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THE ROYAL DANISH COURT

HARBOE

HARBOES BREWERY A/S

ANNUAL REPORT
2008/2009


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FOCUS ON INNOVATION

The past year was characterised by unusual turbulence in the international financial markets which had a negative effect on all the economies of the world. This affected our markets, our customers and business partners and, of course, our own company in a number of ways. However, in a time of change like this, it is a great advantage to have an efficient and successful business which is focused on value creation, and a solid capital base which has ensured us a comfortable level of financial resources and manoeuvrability that allows us to continue our dedicated efforts to realise our strategic ambitions. In 2008/09, the main focus of these efforts was innovation, and we have achieved many interesting results this year in that area.

First and foremost, we managed to fulfil the expectations outlined in last year's annual report despite continued intensive competition, a negative effect of developments in exchange rates and many other challenges. We thus recorded a profit before tax of DKK 35.1 million based on growing revenue and a successful expansion of our activities, both in terms of products and markets. As expected, the results are affected by the continued investments in our many strategic development activities, but these have to a great extent contributed to further consolidating the basis for Harboe's continued growth and value creation.

NEW PRODUCTS INCREASE EARNINGS

Harboe continues its launch of a number of innovative products as planned. They have been very positively received by our existing customers and have also opened doors to new customers and distribution channels. Many of the new products are aimed at segments in the growing beverage market and are being marketed in price categories that are higher than most of our traditional core products. This reduces our sensitivity to the constant fluctuations in raw material prices and consumables and ensures attractive value creation for our shareholders.

In the short term, earnings are naturally affected by the considerable amount of resources invested in connection with the launch of these products, and we will also support sales with a variety of marketing activities in the years to come. However, we can see that our strategic focus on these segments is meeting a trend in consumer demand, and the potential is highly attractive. Now we need to ensure that we maintain the positive momentum with continued product development and marketing.

MALT EXTRACT AND NEW MARKET OPPORTUNITIES

Concurrently with the sales work on the new products, we have therefore continued to work dedicatedly with a number of highly interesting development projects, which we expect can be turned into new and tremendously exciting market opportunities. The main focus of these innovation activities is malt extract which has yielded promising results.

One of the most recent results is the development of a unique method for the production of clear malt extract, from which we expect a lot. The clear malt extract has very flexible applications – both as an element in the development of our own products and as an ingredient for other drinks manufacturers. The product is already being tested by several customers, who are extremely positive, and a global patent application on the production method is pending with the relevant authorities.

As part of our focus on malt extract and constant endeavours to ensure optimum capacity and efficiency in our production, we have also invested in a new evaporation plant, which quadruples malt extract production capacity. By applying a new production technology, Harboe also managed to increase capacity without increasing energy consumption, and to ensure a much better utilisation of raw materials at the same time. The investments thus match our strategy of ensuring sustainable production, and we are at the same time well suited to handle the coming years' planned growth in this market.

GROWTH IN EXPORT MARKETS

The export markets are important to these growth plans, and, in the past financial year, we have further strengthened our international position and established a solid basis for continued expansion. Revenue in our export markets showed highly attractive growth rates, and we are now exporting a wide range of beers, energy drinks and non-alcoholic malt beverages – all with good earnings margins – to more than 50 markets in Europe, Africa, the Middle East, Asia and the USA.

The export markets are primarily served by our production unit in Germany where we have invested in additional capacity and efficiency measures in recent years. Our strategic focus on having modern, efficient and flexible production facilities is the cornerstone of our continued success, and we will also in future invest in continued optimisations. We are pleased that the investments made so far have allowed us to produce a volume per employee which is unique in the industry, both in Denmark and internationally. This is absolutely vital to our competitiveness and the continued growth of Harboe's business.

ACQUISITIONS STRENGTHEN POSITION

Another initiative which will strengthen our position in the Danish market, in particular, is our acquisition of a controlling interest in GourmetBryggeriet which was completed following the end of the financial year in June. The consolidation of our activities is expected to generate attractive synergies by utilising Harboe's production and distribution advantages and GourmetBryggeriet's position in the restaurant and specialty markets where Harboe's products have not traditionally been sold. Harboe will be working hard to make the most of this in the coming year.

PREPARED FOR THE FUTURE

Generally, we have many exciting activities ahead of us, and innovation will be central to the further growth of Harboe in the coming year as well. The potential for creating positive results is high, although we also face some challenges. We do not have a crystal ball that can predict how world economies and key markets will develop and what effect this will have on our business in the coming year, but we are in a unique position to succeed in fulfilling the goals we have set for ourselves. With our strong capital base, solid business and 520 talented and dedicated managers and employees, we have what it takes to succeed, and I am convinced that this will enable us to create further growth and results in the coming year as well.

BERNHARD GRIESE
CEO


KONGELIG HOFLEVERANDØR
HARBOE
HARBOES BRYGGERI A/S
Premium
PILSNER

THE FINANCIAL YEAR FOR THE GROUP IN OUTLINE

- **Revenue** was up 12.7% to DKK 1.54 billion.
- **Revenue of the brewery sector** was up 16.0% and now constitutes DKK 1.32 billion.
- **Revenue of the foodstuff sector** was down 3.6% and now constitutes DKK 225.2 million.
- **Sales of beer and soft drinks**, including malt beverages and malt wort products, totalled 5.7 million hectolitres compared with 5.3 million hectolitres last year, up 7.6%.
- **Operating profit** (EBIT) amounted to DKK 40.9 million compared with last year's DKK 21.6 million.
- **The brewery sector realised an operating profit** (EBIT) of DKK 36.1 million against DKK 20.6 million last year.
- **The foodstuff sector realised an operating profit** (EBIT) of DKK 4.8 million against DKK 1.0 million last year.
- **Consolidated profit before tax** was DKK 35.1 million against DKK 16.3 million last year.
- **Profit before tax** is in line with the outlook most recently expressed in the interim report for Q3 2008/09, at which time a profit in the low end of DKK 35-45 million was anticipated.
- **The group's gross investments during the financial year** totalled DKK 157.3 million, of which plant under construction amounted to DKK 14.0 million as at 30 April 2008.
- **Cash flows from operating activities and free cash flows** (changes in cash and cash equivalents) amounted to DKK 148.6 million and DKK -31.1 million, respectively.

FINANCIAL HIGHLIGHTS

	2008/09 DKKm	2008/07 DKKm	2006/07 DKKm	2005/06 DKKm	2004/05 DKKm
KEY FIGURES					
EARNINGS					
Gross revenue	1,806.4	1,607.4	1,649.4	1,633.5	1,753.7
Taxes on beer and soft drinks	(261.8)	(236.5)	(266.6)	(272.2)	(302.0)
Revenue	1,544.6	1,370.9	1,382.8	1,361.3	1,451.7
Operating profit/(loss) (EBIT)	40.9	21.6	88.3	98.8	136.7
Net financials	(5.8)	(5.3)	(2.8)	(4.2)	(6.5)
Profit/(loss) before tax	35.1	16.3	85.5	94.6	130.2
Net profit/(loss) for the year	25.6	20.1	56.5	65.5	86.1
BALANCE SHEET					
Total assets	1,606.4	1,199.3	1,214.9	1,143.6	1,194.6
Equity	664.5	696.9	685.8	677.4	619.4
Net interest-bearing debt	119.6	80.0	46.1	0	0
INVESTMENTS ETC.					
Investments in intangible assets [1]	3.0	6.1	0.0	0.0	0.0
Investments in property, plant and equipment [2]	115.9	180.3	73.5	96.4	187.2
Depreciation, amortisation, impairment losses and write-downs	121.9	109.0	103.0	100.9	95.6
CASH FLOWS					
Cash flows from operating activities	148.6	56.9	86.6	124.8	197.4
Cash flows from investing activities	(438.9)	(97.5)	(111.0)	(118.4)	(153.4)
Cash flows from financing activities	259.2	(9.6)	(44.6)	(17.1)	44.5
Changes in cash and cash equivalents	(31.1)	(50.2)	(69.0)	(10.7)	88.5

[1] Excluding plant under construction
[2] Excluding spare parts and plant under construction

