Carlsberg Group

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Financial statement as at 31 December 2014

Solid 2014 performance – well prepared for 2015

Unless otherwise stated, comments in this announcement refer to full-year performance.

Financial highlights

- Organic net revenue growth of 2% to DKK 64.5bn.
- Continued solid price/mix of +3%.
- 1% organic operating profit growth driven by strong performance in Western Europe and Asia.
- Reported operating profit of DKK 9,230m impacted by negative currency impact of DKK 789m.
- 5% adjusted net profit decline to DKK 5,496m.
- Free operating cash flow of DKK 1.9bn and free cash flow of DKK 0.7bn.
- For 2014, Carlsberg A/S proposes a 13% increase in dividend per share to DKK 9.00.

Operational highlights

- Our market share increased in the majority of markets in Western Europe and Asia, and our Russian market share improved during the year.
- Group beer volumes declined organically by 3%, due to Eastern Europe.
- The implementation of the supply chain integration and business standardisation project (BSP1) continued with four markets going live in 2014.
- Our international premium portfolio continued to deliver strong growth: Tuborg (+24%), Somersby (+43%), Kronenbourg 1664 (+9%) and Grimbergen (+27%). The Carlsberg brand grew 1% in its premium markets.

2015 earnings expectations

- For 2015, the Group expects operating profit to grow organically by mid- to high-single-digit percentages.

Commenting on the results, CEO Jørgen Buhl Rasmussen says: “In 2014, we had clear priorities and focus on execution, enabling us to deliver strong organic performance in Western Europe and Asia which more than offset the market challenges in Eastern Europe. For 2015, we’ll continue to support and invest in our brands and markets to capture the long-term opportunities in our regions, but in response to the current situation, we’ve built a strong operating plan, which includes changes to our business model, with the aim to achieve further efficiency improvements faster. These changes will enable us to mitigate the significant negative earnings impact arising from the rouble weakness and Eastern European market challenges, as well as improve cash flow and return on invested capital.“

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KEY FIGURES AND FINANCIAL RATIOS

DKK million		2010	2011	2012	2013	2014
Sales volumes, gross (million hl)						
Beer		136.5	139.8	140.9	138.7	134.5
Other beverages		22.5	22.2	22.0	21.5	22.7
Sales volumes, pro rata (million hl)						
Beer		114.2	118.7	120.4	119.7	122.8
Other beverages		19.3	19.2	19.1	19.7	21.0
Income statement						
Net revenue		60,054	63,561	66,468	64,350	64,506
Operating profit before special items		10,249	9,816	9,793	9,723	9,230
Special items, net		-249	-268	85	-435	-1,353
Financial items, net		-2,155	-2,018	-1,772	-1,506	-1,191
Profit before tax		7,845	7,530	8,106	7,782	6,686
Corporation tax		-1,885	-1,838	-1,861	-1,833	-1,748
Consolidated profit		5,960	5,692	6,245	5,949	4,938
Attributable to:						
Non-controlling interests		609	543	638	478	524
Shareholders in Carlsberg A/S		5,351	5,149	5,607	5,471	4,414
Shareholders in Carlsberg A/S (adjusted)[1]		5,425	5,203	5,504	5,772	5,496
Statement of financial position						
Total assets		144,250	147,714	153,961	152,308	136,983
Invested capital, year-end		117,119	118,196	121,467	119,112	103,587
Invested capital excluding goodwill, year-end		66,281	62,199	67,553	61,946	51,041
Interest-bearing debt, net		32,743	32,460	32,480	34,610	36,567
Equity, shareholders in Carlsberg A/S		64,248	65,866	70,261	67,811	52,437
Statement of cash flows						
Cash flow from operating activities		11,020	8,813	9,871	8,142	7,405
Cash flow from investing activities		-5,841	-4,883	-3,974	-8,012	-6,735
Free cash flow		5,179	3,930	5,897	130	670
Investments						
Acquisition and disposal of property, plant and equipment, net		-2,197	-3,618	-2,264	-4,522	-4,828
Acquisition and disposal of entities, net		-477	-260	-27	-2,314	-1,681
Financial ratios						
Operating margin	%	17.1	15.4	14.6	15.1	14.3
Return on invested capital (ROIC)[2]	%	8.8	8.4	8.0	8.1	8.0
Return on invested capital excl. goodwill (ROIC excl. goodwill)[2]	%	15.4	14.7	14.3	14.5	15.3
Equity ratio	%	44.5	44.6	45.6	45.2	38.3
Debt/equity ratio (financial gearing)	x	0.47	0.45	0.44	0.48	0.65
Debt/operating profit before depreciation and amortisation	x	2.30	2.39	2.35	2.55	2.74
Interest cover	x	4.76	4.86	5.53	6.46	7.75
Stock market ratios						
Earnings per share (EPS)	DKK	35.1	33.8	36.8	35.9	28.9
Earnings per share (EPS-A), adjusted[1]	DKK	35.6	34.1	36.1	37.8	36.0
Cash flow from operating activities per share (CFPS)	DKK	72.1	57.7	64.6	53.4	48.4
Free cash flow per share (FCFPS)	DKK	33.9	25.7	38.6	0.9	4.4
Dividend per share (proposed)	DKK	5.0	5.5	6.0	8.0	9.0
Payout ratio	%	14	16	16	22	31
Payout ratio, adjusted[1]	%	14	16	17	21	25
Share price (B shares)	DKK	558.5	405.0	554.0	600.0	478.8
Number of shares (year-end, excl. treasury shares)	1,000	152,539	152,523	152,555	152,533	152,538
Number of shares (average, excl. treasury shares)	1,000	152,548	152,538	152,543	152,548	152,535

[1] Adjusted for special items after tax. [2] Rolling 12 months.

The effect of the change in accounting policies from the implementation of IFRS 10-12 as of 1 January 2014 is recognised in the opening balance at 1 January 2013 in accordance with the specific transition requirements of the standards. Comparative figures for 2013 have been restated accordingly.

BUSINESS DEVELOPMENT

		Change				Change
	2013	Organic	Acq., net	FX	2014	Reported
Q4						
Pro rata (million hl)						
Beer	26.9	-5%	3%		26.5	-2%
Other beverages	4.7	6%	0%		5.0	6%
Total volume	31.6	-3%	3%		31.5	0%
DKK million						
Net revenue	15,169	-3%	2%	-5%	14,328	-6%
Operating profit	2,304	-12%	0%	-10%	1,786	-22%
Operating margin (%)	15.2				12.5	-270bp
12 mths						
Pro rata (million hl)						
Beer	119.7	-3%	6%		122.8	3%
Other beverages	19.7	6%	0%		21.0	6%
Total volume	139.4	-2%	5%		143.8	3%
DKK million						
Net revenue	64,350	2%	4%	-6%	64,506	0%
Operating profit	9,723	1%	2%	-8%	9,230	-5%
Operating margin (%)	15.1				14.3	-80bp

Group financial highlights

Group beer volumes declined organically by 3% due to weak Russian and Ukrainian beer markets. Reported beer volumes grew by 3% as a result of acquisitions in Asia. Other beverages grew organically by 6% due to strong volume development in the Nordic soft drinks businesses.

Net revenue grew 2% organically as the positive price/mix of 3% more than offset the organic decline in total volumes of 2%. Reported net revenue was flat as a result of -6% from currencies and a net acquisition impact of +4%. The negative currency impact was mainly due to the significant weakness of the Russian rouble (RUB) and the Ukrainian hryvnia (UAH)

Organically, cost of sales per hl grew slightly as a result of negative operational leverage and write-off on obsolete stocks in Eastern Europe. In reported terms, cost of sales per hl declined by 2% due to the currency impact. Gross profit grew organically by 2%, while organic growth in gross profit per hl was 4%. The gross profit margin was up organically by 40bp to 50.0% (reported 49.3%).

Operating expenses grew organically by approximately 4%, mainly due to higher logistics costs, primarily in Eastern Europe, and higher sales expenses.

Organically, Group operating profit grew by 1%. Strong performance in Western Europe and Asia more than offset the profit decline in Eastern Europe. Reported operating profit was DKK

9,230m, impacted by a negative currency impact of DKK 789m, mainly from the weaker Eastern European currencies. Group operating profit margin declined 80bp to 14.3%, primarily as a result of the acquisition impact from Asia and the Eastern European profit decline. Q4 operating profit declined organically by 12%, only due to Eastern Europe.

Reported net profit was DKK 4,414m (2013: DKK 5,471m) impacted negatively by special items of DKK -1,353m (2013: DKK -435m), which included a DKK 0.7bn write-down related to the closure of two Russian breweries.

Adjusted net profit (adjusted for special items after tax) declined 5% to DKK 5,496m (Q4: DKK 1,074m) versus DKK 5,772m last year. Adjusted earnings per share was DKK 36.0 (Q4: DKK 7.0).

Free operating cash flow was DKK 1,856m (2013: DKK 2,757m) as organic EBITDA growth was offset by negative currency impact, negative impact from trade working capital and higher CapEx than last year. Average trade working capital to net revenue was -3.6%, on par with 2013. Free cash flow was DKK 670m versus DKK 130m last year.

Return on invested capital was 8.0% (2013: 8.1%). Return on invested capital excluding goodwill was 15.3% (2013: 14.5%).

Net interest-bearing debt was DKK 36.6bn (2013: DKK 34.6bn). The increase was mainly due to the acquisition of Chongqing Beer Group Assets Management and dividend payments.

In May, the Group successfully placed 10-year EUR notes at a principal amount of EUR 1bn with a coupon of 2.5%.

