



**Oy Sinebrychoff Ab**  
**Financial Accounts**  
**1.1.-31.12.2004**

(Translation)

**OY SINEBRYCHOFF AB**

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## OY SINEBRYCHOFF AB

### Review by the Board of Directors January - December 2004

#### Corporate Structure

Oy Sinebrychoff Ab produces beer, other mild alcohol drinks, soft drinks and special drinks at its Finnish production facilities in Kerava and Pori. The company also produces and sells Coca-Cola products in Finland. Oy Sinebrychoff Ab is a subsidiary 100 % owned by Carlsberg Breweries A/S.

#### The past financial period

Oy Sinebrychoff Ab's sales volumes during the financial period were 392,8 million litres. Sales to the domestic market decreased by 1,4% which corresponded to trade average.

Oy Sinebrychoff Ab maintained market leadership in brewery and soft drink products in Finland, increasing its market share to 45,4% (45,3%) (source: Market share statistics published by the Finnish Food and Drink Industries' Federation). The company maintained market leadership in beers with a market share of 44,5% (44,6 %), in ciders with a 53,6% (51 %) share, and in soft drinks with a 53,3% (51,7 %) share. In long drinks the market share was 31,5% (34,2 %). In mineral waters the market share was 17,1% (19,9 %).

Gross investments were 22,2 MEUR (14,2 MEUR). The largest investments included a 1,5 l sorting line and washing machine in Kerava. The company's turnover was 322,5 MEUR (326,2 MEUR), of which 2,8% originated from export. Operating profit was 42,3 MEUR (45,7 MEUR).

Since 1999, Oy Sinebrychoff Ab has adopted a certified environment programme based on ISO 14001. Environmental aspects are taken into account in the company's operations, the target being the prevention of environmental hazards and minimising the use of natural resources. The company is in favour of the reuse and recycling of e.g. packaging material. A token of good results in the company's environmental policy was the Environment Award granted by Kerava city. During the accounting period, the amount of waste in relation to the amount of production was decreased at the Kerava production plant, and the organic load of sewage in the Pori plant was decreased.

### The Board of Directors, Managing Director and Auditors of the company

At the Annual General Meeting held on 27<sup>th</sup> February 2004 Lars Pålsson, Kasper Madsen, Jørn P. Jensen and Johan Furuhjelm were elected as Board Members. Lars Pålsson was Chairman of the Board. On 11.11.2004 Lars Pålsson was replaced by Aksel Thiele, and Jørn P. Jensen became Chairman of the Board.

The company's Managing Director is Johan Furuhjelm. Auditors elected by the Annual General Meeting were Pricewaterhouse Coopers Oy with Mr. Johan Weckman, APA as Responsible Auditor, and Mrs. Kirsti Svinhufvud, APA as Deputy Auditor.

### Major events since the closing of the financial period, and prospects for the upcoming financial year

Mr. Mikael Aro, presently Commercial Director, has been nominated Managing Director of the Company from 1.8.2005 onwards. Mr. Johan Furuhjelm, presently Managing Director, will be part-time retired and Chairman of the Board from that date.

Total demand of drinks is estimated to remain the same or slightly increase, depending on the weather conditions during peak season. The decrease in packaging tax is estimated to increase the share of cans in total consumption. Also the imports of canned drinks are estimated to increase.

Sinebrychoff's objective is nevertheless to further strengthen its market position in key operational areas. Profitability development is highly dependent on the increase of cheap alcohol imports and its effect on the domestic market.

### Proposal for the Allocation of Profits

The company's distributable unrestricted equity was 70.304.454,67€, of which the profit for the financial period is 26.450.020,64€.

