsberg Asia Holding Ltd. domiciled in Singapore.

The Executive Board of Carlsberg Breweries now includes President and CEO Nils S. Andersen and Executive Vice Presidents Paul Bergqvist and Bjørn Erik Næss.

Investor Relations

A new Investor Relations Programme has been implemented with a view to ensuring a more constructive dialogue between Carlsberg A/S and the shareholders and between the company and the financial analysts.

A number of international “road shows” and meetings with investors and analysts have been launched and will also take place in future. I connection with the publication of the interim financial statements, meetings have been held with analysts, the press and investors, and various tele-phone conferences have also taken place.

Carlsberg A/S has started publication of a newsletter called *“Carlsberg News”*, which is sent to all registered shareholders in connection with the publication of the company’s interim financial statements. Apart from the preliminary profit statement to the Copenhagen Stock Exchange, Carlsberg News contains information about the period’s most significant events as well as updates on activities in Carlsberg Breweries and the Carlsberg Group in general.

Carlsberg’s homepage, www.carlsberg.com, contains a separate section on Investor Relations, including an interactive presentation of the Company’s annual report. The site is updated regularly both as regards topics and accessibility.

Incentive programme

In 2001, the Board of Directors of Carlsberg A/S decided to establish a share option programme for the Executive Board and a number of managers within the Carlsberg Group. The programme was established for 2001 and 2002 and will subsequently be evaluated.

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

The programme entitles the Executive Boards and a number of managers to purchase B-shares in Carlsberg A/S during a period from three to eight years after the option right has been granted.

The exercise rate is determined as the average of the first five stock exchange business days following publication of the preliminary profit statement of Carlsberg A/S.

In 2001, the programme included about 44 people and 111,500 options at a total value of approximately DKK 6.7m according to Black & Schooles formula. For 2002, it will be 39 persons and 105,500 options. At the end of 2001, none of the options had been exercised.

The option programme will be supplemented with annual bonus schemes.

The incentive programme as a whole will thus ensure that in future a more substantial part of total compensation will depend on performance.

The purpose of the programme is to create an even greater alignment of the interests of the Company’s management and the shareholders, as the programme will have a favourable influence on both short and long-term goals.

Competition law

The Group is intent on using its influence to ensure compliance with competition laws by its subsidiaries and associated companies. In that connection, all breweries in which Carlsberg Breweries holds a controlling interest are required to comply with relevant competition laws.

Corporate Legal is therefore, with the strong backing of the management, in the process of implementing a Legal Compliance Programme in Carlsberg Breweries and in the Group companies. When fully implemented, the programme will, in particular, consist of a Compliance Manual tailor-made for the companies in question, which will be updated from time to time and used in the regular internal training activities in competition law.

Shareholder Information

Shares

Carlsberg A/S' shares are listed on the Copenhagen Stock Exchange in class Carlsberg A and Carlsberg B. The shares trade in denominations of DKK 20, the A-shares with 20 votes per share and the B-shares with 2 votes per share.

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

The Carlsberg B-share is listed on the KFX-index, and total turnover for the accounting period amounted to DKK 49.1m shares at a total value of approx. DKK 18.8bn. The previous year (15 months), turnover amounted to DKK 36.6m shares at a value of about DKK 10.7bn.

In the financial year 2001, the highest quoted price for the Carlsberg B-share was DKK 490 and the lowest quoted closing price was DKK 330. Highest and lowest quoted closing prices in 1999/00 were DKK 468 and DKK 223, respectively.

At the end of 2001, Carlsberg's market value amounted to DKK 20.9bn against DKK 28.8bn the year before. The quoted price of the Carlsberg B-share at year-end was DKK 348 against DKK 468 at the end of 1999/00.

Shareholders

The Carlsberg Foundation holds 55.21% of the share capital - divided on 29,985,914 A-shares and 5,297,344 B-shares (cf. announcement of 11 September 2001). As at 14 February 2002, 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 about 16,000 are registered in the company's register of shareholders. As at 31 December 2001, the registered shareholders represented a total share capital of DKK 1,078m, corresponding to 84% of the share capital.

Based on a review of its register of shareholders and an analysis of foreign institutional investors, Carlsberg has identified the following ownership shares at the end of the financial year:

%	2000	2001
The Carlsberg Foundation	**55.21**	**55.21**
Denmark		
- institutional investors		
• Pension funds	14.10	11,00
• Other institutional investors	9.50	3.00
Denmark total	**78.81**	**69.21**
Foreign		
- institutional investors		
• North America	9.60	7.60
• United Kingdom	2.10	6.40
• Other Europe and rest of the world	1.70	1.30
Foreign total	**13.40**	**15.30**
Non identified shareholders	**7.79**	**15.49**
Total	**100.00**	**100.00**

The total share of identified Danish institutional investors has declined from 23.6% to 14% during the period, whereas the share of foreign institutio-

Share references

Class of shares	Nominal value	Number	Share capital DKK	Voting right per share	ID code	Bloomberg	Reuters
A	20	35,257,090	705,141,800	20	DK001018167-6	CARLA DC	CARCa.CO
B	20	28,649,192	572,983,840	2	DK001018175-9	CARLB DC	CARCb.CO
		63,906,282	1,278,125,640				

nal investors has increased from 13.4% to 15.3%. Foreign investors are believed to constitute the majority of the non-identified shareholders.

Investor Relations

Carlsberg aims at establishing open and direct communication with the share market and arranges meetings with existing and potential investors and financial analysts in Denmark and abroad. Relevant investor information is available on www.carlsberg.com/investor, including Carlsberg's investor presentations, announcements to the Copenhagen Stock Exchange, financial statements as well as the newsletter Carlsberg News.

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

Register of shareholders

Carlsberg's register of shareholders is managed by
Danske Bank
Holmens Kanal 2-12
DK-1092 København K
Denmark
Phone: +45 4339 2885

Shares can be registered in the name of the shareholder by contacting the depositary bank. Registered shareholders automatically receive financial statements, annual reports, Carlsberg News and invitations to Carlsberg's General Meetings.

Dividend

The Board of Directors proposes to the Annual General Meeting on 18 March 2002, that a dividend of DKK 5.00 per share be paid. Distribution of dividend occurs automatically through the Danish Securities Centre.

Key figures in relation to shares

	1996/97	1997/98	1998/99	1999/00*)	2001
Price of B-share at year-end	374	400	257	468	348
Cash flow per share	36.4	36.9	28.5	40.4	34.7
Earnings per share	19.4	25.7	18.2	26.7	23.6
Dividend per share, DKK	3.60	4.00	4.00	5.40	5.00
Market value, DKK bn, year-end	23.8	24.5	16.4	28.8	20.9
Price earnings ratio	19.2	15.6	14.1	17.5	14.7
Pay-out ratio	18%	15%	22%	20%	21%

*) 15 months

Financial Calendar

18	March 2002	Annual General Meeting
22	March 2002	Payment of dividend
8	May 2002	Financial Statement Q1, 2002
8	August 2002	Financial Statement Q2, 2002
7	November 2002	Financial Statement Q3, 2002

Analysts

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

Denmark

Alfred Berg	Jesper Breitenstein
Carnegie	Julie Quist
Danske Securities	Peter Kondrup
Enskilda Securities	Hans Gregersen
Handelsbanken	Karina Olsen
Jyske Analyser	Ulla Mouritsen
Nordea Securities	Lars Topholm
Sydbank	Stig Nyman

United Kingdom

BNP Paribas	Nickolas Faes
CAI Cheuvreux	Frans Hoyer
Cazenove	Sandy Soames, Matthew Webb
Credit Suisse First Boston	Michael Bleakley, Ian Schackleton, Sonya Ghobrial
Deutsche Bank	Nick Bevan, Eadie Greame
Dresdner Kleinwort Benson	Ralf Knabe, Robert Cumming
HSBC	Simon Hales
Lehman Brothers	John Wakely, Andrew Gowen
Merrill Lynch	Mark Blythman
Morgan Stanley	Alexandra Oldroyd
West LB Panmure	Stuart Price

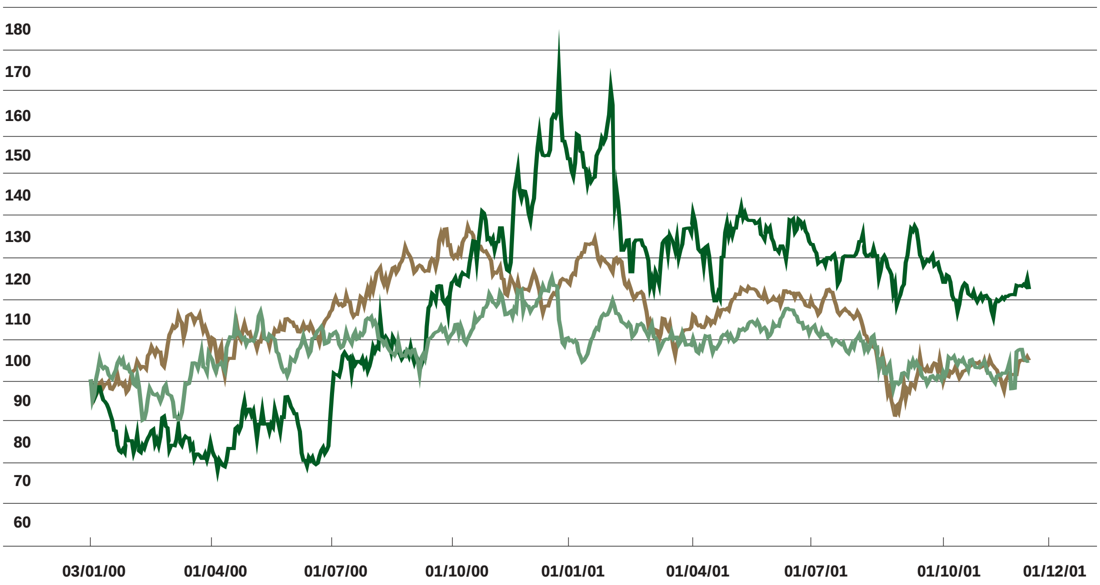
The Netherlands

F. van Lanschot Bankiers	Reginald Melchers
Fortis Bank	Nicole Van Putten
Ing Barings	Gerard Rijk
Kempen & Co. N.V.	Folkert Jan van der Veer
Rabo Securities	Anneke Groen

Norway

AGB Sundahl Collier, NO	Torgeir Vaage

DEVELOPMENT OF THE CARLSBERG B-SHARE COMPARED TO THE KFX-INDEX AND A PEER GROUP INDEX CONSISTING OF HEINEKEN, INTERBREW, SAB, S&N AND CARLSBERG FOR THE PERIOD 1 JANUARY 2000 - 31 DECEMBER 2001

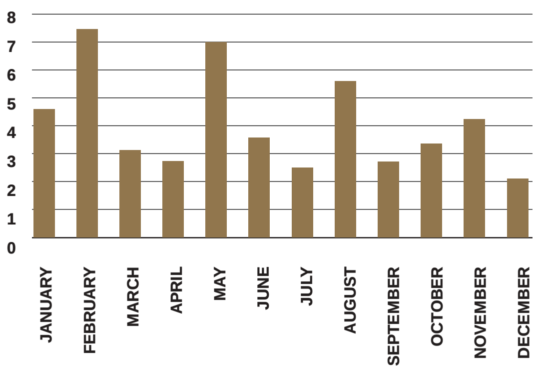


- Carlsberg B
- KFX
- Benchmark

Peer group-index consisting of Heineken, Interbrew, SAB, S&N and Carlsberg for the period 1.1.2000 - 31.12.2001

TURNOVER OF CARLSBERG B AT THE COPENHAGEN STOCK EXCHANGE A/S DURING THE PERIOD 2 JANUARY 2001 - 31 DECEMBER 2001

Million shares




JAMES COOK
Pub&Cafe
Carlsberg Beer

Carlsberg Breweries

Board of Directors

Palle Marcus, born 1937
Managing Director. (Chairman).
Chairman of the Board of Directors of Coloplast A/S and Novo A/S.
Deputy Chairman of Carlsberg A/S.

Finn Jebsen, born1950
President & Group Chief Executive, Orkla ASA (Deputy Chairman)

Jens Bigum, born 1938
Managing Director, Arla Foods amba.
Member of the Board of Directors of Per Aarsleff A/S, LEC A/S, Carlsberg A/S as well as companies affiliated to Arla Foods amba.

Henning Dyremose, born 1945
President, Chief Executive Officer, TDC A/S.
Chairman of the Board of Directors in a number of companies affiliated to TDC A/S.
Deputy Chairman of the Board of Directors of Brødrene A. & O. Johansen A/S.
Member of the Board of Directors of Carlsberg A/S.

Roar Engeland, born 1960
Executive Vice President, Orkla ASA.

Jens P. Heyerdahl d.y., born 1943

Jørn P. Jensen, born 1964
Chief Executive Officer, Carlsberg A/S.
Member of the Board of Directors of Coca-Cola Nordic Beverages A/S, Vingaarden A/S, Royal Scandinavia Holding Frederiksberg A/S.

Poul Chr. Matthiessen, born 1933
Professor, D. Econ., The Carlsberg Foundation.
Chairman of the Board of Directors of Carlsberg A/S and of 5 property companies affiliated to the Carlsberg Foundation.

Employee board members will join the Board of Directors at the beginning of 2002.

Executive Board

Nils S. Andersen, born 1958
President, Group Chief Executive Officer. Danish citizen.

Member of the Board of Directors in a number of Carlsberg Breweries' subsidiaries and associated companies, including Chairman of Carlsberg Danmark A/S. Member of the Board of Directors in Vingaarden A/S, Carlsberg Laboratorium, Deputy Chairman of the Executive Committee of the Danish Brewers' Association.

Education: MSc (econ), University of Aarhus, Denmark
Career: 1982-1983: De Danske Sukkerfabrikker; 1983-1990: Carlsberg A/S, Sales and marketing positions, including Deputy General Manager, Tuborg International and Group Vice President; 1990-92: Union Cervecera (Spain) Managing Director; 1992-97: Hannen Brauerei (Germany), Managing Director; 1997-99: Hero Group (Switzerland) CEO of the Drinks Division; 1999-2001: Carlsberg A/S Group Managing Director; 2001: Carlsberg Breweries A/S President, Group Chief Executive Officer.

Paul Bergqvist, born 1946
Executive Vice President, Deputy CEO. Swedish citizen.

Member of the Board of Directors of a number of Carlsberg Breweries' subsidiaries and associated companies, including Chairman of the Board of Directors of The Danish Malting Group A/S and member of the Board of Directors of Danbrew Ltd. A/S. Chairman of the Board of Directors of The Brewers of Europe (CBMC), Belgium. Member of the Board of Directors of Orkla Foods A.S, Norway.

Education: Linköping Högskola, Sweden.
Career: 1968-78: Sales and marketing positions in 3M, B-T Material Handling, and Husqvarna; 1978-92: PLM Sweden, various management positions including Executive Vice President and Managing Director; 1992-95: Pripps (Sweden), President & CEO; 1995-2001: Pripps Ringnes, (Sweden/Norway), President & CEO; 2001: Carlsberg Breweries A/S, Executive Vice President, Deputy CEO.

Bjørn Erik Næss, born 1954
Executive Vice President, CFO. Norwegian citizen.

Member of the Board of Directors in a number of Carlsberg Breweries' subsidiaries and associated companies, including Carlsberg Danmark A/S. Member of the Board of Directors of Det Berlingske Officin A/S.

Education: Bachelor of Commerce, Norges Handelshøyskole, Bergen, Norway.
Career: 1979-85: Elkem A/S and Christiania Spigerverk, finance assistant, 1986-87; Norge Redskab, A.S., Managing Director; 1987-2001, Orkla ASA Group (Norway), various management positions, including CFO in Orkla ASA; 2001: Carlsberg Breweries A/S, Executive Vice President & CFO.

The Executive Board of Carlsberg Breweries: Nils S. Andersen (centre), Paul Bergqvist (left) and Bjørn Erik Næss (right).

Organisation

Executive Board

Corporate Centre

Nordic region	Europe	UK	Rest of World	Baltic Beverages Holding 50%	Carlsberg Asia Holding 50%
Denmark, Finland, Norway, Sweden	Italy, Switzerland, Germany, Portugal		Poland, Turkey, Iceland, Croatia, Romania, Greece, Malawi, Exports	Russia, Ukraine, Belarus, Baltic States	Malaysia, Singapore, China, Vietnam

The above reflects the latest (end-2001) change in the organisation.

Regional Managers

Nordic region:	Lars Påhlson, Senior Vice President
Europe:	Lars Fellman, Senior Vice President
UK:	Colin Povey, Chief Executive Officer
Rest of World:	Bjørn Wiggen, Senior Vice President
Baltic Beverages Holding:	Christian Ramm-Schmidt, President and CEO
Carlsberg Asia:	Michael C. Iuul, Chief Executive Officer

Corporate Centre

Marketing:	Alex Myers, Vice President
Supply Chain:	Søren Lisberg, Vice President
Strategic Sourcing:	Preben Østergaard, Vice President
IT:	Torben Melskens, Vice President
HR/Communications:	Vibeke Frank, Vice President
Corporate Affairs:	Henrik Fastholm, Corporate Affairs Manager
Group Accounting:	Jan Thieme Rasmussen, Vice President
Controlling:	Morten Leth, Chief Controller
Treasury:	Jørgen Andersen, Vice President
Mergers and Acquisitions:	Geir Nesheim, Vice President
Legal:	Ulrik Andersen, Vice President
Export, Licence & Duty Free:	Søren Holm Jensen, Vice President
Danbrew Ltd.:	Jens Due, Management Director

Consolidation and Growth

The establishment of Carlsberg Breweries has created a substantial international brewing company with strong positions in both mature beer markets and markets with significant growth potential.

The integration of Carlsberg's and Orkla's brewing activities into Carlsberg Breweries has made the company market leader in the four Nordic markets. Carlsberg Breweries also holds market leader positions in a number of other markets within its geographic key areas, Western and Eastern Europe as well as Asia. Carlsberg Breweries aims at continuously strengthening its position in the international markets to ensure that the company is equipped to participate in the ongoing international consolidation within the brewing industry.

Further, an ambitious and targeted strategy will ensure progress for Carlsberg Breweries through improved market positions and profitability in existing markets and continued expansion of the Carlsberg brand, particularly in markets with potential for strong distribution synergies.

Strategic elements

Carlsberg Breweries' key focus area is the international beer market, but soft drinks and other beverages are also included in the product portfolio in a number of markets in order to achieve critical mass in the overall value chain and in marketing. This also makes it possible to offer an attractive product portfolio to the customers. Both existing and prospective markets hold considerable business potential if Carlsberg Breweries applies its key competencies to realise acquisitions, optimisation of synergies and local partnerships.

Orkla ASA

Orkla, which owns a 40% stake in Carlsberg Breweries A/S, is one of the largest listed companies in Norway. Orkla's core businesses are Branded Consumer Goods, Chemicals and Financial Investments. Orkla is the leading supplier of branded consumer goods to the Nordic grocery market, holding many number 1 or 2 positions in strategically important product areas. Orkla owns an international chemicals business with strong global positions in selected niche areas of specialty chemicals, fine chemicals and ingredients. With its strong base of analytical expertise, Orkla is a long-term investor in Nordic stocks and shares. In 2001, Orkla realised an operating income of NOK 45bn and an operating profit of NOK 3.3bn. The group employs a staff of more than 35,000 people.

Although many beer markets are still influenced by local preferences and purchasing behaviours, the trend is expected to move towards increasing demand for international beer brands and growing concentration of the retail sector. This will provide new opportunities for international brewery companies that employ scale economies and "best practise" within administration, production, logistics and market communication.