The Supervisory Board has decided to propose a 13% increase in dividend per share to DKK 9.00 (DKK 8.00 for 2013), which equals a payout ratio of 25% based on adjusted net profit.

Group operational highlights

An important part of our commercial strategy is to ensure that we have a strong portfolio of international premium brands and local power brands to offer to our customers and consumers. During 2014, we grew all our international premium brands – Carlsberg, Tuborg, Kronenbourg 1664, Grimbergen and Somersby – and achieved strong results for our local power brands.

In addition, we roll out our best-in-class sales and marketing tools across all markets. In 2014, this included the continued embedding and, in some mature markets, further development and improvement of our value management toolbox, which has been an important driver of the Group's overall market share gains and positive price/mix in recent years.

Innovation remains a key priority and in 2014, our efforts included the further roll-out of brands, concepts and innovations. Among the many activities were the launch of the non-alcoholic beer Carlsberg Nordic, Brewmasters Collection, K by Kronenbourg, further roll-out of Radler (now available in 11 markets), new packaging formats for Jacobsen, the roll-out of Seth & Riley's Garage (now available in six markets) including new taste varieties, and further expansion of our proprietary DraughtMaster™ technology.

Supporting and expanding the market shares of our international premium brands is a key priority to drive performance. The Carlsberg brand grew 1% in its premium markets, with particularly strong performance in markets such as India, China and France, while the brand declined in Eastern Europe due to the overall market decline. Several important activities took place during the year, such as activation in 66 countries of the English Premier League sponsorship which included a "Premier League" tour in Asia; the UEFA EURO 2016™ activation that kicked off in September; a step-up in digital marketing activities; and, lastly, we began rolling out the latest communication platform with the taglines "Probably the best beer in the world" and "If Carlsberg did".

The Tuborg brand grew strongly by 24% as a result of impressive growth in Asia, particularly in China and India. The brand has become the fastest growing international premium brand in China and the no. 1 international premium brand in India. During the year, we continued the deployment of the brand rejuvenation programme and strong global consumer programmes.

Kronenbourg 1664 celebrated its 350th anniversary in 2014 and delivered 9% volume growth. The growth was partly a result of easy comparisons with last year due to French destocking in Q1 2013 but was also driven by market share gains in France, growth in export markets and further roll-outs in new markets. 1664 Blanc achieved good results in several Asian markets.

Somersby continued its very successful progression, growing 43%. The brand achieved particularly strong growth in Poland, the UK, Ukraine, Portugal and Switzerland and in the export markets Canada and Australia. The brand growth was driven by category growth, the global activation platform "Friendsie", line extensions in established markets and launches in new markets. Somersby was again the fastest growing cider brand among the top 10 biggest ciders globally and is now available in 43 markets across the world.

Our Belgian abbey ale, Grimbergen, grew 27% and has since 2011 been the fastest growing international abbey beer. Grimbergen performed particularly well in France, due to flavour innovations and strong activation. We continue to expand the brand's footprint and it is now available in 36 markets globally.

In 2014, we determinedly expanded our digital activities with the aim to continuously strengthen content, maximise connections and develop and implement tools and systems to reach consumers and customers. We achieved significant reach for our social platforms and the Carlsberg and Tuborg brands reach 4 million consumers every month through the social platforms. During the year, our digital activities included #happybeertime for on-trade customers; the Carlsberg Premier League Live Match Centre; UEFA EURO 2016™ engagement through Facebook and Twitter; and in Denmark Zulu BFF, a reality show showcasing multiple channel viewing. A significant CSR highlight of 2014 was our joining forces with a coalition of the world's biggest companies and non-profit organisations to launch a global digital media platform, "Collectively", which aims to drive conversation and action on sustainability.

During 2014, BSP1 was rolled out in the UK, Finland, Poland and Switzerland. The system is now live in six countries. The next wave of large markets is expected to be in the spring of 2015.

In November, the Group announced the retirement of Isaac Sheps, Senior Vice President for Eastern Europe, and Anne-Marie Skov, Senior Vice President for Group Corporate Affairs. Isaac Sheps was succeeded by Jacek Pastuszka, until then CEO of Ringnes in Norway, and previously of Carlsberg Polska, and Anne-Marie Skov was succeeded by Andraea Dawson-Shepherd, who joined from a global position as Senior Vice President for Corporate Communication & Affairs at RB plc (formerly Reckitt Benckiser Group plc).

Structural changes

During 2014, the Group took further steps to strengthen its growth profile:

- In Vietnam, we increased the ownership of South-East Asia Brewery Ltd to 100% (previously 60%) and of Hanoi-Vung Tau Beer Joint Stock Company to 100% (previously 55%).
- In the Czech Republic, we acquired 51% of Zatecký Pivovar, spol. s r.o.
- On 23 October, we completed the acquisition of Chongqing Beer Group Assets Management ("Eastern Assets").
- On 18 November, we announced the merger of our Greek business Mythos with Olympic Brewery creating a strong number two in the Greek market (pending anti-trust approval).

2015 EARNINGS EXPECTATIONS

While we expect our Western Europe and Asia regions to continue their positive development, the expected GDP decline and currency devaluation in Russia and Ukraine will put significant pressure on the Group's overall performance. To mitigate this, in our planning for 2015 we have taken tough decisions aiming at further improving our cost-effectiveness, while also continuing to invest in our brands and our longer-term capabilities for competitiveness. Clearly the Eastern European business is working on different scenarios and plans that can be executed if the environment changes.

2015 will be a year when we intensify focus on return on invested capital (ROIC). This key metric is also reflected in the organisation's incentive programmes for the year. In addition, we are also aiming for improved credit metrics. This also means that despite the M&A strategy staying intact, the M&A agenda will have a low priority for a period of time.

Although we are taking all necessary sensible actions to protect short-term profitability and improve cash flow and returns, we will continue to build on the strengths of our company to ensure that we capture both the short- and longer-term opportunities that are present in our markets. We will continue to invest in our brands and growth opportunities.

Some of the key actions and priorities for 2015 are:

Group

- Continue investing in our brands and organic growth opportunities.
- Keep developing and expanding sales and go-to-market tools and capabilities.

- Implementation of a Group-wide push to further improve the organisational efficiencies by simplifying, streamlining and removing duplication in processes and functions.
- Implementation of operating cost management which is a new framework for budgeting (including ZBB), tracking and monitoring costs, commencing in 2015.
- Improvement of return on invested capital through further trade working capital improvements and lower capital expenditures.
- Continue building on the strength of the global supply chain to ensure further efficiency gains – on both costs and capital employed.

Western Europe
- Maintaining the strong momentum of the Western European business and continuing the positive value market share trend by applying a focused commercial agenda.
- Finalising the BSP1 roll-out in the remaining large markets in Western Europe during the spring.
- In general focusing on achieving benefits faster than previously planned.

Eastern Europe
- Balancing price increases and affordability.
- Utilising the strength of our Russian brand portfolio, route-to-market, innovation capabilities and execution skills to further strengthen our market leadership.
- Executing the closure of two Russian breweries (as announced on 29 January 2015).

Asia
- Further developing and investing in our Asian business to capture the growth opportunities in the region.
- Finalising the integration of the Chongqing Brewery Group and begin the integration of Chongqing Eastern Assets with the aim of fast earnings recovery.

We expect the market development in our three regions to be mixed for 2015:

- The Western European beer markets are expected to be flat. Driven by innovations, increased interest in speciality and craft beers and overall improved category perception, beer category dynamics have improved slightly compared with the past years of decline.
- The Eastern European markets are expected to decline due to the expected decline in GDP and accelerating inflation in Russia and Ukraine, which will put consumers and the beer category under pressure. We expect that the Russian beer market will continue to grow in value terms as price increases will more than offset the volume decline.
- The Asian markets are expected to continue to grow. Our non-Chinese markets are expected to grow in line with recent years while we assume that the Chinese beer market will grow in contrast to the weak 2014, although volume growth is expected to be below historic averages.

Based on these market assumptions, our ability to outperform the market and the actions we are taking to improve profitability, for 2015 the Group expects:

- Operating profit to grow organically by mid- to high-single-digit percentages.

Due to the recent volatility of currency rates, especially the Russian rouble, we do not provide any guidance on reported operating profit development. However, the sensitivity of reported operating profit to movements in RUB vs EUR (combined transaction and translation effect) is shown in the table below. The EUR/RUB YTD 2015 has averaged around 75. Assuming that this rate will prevail for the full year, the negative translation impact for 2015 will be around DKK 0.9bn. For 2014, the rouble proportion of operating profit (before not allocated costs) was around 25%. No other non-EUR currencies account for more than 7% of operating profit. In reported terms, Eastern Europe is expected to account for less than 20% of operating profit in 2015 (before not allocated costs).

EUR/RUB avg YTD 2015	EUR/RUB change	Operating profit impact
75	+/- 10%	+/- DKK 200m

Other significant assumptions and sensitivities are:

Cost of goods sold per hl is expected to be lower than in 2014. In organic terms, cost of goods sold per hl is expected to be higher than last year in Eastern Europe, primarily due to currency impact on materials priced in USD or EUR.

Sales and marketing investments to net revenue are expected to be slightly higher than last year.

As a consequence of the aforementioned focus in 2015 on realising the full range of benefits earlier, we will postpone the BSP1 implementation in small markets to 2016.

Average all-in cost of debt is assumed to be around 4%.

The tax rate is expected to increase to approximately 28%, mainly because the Russian business, where the corporate tax rate is below Group average, will decline in importance.

