



Interim Report

9 months ended 30 September 2007

Copenhagen 7/11/2007

Forward-looking statements

The forward-looking statements contained herein, including forecasts on sales and earnings performance, inherently involve risks and uncertainties and could be materially affected by factors such as global economic matters, including interest rate and currency developments, raw material developments, production and distribution related problems, breach or unexpected termination of contracts, price reductions resulting from market driven price reductions, market acceptance of new products, launches of rival products and other, unforeseen, factors.

Carlsberg will only update and adjust the specifically stated expectations in as far as this is required by the law.



Strategy

Group performance

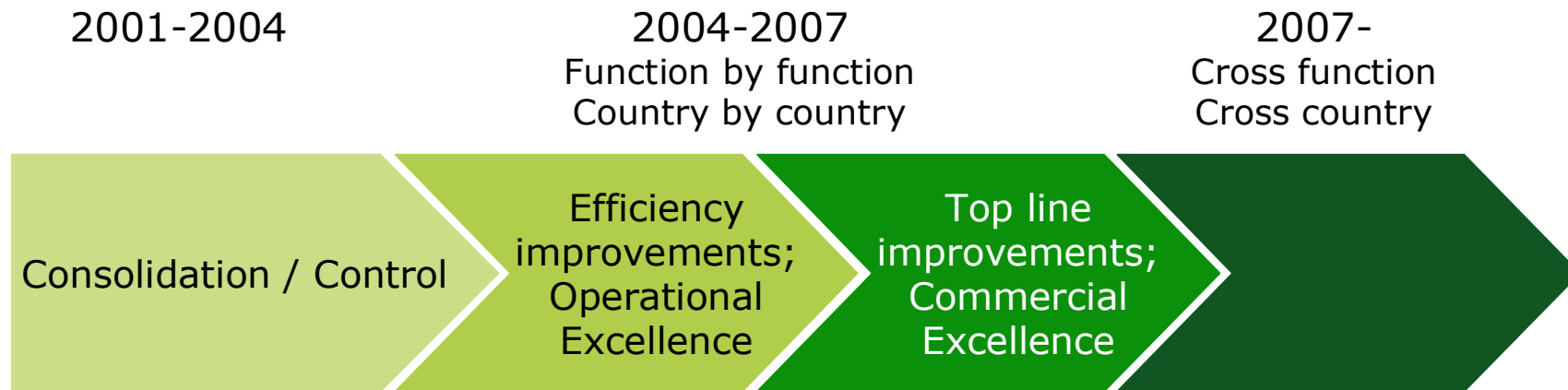
Financial results

Consortium approach to S&N

Additional information

AGENDA

Continuing historic, well-acknowledged strategy



Highlights

- Orkla transactions I + II
- BBH merger and integration
- Asia restart ⇒ Establishing emerging market foot print



Highlights

- Restructuring and brewery closures
- Innovation and advanced category management



Highlights

- Development of real estate
- Divestment of Hite shares

Key value drivers

Improving earnings in Western Europe

Profitable growth in BBH and Eastern Europe

Building platform in Asia

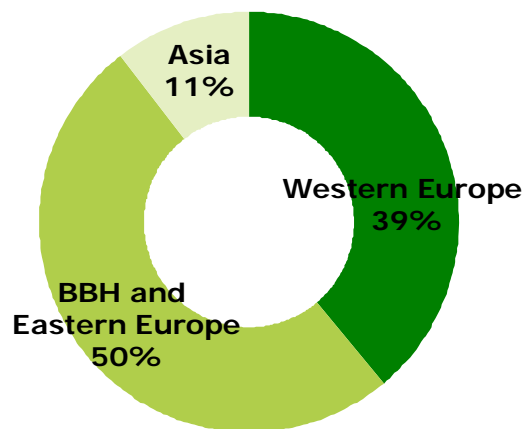
Develop real estate



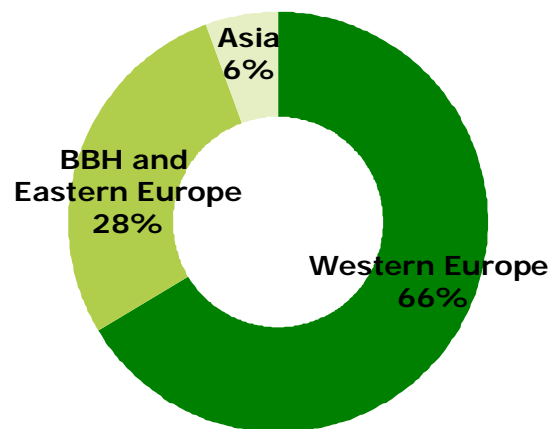
Business Portfolio



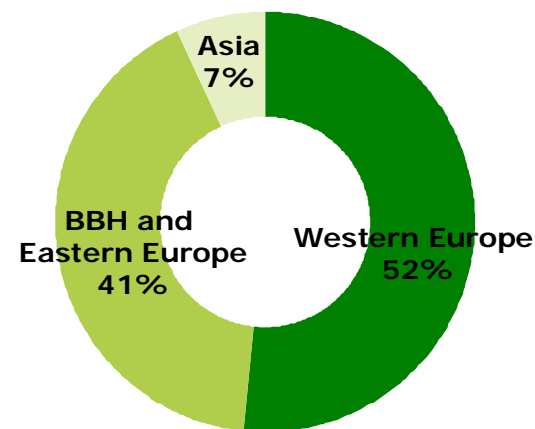
Volume



Revenue



Operating profit*



FY 2006
* Excl. not allocated costs



Group performance

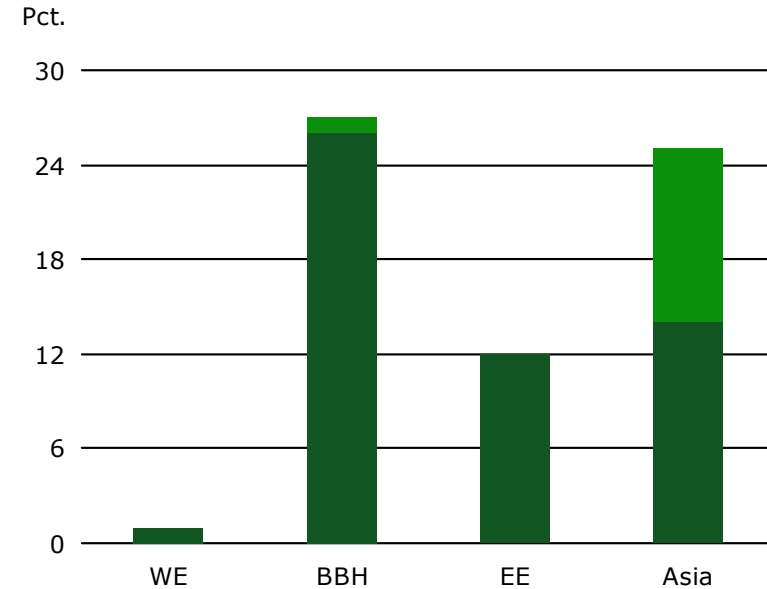
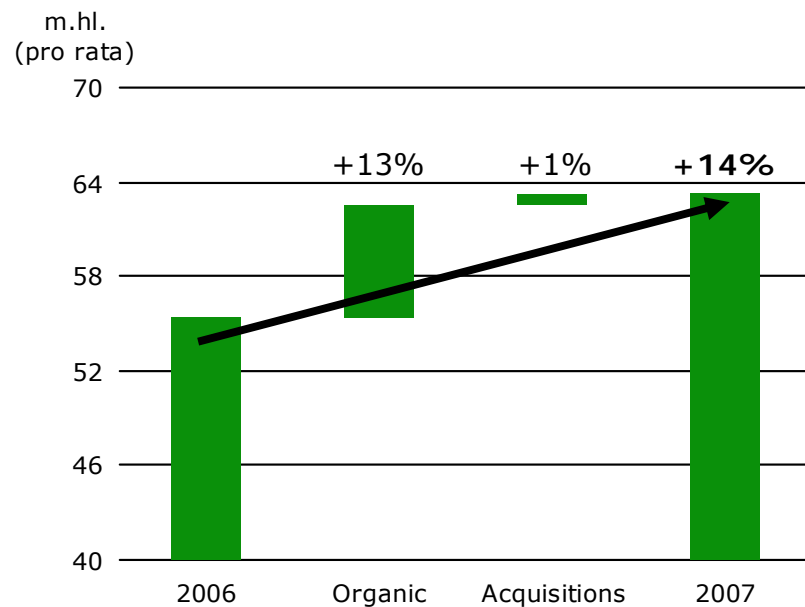
Strong development continues ...

