

# COMPANY ANNOUNCEMENT

Harboes Bryggeri A/S  
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Contacts:  
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## INTERIM REPORT OF HARBOES BRYGGERI A/S

For the period 1 May 2010 - 31 January 2011

To

NASDAQ OMX Copenhagen

The Board of Directors of Harboes Bryggeri A/S has today considered and adopted the interim report for the period 1 May 2010 - 31 January 2011.

The report is described on the following pages.

Skælskør, 8 March 2011

Anders Nielsen  
Chairman of the Board of Directors

Bernhard Griese  
CEO

## **INTERIM REPORT OF HARBOES BRYGGERI A/S FOR THE PERIOD 1 MAY 2010 - 31 JANUARY 2011**

CEO Bernhard Griese on the interim report:

“Our core business continues to develop positively with solid underlying operations. Competition remains intense, but our high quality and reliable deliveries, strong relations with customers and continued product innovation help maintain our position on the main markets. At the same time, reasonable raw material prices contribute to solid earnings which are significantly higher than in the same period last year. We are very pleased with that.

In our strategic development area within malt extract, we signed several new agreements with international drinks manufacturers in Q3. This has resulted in increased sales of malt extract, and the strategic platform will be strengthened continually through development projects in close collaboration with the customers and continued expansion of the organisation.

We are also seeing a positive development in the export markets where the demand for non-alcoholic beverages, among other things, continues to grow rapidly. At the same time, we are using our flexible production facilities for contract manufacturing for partners in the drinks industry where we are also successfully working together to develop new products and unique packaging.

We expect Harboe to continue its positive growth in the remaining part of the financial year and thus maintain our present outlook.”

Bernhard Griese  
CEO

## INTERIM REPORT OF HARBOES BRYGGERI A/S FOR THE PERIOD 1 MAY 2010 - 31 JANUARY 2011

### The financial year for the group in outline:

- Revenue was DKK 1,179.0 million, up 2.4%.
- Sales of beer and soft drinks, including malt beverages and malt wort products, totalled 4.46 million hectolitres compared with 4.16 million hectolitres last year, up 7.2%.
- A profit before depreciation, amortisation, net financials and tax (EBITDA) of DKK 164.7 million was returned against DKK 131.2 million in the same period last year. This corresponds to an EBITDA margin of 14.0%.
- Operating profit (EBIT) amounted to DKK 69.6 million compared with last year's DKK 38.5 million.
- Consolidated profit before tax was DKK 65.5 million against DKK 36.3 million last year.
- The group's gross investments during the financial year totalled DKK 117.1 million.
- Cash flows from operating activities and free cash flows (changes in cash and cash equivalents) amounted to DKK 121.4 million and DKK -46.4 million, respectively.
- In accordance with the authorisation given at the company's annual general meeting on 24 August 2010, Harboe has acquired 285,640 class B treasury shares at a price of DKK 33.3 million. As at 31 January 2011, the group's holding of treasury shares totalled 350,585 class B shares, corresponding to 5.84% of the share capital.
- Harboe maintains the outlook announced in its latest company announcement of 7 September 2010 of profit before tax in the range of DKK 75-85 million.

### Further information

Bernhard Griese, CEO  
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# FINANCIAL HIGHLIGHTS

(DKK '000)	Q3 2010/11	Q3 2009/10	Q1-Q3 2010/11	Q1-Q3 2009/10	FY 2009/10
<b>Earnings</b>					
Gross revenue	408,202	407,698	1,379,193	1,357,452	1,804,047
Taxes on beer and soft drinks	(59,484)	(61,019)	(200,214)	(205,960)	(279,320)
Revenue	348,718	346,679	1,178,979	1,151,492	1,524,727
Operating profit/(loss)	9,283	5,680	69,577	38,551	64,342
Profit/(loss) before tax	7,410	4,743	65,504	36,288	58,120
Deferred tax	(2,010)	(1,587)	(16,583)	(9,222)	(15,247)
Tax adjustment, previous years	1	-	39	65	156
Net profit for the period	5,401	3,156	48,960	27,131	43,029
<b>Balance sheet</b>					
Non-current assets			1,185,808	1,137,760	1,161,285
Current assets			438,920	400,129	484,315
Equity			744,408	715,770	730,250
Long-term payables			338,466	402,750	385,563
Short-term payables			541,854	419,369	529,787
Balance total			1,624,728	1,537,889	1,645,600
Interest-bearing debt			472,070	480,561	471,637
Net interest-bearing debt			171,184	176,330	152,347
<b>Investments etc.</b>					
Investments in intangible assets	-	14	671	554	8,220
Investments in property, plant and equipment	72,907	29,277	104,877	93,389	166,018
Depreciation, amortisation, impairment losses and write-downs	31,268	30,087	96,664	92,655	124,343
<b>Cash flows</b>					
Cash flows from operating activities	8,468	26,242	121,414	36,082	94,182
Cash flows from investing activities	(31,350)	(46,718)	(112,935)	(96,364)	(152,684)
Cash flows from financing activities	(106)	2,590	(54,872)	(4,977)	22,850
Change in cash and cash equivalents (free cash flow)	(22,988)	(17,886)	(46,393)	(65,259)	(35,652)
<b>Ratios (DKKm)</b>					
EBITDA	40,551	35,767	166,241	131,206	188,685
EBIT	9,283	5,680	69,577	38,551	64,342
<b>Ratios (in %)</b>					
Profit margin			5.9%	3.3%	4.2%
Solvency ratio			45.8%	46.5%	44.4%

# MANAGEMENT'S REVIEW

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## BUSINESS DEVELOPMENTS

### Revenue

Revenue was DKK 348.7 million in Q3 2010/11 against DKK 346.7 million, up 0.6%.