The Board proposes that the distributable unrestricted equity be used as follows:

- 214,50 €/share to be paid as dividend, or a total of 70.065.781,50€
- To remain as equity 238.673,17€

**PROFIT AND LOSS ACCOUNT  
EUR**

		<b>1.1.2004-31.12.2004</b>	<b>1.1.2003-31.12.2003</b>
	Note		
<b>TURNOVER</b>	1.	<b>322 501 555,53</b>	<b>326 198 398,21</b>
Cost of goods sold		-204 490 353,98	-204 768 096,33
<b>GROSS MARGIN</b>		<b>118 011 201,55</b>	<b>121 430 301,88</b>
Sales and marketing expenses		-60 250 781,42	-64 830 035,90
Administrative expenses		-15 857 066,22	-15 362 299,55
Other operating income	2.	903 270,69	5 363 558,43
Other operating expenses	3.	-525 900,29	-949 510,93
<b>OPERATING PROFIT</b>		<b>42 280 724,31</b>	<b>45 652 013,93</b>
Financial income and expenses	7.	-614 852,64	-2 776 957,18
<b>PROFIT BEFORE APPROPRIATIONS AND TAXES</b>		<b>41 665 871,67</b>	<b>42 875 056,75</b>
Appropriations	8.	-3 733 154,26	-3 860 844,22
Income taxes	9.	-11 482 696,77	-11 869 949,24
<b>NET PROFIT</b>		<b>26 450 020,64</b>	<b>27 144 263,29</b>

**BALANCE SHEET  
EUR**

5(18)

<b>ASSETS</b>		<b>31.12.2004</b>	<b>31.12.2003</b>
	Note		
<b>NON-CURRENT ASSETS</b>	10.		
Intangible assets	10.1	28 400 108,28	34 148 799,69
Tangible assets	10.2	174 766 790,57	179 099 663,48
Holdings in group undertakings	10.3	365 871,47	365 871,47
Other investments	10.4	91 694,83	93 965,38
<b>TOTAL NON-CURRENT ASSETS</b>		<b>203 624 465,15</b>	<b>213 708 300,02</b>
<b>CURRENT ASSETS</b>			
Inventories	11.	33 470 397,16	35 987 296,99
Long-term receivables		1 290,70	765,11
Short-term receivables	12.1	51 280 786,45	44 733 333,78
Cash and bank		730 959,77	1 063 321,95
<b>TOTAL CURRENT ASSETS</b>		<b>85 483 434,08</b>	<b>81 784 717,83</b>
		<b>289 107 899,23</b>	<b>295 493 017,85</b>
<b>LIABILITIES</b>		<b>31.12.2004</b>	<b>31.12.2003</b>
	Note		
<b>SHAREHOLDERS' EQUITY</b>	13.		
Share capital	13.1	41 203 561,21	41 203 561,21
Premium reserve	13.2	55 503 655,56	55 503 655,56
Revaluation reserve	13.3	0,00	336 375,85
Retained earnings	13.4	43 854 434,03	45 255 852,07
Net profit for the financial year	13.5	26 450 020,64	27 144 263,29
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>167 011 671,44</b>	<b>169 443 707,98</b>
<b>ACCUMULATED DEPRECIATION DIFFERENCE</b>	14.	<b>32 153 393,99</b>	<b>28 420 239,73</b>
<b>OBLIGATORY PROVISIONS</b>	15.	<b>725 000,00</b>	<b>514 400,00</b>
<b>LIABILITIES</b>	17.		
Long-term liabilities	17.1	0,00	1 355 363,05
Short-term liabilities	17.2	89 217 833,80	95 759 307,09
<b>TOTAL LIABILITIES</b>		<b>89 217 833,80</b>	<b>97 114 670,14</b>
		<b>289 107 899,23</b>	<b>295 493 017,85</b>