- Improvement of market positions in key markets
- Margin improvement in Western Europe – on track for full year
- Strong growth continues in BBH although Russian market growth has moderated in Q3
 - Tuborg and Carlsberg are significant growth drivers
- Strong growth continues in Eastern Europe
- Input cost pressure will necessitate price increases in all markets
- Continued focus on efficiency gains and cost reductions
- Guidance unchanged – organic growth in earnings in brewing activities +18-20%



Beer volume dynamics

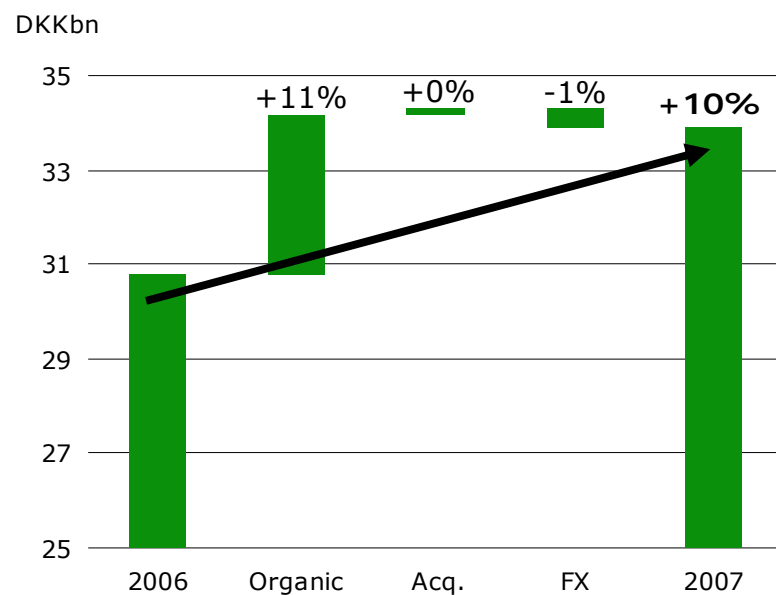
Strong volume development in all growth regions



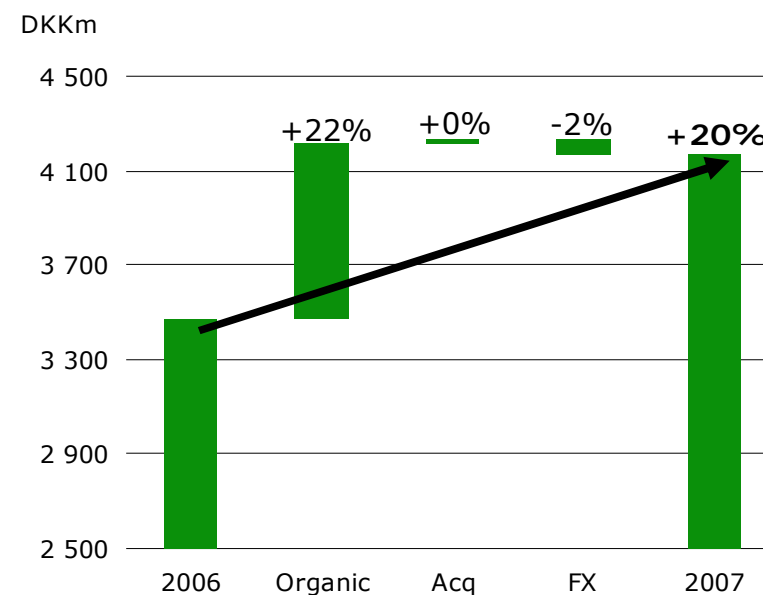
Total bars show total growth in volume;
dark shaded bars show organic growth in volumes

Brewing activities

Net sales



Operating profit





Western Europe

Positive results in challenging market



- Beer markets estimated -4% in Q3, -2½% YTD
- Beer volumes up 1% YTD following better execution and share gains in key markets
- Net sales per hl increased by 1% supported by new product launches
 - Various initiatives including LITE, DraughtMaster™, Cardinal Eve
- Higher input costs on malt, packaging etc necessitate price increases
- Continued strong focus on efficiency and cost control; operational expenses down 4% despite higher volume



Strong execution in local markets

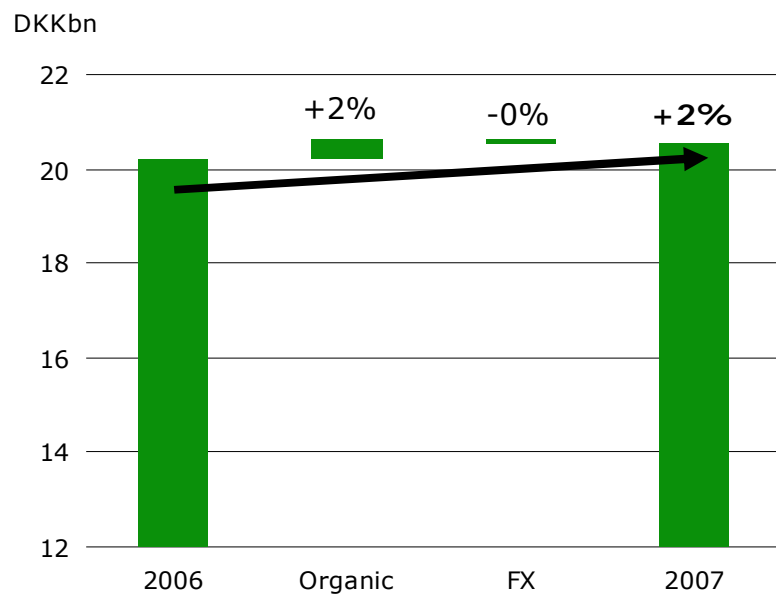
- Continued strong performance in Q3 in Nordic with share gains in Denmark, Sweden and Finland
- Share gains also in key markets Germany, the UK and Switzerland
- Improved UK earnings with off-trade share trend continuing positive momentum
- Announced closure of brewery in Loulé, Portugal by year end
- EBIT improvement driven by cost initiatives; margin now at 9.5% (12 mths moving average) vs 8.9% at year-end 2006



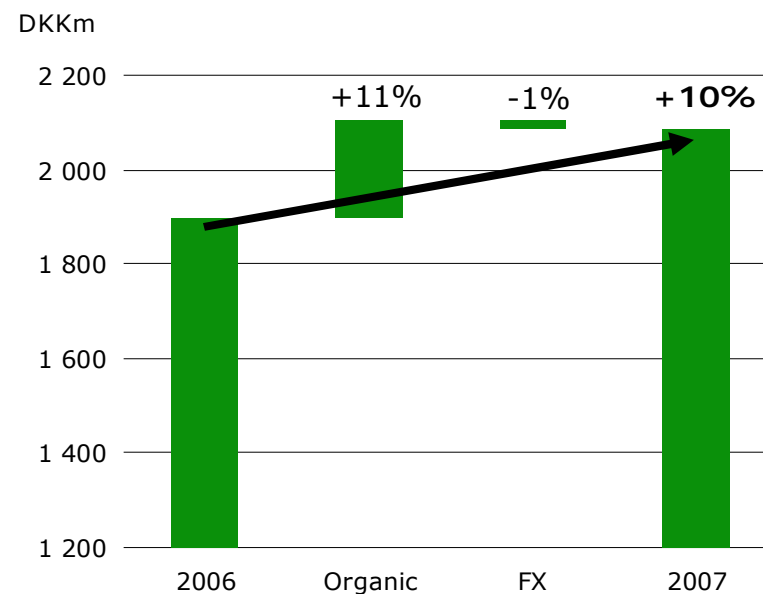
Western Europe



Net sales



Operating profit





BBH

Strong performance in high growth markets



- Net sales up 33% YTD fuelled by strong market development
- EBIT up 32% YTD driven by top-line growth, operational leverage and improved mix

Russia

- Market growth moderated in 3rd quarter (+9%), thus market up 17% YTD
- Baltika further strengthens market leader position with strong contribution from Baltika, Tuborg and regional brands
- Input cost inflation – mainly malt, energy, distribution
- On-going capacity expansion to support growth



Other BBH markets

Ukraine

- Strong market growth driven by mainstream and premium
- Successful re-launch of Slavutich based on improved quality, redesign of brand supported by intense marketing and promotion
- Turn-around continues according to plan

