

Plastic crates and returnable bottles together with other minor fixed assets are fully charged to the profit and loss account in the year of acquisition.

#### **Fixed asset investments**

Participating interests in subsidiary and associated companies are stated in the balance sheet of the Parent Company with a share of the net assets of the companies in question (equity calculated in accordance with Group accounting policies) less unrealised intercompany profits.

Other investments and shareholdings are stated at cost or lower value at the balance sheet date.

#### **Stocks**

Stocks are stated at purchase price or production cost (average method), or net realisable value, if lower. Write-down is effected for obsolete stocks. Indirect production overheads are not included in the production cost.

#### **Marketable securities**

Marketable shares and bonds are stated at cost or at the quoted price at year end if lower. Realised and unrealised gains or losses constituting the difference between sales proceeds and costs, are included in the profit and loss account.

#### **Financial instruments**

Financial instruments, including forward exchange contracts and options, are used in the normal course of business of the Group, mainly to cover existing commitments as well as repos. Financial instruments are treated in the accounts in accordance with the accounting policies applying for the underlying assets and liabilities.

#### **Cash flow statement**

The cash flow statement has been prepared in accordance with the indirect method and is based on the Group's operating profit. The statement shows the Group's cash flows in operating activities, investing activities and financing activities as well as cash and cash equivalents at the beginning and end of the financial year.

Cash flow from operating activities includes the Group's operating result adjusted for financials, corporation tax paid, depreciation and other items not involving cash receipts and cash payments. The corrected operating profit is adjusted for the change in the working capital such as stocks, debtors, creditors etc. for the year.

Cash flow from investing activities arises from the acquisition and disposal of undertakings, investments in other fixed assets and dividends received.

Cash flow from financing activities includes dividends paid by the Parent Company and changes in long-term debt, etc.

Cash and cash equivalents at the end of the financial year include cash less short-term bank debt due on demand.