**CASH FLOW STATEMENT**  
**TEUR**

	1.1.2004-31.12.2004	1.1.2003-31.12.2003
<b>Cash flow from operating activities</b>		
Operating profit	42 281	45 652
Adjustments to operating profit	29 400	28 843
Change in working capital	3 751	33 373
Interests and other financial expences paid	-718	-2 850
Dividends received	4	3
Interests received	129	147
Income taxes paid	-11 826	-10 399
<b>Cash flow from operating activities</b>	<b>63 021</b>	<b>94 769</b>
<b>Cash flow from investments</b>		
Investments on tangible and intangible assets	-22 183	-14 175
Sales returns of tangible and intangible assets	2 530	7 751
<b>Cash flow from investments</b>	<b>-19 653</b>	<b>-6 424</b>
<b>Cash flow from financing</b>		
Repayments of short-term loans	-13 799	-49 014
Repayments of long-term loans	-1 355	-4 344
Dividends paid	-28 546	-35 340
<b>Cash flow from financing</b>	<b>-43 700</b>	<b>-88 698</b>
Change in cash	-332	-353
Cash as of 1.1.	1 063	1 415
<b>Cash as of 31.12.</b>	<b>731</b>	<b>1 063</b>
Change in working capital :		
Change in short-term receivables	7 597	24 652
Change in inventory	2 517	-2 639
Change in short-term payables	<u>-6 363</u>	<u>11 360</u>
	3 751	33 373

## Notes to the Financial Statements

The parent company of Oy Sinebrychoff Ab is Carlsberg Breweries A/S, domiciled in Copenhagen. Carlsberg Breweries A/S is part of the Carlsberg A/S group, address 1, Valby Langgade, DK-2500 Valby.

### Turnover

Indirect taxes, discounts received and exchange rate differences have been deducted from sales income.

### Valuation of fixed assets

Fixed assets have been presented in the Balance Sheet at direct acquisition cost minus planned depreciation.

Depreciation according to plan has been calculated as straight-line depreciations based on the economic life-span of the asset categories.

Depreciation periods according to plan are as follows:

Goodwill	10-20 years
Other long-term expenditures	3-10 years
Buildings	25-40 years
Constructions	20-25 years
Machinery	8-20 years
Equipment	3-8 years
Other tangible	5-30 years

### Investments

Investments have been entered at acquisition cost. The profits and losses arising from sale of non-current assets are included in Other operating income or expenses.

### Valuation of inventories

Inventories are valued according to the FIFO principle at purchase cost, a lower repurchase cost or likely sales cost. Inventories include, besides variable costs, their share of fixed purchasing and production costs.



**Foreign currency denominated items**

Receivables and payables in foreign currencies have been converted into Euro based on the European Central Bank exchange rate on the Balance Sheet date, exchange rate differences have been entered in the profit and loss statement.

**Research and development costs**

Research and development costs have been entered as a charge in the year when they arose.

**Allocation of pension expenses**

The pension insurances of the company personnel have been handled in external pension insurance companies. The pension payments and expenses for the financial period are based on calculations made by the pension insurance companies. The pension expenses are entered as cost for the year they arose.

**Deferred tax income and liabilities**

Deferred tax income and liabilities have not been shown in the Profit and Loss Account or Balance Sheet; the figures are presented in the Notes to the Financial Statements.

## Notes to the Financial Statements

All figures in '000 EUR

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### Turnover by market area

	2004	2003
Finland	313 433	316 416
Other European Countries	7 807	8 366
Other Countries	1 262	1 416
<b>Total</b>	<b>322 502</b>	<b>326 198</b>

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### Other operating income

	2004	2003
Profits on sale of fixed assets	505	4 646
Other	398	718
<b>Total</b>	<b>903</b>	<b>5 364</b>

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### Other operating expenses

	2004	2003
Sales losses of fixed assets	-66	-61
VAT and excise tax from previous years	-251	-788
Other	-209	-101
<b>Total</b>	<b>-526</b>	<b>-950</b>

4

### Materials and services

	2004	2003
<b>Materials and consumables</b>		
Purchases during the financial year	-104 123	-108 084
Change in inventories	-591	273
	-104 714	-107 811
External services	-22 127	-24 912
<b>Total materials and services</b>	<b>-126 841</b>	<b>-132 723</b>

5.1

### Personnel expenses

	2004	2003
Wages and salaries	-41 443	-40 460
Pension expenses	-6 424	-6 166
Other indirect employee costs	-4 021	-3 854
<b>Total</b>	<b>-51 888</b>	<b>-50 480</b>

5.2

### Average number of personnel during the financial period

	2004	2003
Clerical employees	556	563
Workers	609	637
<b>Total</b>	<b>1 165</b>	<b>1 200</b>

## 5.3

## Pension commitments for the management

The retirement age of the Managing Director is 62 years.