Baltics

- Total volume growth of 9%
- Full beverage model delivering increased value share



Other BBH markets

Kazakhstan

- Market growth of 17%
- Continued share gains
- Premium brands Tuborg and Irbis drive positive mix

Uzbekistan

- Brewery fully operational

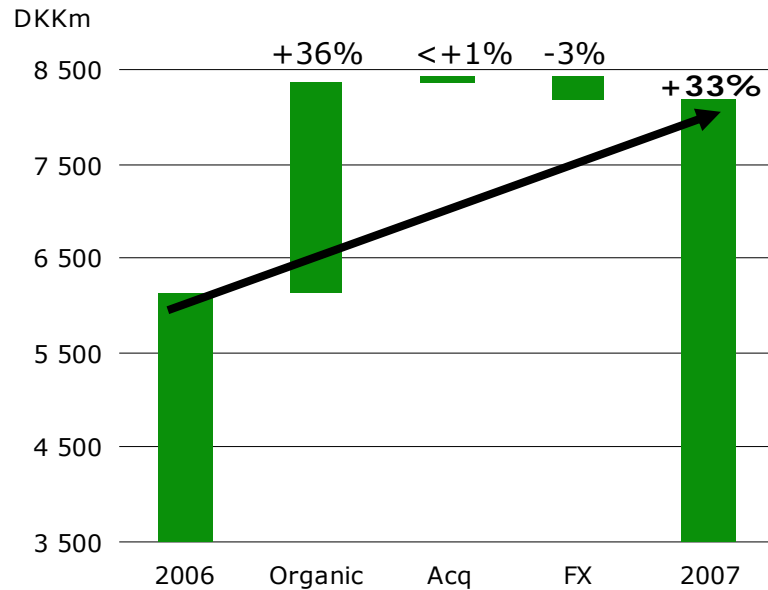


BBH outlook 2007

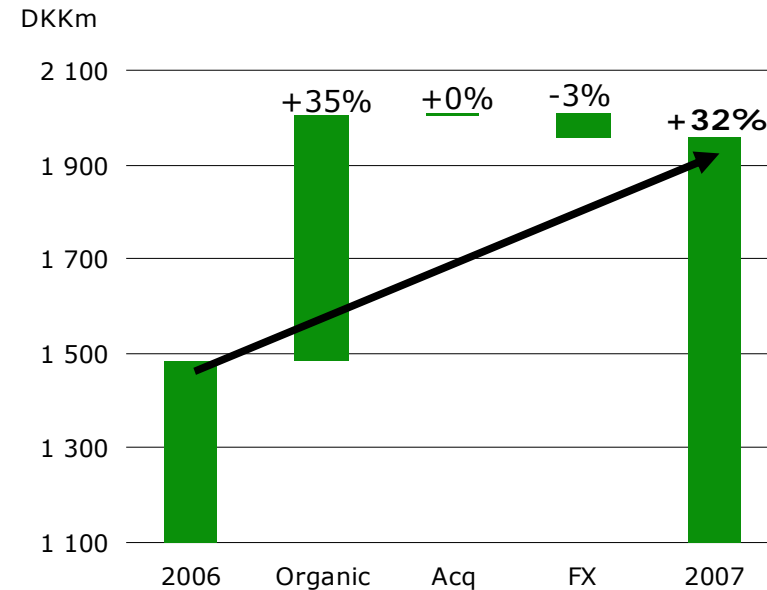
- Russian market growth forecast to be around 13-15% (previously 11-13%)
- Input costs expected to remain high
- EBIT margin expectation c. 22.5% (previously c. 23%)
- Capex around €550m



Net sales



Operating profit





Eastern Europe

Improvement of earnings

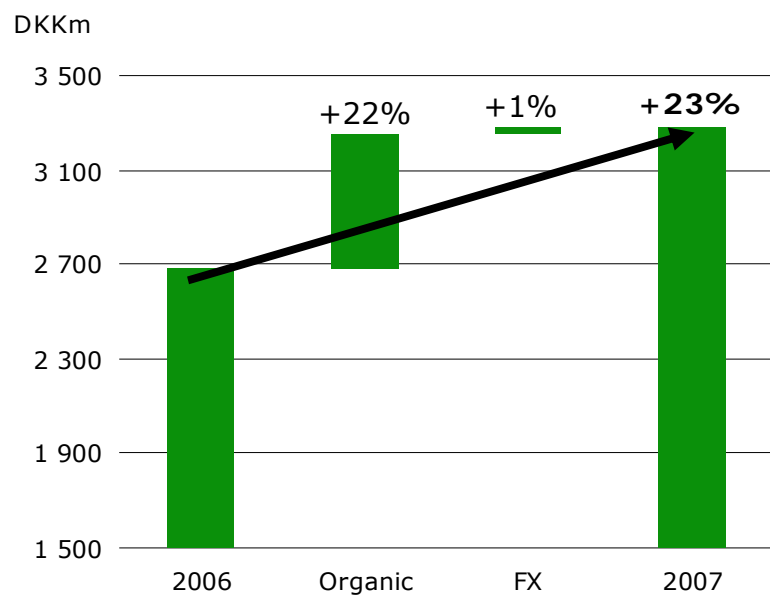
- Poland continues positive development; volume up 15% slightly ahead of market
- Very positive development in South East Europe
 - Successful promotion for Tuborg Green
 - Earnings doubled due to volume increase and higher pricing
- Turkey continues to be challenging although new product launches have been successful



