



THE DANISH BREWERY GROUP A/S

I N T E R I M R E P O R T



The Danish way to share a great moment

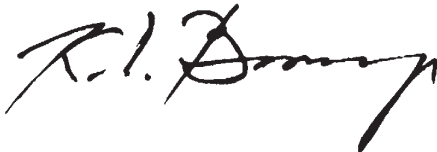
THE FIRST SIX MONTHS OF 2002

To the Copenhagen Stock Exchange

## ANNOUNCEMENT OF FINANCIAL RESULTS FOR THE FIRST SIX MONTHS OF 2002

The Board of Directors of The Danish Brewery Group A/S has today considered and approved the interim accounts for the period from 1 January to 30 June 2002. The accounts, which are unaudited, are enclosed with this announcement.

Randers, 27 August 2002



Knud Erik Borup  
Chairman of the Board



Poul Møller  
Managing Director

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Poul Møller, Managing Director, tel. +45 56 77 15 03.

## HIGHLIGHTS

- Volumes and turnover up by 2% in first six months of 2002.
- Operating profit (EBIT) up by 4% from last year.
- Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounting to DKK 194 million up by 12% from 2001.
- Profit before tax amounting to DKK 71.7 million up by 22%.
- Expectations for the full year 2002 of a profit before tax of DKK 230-260 million (based on new Danish accounting legislation) compared to the earlier expectations of DKK 248-288 million.

## FINANCIAL HIGHLIGHTS

The interim accounts have been prepared under changed accounting policies as compared to the annual accounts for 2001 as adjustment has been made in compliance with the new Danish Financial Statements Act, cf. page 4. Comparative figures for prior years have been restated accordingly.

<b>All amounts in DKK million. First six months</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>
Turnover	1,698.4	1,671.2	1,285.6	1,153.1	1,228.6
Net turnover	1,382.2	1,342.5	1,063.4	955.7	1,023.6
Operating profit before goodwill amortisation	94.2	91.5	67.5	65.6	83.6
Operating profit after goodwill amortisation	87.0	83.7	61.7	62.8	81.2
Special items	5.7	0	0	0	0
Financial items	-21.0	-25.1	-9.2	65.5	-18.7
Profit before tax	71.7	58.6	52.5	128.3	62.5
Consolidated profit	46.5	37.7	33.5	111.8	39.5
The Danish Brewery Group A/S' share of profit	46.3	36.9	33.7	111.8	39.5
Assets	2,932.2	2,691.3	2,064.8	2,061.0	1,770.0
Consolidated shareholders' equity	957.0	864.2	750.3	704.2	520.3
The Danish Brewery Group's share of equity	950.5	831.0	748.5	704.2	520.3
Investments	78.6	86.9	79.1	140.2	128.5
EBITDA	194.4	173.0	141.1	128.9	143.4
Operating ratio	5.1	5.0	4.8	5.4	6.6
Earnings per share of DKK 10	7.4	6.0	5.4	18.1	6.5
Equity ratio	32.6	32.1	36.3	34.2	29.4

The calculation of ratios has been based on the guidelines issued by the Danish Society of Financial Analysts; however, consolidated shareholders' equity is used in the calculations. The calculation of earnings per share has been based on the number of shares in circulation.

## GENERAL

The Danish Brewery Group comprises the Albani, Ceres, Faxe, Maribo and Thor breweries in Denmark as well as AB Vilniaus Taurus and – as of the 4th quarter of 2001 – AB Kalnapilis in Lithuania.

Robert Cain & Co. Ltd, the Group's UK brewery, was sold at the end of June 2002 (cf. Announcement BG 15/2002 dated 2 July 2002) and is therefore included in the figures in the interim accounts for the first six months of 2002.

In the spring of 2002 The Danish Brewery Group in cooperation with Borg Bryggerierne Holding A/S (Norway) and Spendrup Invest AB (Sweden) acquired a controlling interest in Norway's second-largest brewery business Hansa Borg Bryggerier ASA (cf. Announcement BG 06/2002 dated 20 March 2002). The Danish Brewery Group holds 25% of the share capital of the holding structure that fully controls Hansa Borg Bryggerier ASA, and Hansa Borg and the two holding companies are treated as associated undertakings in the accounts of The Danish Brewery Group as of 1 May 2002.