Revenue for the first three quarters of the year amounted to DKK 1,179.0 million against DKK 1,151.5 million in the same period last year.

Revenue in the brewery sector increased by 2.2%, while revenue in the foodstuff sector increased by 3.3%.

Developments are described in further detail under the different sectors.

### Earnings

The operating profit for Q3 amounted to DKK 9.3 million, up 63.4 % relative to the same period last year. An operating profit of DKK 69.6 million was returned for the period against DKK 38.6 million in the same period last year.

The profit before tax amounted to DKK 7.4 million in Q3 against DKK 4.7 million in the same period last year. A profit before tax of DKK 65.5 million was returned for the period against DKK 36.3 million in the same period last year.

The net profit amounted to DKK 5.4 million in Q3 against DKK 3.2 million in the same period last year. A net profit of DKK 49.0 million was returned for the period against DKK 27.1 million in the same period last year.

### Investments

Gross investments in intangible assets and property, plant and equipment for the period amounted to DKK 117.1 million.

### Equity

As at 31 January 2011, equity amounted to DKK 744.4 million against DKK 730.3 million as at 1 May 2010.

Equity is affected by the results for the period, foreign currency translation adjustments in respect of foreign subsidiaries, acquisition of treasury shares and adjustments of the reserve for adjustment to fair value of financial assets available for sale as well as the distribution of dividend.

### Treasury shares

As at 31 January 2011, the group's holding of treasury shares totalled 350,585 class B shares, corresponding to 5.84% of the share capital.

In the accounting period 1 May - 31 January 2011, 285,640 class B shares at a price of DKK 33.3 million were acquired, corresponding to an average acquisition price of DKK 117 per share.

### Dividend

Dividend was paid in the accounting period, which was approved at the company's annual general meeting on 24 August 2010 corresponding to DKK 1.50 per share or DKK 9 million in total.

### Liquidity and net interest-bearing debt

Cash flows from operating activities amounted to DKK 121.4 million in H1 compared with DKK 36.1 million in the same period last year.

Free cash flow (changes in cash and cash equivalents) amounted to DKK -46.4 million compared with DKK -65.3 million in the same period last year.

Cash resources, which are composed of cash and credit facilities granted but not yet activated, amounted to DKK 19.3 million as at 31 January 2011. To this should be added the holding of treasury shares amounting to DKK 47.9 million stated at the share market value as at 31 January 2011. Also, the fair value of the portfolio of bonds amounting to DKK 284.7 million is added. The aggregate cash resources then amount to DKK 351.9 million.

As at 31 January 2011, the group's interest-bearing debt amounted to DKK 472.1 million, and the net interest-bearing debt amounted to DKK 171.2 million.

### Risks

As the group's sales and purchases in foreign currencies are still primarily denominated in EUR, currency risks are considered limited. The preceding period showed a positive currency effect in relation to both SEK and PLN.

Harboe continues to assess the need for currency hedging in step with developments.

Harboe expects competition in the main markets to increase. Raw material prices stabilised at a more normal level in the current financial year, but the continued development in these prices remains a risk factor as increasing costs can only to a limited extent be added to sales prices in this highly competitive market.

Apart from the factors described in this interim report, no material changes were seen in the group's risk and uncertainty factors. The group's risk exposure is described in further detail in the annual report for 2009/10.

### Outlook 2010/11

Harboe expects its core business to continue to develop positively in the last quarter of the year, and the extended collaboration with both existing and large new customers is expected to contribute to high capacity utilisation at the group's production facilities.

Furthermore, it is expected that both the export markets and the further expansion of collaboration agreements on malt extract will contribute positively to earnings.

The group thus maintains its outlook for a profit before depreciation, amortisation, net financials and tax (EBITDA) in the range of DKK 205-215 million as announced on 14 December 2010 in the interim report for H1. A profit before tax is still expected to be in the range of DKK 75-85 million.

Cash flows from operating activities are expected to be in the range of DKK 150-185 million. Harboe is continuously working to strengthen cash flows from operating activities, which will remain a strategic focus area in the coming year.

Investments in the range of DKK 120-140 million will be implemented in the financial year, which is slightly more than the DKK 100-120 million originally announced. The increased investment level is primarily attributable to a difference in timing of ongoing investments around the beginning and end of the financial year. Following the past years' major investments in new technology and production facilities, the investments planned for the rest of the financial year will primarily focus on maintenance.

#### **Events occurring after the end of the period**

Harboe has decided to initiate a shutdown of its foodstuff sector as from the end of the financial year on 30 April 2011. Harboe has assessed the continued strategic potential of its foodstuff sector, which is experiencing fierce competition and heavy price pressure. As a result of this assessment, Harboe has decided to focus solely on its main activities in the brewery sector where the future potential is more attractive. The shutdown has no impact on the outlook for the net results for the year.

Other than that, no significant events have occurred after the balance sheet date.

#### **Strategy and financial targets**

As mentioned in the company's annual report for 2009/10, Harboe is pursuing a strategy which focuses on maintaining a high volume of the company's core products and on protecting its position for these products in the important main markets. Modern, efficient and flexible production facilities are of decisive importance to this strategy.