The international brewing industry has experienced a heavy concentration in recent years, resulting in fewer but stronger players. The restructuring process is expected to continue in the years ahead, and Carlsberg Breweries intends to be an active player. A keen focus on increased profitability will ensure that Carlsberg Breweries plays an active part in the concentration process both through organic growth but also through acquisitions of new companies and increases in existing shareholdings in certain associated companies. Another key element to strengthen the Group will be to achieve stronger positions within selected market segments and niches – one of the prerequisites for high profitability in the business.

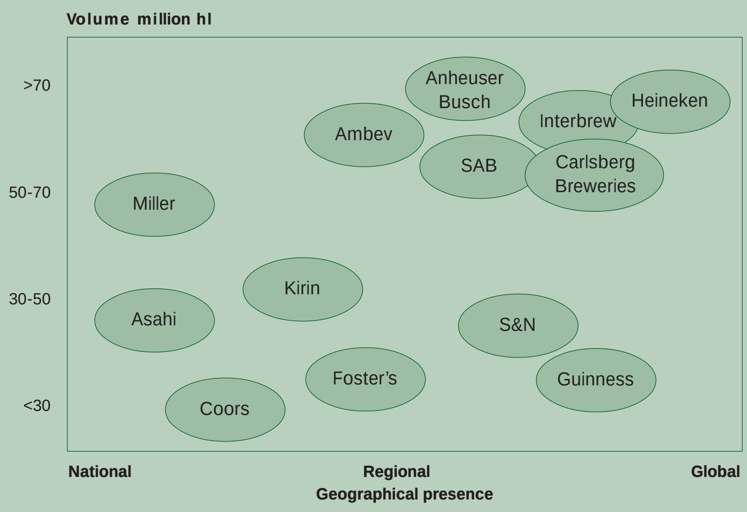
Today, Carlsberg Breweries is represented in both mature markets with high per capita consumption and consolidated competition with strong brand preferences and in markets characterised by substantial growth in consumption and significant dynamism in consumer brand preferences – markets that offer excellent opportunities for considerable volume growth based on a strong positioning of Carlsberg Breweries' brands. Geographically, Carlsberg Breweries will primarily concentrate its efforts on expanding market positions in Western Europe and on enhancing and expanding positions in the growth markets in Eastern Europe and Asia.

Carlsberg Breweries will market and position the Carlsberg brand as a leading, international beer brand, complemented by a wide range of strong regional and local brands. This will ensure substantial volumes, an attractive product portfolio for the customers and consumers as well as increased profitability for Carlsberg Breweries.

Market trends and structures

The global beer market continues to show a mod-

Carlsberg Breweries – a leading international brewery group



With global presence and a total volume of 67.9m hectolitres, Carlsberg Breweries is one of the world's leading brewery groups.

est increase and seems to be only marginally affected by the generally declining economic trends. The global rise in consumption is estimated at 1 to 2% in 2001, totalling about 1.4bn hl, corresponding to an average per capita consumption of 23 litres.

Developments in consumption patterns in Carlsberg Breweries' markets vary considerably. Several mature Northern European markets registered a decrease in total consumption, whereas a number of Eastern European markets in particular experienced significant growth in consumption, which is in line with the general trend in recent years. In several European markets private cross-border trade in beer impacts consumption in the individual regions due to differences in excise duties and the general lack of market harmonisation between the countries.

Over the past ten years, the brewing industry has experienced substantial consolidation, and during that period the ten largest brewery groups have expanded their total volume from 400m to approx. 650m hl.

The consolidation trend continued in 2001 with increased concentration of the brewing industry. This trend is fuelled by generally declining consumption, resulting in increased pressure on earnings, which means that the breweries have to re-evaluate their cost structures and look for scale economies in all links of the value chain. In addition, increased concentration in both customer and supplier sectors is expected to further accelerate the ongoing consolidation, particularly in the mature beer markets. To this must be added integration and cooperation across markets and countries to achieve economies of scale within all operational areas in brewery management: production, distribution, sales channels and marketing, etc.

Positioning of brands on a supra-regional and global scale is high on the agenda of the international brewing groups.

Carlsberg Breweries

Following the approval of the formation of Carlsberg Breweries by the Nordic competition authorities, 2001 has been characterised by structural initiatives in Carlsberg Breweries' companies to secure optimisation of efficiency in the integrated beer and soft drink activities. This has particularly been the case in the Nordic region where the Fal-

Carlsberg's homepage, www.carlsberg.com, is the entry to the entire Carlsberg world.

con and Pripps breweries in Sweden were integrated and the Coca-Cola operations in Denmark and Finland were transferred to the Group's local breweries Carlsberg Danmark and Sinebrychoff, respectively.

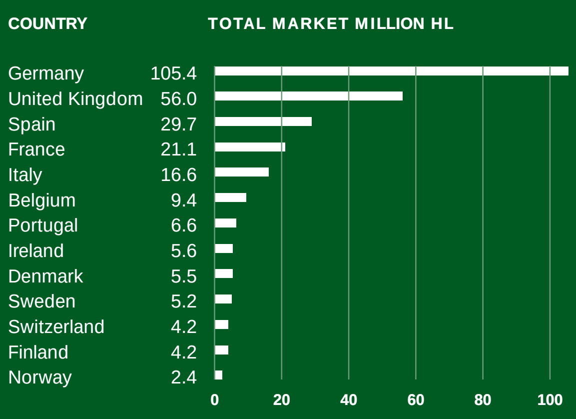
The Feldschlösschen brewery in Switzerland, which was acquired at the end of 2000, has successfully completed a reorganisation process, and efforts are presently made to boost sale and marketing of the Carlsberg brand in Switzerland.

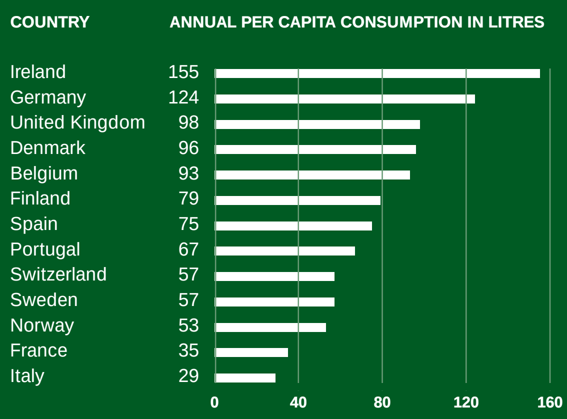
During the year, Carlsberg Breweries has increased its shareholdings in breweries in Poland, Turkey and Italy, and the establishment of Carlsberg Asia is close to completion.

At the end of 2001, headquarter operations in Copenhagen were harmonised and a Corporate Centre adapted to the brewery's new organisational structure and needs was set up. The new Corporate Centre will focus on the need for dedicated service to and dialogue with subsidiaries, licence partners and export customers. Another key mission will be to divide various tasks between headquarters and the major Group subsidiaries in order to reduce costs.

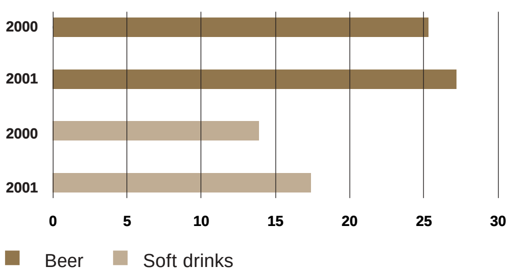
Carlsberg Breweries' total beer sales in 2001 (12 months) amounted to 67.9m hl, an increase of about 15% compared to 2000. Organic growth accounted for about 9% and acquisitions for 6%. Carlsberg Breweries' soft drink sales totalled 20.3m hl, corresponding to an increase of approx. 23%.

Western Europe





BEER AND SOFT DRINK SALES (MILLION HL) 12 MONTHS



DKK million	2000 (*)	2001	Δ %
Net turnover	22,567	26,294	+16.5
Operating profit	1,799	1,899	+5.6
Operating margin (%)	8.0	7.2	-0.8
Beer sales (million hl)	25.3	27.2	+7.5
Soft drink sales (million hl)	13.9	17.4	+25.2

(*) Pro forma comparative figures for 2000 (12 months)

The Nordic Region

Denmark – Carlsberg Danmark A/S
In 2001, Danish beer sales decreased by 3% - mainly due to a decline in the on-trade and convenience sector. However, total beer consumption in Denmark is estimated to be at level with last year when taking into account the increase in cross-border trade, which is estimated at about 22% of total Danish consumption. Branded beer gained market share from discount beer and private labels. The on-trade, which comprises consumption in outlets, is at present undergoing structural changes where traditional beer outlets are disappearing, resulting in an overall negative impact on beer sales. The concentration of the retail sector continues with a declining trend in the number of outlets, particularly in the convenience sector.

Overall, Carlsberg Danmark's market share was in line with last year. The Tuborg brand showed strong performance whereas the Carlsberg brand and discount beer experienced a slight decline. Increased consumer preferences for the Carlsberg brand combined with a positive market share trend suggest that the revitalisation programme for the Carlsberg brand launched in 2001 will have a positive effect on the position of the brand.

The increase in soft drink duties as at 1 January 2001 caused a significant drop in soft drink sales. Legal and illegal parallel import as well as cross-border trade increased correspondingly and are now estimated at approximately 50m litres per annum (corresponding to about 10% of the market). All sales channels are affected by this development, but the negative impact is strongest in the convenience sector. The Carlsberg and Coca-Cola brands gained increasing market share in the otherwise declining soft drink segment.

The leading Danish soft drink producer, Coca-Cola Tapperierne A/S, was integrated into Carlsberg Danmark as a wholly owned subsidiary in 2001. Distribution, telesales, IT, finance and HR have been successfully consolidated with effect from 1 October 2001.

Preparations for the upgrade to a new version of SAP are proceeding according to plans, and the new version is expected to be operational by the second quarter of 2002.

The financial results of the total Danish business are in line with expectations.

Sweden – Carlsberg Sweden AB
For some years, the Swedish beer market has experienced a declining trend. Paradoxically however, consumption shows a simultaneous increase because about 20% of total Swedish beer consumption stems from private import from neighbouring countries with lower tax levels. The trend in domestic sales seems to be towards beer types with a higher alcohol content, resulting in a shift in sales from the groceries trade to the state monopoly outlet, Systembolaget, and restaurants.

Overall, Carlsberg Sverige is by far the dominant player in the Swedish beer market with a market share twice that of number two. In 2001, Carlsberg Sverige by and large maintained the market shares achieved for the brewery's present brand portfolio. The Carlsberg brand in particular

Group Companies Western Europe

Carlsberg Danmark A/S, Copenhagen 4 subsidiaries	100%
Pripps Ringnes AB, Stockholm, Sweden 2 subsidiaries	100%
Oy Sinebrychoff, Helsinki, Finland 1 subsidiary	100%
Carlsberg Sverige Holding Ab, Falkenberg, Sweden 2 subsidiaries	100%
Ringnes AS, Oslo, Norway - owned by Pripps Ringnes AB 1 subsidiary	100%
Carlsberg-Tetley PLC, Northampton, England 12 subsidiaries	100%
Carlsberg Italia S.p.A., Varese, Italy 32 subsidiaries	75%
Unicer-Bebidas S.A., Porto, Portugal 11 subsidiaries	44%
Hannen Brauerei GmbH, Mönchengladbach, Germany 5 subsidiaries	100%
Feldschlösschen Getränke Holding AG, Rheinfelden, Switzerland 15 subsidiaries	100%
Carlsberg France S.A., Paris, France	100%
International Breweries B.V., Bussum, Holland	16%

gained market share whereas the shares of the two main brands Pripps Blå and Falcon remained stable. The formation of the new company Carlsberg Sverige has significantly boosted the exposure of the Carlsberg brand in the Swedish market. As regards Pripps Blå, the traditional marketing strategy with a maritime theme emphasising the longing for Swedish summer has been revived after some years with different themes.

Mineral water and soft drinks are important segments for Carlsberg Sverige. The company is the leading player in the water segment and number two in the soft drink market. The market position in both segments has been stagnant in 2001 and soft drinks registered particularly disappointing earnings due to low price levels.

2001 was characterised by the establishment of the new Carlsberg Sverige following the merger between Pripps and Falcon and the amalgamation of the businesses and cultures of the two previously independent companies. It has been decided to implement a new production structure and this means that production in Gothenburg, Sweden will be closed down at the beginning of 2002. Further, the company has sold a number of brands in compliance with the requirements made by the competition authorities in connection with the establishment of Carlsberg Sverige. The financial results for 2001 are not satisfactory, which is mainly due to a slowdown in the total market but also an incomplete merger process, which is expected to be rectified by the new management.

Norway – Ringnes AS

The Norwegian beer market remained stable in 2001 compared to the previous year. Per capita consumption in Norway is very low, possibly because the excise duties on beer are among the highest in the world. The soft drink market also experienced a stable trend and per capita consumption is very substantial at 115 litres. Per capita consumption of mineral water increased by 10% to 19 litres.

Ringnes has consolidated its position as Norway's leading brewery by increasing its market share in the beer segment to 59%. The Ringnes brand shows a positive trend and alone accounts for 32% of Norwegian beer sales. The Carlsberg brand, which is the leading international brand, substantially reinforced its position in 2001 with strong volume growth and today, the Carlsberg brand accounts for more than 4% of the Norwegian beer sales. Ringnes is also the undisputed market leader in the mineral water segment with the strong brands Farris and Imsdal, accounting for a total market share of 68%. The soft drink market share amounted to 26% and showed growth for the Pepsico products which are produced under licence.

Ringnes' vision is to be Norway's beverage specialist with focus on consumers and customers as well as innovation, particularly as regards packaging development. The company now uses customised bottles within most areas of on-trade sales. In 2001, efforts have been concentrated on establishing vision and values as well as a new strategic plan. The objective is to make Ringnes one of the three most preferred partners for the company's direct customers by 2003 and all employees should learn to focus on customer demands – a factor which should also characterise the day-to-day operations and the service provided.

Efforts have also been made to expand contact between staff and management in all parts of the country. Ringnes encompasses many local cultures, and the combination of national and regional brands as well as local loyalty at the plants undoubtedly constitute one of the company's strengths.

An important project in 2001 was the transfer of beer brewing from the old plant in the centre of Oslo, which was established in 1877 to the new plant in Gjelleråsen outside Oslo - today one of the most modern breweries in Northern Europe.

Financial results were satisfactory.

In Norway, Tuborg is brewed and marketed by Hansa Borg Bryggerier and is still the second largest international beer brand, despite the fact that sales showed a declining trend in 2001 after years of growth.

Finland – OY Sinebrychoff AB

In 2001, the Finnish beer market experienced modest growth of about 1-2%. Sinebrychoff captured most of the growth in the beer market by improving its market share by 1.5 %-points to close on 43%. The Koff Karhu brand achieved particularly strong growth.

During 2001, the activities of Coca-Cola Juomat OY were fully integrated into Sinebrychoff and, Sinebrychoff's international activities were transferred to other Group companies as part of the overall Carlsberg Breweries strategy.

The financial results were in line with expectations.

Iceland

The Icelandic market for strong beer, including foreign beer, experienced continued growth and now accounts for half of total beer sales. The Carlsberg brand is marketed by the largest brewery in Iceland, Vifilfell ehf, and handsome growth figures over the past years have strengthened the position of the brand on the market. In addition, Tuborg, which is brewed by the longstanding partner Egill Skallagrímsson ehf., is one of the dominant beer brands on the Icelandic market.

Greenland

In Greenland, the Carlsberg and Tuborg brands are sold by the production company Nuuk Imeq, in which Carlsberg Breweries holds a 24% stake. Tuborg and Carlsberg are by far the leading beer brands in the market. Beer sales showed a slightly declining trend throughout the year due to changes in the opening hours of the retail trade. A slight decrease was also registered in soft drink sales.

Rest of Western Europe

United Kingdom – Carlsberg-Tetley Plc.

The UK market has again been characterised by continued consolidation and growth of the major pub retailers. On the supply side, competition authorities continued to block any major consolidation. The previously observed movement in sales from the on-trade to the take-home sector, from ales to lager and from standard to premium products, continues. Strong national brands continue to grow market share at the expense of regional and local products. Total beer sales in the UK amounted to 56m hl – a decline of 0.6%.

In a market characterised by structural changes, Carlsberg-Tetley has benefited from stable operating conditions and continues to focus investment on core brands and key operational assets. Core brand volumes increased by 7% and now constitute 73% of total sales. Carlsberg Lager, Carlsberg Export and Tetley's all out-performed the overall trends in their respective categories. Carlsberg Special Brew remains the leading strong beer. Carlsberg-Tetley is the best performing brewery in the take-home sector, where sales of Carlsberg Export have been particularly encouraging.

Carlsberg-Tetley has also been successful in continuing the development of its supply contracts.

The brewery successfully completed its SAP implementation project. Financial results for the year are significantly ahead of budget although marginally down on last year.

Ireland

The Irish beer market saw a slight increase again this year. Per capita consumption totalled 155 litres and Ireland thus still ranks far above the European average. The major part of beer sales takes place in the on-trade, which accounts for about 85% of total sales. Lager remains the most important segment in the market, although competition from other beverages, such as cider, is intensifying. Carlsberg holds a strong position in the lager segment as the brand maintained its position as the third largest lager brand despite intensified competition. Carlsberg is brewed under licence by Ireland's largest brewery, Guinness Ireland Limited.

Germany – Hannen Brauerei GmbH

Despite continued decline, the German market still ranks as Europe's largest, with per capita consumption totaling 124 litres. The German beer industry is still characterised by a highly fragmented structure with more than 1,200 breweries and 5,000 brands of mainly regional importance. However, with the entry of more international breweries in this highly competitive market, the long anticipated consolidation finally seems to have begun. In addition, some of the leading German breweries have announced their interest in a joint initiative to acquire wholesalers.

Hannen Brauerei GmbH has undergone a strategy review under the new management, which, among other things, has resulted in a streamlined organisation with increased focus on core brands in key sales areas. Furthermore, the building of the Carlsberg brand is becoming increasingly important and 2001 saw the launch of two new Carlsberg packagings.

The German market is characterised by a number of speciality beers, but the lager segment is by far the most important. Tuborg Pilsner has maintained its position as Germany's leading international brand. Hannen Brauerei is also well represented in the Altbier segment with its two brands Hannen and Gatzweiler - the leading brands in Mönchengladbach and Düsseldorf, respectively.

Total sales of Hannen Brauerei GmbH showed a considerable increase, but the sales of branded products were not satisfactory and results are below expectations.

Switzerland
– Feldschlösschen-Getränkegruppe

Despite growth in premium beer, canned and imported beer, the Swiss beer market again showed a generally declining trend of about 1.3% with total sales amounting to about 4.1m hl. Per capita consumption declined by 1.1 litres to 57 litres.

With the relaunch of Cardinal, the number two brand in Switzerland, and the introduction of Carlsberg in the summer of 2001, Feldschlösschen was able to curb the downward trend in market share for Swiss beer products. The overall market share is now 44%. Since October 2001, the Carlsberg brand has been brewed locally, and in a short time it has gained a good footing in the market, particularly in the important on-trade and in the western, French-speaking part of Switzerland.

The strategic co-operation with Coca-Cola Beverages Switzerland, Unilever Bestfoods (Lipton's Ice Tea) and Schweppes has proved to be a big success, and developments for these brands are markedly above the general market trend for non-alcoholic beverages.