	2008/09 DKKm	2008/07 DKKm	2006/07 DKKm	2005/06 DKKm	2004/05 DKKm
Financial highlights [3], continued					
RATIOS IN %					
Profit margin	2.6	1.6	6.4	7.3	9.4
Solvency ratio	41.4	58.2	56.4	59.2	51.9
Gearing	18.0	11.5	6.7	0.0	0.0
Current ratio	95.5	99.0	92.3	110.1	92.0
Return on invested capital (ROIC)	3.9	2.0	8.1	9.9	14.7
SHARE-RELATED RATIOS [4]					
Earnings per share of DKK 10, DKK (EPS)	4.4	3.4	9.5	11.0	14.8
Cash flow per share of DKK 10, DKK (CFPS)	25.5	9.6	14.6	21.0	34.0
Equity value per share of DKK 10, DKK	110.7	116.1	114.2	112.9	103.2
Share price, end of year	112.0	137.0	218.2	222.1	207.1
Price/earnings	25.4	40.4	23.0	20.2	14.0
Dividend per DKK 10 share, DKK	1.5	1.5	1.5	8.0	1.5
EMPLOYEES					
Average number of full-time employees	520	483	486	531	624

[3] The financial highlights have been prepared in accordance with IFRS, cf. the description in note 1.
[4] Comparative figures have been restated in accordance with the changed denomination from DKK 100 per share to DKK 10 per share.

MANAGEMENT'S REVIEW

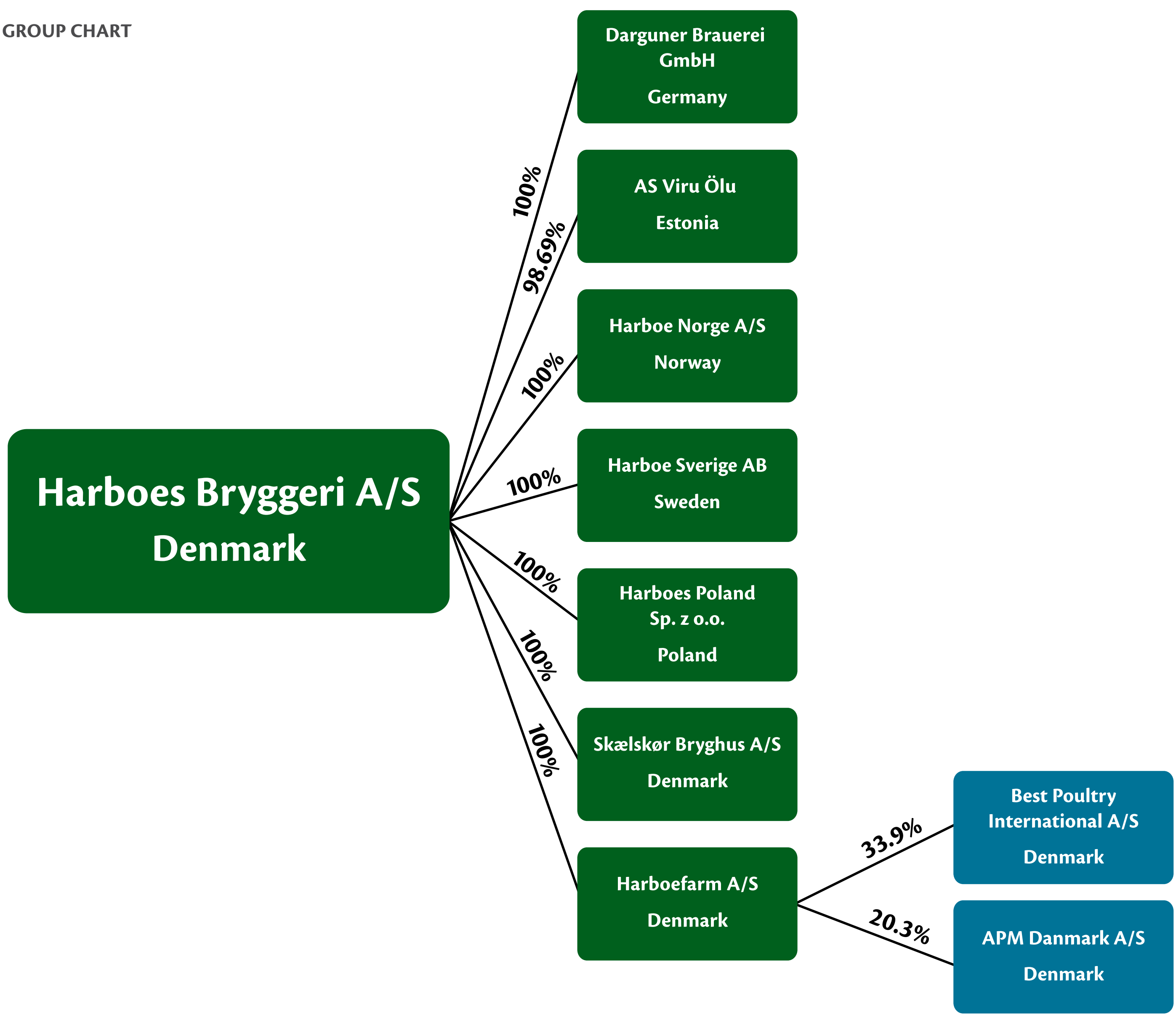
CORE BUSINESS

Harboes Bryggeri A/S is listed on the stock exchange and is the parent of the Harboe group.

The group's core business, constituting more than 87.5% of the total gross revenue of the group, 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 constitutes the remaining 12.5% of revenue.

GROUP CHART



BUSINESS DEVELOPMENTS

GROSS REVENUE

In 2008/09, gross revenue for the group was DKK 1.81 billion compared with DKK 1.61 billion the year before, corresponding to an increase of 12.4%.

Revenue was DKK 1.54 billion against DKK 1.37 billion the year before, corresponding to an increase of 12.7%.

Revenue in the brewery sector was up 16.0%, while revenue in the foodstuff sector was down 3.6%.

Developments are described in further detail under the different sectors.

EARNINGS

Operating profit (EBIT) amounted to DKK 40.9 million against DKK 21.6 million last year, up DKK 19.3 million or 89.4%.

Depreciation of property, plant and equipment etc. is included in the operating profit with DKK 121.9 million compared with DKK 109.0 million the year before.
Profit before tax was DKK 35.1 million against DKK 16.3 million the year before.

Profit before tax is in line with the outlook most recently expressed for Q3 2008/09 (company announcement of 11 March 2009), at which time a profit in the low end of DKK 35-45 million was expected.

Net profit for the year amounted to DKK 25.6 million against DKK 20.1 million the year before.

The comparative figures for 2007/08 are influenced by a positive adjustment of tax in respect of previous years of DKK 8.4 million.

EQUITY

As at 30 April 2009, equity amounted to DKK 664.5 million against DKK 696.9 million the year before.

Equity is affected by the results for the period, dividend paid, translation adjustments and adjustments of the reserve for adjustment to fair value of financial assets available for sale and the purchase of treasury shares. In 2008/09, the company acquired 242,312 treasury shares. As at 30 April 2009, the company owned 292,312 shares corresponding to 4.9% of the share capital.

INVESTMENTS

Total gross investments for the year amounted to DKK 157.3 million. The investments were primarily made in extensions and efficiency improvements and in a new evaporation plant for malt extract.

LIQUIDITY AND NET INTEREST-BEARING DEBT

Cash flows from operating activities in the period amounted to DKK 148.6 million against DKK 56.9 million last year.

Free cash flow (changes in cash and cash equivalents) amounted to DKK -31.1 million against DKK -50.2 million the year before.

Cash resources, which are composed of cash and credit facilities granted but not yet activated, amounted to DKK 101.7 million as at 30 April 2009.

In addition to this comes the holding of 292,312 treasury shares amounting to DKK 32.7 million stated at share market value as at 30 April 2009.

Also, the fair value of the portfolio of bonds amounting to DKK 283.3 million is added.

As at 30 April 2009, the group's net interest-bearing debt amounted to DKK 462.7 million against DKK 92.3 million last year. The increase is mainly attributable to the taking out of bond loans which ensure a long-term credit facility. As the underlying bonds have not been realised, they are included in the group's holding of financial assets available for sale.