Harboe also focuses on targeted product development within the categories and segments which are seeing growing demand.

Furthermore, the company is working strategically to target selected export markets that hold interesting potential for beer, non-alcoholic malt beverages, energy drinks and soft drinks.

Despite continued intensive competition in the group's core areas, new market areas and new customers are expected to contribute positively to attaining the group's financial targets.

## BREWERY SECTOR – KEY FIGURES

(DKK '000)	Q3 2010/2011	Q3 2009/2010	Q1-Q3 2010/2011	Q1 - Q3 2009/2010	FY 2009/2010
<b>Volume (million hectolitres)</b>					
Beer, soft drinks and malt wort products	1.34	1.23	4.46	4.16	5.68
<b>Earnings</b>					
Revenue	291,845	281,307	1,002,172	980,310	1,283,633
Operating profit/(loss)	7,809	3,405	65,005	35,926	58,250
Profit/(loss) before tax	6,202	2,683	61,861	34,558	56,761
Deferred tax	(1,708)	(1,072)	(15,672)	(8,790)	(14,037)
Tax adjustment, previous years	1	-	39	65	156
Net profit for the period	4,495	1,611	46,228	25,833	42,880
<b>Balance sheet</b>					
Non-current assets			1,100,869	1,156,316	1,074,843
Current assets			400,137	350,788	440,182
Equity			625,241	598,560	613,815
Long-term payables			345,743	405,852	388,382
Short-term payables			530,022	395,770	512,828
Balance total			1,501,006	1,400,182	1,515,025
<b>Investments etc.</b>					
Investments in intangible assets	-	14	671	554	8,220
Investments in property, plant and equipment	72,053	25,104	91,889	87,834	157,810
Depreciation, amortisation, impairment losses and write-downs	28,804	27,649	87,772	84,978	114,688
<b>Cash flows</b>					
Cash flows from operating activities	2,112	28,492	102,469	40,715	79,975
Cash flows from investing activities	(32,117)	(44,064)	(105,437)	(88,418)	(141,163)
Cash flows from financing activities	1,515	4,164	(50,062)	(355)	29,016
Change in cash and cash equivalents (free cash flow)	(28,490)	(11,408)	(53,030)	(48,058)	(32,172)
<b>Ratios (DKKm)</b>					
EBITDA	36,613	31,054	152,777	120,904	172,938
EBIT	7,809	3,405	65,005	35,926	58,250
<b>Ratios (in %)</b>					
Profit margin			6.5%	3.7%	4.5%
Solvency ratio			41.7%	42.7%	40.5%

## BREWERY SECTOR

Total sales of beer and soft drinks, including malt beverages and malt wort products, totalled 1.34 million hectolitres in Q3, up 9.3% relative to the same period last year. In the period, sales increased by 7.3% to 4.46 million hectolitres from 4.16 million hectolitres.

Revenue in Q3 increased by 3.8% to DKK 291.8 million. Revenue for the period 2010/11 increased by 2.2% to DKK 1,002.2 million.

The increase in revenue is based on a continued positive development in the group's main markets where high quality and reliable deliveries combined with ongoing product innovation contributed to maintaining the group's market position in times of intense competition. Furthermore, Harboe's flexible utilisation of capacity has made it possible to further expand its collaboration on contract manufacturing for a number of partners where focus also has been on contributing Harboe's expertise and production to the joint development of new products and unique packaging types that strengthen the marketing and sales of the products.

### **New agreements and international interest in malt extract**

Positive results with increased sales and the conclusion of additional strategic collaboration agreements with international drinks manufacturers have also been achieved within the strategic development area malt extract. Harboe's clear malt extract can be used to manufacture a range of drinks products, including non-alcoholic drinks for large growth markets in the Middle East and Asia, and Harboe is working with several partners on the production and further development of the product. The new agreements are part of a targeted effort to expand and strengthen relations with customers in the drinks industry, for example by participating in international food shows where clear malt extract has attracted widespread interest and recognition. The natural and processed product properties are important sales parameters in an international market which focuses heavily on food safety and nutrition.

### **Increasing demand in export markets**

The export markets also continued the positive development in the period. While the drinks markets in Europe have been declining for several years, demand continues to grow in many markets in Asia, the Middle East, Africa and South America. Harboe markets a wide range of products aimed at meeting the demand in the individual regions where particularly the Middle Eastern market for non-alcoholic drinks is growing rapidly. Harboe's products are currently being marketed in more than 90 countries worldwide via central retail distributors and partners, and the sales organisation was further strengthened in the period.

The expansion and streamlining of production capacity at the group's production facilities in Denmark have been completed, and the unit has been put into service. The same goes for the extension of the company's own wastewater treatment plant, which was built to ensure more effective environmental protection and handle the coming years' increased production volumes.

### **Results**

Profit before depreciation, amortisation, net financials and tax (EBITDA) was DKK 152.8 million. This corresponds to an increase of 26.4% relative to the same period last year and an EBITDA margin of 15.2%. This development is primarily attributable to increasing sales combined with the fact that the prices of the group's primary raw materials in the current financial year have been maintained at satisfactory levels through contracts.