During 2001, Feldschlösschen has implemented a major reorganisation by streamlining sale, logistics and administrative functions. Further, significant investments to improve efficiency in production were initiated during the year. The assortment of own products as well as third party trading products has been substantially reduced. These initiatives allowed Feldschlösschen to improve results above expectations.

Italy – Carlsberg Italia SpA

The italian beer market showed a modest increase with an upward trend in the premium segment. Per capita beer sales remain the lowest in Europe due to Italy's traditions as a wine-drinking country.

Despite its position as number three in the market, Carlsberg Italia maintained its market share with growth for the premium brands Carlsberg and Tuborg in the on and off-trade in line with the company's strategy.

Carlsberg Italia's distribution group now includes 45 majority-owned or associated companies. Carlsberg Italia still plans further acquisitions of wholesalers in order to create a strong network of beverage distribution companies at national level in the on-trade segment. The financial results of the company are above expectations.

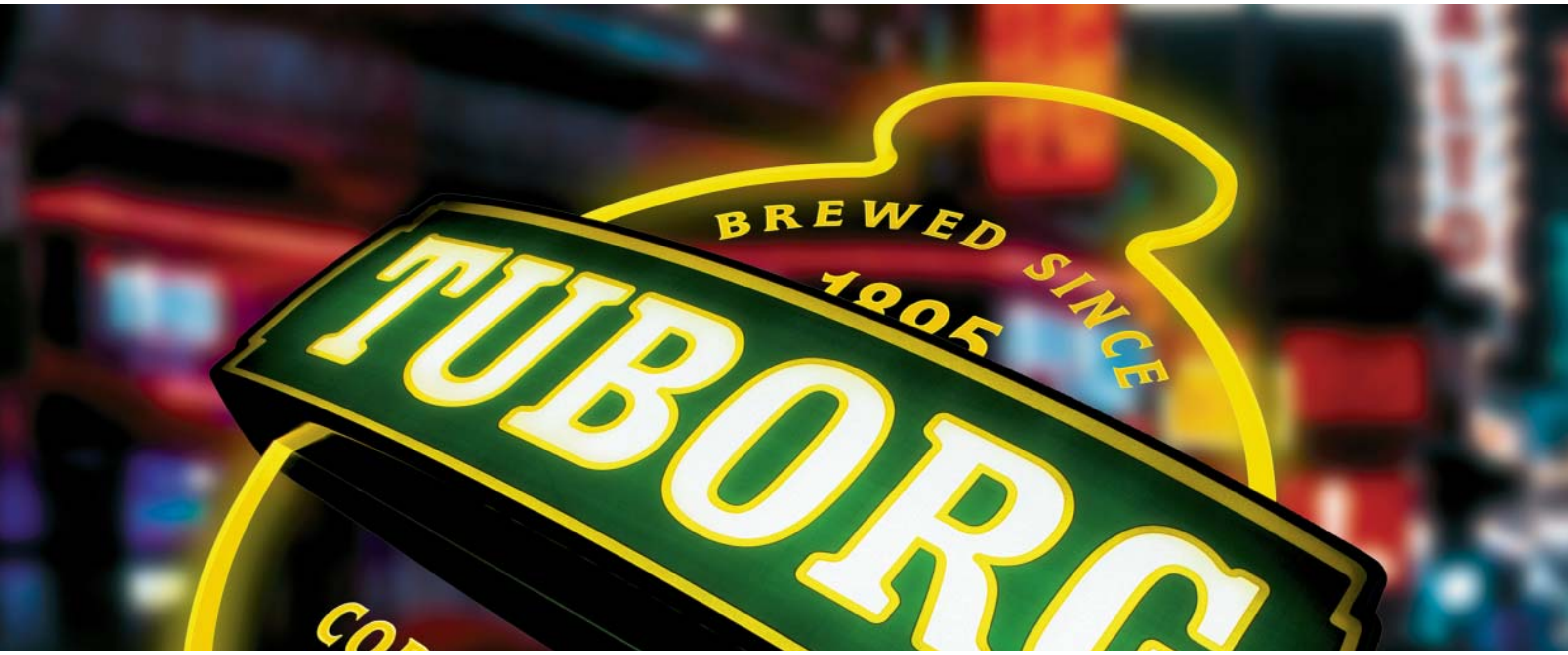
In January 2002, Carlsberg Italia became a 100%-owned subsidiary of Carlsberg Breweries following Carlsberg Breweries' acquisition of the remaining 25%-stake.

Portugal – Unicer Bebidas de Portugal S.A.

The total Portuguese beer market declined by 4% in 2001, mainly due to very bad weather conditions. However, Unicer Bebidas de Portugal, in which Carlsberg Breweries holds 44%, maintained and consolidated its leading position with a share of 59% of the Portuguese beer market.

The positioning and development of the Carlsberg brand has been satisfactory since the relaunch in 1999, and Carlsberg remains the largest international brand with a market share of 63% of the premium segment. The Tuborg Royal Danish brand is also brewed and distributed by Unicer and experienced a decline due to its heavy dependency on the on-trade segment, which saw a decline. The financial results of the company are slightly above the level of last year.

The Tuborg brand enjoys a strong position as reginal brand in a number of Western and Eastern European markets.



In November 2001, Unicer acquired the Portuguese water company VMPS. This made Unicer the market leader in the mineral water segment with a share of 25%.

Spain

In Spain, total per capita consumption amounted to 68 litres of beer in 2001 and the market saw a slightly rising trend in consumption. The Carlsberg brand has been brewed by Mahou S.A. under licence since March 2001, and as Carlsberg is still in a phase where the distribution network is being expanded, sales were not completely satisfactory.

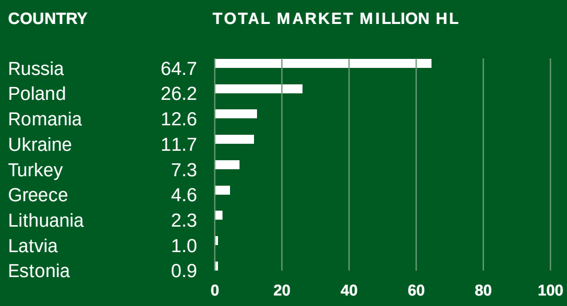
Belgium – Carlsberg Importers S.A.- N.V.

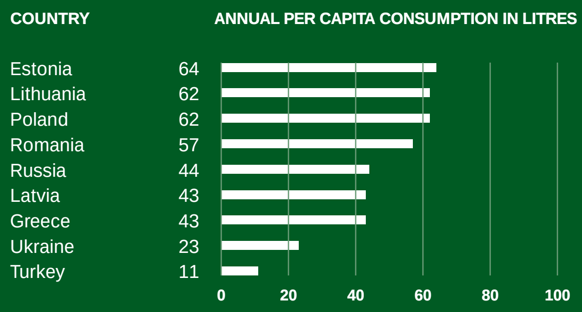
The Belgian beer market continued its slightly declining trend from previous years. The private labels continued to make headway, primarily as canned beer, and the market is still characterised by an aggressive price war. Carlsberg Importers, in which Carlsberg Breweries holds 10%, markets and distributes the Carlsberg and Tuborg brands in Belgium, and the brands enjoy strong positions as number one and two in the premium segment. A new Carlsberg advertising campaign was launched with a positive effect on sales. The campaign won the Epica Award 2001 within its category for the best European print advertisement. With a modest increase in sales, results thus met with expectations.

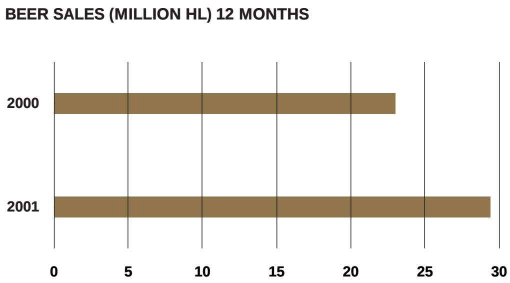
France

Total beer sales in France continued to decrease and the annual per capita consumption amounted to about 35 litres. The on-trade in particular suffered declining volumes and this trend affected the development in the Carlsberg brand volume adversely, as the brand holds a comparatively stronger position in the on-trade than in other sectors. The largest brewery in France, Brasseries Kronenbourg S.A., is the sole distributor of Carlsberg in France and also sells Tuborg. Carlsberg is brewed locally whereas Tuborg is imported from Denmark.

Eastern Europe







DKK million	2000 (*)	2001	Δ %
Net turnover	3,970	6,062	+52.7
Operating profit	708	1,183	+67.1
Operating margin (%)	17.8	19.5	+1.7
Beer sales (million hl)	23.0	29.4	+27.8

(*) Pro forma comparative figures for 2000 (12 months)

Poland – Okocimskie Zaklady Piwowarskie S.A.
The Polish beer market registered reduced growth in 2001, and per capita consumption increased to 62 litres. Okocimskie Zaklady Piwowarskie S.A. (Okocim)'s beer sales showed handsome growth figures in 2001. Sales of international beer brands in Poland remain modest, however, and sales of the Carlsberg brand are not satisfactory.

In 2001, Carlsberg Breweries obtained approval from the Polish authorities to increase its shareholding in Okocim. The stake was increased to 80.4% through a public tender offer. In 2001, Okocim entered into an agreement to acquire virtually the entire share capital in the breweries Kasztelan Browar Sierpc S.A. and Bosman Browar Szcezcin S.A. The agreement is subject to approval by the Polish authorities and provided that such approval is granted, the three companies must be fully integrated in 2002. In addition, Carlsberg Breweries acquired the controlling interest in Browary Dolnoslaskie Piast S.A. (Piast) in 2001. The intention is to propose a merger of Okocim and Poland to the Okocim shareholders, which will generate substantial competitive advantages for both companies. By the end of 2001, Carlsberg Breweries' stake in Piast had increased to more than 98%.

Okocim's financial results have improved significantly compared to the year 2000 although results remain unsatisfactory.

Turkey – Türk Tuborg Bira ve Malt Sanayii A.S.
The Turkish beer market remained stable at 11 litres per capita in 2001. The total beer market is currently at 7m hl and is anticipated to increase in 2002, mainly due to expected growth in tourism. Türk Tuborg is one of two leading breweries in the Turkish market, and in 2001 the brewery realised satisfactory gains in market share, currently totalling 23%.

In 2001, Carlsberg Breweries acquired the controlling interest in Türk Tuborg, and the Carlsberg brand was launched in the summer of 2001 with satisfactory results. Türk Tuborg is thus able to supply beer within all segments with Carlsberg, Tuborg and local brands. Turkey is the biggest Tuborg market outside Denmark.

During the year, the market has been deeply affected by the devaluation of the Turkish lira and high inflation rates. Although the sales results of Türk Tuborg in 2001 were satisfactory, the company's financial results are unsatisfactory and characterised by substantial financial costs.

Russia, the Ukraine, Belarus and the Baltic States
Carlsberg Breweries' activities in Russia, the Ukraine and the three Baltic States Estonia, Lithuania and Latvia are handled by Baltic Beverages Holding (BBH). BBH is a joint venture 50%-owned by Carlsberg Breweries and 50% by Finnish Oyj Hartwall Abp. BBH was established in 1991 and operates 12 breweries, of which three are situated in the Baltic States, seven in Russia and two in the Ukraine, where BBH also owns a malting facility. Since BBH was established, the company has acquired controlling interests in local breweries, taken over the local brands and appointed local management boards. Due to a brand strategy focusing on the mainstream quality segment and BBH-support on marketing sales and distribution as well as quality improvements of

Group Companies Eastern Europe, etc.

BBH - Baltic Beverages Holding AB, Stockholm, Sweden 12 subsidiaries owned by Pripps Ringnes AB	50%
Carlsberg Okocim S.A., Brzesko, Poland 2 subsidiaries	81%
Panonska Pivovara d.o.o., Koprivnica, Croatia	40%
AB Svyturys, Klaipeda, Lithuania	55%
Israel Beer Breweries Ltd., Ashkelon, Israel	20%
Nuuk Imeq A/S, Nuuk, Greenland	24%
Piast S.A., Poland 5 subsidiaries	98%
Türk Tuborg A.S., Turkey 1 subsidiary	82%
OAO Vena, Russia	100%
Carlsberg Malawi Brewery Limited, Blantyre, Malawi Southern Bottlers Limited, Blantyre, Malawi	49%
Carlsberg Agency Inc., New York, USA 1 subsidiary	100%

local brands, the company has developed into a very satisfactory business.

BBH achieved substantial growth in sales in Russia and the Ukraine in 2001 whereas sales in the Baltic States remained stable compared to last year. BBH has gained market share in all countries with BBH operations. BBH's sales increase totalled more than 30% this year, and the company's progress in results thus proved very satisfactory with an increase of 25%. The company invests in capacity expansion at its breweries on an ongoing basis to keep up with demand. BBH employs a staff of more than 12,000 people and is market leader in Russia and the Baltic States. In 2001, BBH entered into an agreement regarding sale and marketing of Carlsberg in the Baltic States and of Tuborg in the Ukraine.

During the year, BBH sold Kalnapilis, one of its two Lithuanian breweries. The divestment was a direct consequence of the establishment of Carlsberg Breweries, as the Lithuanian competition authorities in that connection required that the parties sell one of their three breweries in the country. Carlsberg Breweries also owned the Lithuanian brewery Svyturys, which was merged with the BBH company Utenos when Kalnapilis had been sold. In addition, BBH took over 49.9% of Carlsberg Breweries' brewery Vena in St. Petersburg in November and has an option to acquire the remaining shares in Vena. The sale ensures that both ownership and management responsibility of Carlsberg Breweries' activities in Russia, the Baltic States and the Ukraine are handled by BBH.

In November 2001, BBH's subsidiary Baltika Brewery acquired the controlling interest in the brewery Krinitsa in Belarus.

Other European markets

United Romanian Breweries, which is partly owned by Carlsberg Breweries, registered continued marked improvement in the sales of Tuborg, which is produced under licence. In 2001, the brewery launched locally produced Carlsberg in the international premium segment with great success.

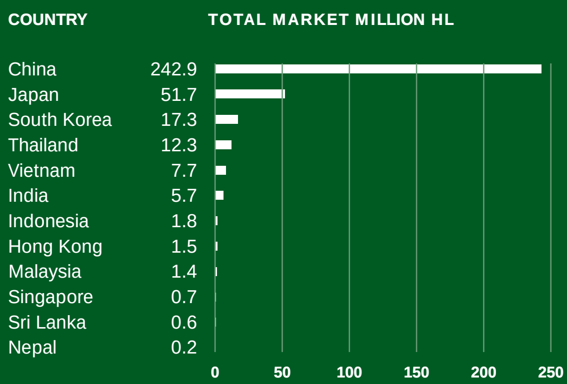
In Croatia, Panonska Pivovara, which is partly owned by Carlsberg Breweries, maintained its market share in a market characterised by intensifying, tough competition as regards quality products. Panonska has produced Tuborg under licence since 1971, and in 2001 the brewery expanded its portfolio with the succesful launch of Tuborg Classic.

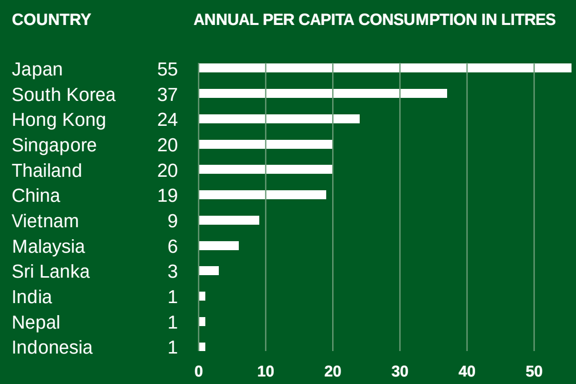
The beer brand Baltika from the Baltika Brewery owned by BBH holds a strong position in the Russian market.

In Israel, Carlsberg Breweries owns a stake in Israel Beer Breweries Ltd., which produces Carlsberg and Tuborg under licence. In 2001, the company again achieved improvement in sales and for the first time since operations started in 1995, the market share exceeded 30%.

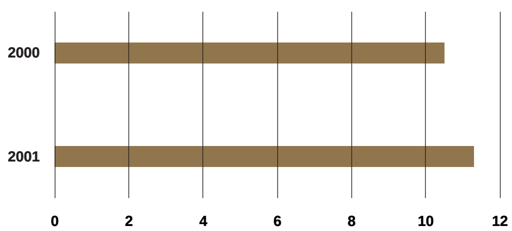
Carlsberg is produced under licence by long-standing partners. In Cyprus by The Cyprus Carlsberg Brewery, Photos Photiades Breweries Ltd. and in Malta by Simond Farsons CISK plc. Licence agreements also apply for the Carlsberg brand in Greece and The Canary Islands and for Tuborg in Hungary.

Asia





BEER SALES (MILLION HL) 12 MONTHS



DKK million	2000 (*)	2001	∆ %
Net turnover	1,842	1,891	+2.7
Operating profit	355	417	+17.5
Operating margin (%)	19.3	22.1	+2.8
Beer sales (million hl)	10.5	11.3	+7.6

(*) Pro forma comparative figures for 2000 (12 months)

Carlsberg Asia Holding Ltd

Most of Carlsberg Breweries' activities in Asia have been transferred to the joint-venture Carlsberg Asia Holding Ltd. (CAL), of which 50% is held by Carlsberg Breweries and 50% is held by the Asian Chang Beverage Company. CAL was officially established in the autumn of 2001 and is expected to be fully operational from the beginning of 2002. CAL will then hold ownership interests in operations in China, Hong Kong, Malaysia, Nepal, Singapore, South Korea, Sri Lanka, Thailand, and Vietnam. These operations all manage portfolios of strong local brands and Carlsberg as the international premium brand. Further, CAL has longstanding licence arrangements with local partners in e.g. Indonesia and Japan.

South Korea

After some years with double-digit growth, the Korean beer market increased only slightly in 2001 and per capita beer consumption totalled approx. 37 litres. However, demand for premium beer has picked up in line with the penetration of various different kinds of imported beer in the market due to changes in import regulations. Carlsberg's partner in Korea, Hite Brewery Co. Ltd., has been market leader since 1996 and reached an all-time high market share of 55% in 2001. In addition, the shareholding in Hite was increased by 8.4% in January 2002.

China

Chinese beer consumption continues to rise, and in 2001 China overtook the US as the world's largest beer market. The rise is mainly driven by local brands, however, and sales of foreign premium beer are stagnant. In addition, intensified price competition makes the premium segment very difficult. On that basis it is very positive that sales of the Carlsberg brand increased in China in 2001, particularly in the important South China market.

In southern China, sales of CAL's local brand, Dragon 8, were adversely affected by the tough competition which reduced earnings and sales volume. However, the brand has maintained its strong position in its core market around the Hinson brewery.

Hong Kong

The economic growth in Hong Kong has been particularly weak during the last half of 2001. This has impacted overall beer consumption, and the premium segment has come under increased price pressure from low-price import brands.

Overall sales of the Carlsberg brand have decreased compared to previous years, although Carlsberg has maintained its market share in the premium segment. In addition to the Carlsberg brand, Carlsberg Hong Kong Ltd. produces a number of complementary brands, including its standard priced product SKOL and Tetley's Bitter imported from the UK. Both brands showed satisfactory sales performance, and so did the Shandy product Jolly Shandy. Furthermore, the company has taken on the distributorship in Hong Kong for Guinness, which complements the Carlsberg portfolio.