Adjusted for the carrying amount of the portfolio of bonds of DKK 283.3 million, the group's net interest-bearing debt amounted to DKK 119.6 million as at 30 April 2009 against DKK 80.0 million last year.

EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR

On 4 June 2009, Harboes Bryggeri A/S acquired 75.51% of the shares and a similar share of the votes in GourmetBryggeriet A/S in Roskilde, Denmark.

4.52% of the shares were settled through payment in cash, while 70.99% of the shares were settled through payment in Class B shares in Harboes Bryggeri A/S where the Harboe share was fixed at a favourable settlement price of 97. As a result, 185,796 Harboe shares were paid, and the holding of treasury shares as at 29 June 2009 now totals 106,516 shares.

The purchase price has so far been calculated at DKK 25.0 million for the above-mentioned share of equity of 75.51% in total.

Harboes Bryggeri A/S will submit a mandatory offer to the other shareholders of GourmetBryggeriet concerning the acquisition of their shares on identical terms.

The total share capital (100%) of GourmetBryggeriet has been fixed at DKK 25.0 million in cash.

Harboes Bryggeri A/S expects to generate positive synergies by merging the two companies.

Over the last couple of years, GourmetBryggeriet A/S has established an efficient sales organisation which has secured the brewery's specialty products a strong position in the Danish cafe and restaurant sector and a number of Danish retail chains.

This position offers new potential for Harboe's own innovative specialty beers and soft drinks which can now be marketed to new segments via GourmetBryggeriet's sales channels. GourmetBryggeriet's specialty products will, at the same time, be included in Harboe's sales and distribution system.

In addition to the sales synergies, the two companies are expected to achieve further synergies and efficiency benefits through the optimum utilisation of Harboe's purchasing organisation, production facilities and technical know-how.

It is Harboe's intention to retain GourmetBryggeriet's facilities in Roskilde for the production of selected specialty products and continue the production of the products, which have been toll-manufactured by Harboes Bryggeri for the past year.

As of 4 June 2009, GourmetBryggeriet will be comprised by Harboe's financial reporting, and a pre-acquisition balance sheet as per this date is being prepared.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OUTLOOK

EXPECTATIONS FOR 2009/10

In line with the group's strategy, Harboe will also strive to provide high-quality service to its customers and secure deliveries of the group's core products in the coming year. At the same time, Harboe will drive its continued growth and earnings through marketing and continued development of new innovative products and packaging.

Harboe expects its core business to develop positively in 2009/10, and the investments made in innovation, product development and increased capacity in the past years will help strengthen growth in terms of the volume produced and total revenue. Extended collaboration with a number of large customers is also expected to contribute to high capacity utilisation at the group's production facilities. At the same time, it is expected that the group's continued development activities within malt extract, among other things, will result in new customer agreements and market opportunities during the year.

Harboe expects competition in the main markets to be highly intensive. Due to the general economic recession, Harboe thus expects a continued heavy pressure on retail prices and thereby limited room for compensating for any increases in raw material prices. However, raw material prices have developed positively in the past six months, and Harboe hopes that the prices will settle at a more normal level in the coming financial year.

Similarly, developments in exchange rates are expected to be more stable in the coming year, especially as regards SEK and PLN to which some of Harboe's revenue is exposed.

Harboe expects consolidated revenue to be positively affected by the expected growth and continuously growing revenue from new and innovative products, where the earnings margins are more attractive and less sensitive to the competition pressure and developments in raw material prices. Based on the existing composition of the business and the above-mentioned conditions, Harboe expects to see significantly improved consolidated results for 2009/10 compared to the results for 2008/09. Net profit for the year is thus expected to be in the order of DKK 55-65 million.

Cash flows from operating activities are expected to be in the order of DKK 160-170 million.

Investments planned for 2009/10 are in the order of DKK 100-120 million.

OBJECTIVES AND STRATEGY

STRATEGY AND FINANCIAL TARGETS

Harboe produces and sells beer, soft drinks, malt drinks and malt wort products, its primary geographical focus being Germany, Scandinavia and the other countries bordering the Baltic Sea. Harboe's products are marketed in Denmark, Germany, Sweden, Norway and the Baltic countries and are also exported to an ever-growing number of markets in the rest of Europe, the Middle East, Africa, the USA and Asia.

Total beer sales have been declining in Europe in recent years, whereas sales of soft drinks continue to rise. The increase is, among other things, attributable to product development within the segment, which, in addition to soft drinks, also includes energy and sports drinks, ice tea and ice coffee, fruit juices, milk-based drinks etc. Since 2000, the market for these products has seen double-digit growth rates. As the trend is still relatively new and the starting point is relatively low, Harboe estimates the continued potential to be high based on the developments in the USA, among other things.

Harboe's products are primarily sold to the retail sector and have historically focused on the private-label segment. Private-label products are products which are marketed under individual brands tailored to the individual supermarket chains.

HIGH VOLUME IN CORE BUSINESS

To ensure the continued creation of value, Harboe therefore continues to pursue a strategy which focuses on maintaining a high volume of core products and on protecting its well-established market position for these products in the existing main markets. Harboe will continue to drive developments in these main markets and provide customers with a high level of quality, reliable deliveries and an attractive product programme in tune with the times.

VALUE CREATION THROUGH INNOVATION

However, Harboe's continued growth will primarily be created through targeted product development and establishment within new and less price-sensitive product segments. The strategy is based, among other things, on the strong position enjoyed by the group among the large retail chains, which usually welcome new products from Harboe, providing the basis for a number of obvious synergies within sales and distribution.

CUSTOMER SEGMENT DEVELOPMENT

Harboe also strives to strengthen its position through the development of new customer segments in the main markets, such as the food service and convenience segments. Furthermore, the company is working hard to target selected export markets that hold an interesting potential for beer, non-alcoholic malt beverages, energy drinks and soft drinks.

CONTINUED INVESTMENTS

In the coming years, Harboe will therefore continue to focus intensely on innovation, and the group's investment focus will, to a large extent, be aimed at further strengthening activities within the development of products and packaging.

Harboe will continue to develop its marketing strategy which will continue to play a key role in future in connection with the launch and marketing of the group's products.

Efficient and flexible production facilities are a precondition for maintaining the company's market position within its core business, while at the same time realising an ambitious product development strategy. In the past couple of years, Harboe has therefore invested continuously in new production capacity and technology. Moreover, Harboe will continue to develop and adapt its production facilities in step with the strategic growth, and the group's solid capital base ensures the necessary financial stability and manoeuvrability.

POSITIVE EARNINGS IN THE FOODSTUFF COMPANY

The strategic aim of Harboe's foodstuff company, Harboefarm A/S, is to maintain the company's high quality and food safety standards and to ensure that the company makes a positive contribution to the group's earnings.