The brewery sector's operating profit amounted to DKK 7.8 million in Q3. This represents an increase of 129.3% relative to the same period last year. The increasing sales and good product mix combined with continued stable raw material costs contribute to the positive developments. An operating profit of DKK 65.0 million was returned for the period against DKK 35.9 million in the same period last year, up 80.9%.

The profit before tax was DKK 6.2 million in Q3, up 131.2%.

A profit before tax of DKK 61.9 million was returned for the period against DKK 34.6 million in the same six months last year, up 79.0%.

Investments in the period totalled DKK 92.6 million.

Depreciation and amortisation for the period amounted to DKK 87.8 million against DKK 85.0 million last year.

Investments in the range of DKK 120-140 million will be implemented in the financial year, which is slightly more than the DKK 100-120 million originally announced. The increased investment level is primarily attributable to a difference in timing of ongoing investments around the beginning and end of the financial year. The purpose of the group's investment strategy is to ensure continued expansion of the group's position in both new and existing main markets.

Furthermore, the investments are to contribute to optimising the group's utilisation of resources and ensure that the streamlining of the group's production facilities has a positive effect on the consumption of resources and emissions in relation to the development in production volume.



## KEY FIGURES – FOODSTUFF SECTOR

(DKK '000)	Q3 2010/2011	Q3 2009/2010	Q1-Q3 2010/2011	Q1-Q3 2009/2010	FY 2009/2010
<b>Earnings</b>					
Revenue	56,873	65,371	176,807	171,182	241,094
Operating profit/(loss)	1,474	2,383	4,572	2,309	6,092
Profit/(loss) before tax	1,208	2,060	3,643	1,730	1,359
Deferred tax	(302)	(515)	(911)	(432)	(1,210)
Tax adjustment, previous years	0	-	-	-	-
Net profit for the period	906	1,545	2,732	1,298	149
<b>Balance sheet</b>					
Non-current assets			92,476	98,081	93,979
Current assets			67,202	50,519	56,038
Equity			119,167	117,584	116,435
Long-term payables			260	6,239	4,718
Short-term payables			40,251	24,777	28,864
Balance total			159,678	148,600	150,017
<b>Investments etc.</b>					
Investments	853	4,174	12,987	5,556	8,208
Depreciation, amortisation, impairment losses and write-downs	2,464	2,438	8,892	7,677	9,656
<b>Cash flows</b>					
Cash flows from operating activities	6,356	(2,250)	18,945	(4,633)	14,207
Cash flows from investing activities	767	(2,678)	(7,498)	(7,970)	(11,521)
Cash flows from financing activities	(1,621)	(1,550)	(4,810)	(4,598)	(6,166)
Changes in cash and cash equivalents	5,502	(6,478)	6,637	(17,201)	(3,480)
<b>Ratios (DKKm)</b>					
EBITDA	3,938	4,821	13,464	9,986	15,748
EBIT	1,474	2,383	4,572	2,309	6,092
<b>Ratios</b>					
Profit margin			2.6%	1.3%	2.5%
Solvency ratio			74.6%	79.1%	77.6%

## FOODSTUFF SECTOR

During the period, Harboefarm A/S has maintained a positive development in sales. Revenue for the period amounted to DKK 176.8 million against DKK 171.2 million, up 3.3 %.

Operating profit amounted to DKK 4.6 million in the period 2010/11 against DKK 2.3 million last year.

A profit before tax of DKK 3.6 million was realised against DKK 1.7 million in the same period last year.

Harboe has decided to initiate a shutdown of its foodstuff sector as from the end of the financial year on 30 April 2011. Harboe has assessed the continued strategic potential of its foodstuff sector, which is experiencing fierce competition and heavy price pressure. As a result of this assessment, Harboe has decided to focus solely on its main activities in the brewery sector where the future potential is more attractive. Harboefarm A/S continues to lease all its turkey farms until 2017.

The intention is to include production and storage facilities in the further expansion of the activities in the brewery sector.