In the spring, the boards of directors of The Danish Brewery Group A/S and Albani Bryggerierne A/S decided to recommend for adoption at their respective general meetings that the two companies merge with effect from 1 January 2002 with The Danish Brewery Group A/S as the continuing company (cf. Announcement BG 07/2002 dated 22 March 2002). At the general meetings of the two companies in the spring this recommendation was followed and the merger has been realised at half-year.

Furthermore, the board of directors of The Danish Brewery Group A/S decided to exercise its authorisation by the general meeting to offer employee shares to employees at a favourable price. New employee shares up until a nominal amount of DKK 1,000,000 were offered, and the shares could be acquired at a price of DKK 100 per share of DKK 10. The subscription period for the shares ended on 15 August 2002 (cf. Announcement BG 14/2002 dated 14 June 2002), and employees subscribed for shares of a nominal amount of DKK 681.780.

## ACCOUNTING POLICIES

The accounts for the first six months of 2002 have been prepared on the basis of the new accounting legislation in Denmark in force as of 1 January 2002. The consequent change of accounting policies primarily relates to the treatment of acquired goodwill and unrealised exchange differences on forward contracts.

Backdated to 1 January 1995, acquired goodwill has been capitalised and amortised under the following main policies:

- Acquired brewery activities: 20 years.
- Acquired sales and distribution activities: 10 years.

The individual acquisitions will be valued on a regular basis, and if required the amortisation period will be adjusted.

Unrealised exchange differences related to currency hedging transactions will henceforth be stated on a current basis and adjusted over the company's equity.

Comparative figures have been restated in accordance with the changed accounting policies.

The effect of the changed accounting policies on the consolidated profit and shareholders' equity for the period from 1 January 1998 to 31 December 2001 has been stated in our Announcement BG 17/2002 dated 22 August 2002.

Appendix 1 to this Announcement describes the effect of the changed accounting policies for the period from 1 January to 30 June 2002.

## RESULTS FOR THE 2<sup>ND</sup> QUARTER 2002

In the 2<sup>nd</sup> quarter of 2002 the Group's beer, soft drinks and malt drinks sales totalled 1.3 million hectolitres, which is at the level of the 2<sup>nd</sup> quarter of last year, whereas turnover in the 2<sup>nd</sup> quarter of the year amounted to DKK 959 million equal to a decrease of 1% from the same period last year.

Developments in the 2<sup>nd</sup> quarter 2002 were affected by continued severe competition in Denmark with increased pressure on prices - not least in the soft drinks segment where illegal import has not yet been countered by efficient measures from the authorities. In Lithuania, also the 2<sup>nd</sup> quarter was characterised by turbulence and pressure on prices due to a marked shift of the market towards the low-priced beer products in PET bottles. In the UK, sales and turnover of products from Robert Cain & Co. Ltd. decreased due to the decision to dispose of The Danish Brewery Group's interests in the brewery. Improvements continued in Italy for Ceres Strong Ale and Ceres Top, and developments in the Caribbean were satisfactory.

The operating profit for the quarter increased by 5% over the same period last year and amounted to DKK 89 million. 10 percentage points of the increase are due to the consolidation with AB Kalnapilis, which was not included in the accounts in 2001, and also the termination of the commission on the Ceres products in Italy had a positive effect.

The profit before tax for the 2<sup>nd</sup> quarter of 2002 amounted to DKK 87 million compared to DKK 72 million in 2001, equal to an increase of 22%. In the 2<sup>nd</sup> quarter of 2002 AB Kalnapilis was included at a profit after goodwill and before tax of DKK 8.2 million, whereas the financing of the Group's acquisition of the Kalnapilis activities in the quarter is estimated to have resulted in an interest expense of some DKK 3.2 million; consequently, the net positive effect of the consolidation of AB Kalnapilis on the Group's profit before tax is estimated at DKK 5 million.