## 6

## Depreciation and write-offs

	2004	2003
Depreciation on tangible and intangible assets	-29 839	-33 428
<b>Total</b>	<b>-29 839</b>	<b>-33 428</b>

## 6.1

## Depreciation by function

	2004	2003
Purchasing and production	-18 268	-19 011
Sales and marketing	-8 065	-10 860
Administration	-3 506	-3 557
<b>Total</b>	<b>-29 839</b>	<b>-33 428</b>

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## Financial income and expenses

	2004	2003
<b>Dividend income</b>		
From other companies	4	2
<b>Total dividend income</b>	<b>4</b>	<b>2</b>
<b>Other interest income and other financial income</b>		
From group companies	50	649
From others	190	120
<b>Total interest income and other financial income</b>	<b>240</b>	<b>769</b>
<b>Interest expenses and other financial expenses</b>		
From group companies	0	-2 718
From other companies	-859	-830
<b>Total interest expenses and other financial exp.</b>	<b>-859</b>	<b>-3 548</b>
<b>Total financial income and expenses</b>	<b>-615</b>	<b>-2 777</b>
<b>The item 'interest and financial income' includes exchange profits (net)</b>	<b>3</b>	<b>-14</b>

## 8

## Appropriations

	2004	2003
Difference between planned depreciation and tax depreciation	-3 733	-3 861

9  
Deferred taxes

	2004	2003
<b>Change in deferred tax income</b>		
From shelf depreciation	85	147
From obligatory provisions	39	12
	124	159
<b>Change in deferred tax liabilities</b>		
From appropriations	118	1 120

Calculated tax income or liabilities have not been presented in the Profit and Loss Account or Balance Sheet. The decrease of the tax rate from 29% to 26% has been taken into account in the change in 2004.

10. Fixed assets

10.1 Intangible assets

	Intangible rights	Goodwill	Other long-term expenditures	Total
Acquisition cost 1.1.2004	31 200	20 966	7 206	59 372
Increase	24		422	446
Decrease			-3 684	-3 684
Transfer to other items	-10 151	10 151	36	36
<b>Acquisition cost 31.12.2004</b>	<b>21 073</b>	<b>31 117</b>	<b>3 980</b>	<b>56 170</b>
Accumulated depreciation and revaluation 1.1.2003	-12 239	-6 290	-6 694	-25 223
Accumulated depreciation from decrease and transfer	4 758	-4 758	3 684	3 684
Depreciation from financial period	-3 312	-2 414	-505	-6 231
<b>Accumulated depreciation 31.12.2004</b>	<b>-10 793</b>	<b>-13 462</b>	<b>-3 515</b>	<b>-27 770</b>
<b>Book value 31.12.2004</b>	<b>10 280</b>	<b>17 655</b>	<b>465</b>	<b>28 400</b>