Japan

Total beer sales remained stagnant and per capita consumption totalled about 55 litres with a remarkable shift from ordinary beer to the special, light beer type "Happoushu". In 2001, Happoushu's market share reached 32% and the beer type is very price competitive because of lower excise duties. As the leading international draught beer brand, Carlsberg continued to enhance its strong

Group Companies Asia

Carlsberg Asia Pte Ltd, Singapore	50%
Carlsberg Marketing (Singapore) Pte Ltd., Singapore	100%
Carlsberg Brewery Hong Kong Limited, Hong Kong 2 subsidiaries	51%
Carlsberg Brewery Malaysia Berhad, Kuala Lumpur, Malaysia 2 subsidiaries	50%
Gorkha Brewery Ltd, Katmandu, Nepal	48%
Hue Brewery Ltd., Hue, Vietnam	35%
South-East Asia Brewery Ltd., Hanoi, Vietnam	35%

position in the otherwise declining international beer segment. Carlsberg's long-standing partner in Japan is Suntory Limited.

Nepal

Although the socio-political situation in Nepal caused difficult market conditions in 2001, the joint-venture brewery Gorkha Brewery Ltd., which produces and distributes Carlsberg and Tuborg beer, increased sales and maintained an aggregate market share of 60% for the two brands. Earnings improved, among other things because of an improved product-mix. The brewery was awarded the prestigious National Excellence Award for significant achievement in the field of sales growth.

Singapore

In spite of a weak economy, the Singapore beer market recorded strong growth in 2001, in particular because of promotional activity from the major brands. Carlsberg Singapore Pte. Ltd. performed well and improved volume as well as market share.

Malaysia

Although total beer sales were marginally down in Malaysia in 2001, Carlsberg Brewery Malaysia Bhd. maintained its leadership position in the national beer market, where foreign competition is modest due to the strong position of the two established breweries. Carlsberg lager holds a market share of approx. 60%, and the recently launched Royal Stout has now gained 10-15% of a generally declining stout market. The financial performance of the brewery was satisfactory, not least when considering that the eastern part of Malaysia now seems completely dominated by non-taxed, duty-free products sold outside the usual distribution channels.

Vietnam

Vietnamese beer consumption experienced a significant rise in 2001, but per capita consumption is still quite low compared to other markets in the region. However, growth is expected to continue in the years ahead. The performance of the two joint ventures where CAL has partnered with local

governments, South East Asia Brew Ltd. in Hanoi and Hue brewery in Hue, has been satisfactory both in terms of volume and earnings.

Thailand

The generally positive trend in the Thai beer market continued in 2001. The very competitive standard segment showed particularly strong results. This has also impacted sales of premium beer brands, including the Carlsberg brand, which presently retails at prices that are significantly above the standard segment. Profitability of the Carlsberg brand is satisfactory and rationalisations within sales and distribution are being implemented to improve cost efficiency.

The Carlsberg brand is produced under licence and sold in Sri Lanka, the Philippines and Indonesia.

The Americas, Africa and Exports

The Americas

Total beer consumption in Canada remained largely unchanged with an annual per capita consumption of 65 litres. However, imports continued to show 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, were stable and a modest gain in market share was realised within the segment.

In the USA, total sales again increased slightly and imported beer continued to show strong growth. The sales of the Carlsberg brand remained unchanged, which was not satisfactory. Sale and distribution of Carlsberg in the US is handled in cooperation with Labatt USA L.L.C. which imports products from Labatt in Canada.

Carlsberg sales in Brazil showed modest growth in line with the general market trend. Although more significant growth was expected in the premium segment, the results are fairly satisfactory. The growth potential of the brand is still substantial in a market with negligible consumption of premium brands. Carlsberg is produced under licence and distributed in Brazil by AMBEV.

Africa

In Malawi, the declining trend in purchasing power continued in 2001, but Carlsberg Malawi Brewery Ltd., in which Carlsberg Breweries owns a 49% stake, maintained its leading position with the Carlsberg brand.

The Carlsberg brand is also produced under licence and sold in Egypt. Similar Tuborg licence agreements exist in Cameroon and The Ivory Coast.

Exports

Carlsberg Breweries' total export business covers about 60 markets and again showed a fair increase in 2001. Sales in Africa, The Gulf States and Australia experienced a particularly positive trend whereas sales in Eastern Europe were below expectations due to intensified competition from locally produced international brands. Exports to other markets, including Austria, Holland and the Caribbean showed a satisfactory trend.

Growth in the Duty Free/Travel Retail sector continued in 2001. The upward trend in these markets is mainly based on the differences in excise duties and VAT rates within the EU, particularly between the countries in northern Europe.

Export of the English brands from Carlsberg-Tetley's breweries showed good progress. The Tetley's brand registered continued growth and was launched in e.g. Sweden, Russia and Chile and is now distributed in 22 countries.


Carlsberg
Beer

Corporate Centre

Following the formation of Carlsberg Breweries at the beginning of 2001, the company has prepared a comprehensive strategic plan, focusing on the Group's beer business as well as other commercial beverages that support the beer activities.

Headquarters were reorganised in the autumn of 2001 in order to strengthen focus on the management of the Group's brewery activities and the traditional export and licence activities were concentrated in a separate profit centre.

Marketing and innovation

Developing a portfolio of powerful brands is becoming increasingly important within the beer industry. A combination of strong local brands together with Carlsberg as the global premium brand provides the backbone of the Carlsberg brand strategy. Different brands will play different roles in the comprehensive portfolio, but all will work towards stimulating increased earnings for the company.

Carlsberg Breweries' beer brand portfolio
The Carlsberg brand is the global premium brand within the portfolio. The objective with the brand is to stimulate profitable growth worldwide based on a strong distribution foundation and a consumer-led brand relationship. The Carlsberg brand achieved considerable worldwide growth in 2001, with particularly strong sales development in the UK, Ireland, Sweden, Norway, Portugal, Israel, Singapore, China and Thailand. The Carlsberg brand will continue to be the "crown jewel" in the Carlsberg Breweries portfolio, striving to enhance premium segment growth for the company.

The Tuborg brand has strengthened its position in several regions worldwide and has shown steady growth in 2001, especially in Eastern Europe. Markets such as Russia, Turkey, Romania and Israel have achieved significant growth for the Tuborg brand. Tuborg will continue to be a key brand in the portfolio of strong regional brands with the flexibility to adapt to local market situations. Tuborg has a very strong position as local brand in its home market, Denmark.

Strong local brands constitute the "backbone" of the beer portfolio and create the base for strong local business systems in close contact with local consumer preferences. The Carlsberg Group companies have developed a number of strong local brand positions in more than 20 markets, including Baltika in Russia, Okocim in Poland, Pripps and Falcon in Sweden, Ringnes in Norway, Tetley's in the UK, Super Bock in Portugal, Cardinal and Feldschlösschen in Switzerland and Beer Chang in Thailand.

Together, global, regional and local brands build a strong brand portfolio driven by consumer insights and knowledge of the local market situation combined with global influences and trends.

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. Marketing activities supporting the brand have been increased on a global scale in order to strengthen long-term brand equity and improve the brand's close relationship with consumers worldwide.

The brand's growth rate increased in 2001 over previous years. The growth came from existing key markets, as well as from launch initiatives in Switzerland, Turkey and Romania. The brand thus continues to grow both organically and through geographic expansion in new markets. Significant future growth potential for the brand is seen in regions such as Eastern Europe and Asia in the coming years.

Carlsberg Beer won the Epica Award 2001 within its category for the best European print advertisement created by Carlsberg's Belgian advertising agency VV/BBDO.

UEFA Cup final, Dortmund, 2001.

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%

Gathering consumer insights worldwide and creating a close relationship with the consumers through communication and sponsorships has been the focus of activities in 2001. Traditional brand-building theme advertising has been the key element in the communication strategy. The “Probably the best beer in the world” theme advertising was developed further, both through the well-known international campaign with motives from all over the world, but also through new consumer communication in the local markets. New additions to the “Probably....” theme were successfully shown in markets such as the UK, Ireland, Sweden, Spain, Portugal, Belgium and Hong Kong.

The Carlsberg brand is in a phase of expansion and development, and continued efforts are made to gather consumer knowledge on a worldwide basis in order to fine-tune and sharpen the positioning of the Carlsberg brand. A major brand study was conducted in 2001, which has resulted in the development of a sharper vision and positioning of the brand with the ambition of strengthening its relationship with consumers – also in the long-term.

The world of sports and music has been an integral part of the Carlsberg brand and its connection to consumers.

Carlsberg High Five, Verbier, 2001.

Carlsberg continues to participate actively in the world of international football, generating greater brand visibility and awareness of the Carlsberg brand, and at the same time Carlsberg appeals to the hearts of the supporters of probably the most popular sport in the world. Carlsberg's involvement in football ranges from the UEFA Super Cup, the Liverpool Football Club, national teams such as England to regional cups like the Carlsberg Cup in Asia. In 2001, the Liverpool sponsorship gained particular exposure due to the team's successful season in winning 5 different tournaments and cups.

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. The highlight of the year was the World Championships 2001 in St. Anton, Austria, within which the Carlsberg sponsorship achieved considerable coverage and exposure and once again established itself as "Probably the best after ski in the world".

In keeping with the strategy for prestige sports, Carlsberg has made great efforts to expand its in-

volvement in the golf scene in Asia sponsoring the Carlsberg Malaysian Open, Singapore Masters and Hong Kong Open.

The link between Carlsberg and the world of music and cinema continued to develop positively between the brand and its consumers. The MTV European Music Awards 2001 were successfully carried out in Frankfurt, Germany, and Carlsberg was an integral part of this worldwide event.

As new media is increasingly becoming a valuable tool in the brand's relationship with the consumers, the Carlsberg website, www.carlsberg.com, was redesigned and improved to provide better and easier navigation for all site visitors; both those seeking specific information and others just there for fun. The site provides links to the entire world of Carlsberg.

Finally, the importance of design and packaging development will increase in future. The Carlsberg logo is a strong icon worldwide that has been established and continuously expanded over the years. Based on that logo, a new design programme for secondary packaging (multipacks, seasonal and sponsorship packaging) has been developed and will be presented worldwide during 2002 as part of an overall

The Carlsberg camp at the Roskilde Festival, 2001.

renewal and rejuvenation programme for the Carlsberg brand.

When implementing Carlsberg's marketing strategy, respect for national and international legislation and provisions is a key priority. Responsible consumption of our products is a key focus area and concern, both towards our consumers and our business at large.

Non-beer portfolio

As a complement to the core beer business, several of the Group subsidiaries operate a broader portfolio of non-beer brands within categories such as carbonated and non-carbonated soft drinks, packaged water, sports / energy drinks, cider and various alcoholic beverages.

The soft drinks portfolio generally consists of licence production of leading international brands, for example Coca-Cola®, Pepsi® and Schweppes®, and of strong national Group-owned brands (both carbonated and non-carbonated) such as Solo® in Norway, Tuborg Squash® in Denmark and Zingo® in Sweden. The Group has particular strength in the mineral water category with several market leadership positions, for example Ramlösa® in Sweden, Carlsberg Kurvand® in Denmark, Farris® and Imsdal® in Norway , Passugger® in Switzerland and Pedras Salgadas® in Portugal. Within the energy drinks category, Battery®, developed by Finnish Sinebrychoff, has a strong position in the Nordic region and has subsequently been launched in more than a dozen markets, among others Russia and Switzerland in 2001.

Corporate Supply Chain, the Environment, etc.

Corporate Supply Chain

In connection with the reorganisation in the autumn of 2001, all technical activities were organised in a department called Corporate Supply Chain, which includes Operational Control, Innovation, Quality Assurance as well as Process and Quality Audit.

As previously, the main tasks of this organisation are to ensure and continuously improve the quality of the Group's two main brands Carlsberg and Tuborg through auditing of breweries and suppliers, development of quality management tools and continued development of process demands based on targeted research in close cooperation with the Carlsberg Research Center. Other high priority issues will be the Group's efforts to expand its environmental activities and, to a larger extent than before, follow up on the subsidiaries' operational key figures.

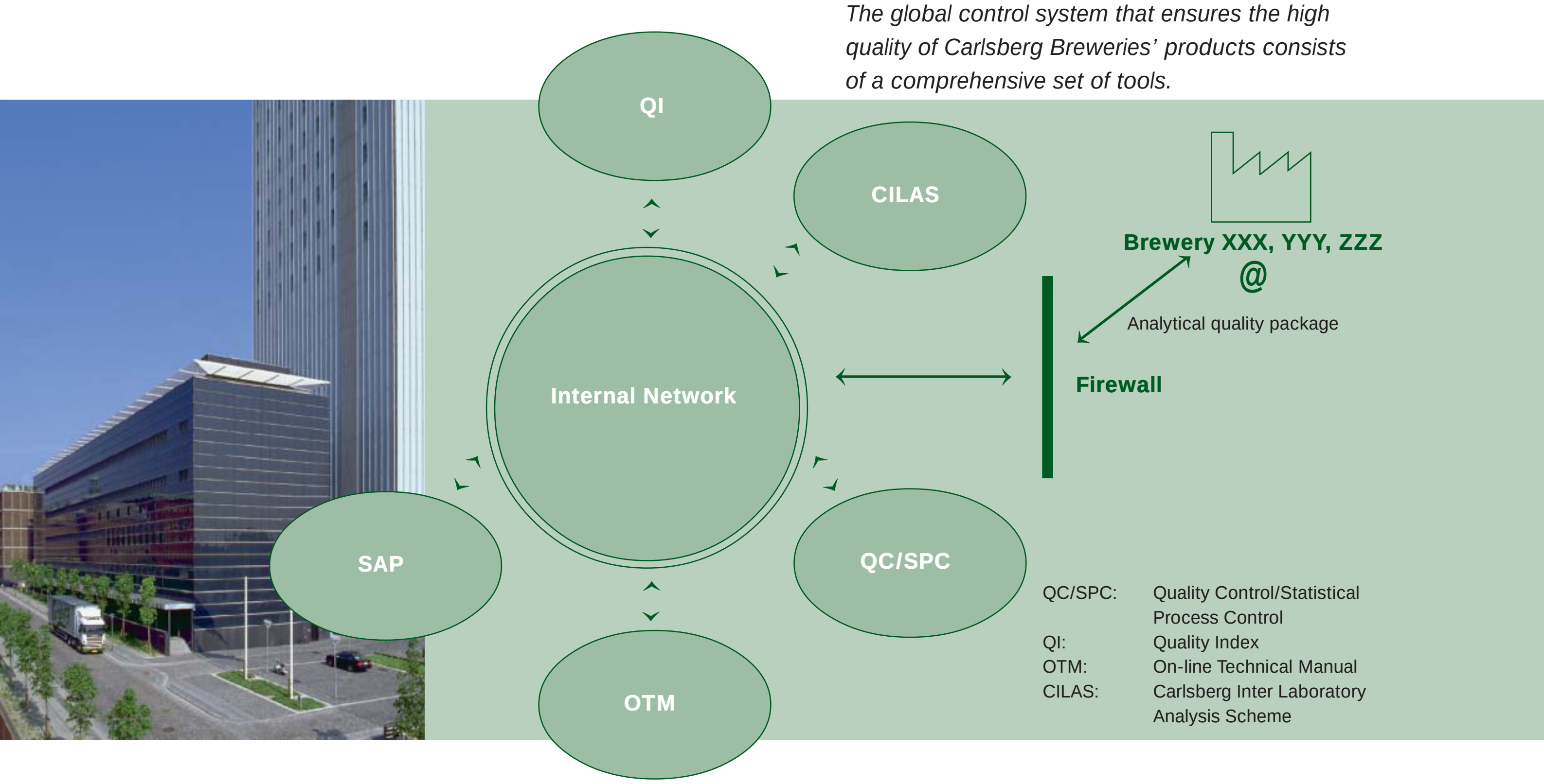
Operations control
Carlsberg Breweries wishes to ensure efficient production through close cooperation with its subsidiaries. This is achieved by expanding the Group's existing benchmarking system so that the data collected can be used actively to optimise the activities of the individual breweries.

The global control system that ensures the high quality of Carlsberg Breweries' products consists of a comprehensive set of tools.

The intensified focus on Group company investments continued in 2001 with a view to ensuring optimum use of the investment funds and the existence of long-term investment programmes for the individual breweries.

Quality
Product quality assurance is a key task for the new Supply Chain organisation. The quality of raw materials and production is ensured through various

The global control system that ensures the high quality of Carlsberg Breweries' products consists of a comprehensive set of tools.



activities, including audits at the breweries and suppliers as well as certificate agreements with both parties. Product quality is monitored through extensive control at the production sites supplemented with a centralised taste panel function in Copenhagen, which assesses whether the flavour of the Group's products worldwide is satisfactory and uniform – in line with consumer expectations.

Furthermore, various tools are used to assure high quality at the breweries, including a statistical process control system developed by the Group with its own reporting system QC/SPC as well as an internal ring analysis system called Carlsberg Inter Laboratory Analysis Scheme (CILAS).

An executive forum – Carlsberg Breweries' Quality Council – which consists of representatives from the Executive Board, Supply Chain and markets of a substantial size, establishes the general quality requirements for the Group's products and determines the guidelines for production of the company's brands.

Innovation

In addition to the ongoing efforts to improve quality and production technology, Carlsberg Breweries considers the development of new products to be a key activity, among other things to ensure general consumer interest in beer. Several products have been launched in the local markets during the year, including Semper Ardens in the Danish market. Semper Ardens is a line of exclusive, specialty products brewed from carefully selected raw materials and bottled on 70 cl bottles. Semper Ardens is one of brewer J.C. Jacobsen's latin phrases and means “always burning”. It reflects the brewer's dedication to the craft of brewing.

Packaging innovation focuses both on primary and secondary packaging development. This has resulted in new packaging types within beer and soft drinks, and new types will be added. The PEN bottle is one example of a successful introduction of a new packaging type – it has proven itself as more than a passing fad and in several markets it is there to stay.

In future, an important task will be to sharpen the definition of the production process for branded Carlsberg beer. These efforts will be lifted in cooperation with the Carlsberg Research Center.

The Environment

In 2001, all breweries in which Carlsberg holds the controlling interest have worked on developing local environmental management as well as ensuring compliance with Carlsberg Breweries' environmental requirements. During the year, improvements have been realised through reductions in energy, electricity and water consumption. Apart from an improvement in the operating economy, this has also resulted in a reduction in waste water and solid waste disposal.

The responsibility for the upgrading processes lies with the individual breweries whereas Carlsberg Corporate Supply Chain examines whether the goals are actually achieved through regular visits, training and measurements.

In May 2001, an environmental conference was held with broad participation from the environmental managers of the Group and this exchange of experience has strengthened local environmental efforts.

In June 2001, Carlsberg Breweries published its first environmental report, covering the period 1998/1999 and 1999/2000 in 35 breweries. The report documented improvements in the consumption of energy, electricity and water and set out prioritised goals for the year ahead.

Carlsberg Breweries experienced no major environmental accidents or industrial injuries in 2001, and the breweries will continue their efforts to establish preventive measures.

In the year ahead, Carlsberg Breweries will work on obtaining certification of its own breweries in keeping with international environmental standards.

Danbrew

Danbrew Ltd. provides services to the Carlsberg Group breweries and the international brewery industry in general. As independent planners, engineers and turnkey providers, Danbrew experienced an exciting year with completion of major projects in different parts of the world. The year ahead will see the completion of a large greenfield project and various consultancy challenges.

Corporate Strategic Sourcing

Corporate Strategic Sourcing ensures that Carlsberg Breweries' consolidated purchasing potential is exploited in the best way possible, particularly through well-defined sourcing strategies for the Group and broad market experience within key raw materials like malt, hops, bottles, cans, crowns and labels.