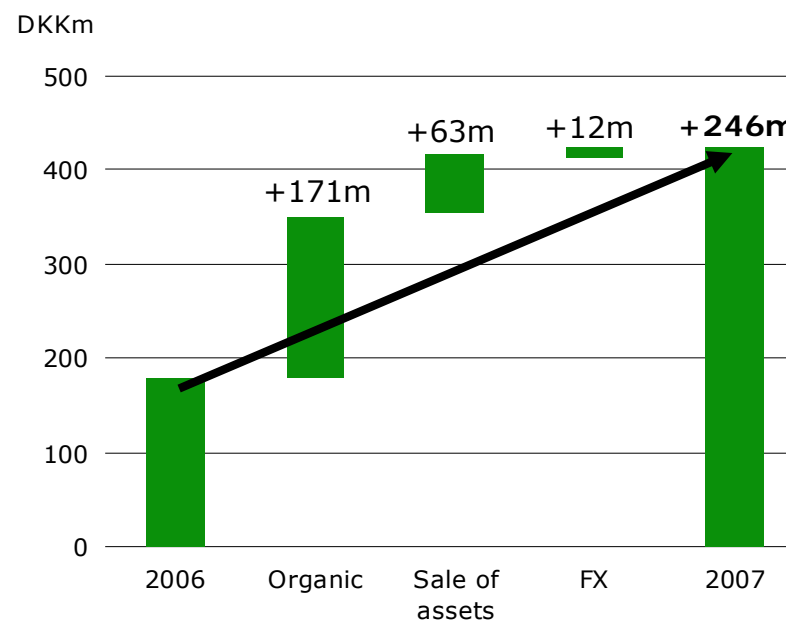
Eastern Europe



Net sales



Operating profit





Asia

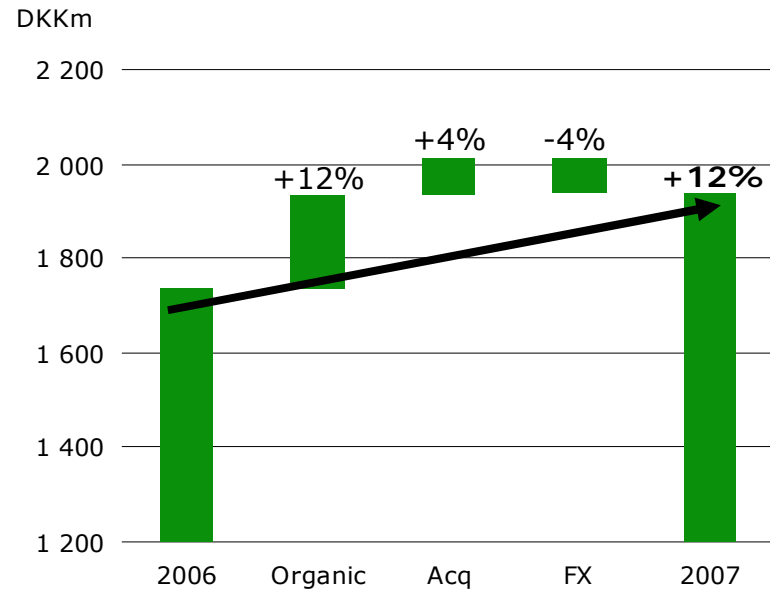
Strong organic growth development



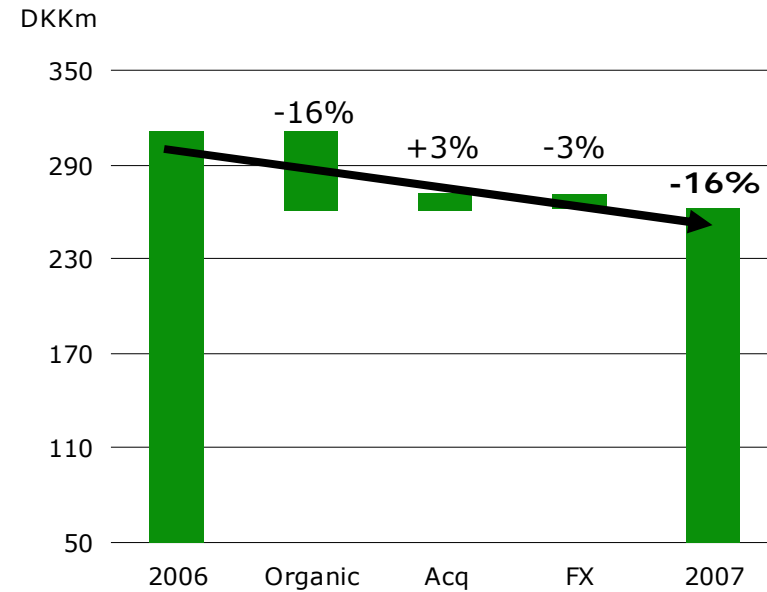
- Volumes up 25% driven by strong organic development as well as acquisitions
- Net sales up 12% - changes in country mix reduces sales/hl
- Malaysian business model changes in H1 - Q3 earnings up vs. last year
- Vietnamese greenfield in Phu Bai expected to be operational by year end; joint venture with Habeco on greenfield in Southern province Vung Tau



Net sales



Operating profit

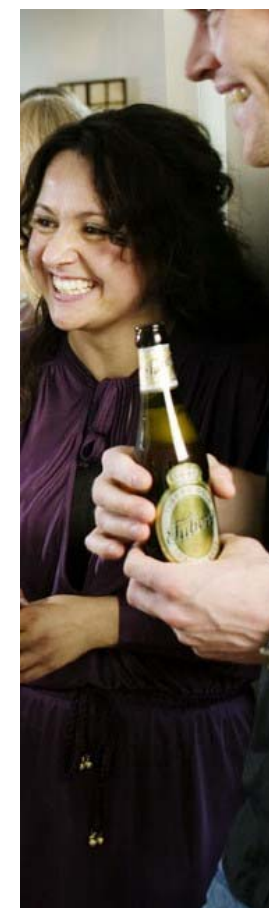




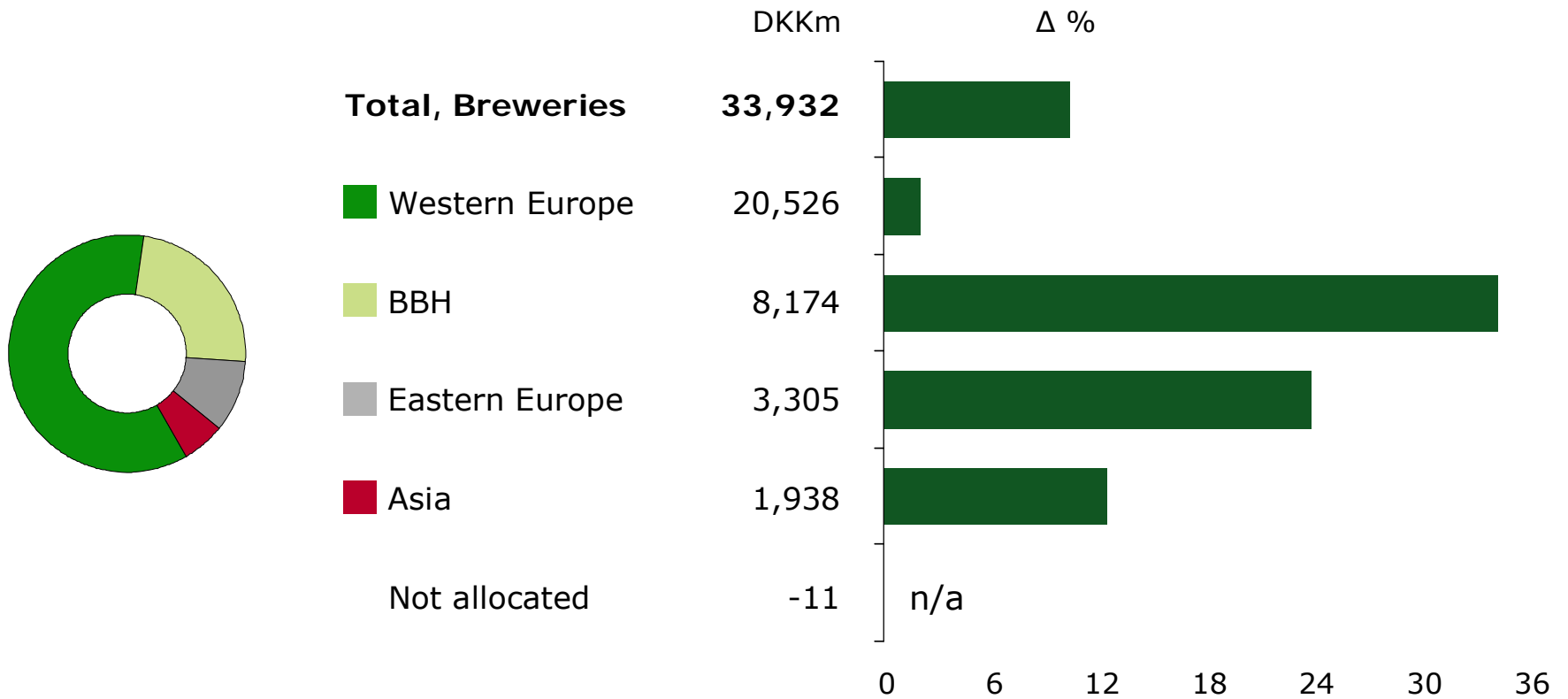
Financial results and outlook

Income statement

| DKKbn | Q1-Q3 2007 | Q1-Q3 2006 | Δ DKKm |
|--|---------------|---------------|-------------|
| Net sales | 33,932 | 30,798 | +3,134 |
| Gross profit | 17,173 | 15,918 | +1,255 |
| Operating profit before special items | 4,334 | 3,532 | +802 |
| - Brewing | 4,167 | 3,468 | +699 |
| - Other | 167 | 64 | +103 |
| Special items, net | -184 | 241 | -425 |
| Financials, net | -773 | -628 | -145 |
| Profit | 2,512 | 2,227 | +285 |
| Minorities | 252 | 263 | -11 |
| Carlsberg's share of profit | 2,260 | 1,964 | +296 |