10.2	Tangible assets					Total
	Land	Buildings and Constructions	Machinery and equipment	Other tangible assets	Work in progress	
Acquisition cost 1.1.2004	14 672	111 678	234 653	1 571	1 178	363 752
Increase	370	1 399	9 484	174	10 310	21 737
Decrease	-1		-17 887		-79	-17 967
Transfer to other items		-464	1 388		-960	-36
<b>Acquisition c. 31.12.04</b>	<b>15 041</b>	<b>112 613</b>	<b>227 638</b>	<b>1 745</b>	<b>10 449</b>	<b>367 486</b>
Accumulated depreciation and revaluation 1.1.2004		-38 789	-145 530	-669		-184 988
Accumulated depreciation from decrease and transfer		38	15 839			15 877
Depreciation from financial period		-4 364	-19 042	-203		-23 609
<b>Accumulated depreciation 31.12.2004</b>		<b>-43 115</b>	<b>-148 733</b>	<b>-872</b>		<b>-192 720</b>
Revaluation						
Land area, Pori						
Book value 31.12.2004	336					336
decrease	-336					-336
Book value 31.12.2003	0					0
<b>Book value 31.12.2004</b>	<b>15 041</b>	<b>69 498</b>	<b>78 905</b>	<b>873</b>	<b>10 449</b>	<b>174 766</b>

Book value of production machinery and equipment  
31.12.2004  
31.12.2003

67 358  
73 311

### 10.2.1 Tangible assets

#### Revaluations

	Value 1.1.2004	Liquidation of Revaluations 1.1.-31.12.2004	revaluations 1.1.-31.12.2004	Value 31.12.2004
Land and water areas, Pori	336	-	-336	0

### 10.3 Share of ownership in other group companies

#### Associated companies

Name	Number of shares	Nominal value	Ownership	Book value
Kiinteistö Oy Palokorvenkatu 13	735	1,68	49%	1
Kiinteistö Oy Santaniitynkatu 20	735	1,68	49%	1

#### Loan receivables from associated companies

Kiinteistö Oy Palokorvenkatu 13, Kerava	198
Kiinteistö Oy Santaniitynkatu 20, Kerava	165

<b>Total</b>	<b>366</b>
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#### 10.4 Other investments

Suomen Palautuspakkaus Oy, Helsinki	200	168,19	16,66%	34
Other				58
<b>Total</b>				<b>92</b>

#### 11 Inventories

	2004	2003
Materials and consumables	4 095	4 685
Work in progress	1 031	1 225
Finished goods	28 345	30 077
<b>Total</b>	<b>33 471</b>	<b>35 987</b>

#### 12 Receivables

##### 12.1 Short-term receivables

	2004	2003
<b>Trade receivables</b>	<b>25 923</b>	<b>34 421</b>
<b>Receivables from group companies</b>		
Trade receivables	303	368
Loan receivables	20 639	6 839
Prepaid expenses and accrued income	468	168
<b>Total</b>	<b>21 410</b>	<b>7 375</b>
<b>Prepaid expenses and accrued income</b>	<b>3 948</b>	<b>2 937</b>
<b>Total short-term receivables</b>	<b>51 281</b>	<b>44 733</b>

##### 12.1.1 Prepaid expenses and accrued income

	2004	2003
<b>Accrued income from group companies</b>		
Interest periodisation	0	20
Other	468	148
<b>Total</b>	<b>468</b>	<b>168</b>
<b>Prepaid expenses</b>		
Other	1 690	747
<b>Total</b>	<b>2 258</b>	<b>2 190</b>
<b>Major items in accrued income</b>		
Marketing periodisations	2 268	1 245
Tax periodisation	366	0
Insurance	1 078	1 186
Other	704	674
<b>Total</b>	<b>4 416</b>	<b>3 105</b>

## 13

## Changes in shareholders' equity

		2004	2003
	Share capital 1.1.	41 204	41 204
13.1	Share capital 31.12.	41 204	41 204
	Premium fund 1.1.	55 504	55 504
13.2	Premium fund 31.12.	55 504	55 504
	Revaluation fund 1.1.	336	336
	Cancellation of revaluation fund	-336	0
13.3	Revaluation fund 31.12.	0	336
	Profit carried forward 1.1.	72 400	80 596
	Dividends	-28 546	-35 340
13.4	Profit carried forward 31.12.	43 854	45 256
13.5	Net income	26 450	27 144
	<b>Total shareholders' equity</b>	<b>167 012</b>	<b>169 444</b>

## Distributable unrestricted equity

	Profit carried forward	43 854	45 256
	Profit for the financial period	26 450	27 144
	<b>Total distributable unrestricted equity</b>	<b>70 304</b>	<b>72 400</b>

## 14

## Accumulated appropriations

Appropriations are made up of accumulated depreciation differences.