As part of the intensified focus on ROIC, capital expenditures will be approximately DKK 4bn in 2015 (around index 90 to expected depreciation), a reduction of approximately 30% compared with 2014.

Net debt to EBITDA is expected to be less than 2.5 end of 2015.

WESTERN EUROPE

In the mature Western European markets, our key focus is to improve profitability, cash flow and returns. Our commercial focus is to increase volume and value market share through continued development of our local power brands, further roll-out of our international premium brands, innovations and premiumisation efforts. This is supported by the deployment of best-in-class commercial tools. At the same time, we focus on reducing costs and capital employed through optimising asset utilisation, further increasing efficiencies across the business and simplifying our business model. An important enabler on this journey is the roll-out of a comprehensive set of standardised business processes and an integrated supply chain (BSP1).

DKK million		Change				Change
	2013	Organic	Acq., net	FX	2014	Reported
Q4						
Pro rata (million hl)						
Beer	11.4	-2%	0%		11.2	-2%
Other beverages	3.7	4%	0%		3.9	4%
Total volume	15.1	-1%	0%		15.1	-1%
DKK million						
Net revenue	8,997	-5%	0%	1%	8,602	-4%
Operating profit	1,081	4%	0%	0%	1,121	4%
Operating margin (%)	12.0				13.0	100bp
12 mths						
Pro rata (million hl)						
Beer	49.0	2%	0%		50.0	2%
Other beverages	14.9	6%	0%		15.8	6%
Total volume	63.9	3%	0%		65.8	3%
DKK million						
Net revenue	37,393	1%	0%	0%	37,762	1%
Operating profit	5,183	7%	0%	-1%	5,470	6%
Operating margin (%)	13.9				14.5	60bp

The Western European markets showed slightly better volume dynamics in 2014 than in recent years and we estimate that the overall beer market was flat. The weather impact for the year was very limited.

Our positive market share performance of the previous three years continued in 2014 and our Western European business has now gained market share for four years in a row. We delivered good market share performance in the majority of our markets, including Poland, Norway, France, Denmark, Portugal, Italy, Greece, Germany and Croatia.

This strong performance was driven by the further deployment of our commercial tools, such as value management and sales force efficiency tools, roll-out of our international premium brands and product launches and innovations. A few examples are the Carlsberg Nordic Collection in a number of markets, Somersby in Germany, K by Kronenbourg in France, Radler in new markets and the non-alcoholic beer Carlsberg Nordic in Denmark. In addition, we have strengthened our position in the speciality beer category in several markets with products such as Grimbergen, Frydenlund Pale Ale in Norway, Nya Carnegie in Sweden, Okocim Browar in Poland and Jacobsen, which all continued to grow.

Beer volumes grew organically by 2% with particularly strong growth in France, Denmark, Poland, Norway and Germany. Beer volume declined in the Balkans, Italy, the Baltic States, the UK and Finland. Other beverages grew organically by 6%, mainly due to strong performance in the Nordics, driven by a strong activation programme, and in Switzerland.

Net revenue grew organically by 1%. While we achieved a positive effect from our value management efforts, price/mix declined by 1%, impacted negatively by the strong growth in other beverages, a negative channel mix and last year's strong price/mix development.

Operating profit grew organically by 7%. The improvement was driven by volume growth, cost savings within the supply chain and our ongoing focus on improving efficiencies in all areas. Operating margin improved 60bp to 14.5%. Q4 profits were impacted positively by different phasing of costs versus the previous year.

Poland and the Nordics

The Polish market grew by an estimated 1%. We continued to gain volume and value market share, and increased volumes by 3%. The strong performance was driven by excellent commercial execution, increased distribution and growth of the local brands Kasztelan, Harnas and Okocim, as well as the continued good progress of innovations such as Somersby and Radler.

Our Nordic business performed strongly, driven by market growth in Denmark (+1%) and Norway (+3%), soft drinks category growth and strong commercial execution, including product launches and value management. Our beer volumes grew in Denmark (+3%), Norway (+4%) and Sweden (+1%), while volumes declined in Finland (-5%) due to a declining Finnish beer market. We gained market share in Denmark, Sweden and Norway and in Finland in the second half of the year. In Denmark, we benefitted from strong growth in the speciality beer category, our relisting at a major customer and good performance by Tuborg and Carlsberg. In Norway, our local brands Frydenlund and Munkholm performed well, as did Tuborg. Our soft drinks business did particularly well in Denmark, Sweden and Norway.

France and the UK

In France, the market grew by an estimated 3%. Our French beer volumes grew by 11%, impacted positively by last year's destocking in Q1 and market share gains. Our premium brands Kronenbourg 1664, Grimbergen and Skøll by Tuborg, as well as the flavoured K by Kronenbourg in the mainstream category, all delivered strong performance. This was driven by strong commercial execution and a high level of innovations in liquids and packaging.

The UK market grew by approximately 1% driven by a growing off-trade channel, although the on-trade continued to decline. We lost market share in both channels partly as we chose not participate fully in various promotional activities during the year. Our price/mix improved slightly. The Somersby brand continued to grow.

EASTERN EUROPE

In the Eastern European region, the Russian market has in recent years undergone significant changes. While the region offers long-term growth opportunities, the increased uncertainty and volatility have required detailed contingency and scenario planning. To ensure that we maintain a very strong business, our key focus has been to invest in our business and protect profitability while driving a positive volume and value market share trend. The means to achieve this are to drive and support our international and local premium and mainstream brands, implement and utilise the Group's commercial tools, and secure superior commercial execution. To further enhance the cost efficiency and asset utilisation of the Eastern European business, the Group is proactively adapting the structure and organisation to the changed market conditions while ensuring the long-term health of the business.

DKK million		Change				Change
	2013	Organic	Acq., net	FX	2014	Reported
Q4						
Pro rata (million hl)						
Beer	9.5	-13%	0%		8.3	-13%
Other beverages	0.2	2%	0%		0.2	2%
Total volume	9.7	-12%	0%		8.5	-12%
DKK million						
Net revenue	3,966	-8%	0%	-24%	2,708	-32%
Operating profit	1,139	-31%	0%	-21%	545	-52%
Operating margin (%)	28.7				20.1	-860bp
12 mths						
Pro rata (million hl)						
Beer	42.4	-11%	0%		37.8	-11%
Other beverages	1.7	1%	0%		1.7	1%
Total volume	44.1	-10%	0%		39.5	-10%
DKK million						
Net revenue	17,711	-3%	0%	-17%	14,100	-20%
Operating profit	4,127	-12%	0%	-16%	2,962	-28%
Operating margin (%)	23.3				21.0	-230bp

Our Eastern European beer markets were negatively impacted by the uncertain and challenging macroenvironment, as well as increasing inflation during the year which reduced consumer purchasing power and impacted the beer category negatively. Consequently, our regional beer volumes declined organically by 11%.

Despite the market challenges, we continued to invest in our brands and maintained commercial activities at a high level. These included the activation of sponsorships, such as the Continental Hockey League and local football teams, with the Baltika brand being activated in stadia and in TV commercials. Other activities included the Tuborg GreenFest music festival, which was rolled out to more cities. In addition, we continued to upgrade our regional brands and launched innovations such as Koff, Brewmasters Collection, Jacobsen and Seth & Riley's Garage.

Organic net revenue declined by 3%. Price/mix was strong at 9%, driven by price increases, a positive mix and slightly smaller pack sizes in Russia. Reported net revenue declined by 20% due to the substantial negative currency impact of -17% as the Ukrainian hryvnia (UAH) devalued by 31% and the Russian rouble (RUB) by 16% for the year.

Operating profit declined organically by 12%. The decline was mainly caused by lower volumes, higher logistics costs and one-offs, such as the write-off of obsolete stocks. The decline was further compounded by the very negative currency impact, resulting in a decline of 28% in reported operating profit. While gross profit per hl increased by 9% organically and operating profit per hl declined modestly by 1% organically, reported operating profit margin declined by 230bp to 21.0%. Q4 operating profit declined due to lower volumes, higher cost of goods sold and higher logistics costs as a result of the rapid channel shift from traditional trade to modern trade resulting in short-term inefficiencies.

Russia

The Russian beer market declined by an estimated 7% (Q4: estimated -9%) as a result of macroeconomic weakness, especially during H2, accelerated inflation throughout the year and the subsequent impact on consumers' ability to spend on the beer category. Driven by strong pricing in the market, the value of the Russian beer market grew by a mid-single-digit percentage. We increased prices in Russia in March, May, October and November.

Our Russian shipments fell 14% due to the overall market decline, less stocking by wholesalers in Q4 than in 2013 and market share development. As a result of the rapid channel shift from traditional to modern trade, end-of-year stock levels at wholesalers were higher than previously expected although lower than at end-2013.

Our Russian volume market share improved sequentially through the year and grew 50bp year-on-year in Q4 to 38.6%. For the full year, our volume market share declined by 80bp to 37.8% (source: Nielsen Retail Audit, Urban & Rural Russia). The full-year market share loss was mainly due to the launch of slightly smaller pack sizes to minimise price increases, our price leadership during the first nine months and the temporary disruption in late Q1 and early Q2 following the change in the legal structure of Baltika Breweries. Our mix was positive, driven by particularly good results for Baltika 7, Baltika 9, Baltika Praha and Brewmasters Collection, while Baltika 3, Cooler and Bolshaya Kruzhka declined.