## RESULTS FOR THE FIRST SIX MONTHS OF 2002

	Danish market		International activities		Group total	
	Growth	Total	Growth	Total	Growth	Total
Sales (thousand hectolitres)	-5%	811	7%	1,422	2%	2,233
Turnover (DKK million)	-6%	685	9%	1,013	2%	1,698

Sales for the first six months of 2002 totalled 2.2 million hectolitres, which is an increase of 2% from the same period last year. Turnover for the six months amounted to DKK 1.7 billion, which is also a 2% increase over 2001. 8 percentage points and 5 percentage points of the increase in sales and turnover respectively relate to AB Kalnapilis, which was not included in the interim accounts for 2001.

The gross margin increased by 2% (from 38.9% to 40.9%), whereas the gross profit went up by 7%. The gross margin and profit increased significantly due to the termination at 1 October 2001 of commission on the sale of Ceres products in Italy, which in the first six months of 2001 amounted to approx. DKK 25 million, and the synergies realised from the cooperation with Albani.

Sales and distribution costs increased by 7% from last year, 4 percentage points accounted for by the consolidation with AB Kalnapilis. The remaining increase is primarily due to domestic freight and distribution costs as well as increasing marketing costs.

Administrative expenses went up by 7%, 2 percentage points accounted for by AB Kalnapilis.

The operating profit (after goodwill amortisation) amounted to DKK 87 million, which is an increase of 4% over last year. The operating ratio (EBIT margin) increased from 5% in 2001 to 5.1% in 2002.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to DKK 194 million, which is an increase of 12% over the same period last year. This figure was affected by recognition of an income of DKK 5.7 million relating to the provisions and write-downs made in 2001 for the disposal of Robert Cain & Co. Ltd. (cf. Announcement BG 15/2002 dated 2 June 2002).

Income from investments increased considerably, which is primarily due to the Group's acquisition of 25% of the shares of Hansa Borg Bryggerier ASA in Norway. This company is included in the accounts of The Danish Brewery Group A/S as of 1 May 2002 and in the 2<sup>nd</sup> quarter of 2002 affected income from investments by DKK 3.8 million. The profit development of Hansa Borg Bryggerier was as expected.

Net interest expenses amounting to DKK 28.8 million for the first six months of 2002 were – in spite of the investments in Kalnapilis and Hansa Borg Bryggerier – kept at the 2001 level.

The profit before tax amounted to DKK 71.7 million compared to DKK 58.6 million for the same period of 2001, equal to an increase of 22%.

The tax rate in the interim accounts was 35.2% against the expected 32%. The increase is due to goodwill amortisation, which is not deductible for tax purposes.

## DANISH MARKET

It is estimated that total beer sales in Denmark have decreased by some 2% in the first six months of 2002 as compared to 2001, whereas the estimate for total soft drinks sales is that they have stabilised at last year's level, more or less.

The Danish Brewery Group's beer sales in Denmark decreased by some 7% from the same period of last year, totalling 0.4 million hectolitres, whereas the Group's soft drinks sales decreased by 3%, totalling 0.4 million hectolitres. Part of the apparent decline is due to a reorganisation of the distribution system to parts of the retail trade, by which stocks are transferred from retailers to The Danish Brewery Group. The effect of this change is estimated at 3 percentage points for both beer and soft drinks.

In the beer segment, The Danish Brewery Group has recorded declining market shares on all significant types, but in particular on products like Maribo and Slots Pilsner that are sold in direct competition with discount products. The gradual phasing out of Faxe Fad has resulted in additional market share losses, but the large regional brands - Albani, Ceres and Thor - have been able to maintain their position in their primary market areas.

Danish demand for soft drinks is still strongly influenced by the - often illegal - parallel import of branded products emerging upon the increase of the tax on soft drinks at the beginning of 2001. This import affects pricing in the segment strongly as settlement of taxes (taxes on packaging and soft drinks) as well as VAT is often neglected. The Danish Brewery Group has recorded increasing market shares for Faxe Kondi, Pepsi and Ram-lösa; however, declining shares for other brands, not least discount brands, resulted in status quo as regards the total market share (taking into account the stock adjustments mentioned above). The development should also be viewed in the context of the rationalisation of the product range taking place in consequence of the acquisition of Albani.

The Danish market accounted for 40% of the turnover of The Danish Brewery Group and 36% of sales compared to 44% and 39% respectively in 2001.

## INTERNATIONAL ACTIVITIES

In the first six months of 2002, international sales totalled 1.4 million hectolitres, which is an increase of 7% over 2001. The acquisition of Kalnapilis has resulted in an increase of 13% in the period.