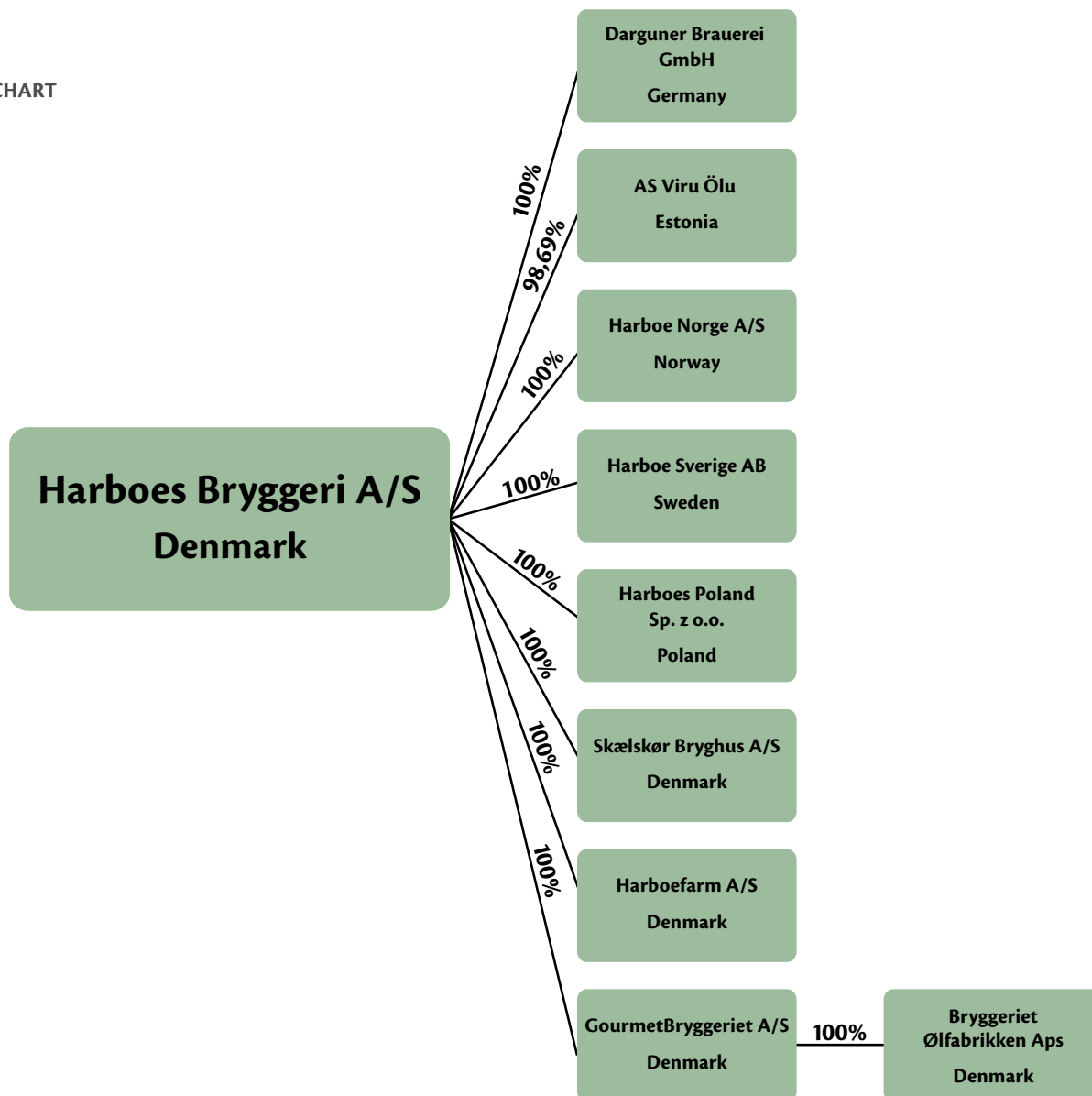
## CORE BUSINESS

The listed Harboes Bryggeri A/S is the parent of the Harboe Group.

The group's core business, constituting 87.2% of the total gross revenue of the group in the first three quarters of 2010/11, is the production and sale of beer, soft drinks, malt beverages and malt wort products.

The Harboefarm A/S foodstuff company and its sale of centrally packaged fresh and processed meat for the retail sector accounts for the remaining 12.8% of the gross revenue.

GROUP CHART





# MANAGEMENT'S STATEMENT

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Today, we have reviewed and approved the interim report of Harboes Bryggeri A/S for the period 1 May - 31 January 2011.

The interim report is presented in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU and additional Danish disclosure requirements for the interim reports of listed companies.

In our opinion, the interim report provides a true and fair view of the group's assets, liabilities and financial position as at 31 January 2011 and of the results of its activities and cash flows for the first three quarters of 2010/11.

We also believe that the management's review gives a fair review of the development in the group's activities and financial affairs, its results for the period and general financial position as well as a description of the most important risks and uncertainty factors to which the group is exposed.

Skælskør, 8 March 2011

## **Board of Executives**

CEO  
Bernhard Griese

## **Board of Directors**

Anders Nielsen, Chairman  
Bernhard Griese  
Mads O. Krage  
Mette Kirstine Agger  
Thøger Thøgersen  
Carl Erik Kjærsgaard  
Jens Bjarne Jensen <sup>1</sup>

<sup>1</sup> Elected by the employees

# CONSOLIDATED INCOME STATEMENT

(DKK '000)	Q3 2010/11	Q3 2009/10	Q1-Q3 2010/11	Q1-Q3 2009/10	FY 2009/10
Gross revenue	408,202	407,698	1,379,193	1,357,452	1,804,047
Taxes on beer and soft drinks	(59,484)	(61,019)	(200,214)	(205,960)	(279,320)
<b>Revenue</b>	<b>348,718</b>	<b>346,679</b>	<b>1,178,979</b>	<b>1,151,492</b>	<b>1,524,727</b>
Production costs	(285,757)	(291,464)	(944,199)	(957,204)	(1,247,451)
<b>Gross profit/(loss)</b>	<b>62,961</b>	<b>55,215</b>	<b>234,780</b>	<b>194,288</b>	<b>277,276</b>
Distribution costs	(41,103)	(40,561)	(130,223)	(129,998)	(175,022)
Administrative expenses	(13,751)	(11,417)	(38,038)	(32,038)	(46,037)
Other operating income	4,467	4,969	13,081	14,875	18,394
Other operating expenses	(3,291)	(2,526)	(10,023)	(8,576)	(10,269)
<b>Operating profit/(loss)</b>	<b>9,283</b>	<b>5,680</b>	<b>69,577</b>	<b>38,551</b>	<b>64,342</b>
Income from investments in associates	-	-	-	-	(3,458)
Financial income	1,898	3,398	5,731	10,164	11,180
Financial expenses	(3,771)	(4,335)	(9,804)	(12,427)	(13,944)
<b>Profit/(loss) before tax</b>	<b>7,410</b>	<b>4,743</b>	<b>65,504</b>	<b>36,288</b>	<b>58,120</b>
Tax calculated on profit/(loss) for the period	(2,010)	(1,587)	(16,583)	(9,222)	(15,247)
Tax adjustment, previous years	1	-	39	65	156
<b>Net profit for the period</b>	<b>5,401</b>	<b>3,156</b>	<b>48,960</b>	<b>27,131</b>	<b>43,029</b>
Foreign currency translation adjustment regarding foreign enterprises			589	(174)	(443)
Adjustment to fair value of financial assets available for sale			7,865	2,387	(3,247)
Adjustment to fair value of financial instruments entered into to hedge future cash flows			838	(8)	165
Tax on other comprehensive income			(2,283)	2	5,607
<b>Other comprehensive income</b>			<b>7,009</b>	<b>2,207</b>	<b>2,082</b>
<b>Comprehensive income</b>			<b>55,969</b>	<b>29,338</b>	<b>45,111</b>
<b>Net profit/(loss) for the period</b>					
Shareholders in the parent			48,942	27,571	43,028
Minority interests			18	(440)	1
<b>Comprehensive income for the period comprises:</b>					
Shareholders in the parent			55,951	29,778	45,110
Minority interests			18	(440)	1