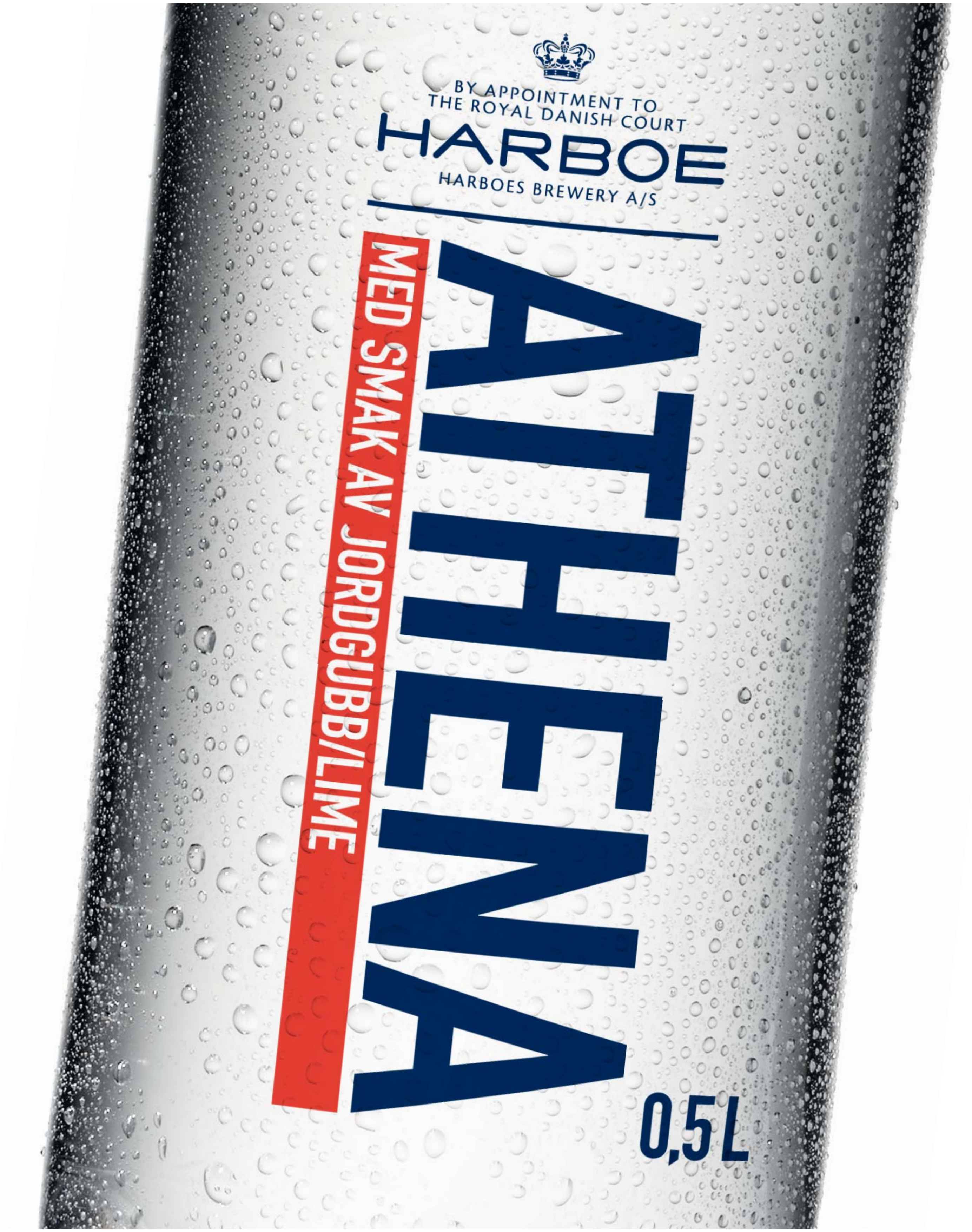
FINANCIAL OBJECTIVES OF THE GROUP

Harboe expects the intensive competition to continue within the core areas of the group, and, although the prices of Harboe's core raw materials have stabilised in the last six months of the financial year, it is difficult to permanently increase the earnings margins for Harboe's traditional business. However, the continued launch of new products is expected to contribute to further strengthening and anchoring Harboe's customer relations and to contribute positively to Harboe's continued growth and value creation – expectations which are supported by the positive results for 2008/09.

It is thus Harboe's objective to create annual growth in revenue of 5% and to ensure a long-term profit margin of more than 6-8% through continued strategic development of the group's production facilities, products and packaging.

The group's objective for its capital structure is based on a wish to maintain a high level of financial resources at all times to enable investments in continued organic growth and value creation by constantly adapting to market developments and meeting customer requirements.

Furthermore, the group aims for its financial resources to be made up of its own funds and for them to be flexible enough to allow for growth through acquisitions or participation in large partnerships. At the same time, the financial resources must ensure that the group can live up to its objective of guaranteeing a regular return for shareholders through the distribution of dividend or share buy-back programmes.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CUSTOMERS AND MARKET DEVELOPMENT

Harboe mainly sells its products in selected main markets in Northern Europe, including Denmark, Norway, Sweden, the Baltic countries and Germany as well as the Danish-German border area, which constitutes a special segment.

In recent years, Harboe has also increased its focus on the export of a number of specialty products to more than 50 selected markets in the rest of Europe, the Middle East, Africa, Asia and the USA.

FOCUS ON THE RETAIL SECTOR

In the main markets, Harboe primarily sells its products to the retail sector which has seen ongoing consolidation in recent years. Ongoing consolidation has also taken place among Harboe's competitors, which has further increased competition in these markets.

Harboe's core products are primarily aimed at the private-label segment. In most of Europe, this segment is increasing its relative share of the traditional beer and soft drinks market in relation to the more expensive branded products in the same categories. The products in the private-label segment are marketed at discount prices, and competition is fierce in all markets.

GROWTH IN NEW CATEGORIES

However, in recent years, an ever-increasing market for specialty products has been established across Europe within the drinks segment, including juices and smoothies, energy drinks etc., which are marketed in higher price segments than the traditional drinks products. Harboe is working hard to position itself in these segments, and, in the preceding year, it has further expanded its product range within these categories. These products have also allowed Harboe access to new distribution channels within convenience and food service, among others, and such customer segments will continue to be targeted in future.

DENMARK

Total beer sales have been declining in the past 10 years, and the market continued to slide in 2008. However, sales in the Danish-German border area were stable in the same period and constitute just under 20% of total Danish beer sales. Price competition in this area is fierce, and sales of private-label products are constantly being challenged by branded beer sold at discount prices.

A slightly upward trend has been evident in sales of soft drinks in recent years, and this trend is expected to continue as new product types are added to the segment. With its targeted product development activities, Harboe seeks to drive this development in its efforts to capturing an important share of this market.

GERMANY

A downward trend in total beer sales has also been evident in the German market in recent years, and the trend is estimated to continue. However, as in Denmark, sales of soft drinks are developing positively, and this development is very much driven by product innovation to which Harboe is actively seeking to contribute.

In recent years, the retail sector has been characterised by considerable consolidation. The competition facing Harboe's traditional products is therefore highly intensive and price sensitive. However, the discount segment is generally seeing continued growth, and it is an important strategic focus for Harboe to maintain its position in this market with secure and flexible delivery of the vast volumes demanded.

SWEDEN

In the Swedish market, beer consumption has only seen a slight downward trend in recent years, driven by marginally growing sales of stronger beers, in particular. Sales of soft drinks are also declining – unlike the trend seen in the other markets. Harboe is, however, working in a targeted way to maintain and further strengthen sales in the Swedish market, especially by introducing new products outside the discount segment and continuing to strengthen its sales organisation.

BALTIC COUNTRIES

The Baltic markets are seeing a small increase in beer consumption, and the soft drinks market has developed positively in recent years. The market traditionally responds well to new products, and Harboe is working hard to develop its product portfolio within the beer and soft drinks segments. At the end of the last financial year, Harboe acquired the locally known brand PULS which is used for marketing beer, soft drinks and cider products.

EXPORTS

Harboe exports a wide range of beers, energy drinks and soft drinks as well as non-alcoholic malt beverages to more than 50 markets the world over. The products are sold through local distributors and international trade partners, with which long-term contracts are concluded.

The products are to a considerable extent marketed under Harboe's own brands and are aimed at price segments that are higher than the discount segments in the group's main markets. The products are sold in retail shops and in the restaurant sector where Danish-produced beer enjoys a special position in several markets.

The demand for Harboe's products is showing a positive development, and Harboe has identified a continued attractive potential for both existing and new markets. Especially the market for non-alcoholic malt beverages holds considerable growth potential, and Harboe is working in a targeted way to gain a strong foothold in, for example, the Middle East and Africa where these products constitute a very large and continuously growing category.

The development in the export markets will also in the coming years be a strategic focus area for Harboe, and the continued introduction of new

INNOVATION AND PRODUCT DEVELOPMENT

For several years, innovation has been the driving force behind Harboe's growth, both in the form of investments in new production technologies and through ongoing dynamic development of new products and packaging. In the past year, Harboe has also invested in innovation which strengthens the company's ability to accommodate the continued growth and, at the same time, challenge new market segments with innovative products.

NEW RESULTS WITH MALT EXTRACT

The innovation activities undertaken in 2008/09 were largely concentrated on malt extract, which represents a highly interesting business area.

Harboe has been producing malt extract for the production of malt beverages for several years, and the company has also sold malt extract to selected production industries, including, in particular, bakeries and other food manufacturers. However, in recent years, Harboe has worked intensively to further develop the production processes with a view to producing malt extract with new and interesting uses.