A break-down of figures by market area is as follows:

	First six months 2002		Growth over 2001	
	Turnover (DKK million)	Sales (1000 hectolitres)	Turnover %	Sales %
Northern Europe	12.3	47.2	-33	-26
Western Europe	690.3	803.6	+1	-6
Eastern Europe	184.3	370.5	+52	+48
Other markets	50.2	92.7	+4	+16
Malt drinks	76.0	108.1	+25	+21
<b>Total</b>	<b>1,013.1</b>	<b>1,422.1</b>	<b>+9</b>	<b>+7</b>

The decline in both sales and turnover in Northern Europe is primarily due to a reduction of Albani's supplies of bulk beer (tank supplies) for local bottling in Sweden, but also the sale in 2001 of the rights to Jolly Cola in the Faroe Islands influenced developments.

Sales in Western Europe decreased by some 6% compared to the first six months of 2001. This is primarily due to a decline for Robert Cain products due to the decision to sell these activities as well as to reduced volumes in Germany. However, improvements continued in Italy in 2002 both for "Strong Ale", the main product of The Danish Brewery Group, and for the newly introduced "Ceres Top". On a total basis, the shift in the composition of sales (and the termination of the commission in Italy) resulted in turnover growth of 1% from 2001 in spite of declining volumes.

The sales increase in Eastern Europe is solely due to the acquisition of Kalnapilis, which resulted in an increase of 72% from the same period last year. Overall, the Group lost market shares in Lithuania for both Taurus and Kalnapilis due to the efforts of integrating the two organisations in a period of significantly intensifying competition due to a shift of beer consumption towards products in PET bottles. Developments in Poland were disappointing in the first six months of 2002. The Group lost contracts with a few chains and therefore recorded a decline in distribution. Furthermore, the Polish market was characterised by generally higher campaign pressure in retail due to a change of the Polish rules for alcohol advertisements.

The increase in "Other markets" is primarily due to developments in the Tax Free segment where the Group succeeded in recapturing the volumes lost in 2001.

The malt drinks segment developed satisfactorily over the six-month period with increases in the key markets in the Caribbean and in the UK. Furthermore, the shift from products produced under licences towards export products continued.

## BALANCE SHEET

The Group's shareholders' equity, totalling DKK 925 million at the beginning of 2002 - after the change of accounting policies - amounted to DKK 950.5 million at 30 June 2002 after addition of retained profit after tax for the period (DKK 46,3 million), adjustment for dividend distributed (DKK 28 million) and currency translation adjustment of forward contracts and opening equity of affiliated and associated undertakings (net DKK 7.2 million).

Investments for the first six months of 2002 amounted to DKK 78.6 million, the most significant amount representing replacement investments based on useful life considerations.

Compared to the same time last year, the balance sheet at 30 June 2002 is affected by the acquisition of AB Kalnapilis and the acquisition of 25% of the shares of Hansa Borg Bryggerier ASA.

## MANAGEMENT ISSUES

Upon joining as new managing director at 1 June 2002, Poul Møller was granted a number of share options (cf. Announcement BG 13/2002 dated 10 June 2002).

Based on a current price of 230 of the shares of The Danish Brewery Group, the share option scheme is estimated at a value of some DKK 0.8 million (calculated under Black-Schole's formula with an assumed annual dividend of DKK 4.5 per share, volatility of 30% equal to the industry average and a risk-free interest rate for each of the three maturity periods in the range between 4.7 and 4.9% per annum).

As mentioned in the Group's annual report for 2001, The Danish Brewery Group has since 1998 had a share option scheme for some 40 executives, and the participants have acquired options as follows:

- 42,375 options at a price of 300 exercisable from August 2001 to March 2003
- 31,138 options at a price of 221 exercisable from March 2003 to November 2004
- 31,415 options at a price of 219 exercisable from March 2004 to November 2005

Based on the assumptions stated above, the these share option schemes are estimated at a value of some DKK 3,4 million.