# BALANCE SHEET – ASSETS

(DKK '000)	31 January 2011	31 January 2010	30 April 2010
Goodwill	3,573	3,908	3,573
Development projects	640	2,017	1,572
Rights	5,711	5,712	5,707
Software	3,496	1,309	4,881
Intangible assets under construction	2,331	5,773	688
<b>Intangible assets</b>	<b>15,751</b>	<b>18,719</b>	<b>16,421</b>
Land and buildings	329,643	326,087	331,848
Plant and machinery	461,121	413,068	447,405
Other fixtures and fittings, tools and equipment	39,062	41,727	41,206
Spare parts for own production equipment	3,549	3,740	3,887
Property, plant and equipment under construction	43,190	35,711	33,247
<b>Property, plant and equipment</b>	<b>876,565</b>	<b>820,333</b>	<b>857,593</b>
Capital in associates	-	4,609	-
Financial assets available for sale	290,229	290,489	283,738
Deposits, leases	2,303	2,231	2,234
<b>Financial assets</b>	<b>292,532</b>	<b>297,329</b>	<b>285,972</b>
<b>Deferred tax assets</b>	<b>960</b>	<b>1,379</b>	<b>1,299</b>
<b>Non-current assets</b>	<b>1,185,808</b>	<b>1,137,760</b>	<b>1,161,285</b>
Raw materials, consumables and packaging	81,951	68,794	66,931
Finished goods and goods for resale	63,078	67,617	55,280
<b>Inventories</b>	<b>145,029</b>	<b>136,411</b>	<b>122,211</b>
Trade receivables	249,582	215,825	304,155
Receivable from associates	-	2,288	-
Other receivables	12,571	9,689	3,964
Accruals	12,521	12,580	7,219
<b>Receivables</b>	<b>274,674</b>	<b>240,382</b>	<b>315,338</b>
<b>Cash</b>	<b>16,225</b>	<b>20,094</b>	<b>43,774</b>
<b>Assets held for sale</b>	<b>2,992</b>	<b>3,242</b>	<b>2,992</b>
<b>Current assets</b>	<b>438,920</b>	<b>400,129</b>	<b>484,315</b>
<b>Total assets</b>	<b>1,624,728</b>	<b>1,537,889</b>	<b>1,645,600</b>

# BALANCE SHEET – EQUITY AND LIABILITIES

(DKK '000)	31 January 2011	31 January 2010	30 April 2010
Share capital	60,000	60,000	60,000
Share premium	51,000	51,000	51,000
Reserves	(13,027)	(16,679)	(20,036)
Retained earnings	646,225	620,208	639,095
<b>Equity owned by the shareholders of the parent</b>	<b>744,199</b>	<b>714,529</b>	<b>730,059</b>
Equity owned by minority interests	209	1,241	191
<b>Equity</b>	<b>744,408</b>	<b>715,770</b>	<b>730,250</b>
Mortgage debt	244,450	299,331	290,920
Provision for deferred tax	35,840	39,259	33,555
Deferred income	58,176	64,160	61,088
<b>Non-current liabilities</b>	<b>338,466</b>	<b>402,750</b>	<b>385,563</b>
Mortgage debt	55,109	19,451	26,377
Other credit institutions	171,942	160,780	154,340
Trade payables	158,673	97,389	187,556
Repurchase obligation, returnable packaging	32,321	34,128	33,350
Payables to associates	-	10,433	-
Income tax	19,737	9,113	16,372
Other payables	91,953	76,950	100,526
Accruals	9,133	8,138	8,279
<b>Current liabilities</b>	<b>538,867</b>	<b>416,382</b>	<b>526,800</b>
<b>Liabilities in respect of assets held for sale</b>	<b>2,987</b>	<b>2,987</b>	<b>2,987</b>
<b>Liabilities</b>	<b>880,320</b>	<b>822,119</b>	<b>915,350</b>
<b>Equity and liabilities</b>	<b>1,624,728</b>	<b>1,537,889</b>	<b>1,645,600</b>