To ensure a strong and profitable Russian business, we have taken several actions to reduce costs. However, while we have been meticulous in our efforts to reduce costs in our Russian operations, we are nevertheless conscious of the need to maintain a strong business that will be in a position to exploit the longer-term opportunities of the Russian market. Actions taken have included closure of the Krasnoyarsk and Chelyabinsk breweries, further streamlining of the sales organisation, etc.

Mainly as a result of the currency headwind, the Russian market accounted for around 25% of Group operating profit in 2014 (before not allocated costs).

Ukraine

The Ukrainian beer market declined by an estimated 8% due to the highly challenging and uncertain macroeconomic climate as well as significant price increases to cover inflation and a 43% excise tax increase in May. We have been able to operate our business in Ukraine, albeit with disruptions. We estimate that our market share was slightly up.

ASIA

The Group has an attractive footprint in the growing Asian region. To capture the growth opportunities we continuously expand our presence in the region through investments with a long-term view in the existing business and in new markets. Our commercial priorities are to further strengthen and premiumise our local brand portfolios and expand the reach of our international premium brands. Furthermore, we continuously upgrade our commercial execution capabilities by applying Group and regionally developed tools and best practices. In addition to growing our Asian business, we drive efficiencies across our businesses with an emphasis on optimising structures and ways of working, using well-proven Group concepts and operating models.

DKK million		Change				Change
	2013	Organic	Acq., net	FX	2014	Reported
Q4						
Pro rata (million hl)						
Beer	6.0	2%	16%		7.0	18%
Other beverages	0.8	15%	0%		0.9	15%
Total volume	6.8	4%	13%		7.9	17%
DKK million						
Net revenue	2,153	12%	20%	7%	2,984	39%
Operating profit	436	12%	-4%	6%	496	14%
Operating margin (%)	20.3				16.6	-370bp
12 mths						
Pro rata (million hl)						
Beer	28.3	0%	24%		35.0	24%
Other beverages	3.1	12%	1%		3.5	13%
Total volume	31.4	1%	22%		38.5	23%
DKK million						
Net revenue	9,063	11%	30%	-3%	12,491	38%
Operating profit	1,882	8%	11%	-2%	2,195	17%
Operating margin (%)	20.8				17.6	-320bp

Our Asian business, which delivered another year of strong performance, has in recent years become a significant part of the Carlsberg Group, now accounting for 20% of operating profit (before not allocated costs). Asia has been, and will remain, an important growth driver for the Group, and consequently we will continue our investment strategy, which includes investments in brands, breweries and infrastructure.

Beer volumes were flat organically, though with volume dynamics stronger in H2 than in H1. Including acquisitions, beer volumes grew by 24%. Our businesses in Cambodia, Laos and India did particularly well. The acquisition impact derived mainly from the increased ownership in Chongqing Brewery Group from December 2013 and the Chongqing Eastern Assets acquisition in

November 2014. Other beverages grew organically by 12%, mainly driven by the soft drinks business in Laos.

The Carlsberg brand grew by 12% in its premium markets in Asia, primarily as a consequence of good results in India, driven by Carlsberg Elephant, and in China, driven by Carlsberg Chill and Carlsberg Light.

In just a few years, Tuborg has become our key international brand in the region. In 2014, the brand more than doubled its Asian volumes thanks to very strong performance in China and India, as well as in the more established Tuborg market Nepal, where the 3G bottle was launched. Tuborg has become the fastest growing international premium brand in China and the largest international beer brand in India.

We continued the further roll-out of Kronenbourg 1664, primarily the Blanc variety. The brand, which is establishing a solid footprint in the super-premium segment across our Asian markets, is now available in Malaysia, Singapore, Hong Kong and China. The Somersby cider brand doubled its volumes, albeit from a low base, due to very good results in the more mature Asian markets.

Net revenue grew organically by 11% with reported net revenue growth of 38%, which can mainly be attributed to the Chongqing Brewery Group acquisition. Price/mix continued to develop favourably at +5% in spite of a negative country mix. The price/mix improvement was driven by price increases across most markets, continued premiumisation efforts, including SKU rationalisation, and market share gains in the premium segments.

The Asian business continues to grow profits organically alongside our investments in growth opportunities, such as the start-up in Myanmar, and substantial investments in our local power brands and international brand portfolio. Operating profit increased by 8% organically and 17% in reported terms. The organic operating profit growth was supported by the positive price/mix and income from a terminated licence agreement in Q2. As expected, gross profit and operating profit margins declined due to the consolidation of Chongqing Brewery Group, which has a lower revenue per hl and lower margins than the regional average.

China/Hong Kong

Our Chinese volumes grew by 33% due to the consolidation of Chongqing Brewery Group and Chongqing Eastern Assets. Organically, our volumes declined by 7%. The overall Chinese market declined by an estimated 4%, while the beer market in our major provinces declined by an estimated 7% as several provinces were impacted by poor weather during the summer, compounded by the unrest in Xinjiang province. The premium category continued to grow by close to double-digit percentages. In addition to the market decline, our volumes were impacted by the reduction of unprofitable products in southern China.

Net revenue grew organically by 3% as we delivered a positive price/mix improvement driven by the growth of our international premium brands, successful premiumisation efforts with our local power brands and portfolio optimisation. Our international premium brands continued to grow, with particularly strong performance by Tuborg, which more than tripled in volume terms to 2m hl, and Kronenbourg 1664, which almost doubled its volumes. The Carlsberg brand delivered high single-digit percentage growth.

The integration of Chongqing Brewery Group is progressing according to plan, with the most notable milestone being the re-launch of the Chongqing brand in Q4. In addition, we are strengthening and refreshing sales capabilities and the brand portfolio, while at the same time implementing Carlsberg Group tools and processes in functions such as finance, HR, supply chain and IT.

Indochina

In Indochina, our beer volumes grew organically by 8%. As in recent years, our businesses in Laos and Cambodia continued to grow, while the Vietnamese operations recovered during the year.

The overall strong performance was driven by our strong local power brands, namely Beerlao in Laos, Angkor in Cambodia and Huda in Vietnam. In Laos, Beerlao is maintaining its strong market position and the relaunch of the Beerlao Gold premium line extension delivered good results. In Vietnam, Huda improved its market share in the central region with refreshed packaging. The Halida brand was relaunched in northern Vietnam with new brand positioning, packaging and advertising support.

India

Our Indian business continued its strong growth trend, delivering 42% organic volume growth in a market growing at an estimated mid-single-digit rate. Our market share in India is now around 11%. The growth was mainly driven by very strong performance by Tuborg and Carlsberg Elephant, with the former now being the third-largest brand overall and the largest international premium brand in the country.

CENTRAL COSTS (NOT ALLOCATED)

Central costs were DKK 1,282m (DKK 1,330m in 2013). Central costs are incurred for ongoing support of the Group's overall operations and strategic development and driving efficiency programmes. In particular, they include the costs of running headquarters functions and central marketing (including sponsorships).

OTHER ACTIVITIES

In addition to beverage activities, the Group has interests in the sale of real estate, primarily at its former brewery sites, and the operation of the Carlsberg Research Center. These activities generated an operating loss of DKK 115m (loss of DKK 139m in 2013).

COMMENTS ON THE FINANCIAL STATEMENTS

ACCOUNTING POLICIES

The 2014 consolidated financial statements of the Carlsberg Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies, cf. the IFRS statutory order pursuant to the Danish Financial Statements Act.

Apart from the implementation of IFRS 10 “Consolidated Financial Statements”, IFRS 11 “Joint Arrangements”, IFRS 12 “Disclosure of Interests in Other Entities”, all including amendments, and the amendments to IAS 27 “Separate Financial Statements” and IAS 28 “Investments in Associates and Joint Ventures”, the consolidated financial statements have been prepared using the same accounting policies for recognition and measurement as those applied to the consolidated financial statements for 2013. The consolidated financial statements for 2014 contain a complete description of the accounting policies.

The implementation of IFRS 10-12 and the amendments to IAS 27-28 as of 1 January 2014 impacted the Group’s financials and segments as entities which were previously proportionately consolidated are now included as associates, i.e. accounted for using the equity method. The change primarily impacted the consolidation method for Unicer (Portugal) and Cambrew (Cambodia).

The effect of the change in accounting policies was recognised in the opening balances at 1 January 2013 in accordance with the specific transition requirements in the standards. Comparative figures for 2013 have been restated accordingly.

The changed consolidation method impacted all line items in the statement of financial position and statement of cash flows due to the deconsolidation of the previously proportionately consolidated share of the entities. The changes in accounting policies had no impact on the equity attributable to shareholders in Carlsberg A/S, whereas the equity attributable to non-controlling interests at 31 December 2013 decreased DKK 13m. The effect of the changes in accounting policies on the main figures is as follows:

Impact on the income statement

DKK million	2013 Reported[1]	2013 Restated
Net revenue	66,552	64,350
Cost of sales	-33,622	-32,423
Gross profit	32,930	31,927
Sales and distribution expenses	-18,717	-18,181
Administrative expenses	-4,502	-4,415
Other operating activities, net	17	22
Share of profit after tax, associates and joint ventures	116	370
Operating profit before special items	9,844	9,723
Special items, net	-466	-435
Financial income	721	717
Financial expenses	-2,254	-2,223
Profit before tax	7,845	7,782
Corporation tax	-1,894	-1,833
Consolidated profit	5,951	5,949

Impact on the statement of financial position

DKK million	2013 Reported[1]	2013 Restated
Assets		
Total non-current assets	133,393	132,924
Total current assets	20,061	19,384
Total assets	153,454	152,308
Equity and liabilities		
Equity, shareholders in Carlsberg A/S	67,811	67,811
Non-controlling interests	3,203	3,190
Total equity	71,014	71,001
Total non-current liabilities	47,176	46,668
Total current liabilities	35,264	34,639
Total equity and liabilities	153,454	152,308

Impact on the statement of cash flows

DKK million	2013 Reported[1]	2013 Restated
Operating profit before depreciation, amortisation and impairment losses	13,833	13,592
Cash flow from operating activities	9,083	8,142
Total operational investments	-6,125	-5,385
Free operating cash flow	2,958	2,757
Cash flow from investing activities	-8,857	-8,012
Free cash flow	**226**	**130**
Cash flow from financing activities	-1,778	-1,729
Net cash flow	-1,552	-1,599

[1] 2013 Reported include the restatement of comparative figures following the completion of the purchase price allocation of Chongqing Brewery Group.