IT

For a group like Carlsberg Breweries with wide-ranging activities, IT investments are the pivotal factor as regards the ability to communicate with the individual subsidiaries and enhance their efficiency. Consequently, Carlsberg Breweries has decided to tighten the demands for standardisation of inter-company business models and IT solutions in the years ahead.

The introduction of an IT business plan for each subsidiary has helped to identify opportunities for increased standardisation and synergies across traditional boundaries. In addition, benchmarking has highlighted relevant areas for further improvement, including the importance of making global agreements with strategic business partners to obtain cost efficiency. Further, the increased focus on IT-business projects ensures that the IT strategy is followed and that projects are successfully completed.

Human Resources

Several initiatives have been undertaken by Carlsberg Breweries' HR department to meet the Group's ambitions as regards staff training. This includes a newly established two-year International Trainee Programme aimed at highly qualified candidates from universities and business schools. The programme is a joint responsibility between Carlsberg Brewery Malaysia, Hong Kong, Sweden, Denmark and the UK. Candidates within marketing/sales and finance were recruited locally in March 2001. Further, Carlsberg Breweries conducts a Diploma Management course, which was established in 2000. More than one hundred people from different functional areas at the Corporate Centre and Group companies have participated. The course was divided into several modules, covering the central disciplines of management as well as main business areas. In addition, Group-wide ad hoc courses are conducted regularly, e.g. a Project Management Course.

The European Works Council of the Carlsberg Group held its second meeting in February 2001. The management met with 10 employee representatives from the Group's European subsidiaries to discuss the current development of Carlsberg Breweries' western European operations. Further, observers from the then new Group companies, Carlsberg Sverige AB and Ringnes A.S., participated in the meeting.

Beer and society

Beer has always played an important role in daily life in most of the world. In almost all cultures, drinking beer is an essential element of social interaction and celebration, and historically beer has always been regarded as a nutritious drink. Today, the vast majority of people enjoy drinking a glass of beer while spending a pleasant time together with friends or family, and beer is still considered to be part of a healthy lifestyle. In this respect it is important to remember that over the past years research has shown that moderate beer consumption of 2-3 glasses a day has some positive health effects, such as reducing the risk of cardiovascular diseases.

Thus, Carlsberg Breweries believes that beer should be enjoyed in moderation, 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.

However, Carlsberg Breweries acknowledges that heavy consumption of beer can have negative consequences for the individual as well as for society. Likewise, abuse of beer products may damage the reputation of Carlsberg Breweries and its products. Therefore, the breweries and society share a common interest in fighting abuse with appropriate and justified measures.

In that connection, it is important to recognise that consumption of beer is the responsibility of the individual, and that the vast majority of people who drink beer do so responsibly. Only a small minority abuses beer products with negative effects for the individual or society. Carlsberg Breweries believes that the most effective way to fight abuse is through targeted measures such as dialogue, information, education and campaigns directed towards the groups of young people in particular that may not be fully aware of the personal and social consequences of abuse.

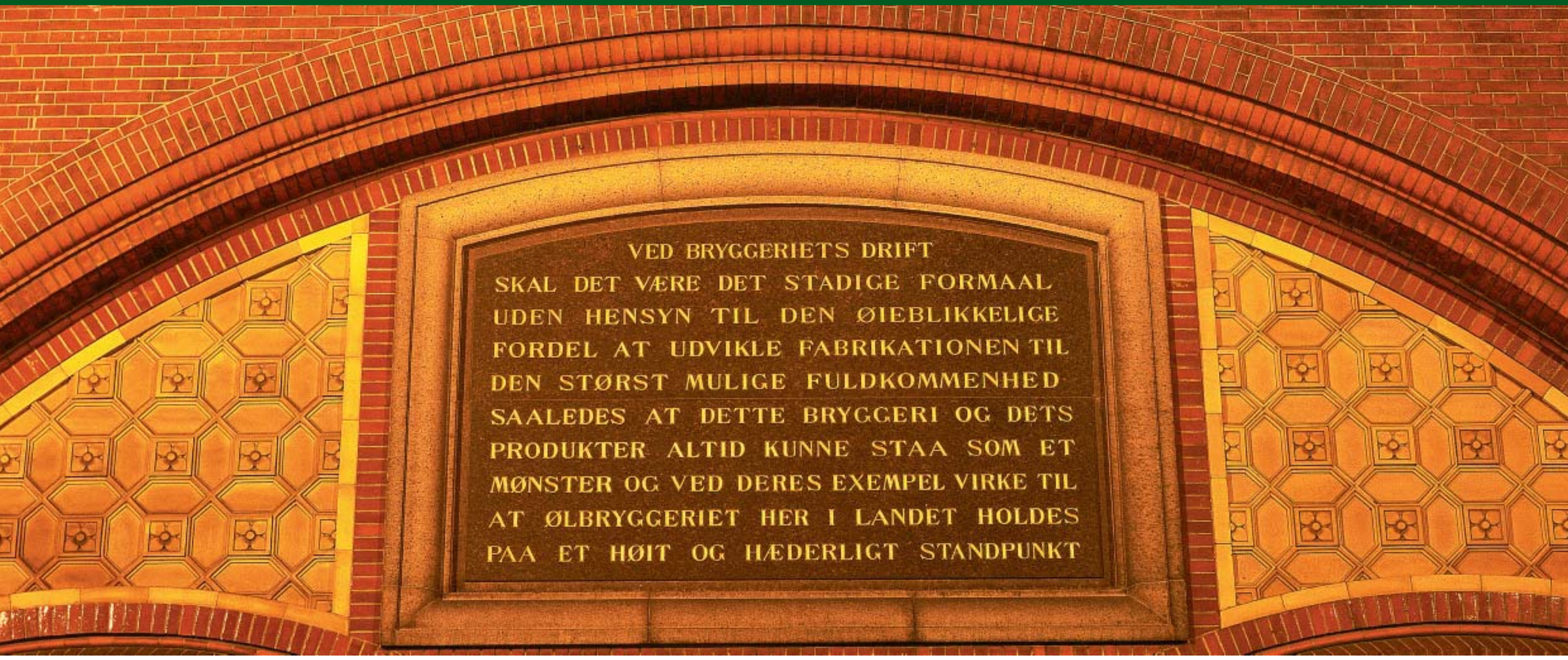
Through its membership of national brewers' associations and its active participation in CBMC – The Brewers of Europe – Carlsberg Breweries plays an active role in securing a constructive dialogue with national and international authorities. Through these organisations and others, Carlsberg Breweries supports targeted activities to reduce abuse and promote sound beer culture.

Marketing is essential for a world-famed brand like Carlsberg, and it is important that opportunities for marketing of our brands are plenty. To preserve and eventually expand these opportunities, Carlsberg Breweries actively supports the implementation and enforcement of self-regulatory codes of conduct as regards marketing in the markets where Carlsberg Breweries operates.

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.

Carlsberg Research Center, Properties and Foundations



Carlsberg Research Center includes the Carlsberg Laboratory, Carlsberg Biosector and the Carlsberg Research Laboratory, including pilot plants as well as affiliated auxiliary departments.

Carlsberg Research Center has around 140 full-time employees distributed as follows: about 60 at the Carlsberg Laboratory (around 24 financed by external funds), 15 in Carlsberg Biosector, about 50 at the Carlsberg Research Laboratory and around 20 in auxiliary functions.

The Carlsberg Laboratory

The Carlsberg Laboratory has its own independent statutes, which form part of the Carlsberg Foundation's statutes, and at present, the laboratory consists of two departments – the Department of Physiology and the Department of Chemistry each headed by a director.

The Department of Physiology also includes the Department of Yeast Genetics, and in future it will primarily conduct physiological studies of yeast. One example is a new project focusing on ways to strengthen yeast's defences against various forms of stress.

On the occasion of the 125th anniversary of the Carlsberg Foundation on 25 September 2001, the Carlsberg Laboratory held an anniversary symposium and published the book "Steerage-way" by Professor Peder Olesen Larsen. The book describes the Carlsberg Laboratory during the period 1976 – 2001 in words and pictures.

The Carlsberg Laboratory receives approx. DKK 25m from external sponsors for the implementation of research projects. This amount includes a 5-year grant of about DKK 20m from the Danish National Research Foundation, which was renewed for a 4-year period so far.

Carlsberg Biosector

In the spring of 2001, the Board of Directors of

Carlsberg A/S decided to establish a research and development department called Carlsberg Biosector. The department will conduct research and develop projects that can form the basis for new companies like Combio A/S, which is a development company established by Carlsberg together with Dansk Kapitalanlæg A/S, The Employees' Capital Pension Fund, Medicon Valley Capital and Novo A/S.

The first three projects lie within:

- New bio-compatible polymeric materials. Plastic materials that demonstrate particularly valuable properties, such as the ability to absorb large amounts of water and other liquids;
- A new principle for the development of cancer vaccines.
- Affinyx – a new principle for the identification of alternative methods to develop medicine.

In addition, Biosector will work on mapping the genome and the transcriptome of the Carlsberg yeast and of barley. Furthermore, it has been decided to establish a department called Carlsberg BioIncubator, which will strengthen product development until it can be exploited commercially.

As a result of increased focus on the commercial potential of the Research Center's research activities, Carlsberg A/S has invested DKK 10m in the company DTU-Innovation together with 6 other large Danish companies. DTU-Innovation is an innovation company at the Technical University of Denmark.

The Carlsberg Research Laboratory

The task of the Carlsberg Research Laboratory is to provide the following services to beer brewing 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;
- Delivery of Carlsberg yeast to production sites;
- Optimum positioning of Carlsberg by preparing Carlsberg for the implementation of future biotechnology.

These services are requested by Carlsberg Breweries A/S through Carlsberg Corporate Supply Chain.

Carlsberg A/S has the ownership of the Carlsberg brand and the Carlsberg yeast. Consequently, it is the responsibility of the Carlsberg Research Center to conduct brewery related research to ensure that the "Carlsberg Golden Words" are observed globally in relation to the brewing of Carlsberg beer.

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.

For thousands of years, brewer's yeast has been selected for good brewing and flavour qualities and today it is possible to make an even faster and more targeted yeast improvement by using modern scientific methods. Like with many other cultivated organisms, it is possible to cross yeast strains. Different strains are crossed in order to combine the best properties. The results of such cross-breeding are tested in advanced experimental plants, making it possible to select the yeast with the best brewing qualities.

During the past 10 years, new strains of brewer's yeast have been developed at the Carlsberg Research Center, and this has made it possible to improve both processing time and flavour qualities.

Carlsberg Properties

Carlsberg Properties handles Carlsberg A/S' property portfolio, including the development and building on the approx. 400,000 m^2 former domicile and plant of Tuborg Breweries overlooking the sound between Denmark and Sweden in Hellerup, north of Copenhagen.

At Tuborg Nord, which constitutes almost half of the extensive area, construction of two large company domiciles for NCC Danmark and icl invia with a total floorage of about 22,000 m^2 was completed this year. The last major company domicile of about 16,000 m^2, which will house inter alia Microsoft, is under construction and completion is expected by the end of 2002. The non-residential part, which covers about 80% of Tuborg Nord, will then be completed.

During the year, a non-residential area of domicile buildings with a floorage of about 48,000 m^2 has been sold to the pension insurance company PKA. In addition, Tuborg's old mineral water plant with a floorage of about 9,000 m^2 has now been sold to the Oticon Foundation.

The remaining part of the Tuborg Nord area will be used for housing construction. The first phase with construction of 40 high-quality flats has been completed, and the second phase with construction of 46 similar flats is expected to be completed by the end of 2002. The flats are sold as condominiums. The phase one flats were sold very quickly, and to a wide extent this is also the case with phase two. About 100-130 flats still remain before development and construction of the entire Tuborg Nord area is completed, and phase three, with construction of about 50 flats, is expected to start at the beginning of 2002.

The development of Tuborg Syd got off to a good start. The plans include the possibility of constructing about 100,000 m^2 for non-residential building (including existing, retained property), about 100,000 m^2 for flats and approx. 25,000 m^2 for public purposes.

It is thus expected that the first domicile construction with a floorage of about 13,000 m^2 will be completed in 2002 with a domicile for the accounting firm (Arthur) Andersen, among others. Furthermore, a new school of about 7,500 m^2 built by the local authorities - the school of the future - is expected to be completed by the start of the new school term in the summer of 2002.

Additional domicile construction is expected to commence in 2002.

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

On 1 October 1938 - 50 years after the Carlsberg Foundation took over brewer J.C. Jacobsen's brewery Gammel Carlsberg (Old Carlsberg) - the foundation established the Carlsberg Bequest to the Memory of Brewer J.C. Jacobsen as a tribute to the foundation's founder, whose extensive engagement in society is well-known.

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

"Carlsberg's Research Prize for the Promotion of Chemistry" of DKK 100,000 was awarded for the first time this year. The prize is presented as a tribute to chemical research, and this year it was awarded to Professor, PhD Mikael Begtrup of the Royal Danish School of Pharmacy.

The wide range of causes that benefit from the trust is illustrated by some of the grants awarded this year:

The yacht club in Noerresundby
DKK 12,000 to purchase a weather station with anemometer in order to secure safety at sea.

The UN museum,
the former concentration camp at Froeslev
DKK 15,000 to purchase monitors and a slide projector for the presentation of movies and slides from the Danish contingents worldwide.

Knud Rasmussenip Hoejskolia, Greenland
DKK 19,600 to purchase a new piano.

The student house of the University of Copenhagen
DKK 87,000 to improve the lighting on and around the live music stages in the cafe of the student house.

Carlsberg's grant for "bright ideas" (Carlsbergs Idé-Legat)
Every second year the Carlsberg Bequest gives DKK 1,000,000 to "Carlsbergs Idé-Legat". The purpose of this grant is to give a helping hand to creative and enterprising young people participating in cultural life and recreational activities. In 2001, 83 projects were awarded between DKK 5,000 and DKK 15,000. Of the grant's funds, DKK 100,000 are used for an award called "Discovery of the year" and the sum is divided among four young talents, who have made re-markable efforts of a creative or cultural nature.

In 2001, the prizes were awarded to film director Natasha Arthy, writer Ursula Andkjær Olsen, architect Leif Gjerding Jørgensen and skater Thomas Vestergård Madsen.

The Tuborg Foundation

The Tuborg Foundation was established on 9 February 1931 in order to mark the 40th anniversary of the foundation of The United Breweries.

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".

All branches of Danish society have benefited from the Tuborg Foundation. Trade and industry, art, culture, education and sports have all received grants. Since its establishment, the foundation has granted about DKK 500m measured in current value to more than 11,000 large and small projects in Denmark.

As a new feature this year, the foundation has published a free newspaper with articles about both large and small projects that have received grants from the foundation during the year. The paper is distributed to companies and consumers.

In 2001, the foundation has distributed approx. DKK 20m to about 450 activities. Some examples are:

"Greenification" of the Kongens Nytorv square in Copenhagen
The municipality of Copenhagen has received a grant of DKK 1.6m to replant the circle of trees in the Kongens Nytorv square with 80 new emperor linden trees.

School of advanced nursing education introduces distance teaching
The School of Advanced Nursing Education in Denmark received a grant of DKK 167,000 to implement a distance teaching and conference system.

Young people at sea
The Thuroe yacht club received a grant of DKK 25,000 to purchase a used soling for the youth group sailors.

Emerging stars
The Danish Musical Academy in Fredericia received a grant of DKK 49,900 to purchase digital video equipment for use in day-to-day teaching and in connection with stage appearances.

More than DKK 1m for the "clever brains" prize
The Business Economics Prize of the Tuborg Foundation was awarded for the third time. Seven PhD students each received DKK 150,000 for a stay at a university in the US.

Photo next pages: Capadocia, Turkey.


Carlsberg

Accounts for 2001

The Carlsberg Group

Accounts, Notes, etc. for 2001

Financial Review of the Carlsberg Group

2001 in outline

- Sales of beer and soft drinks amounted to 88.2m hl against 54.6m hl in 2000.
- Net turnover totalled DKK 34.5bn against DKK 25.7bn in 2000, corresponding to an increase of DKK 8.8bn or 34%.
- Operating profit amounted to DKK 3,400m against DKK 2,087m in 2000, corresponding to an increase of DKK 1,313m or 63%.
- Special items net amounted to DKK 17m against DKK 428m in 2000.
- Net financials showed expenditure of DKK 58m against DKK 253m in 2000.
- Profit before tax totalled DKK 3,359m against DKK 2,262m in 2000.
- Group profit amounted to DKK 2,616m against DKK 1,623m in 2000.
- Carlsberg A/S' share of profit for the year amounted to DKK 1,507m against DKK 1,646m in 2000.
- Group assets totalled DKK 41.1bn against DKK 35.0bn at 31 December 2000.
- Equity amounted to DKK 12.5bn after appropriations to reserves from the profit of the year, deduction of dividend and write-off of Group goodwill etc., compared to DKK 10.6bn at 31 December 2000.
- Cash flow from operations for the period amounted to DKK 2.2bn against DKK 2.3bn in 1999/00 (15 months).

Basis of comparison

For comparison with the previous financial year, please note the changes in the Group's structure, including the inclusion of Orkla's beverage activities and the changes in the cola business in the Nordic region. In addition, the annual accounts of last year comprised 15 months. "Highlights and Key Figures, 5-year summary" includes accounting figures from the official 15-month statement as well as figures for a comparable period covering the calendar year 2000 (12 months).

In order to provide relevant comments on developments in 2001 compared to 2000, this statement contains comparable figures for the calendar year 2000 (12 months).

Carlsberg Breweries has made substantial acquisitions in Poland and Turkey in 2001. The results of these companies are included as from August and July, respectively. The acquisitions have had no significant impact on operating profit in 2001.

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. However, minor changes have been made in the contents of a few items due to, inter alia, the inclusion of Orkla's beverage activities at book value as from 1 January 2001 computed in accordance with Carlsberg's accounting policies.

In accordance with the Group's long-standing accounting policies, 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 9.1bn against equity on acquisition, of which DKK 1,598m during 2001.

In connection with the transition to new accounting policies, cf. below, part of previously written-off goodwill will be capitalised based on a duly conducted amortisation test.

Indirect production costs are not included in the value of the Group's stocks. Had the Group included such indirect production costs, the value of the stocks would have been DKK 206m higher at year-end.

A new Financial Statements Act has been implemented in Denmark with effect from 1 January 2002. This will entail a number of significant changes to the present accounting policies of the Carlsberg Group. As the most significant change, Group goodwill and other intangible assets will be capitalised and amortised. Other changes include capitalisation and depreciation of returnable packaging, capitalisation of indirect production costs as well as details on the practices relating to provisions for restructuring, etc.

The changes in accounting policies involve substantial efforts and completion of the changes is expected by the end of March 2002. Carlsberg will then immediately inform the market of the impact on the accounting figures for 2001 resulting from the changes in the policies.

The changes in the accounting policies are of a purely technical nature and will have no effect on the company's cash flow/available funds.

Significant events

On 31 May 2000, an agreement was concluded with Orkla ASA regarding the integration of Carlsberg's and Orkla's beverage activities. Final approval from the competition authorities regarding the inclusion of Orkla's beverage activities was received on 2 January 2001, and Orkla then contributed its beverage activities into Carlsberg Breweries A/S with effect in the accounts as from 1 January 2001. After the contribution, Carlsberg A/S owns 60% of Carlsberg Breweries A/S while Orkla ASA owns the remaining 40%. Orkla's beverage activities consisted of a 50% stake in BBH as well as the 100%-owned AB Pripps Bryggerier in Sweden and Ringnes AS in Norway.