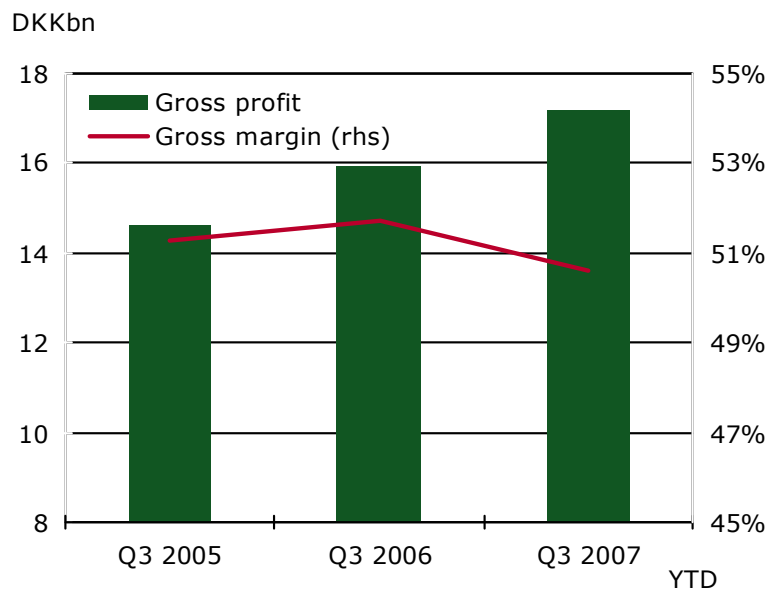


Net sales



Gross profit

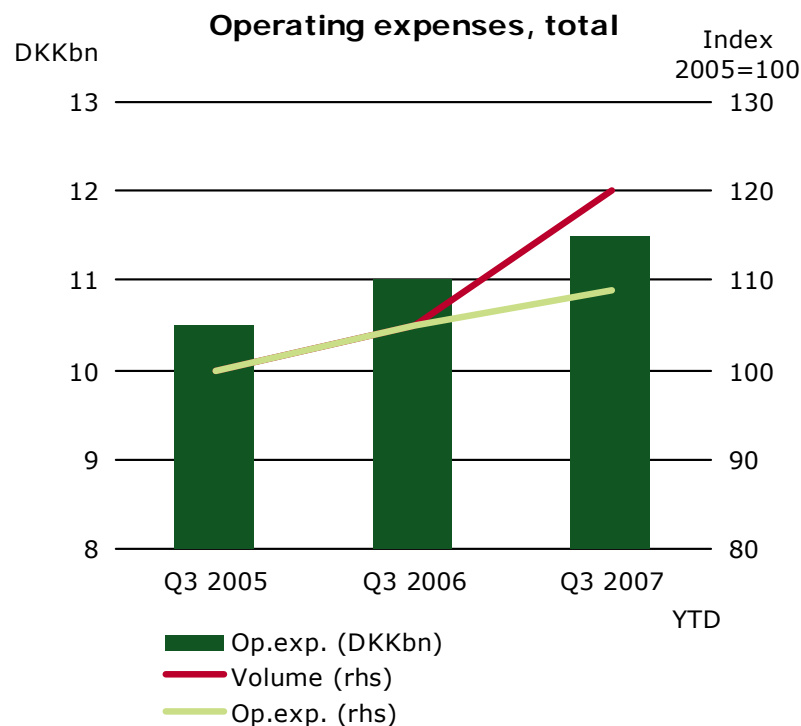
Gross profit and margin



- Gross profit increase in three consecutive years (Q3 YTD)
- Margin decrease due to higher input costs and change in packaging mix

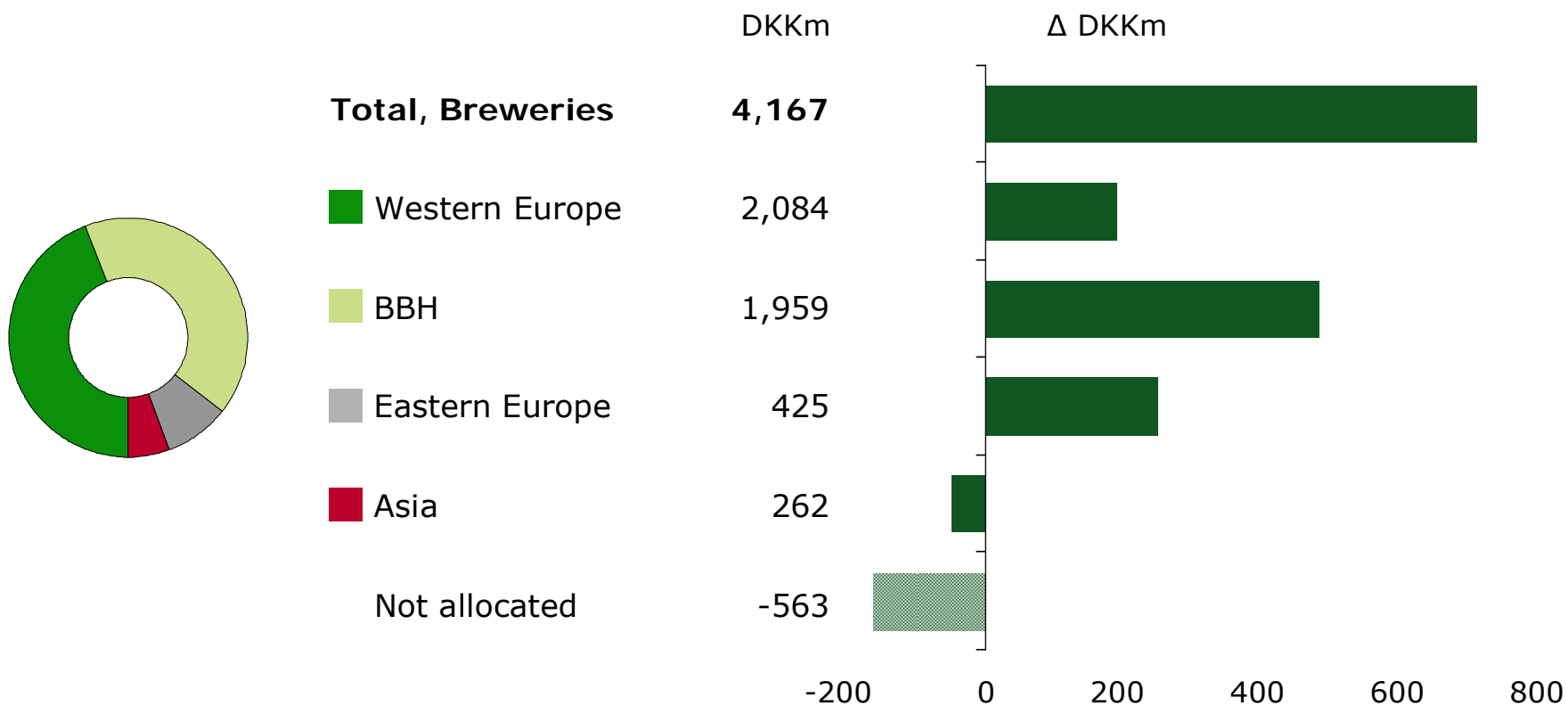
Operating expenses

Significant reduction over past years

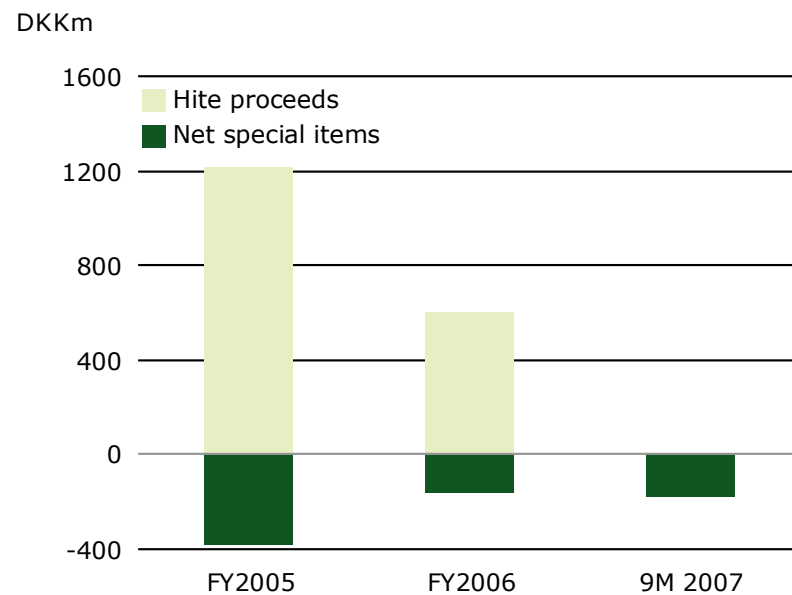


- Operating expenses contained while significant increase in volumes
- Only slight increase in sales and distribution expenses partly due to positive effects from logistic excellence
- Administrative expenses contained a.o. as a result of continued focus on administrative excellence