# CONSOLIDATED CASH FLOW STATEMENT

(DKK '000)	Q1-Q3 2010/11	Q1-Q3 2009/10	FY 2009/10
Operating profit/(loss)	69,577	38,551	64,342
Depreciation, amortisation etc.	96,820	92,145	125,719
Government grants recognised as income	(8,879)	(10,277)	(13,188)
<b>Cash flows from operating activities before change in working capital</b>	<b>157,518</b>	<b>120,419</b>	<b>176,873</b>
Change in inventories	(22,709)	(12,299)	1,797
Change in trade receivables	54,508	56,272	(30,080)
Change in other receivables	(9,716)	24,393	6,255
Change in trade payables etc.	(28,996)	(105,741)	(20,885)
Change in other payables	(17,933)	(38,574)	(30,572)
<b>Change in working capital</b>	<b>(24,846)</b>	<b>(75,949)</b>	<b>(73,485)</b>
<b>Operating cash flows</b>	<b>132,672</b>	<b>44,470</b>	<b>103,388</b>
Financial income received	5,613	10,991	11,559
Financial expenses paid	(9,248)	(13,051)	(15,036)
Taxes paid	(7,623)	(6,328)	(5,729)
Cash flows from operating activities	121,414	36,082	94,182
Acquisition of intangible assets	(2,299)	(4,260)	(3,262)
Acquisition of property, plant and equipment	(114,396)	(96,831)	(160,954)
Sale of property, plant and equipment	2,279	1,003	1,560
Change in financial assets	1,481	571	7,809
Acquisition of enterprises	-	3,153	2,163
<b>Cash flows from investing activities</b>	<b>(112,935)</b>	<b>(96,364)</b>	<b>(152,684)</b>
Dividend paid	(9,000)	(9,000)	(9,000)
Net sale of own assets, including dividend received	526	160	160
Investment grant received	6,722	10,330	39,964
Repayment of non-current liabilities, net	(21,939)	(6,467)	(8,662)
Raising of financial liability	2,157	-	388
Purchase of treasury shares	(33,338)	-	-
<b>Cash flows from financing activities</b>	<b>(54,872)</b>	<b>(4,977)</b>	<b>22,850</b>
<b>Changes in cash and cash equivalents</b>	<b>(46,393)</b>	<b>(65,259)</b>	<b>(35,652)</b>
Cash and cash equivalents as at 1 May	(109,324)	(73,652)	(73,730)
<b>Cash and cash equivalents as at 31 January</b>	<b>(155,717)</b>	<b>(138,911)</b>	<b>(109,382)</b>

# STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Other reserves	Retained earnings	Equity owned by shareholders of parent	Equity owned by minority shareholders	Total equity
<b>Equity as at 1 May 2009</b>	<b>60,000</b>	<b>51,000</b>	<b>(18,886)</b>	<b>572,159</b>	<b>664,273</b>	<b>190</b>	<b>664,463</b>
<b>Changes in equity 2009/10</b>							
Comprehensive income for the year	0	0	2,207	27,571	29,778	(440)	29,338
Addition in connection with company acquisition	0	0	0	(198)	(198)	1,491	1,293
Dividend paid	0	0	0	(9,000)	(9,000)	0	(9,000)
Dividend from treasury shares	0	0	0	160	160	0	160
Sale of treasury shares	0	0	0	29,516	59,516	0	29,516
<b>Total changes in equity</b>	<b>0</b>	<b>0</b>	<b>2,207</b>	<b>48,049</b>	<b>50,256</b>	<b>1,051</b>	<b>51,497</b>
<b>Equity as at 31 January 2010</b>	<b>60,000</b>	<b>51,000</b>	<b>(16,679)</b>	<b>620,208</b>	<b>714,529</b>	<b>1,241</b>	<b>715,770</b>
<b>Equity as at 1 May 2010</b>	<b>60,000</b>	<b>51,000</b>	<b>(20,036)</b>	<b>639,095</b>	<b>730,059</b>	<b>191</b>	<b>730,250</b>
<b>Changes in equity 2010/11</b>							
Comprehensive income for the year	0	0	7,009	48,942	55,951	18	55,969
Dividend paid	0	0	0	(9,000)	(9,000)	0	(9,000)
Dividend from treasury shares	0	0	0	526	526	0	526
Purchase of treasury shares	0	0	0	(33,338)	(33,338)	0	(33,338)
<b>Total changes in equity</b>	<b>0</b>	<b>0</b>	<b>7,009</b>	<b>7,130</b>	<b>14,139</b>	<b>23</b>	<b>14,157</b>
<b>Equity as at 31 January 2011</b>	<b>60,000</b>	<b>51,000</b>	<b>(13,027)</b>	<b>646,225</b>	<b>744,198</b>	<b>209</b>	<b>744,407</b>

# NOTES

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## 1. ACCOUNTING POLICIES

The interim financial statements are presented as compiled financial statements in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU. No interim financial statements have been prepared for the parent.

The interim financial statements are presented in Danish kroner (DKK), which is the functional currency of the parent.

The accounting policies applied in the interim financial statements are consistent with those applied in the consolidated financial statements for 2009/10, which are in accordance with the International Financial Reporting Standards as adopted by the EU.

Reference is made to the annual report for 2009/10 for a more detailed description of the accounting policies applied, including the definitions of the ratios stated, which have been calculated in accordance with the definitions of the 'Recommendations and Financial Ratios 2005' issued by the Danish Society of Financial Analysts.