In connection with the contribution of Orkla's beverage activities and the subsequent merger of Falcon and Pripps Bryggerier into Carlsberg Sverige AB, plans were made for a restructuring of the activities in Sweden. In connection with the merger it was decided to close down Pripps' former brewery and warehouse in Gothenburg. The phasing out and amalgamation of activities in Pripps Bryggerier and Falcon have characterised most of 2001. Final close-down of the brewery in Gothenburg will take place in the first half of 2002. Carlsberg Sverige AB's activities and results are significantly affected by this restructuring process.

As a consequence of the agreement with Orkla ASA, the Swedish and Norwegian competition authorities required that Carlsberg discontinued bottling, sale and distribution of either Pepsi or Coca-Cola in the Swedish and Norwegian markets. Carlsberg thus disposed of the Coca-Cola companies in Sweden, Norway and Iceland as of 1 January 2001, whereas the Coca-Cola business is continued in Denmark and Finland as 100%-owned activities of Carlsberg Breweries. 2001 saw efforts to integrate these companies into Carlsberg Danmark A/S and the Finnish brewery, Sinebrychoff, respectively. The integration process has been completed in Finland. In Denmark, the integration of distribution has been completed whereas final integration of sale and administration still remains. According to plans, completion of this integration is expected during the spring of 2002.

Carlsberg's Asian activities were not finally included in Carlsberg Asia Holding Ltd. due to pending government approvals. The activities included in the accounts are based on Carlsberg's own companies according to the legal structure in Asia prior to the establishment of Carlsberg Asia (as in 2000).

On 3 November 2000, Carlsberg's acquisition of the largest brewery in Switzerland, Feldschlösschen Getränke Holding AG, was announced. The company was included in the accounts with effect from 1 December 2000. The operations of the company have thus been fully consolidated in 2001 whereas it was included with only one month in 2000.

On 16 May 2001, Carlsberg Breweries increased its ownership in the Polish brewery Okocimskie Piwowarskie S.A. (Okocim) to 50.01%. As the company is listed, a public tender offer was made to the other shareholders on 17 May. When the tender offer expired on 2 July, the company had acquired another 30.37% of the shares, and the total stake thus amounts to 80.38%. According to the Polish Securities Commission, Carlsberg Breweries' ownership is not allowed to exceed 75% of the share capital in Okocim and Carlsberg Breweries therefore has to sell 5.38% of the share capital, when it is possible without economic losses. On 9 August 2001, Carlsberg Breweries acquired 80% of the shares in the Dutch company Dyland B.V., which owns 98.27% of the Polish brewery Browary Dolnoslaskie Piast S.A. (Piast). In December, the remaining 20% stake in Dyland B.V was acquired. Through Carlsberg Breweries' Polish subsidiary, Okocim, an agreement was also concluded in August regarding the acquisition of two other Polish breweries: Bosman Browar Szczecin S.A. (Bosman) and Kasztelan Browar Sierpc S.A. (Kasztelan). The plan is to merge all four breweries during 2002 under the name of Carlsberg Okocim. When the acquisition of Bosman and Kasztelan and the final merger have been completed during 2002, Carlsberg Okocim will be owned 67% by Carlsberg Breweries and 18% by Bitburger, Germany. The remaining shares will be held by minority shareholders.

These acquisitions make Carlsberg Okocim the third largest brewery in Poland with an expected beer volume in 2002 of almost 4m hl.

On 6 July, Carlsberg Breweries A/S entered into an agreement to increase its shareholding in the Turkish brewery Türk Tuborg Bira ve Malt Sanayii A.S. (Türk Tuborg) from 2.24% to 50.01% by acquiring 47.77% of the total share capital from Yasar Holding. Türk Tuborg is listed on the Istanbul Stock Exchange and during the statutory public tender Carlsberg Breweries acquired another 32.45% of the shares, bringing the total shareholding to 82.46%. The company is included in the Group accounts with effect from 1 July 2001.

In connection with the joining of Carlsberg A/S' and Orkla ASA' beverage activities, one of the requirements of the competition authorities was that one of the integrated company's three Lithuanian breweries should be sold. On 8 October, the sale of the Lithuanian brewery AB Kalnapilis to the Danish Bryggerigruppen was made public. At the same time it was also announced that the other two companies in the Lithuanian market, Svyturys (with Carlsberg Breweries as the direct, main shareholder) and Utenos (owned through BBH) were merged into one company called AB Svyturio-Utenos Alus. The merger was completed on 15 November 2001. The company is now owned 44% via BBH and 33% via Carlsberg Breweries A/S.

On 2 November 2001, BBH's subsidiary Baltika Brewery entered into an agreement to acquire the controlling interest in the Krinitsa brewery in Belarus.

The profit and loss account

Operating profit

Operating profit amounted to DKK 3,400m against DKK 2,087m in 2000. The increase of DKK 1,313m - or 63% - is mainly attributable to the inclusion of Baltic Beverages Holding (BBH) and Ringnes, Norway as from 1 January 2001 as well as Feldschlösschen Getränke Holding AG, which was only included with one month in 2000. BBH showed a marked rise in earnings in 2001 due to considerable sales progress in the Russian market, stemming from the general market growth and the company's increase in market share. Vena in Russia also showed substantially improved performance over previous years. Carlsberg Sverige registered unsatisfactory results for 2001. This is due to declining sales and substantial costs in connection with the integration of the two companies. Carlsberg-Tetley achieved results that were better than expected although below the level of last year. Carlsberg's Finnish company Sinebrychoff achieved significant progress in profit and gained market share, which was also the case for Carlsberg Italia, although not to the same extent. The newly acquired companies in Turkey and Poland operated in weak markets and presented unsatisfactory results. The Group's other companies achieved results slightly above the level of last year in line with expectations.

The sections below provide further details on developments in both net turnover and operating profit in the individual regions within Carlsberg Breweries, including Orkla's beverage activities. These regions account for all net turnover in the Carlsberg Group as well as for net DKK 3,077m of operating profit.

Western Europe:

DKK million	2000 (*)	2001	Δ %
Net turnover	22,567	26,294	*+16.5*
Operating profit	1,799	1,899	*+5.6*
Operating margin (%)	8.0	7.2	*-0.8*
Beer sales (million hl)	25.3	27.2	*+7.5*
Soft drink sales (million hl)	13.9	17.4	*+25.2*

(*) Pro forma comparative figures for 2000 (12 months)

Net turnover rose by DKK 3,727m (16.5%), primarily due to the acquisition of Feldschlösschen, Switzerland, which was only included with one month in the year 2000.

Operating profit was up on last year, which is attributable to the acquisition of Feldschlösschen as well as significant profit growth in Sinebrychoff, Finland. The operating margin declined from 8.0% in 2000 to 7.2% in 2001, mainly due to the unsatisfactory results in Sweden. If Sweden were excluded, operating margin in 2001 would amount to 8.7% against 8.6% in 2000.

In Denmark, beer and soft drink sales showed a slightly declining trend. Results are in line with last year, i.a. due to continued streamlining of business procedures. Carlsberg Danmark is currently working on the integration of the Coca-Cola business, and activities are proceeding according to plans.

In the United Kingdom, Carlsberg-Tetley achieved a moderate increase in market share in an otherwise stagnating market, and results were better than expected although below the level of last year. A weak start to the year was followed by a more positive trend in the subsequent quarters.

In Switzerland, Feldschlösschen registered a more favourable development than expected and thus contributes satisfactorily to the results. The restructuring is proceeding according to plans and the effect of this process is still expected in 2002.

In Sweden, Carlsberg Sverige realised unsatisfactory earnings. The negative market trend, primarily during the first six months of the year, was one of the main reasons for this development in results, but large, unexpected costs in connection with the integration of Falcon and Pripps and the introduction of Pepsi also affected results negatively. The integration of the breweries requires substantial resources and the related synergies are expected to be realised in 2002 and 2003.

In Finland, Sinebrychoff achieved significant progress in profit due to increasing market share and increased productivity. During the year, the company integrated the Coca-Cola business into its organisation and thus improved efficiency.

In Norway, Ringnes achieved modest growth in profit despite a slight decline in total volume.

In Italy, Carlsberg Italia gained market share in a modestly increasing market and improved profit due to the acquisition of distribution companies. As of 1 January 2002, Carlsberg Italia is owned 100% by Carlsberg Breweries.

In Portugal, Unicer Bebidas showed a stable trend in market share and earnings in a weak market.

In Germany, market conditions remain difficult and Hannen registered unsatisfactory results, cf. comments under Special items.

Eastern Europe:

DKK million	2000 (*)	2001	Δ %
Net turnover	3,970	6,062	*+52.7*
Operating profit	708	1,183	*+67.1*
Operating margin (%)	17.8	19.5	*+1.7*
Beer sales (million hl)	23.0	29.4	*+27.8*

(*) Pro forma comparative figures for 2000 (12 months)

Net turnover rose by 52.7% to DKK 6,062m, which is due to growth in BBH and Vena as well as the consolidation of Türk Tuborg, Turkey and Piast, Poland.

Operating profit increased by 67.1% to 1,183m against DKK 708m last year. The increase is primarily attributable to organic growth in turnover and profit in Russia.

In BBH, net turnover rose by 54% to DKK 3,659m. The total volume growth in beer of 30% stems from organic growth. BBH increased its market share in Russia to 30%, corresponding to a rise of about 3%-points compared to last year. The company thus continued its strong progress, both as regards volume and profit.

In Russia, Vena saw significant growth and reversed last year's negative results to very satisfactory results.

In Poland, the implementation of Carlsberg Okocim's new structure has been initiated. It is expected to be operational by Q2, 2002. The market trend was weaker than expected and results are unsatisfactory. The Piast brewery has been consolidated with effect from 1 August 2001.

In Turkey, Carlsberg Breweries increased its shareholding in Türk Tuborg to 82.46%. The company has experienced difficult market conditions and operating profit is slightly negative. The brewery has been consolidated with effect from 1 July 2001.

Asia:

DKK million	2000 (*)	2001	Δ %
Net turnover	1,842	1,891	*+2.7*
Operating profit	355	417	*+17.5*
Operating margin (%)	19.3	22.1	*+2.8*
Beer sales (million hl)	10.5	11.3	*+7.6*

(*) Pro forma comparative figures for 2000 (12 months)

Net turnover increased by 2.7% to DKK 1,891m. Most markets showed modest progress.

Operating profit rose by 17.5% to DKK 417m. The increase is primarily due to the sale of the loss-making brewery in China last year.

Other operating income, net

Other operating income mainly relates to sale of property and land at Tuborg's former brewery site. 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 from participating interests in associated companies

During the financial year, results of other associated companies showed a modest decline compared to last year. One of the reasons for this decline is the deficit from Royal Scandinavia, which was not included under this item last year when the company was a subsidiary. To the opposite effect, CCNB (the former Coca-Cola "Anchor Bottler" and previous owner of the Nordic Coca-Cola companies) realised positive results during the winding-up phase.

Special items

As in previous years, this item includes significant non-recurring amounts. Special items net amounted to DKK 17m against DKK 428m last year.

Due to the favourable development in results of the Vena brewery in Russia, DKK 200m was reversed in 2001 in relation to a previous write-down. In addition, a write-down of DKK 200m on the fixed assets of the loss-making Hannen brewery in Germany was made.

Financials, net

Financials showed a negative DKK 58m against a negative DKK 253m in 2000. Adjusted for the gains from i.a. the sale of minority shareholdings in the Thai breweries (net DKK 518m), financials showed net expenditure of DKK 576m in line with expectations. In 2001, financials were affected by interest expenses in connection with the financing of the acquisitions in Turkey and Poland in 2001 and the acquisition in Switzerland in December 2000.

Corporation tax

Corporation tax for the period totalled DKK 743m, corresponding to an effective tax rate of 22.1% compared to 29.4% last year. The reduced tax rate is mainly attributable to the reduction in tax on the comparatively large capital gains and to the low tax rate in Baltic Beverages Holding (BBH).

Minority interests

Developments in this item are essentially attributable to the new Group structure with the establishment of Carlsberg Breweries, of which Orkla owns 40%.

The balance sheet

The balance sheet total at 31 December 2001 increased by DKK 6.1bn compared to last year. This is mainly ascribable to the inclusion of Orkla's beverage activities as from 1 January 2001, the changes in the Nordic cola business and the acquisitions in Turkey and Poland.

Equity

Equity totalled DKK 12.5bn (Carlsberg A/S' share amounted to DKK 8.1bn) 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 and the contribution of Orkla's beverage activities.

Deductions in equity are primarily attributable to Group goodwill in connection with the takeover of the companies in Turkey and Poland.

Provisions

Provisions amounted to DKK 3,702m against DKK 3,131m last year. The majority of this amount (a total of DKK 3,156m) relates to provisions for pensions, etc. (DKK 780m), repayment obligations in connection with packaging material (DKK 1,239m) and deferred tax (DKK 1,137m). These items saw a total increase of DKK 724m, which is mainly attributable to the inclusion of Orkla's beverage activities, the changes in the Nordic cola business and the acquisition of the companies in Turkey and Poland.

Other provisions amounted to DKK 546m, and provisions were applied according to plans during the period. A total of DKK 172m before tax was applied (against DKK 534m last year) of the provisions made regarding Coca-Cola Nordic Beverages a/s (CCNB) and the compensation received in connection with the Allied Domecq (AD) agreement in 1995/96. The remaining provisions relating to CCNB and AD amount to DKK 78m after tax and will be applied in 2002. Provisions of DKK 100m were made from the gains realised in connection with the sale of the shares in Thailand and will be applied in connection with costs in relation to the new structure in Asia.

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 3.8bn against DKK 3.0bn last year (15 months). Total cash flow from operations amounted to DKK 2.2bn against DKK 2.3bn last year (15 months), which is a considerable improvement when taking into account the accounting period.

The Group has sold securities, resulting in a positive net contribution of DKK 0.8bn. This revenue has been applied to reduce short-term debt to credit institutions. Increased tied-up working capital amounted to DKK 1.6bn.

DKK 3.6bn was applied for the purchase of tangible fixed assets and net DKK 2.0bn for the acquisition of companies, etc.

Free cash flow amounted to a negative DKK 1.3bn against a negative DKK 3.8bn last year.

When taking the Group's increase in debt into consideration, a total positive cash flow of DKK 1.0bn appears for the financial year.

In aggregate, cash at bank and in hand of the Group amounted to DKK 3.2bn at 31 December 2001.

Securities, cash and cash equivalents and interest-bearing debt

At 31 December 2001, securities, cash and cash equivalents, consisting of cash at bank and in hand and listed securities, amounted to DKK 3.3bn (2000: DKK 2.9bn) based on official stock exchange prices. Furthermore, confirmed but unutilised credit facilities amounted to about DKK 4.4bn (2000: DKK 3.4bn).

The net interest-bearing debt totalled DKK 10.9bn which is an increase of about DKK 0.6bn. This is a natural consequence of the investments described above.

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

Financial risks

As an international business the Carlsberg Group is exposed to a number of financial risks, primarily through Carlsberg Breweries A/S. Financial risks and management and planning of liquidity are managed centrally, including funding and placement of excess liquidity. The use of financial instruments is regulated by instructions approved by the Board of Directors and by internal procedures. The instructions and procedures specify the types of financial instruments allowed, counterparties and risk limits.

Exchange rate risks

By far the predominant part of turnover originates from foreign companies translating into Danish kroner according to computed average exchange rates. Fluctuations in these currencies against the Danish krone will have a direct impact on the Company's profit and loss account. The company's exchange rate exposure is distributed on many countries outside Denmark. Carlsberg Breweries' exchange rate exposure is primarily related to EURO, GBP, CHF and RUR.

Compared to previous years, the Danish krone accounts for a significantly smaller part of earnings. This is mainly attributable to the addition of Orkla's beverage activities, of which BBH in particular accounts for a substantial part of earnings (30%).

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 with long-term loans in foreign currencies raised to hedge investments in subsidiaries.

The company pursues a policy of monitoring and managing this exposure centrally through financial transactions, and net debt is an important element in the company's hedging of exchange rate risks. The currency composition of net debt is based on considerations regarding the composition of assets and liabilities and the currencies.

The principles governing the management of exchange risks stipulate that this function is carried out by the company's Corporate Treasury department. The currency exposure in the individual Group companies is eliminated through intra-Group financial transactions and exposure is thus aggregated and managed centrally.

In 2001, only minor fluctuations were registered in the primary currencies involving exchange rate risks for the company.

Interest rate risks

The most significant interest rate exposure relates to interest-bearing debt, as the company did not hold any significant long-term, interest-bearing assets as at 31 December 2001.

The company's loan portfolio consists of listed bond loans (GBP 200m matures in 2013, GBP 250m matures in 2011 and CHF 100m matures in 2004), bilateral loan agreements and syndicated credit facilities primarily raised in currencies in which the company holds assets. The management of the interest rate exposure involves the use of interest rate instruments such as interest rate swaps and options as well as fixed and floating rate debt.

The long-term debt primarily consists of floating rate loans (67% in 2001 against 19% in 2000). As at 31 December 2001, the average term to maturity of the Group's loans was approximately 1.96 years. The DKK duration is DKK 225m, corresponding to the change in market value of external debt that a 1% change in interest rates would cause.

Liquidity risks

To the extent deemed expedient, the company pursues a policy of managing funding and placement of liquid funds centrally. Funding takes place based on the subsidiaries' investment and operational liquidity requirements. The subsidiaries' excess liquidity is equalised internally through intra-Group accounts. Local conditions may mean that subsidiaries' borrowing is not handled centrally.

Credit risks

The company monitors credit risks from central quarters. Guidelines stipulate that contracts can only be entered into with financial institutions with high debtor ratings. Cash at bank and in hand is deposited with banks with high credit rating and the company's trade debtors are distributed in such a manner that the Group's credit risk is not considered exceptional.

Carlsberg Breweries advances loans to the on-trade, particularly in the United Kingdom through Carlsberg-Tetley. These loans amounted to approx. DKK 1.4bn. The loans are subject to continuous control and supervision, and it is estimated that provisions made are sufficient to cover any loss.

Accounting Policies

The annual accounts have been prepared in accordance with Danish accounting legislation and current Danish accounting standards. The accounting policies are unchanged from last year although there are a few changes in the contents of individual items due to the incorporation of inter alia Orkla's beverage activities.

Consolidation principles

The Group accounts of the Carlsberg Group comprise the accounts of the Parent Company, Carlsberg A/S, and its subsidiaries, i.e. companies in which the Parent Company, directly or indirectly, holds the majority of the voting rights or - in some other way - has 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 being incorporated. 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 subsidiaries 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 is 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 companies, the company's results are included in the Group's profit and loss account until the date of disposal. Any realised gains or losses compared to the book value at the date of disposal are recorded in the profit and loss account. Orkla's beverage activities are included at book value as from 1 January 2001.

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 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 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, and provisions and any reversal of such items.

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

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

Corporation tax for the year, comprising tax payable for the year and adjustments in deferred tax, is recognised in the profit and loss account at the share attributable to profit for the year. Tax on items taken directly to equity is recognised correspondingly.

Deferred tax
Deferred tax is provided for all temporary differences between accounting and tax values. 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 fully charged to the profit and loss account 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 (equity calculated in accordance with Group accounting policies) less unrealised intercompany profits.

Other investments and shareholdings 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 costs, 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 accounts in accordance with the accounting policies applying 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 well as cash and cash equivalents at the beginning and end of the financial year.

Cash flow from operating activities includes 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 flow from investing activities arises from the acquisition and disposal of undertakings, investments in other fixed assets and dividends received.

Cash flow from financing activities includes 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.