## EXPECTATIONS TO THE 2002 ACCOUNTS

In spite of the best ever operating profit for a six-month period since the company was established in 1989, the results achieved in the first six months of 2002 were below expectations due to lower sales in Denmark, Germany and Poland. Furthermore, developments in Lithuania have meant lower sales and average prices. The integration between Albani and The Danish Brewery Group is progressing as planned and achieving the expected results, whereas the integration between Kalnapilis and Taurus in Lithuania has turned out to be more complicated and take longer than expected.

In the last six months of 2002, the Group will work intensively to recapture its position within the beer segment in Denmark, whereas marked improvement of the situation in the soft drinks market will require political initiatives with a view to limiting illegal imports. In Lithuania the efforts to integrate Kalnapilis and Taurus will be intensified in all areas, and an actual merger between the 2 companies has been decided upon. The merger is expected to be finally realised in the spring of 2003 with effect from 1 January 2003. In Poland the sales volumes originally anticipated will not be achieved and instead increased earnings will be pursued through a changed price policy and organisational rationalisation. In Germany, the Group will seek to implement a more flexible pricing policy for key customers in the retail trade.

Total group sales are expected to be some 5% below the expectations expressed in the annual report for 2001. However, it is estimated that sales will be some 6% higher than 2001 sales adjusted for the loss of sales from Robert Cain & Co. Ltd.

The introduction of cans for beer and soft drinks in Denmark will take place later than anticipated and at a time when the peak season is over. This will - like the launching of Heineken in Denmark (cf. Announcement BG 16/2002 dated 6 August 2002) - affect the profit for the last six months of 2002 negatively but will have a positive effect later on. The disposal of the activities of Robert Cain & Co. Ltd. will mean increased earnings already as of the second half of 2002.

For the full year 2002, a profit before tax (based on the changed accounting policies) in the range from DKK 230 to DKK 260 million is expected, which is a reduction compared to the expectations expressed in our Announcement BG 15/2002 dated 2 July 2002, in which our expectations were in a range between DKK 248 to DKK 288 million. However, the expected profit before tax is the highest ever achieved by the Group.



## CONSOLIDATED PROFIT AND LOSS ACCOUNT (unaudited)

(DKK '000)	2002 1 <sup>st</sup> six months	2001 1 <sup>st</sup> six months	2001 Full year
Turnover	1,698,408	1,671,243	3,408,062
Production costs	- 687,471	- 693,141	- 1,378,498
Beer and mineral water excises	- 316,178	- 328,756	- 683,951
<b>Gross profit</b>	<b>694,759</b>	<b>649,346</b>	<b>1,345,613</b>
Sales and distribution costs	-531,057	- 495,223	- 1,005,835
Administrative expenses	- 71,143	- 66,670	- 128,496
Other operating income	1,655	4,079	15,372
<b>Operating profit before goodwill amortisation</b>	<b>94,214</b>	<b>91,532</b>	<b>226,654</b>
Goodwill amortisation	- 7,202	- 7,820	- 13,900
<b>Operating profit after goodwill amortisation</b>	<b>87,012</b>	<b>83,712</b>	<b>212,754</b>
Costs of terminating brewery activities in the UK	5,700	0	- 38,589
<b>Profit before financial items</b>	<b>92,712</b>	<b>83,712</b>	<b>174,165</b>
Income from investments in associated undertakings	7,737	3,585	10,505
Financial income	6,307	3,396	5,671
Financial expenses	- 35,090	- 32,112	- 62,752
<b>Profit before tax</b>	<b>71,666</b>	<b>58,581</b>	<b>127,589</b>
Tax on the profit for the period	- 25,200	- 20,900	- 41,880
<b>Consolidated profit</b>	<b>46,466</b>	<b>37,681</b>	<b>85,709</b>
Minority interests' share of profit	- 211	- 800	- 3,127
<b>The Danish Brewery Group's share of profit</b>	<b>46,255</b>	<b>36,881</b>	<b>82,582</b>