The interim report has not been reviewed by the company's auditors.

The company announcement is published in Danish and English. In the event of discrepancies between the Danish and the English text, the Danish text shall prevail.

## ESTIMATES

The preparation of interim reports requires the management to make certain accounting estimates which affect the application of the accounting policies and recognised assets, liabilities, income and expenses. Actual results may deviate from these estimates.

The most significant estimates made by the management in applying the group's accounting policies and the considerable uncertainty associated with these estimates are the same as were applied in connection with the preparation of the compiled interim report and preparation of the 2009/10 annual report.

	2010/11 DKK '000	2009/10 DKK '000
<b>2. Earnings per share and diluted earnings per share</b>		
Earnings per share and diluted earnings per share (DKK per share of DKK 10)	4.48	4.72
The basis of calculation of earnings per share and diluted earnings per share is as follows:		
<b>Dividend distributed to the shareholders of the parent used in connection with the calculation of earnings per share</b>	<b>48,942</b>	<b>27,571</b>
	2010/11 no. of shares of DKK 10	2009/10 no. of shares of DKK 10
Average no. of shares	6,000,000	6,000,000
Average no. of treasury shares	(230,540)	(156,056)
<b>Number of shares used for calculating earnings per share</b>	<b>5,769,460</b>	<b>5,843,944</b>
Average dilution effect of outstanding pre-emption rights etc. (no.)	0	0
<b>Number of shares used for calculating diluted earnings per share</b>	<b>5,769,460</b>	<b>5,843,944</b>

### 3. SEGMENT INFORMATION

For the first time, the group applied IFRS 8, *Operating Segments*, for FY 2009/10. The implementation of the standard did not give rise to any changed identification of the group's segments.

As regards management and reporting, the group is divided into two business segments which are regarded as the primary segmentation of the group.

The activities of the two business segments comprise:

Brewery sector: Production and sale of beer, soft drinks, malt beverages and malt wort products

Foodstuff sector Processing and sale of foodstuffs

Reference is made to the financial highlights for the business sectors on pages 7 and 9, respectively.

#### Revenue and non-current assets distributed on geographical areas

The group's activities are mainly distributed on Denmark, Germany and other geographical areas.

The group's revenue from external customers and the distribution of non-current assets on these geographical areas are specified below, where revenue is distributed on the basis of the domicile of the customers, and non-current assets are distributed on the basis of the physical location and legal affiliation, respectively.

	Revenue		Non-current assets	
	2010/11 DKK '000	2009/10 DKK '000	2010/11 DKK '000	2009/10 DKK '000
Denmark	505,932	481,652	491,441	438,238
Germany	413,465	444,006	367,967	362,157
Other geographical areas	259,582	225,833	17,157	19,938
	<b>1,178,979</b>	<b>1,151,492</b>	<b>876,565</b>	<b>820,333</b>

#### 4. PROPERTY, PLANT AND EQUIPMENT

##### **Purchase and sale of property, plant and equipment**

Assets with a total value of DKK 114.4 million were acquired in the period (same period last year DKK 96.8 million). These acquisitions are primarily attributable to the expansion of existing production and process plants.

Assets sold in the period do not represent significant amounts.

##### **Investment obligations**

The group has entered into contracts concerning the delivery of technical plant and machinery with a combined value of approx. DKK 5.0 million.

Delivery, installation and commissioning will take place in the course of Q4 2010/11.

	2010/11 DKK '000	2009/10 DKK '000
<b>5. OTHER RESERVES</b>		
Reserve for foreign currency translation adjustments	118	(202)
Reserve for net revaluation according to the equity method	0	3,232
Reserve for adjustment to fair value of financial assets available for sale	(13,145)	(18,950)
Reserve for value adjustment of hedging instruments	(0)	(759)
	<b>(13,027)</b>	<b>(16,679)</b>

	Reserve for net revaluation according to the equity method	Reserve for foreign currency translation adjustment	Reserve for value adjustment of hedging instruments	Reserve for value adjustment of financial assets available for sale	Total other reserves
Other reserves as at 1 May 2009	3,232	(28)	(753)	(21,337)	(18,886)
Foreign currency translation adjustment regarding foreign enterprises	0	(174)	0	0	(174)
Adjustment to fair value of financial instruments entered into to hedge future cash flows	0	0	(8)	0	(8)
Adjustment to fair value of financial assets available for sale	0	0	0	2,387	2,387
Reserve for net revaluation according to the equity method	0	0	0	0	0
Tax on income and expenses recognised directly in equity	0	0	2	0	2
<b>Other reserve as at 31 January 2010</b>	<b>3,232</b>	<b>(202)</b>	<b>(759)</b>	<b>(18,950)</b>	<b>(16,679)</b>
Other reserves as at 1 May 2010	0	(471)	(628)	(18,937)	(20,036)
Foreign currency translation adjustment regarding foreign enterprises	0	589	0	0	589
Adjustment to fair value of financial instruments entered into to hedge future cash flows	0	0	838	0	838
Adjustment to fair value of financial assets available for sale	0	0	0	7,865	7,865
Tax on income and expenses recognised directly in equity	0	0	(210)	(2,073)	(2,283)
<b>Other reserve as at 31 January 2011</b>	<b>0</b>	<b>(118)</b>	<b>0</b>	<b>(13,145)</b>	<b>(13,027)</b>