In the segmentation of assets and calculation of invested capital, the goodwill and trademark related to Carlsberg A/S' acquisition of the 40% non-controlling interest in Carlsberg Breweries

A/S (in 2004) have been allocated to the beverage segments, while it in prior years was kept in the non-beverage segment. The allocation is made to give the right basis and amount of invested capital for the calculation of ROIC, and is made according to the allocation made for impairment testing of goodwill (CGUs) and trademarks already used in prior years. Comparative figures have been restated accordingly.

Furthermore, amendments to IAS 36 “Recoverable Amount Disclosures for Non-Financial Assets” and IAS 39 “Novation of Derivatives and Continuation of Hedge Accounting”, as well as IFRIC 21 “Levies”, have been implemented without impacting the financial reporting.

Additionally, the classification of duties payable and amortisation of on-trade loans in the statement of cash flows was changed as of 1 January 2014. Duties payable are now included in change in trade working capital whereas in prior periods, they were included in change in other working capital. Amortisation of on-trade loans is now included in change in on-trade loans, whereas in prior periods it was included in adjustment for non-cash items. Comparative figures have been restated accordingly.

INCOME STATEMENT

Net special items (pre-tax) amounted to DKK -1,353m and were particularly impacted by the non-cash write-down of DKK -703m related to the closure of two breweries in Russia. In addition, special items included costs related to other restructuring measures across the Group, connected, among other things, with optimisation and standardisation measures in Western Europe. A specification of special items is included in note 4.

Net financial items were positively impacted by lower average funding costs and amounted to DKK -1,191m against DKK -1,506m in 2013. Net interest costs were DKK -1,182m compared to DKK -1,443m in 2013, and other net financial items were DKK -9m versus DKK -63m in 2013.

Tax totalled DKK -1,748m against DKK -1,833m in 2013. The tax rate was 26.1%.

Non-controlling interests were DKK 524m (2013: DKK 478m), impacted by the increased ownership in Chongqing Brewery Group.

Carlsberg’s share of net profit was DKK 4,414m. Adjusted net profit (adjusted for special items after tax) was DKK 5,496m compared to DKK 5,772m in 2013.

STATEMENT OF FINANCIAL POSITION

At 31 December 2014, Carlsberg had total assets of DKK 137.0bn against DKK 152.3bn at 31 December 2013. Invested capital amounted to DKK 103.6bn against DKK 119.1bn at 31 December 2013.

Total assets and invested capital were both impacted by a significant reduction in intangible assets and property, plant and equipment from foreign exchange adjustments, primarily RUB and UAH. This was partially offset by the increase from the acquisition of Chongqing Beer Group Assets Management and investments in new breweries in Asia. Liabilities offset in the invested capital remained stable. Total assets in Russia and Ukraine decreased by DKK 23.9bn as of 31 December 2014 compared with the DKK value they would have had if translated at the exchange rates applied at year-end 2013.

Assets

Intangible assets were DKK 81.8bn (DKK 94.2bn at 31 December 2013). Property, plant and equipment declined to DKK 28.7bn from DKK 31.7bn at 31 December 2013. The total decrease in intangible assets and property, plant and equipment of DKK 15.4bn was mainly due to foreign exchange adjustments, primarily related to the rouble-denominated assets and additions of DKK 1.9bn from acquisition of entities.

Financial assets amounted to DKK 7.8bn against DKK 7.0bn at 31 December 2013. The increase was due to recognised profits from investments in associates and joint ventures as well as an increase in deferred tax assets.

Inventories and receivables amounted to DKK 11.4bn (DKK 12.3bn at 31 December 2013), primarily driven by lower receivables in Russia due to the development in the exchange rate. In rouble terms, receivables remained largely unchanged compared with 2013.

Other receivables etc. totalled DKK 3.8bn against DKK 3.5bn at 31 December 2013. Cash amounted to DKK 2.4bn at 31 December 2014. The decline of DKK 1.2bn versus 31 December 2013 was the result of acquisition of entities, higher CapEx and dividends paid.

Liabilities

Equity decreased to DKK 56.0bn compared to DKK 71.0bn at 31 December 2013. DKK 52.4bn was attributed to shareholders in Carlsberg A/S and DKK 3.6bn to non-controlling interests.

The decline in equity of DKK 15.4bn attributed to shareholders in Carlsberg A/S was mainly due to foreign exchange losses of DKK -17.3bn, profit for the period of DKK +4.4bn, payment of dividends to shareholders of DKK -1.2bn, and retirement benefit obligations of DKK -1.2bn.

Liabilities were DKK 81.0bn compared to DKK 81.3bn at 31 December 2013. The most notable change was the increase in long-term borrowings and the decrease in short-term borrowings, reflecting the refinancing of a EUR 1bn bond that matured in May with another EUR 1bn bond with a coupon of 2.5%.

CASH FLOW

Operating profit before depreciation and amortisation was DKK 13,338m (DKK 13,592m in 2013).

The change in trade working capital was DKK -177m (DKK +620m in 2013). The change in trade working capital was impacted by a decrease in payable excise duties. Average trade working capital to net revenue (MAT) was -3.6% at the end of 2014, in line with 2013. The change in other working capital was DKK -682m (DKK -843m in 2013), partly due to lower VAT payable, temporarily impacted by the implementation of the BSP1 structure in three new countries as of October 2014, and an increase in other receivables from sale of assets.

Paid net interest etc. amounted to DKK -1,995m (DKK -2,095m in 2013). The decline was mainly due to lower funding costs.

Cash flow from operating activities was DKK 7,405m against DKK 8,142m in 2013.

Cash flow from investing activities amounted to DKK -6,735m against DKK -8,012m in 2013.

Operational investments totalled DKK -5,549m (DKK -5,385m in 2013), whereas financial investments amounted to DKK -1,166m, down from DKK -2,609m in 2013, impacted in 2014 by the purchase of Chongqing Beer Group Assets Management and in 2013 by the acquisition of shares in the Chongqing Brewery Group.

Free cash flow amounted to DKK 670m versus DKK 130m in 2013.

FINANCING

At 31 December 2014, gross interest-bearing debt amounted to DKK 40.7bn and net interest-bearing debt to DKK 36.6bn. The difference of DKK 4.1bn comprised other interest-bearing assets, including DKK 2.4bn in cash and cash equivalents.

Of the gross interest-bearing debt, 95% (DKK 38.7bn) was long-term, i.e. with maturity more than one year from 31 December 2014. Of the net financial debt, 78% was denominated in EUR and DKK (after swaps) and 69% was at fixed interest (fixed-interest period exceeding one year).

INCENTIVE PROGRAMMES

In 2014, a total of 95,000 share options with an exercise price of DKK 583.10 were granted to the Executive Board. In addition, a total of 340,182 performance shares with an exercise price of DKK 0 were granted to 333 members of the long-term incentive plan of which 40,925 performance shares were granted to the Executive Board. The number of performance shares in this programme is preliminary, as the final number will be determined on the basis of the achievement of specific performance criteria as described in the remuneration report in the Annual Report.

In 2015, a total of approximately 92,000 share options will be granted to the Executive Board. The precise number will be calculated using the Black-Scholes formula and on the basis of an exercise price calculated as an average of the share price on the first five trading days after publication of the present Company Announcement. In addition, approximately 510,000 performance shares with an exercise price of DKK 0 will be granted to 335 members of the long-term incentive plan of which approximately 63,000 will be granted to the Executive Board. The preliminary number will be based on the average share price of the trading days before and after the publication of the present Company announcement.

ANNUAL GENERAL MEETING

The Annual General Meeting will take place on Thursday 26 March 2015 at 4.30 pm (CET) at Tap 1, Ny Carlsberg Vej 91, Copenhagen, Denmark.

BOARD RESOLUTION AND PROPOSAL TO THE ANNUAL GENERAL MEETING

The Supervisory Board will recommend to the Annual General Meeting that a dividend be paid for 2014 of DKK 9.00 per share or a total of DKK 1.4bn. This equals a pay-out ratio of 25% based on adjusted net profit.

FINANCIAL CALENDAR

The financial year follows the calendar year, and the following schedule has been set for 2015:

2 March 2015	Annual report for 2014
26 March 2015	Annual General Meeting
12 May 2015	Interim results for Q1 2015
19 August 2015	Interim results for Q2 2015
11 November 2015	Interim results for Q3 2015

Carlsberg's communication with investors, analysts and the press is subject to special restrictions during a four-week period prior to the publication of interim and annual financial statements.

DISCLAIMER

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

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

MANAGEMENT STATEMENT

The Supervisory Board and Executive Board have discussed and approved the Company announcement of the financial statement as at 31 December 2014.

