

LETTER from the Chairman



FLEMMING
BESENBACHER
Chairman of the
Supervisory Board

In a challenging market environment, the Carlsberg Group delivered solid earnings growth. During the year, the Group kept its focus on the key priorities of commercial excellence and efficiency improvements across all functions and markets.

At Carlsberg, we strive for excellence in business, society and everyday life. We always challenge ourselves to think smarter, work harder, brew better and celebrate people and moments that shine brighter. We act transparently and take pride in making a positive contribution to society by growing our business in a sustainable way for our partners and ourselves. Our commitment to social responsibility is in line with our heritage and the 1876 pledge for high quality, and we believe that these values will enable us to always brew the best beer to ignite the great moments in people's lives.

In recent years, many structural and organisational changes have taken place in the Carlsberg Group. The change agenda will continue as a natural consequence of the ongoing transformation of the Group into an even more efficient brewing company.

Acting in a constantly changing environment requires a high degree of flexibility and a willingness by our employees to adapt, and I consider our highly qualified and motivated people to be a driving force for the success of our company.

Our core business is beer and we are proud of our long history of making beer of superior quality. Research and innovation are part of our legacy and remain important to this day in enabling us to continuously brew and market high-quality consumer-relevant products. We have always maintained our commitment to research and development as we acknowledge the importance of bringing both improved and new products to our markets in order to deliver value growth.

Growth and efficiency remain key focus areas for Carlsberg and 2013 further emphasised the importance of our continued focus on delivering superior commercial execution. We aspire to continuously grow and develop our business organically as well as to further streamline our operations in order to create value for shareholders and all other stakeholders.

As a representative of the Carlsberg Foundation, the largest shareholder in Carlsberg A/S, I am pleased that in 2013 the Foundation obtained approval from the Danish Ministry of Justice to change its Charter.

Since 1888, when the Foundation became the owner of Carlsberg, the Foundation has carefully respected the legacy of our founder, J.C. Jacobsen, ensuring that the principles of the Foundation continue to be adapted to remain relevant for the present day.

In March 2013, the Company paid a dividend for 2012 of DKK 6.00 per share. As the Carlsberg B share gained 8% in the year, the total shareholder return for 2013 for the Carlsberg B share was 9%.

The change in the Charter of the Carlsberg Foundation has increased the Group's

financial flexibility. While the overall capital structure target is still to maintain investment-grade credit quality, the Supervisory Board decided to announce a new dividend policy, proposing a payout ratio of at least 25% of adjusted net profit, to be phased in over two years. As a consequence of this, the Supervisory Board has decided to propose a 33% increase in dividend per share to DKK 8.00 for 2013, which equals a payout ratio of 21%.

On behalf of the Supervisory Board, I would like to thank the Executive Board, the Executive Committee and all Carlsberg employees for their hard work and dedication throughout 2013.

A handwritten signature in dark ink, reading 'Flemming Besenbacher'.

Flemming Besenbacher