# CONSOLIDATED BALANCE SHEET AND CHANGE IN SHAREHOLDERS' EQUITY

(DKK '000)	2002 1 <sup>st</sup> six months	2001 1 <sup>st</sup> six months	2001 Full year
<b>ASSETS</b>			
<b>FIXED ASSETS</b>			
<b>Intangible fixed assets</b>			
Goodwill	263,457	122,100	240,075
<b>Total intangible fixed assets</b>	<b>263,457</b>	<b>122,100</b>	<b>240,075</b>
<b>Tangible fixed assets</b>			
Land and buildings	667,215	623,165	697,961
Production plant and machinery	392,014	396,457	436,531
Other installations, operating equipment and fixtures	409,379	384,375	409,415
Leasehold improvements	434	98	288
Tangible fixed assets under construction	32,577	73,299	22,904
<b>Total tangible fixed assets</b>	<b>1,501,619</b>	<b>1,477,394</b>	<b>1,567,099</b>
<b>Fixed asset investments</b>			
Investments in associated undertakings	106,319	81,537	80,427
Other amounts due	39,785	6,864	7,371
<b>Total fixed asset investment</b>	<b>146,104</b>	<b>88,401</b>	<b>87,798</b>
<b>TOTAL FIXED ASSETS</b>	<b>1,911,180</b>	<b>1,687,895</b>	<b>1,894,972</b>
<b>CURRENT ASSETS</b>			
<b>Stocks</b>			
Raw materials and consumables	75,428	73,893	64,777
Work in progress	19,562	21,629	18,973
Finished goods and purchased finished goods	167,265	145,439	142,359
<b>Total stocks</b>	<b>262,255</b>	<b>240,961</b>	<b>226,109</b>
<b>Debtors</b>			
Trade debtors	510,708	545,338	347,119
Amounts owed by associated undertakings	2,976	4,303	995
Other amounts due	131,833	63,326	70,002
Prepayments and accrued income	22,063	26,029	24,125
<b>Total debtors</b>	<b>667,580</b>	<b>638,996</b>	<b>442,241</b>
<b>Securities</b>	<b>2,767</b>	<b>1,350</b>	<b>3,081</b>
<b>Cash and bank balances</b>	<b>88,463</b>	<b>122,106</b>	<b>92,087</b>
<b>TOTAL CURRENT ASSETS</b>	<b>1,021,065</b>	<b>1,003,413</b>	<b>763,518</b>
<b>TOTAL ASSETS</b>	<b>2,932,245</b>	<b>2,691,308</b>	<b>2,658,490</b>

## CONSOLIDATED BALANCE SHEET AND CHANGE IN SHAREHOLDERS' EQUITY

(DKK '000)	2002 1 <sup>st</sup> six months	2001 1 <sup>st</sup> six months	2001 Full year
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	64,953	62,815	62,815
Share premium account	47,886	47,886	47,886
Retained profit from previous years	791,362	683,420	655,690
Proposed dividend	0	0	27,993
Retained profit for the period	46,255	36,881	82,582
<b>The Danish Brewery Group's share of equity</b>	<b>950,456</b>	<b>831,002</b>	<b>876,966</b>
Minority interests' share of equity	6,580	33,228	60,268
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>957,036</b>	<b>864,230</b>	<b>937,234</b>
<b>PROVISIONS</b>			
Pensions	3,280	3,226	3,291
Deferred tax	217,729	211,182	206,913
Other provisions	6,571	19,611	16,112
<b>TOTAL PROVISIONS</b>	<b>227,580</b>	<b>234,019</b>	<b>226,316</b>
<b>LIABILITIES</b>			
<b>Long-term liabilities</b>			
Mortgage debt	421,787	493,236	466,377
Bank loans	424,208	255,665	430,916
Deposits, etc.	83	14	251
<b>Total long-term liabilities</b>	<b>846,078</b>	<b>748,915</b>	<b>897,544</b>
<b>Current liabilities</b>			
Current portion of long-term liabilities	39,750	40,663	41,074
Bank loans and overdrafts	382,402	277,018	168,809
Trade creditors	285,261	312,324	173,186
Corporation tax	0	0	9,582
VAT, excise duties, etc.	67,294	83,303	86,952
Other liabilities	126,844	130,836	117,793
<b>Total current liabilities</b>	<b>901,551</b>	<b>844,144</b>	<b>597,396</b>
<b>TOTAL LIABILITIES</b>	<b>1,747,629</b>	<b>1,593,059</b>	<b>1,494,940</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,932,245</b>	<b>2,691,308</b>	<b>2,658,490</b>

# CONSOLIDATED BALANCE SHEET AND CHANGE IN SHAREHOLDERS' EQUITY

(DKK million)