The Company announcement of the financial statement as at 31 December 2014 has been prepared using the same accounting policies as the consolidated financial statements for 2014.

Copenhagen, 18 February 2015

Executive Board of Carlsberg A/S

Jørgen Buhl Rasmussen President & CEO	Jørn P. Jensen Deputy CEO & CFO

Supervisory Board of Carlsberg A/S

Flemming Besenbacher Chairman	Jess Søderberg Deputy Chairman	Hans Andersen
Carl Bache	Richard Burrows	Donna Cordner
Eva V. Decker	Elisabeth Fleuriot	Kees van der Graaf
Finn Lok	Søren-Peter Fuchs Olesen	Elena V. Pachkova
Peter Petersen	Nina Smith	Lars Stemmerik

FINANCIAL STATEMENT

INCOME STATEMENT

DKK million	Q4 2014	Q4 2013	2014	2013
Net revenue	14,328	15,169	64,506	64,350
Cost of sales	-7,438	-7,595	-32,725	-32,423
Gross profit	6,890	7,574	31,781	31,927
Sales and distribution expenses	-4,248	-4,254	-18,695	-18,181
Administrative expenses	-1,036	-1,073	-4,633	-4,415
Other operating activities, net	113	5	369	22
Share of profit after tax, associates and joint ventures	67	52	408	370
Operating profit before special items	1,786	2,304	9,230	9,723
Special items, net	-1,135	-262	-1,353	-435
Financial income	340	3	806	717
Financial expenses	-518	-461	-1,997	-2,223
Profit before tax	473	1,584	6,686	7,782
Corporation tax	-195	-332	-1,748	-1,833
Consolidated profit	278	1,252	4,938	5,949
Attributable to:				
Non-controlling interests	110	125	524	478
Shareholders in Carlsberg A/S	168	1,127	4,414	5,471
Earnings per share	1.1	7.4	28.9	35.9
Earnings per share, diluted	1.1	7.3	28.8	35.7

STATEMENT OF COMPREHENSIVE INCOME

DKK million	Q4 2014	Q4 2013	2014	2013
Consolidated profit	278	1,252	4,938	5,949
Other comprehensive income:				
Retirement benefit obligations	-977	855	-1,208	824
Share of other comprehensive income, associates and joint ventures	-6	2	-3	2
Corporation tax relating to items that will not be reclassified	-119	-203	-118	-195
Items that will not be reclassified to the income statement	-1,102	654	-1,329	631
Foreign exchange adjustments of foreign entities	-12,065	-2,154	-16,938	-7,499
Value adjustments of hedging instruments	-69	-	151	10
Effect of hyperinflation	-	28	-	61
Other	3	-29	3	-29
Corporation tax relating to items that may be reclassified	30	-18	8	-8
Items that may be reclassified to the income statement	-12,101	-2,173	-16,776	-7,465
Other comprehensive income	-13,203	-1,519	-18,105	-6,834
Total comprehensive income	-12,925	-267	-13,167	-885
Attributable to:				
Non-controlling interests	123	3	825	305
Shareholders in Carlsberg A/S	-13,048	-270	-13,992	-1,190

STATEMENT OF FINANCIAL POSITION

DKK million	31 Dec. 2014	31 Dec. 2013
Assets		
Intangible assets	81,754	94,236
Property, plant and equipment	28,748	31,738
Financial assets	7,838	6,950
Total non-current assets	118,340	132,924
Inventories and trade receivables	11,370	12,273
Other receivables etc.	3,787	3,499
Cash and cash equivalents	2,418	3,612
Total current assets	17,575	19,384
Assets classified as held-for-sale	1,068	-
Total assets	136,983	152,308
Equity and liabilities		
Equity, shareholders in Carlsberg A/S	52,437	67,811
Non-controlling interests	3,560	3,190
Total equity	55,997	71,001
Borrow ings	38,690	30,239
Deferred tax, retirement benefit obligations etc.	15,773	16,429
Total non-current liabilities	54,463	46,668
Borrow ings	1,835	9,417
Trade payables	12,031	12,614
Deposits on returnable packaging	2,046	1,812
Other current liabilities	10,611	10,796
Total current liabilities	26,523	34,639
Total equity and liabilities	136,983	152,308

STATEMENT OF CHANGES IN EQUITY (PAGE 1 OF 2)

DKK million	Shareholders in Carlsberg A/S							31 Dec. 2014
	Share capital	Currency translation	Hedging reserves	Total reserves	Retained earnings	Equity, shareholders in Carlsberg A/S	Non-controlling interests	Total equity
Equity at 1 January 2014	3,051	-13,208	-682	-13,890	78,650	67,811	3,190	71,001
Consolidated profit	-	-	-	-	4,414	4,414	524	4,938
Other comprehensive income:								
Foreign exchange adjustments of foreign entities	-	-17,271	-	-17,271	-	-17,271	333	-16,938
Value adjustments of hedging instruments	-	-50	201	151	-	151	-	151
Retirement benefit obligations	-	-	-	-	-1,165	-1,165	-43	-1,208
Share of other comprehensive income, associates and joint ventures	-	-	-	-	-3	-3	-	-3
Other	-	-	-	-	3	3	-	3
Corporation tax	-	31	-27	4	-125	-121	11	-110
Other comprehensive income	-	-17,290	174	-17,116	-1,290	-18,406	301	-18,105
Total comprehensive income for the period	-	-17,290	174	-17,116	3,124	-13,992	825	-13,167
Acquisition/disposal of treasury shares	-	-	-	-	5	5	-	5
Exercise of share options	-	-	-	-	-19	-19	-	-19
Share-based payments	-	-	-	-	36	36	-	36
Dividends paid to shareholders	-	-	-	-	-1,220	-1,220	-413	-1,633
Acquisition of non-controlling interests	-	-	-	-	-184	-184	-50	-234
Acquisition of entities	-	-	-	-	-	-	8	8
Total changes in equity	-	-17,290	174	-17,116	1,742	-15,374	370	-15,004
Equity at 31 December 2014	3,051	-30,498	-508	-31,006	80,392	52,437	3,560	55,997

STATEMENT OF CHANGES IN EQUITY (PAGE 2 OF 2)

DKK million	Shareholders in Carlsberg A/S							31 Dec. 2013
	Share capital	Currency translation	Hedging reserves	Total reserves	Retained earnings	Equity, shareholders in Carlsberg A/S	Non-controlling interests	Total equity
Equity at 1 January 2013	3,051	-5,865	-758	-6,623	73,833	70,261	3,389	73,650
Changes in accounting policies	-	-	-	-	-	-	-13	-13
Restated equity at 1 January 2013	3,051	-5,865	-758	-6,623	73,833	70,261	3,376	73,637
Consolidated profit	-	-	-	-	5,471	5,471	478	5,949
Other comprehensive income:								
Foreign exchange adjustments of foreign entities	-	-7,327	-	-7,327	-	-7,327	-172	-7,499
Value adjustments of hedging instruments	-	-118	128	10	-	10	-	10
Retirement benefit obligations	-	-	-	-	817	817	7	824
Share of other comprehensive income, associates and joint ventures	-	-	-	-	2	2	-	2
Effect of hyperinflation	-	58	-	58	-	58	3	61
Other	-	-	-	-	-18	-18	-11	-29
Corporation tax	-	44	-52	-8	-195	-203	-	-203
Other comprehensive income	-	-7,343	76	-7,267	606	-6,661	-173	-6,834
Total comprehensive income for the period	-	-7,343	76	-7,267	6,077	-1,190	305	-885
Capital Increase	-	-	-	-	-	-	32	32
Acquisition/disposal of treasury shares	-	-	-	-	-13	-13	-	-13
Exercise of share options	-	-	-	-	-57	-57	-	-57
Share-based payments	-	-	-	-	57	57	-	57
Dividends paid to shareholders	-	-	-	-	-915	-915	-357	-1,272
Acquisition of non-controlling interests	-	-	-	-	-332	-332	-224	-556
Acquisition of entities	-	-	-	-	-	-	58	58
Total changes in equity	-	-7,343	76	-7,267	4,817	-2,450	-186	-2,636
Equity at 31 December 2013	3,051	-13,208	-682	-13,890	78,650	67,811	3,190	71,001

STATEMENT OF CASH FLOWS

DKK million	Q4 2014	Q4 2013	2014	2013
Operating profit before special items	1,786	2,304	9,230	9,723
Adjustment for depreciation, amortisation and impairment losses	1,094	1,005	4,108	3,869
Operating profit before depreciation, amortisation and impairment losses[1]	2,880	3,309	13,338	13,592
Adjustment for other non-cash items	-181	-38	-514	-221
Change in trade working capital	250	440	-177	620
Change in other working capital	24	-488	-682	-843
Restructuring costs paid	-119	-315	-397	-617
Interest etc. received	177	177	224	329
Interest etc. paid	-1,088	-575	-2,219	-2,424
Corporation tax paid	-524	-519	-2,168	-2,294
Cash flow from operating activities	1,419	1,991	7,405	8,142
Acquisition of property, plant and equipment and intangible assets	-2,303	-2,243	-5,888	-5,582
Disposal of property, plant and equipment and intangible assets	143	57	261	149
Change in on-trade loans	-45	-6	78	48
Total operational investments	-2,205	-2,192	-5,549	-5,385
Free operating cash flow	-786	-201	1,856	2,757
Acquisition and disposal of entities, net	-1,605	-2,176	-1,681	-2,314
Acquisition and disposal of associates and joint ventures, net	-45	-119	-90	-191
Acquisition and disposal of financial assets, net	20	1	25	5
Change in financial receivables	406	131	400	-250
Dividends received	81	4	180	141
Total financial investments	-1,143	-2,159	-1,166	-2,609
Other investments in property, plant and equipment	-12	-2	-20	-18
Total other activities[2]	-12	-2	-20	-18
Cash flow from investing activities	-3,360	-4,353	-6,735	-8,012
Free cash flow	**-1,941**	**-2,362**	**670**	**130**
Shareholders in Carlsberg A/S	-1	-27	-1,234	-985
Non-controlling interests	-122	-49	-663	-677
External financing	1,094	3,393	82	-67
Cash flow from financing activities	971	3,317	-1,815	-1,729
Net cash flow	-970	955	-1,145	-1,599
Cash and cash equivalents, beginning of period	3,210	2,331	3,234	5,000
Foreign exchange adjustments to cash and cash equivalents	-62	-52	89	-167
Cash and cash equivalents at 31 December[3]	2,178	3,234	2,178	3,234

[1] Impairment losses excluding those reported in special items.