Operating profit

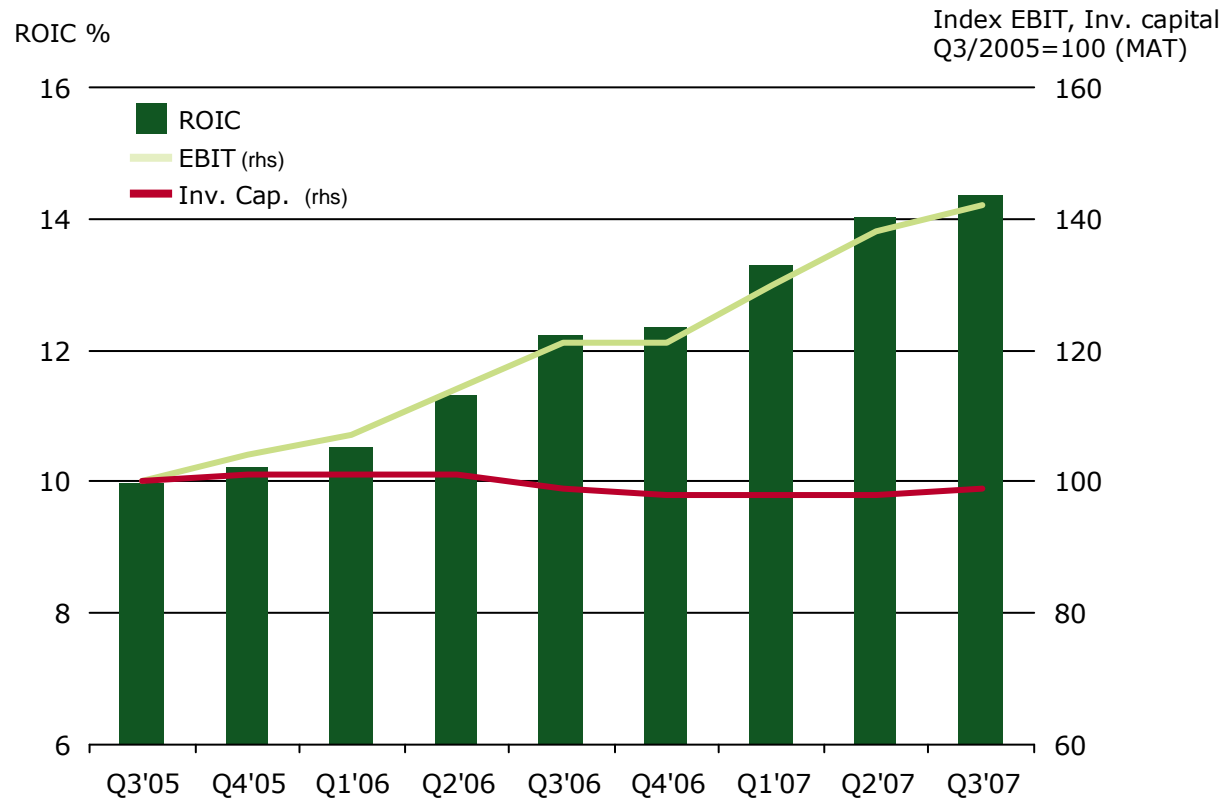


Special items



- Impacted by redundancies in connection with logistic excellence initiatives and restructuring
- 2005 and 2006 including proceeds from sale of Hite shares

ROIC development – Brewing



Cash flow

| DKKbn | Q1-Q3 2007 | Q1-Q3 2006 | ΔDKKm |
|-------------------------------------|---------------|---------------|---------------|
| Cash flow from operating activities | 3,009 | 2,735 | +274 |
| Cash flow from investing activities | -3,107 | 1,103 | -4,210 |
| Free cash flow | -98 | 3,838 | -3,936 |
| Cash flow from financing activities | -51 | -3,534 | 3,483 |
| Net cash flow | -149 | 304 | -453 |

- High capex in 2007 primarily due to investments in Denmark, Finland and Italy (brewery optimisation) and Russia (capacity expansion)
- 2006 including proceeds from sale of Hite shares



Financial outlook 2007



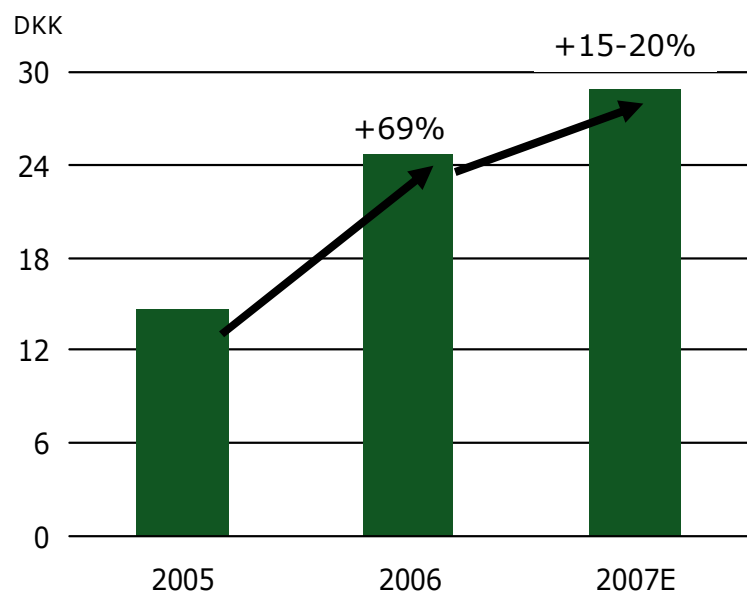
Guidance

Operating profit for brewing activities up 18-20% organically



| | 2006 Actuals | 2007 Guidance (Feb) | 2007 Guidance (May) | 2007 Guidance (Aug/Nov) |
|---|-----------------|---------------------------|---------------------------|-------------------------------|
| Net sales | DKK 41.1bn | ~ +5% | ~ +7% | > +10% |
| Operating profit, Brewing activities | DKK 3,997m | ~ DKK 4.3bn | ~ DKK 4.5bn | ~ DKK 4.75bn |
| Operating profit, Other activities | DKK 49m | ~ DKK 0.2bn | ~ DKK 0.2bn | ~ DKK 0.25bn |
| Carlsberg share of profit | DKK 1,884m | Slightly higher | > DKK 2 bn | ~ DKK 2.2 bn |

EPS





Consortium Approach to S&N

Consortium Approach to S&N

Background

- Consortium of Carlsberg and Heineken submitted proposal to Board of S&N on 25 October 2007
- Under proposal Carlsberg would acquire 50% of BBH, S&N's French and Greek operations, and its interest in China
- Consortium approach delivers strong strategic fit and materially reduces funding requirements
- We are approaching this transaction with a disciplined approach!

Value of proposal

- Potential cash offer for S&N of 720p per share (based on fully diluted share capital of 974.2 million shares)
- 720p represents £7.0bn (DKK 75.7bn) equity value and £9.4bn enterprise value (DKK 101.9bn)*
- Carlsberg's economic contribution would be c.54%

* Based on DKK/GBP rate of 10.799

Consortium Approach to S&N

Carlsberg financing arrangements

- Committed new debt facilities in place, underwritten by Lehman Brothers, BNP Paribas, Danske Bank and Nordea Bank
- Facilities include c.DKK 31bn equity bridge loan to a rights issue
- Structured to ensure Carlsberg's debt facilities remain investment grade

Deal pre-conditions

- Limited confirmatory due diligence
- Recommendation of S&N Board
- Assurance from trustees of S&N's UK pension schemes regarding level of future contributions by Heineken

Consortium Approach to S&N

Legal claim

- S&N announced initiation of arbitration proceedings following alleged breaches of BBH shareholders' agreement
- Carlsberg has received unequivocal advice that there is no foundation to S&N's claims
- S&N's legal claims are spurious, without merit and a distraction to advancing discussions
- Carlsberg reserves its position with regards to a claim for material damages

Summary

- S&N urged to engage rather than pursuing a legal distraction
- Consortium is confident structure would avoid substantive anti-trust issues
- Carlsberg unable to comment further as restricted under rules of UK Takeover Code



Summary

Summary

- Continuing historic, well-acknowledged strategy
- Strong trading update with improvement of market positions in key markets
- Input cost pressure will necessitate price increases in all markets
- Continued focus on efficiency gains and cost reductions
- Guidance unchanged





Additional information

Financial Calendar 2008



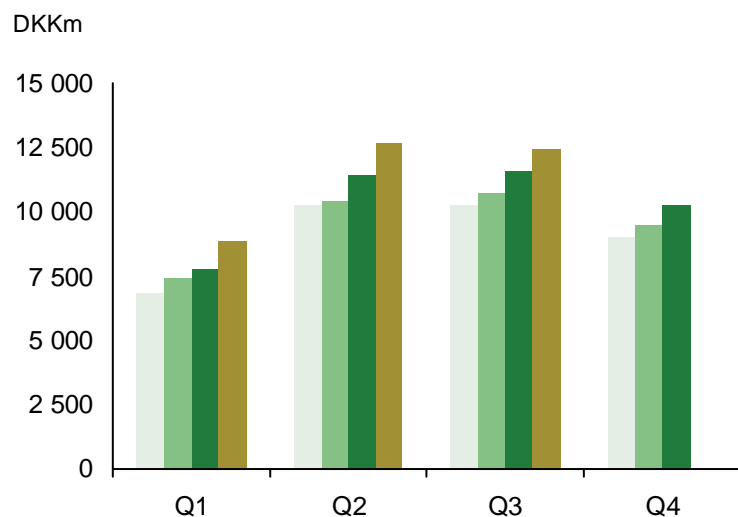
| | |
|-----------------------------|------------------|
| 2007 Full Year Statement | 19 February 2008 |
| 2008 Q1 Financial Statement | 7 May 2008 |
| 2008 Q2 Financial Statement | 5 August 2008 |
| 2008 Q3 Financial Statement | 5 November 2008 |