Profit and Loss Account 2001

Parent Company 1999/00 DKK million (15 months)	Parent Company 2001 DKK million	Note	Profit and Loss Account	Group 2001 DKK million	Group 1999/00 DKK million (15 months)
3,343	-	1	Turnover	46,975	47,351
1,200	-	2	Production costs	17,393	17,291
776	-		Excise duties on beer and soft drinks, etc.	12,515	12,433
1,367	-		GROSS PROFIT	17,067	17,627
1,115	-	2	Sales and distribution expenses	11,386	12,546
133	46	2	Administration expenses	2,752	2,722
119	128	3	Other operating income, net	430	524
1,733	1,607	4	Profit before tax from participating interests in subsidiaries		
174	-	4	Profit before tax from participating interests in pro rata consolidated associated companies		
15	4	4	Profit before tax from participating interests in other associated companies	41	51
2,160	1,693		OPERATING PROFIT	3,400	2,934
644	-	5	Special items, net	17	428
2,804	1,693		PROFIT BEFORE FINANCIALS	3,417	3,362
98	129	6	Income from other participating interests, etc.	688	124
652	301	7	Other interest income and similar income	1,210	1,376
49	-		Write-down of fixed asset investments, securities, etc.	78	86
567	170	8	Interest expenses and similar charges	1,878	1,621
2,938	1,953		PROFIT BEFORE TAX	3,359	3,155
805	446	9	Corporation tax	743	928
			GROUP PROFIT	2,616	2,227
			Minority interests	1,109	94
2,133	1,507		PROFIT FOR THE YEAR, Carlsberg A/S´ share	1,507	2,133
			Proposed appropriation:		
345	320		Dividend to shareholders		
1,788	1,187		Appropriated to reserves		
2,133	1,507				

Balance Sheet as at 31 December 2001

Parent Company 31.12.00 DKK million	Parent Company 31.12.01 DKK million	Note	Assets	Group 31.12.01 DKK million	Group 31.12.00 DKK million
			FIXED ASSETS		
		10	Tangible fixed assets		
437	828		Land and buildings	7,683	6,805
12	9		Plant and machinery	7,983	5,984
4	2		Other fixtures and fittings, tools and equipment	3,061	3,230
30	230		Construction in progress	1,599	476
483	1,069			20,326	16,495
		11	Fixed asset investments		
6,001	4,083		Participating interests in subsidiaries		
6	6		Loans to subsidiaries		
85	178		Participating interests in associated companies	625	474
155	-		Loans to associated companies	63	195
57	34		Other investments and shareholdings	1,572	621
49	-		Other debtors	1,992	1,834
-	80	17	Deferred tax	480	1,076
0	0	12	Holding of own shares	35	0
6,353	4,381			4,767	4,200
6,836	5,450		TOTAL FIXED ASSETS	25,093	20,695
			CURRENT ASSETS		
			Stocks and debtors		
-	-	13	Stocks	2,865	1,977
3	8		Trade debtors	6,580	5,564
1,279	2,771		Amounts owed by subsidiaries		
636	97		Amounts owed by associated companies	209	969
998	418		Other debtors	2,542	2,380
-	-		Pre-payments and accrued income	489	506
2,916	3,294			12,685	11,396
			Securities, cash and cash equivalents		
8	8	14	Shares	9	10
821	-	14	Bonds and other securities	117	1,212
179	382		Cash at bank and in hand	3,165	1,678
1,008	390			3,291	2,900
3,924	3,684		TOTAL CURRENT ASSETS	15,976	14,296
10,760	9,134		TOTAL ASSETS	41,069	34,991

Balance Sheet as at 31 December 2001

Parent Company 31.12.00 DKK million	Parent Company 31.12.01 DKK million	Note	Equity and Liabilities	Group 31.12.01 DKK million	Group 31.12.00 DKK million
		15	EQUITY AND LIABILITIES		
1,278	1,278	16	Share capital	1,278	1,278
7,702	6,781		Reserves	6,781	7,702
8,980	8,059			8,059	8,980
			Minority interests	4,454	1,651
8,980	8,059		TOTAL EQUITY	12,513	10,631
			LIABILITIES		
			PROVISIONS		
51	51		Pensions and similar commitments	780	366
-	-		Liabilities for deposits on returnable packaging	1,239	1,142
24	-	17	Deferred tax	1,137	924
25	50	18	Other	546	699
100	101		TOTAL PROVISIONS	3,702	3,131
			DEBT		
		19	Long-term debt		
-	-		Bond loans	7,172	3,047
-	-		Credit institutions	4,804	2,887
-	-		Other	66	75
-	-			12,042	6,009
			Current debt		
-	-		Bond loans	598	1,170
1,013	-		Credit institutions	1,601	6,022
4	55		Trade creditors	3,414	2,651
95	467		Amounts owed to subsidiaries		
60	65		Amounts owed to associated companies	348	150
23	-		Corporation tax	518	161
3	-		Excise duties and VAT	1,596	1,262
124	53		Other	3,312	2,278
13	14		Accrual and deferred income	1,105	1,181
345	320		Proposed dividend	320	345
1,680	974			12,812	15,220
1,680	974		TOTAL DEBT	24,854	21,229
10,760	9,134		TOTAL EQUITY AND LIABILITIES	41,069	34,991

20 Contingent liabilities and other commitments etc. of the Group.
22 Related parties.

Cash Flow Statement of the Group 2001

		2001 DKK million	1999/00 DKK million (15 months)
	Operating profit	3,400	2,934
	Depreciation	2,224	2,153
	Other adjustments	-407	-853
	Financial income, net	-578	-507
	Corporation tax paid	-839	-753
	Cash flow from operations before changes in working capital	3,800	2,974
	Change in debtors	-770	-953
	Change in stocks	-176	-254
	Change in creditors, excise duties, etc.	-639	538
	CASH FLOW, OPERATIONS	2,215	2,305
	Acquisition of tangible fixed assets,net	-3,551	-2,770
21	Acquisition/disposal of companies, net	-1,996	-4,309
	Acquisition of fixed asset investments	-656	-
	Disposal of other fixed asset investments, net	848	248
	Disposal of securities	821	736
	Dividend received from associated companies	1,020	38
	CASH FLOW, INVESTMENTS	-3,514	-6,057
	Dividend paid	-345	-256
	Receivables from sale of companies, etc.	656	-
	Repayment on debt	-1,013	-
	Minority interests	-513	-353
	Financial income and expenditure	3,517	4,150
	CASH FLOW, FINANCING	2,302	3,541
	CASH FLOW FROM OPERATIONS, INVESTMENTS AND FINANCING	1,003	-211
	Cash and cash equivalents, beginning of year	1,678	1,793
	Currency translation adjustments in cash and cash equivalents	-21	96
	Acquired/sold cash at bank and in hand	505	-
	Cash flow for the year	1,003	-211
	CASH AND CASH EQUIVALENTS, YEAR-END	3,165	1,678

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

Notes to the Accounts

(DKK million)

		2001	%
1	Group turnover by key segments within beverage activities:		
	Western Europe	36,588	78
	Eastern Europe	6,596	14
	Asia	2,976	6
		46,160	98
	Other activities	815	2
		46,975	100

Licence fees are included in turnover.

2 Total wages, salaries, personnel costs, fees to auditors appointed at the Annual General Meeting of the Parent Company and depreciation are as follows:

	2001	1999/00 (15 months)
Wages, salaries and personnel costs:		
Group:		
Wages salaries and remuneration	5,635	6,467
Pensions	359	361
Other social security costs	626	698
Other personnel costs	82	81
	6,702	7,607
Parent Company:		
Wages, salaries and remuneration	62	702
Pensions	8	53
Other social security costs	1	12
Other personnel costs	1	16
	72	783

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 3m (1999/00 (15 months): DKK 17m) and to the Board of Directors of DKK 4m (1999/00 (15 months): DKK 3m).

In the financial year, the average number of employees in the Parent Company was 150 (1999/00: 1,749) and in the Group 27,368 (1999/00: 23,641), of whom 5,526 were employed in pro rata consolidated companies.

	2001	1999/00 (15 months)
Fees to the auditors of the Parent Company appointed at the Annual General Meeting:		
PricewaterhouseCoopers:		
Audit	0.7	2.0
Other services	2.7	3.0
KPMG:		
Audit	0.3	2.0
Other services	2.3	22.0

Other services include fees for assistance in connection with internal projects, changes in accounting policies as well as due diligence, etc.

	2001	1999/00 (15 months)
Depreciation and write-down:		
Parent Company	26	317
Subsidiaries and associated companies	2,198	1,836
Group	2,224	2,153
Included in the Group Profit and Loss Account under the following items:		
Other operating costs	26	-
Production costs	1,323	1,259
Sales and distribution costs	687	729
Administration expenses	188	165
Total depreciation and write-down	2,224	2,153

Notes to the Accounts

(DKK million)

3 As in previous years, other operating income net includes Carlsberg-Tetley's distribution of other beverages, income from rental properties, profit from disposal of properties as well as gains and losses in connection with sale of fixed assets.

4 Profit from participating interests:

	2001	1999/00 (15 months)
Group:		
Profit from participating interests in other associated companies:		
Profit before tax	41	51
Corporation tax	13	11
Profit after tax	28	40
Parent Company:		
Profit from participating interests in subsidiaries:		
Profit before tax	1,607	1,733
Corporation tax	415	695
Profit after tax	1,192	1,038
Profit from participating interests in pro rata consolidated associated companies:		
Profit before tax	-	174
Corporation tax	-	60
Profit after tax	-	114
Profit from participating interests in other associated companies:		
Profit before tax	4	15
Corporation tax	4	3
Profit after tax	0	12

	2001		1999/00 (15 months)	
	Group	Parent Company	Group	Parent Company
5 Special items:				
Income:				
Profit from sale of shares in Group companies	48	-	536	536
Reversal of previous write-downs in OAO Vena	200	-	-	-
Reversal of provisions, etc.	-	-	353	248
Expenditure:				
Write-down of tangible fixed assets in Hannen Brauerei GmbH	200	-	-	-
Restructuring, etc.	31	-	461	140
Special items, net	17	-	428	644

6 Income from other participating interests, etc.:
Realised gains relating to other participating interests, etc. amounting to DKK 647m (1999/00 DKK 80m) have been booked as income in the Group accounts.

7 Other interest income and similar income:
Includes financial income etc. paid by the subsidiaries to the Parent Company of DKK 123m (1999/00: DKK 225m).

Realised gains relating to marketable shares and bonds totalling DKK 17m (1999/00: DKK 155m) have been booked as income in the Group accounts.

8 Interest expenses and similar charges:
Includes financial expenses paid by the Parent Company to subsidiaries of DKK 4m (1999/00: DKK 347m).

Notes to the Accounts

(DKK million)

		2001	1999/00 (15 months)
9	Corporation tax comprises:		
	Parent Company's share of tax on profit for the financial year	47	43
	Deferred tax	17	-
	Adjustment for previous years	-9	4
	Adjustments for previous years, deferred tax	-28	-
	Tax charge for Parent Company, adjusted	27	47
	Parent Company's share of tax in subsidiaries, cf. note 4	415	695
	Parent Company's share of tax in associated companies, cf. note 4	4	63
	Parent Company's share of Group tax	446	805
	Minority shareholders' share of Group tax	297	123
	Group	743	928

In the financial year, corporation taxes paid amounted to DKK 839m for the Group (1999/00: DKK 753m) and DKK 28m (1999/00: DKK -76m) including taxes paid outside Denmark. The Parent Company and its Danish subsidiaries participate in the tax on account scheme.

Reconciliation of tax rate:

Tax rate in Denmark	30.0%
Difference in tax rate, foreign subsidiaries	-3.6%
Non-taxable income and non-tax deductible expenses	-3.4%
Prior year tax adjustment	-1.0%
Other	0.1%
Effective tax rate for the year	22.1%

10	Tangible fixed assets:	Land and buildings	Plant and machinery	Other fixtures and fittings, etc.	Construction in progress
	Group:				
	Cost				
	Cost at 1 January 2001	8,965	13,698	7,081	476
	Additions relating to acquisition/contribution of companies	2,716	6,241	1,453	955
	Additions during the year	579	1,471	561	1,493
	Disposals relating to divestment of companies	1,684	1,597	1,603	98
	Disposals during the year	752	907	1,461	293
	Currency translation adjustments, etc.	63	207	203	40
	Transfers	533	440	1	-974
	Cost at 31 December 2001	10,420	19,553	6,235	1,599
	Revaluation				
	Revaluation at 1 January 2001	949	588	15	0
	Revaluation and write-downs for the year	1	153	6	-
	Currency translation adjustments, etc.	18	15	-	-
	Revaluation at 31 December 2001	968	756	21	0
	Depreciation and write-downs				
	Depreciation and write-downs at 1 January 2001	3,109	8,302	3,866	0
	Additions relating to acquisition of companies	796	3,885	873	-
	Depreciation and write-downs for the year	287	1,363	574	-
	Disposals relating to divestment of companies	303	567	766	
	Depreciation and write-downs eliminated on disposals during the year	274	691	1,198	-
	Currency translation adjustments, etc.	72	52	-154	-
	Transfers	18	-18	-	-
	Depreciation and write-downs at 31 December 2001	3,705	12,326	3,195	0
	Book value at 31 December 2001	7,683	7,983	3,061	1,599

The book value of land and buildings in Denmark amounted to DKK 1,846m (31.12.2000: DKK 1,810m).
The value of property in Denmark as assessed for tax purposes amounted to DKK 4,840m at 1 January 2001 (31.12.2000: DKK 3,542m)

Notes to the Accounts

(DKK million)

10 Tangible fixed assets:

	Land and buildings	Plant and machinery	Other fixtures and fittings, etc.	Construction in progress
Parent Company:				
Cost				
Cost at 1 January 2001	853	79	7	30
Transferred from subsidiaries	55	-	-	94
Additions during the year	142	-	-	647
Disposals during the year	80	-	-	267
Transfers	270	4	-	-274
Cost at 31 December 2001	1,240	83	7	230
Depreciation and write-downs				
Depreciation and write-downs at 1 January 2001	416	67	3	-
Disposals relating to divestment	-	-	-	-
Depreciation and write-downs for the year	17	7	2	-
Depreciation and write-downs eliminated on disposals during the year	-21	-	-	-
Depreciation and write-downs at 31 December 2001	412	74	5	0
Book value at 31 December 2001	828	9	2	230

The value of land and buildings in Denmark as assessed for tax purposes at 1 January 2001 aggregated DKK 2,829m (31.12.2000: DKK 1,840m).

11 Fixed asset investments:

	Associated companies Participating interests	Associated companies Loans	Other securities and participating interests	Other loans
Group:				
Cost				
Cost at 1 January 2001	783	356	657	2,089
Additions relating to acquisition of companies	40	-	49	75
Additions during the year	962	23	1,136	671
Disposals during the year	1,069	-	196	559
Currency translation adjustments, etc.	-	-	-43	-8
Cost at 31 December 2001	716	379	1,603	2,268
Value adjustments				
Value adjustments at 1 January 2001	-180	-	12	-
Additions relating to acquisition of companies	40	-	-	-
Additions during the year	-380	-	-	-
Share of profit for the year	28	-	-	-
Dividends received	-14	-	-	-
Disposals during the year	-2	-	-	-
Group goodwill, currency translation adjustments, etc.	558	-	3	-
Value adjustments at 31 December 2001	50	-	15	-
Depreciation and write-downs				
Depreciation and write-downs at 1 January 2001	129	161	48	255
Additions relating to acquisition of companies	0	-	3	0
Additons during the year	4	-	-	-
Depreciation and write-downs for the year	15	155	-	18
Disposals during the year	7	-	6	16
Currency translation adjustments, etc.	-	-	1	19
Depreciation and write-downs at 31 December 2001	141	316	46	276
Book value at 31 December 2001	625	63	1,572	1,992

Other loans mainly relate to on-trade loans in subsidiaries.

The quoted value of other stock-exchange listed shares of the Group at 31 December 2001 exceeds the book value by DKK 368m (31.12.2000: DKK 40m)

Notes to the Accounts

(DKK million)

11 Fixed asset investments:	Subsidiaries Participating interests	Subsidiaries Loans	Associated companies Participating interests	Associated companies Loans	Other securities and participating interests
Parent Company:					
Cost					
Cost at 1 January 2001	7,317	118	233	310	90
Additions during the year	1	-	4	-	-
Disposals during the year	66	-	1,020	-	23
Currency translation adjustments, etc.	-	-	-	-	-
Transfers	-913	-	913	-	-
Cost at 31 December 2001	6,339	118	130	310	67
Value adjustments					
Value adjustments at 1 January 2001	-1,316	-	-148	0	-
Adjustment relating to additions from Orkla	-1,361	-	-	-	-
Share of profit for the year	1,192	-	0	-	-
Dividend received	-	-	-1	-	-
Group goodwill, currency translation adjustments, etc.	-1,151	-	577	-	-
Transfers	380	-	-380	-	-
Value adjustments at 31 December 2001	-2,256	-	48	0	-
Depreciation and write-downs					
Depreciation and write-downs at 1 January 2001	-	112	-	155	33
Depreciation and write-downs for the year	-	-	-	155	-
Depreciation and write-downs at 31 December 2001	-	112	-	310	33
Book value at 31 December 2001	4,083	6	178	0	34

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

12 Holding of own shares:	Number of shares	Nominal value	% of share capital
Group:			
Holding at 1 January 2001	200,000	4	0.3
Sold during the year	100,000	2	0.2
Purchased during the year by Carlsberg Breweries	100,000	2	0.2
Holding at 31 December 2001	200,000	4	0.3

The quoted value of own shares at 31 December 2001 amounted to DKK 70m.
The purchase of own shares during the year by Carlsberg Breweries A/S in the market at a price of DKK 39m has taken place to cover the company’s share option programmes for the Executive Board and key managers.

	Number of shares	Nominal value	% of share capital
Parent Company:			
Holding at 1 January 2001	200,000	4	0.3
Sold during the year	100,000	2	0.2
Holding at 31 December 2001	100,000	2	0.2

The Parent Company has sold own shares in the market amounting to DKK 39m.

Notes to the Accounts

(DKK million)

		31.12.01	31.12.00
13	Stocks:		
	Group:		
	Raw materials and consumables	1,014	662
	Work in progress	222	150
	Finished goods of own production and goods purchased for resale	1,589	1,117
	Contract work in progress for the account of third parties	40	48
		2,865	1,977

Contract work in progress for the account of third parties is stated at the appropriate proportion of the contract price DKK 928m (31.12.2000: DKK 300m) less payments received on account, DKK 888m (31.12.2000: DKK 252m). Accumulated profit on work in progress has been included in the amount of DKK 91m (31.12.2000: DKK 52m).

14 The quoted value of shares and bonds owned by the Group at 31 December 2001 exceeds the book value by 0m (31.12.2000: DKK 1m).