[2] Other activities cover real estate, separate from beverage activities.

[3] Cash and cash equivalents less bank overdrafts.

NOTE 1 (PAGE 1 OF 3)

Segment reporting by region

	Q4 2014	Q4 2013	2014	2013
Beer sales (pro rata, million hl)				
Western Europe	11.2	11.4	50.0	49.0
Eastern Europe	8.3	9.5	37.8	42.4
Asia	7.0	6.0	35.0	28.3
Total	26.5	26.9	122.8	119.7
Other beverages (pro rata, million hl)				
Western Europe	3.9	3.7	15.8	14.9
Eastern Europe	0.2	0.2	1.7	1.7
Asia	0.9	0.8	3.5	3.1
Total	5.0	4.7	21.0	19.7
Net revenue (DKK million)				
Western Europe	8,602	8,997	37,762	37,393
Eastern Europe	2,708	3,966	14,100	17,711
Asia	2,984	2,153	12,491	9,063
Not allocated	34	53	153	183
Beverages, total	14,328	15,169	64,506	64,350
Non-beverages	…	…	…	…
Total	14,328	15,169	64,506	64,350
Operating profit before depreciation, amortisation and special items (EBITDA, DKK million)				
Western Europe	1,534	1,538	7,128	6,923
Eastern Europe	817	1,485	4,199	5,567
Asia	820	609	3,164	2,475
Not allocated	-277	-290	-1,048	-1,242
Beverages, total	2,894	3,342	13,443	13,723
Non-beverages	-14	-33	-105	-131
Total	2,880	3,309	13,338	13,592
Operating profit before special items (EBIT, DKK million)				
Western Europe	1,121	1,081	5,470	5,183
Eastern Europe	545	1,139	2,962	4,127
Asia	496	436	2,195	1,882
Not allocated	-359	-316	-1,282	-1,330
Beverages, total	1,803	2,340	9,345	9,862
Non-beverages	-17	-36	-115	-139
Total	1,786	2,304	9,230	9,723
Operating margin (%)				
Western Europe	13.0	12.0	14.5	13.9
Eastern Europe	20.1	28.7	21.0	23.3
Asia	16.6	20.3	17.6	20.8
Not allocated	…	…	…	…
Beverages, total	12.6	15.4	14.5	15.3
Non-beverages	…	…	…	…
Total	12.5	15.2	14.3	15.1

NOTE 1 (PAGE 2 OF 3)

Segment reporting by region

DKK million	2014	2013
Capital expenditure, CAPEX		
Western Europe	1,830	2,088
Eastern Europe	1,397	1,208
Asia	2,128	1,611
Not allocated	522	651
Beverages, total	5,877	5,558
Non-beverages	31	42
Total	5,908	5,600
Depreciation, amortisation and impairment losses		
Western Europe	1,658	1,740
Eastern Europe	1,237	1,440
Asia	969	593
Not allocated	234	88
Beverages, total	4,098	3,861
Non-beverages	10	8
Total	4,108	3,869
Capital expenditure/Depreciation and amortisation (%)		
Western Europe	110	120
Eastern Europe	113	84
Asia	220	272
Not allocated	...	...
Beverages, total	143	144
Non-beverages	...	...
Total	144	145

NOTE 1 (PAGE 3 OF 3)

Segment reporting by region

DKK million	2014	2013
Invested capital, year-end		
Western Europe	35,004	34,687
Eastern Europe	40,793	60,453
Asia	25,036	21,011
Not allocated	2,187	1,566
Beverages, total	103,020	117,717
Non-beverages	567	1,395
Total	103,587	119,112
Invested capital excl. goodwill, year-end		
Western Europe	14,814	14,449
Eastern Europe	24,313	36,588
Asia	9,160	7,948
Not allocated	2,187	1,566
Beverages, total	50,474	60,551
Non-beverages	567	1,395
Total	51,041	61,946
Return on invested capital, ROIC (%), rolling 12 months		
Western Europe	15.3	14.4
Eastern Europe	5.6	6.5
Asia	9.7	10.1
Not allocated	...	...
Beverages, total	8.2	8.3
Non-beverages	...	...
Total	8.0	8.1
Return on invested capital excl. goodwill (%), rolling 12 months		
Western Europe	35.2	32.7
Eastern Europe	9.3	10.8
Asia	23.5	16.2
Not allocated	...	...
Beverages, total	15.8	14.9
Non-beverages	...	...
Total	15.3	14.5

NOTE 2

Segment reporting by activity

DKK million	Q4 2014			Q4 2013		
	Bever-ages	Non-Beverages	Total	Bever-ages	Non-Beverages	Total
Net revenue	14,328	-	14,328	15,169	-	15,169
Operating profit before special items	1,803	-17	1,786	2,340	-36	2,304
Special items, net	-1,035	-100	-1,135	-255	-7	-262
Financial items, net	-175	-3	-178	-455	-3	-458
Profit before tax	593	-120	473	1,630	-46	1,584
Corporation tax	-300	105	-195	-194	-138	-332
Consolidated profit	293	-15	278	1,436	-184	1,252
Attributable to:						
Non-controlling interests	110	-	110	125	-	125
Shareholders in Carlsberg A/S	183	-15	168	1,311	-184	1,127

DKK million	2014			2013		
	Bever-ages	Non-Beverages	Total	Bever-ages	Non-Beverages	Total
Net revenue	64,506	-	64,506	64,350	-	64,350
Operating profit before special items	9,345	-115	9,230	9,862	-139	9,723
Special items, net	-1,245	-108	-1,353	-442	7	-435
Financial items, net	-1,169	-22	-1,191	-1,486	-20	-1,506
Profit before tax	6,931	-245	6,686	7,934	-152	7,782
Corporation tax	-1,883	135	-1,748	-2,025	192	-1,833
Consolidated profit	5,048	-110	4,938	5,909	40	5,949
Attributable to:						
Non-controlling interests	524	-	524	478	-	478
Shareholders in Carlsberg A/S	4,524	-110	4,414	5,431	40	5,471

NOTE 3

Segment reporting by quarter

DKK million	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
Net revenue								
Western Europe	7,483	10,371	10,542	8,997	7,640	10,945	10,575	8,602
Eastern Europe	2,902	6,245	4,598	3,966	2,484	4,992	3,916	2,708
Asia	2,262	2,416	2,232	2,153	2,732	3,193	3,582	2,984
Not allocated	57	26	47	53	40	32	47	34
Beverages, total	12,704	19,058	17,419	15,169	12,896	19,162	18,120	14,328
Non-beverages	-	-	-	-	-	-	-	-
Total	12,704	19,058	17,419	15,169	12,896	19,162	18,120	14,328
Operating profit before special items								
Western Europe	408	1,709	1,985	1,081	440	1,871	2,038	1,121
Eastern Europe	83	1,608	1,297	1,139	-8	1,518	907	545
Asia	477	484	485	436	455	580	664	496
Not allocated	-288	-376	-350	-316	-402	-331	-190	-359
Beverages, total	680	3,425	3,417	2,340	485	3,638	3,419	1,803
Non-beverages	-52	-26	-25	-36	-32	-37	-29	-17
Total	628	3,399	3,392	2,304	453	3,601	3,390	1,786
Special items, net	-49	-81	-43	-262	-29	-95	-94	-1,135
Financial items, net	-353	-405	-290	-458	-346	-368	-299	-178
Profit before tax	226	2,913	3,059	1,584	78	3,138	2,997	473
Corporation tax	-46	-717	-738	-332	-16	-788	-749	-195
Consolidated profit	180	2,196	2,321	1,252	62	2,350	2,248	278
Attributable to:								
Non-controlling interests	118	122	113	125	129	140	145	110
Shareholders in Carlsberg A/S	62	2,074	2,208	1,127	-67	2,210	2,103	168

NOTE 4

Special items

DKK million	2014	2013
Special items, income:		
Revaluation gain on step acquisitions of entities	13	-
Recycling of cumulative exchange rate differences of entities acquired in step acquisitions	-	239
Gain on disposal of property, plant and equipment impaired in prior years	33	40
Income total	46	279
Special items, expenses:		
Impairment of trademarks	-35	-200
Impairment of real estate	-100	-
Impairment and restructuring of Baltika Breweries, Russia	-745	-37
Impairment and restructuring in relation to optimisation and standardisation in Western Europe	-285	-309
Restructuring of Ringnes, Norway	-49	-88
Impairment and restructuring of Carlsberg Uzbekistan	-29	-
Restructuring of Aldaris, Latvia	-20	-74
Impairment and restructuring of Xinjiang Wusu Group, China	-35	-62
Impairment and restructuring Ningxia Xixia Jianiang, China	-32	-
Impairments of other non-current assets	-24	-23
Costs related to acquisitions and disposals of entities	-45	-28
Reversal of provision for onerous malt and hops contracts	-	107
Expenses total	-1,399	-714
Special items, net	-1,353	-435

NOTE 5 (PAGE 1 OF 2)

Debt and credit facilities

DKK million	31 Dec. 2014
Non-current borrowings:	
Issued bonds	28,893
Bank borrowings	8,290
Mortgages	1,457
Other non-current borrowings	50
Total	38,690
Current borrowings:	
Current portion of other non-current borrowings	369
Bank borrowings	1,442
Other current borrowings	24
Total	1,835
Total non-current and current borrowings	40,525
Cash and cash equivalents	-2,418
Net financial debt	38,107
Other interest-bearing assets net	-1,540
Net interest-bearing debt	36,567

All borrowings are measured at amortised cost. However, GBP 300m bond with fixed-rate swapped to floating rate, is measured at fair value. The carrying amount of this bond is DKK 2,994m.