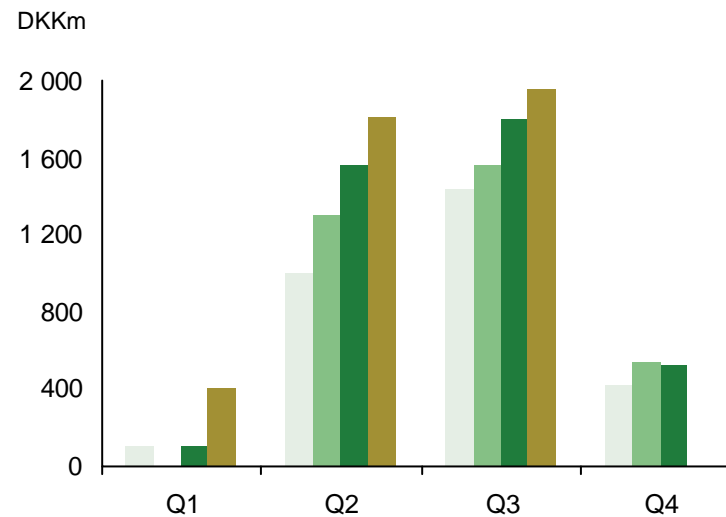
Seasonality in the brewing activities



Net sales
2004-2007



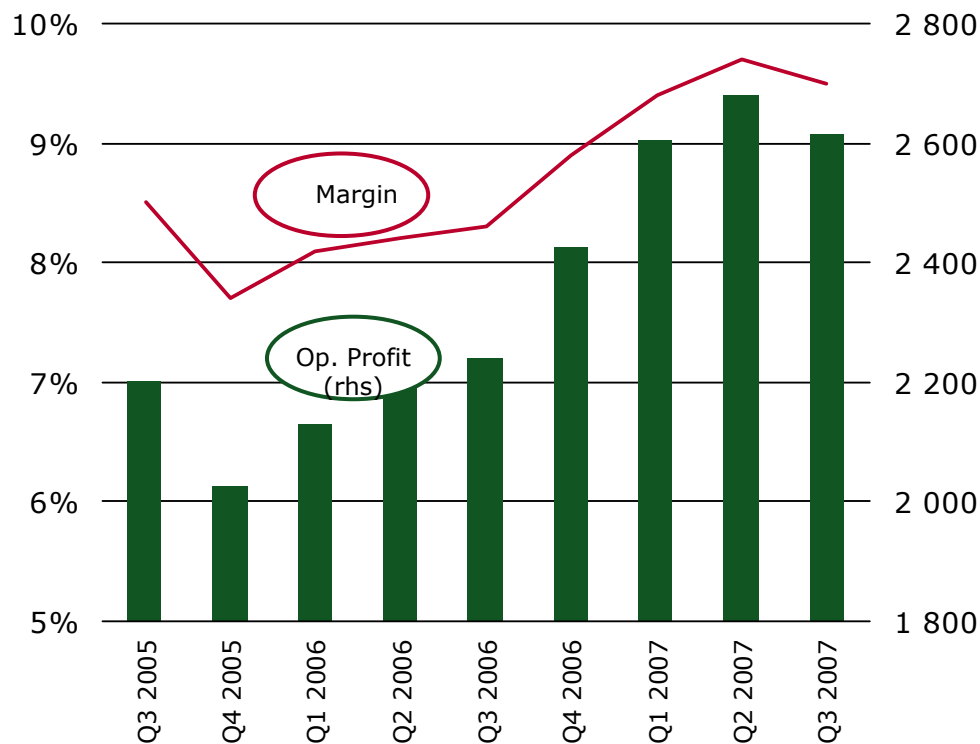
Operating profit
2004-2007



- 2004
- 2005
- 2006
- 2007

Western Europe

Profit margin development (rolling 12 months)



Margin improvement initiatives

- Top line growth:
 - Innovations
 - Increased share of premium products
 - Building local power brands
 - Best practice sharing with sales and marketing
 - New beverage categories
- Cost base reduction:
 - On-going Excellence programmes roll-out
 - Standardisation
 - Shared Service Center
 - Brewery structure optimisation

BBH: Beer market development

| 9M 2007 | Market growth | BBH volume growth | Market share | Market share change |
|-------------------|---------------|-------------------|--------------|---------------------|
| Russia | +17.3% | +22.5% | 37.7% | +1.5%-pts |
| Ukraine | +19.7% | +36.5% | 20.2% | +2.2%-pts |
| Baltics | +1.7% | +2.2% | 44.8% | +0.3%-pts |
| Kazakhstan | +17.0% | +49.6% | 43.6% | +5.2%-pts |

Product portfolio in Russia



Baltika Breweries in Russia

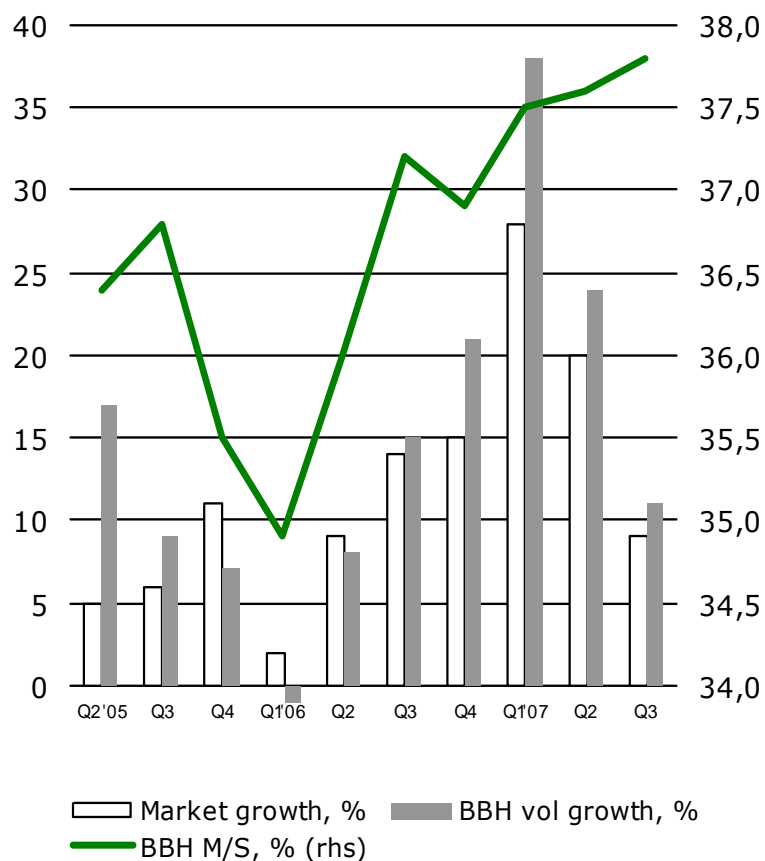


Production capacity: 40+ m hl / year

Russian beer market development



Growth %
quarterly observations



Market share %

| | 2007:9M | 2006:9M | 2006:FY |
|----------|---------|---------|---------|
| BBH | 37.7 | 36.3 | 36.4 |
| InBev | 18.7 | 18.8 | 18.9 |
| Heineken | 12.9 | 13.3 | 13.3 |
| Efes * | 9.2 | 9.8 | 9.7 |
| SAB ** | 6.1 | 5.6 | 5.6 |
| Others | 15.4 | 16.2 | 16.1 |
| | 100.0 | 100.0 | 100.0 |