Additional resources have been devoted to the development activities undertaken in the past year, which involved collaboration with groups of researchers from both Denmark and abroad. This work has now resulted in a new and unique product – a clear malt extract that can be used as a stable ingredient in the production of several beverages. Harboe has filed a global patent application for the production method with the relevant authorities.

INTERESTING MARKET OPPORTUNITIES

Malt extract has a number of natural and positive properties which makes it suitable for use as a basic component of beverages, including non-alcoholic malt beverages. The latter is a very large and ever-growing category, especially in the Middle East, where the market comprises both children and adult consumers. At the same time, the growing awareness of lifestyle problems and health in general has increased the demand for products made using natural ingredients and flavourings.

The clear malt extract is being introduced in a number of selected markets and is already being tested by several major customers in the drinks industry, which are highly positive about the product.

NEW PRODUCTS AND PACKAGING

In addition to the many activities undertaken within malt extract, Harboe continued its strategic product development within the beer and soft drinks segment in the past year. The product launches introduced in 2007/08 were followed by additional variants of specialty beers, energy drinks and juice products. Furthermore, Harboe has worked in a targeted way to optimise packaging for production and energy reasons and to ensure a stronger and better quality look of its products in marketing campaigns.

In future, product and packaging development will be a key factor in the further strategic development of Harboe's activities, and marketing investments will also be made to ensure continued growth. An important element in this will be the already launched work to cultivate and expand the market for malt extract and non-alcoholic malt beverages based on continued innovation and product development.


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PRODUCTION AND CAPACITY

In 2008/09, the three breweries in Denmark, Germany and Estonia invested in the further expansion of the production facilities.

The increased production volume is thus a result of the recent years' investments in ongoing efficiency improvements and expansions of all three facilities and the result of the first full year of operation of the group's new aseptic facility at the German production unit, which alone has boosted capacity by 1 million hectolitres per year. The enhanced capacity means that Harboe has significantly strengthened its flexibility to deliver the volumes demanded – also during seasonal fluctuations – and delivery and logistics management is coordinated and optimised across production units. The degree of utilisation of the group's capacity is therefore generally high.

Harboe has also invested approx. DKK 50 million in a new evaporation plant at the production unit in Skælskør. The plant was put into service in January and has quadrupled Harboe's capacity for the production of malt extract. At the same time, the new facilities ensure a more efficient utilisation of raw materials in production, and the efficient production process means that energy consumption can be maintained at the previous level despite the considerable increase in capacity. The plant forms part of the factory's ISO-certified production and is also certified in accordance with international halal standards.

In the past five years, Harboe has invested DKK 662 million in the ongoing strengthening of the brewery sector's production facilities. Production capacity and efficiency will also in future be vital to Harboe's competitiveness, and the group will assess the need for further investments on an ongoing basis.

BREWERY SECTOR

BREWERY SECTOR – KEY FIGURES [5]:

	2008/09 DKKm	2007/08 DKKm	2006/07 DKKm	2005/06 DKKm	2004/05 DKKm
VOLUME (MILLION HECTOLITRES)					
Beer, soft drinks and malt wort products	5.72	5.30	5.70	5.31	5.15
EARNINGS					
Gross revenue	1,581.3	1,373.8	1,455.8	1,432.9	1,501.4
Taxes on beer and soft drinks	(261.8)	(236.5)	(266.6)	(272.2)	(302.0)
Revenue	1,319.5	1,137.3	1,189.2	1,160.7	1,199.4
Operating profit/(loss) (EBIT)	36.1	20.6	88.5	93.2	127.2
Profit/(loss) before tax	30.4	15.9	86.6	91.1	124.0
Tax on profit/(loss) for the year	(8.7)	4.8	(29.3)	(27.0)	(42.3)
Net profit/(loss) for the year	21.7	20.7	57.3	64.2	81.7
BALANCE SHEET					
Total assets	1,472.3	1,062.6	1,052.5	997.8	1,014.5
Equity	547.5	584.5	572.8	563.6	498.3
Non-current liabilities	422.1	102.9	112.5	117.6	131.0
Current liabilities	502.7	375.2	367.2	316.5	385.1
INVESTMENTS ETC.					
Investments in intangible assets [6]	3.0	6.1	0	0	0
Investments in property, plant and equipment [7]	115.9	175.7	72.6	96.3	182.4
Depreciation and amortisation	110.1	97.7	90.7	86.9	81.0
CASH FLOWS					
Cash flows from operating activities	126.4	66.0	66.5	110.8	171.4
Cash flows from investing activities	(442.6)	(92.3)	(110.8)	(120.8)	(150.7)
Cash flows from financing activities	265.1	(4.0)	(39.1)	(11.6)	46.4
Changes in cash and cash equivalents	(51.0)	(30.3)	(83.4)	(21.5)	67.1
RATIOS IN %					
Profit margin	2.7	1.8	7.4	8.0	10.6
Solvency ratio	37.2	55.0	54.4	56.5	49.1
Current ratio	91.1	93.6	85.7	106.0	89.3
Return on invested capital (ROIC)	3.9	2.3	10.3	10.8	16.9
EMPLOYEES					
Number of employees	492	457	467	504	540

[5] The financial highlights have been prepared in accordance with IFRS, cf. the description in note 1.
[6] Excluding plant under construction
[7] Excluding spare parts and plant under construction

The total sales of beer and soft drinks, including malt beverages and malt wort products, totalled 5.7 million hectolitres, against 5.3 million hectolitres last year, corresponding to an increase of 7.6%.

Thanks to increasing sales and a changed product mix, revenue in the brewery sector increased by 16.0% to DKK 1,319.4 million against DKK 1,137.3 million last year.

The increase is driven by an increase in sales to the company's most important main markets. This development must be seen in light of the fact that the falling trend observed in recent years in the total consumption of beer and soft drinks in these markets is continuing.

The positive developments are based on a further consolidation of the company's solid position in the market for Harboe's core products, and in particular on the successful launch of a number of new speciality products in innovative packaging and new designs. The product launches are the result of the company's strategic investments in development and innovation and have been warmly welcomed by the markets.

The new specialty products supplement the company's existing product programme and are targeted at a higher price segment, which is less sensitive than the company's traditional products. This will at the same time guarantee greater robustness to fluctuations in the prices of raw materials and consumables.

The product launches have contributed to further strengthening existing customer relations and have also, in a number of cases, opened doors to new customers and distribution channels. In line with the company's marketing strategy, the launches have entailed a number of investments in sales and marketing activities, including traditional advertising, outdoor media, TV spots etc.

The many product launches and marketing activities have been appreciated and welcomed by our customers and collaboration partners in all relevant markets, and the activities have helped strengthen Harboe's profile as a modern and dynamic company which is capable of supplying the whole range of conventional quality products while also ensuring innovation and the setting of new standards in new categories.

This will remain our focus, and more specialty products will be launched in future as a means of continuing to drive the group's growth and value creation.

As a contribution to the debate and increasing consumer awareness of climate change and sustainability, Harboe has also launched a new beer under the name 'IceBeer'. For every product sold, DKK 0.25 will be donated to the IceBeer Climate Fund under establishment, the purpose of which is to fund research, education and conservation projects for the benefit of the climate and the environment.

Profit before tax for the brewery sector was DKK 30.4 million against DKK 15.9 million the year before.

In FY 2008/09, the brewery sector employed 492 people compared with 457 last year.