## 15

## Obligatory provisions

	2004	2003
Pension liabilities	725	514
<b>Total</b>	<b>725</b>	<b>514</b>

## 16

## Deferred tax assets and liabilities

	2004	2003
<b>Deferred tax assets</b>		
From shelf depreciation	526	441
From change in obligatory provisions	188	149
<b>Total</b>	<b>714</b>	<b>590</b>
<b>Deferred tax liabilities</b>		
From appropriations	8 360	8 242

17  
Liabilities

17.1  
Long-term liabilities

	2004	2003
Loans from financial institutions	0	1 355
<b>Total long-term liabilities</b>	<b>0</b>	<b>1 355</b>

17.2  
Short-term liabilities

	2004	2003
Loans from financial institutions	1 355	1 355
Trade payables	25 473	21 573
Accrued expenses and deferred income	26 243	26 130
Other liabilities	35 072	44 952
<b>Liabilities to group companies</b>		
Trade payables	1 075	1 749
<b>Total short-term liabilities</b>	<b>89 218</b>	<b>95 759</b>

17.2.1  
Accrued expenses and deferred income

	2004	2003
Holiday pay liability	6 159	6 092
Discounts	15 269	15 146
Other	4 815	4 892
<b>Total deferred income</b>	<b>26 243</b>	<b>26 130</b>

18  
Guarantees, mortgages and other commitments

18.1  
Liabilities; mortgages given as collateral

	2004	2003
<b>Mortgages given</b>	<b>0</b>	<b>10 932</b>

18.2  
Commitments on leasing contracts

	2004	2003
Payable during the next accounting period	1 275	616
Payable after one year	1 264	819
<b>Total</b>	<b>2 539</b>	<b>1 435</b>



## 18.3

## Liabilities pertinent to § 33 of the Act on Value-Added Tax

	2004	2003
Liabilities pertinent to §33 of the <b>Act on Value-Added Tax</b>	<b>6 416</b>	<b>6 446</b>

## 18.5

## Other commitments and contracts

	2004	2003
Kerava city*), the build-up of water supply and sewage system	4 419	4 948
Commercial liabilities**)	52 492	16 960
Rent liabilities	1 376	561
Other liabilities	4 071	4 841

\*) Oy Sinebrychoff Ab and the city of Kerava have agreed on the financing of the build-up of the water supply and sewage system for the Kerava production plant, that Oy Sinebrychoff Ab will be responsible for the installments and interests on the loans that Kerava city has raised for this purpose. The commitment includes the nominal value of future costs.

\*\*\*) The commercial liabilities of the company include the contracts made on raw materials, high bay warehouse and the new canning line.

The 2004 Financial Statements include the Board of Director's Review, Profit and Loss Statement, Balance Sheet, Cash Flow Statement and Notes to the Financial Statements, which are hereby submitted to the Annual General Meeting.

Kerava, 17<sup>th</sup> February 2005

Jørn P. Jensen  
Chairman

Kasper Madsen

Aksel Thiele

Johan Furuhjelm  
Managing Director

The above Financial Statements have been prepared in accordance with generally accepted accounting principles in Finland. Our Auditors' Report has been issued today.

Kerava, February 2005

PriceWaterhouse Coopers Oy  
Authorised Public Accounting Firm

Johan Weckman, APA

The following accounting records have been used in 2004:

Daily record, EDP sheets

General ledger, EDP sheets

Specifications of accounts receivable and payable

Accounts payable, EDP sheets

Accounts receivable, EDP sheets

List of fixed assets, EDP sheets