* Efes official data for H107

** Business Analytica Jan-Aug 2007

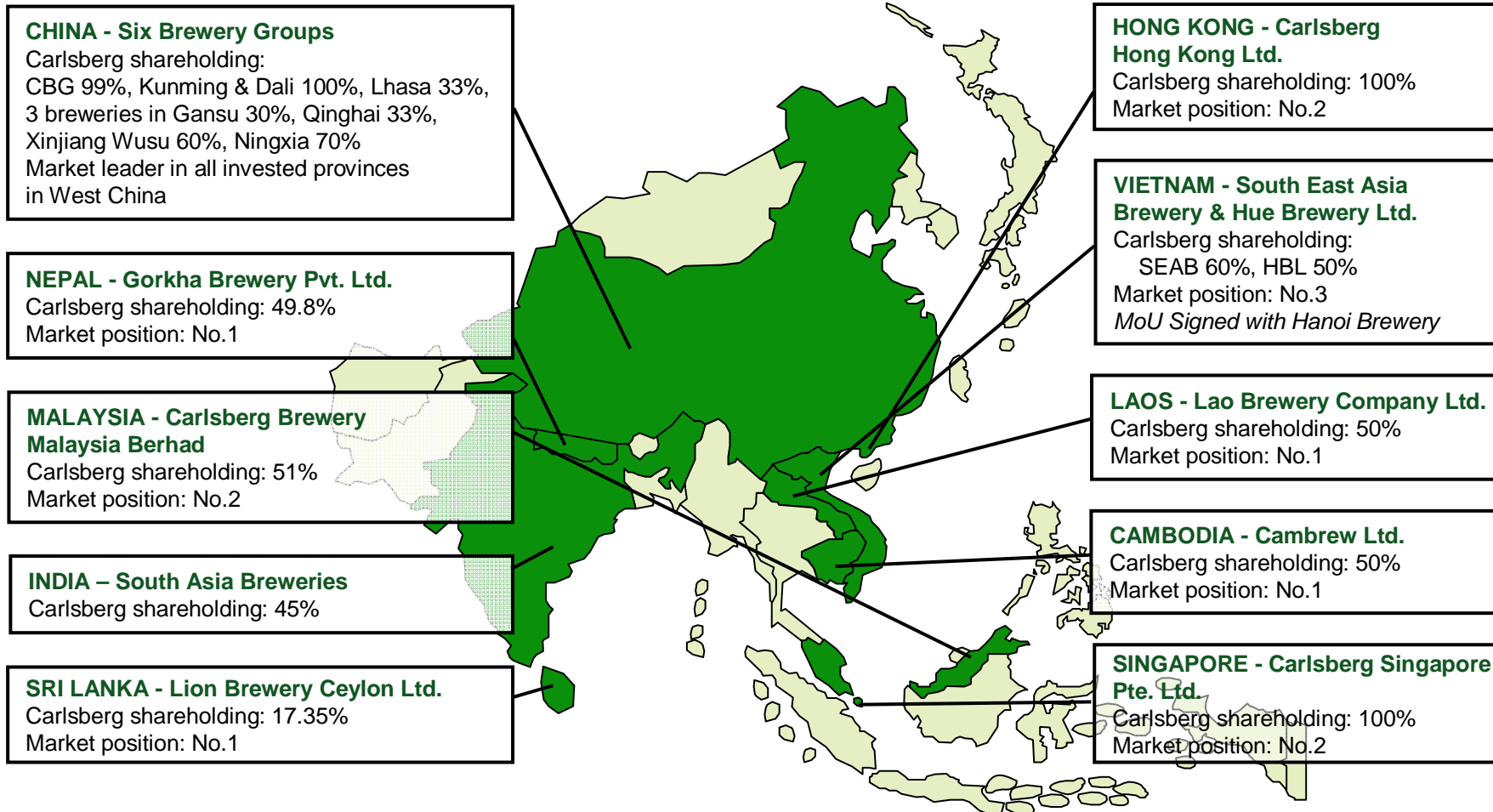
Note: BBH domestic beer volumes

Sources: BBH, State Statistics Committee, Breweries, Business Analytica

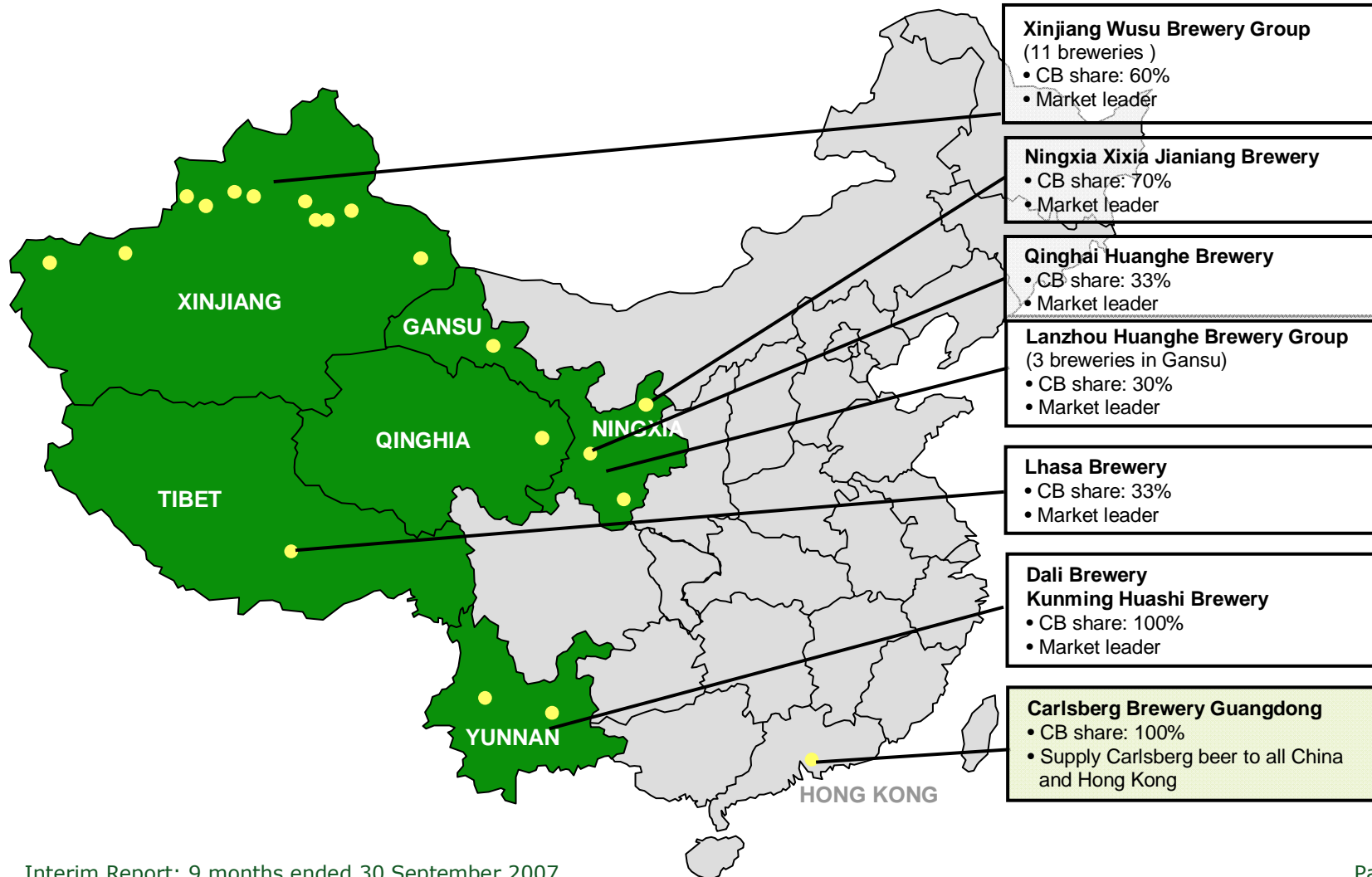
Product portfolio in China



Carlsberg in Asia



Carlsberg in China



Real estate fact sheet

| Tuborg DKK m | 2007 YTG | 2008 | 2009 |
|-------------------------------------|-------------|--------|------|
| Investments | -150 | -340 | -125 |
| Sales proceeds | +200 | +1,000 | +350 |
| Profit from sale / rental income | +100 | +400 | +100 |



| Sqm to be constructed | Tuborg | Valby* |
|------------------------------|-----------------|------------------|
| Housing | ~ 60,000 | |
| Commercial | ~ 9,000 | |
| Public | ~ 10,000 | |
| Total | ~ 79,000 | ~ 550,000 |
| Hereof Carlsberg need | | ~ 70,000 |



* As indicated by winning proposal of the Carlsberg Architecture Competition

THE PROBABLY
BEST BEER
COMPANY IN
THE WORLD

Carlsberg
Group