FOODSTUFF SECTOR

FOODSTUFF SECTOR – KEY FIGURES [8] :

	2008/09 DKKm	2007/08 DKKm	2006/07 DKKm	2005/06 DKKm	2004/05 DKKm
EARNINGS					
Revenue	225.2	233.6	193.7	200.7	252.3
Operating profit/(loss) (EBIT)	4.8	1.0	(0.1)	5.7	9.5
Profit/(loss) before tax	4.7	0.4	(1.3)	3.3	6.3
Tax on profit/(loss) for the year	(0.9)	(1.0)	0.5	(1.0)	(1.9)
Net profit/(loss) for the year	3.9	(0.6)	(0.8)	1.3	4.4
BALANCE SHEET					
Non-current assets	96.3	109.0	113.5	126.3	146.2
Current assets	58.1	38.4	59.2	30.7	47.7
Equity	116.3	112.4	113.0	113.8	112.5
Non-current liabilities	10.8	16.4	21.8	26.9	32.1
Current liabilities	27.3	18.6	37.9	16.3	49.3
Balance sheet total	154.4	147.4	172.7	157.0	193.9
INVESTMENTS ETC.					
Investments [9]	0.0	4.6	0.9	0.1	4.8
Depreciation and amortisation	11.4	11.3	12.3	14.5	15.1
CASH FLOWS					
Cash flows from operating activities	22.2	(9.0)	20.1	13.9	26.0
Cash flows from investing activities	3.6	(5.2)	(0.2)	2.4	(2.7)
Cash flows from financing activities	(5.9)	(5.6)	(5.6)	(5.5)	(1.9)
Changes in cash and cash equivalents	19.9	(19.8)	14.4	10.7	21.4
EMPLOYEES					
Number of employees	28	26	19	27	84

[8] The financial highlights have been prepared in accordance with IFRS, cf. the description in note 1.
[9] Excluding plant under construction

The foodstuff sector's share of revenue amounted to DKK 225.2 million in the financial year against DKK 233.6 million last year.

Operating profit amounted to DKK 4.8 million against DKK 1.0 million last year.

Profit before tax of DKK 4.7 million was realised against DKK 0.4 million last year, of which DKK 2.9 million originates from an insurance compensation.

The positive development in revenue was, among other things, based on the conclusion by Harboefarm A/S of new, long-term contracts in the period. The company's other activities also developed stably.

Harboefarm A/S is still leasing the company's turkey farms, which are all leased out.

RISKS

Harboe is constantly analysing and considering the business and financial risks affecting the company's development and results. The Board of Directors regularly considers the risks to which Harboe is exposed and the policy laid down for the handling thereof.

As part of the group's ongoing operational risk management, Harboe has set up a system of procedures and internal controls for all subelements of production at the group's three production units – from purchasing, receipt of goods and reconciliation of inventories to production and quality checks. Harboe's production facilities are also certified according to ISO 22000 and HACCP, just as the production units are subject to a number of requirements from national authorities, and Harboe reports on compliance with the routines established.

Moreover, Harboe has established standard procedures and controls for the group's key administrative and financial functions.

As part of the most recent changes to the Danish Financial Statements Act (Årsregnskabsloven) concerning the establishment of an audit committee, it is the intention of Harboe's Board of Directors to set up an internal audit committee to assist the Board of Directors following the next general meeting. The committee will consist of the externally elected and independent members of the Board of Directors. The Board of Directors is of the opinion that these members will jointly be fully capable of undertaking the future task of ensuring that Harboe's financial reporting, risk management and internal control systems follow best practice.

Below follows an outline of the most important risks to which Harboe is exposed in its business activities. The list is not exhaustive, nor are the risks listed in any order of priority.

PRODUCTION AND QUALITY

Harboe's production of beverages is exposed to a risk of errors or accidents happening which may affect the quality of the end product. This can result in losses because products must be rejected or recalled from the market, which in the long term may undermine consumer confidence in the group's products. To minimise the risk of this happening, Harboe is very focused on the quality assurance of its production processes. All the group's production facilities are certified in accordance with international quality standards and apply established operating and maintenance procedures.

COMPETITION AND PRICES

In all the group's main markets, the beer and soft drinks segments are characterised by intense competition, leading to pressure on prices. Harboe is therefore very sensitive to fluctuations in the prices of raw materials and consumables as increasing production costs cannot simply be added to the sales prices. This is true, in particular, of the group's core products. To counter such fluctuations as much as possible, Harboe is systematically seeking to conclude long-term contracts with subsuppliers and regularly analyses the scope for additional streamlining of production. Moreover, Harboe focuses on developing new products and on strengthening sales of a number of specialty products which offer high earnings margins and less sensitivity.

SEASON AND CAPACITY

Sales of beer and soft drinks are characterised by considerable seasonal and weather-dependent fluctuations. The summer is normally the high season when demand is very high, but a cold and wet summer can change this picture considerably and thus affect the group's operating profit. Fluctuations in demand entail a strong demand for flexible capacity utilisation. The group is constantly seeking to optimise this through additional streamlining and investments in expanding capacity.

CUSTOMERS AND AGREEMENTS

Harboe's sales are to a large extent effected through agreements with major retail-sector customers. Harboe's revenue is thus dependent on these agreements being renewed, and the company is therefore devoting considerable resources to nursing and further developing its collaboration with customers and to ensuring that product offerings, prices and capacity are in line with customer demand and expectations at all times, based on fundamental principles of competition.

PRODUCT DEVELOPMENT AND SALES

The successful introduction of new products is an important precondition for Harboe's continued growth. It is therefore decisive that the market comes to accept the new products, and that the products meet or can help drive demand in the markets. Harboe's product development strategy is therefore based on a close and ongoing dialogue with customers, detailed market analyses combined with the targeted exploitation of new production technologies and innovative product design. The marketing of Harboe's products will increasingly be backed by the company's own sales-promoting activities aimed at consumers.

FINANCIAL RISKS

Due to Harboe's capital structure, the risk relating to developments in market interest rates is limited. The group's net interest-bearing debt adjusted for the bond portfolio amounted to DKK 119.6 million at the end of the financial year. At this level, a fluctuation in the market interest rate of 1 percentage point will affect Harboe's profit/loss before tax by approx. DKK 1.2 million.

As Harboe's sales and purchases in foreign currencies are primarily denominated in EUR, currency risks for the group are considered limited. However, in the past year, Harboe experienced a negative effect of exchange rates, which partly relates to the group's sale of products in SEK and partly to growing sales in the export markets, which were affected by the development in USD. Harboe will in future assess the need for currency hedging in step with the development in the group's activities.


ØKO
SPORT
ØKOLOGISK
SODAVAND
med økologisk
rørsukker
ØKO
ORANGE
ØKOLOGISK
SODAVAND
med økologisk
rørsukker
ØKO
COLA
ØKOLOGISK
SODAVAND
med økologisk rørsukker
og uden koffein

CORPORATE GOVERNANCE

Harboe's Board of Directors regularly considers the company management and places considerable emphasis on ensuring that the fundamental values which have been created and developed by the Harboe family-owned business through five generations are combined with efficient and dynamic business management, the primary objective being to create value for the company's shareholders, employees and customers.

Harboe is thus adhering to many of the recommendations for corporate governance issued by NASDAQ OMX Copenhagen. Below follows an outline of Harboe's corporate governance based on the main recommendations.

ROLE OF SHAREHOLDERS AND INTERACTION WITH COMPANY MANAGEMENT

Harboe places considerable emphasis on the company's shareholders being able to monitor the company's development and therefore keeps a website updated with current and detailed information about the company's strategy, business and results. In connection with the presentation of annual financial statements, results are webcast.

Harboe's Board of Directors assesses the group's capital structure at appropriate intervals, accounting for their assessment in the strategy section of the annual report.

The company's general meeting is called subject to at least one week's notice, the notice being accompanied by the full agenda. The group's annual report is published on the Harboe website and is also available in a print version. In connection with the annual general meeting in August 2009, power of attorneys have been drawn up which allow the shareholders to consider each item on the agenda.

Harboe has not been targeted by public takeover bids, but the Board of Directors would find it natural to allow the shareholders to assess any bid received at a general meeting.

ROLE OF STAKEHOLDERS AND IMPORTANCE TO THE COMPANY

It is an integral part of Harboe's management philosophy and fundamental values that the company has a good and constructive relationship with its stakeholders, based on open dialogue and mutual respect. Relations with stakeholders are considered at appropriate intervals by the Board of Directors.

OPENNESS AND TRANSPARENCY

Harboe's Board of Directors has adopted a policy for the company's communication with the outside world, and the management has drawn up procedures for the publication of essential information. The company publishes all announcements in both Danish and English, and the announcements are made available on the Harboe website.

Harboe maintains an active dialogue with the share market, holding a number of meetings with potential and existing investors and analysts in the course of the year. Presentations from these meetings are made available on the company website.

Harboe's annual report is presented in accordance with statutory requirements according to IFRS.