## CHANGE IN SHAREHOLDERS' EQUITY

<b>The Danish Brewery Group's share of equity at 1 January 2002, cf. merger balance sheet</b>	<b>664.1</b>
Change of accounting policy for goodwill	260.9
<b>The Danish Brewery Group's share of equity at 1 January 2002</b>	<b>925.0</b>
Dividend distributed	- 28.0
Change in unrealised exchange gain on forward contracts	15.0
Profit for the period	46.3
Currency translation adjustment of opening equity of affiliated and associated undertakings	- 7.8
<b>The Danish Brewery Group's share of equity at 30 June 2002</b>	<b>950.5</b>

## CHANGE IN MINORITY INTERESTS' SHARE OF CONSOLIDATED EQUITY

<b>Minority interests' share at 1 January 2002, (after merger)</b>	<b>26.5</b>
Group acquisition of shares	- 19.9
Share of result for the period	0.2
Dividend distributed	- 0.3
<b>Minority interests' share at 30 June 2002</b>	<b>6.5</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

(DKK '000)	1/1 – 30/6 2002
Profit for the year	46,255
Minority interests' share of profit	211
Adjustments	142,217
Change in working capital	
+/- change in debtors	- 174,021
+/- change in stocks	- 40,716
+/- change in creditors and other liabilities	111,612
<b>Cash flow from operating activities before financial items</b>	<b>85,558</b>
Financial income	6,307
Financial expenses	- 35,090
<b>Cash flow from ordinary activities</b>	<b>56,775</b>
Corporation tax paid	-40,348
<b>Cash flow from operating activities</b>	<b>16,427</b>
Acquisition of fixed asset investments	- 55,862
Sale of tangible fixed assets	11,719
Acquisition of tangible fixed assets	- 78,594
Acquisition of subsidiary undertakings	- 36,125
Sale of securities	314
<b>Cash flow from investing activities</b>	<b>- 158,548</b>
Repayment of long-term loans	- 51,298
Dividends paid	- 27,993
Change in short-term bank loans and overdrafts	217,677
<b>Cash flow from financing activities</b>	<b>138,386</b>
<b>Change in cash and cash equivalents</b>	<b>- 3,735</b>
Cash and cash equivalents at beginning of year	92,087
Currency adjustment	111
<b>Cash and cash equivalents at year end</b>	<b>88,463</b>

## EFFECT OF CHANGE OF ACCOUNTING POLICIES 2002

Appendix 1

<b>DKK million</b>	<b>31/3</b>	<b>30/6</b>
<hr/>		
<b>Consolidated profit/(loss) under former policies</b>	<b>-8.6</b>	<b>52.7</b>
Change in operating profit excluding goodwill	0.5	1.1
Change in financial items	0.0	-0.1
<hr/>		
	<b>-8.1</b>	<b>53.7</b>
Amortisation of goodwill	-3.4	-7.2
Change in tax	0.0	0.0
<hr/>		
<b>Consolidated profit/(loss) under new policies</b>	<b>-11.5</b>	<b>46.5</b>
Minority interests' share	0.2	-0.2
<b>The Danish Brewery Group A/S' share</b>	<b>-11.3</b>	<b>46.3</b>
<hr/>		
<b>Consolidated equity under former policies</b>	<b>643.8</b>	<b>698.8</b>
Change re. dividend (debt)	28.0	0.0
Change re. unrealised translation loss (current assets/current liabilities)	9.3	8.2
Change re. debt discount upon refinancing of loan (fixed assets)	-23.3	-22.8
Change re. debt discount upon refinancing of loan (current liabilities)	2.2	2.1
<hr/>		
	<b>660.0</b>	<b>686.3</b>
Change re. goodwill (fixed assets)	250.0	263.5
Change in deferred tax	7.2	7.2
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<b>Consolidated equity under new policies</b>	<b>917.2</b>	<b>957.0</b>



Front page: The picture illustrates the creative concept for Faxe Premium's new, international marketing campaign which emphasises the product's Danish/Nordic roots. The above illustration shows one of the campaign's posters.

*Albani*

**CERES**

**FAXE**

*Kalnapilis*

**Maribo**

  
**TAURAS**

**Thor**