15 Equity

	Share capital Movements in equity in the financial year:		Share premium account	Reserves	Total
	Group 2001				
	Equity at 1 January	1,278	5,058	4,295	10,631
	Profit for the year	-	-	2,616	2,616
	Write-off of goodwill, including prior year adjustment	-	-	-1,598	-1,598
	Changes in minority interests	-	-	-756	-756
	Currency translation adjustments, etc.	-	-	160	160
	Other adjustments relating to Group companies	-	-	-34	-34
	Addition of Orkla's beverage activities, net	-	1,129	685	1,814
	Share premium account brought forward to reserves	-	-6,187	6,187	0
	Proposed dividend, Carlsberg A/S	-	-	-320	-320
	Equity at 31 December	1,278	0	11,235	12,513
	Parent Company 2001				
	Equity at 1 January 2001	1,278	-	7,702	8,980
	Profit for the year	-	-	1,507	1,507
	Write-off of goodwill	-	-	-771	-771
	Other adjustments of equity	-	-	-72	-72
	Currency translation adjustments, etc	-	-	96	96
	Addition relating to Orkla's beverage activities, net	-	-	-1,361	-1,361
	Proposed dividend	-	-	-320	-320
	Equity at 31 December 2001	1,278	-	6,781	8,059
	Parent Company 2000				
	Equity at 1 January	1,278	-	9,113	10,391
	Profit for the year	-	-	2,133	2,133
	Write-off of goodwill	-	-	-3,628	-3,628
	Other adjustments	-	-	429	429
	Proposed dividend	-	-	-345	-345
	Equity at 31 December	1,278	-	7,702	8,980

DKK 35m of Reserves are reserved for own shares.

16	Share capital: Share capital comprises:	Number of shares of DKK 20	Nominal value
	A-shares	35,257,090	705
	B-shares	28,649,192	573

Notes to the Accounts

(DKK million)

		2001	2000
17	Deferred tax:		
	Group:		
	Assets:		
	Deferred tax assets, beginning of the year	1,076	1,077
	Additions relating to acquisitions/contribution of companies	139	-
	Disposals relating to divestments	866	97
	Adjustments, previous years	155	-
	Adjustments of deferred tax assets for the year	-24	96
	Deferred tax assets at 31 December 2001	480	1,076
	Liabilities:		
	Deferred tax liabilities, beginning of the year	924	682
	Additions relating to acquisitions/contribution of companies	244	233
	Disposals relating to divestments	50	55
	Adjustments, previous years	19	-
	Adjustments of deferred tax liabilities for the year	-	64
	Deferred tax liabilities at 31 December 2001	1,137	924
	Parent Company:		
	Assets:		
	Deferred tax assets , beginning of the year	0	-
	Brought forward from deferred tax liabilities	-16	-
	Adjustments for the year	96	-
	Deferred tax assets at 31 December 2001	80	-
	Liabilities:		
	Deferred tax liabilities, beginning of the year	24	155
	Adjustment for the year	-8	-131
	Carried forward to deferred tax assets	-16	-
	Deferred tax liabilities at 31 December 2001	-	24

Deferred tax assets are included at the expected realisable value.

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

The provision for deferred tax of the Group as at 31 December 2001 relates to the following items:

	Assets	Liabilities
Land and buildings	5	297
Plant and machinery	37	818
Stocks	74	22
Debtors	109	0
Provisions	78	0
Other items, including tax losses	177	0
Total deferred tax	480	1,137

		Group	Parent Company
18	Other provisions:		
	Other provisions at 1 January 2001.	699	25
	Additions relating to acquisitions/contribution of companies	182	-
	Additions during the year	45	25
	Disposals relating to divestments	26	-
	Disposals during the year	354	-
	Other provisions at 31 December 2001	546	50

For further details, please see the Financial Review.

Notes to the Accounts

(DKK million)

		31.12.01	31.12.00
19	Long-term debt		
	Repayments falling due within 1 year are included under short-term debt.		
	Long-term debt of the Group falling due after 5 years from the balance sheet date:		
	Parent Company	-	-
	Group	5,713	3,103
20	Contingent liabilities and other commitments etc. of the Group:		
	Securities given to credit institutions	-	90
	Mortgage loans secured in land and buildings, etc.	1,521	1,395
	Securities given for unused credit lines	1,286	603
	Guarantees given, etc.	1,573	907
	Leasing and rental commitments, etc.	267	259
	Purchasing obligations relating to tangible fixed assets	675	1,368
	Purchasing commitments relating to raw materials, etc.	3,291	-

Carlsberg A/S has issued guarantees for loans amounting to DKK 7,446m (31.12.2000: DKK 7,585m) raised by subsidiaries. Carlsberg Breweries A/S has also issued guarantees for loans amounting to DKK 3,390m raised by the subsidiaries of the company.

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 A/S is party to certain lawsuits, etc. The management does not expect the outcome or continuation of these cases to have a a material, negative impact on the financial position of the Carlsberg Group. In that connection, it should also be mentioned that the EU Commission carried out a dawn-raid at Carlsberg A/S in May 2000 in order to investigate whether agreements or concerted practises existed with other major breweries regarding a division of the beer markets in the EEA.

	31.12.01	31.12.00
Forward exchange contracts and options:		
Carlsberg A/S:		
Sale of foreign currency	-	5,027
Purchase of foreign currency	-	1,814
Carlsberg Breweries A/S:		
Sale of foreign currency	10,536	1,802
Purchase of foreign currency	10,580	446

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

Interest rate exposure
The Carlsberg Group has fixed-rate bond loans of DKK 2.9bn with a duration of 9 years and an average redemption yield of 6.6%. In addition, the Group has floating-rate long-term loans of DKK 9.8bn with an average interest rate of 3.7%.

Exchange rate exposure
The Carlsberg Group has a net exchange rate exposure of DKK 1.5bn, mainly relating to an investment in a subsidiary amounting to net GBP 4.1bn, on which the value adjustment is taken to equity, and loans of net DKK 2.6bn in Euro (the Danish krone tracks the Euro).

Notes to the Accounts

(DKK million)

21 Acquisition and disposal of companies

	2001	1999/00 (15 months)
Acquisition of companies:		
Assets acquired:		
Fixed assets	-1,750	-3,203
Current assets	-926	-2,358
Liabilities taken over:		
Provisions	296	652
Long-tern debt	0	1,530
Short-term debt	1,983	1,097
Minority interests	33	667
Transfer from associated company	-	278
Group goodwill	-1,760	-3,125
Available funds applied in connection with acquisiton of companies	-2,124	-4,462
Disposal of companies:		
Assets disposed of:		
Fixed assets	80	942
Current assets	29	1.645
Liabilities disposed of:		
Provisions	-	-63
Long-term debt	-	-38
Short-term debt	-16	-1,128
Accounting gain from sale	48	-
Reversal of previous write-off of Group goodwill	-	302
Payment receivable from sale	-	-1,103
Minority interests, etc.	-13	-404
Available funds received in connection with sale of companies	128	153
Acquisition and disposal of companies, net	-1,996	-4,309

22 Related parties

During the year Carlsberg A/S has conducted transactions with related parties.
Such transactions have been made on an arm's length basis.

Quarterly movements in profit and loss 2000/01 (unaudited)

	Q1		Q2		Q3		Q4	
	2000	2001	2000	2001	2000	2001	2000	2001
Turnover	6,960	9,386	12,406	12,743	9,524	12,923	9,417	11,923
Net turnover	5,211	7,033	9,162	9,293	7,006	9,628	7,040	8,506
Operating profit	82	132	902	1,187	800	1,450	579	631
Special items	214	0	214	0	10	0	-10	17
Profit before financials	296	132	1,116	1,187	810	1,450	569	648
Financials, net	-83	408	-13	-165	-67	-181	-17	-120
Profit before tax	213	540	1,103	1,022	743	1,269	552	528
Group profit	247	366	699	753	580	992	332	505
Profit, Carlsberg A/S' share	278	198	694	409	509	585	301	315
Net interest-bearing debt		10,103		10,498		10,910		10,918

The comparative figures for the year 2000 contain accounting figures for the change in the basis of accounts implemented that year.
This is not the case in the 5-year highlights and key figures of the Group.

	Western Europe	Eastern Europe	Asia	Not allocated	CB A/S in total*	Other	In total
Q1 2001							
Net turnover	5,301	966	615	151	7,033	0	7,033
Operating profit**	-13	119	126	-123	109	23	132
Operating margin (%)	-0.2	12.3	20.5		1.5		1.9
Q2 2001							
Net turnover	7,036	1,600	343	314	9,293	0	9,293
Operating profit	860	368	43	-111	1,160	27	1,187
Operating margin (%)	12.2	23.0	12.5		12.5		12.8
Q3 2001							
Net turnover	6,997	2,085	490	56	9,628	0	9,628
Operating profit	810	521	122	-157	1,296	154	1,450
Operating margin (%)	11.6	25.0	25.1		13.5		15.1
Q4 2001							
Net turnover	6,960	1,411	443	-308	8,506	0	8,506
Operating profit	242	175	126	-31	512	119	631
Operating margin (%)	3.5	12.4	28.4		6.0		7.4
Year 2001							
Net turnover	26,294	6,062	1,891	213	34,460	0	34,460
Operating profit	1,899	1,183	417	-422	3,077	323	3,400
Operating margin (%)	7.2	19.5	22.1		8.9		9.9

* Carlsberg Breweries A/S in total
** "Eastern Europe" and "Not allocated" adjusted compared to previous statements

Turnover, Operating Profit and Equity

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

	Net turnover DKK million	Operating profit DKK million	Equity DKK million	Participating interest
Companies outside Denmark				
Carlsberg-Tetley PLC, Northampton, United Kingdom	5,958	368	5,739	100%
Oy Sinebrychoff, Helsinki, Finland	2,257	277	834	100%
Carlsberg Brewery Malaysia Berhad, Kuala Lumpur, Malaysia	1,130	329	1,290	50%
Carlsberg Italia S.p.A., Varese, Italy 1)	1,975	113	27	75%
Baltic Beverages Holding AB, Stockholm, Sweden (Activity in Russia) 2)	7,318	1,978	4,667	50%
Danish companies				
Carlsberg Danmark A/S - Group	4,532	436	802	100%
Danbrew Ltd. A/S, Copenhagen	912	42	295	100%

The figures shown for turnover and operating profit represent the aggregate accounting figures of the companies in question for 2001.

1) Carlsberg Breweries has acquired the remaining 25% of the company at the beginning of 2002.
2) Pro rata consolidated.

Group Companies

		Participating interest	Nominal share capital ('000)	Currency
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
Vingaarden A/S, Odense, Denmark	■	40%	15,000	DKK
RS Holding A/S, Copenhagen	■	28%	100,500	DKK
Royal Scandinavia A/S, Copenhagen				
Combio A/S, Copenhagen	■	33%	1,092	DKK
Coca-Cola Nordic Beverages a/s, Hellerup*, Denmark	■	51%	10,000	DKK

● Subsidiaries
■ Other associated company
* See Group Companies in the Accounts

Group Companies

			Participating interest	Nominal share capital ('000)	Currency	Exchange rate
CARLSBERG BREWERIES A/S						
Share Capital DKK 500,000,000						
Northern Europe						
Carlsberg Danmark A/S, Copenhagen	4 subsidiaries	●	100%	100,000	DKK	100.00
Pripps Ringnes AB, Stockholm, Sweden	2 subsidiaries	●	100%	287,500	SEK	79.89
Oy Sinebrychoff, Helsinki, Finland	1 subsidiary	●	100%	244,985	FIM	125.06
Carlsberg Sverige Holding Ab, Falkenberg, Sweden	2 subsidiaries	●	100%	150,000	SEK	79.89
Ringnes AS, Oslo, Norway - owned by Pripps Ringnes AB	1 subsidiary	●	100%	248,590	NOK	93.24
United Kingdom						
Carlsberg-Tetley PLC, Northampton	12 subsidiaries	●	100%	90,004	GBP	1218.57
Western & Southern Europe						
Carlsberg Italia S.p.A., Varese, Italy	32 subsidiaries	●	75%	16,265	ITLm	0.3840
Unicer-Bebidas S.A., Porto, Portugal	11 subsidiaries	◆	44%	10,024	PTEm	3.71
Hannen Brauerei GmbH, Mönchengladbach, Germany	5 subsidiaries	●	100%	35,003	DEM	380.18
Feldschlösschen Getränke Holding AG, Rheinfelden, Switzerland	15 subsidiaries	●	100%	95,000	CHF	501.63
Carlsberg France S.A., Paris, France		●	100%	5,200	FRF	113.36
International Breweries B.V., Bussum, Netherlands		■	16%	62	USD	840.95
Eastern Europe, Africa and Americas						
BBH - Baltic Beverages Holding AB, Stockholm, Sweden, owned by Pripps Ringnes AB	12 subsidiaries	◆	50%	100,000	SEK	79.89
Carlsberg Okocim S.A., Brzesko, Poland	2 subsidiaries	● 1)	81%	22,000	PLN	210.35
Panonska Pivovara d.o.o., Koprivnica, Croatia		■	40%	159,932	HRK	101.40
AB Svyturys, Klaipeda, Lithuania		●	55%	18,000	LTL	210.35
Israel Beer Breweries Ltd., Ashkelon, Israel		■	20%	42	ILS	191.70
Nuuk Imeq A/S, Nuuk, Greenland		■	24%	38,000	DKK	100.00
Piast S.A., Poland	5 subsidiaries	●	98%	101,193	PLN	210.35
Türk Tuborg A.S., Turkey	1 subsidiary	● 1)	82%	101,911	USD	840.95
OAO Vena, Russia		● 2)	100%	202,532	FIM	125.06
Carlsberg Malawi Brewery Limited, Blantyre, Malawi		●	49%	20,000	MWK	12.75
Southern Bottlers Limited, Blantyre, Malawi						
Carlsberg Agency Inc., New York, USA	1 subsidiary	●	100%	10	USD	840.95
Asia						
Carlsberg Asia Pte Ltd, Singapore		◆	50%	100	SGD	455.75
Carlsberg Marketing (Singapore) Pte Ltd., Singapore		●	100%	1,000	SGD	455.75
Carlsberg Brewery Hong Kong Limited, Hong Kong	2 subsidiaries	●	51%	250,000	HKD	107.85
Carlsberg Brewery Malaysia Berhad, Kuala Lumpur, Malaysia	2 subsidiaries	● 1)	50%	153,000	MYR	221.30
Gorkha Brewery Ltd,Katmandu, Nepal		■	48%	466,325	NPR	11.08
Hue Brewery Ltd., Hue, Vietnam		■	35%	216,788	VND	0.06
South-East Asia Brewery Ltd., Hanoi, Vietnam		■	35%	212,705	VND	0.06
Other companies						
Carlsberg International A/S, Copenhagen		●	100%	1,000	DKK	100.00
Danbrew Ltd. A/S, Copenhagen	2 subsidiaries	●	100%	2,000	DKK	100.00
Danish Malting Group A/S, Vordingborg, Denmark		●	100%	100,000	DKK	100.00
Tuborg International A/S, Copenhagen		●	100%	1,000	DKK	100.00
United Breweries International Limited A/S, Copenhagen		●	100%	500	DKK	100.00
Carlsberg Finans A/S, Copenhagen		●	100%	25,000	DKK	100.00
Carlsberg (UK) Limited, Northampton, England		●	100%	100	GBP	1,218.57
Investeringsselskabet af 29. oktober 1962 A/S, Copenhagen	1 subsidiary	●	100%	5,000	DKK	100.00
J. C. Bentzen A/S, Copenhagen		●	100%	30,000	DKK	100.00
Nepko A/S, Copenhagen		●	100%	1,000	DKK	100.00

● Subsidiares
◆ Pro rata consolidated associated company
■ Other associated company
1) Company registered on the Danish Stock Exchange and managed by Carlsberg.
2) 50% of the shares have been transferred to BBH - not yet approved by the Russian authorities.

Management Statement

The Board of Directors and the Executive Board have today discussed and approved the annual accounts of the Carlsberg Group and the Parent Company for 2001.

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.

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

We recommend that the Annual General Meeting approve the accounts.

Copenhagen, 14 February 2002

Executive Board of Carlsberg A/S

Jørn P. Jensen
Chief Executive Officer

Board of Directors of Carlsberg A/S

Poul Chr. Matthiessen Chairman	Palle Marcus Deputy Chairman	
Hans Andersen	Torkild Andersen	Henning Dyremose
Preben Hedegaard	Povl Krogsgaard-Larsen	Axel Michelsen
Erik Dedenroth Olsen	Jens Bigum	Per Øhrgaard

Auditors' Report

We have audited the financial statements for 2001 presented by the Board of Directors and the Executive Board of the Carlsberg Group and the Parent Company.

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 year.

Copenhagen, 14 February 2002

PricewaterhouseCoopers

Morten Iversen
State Authorised
Public Accountant

Fin T. Nielsen
State Authorised
Public Accountant

KPMG C.Jespersen

Finn L. Meyer
State Authorised
Public Accountant

Poul Erik Olsen
State Authorised
Public Accountant

Announcements to the Stock Exchange

Announcements to the Copenhagen Stock Exchange A/S
1 January 2001 – 31 December 2001

2	January 2001	Carlsberg Breweries in Finland
1	February 2001	Carlsberg A/S, Employee Board members
14	February 2001	Carlsberg Breweries A/S established
14	February 2001	Final agreement between Carlsberg and Coca-Cola
15	February 2001	Preliminary Profit Statement 1999/00 Carlsberg A/S
21	February 2001	Baltic Beverages Holding sells its stake in Lithuanian Kalnapilis brewery
8	March 2001	Annual General Meeting of Carlsberg A/S
8	May 2001	Carlsberg Breweries A/S may increase ownership in Poland
9	May 2001	Decision on negotiations over the future production structure in Carlsberg Sverige
10	May 2001	Q1 Financial Statement, 2001 of the Carlsberg Group
17	May 2001	Carlsberg Breweries makes public tender for Okocim in Poland
23	May 2001	Agreement Carlsberg Breweries A/S and the Coca-Cola Company approved
31	May 2001	Carlsberg Breweries A/S acquires controlling interest in Türk Tuborg Bira ve Malt Sanayii A.S., Turkey
3	July 2001	Carlsberg Breweries A/S closes public tender in Poland
6	July 2001	Carlsberg Breweries A/S signs final agreement on purchase of majority shareholding in Türk Tuborg, Turkey
6	August 2001	Q2 Financial Statement to be released 9 August 2001
9	August 2001	Carlsberg Breweries A/S achieves strong position in Poland
9	August 2001	Q2 Financial Statement, 2001 of the Carlsberg Group
21	August 2001	Changes in the Executive Board of Carlsberg Breweries A/S
29	August 2001	Carlsberg Breweries makes public offer in Turkey
19	September 2001	Public offer in Turkey gives Carlsberg Breweries a shareholding of 82.46% of Türk Tuborg Bira ve Malt Sanayii A.S.
8	October 2001	Baltic Beverages Holding AB sells Kalnapilis Brewery in Lithuania to Bryggerigruppen A/S
16	October 2001	Q3 Financial Statement to be released 1 November 2001
1	November 2001	Q3 Financial Statement, 2001 of the Carlsberg Group
2	November 2001	Baltic Beverages Holding acquires brewery in Belarus
20	November 2001	Orkla ASA sold shareholding in Oyj Hartwall Abp
30	November 2001	Carlsberg Breweries A/S sells half of its shareholding in OAO Vena brewery in St. Petersburg to Baltic Beverages Holding

Photo: Bent Rej, Burt Seeger, Kell Mejlstrup et al. Editor: Niels Eyde Madsen

Carlsberg A/S

Board of Directors

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

President,
Chief Executive Officer
Henning Dyremose

Sales Driver
Preben Hedegaard

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

Professor, D.Ph.
Axel Michelsen

EDP Office Manager
Erik Dedenroth Olsen

Professor, D.Ph.
Per Øhrgaard

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Executive Board/Management

Chief Executive Officer
Jørn P. Jensen

Executive Vice President
Klaus Bock

Chief Financial Officer
Jesper C. Bærnholdt

Annual General Meeting
Carlsberg A/S
18 March 2002 at 16.30 hours
Tivolis Koncertsal
20, Tietgensgade
Copenhagen V
Denmark

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