The annual report also describes a number of non-financial factors, including employees, the environment and other issues influencing the company's development.

Harboe publishes interim reports.

TASKS AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors of Harboe lays down the company's strategy and approves policies, systems and procedures for the group's risk management. The Board of Directors follows up on strategic initiatives and the realisation of the set targets at appropriate intervals.

The role of the chairman of the Board of Directors is regulated by the company's rules of procedure, and in practice the chairman, in performing his managerial duties, emphasises the involvement of the individual members based on their experience and competencies. At present, no deputy chairman has been appointed, but the Board of Directors considers the need at appropriate intervals and in step with developments in the company's strategic challenges.

The Board of Directors of Harboe considers the company's rules of procedure once a year.

Prior to each meeting of the Board of Directors, members receive a report from the Board of Executives providing a follow-up on the company's development and results, risk management activities etc.

COMPOSITION OF THE BOARD OF DIRECTORS

Members of the Board of Directors are elected for a term of four years, and shareholders receive a description of the candidates standing prior to the general meeting. In the process of identifying new candidates for the Board of Directors, emphasis is placed on adding relevant competencies within strategic management, product development and sales to the Harboe management. At the same time, the Board of Directors finds it important that the Board is composed such that its members match each other in the best possible way in terms of age, background, sex etc. in order to ensure a competent and versatile contribution to Harboe's management. The members of the Board of Directors are presented on pages 40-41.

New members are given a thorough introduction to the company's business activities and strategy.

The size of the Board of Directors is such that it can work and function efficiently.

The majority of the members of the Board of Directors are independent. However, Harboe still does not comply with the recommendation that members of the Board of Executives should not at the same time serve on the Board of Directors. Harboe has decided that the Board of Directors should, for the time being at least, to some extent continue to reflect the historical ownership of the company. At the same time, the composition of the Board of Directors and their term of service ensure a continuity which Harboe finds very valuable. The optimum composition of the Board of Directors is, however, being considered on an ongoing basis.

According to the company's Articles of Association, there may be up to three staff representatives on the Board of Directors.

The members of the Board of Directors meet for scheduled meetings and also as and when required by pressing strategic considerations or decisions demanding the involvement of the Board of Directors or the clarification of its views.

No upper age limit has been defined for members of the Board of Directors as this has not yet been a relevant issue.

The Board of Directors will set up an audit committee following the general meeting in 2009. The committee will consist of the externally elected, independent members of the Board of Directors. The Board of Directors has not found it necessary to appoint other committees, but will, of course, consider this option should a situation arise which would require special efforts.

The Board of Directors has not established a formal evaluation procedure, but the chairman of the Board of Directors ensures that meetings are characterised by constructive dialogue and that individual members contribute in line with their competencies.

In FY 2008/09, the Board of Directors held a total of six meetings, including two strategy seminars.

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS AND THE BOARD OF EXECUTIVES

Harboe's Board of Directors emphasises that the company should offer competitive terms of employment to the members of the Board of Executives and the rest of the management and regularly assesses elements which can help motivate and retain skilled and performance-oriented managers. The Board of Directors has, for the time being, decided not to introduce share-related incentive schemes. Instead, Harboe offers a number of special elements to executive staff, such as e.g. accommodation and other staff benefits which make it attractive to be employed by Harboe, even though the company is located far away from the large urban centres. All employees of Harboe Bryggeri A/S are part of the company's pension scheme. The remuneration policy is described in the chairman's report at the annual general meeting.

The remuneration paid to the Board of Executives and the Board of Directors is specified in the annual report. Members of the Board of Directors receive a fixed fee only.

Harboe has no special severance programmes for members of the Board of Executives.

The Board of Directors' decisions concerning the company's strategy include the consideration of important risks and the handling of such risks. The most significant business and financial risks to which Harboe is exposed are described in a separate section of the annual report.

AUDIT

Harboe's Board of Directors and Board of Executives monitor the company's audit activities on an ongoing basis, and the audit contract is made with the company's Board of Directors. Every year, the Board of Directors lays down the scope of the auditors' provision of non-audit services.

The Board of Directors reviews the company's risk and control systems at regular intervals. At the meeting of the Board of Directors at which the financial statements for the year are approved, the auditors present the results of the audit procedures for further discussion.

As mentioned under the composition of the Board of Directors, the Board of Directors has decided to set up an audit committee following the 2009 general meeting.


POMEGRANATE
CRANBERRY
X.
RAY
Juicy
25% JUICE,
100% ENERGY!
PASSION
X.
RAY
Juicy
50% JUICE,
100% ENERGY!

HARBOE'S DEVIATIONS FROM THE RECOMMENDATIONS ON CORPORATE GOVERNANCE ISSUED BY NASDAQ OMX

RECOMMENDATIONS	COMMENTS BY HARBOE
It is recommended that a deputy chairman be appointed in the company who must take over in the event of the chairman's absence and who can generally function as an efficient sparring partner for the chairman.	At present, no deputy chairman has been appointed, but the Board of Directors considers the need at appropriate intervals and in step with developments in the company's strategic challenges. Furthermore, the chairman ensures that all the members of the Board of Directors are involved in the strategic discussions of the Board and draws on the individual competencies of the members.
It is recommended that the members of the company's Board of Executives do not serve on the company's Board of Directors.	Harboe has decided that the Board of Directors should, for the time being at least, to some extent continue to reflect the historical ownership of the company. At the same time, the composition of the Board of Directors ensures a continuity and diversity which Harboe finds very valuable. The optimum composition of the Board of Directors is, however, being considered on an ongoing basis.
It is recommended that the company set an age limit for members of the Board of Directors, and that the annual report contain information about the age of the individual members.	No upper age limit has been set for members of the Board of Directors as this has not yet been a relevant issue. The age of the individual members appears from the annual report.
It is recommended that members of the Board of Directors be up for election each year at the annual general meeting, and that the Board of Directors in that context seeks to ensure a balance between innovation and continuity, in particular as regards the chairmanship and the deputy chairmanship.	The current term of service is four years. The Board of Directors believes that this ensures the continuity of the work of the Board of Directors, which Harboe finds very valuable. In 2008, the general meeting elected three new members to the Board of Directors.
It is recommended that the Board of Directors establish an evaluation procedure under which the work, results and composition of the Board of Directors and the individual members, including the chairman, be evaluated continuously and systematically in order to improve the work of the Board of Directors, and that clear criteria be defined for the evaluation.	The Board of Directors has not established a formal evaluation procedure, but the chairman of the Board of Directors ensures that meetings are characterised by constructive dialogue and that individual members contribute in line with their competencies.

SHAREHOLDER INFORMATION

Harboes Bryggeri A/S has a share capital of DKK 60,000,000, corresponding to 6,000,000 shares of DKK 10 each. The share capital is divided into 640,000 Class A shares with a combined nominal value of DKK 6,400,000 and 5,360,000 Class B shares with a combined nominal value of DKK 53,600,000.

In connection with votes at the company's general meetings, each Class A share of DKK 10 carries ten votes, while each Class B share of DKK 10 carries one vote.

Only the company's Class B shares are listed in the NASDAQ OMX Copenhagen SmallCap segment. Trading for the period totalled DKK 209 million, corresponding to an average trading per day of DKK 0.83 million.

In the course of the year, the Harboe share was traded at a maximum price of 155 and a minimum price of 96. This development must be seen in the context of the general development in both the MidCap and the SmallCap indices and in Harboe's Danish peer group, which has also seen an increasing pressure on the price of their shares, in line with general market trends.

OWNERSHIP

At the end of the financial year, Harboes Bryggeri A/S had 4,521 registered shareholders. The registered shareholders represent DKK 52.6 million of the total share capital, corresponding to 87%.

As at 30 April 2009, the following shareholders have registered a shareholding exceeding 5% of the share capital in accordance with Section 29 of the Danish Securities Trading Act (Værdipapirhandelsloven):

Kirsten and Bernhard Griese
Spegerborgvej 4, 4230 Skælskør, Denmark
Capital share: 13.1%, voting share: 52.1%

Lønmodtagernes Dyrtidsfond
Vendersgade 28, 1363 Copenhagen K., Denmark
Capital share: 20%, voting share: 10.2%

As at 30 April 2009, members of the Board of Directors and the Board of Executives held a total of 796,889 shares. Of these, 786,820 shares were owned by the Board of Executives.