NOTE 5 (PAGE 2 OF 2)

Debt and credit facilities

DKK million Time to maturity for non-current borrow ings						31 Dec. 2014
	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Issued bonds	2,994	7,408	-	5,594	12,897	28,893
Bank borrow ings	71	3	-	-	8,216	8,290
Mortgages	-	-	-	-	1,457	1,457
Other non-current borrow ings and leases	10	9	24	2	5	50
Total	3,075	7,420	24	5,596	22,575	38,690

DKK million Interest risk at 31 Dec. 2014	Net financial debt[1]	Interest[2]	
		Floating %	Fixed %
EUR	13,296	19%	81%
DKK	16,294	86%	14%
Other currencies	8,517	99%	1%
Total	38,107	31%	69%

[1] After interest rate and currency sw aps.

[2] After interest rate sw aps but excluding currency sw aps.

Commited credit facilities[2] DKK million	31 Dec. 2014
Less than 1 year	1,835
1 to 2 years	5,037
2 to 3 years	7,420
3 to 4 years	24
4 to 5 years	5,596
More than 5 years	33,052
Total	52,964
Short term	1,835
Long term	51,129

[2] Defined as short term borrow ings and long term committed credit facilities

NOTE 6

Net interest-bearing debt

DKK million	Q4 2014	Q4 2013	2014	2013
Net interest-bearing debt is calculated as follows:				
Non-current borrowings			38,690	30,239
Current borrowings			1,835	9,417
Payables, acquisitions			147	188
Gross interest-bearing debt			40,672	39,844
Cash and cash equivalents			-2,418	-3,612
Loans to associates			-59	-55
On-trade loans			-1,839	-1,851
less non-interest-bearing portion			905	870
Other receivables			-2,717	-2,024
less non-interest-bearing portion			2,023	1,438
Net interest-bearing debt			36,567	34,610
Changes in net interest-bearing debt:				
Net interest-bearing debt at beginning of period				32,480
Changes in accounting policies				-518
Restated net interest-bearing debt at beginning of period	34,282	31,014	34,610	31,962
Cash flow from operating activities	-1,419	-1,991	-7,405	-8,142
Cash flow from investing activities, excl. acquisition of entities	1,755	2,177	5,054	5,698
Cash flow from acquisition of entities, net	1,605	2,176	1,681	2,314
Dividend to shareholders and non-controlling interests	8	48	1,633	1,272
Acquisition of non-controlling interests	115	1	250	320
Acquisition/disposal of treasury shares and exercise of share options	-	27	14	70
Acquired net interest-bearing debt from acquisition of entities	324	1,026	437	1,035
Change in interest-bearing lending	-58	210	-29	291
Effects of currency translation	-12	85	358	-139
Other	-33	-163	-36	-71
Total change	2,285	3,596	1,957	2,648
Net interest-bearing debt, end of period	36,567	34,610	36,567	34,610

NOTE 7

Acquisition of entities

Acquisition of entities in 2014

In 2014, Carlsberg gained control of Chongqing Beer Group Assets Management Co. Ltd (China) and Maybev Pte Ltd. (Singapore) through acquisitions and of Hanoi-Vung Tau Beer Joint Stock Company (Vietnam) through a step acquisition.

Acquired entities	Country of main operations	Previous method of consolidation	Previously held ownership interest	Acquired ownership interest	Total Carlsberg interest	Acquisition date	Main activity	Consideration DKK million
Chongqing Beer Group Assets Management Co. Ltd	China	Not applicable	Not applicable	100%	100%	23 Oct. 2014	Brewery	1,742
Maybev Pte Ltd	Singapore	Not applicable	Not applicable	51%	51%	3 Apr. 2014	Sales	10
Hanoi-Vung Tau Beer Joint Stock Company	Vietnam	Equity method	55%	45%	100%	12 Feb. 2014	Brewery	92

The acquisition of Chongqing Beer Group Assets Management was a natural step in line with Carlsberg's strategy to gain further market shares in China and grow the business. The acquisition of Maybev expanded Carlsberg's premium drinks portfolio in Singapore and is in line with the premiumisation strategy in Asia. The step acquisition of Hanoi-Vung Tau Beer was carried out to obtain full control.

The calculated goodwill, DKK 1,428m in total, represents staff competences and synergies from optimisation of sales and distribution, supply chain and procurement. For the acquisitions of Chongqing Beer Group Assets Management and Chongqing Brewery Group (in 2013), it further represents the positive growth provided by the opportunity for Carlsberg to take full advantage of the potential of our international brands, including Tuborg, in the Chinese market in conjunction with the existing Carlsberg-owned business. Increased sales volumes provide Carlsberg with the opportunity to generate significant synergies from supply chain optimisations, including reduced indirect production overheads and implementation of best practice in the brewing industry, and cost savings on procurement.

Consideration and goodwill recognised

DKK million	Chongqing Beer Group Assets Management	Other	Total
Fair value of consideration transferred for acquired ownership interest	1,742	97	1,839
Fair value of previously held ownership interest	-	43	43
Deferred consideration	-	5	5
Total cost of acquisition	1,742	145	1,887
Net assets of acquired entities, attributable to Carlsberg	-403	-56	-459
Goodwill from acquisitions	1,339	89	1,428
Other adjustments of goodwill related to acquisitions in prior years			15
Total change in recognised goodwill			1,443

In October 2014, Carlsberg gained control of Chongqing Beer Group Assets Management following government approval of the transaction agreed in December 2013 at a purchase price of DKK 1,530m. In addition, a put option was granted allowing non-controlling interests of various subsidiaries in the group to be sold to Carlsberg at a price negotiated by the seller prior to the acquisition. The options were exercised before year-end 2014 at a total price of DKK 212m and are considered to be an integral part of the transaction.

Immediately following the acquisition, a number of the breweries in the group were put up for sale. As these breweries are expected to be disposed of within the next 12 months, they have been classified as assets held for sale in the opening statement of financial position. The purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities is still ongoing. Adjustments are therefore expected to be made to all items in the opening statement of financial position, especially in relation to trademarks, property, plant and equipment and assets held for sale. Accounting for the acquisition will be completed within the 12-month period required by IFRS 3.

In April 2014, Carlsberg Singapore gained control of Maybev through the acquisition of a 51% shareholding. As Carlsberg effectively holds 51% of Carlsberg Singapore, the Group has an effective ownership interest in 26% of Maybev. 50% of the consideration was paid at completion, while the remaining 50% was paid in January 2015.

In February 2014, Carlsberg gained control of Hanoi-Vung Tau Beer through the acquisition of a 45% shareholding previously held by our partner. The shareholding in the company recognised prior to gaining control had a fair value that was higher than the carrying amount, leading to recognition of a revaluation adjustment of DKK 13m.

The purchase price allocation of the fair value of identified assets, liabilities and contingent liabilities has been completed for both Maybev and Hanoi-Vung Tau Beer.

Fair value of net assets acquired

DKK million	Chongqing Beer Group Assets Management	Other	Total
Intangible assets	78	17	95
Property, plant and equipment	244	143	387
Inventories	297	14	311
Loans and receivables, current	92	34	126
Cash and cash equivalents	137	21	158
Assets classified as held for sale	341	-	341
Borrow ings	-315	-122	-437
Trade payables and other payables	-471	-43	-514
Net assets of acquired entities	403	64	467
Non-controlling interests' proportionate share of acquired net assets, recognised	-	-8	-8
Net assets of acquired entities, attributable to Carlsberg	403	56	459

NOTE 8

Contingent liabilities

The Federal Cartel Office in Germany has issued a decision against Carlsberg Deutschland and imposed a fine of EUR 62m for alleged infringement of the competition rules in 2007. Management does not agree with the conclusions or findings of the Federal Cartel Office and, accordingly, Carlsberg Deutschland has appealed the decision to the relevant German Court. The imposed fine has not been accounted for in the accounts.

NOTE 9

Events after the reporting period

In January 2015, the Group announced the closure of two breweries in Russia. The impairment losses relating to these closures have been recognised under special items in 2014, while the related restructuring cost will be recognised when the obligations arise during 2015. The restructuring cost will be recognised under special items and therefore have no impact on adjusted net profit.

Apart from the events recognised or disclosed in the consolidated financial statements, including the above mentioned closure of breweries, no events have occurred after the reporting period of importance to the consolidated financial statements.