Members of the Board of Directors and the Board of Executives and the company's executive officers are registered as insiders, and their trading in the company's shares must be reported. According to Harboe's internal rules, insiders can only trade in the company's shares for a period of six weeks after the publication of financial statements.

AMENDMENTS TO THE COMPANY'S ARTICLES OF ASSOCIATION

Amendments to the company's Articles of Association shall be subject to the general provisions of the Danish Companies Act (Aktieselskabsloven).

ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS

The company is managed by a Board of Directors elected by the general meeting and consisting of three to six members. Members are elected for a term of four years at a time, with the earliest elected member standing down each year. Members standing down may be reelected.

AUTHORISATIONS OF THE BOARD OF DIRECTORS

At the general meeting held on 21 August 2008, the Board of Directors was authorised to acquire treasury shares with a nominal value of up to 10% of the share capital at a price corresponding to the listed price plus/minus 10%. This authorisation is valid until the next general meeting.

MATERIAL CONTRACTS OR CHANGES IN CONTROL

It is part of Harboe's business model and strategy that contracts with customers are, as a general rule, long-term. In certain of these contracts, it is a standard provision that the contract can be terminated at shorter notice if the control of the company should change. Moreover, agreements with banks concerning borrowing facilities typically contain provisions to the effect that the agreements can be terminated in case of a takeover of the company. However, Harboe does not view these risks as being critical.

INVESTOR RELATIONS POLICY

With its IR policy, Harboes Bryggeri A/S wants to ensure a high level of information to the shareholders and other stakeholders.

Harboe aims to communicate actively and openly with a view to providing a basis for the pricing of the company's share which best reflects the value of the company and its future earnings potential.

Harboe's IR activities are constantly being developed, and communication centres on the company's interim reports and the annual report in Danish and English, presentations and meetings with stakeholders as well as the company website at www.harboes.dk.

In FY 2008/09, Harboes Bryggeri A/S published two webcasts in connection with the H1 interim report and the annual report. These can be seen on the company website.

Moreover, Harboes Bryggeri A/S has held a number of meetings with investors and analysts in Denmark. The management will also in future allocate resources to such activities with a view to maintaining an active dialogue with existing and potential investors.

Harboes Bryggeri A/S does not comment on results or developments for a period of four weeks leading up to the publication of financial statements.

Shareholders, analysts and other interested parties are welcome to contact Harboe's IR contact, and the company is always pleased to receive suggestions as to the further development of its investor relations.

ANALYSTS

The following analysts monitor developments in Harboes Bryggeri A/S:

Danske Equities	Søren Samsøe
Enskilda Securities	Michael K. Rasmussen
Handelsbanken	Kitty Grøn
Carnegie	Casper Blom

DIVIDEND

The Board of Directors recommends to the annual general meeting that dividend in the amount of DKK 1.50 per share be paid, corresponding to a total of DKK 9.0 million.

FINANCIAL CALENDAR

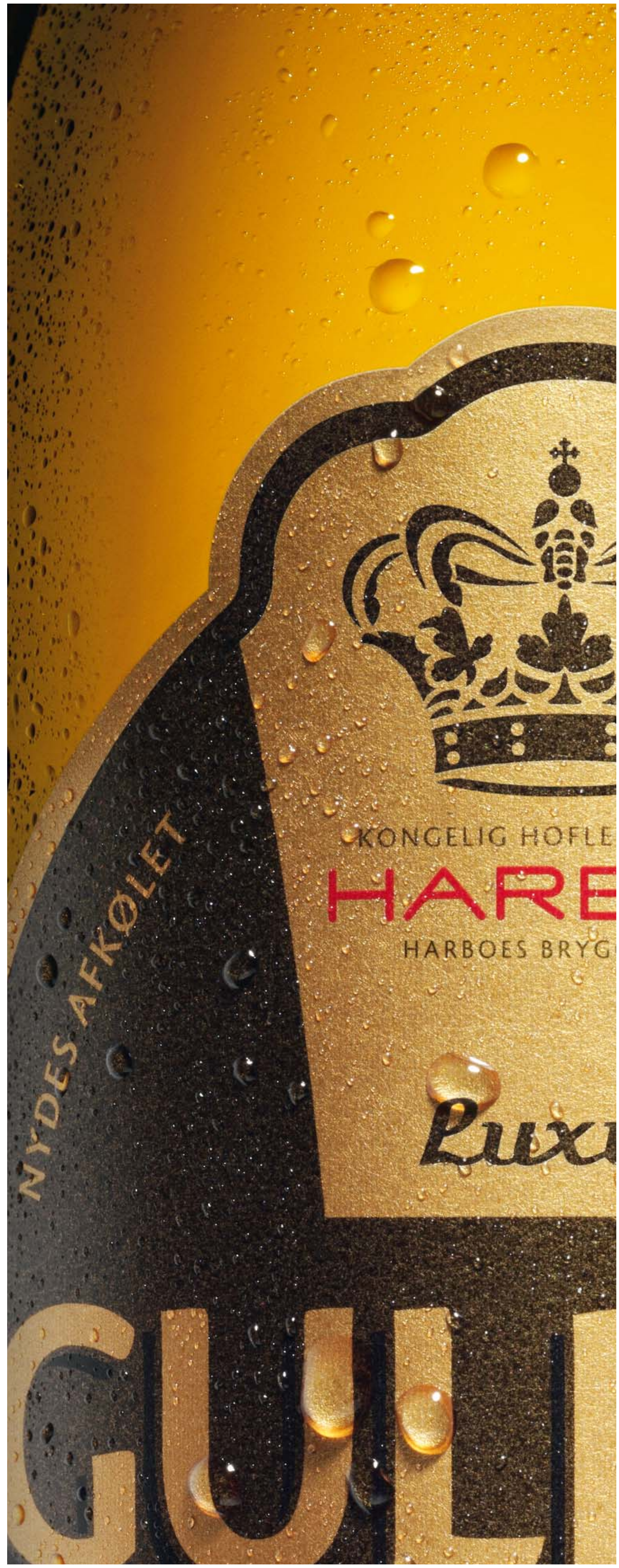
Harboes Bryggeri A/S expects to publish the financial statements as follows:

Interim report – Q1 2009/10	1 September 2009
Interim report – H1 2009/10	8 December 2009
Interim report – Q3 2009/10	11 March 2010

COMPANY ANNOUNCEMENTS

Company announcements issued in the period 1 May 2008 to 30 April 2009:

DATE	ANNOUNCEMENT
2 May 2008	Financial calendar
1 July 2008	Annual report 2007/08
13 August 2008	Notice of general meeting
22 August 2008	Minutes from general meeting
10 September 2008	Interim report, Q1 2008/09
3 October 2008	Financial calendar
20 October 2008	Insider trading
18 December 2008	Interim report, H1 2008/09
11 March 2009	Interim report, Q3 2008/09
13 March 2009	Financial calendar




KONGELIG HOFLEVERANDØR
HARBOE
NYDES AFKØLET
5,7% ALKOHOL VOL
JULE
BRYG

HARBOE GROUP STAFF CULTURE

ORGANISATION

For four generations and more than 125 years, Harboe has based its business on fundamental values such as accountability, cooperation, quality and performance. These values form the basis of Harboe's management philosophy and are at the same time cornerstones of the corporate culture which the group's 520 executives and employees leave their mark on every day. As Harboe has continued its expansion, it has been an important strategic priority to maintain and pursue these values across national borders and organisational units.

Harboe's organisational strategy is based on the group's focus on ensuring a large, safe and increasingly efficient production of quality products combined with dynamic innovation that enables Harboe to create new growth and attractive value. It is therefore vital that Harboe is able to recruit managers and employees with the right qualifications for production units as well as development functions, sales and marketing etc. Harboe seeks to ensure competitive salary and employment conditions as well as ongoing training and continued improvement of employee skills. The objective is also to retain talented employees and ensure a high degree of employee satisfaction.

RECRUITMENT OF COMPETENCIES

Recruitment of staff for management and development functions is a special focus area, and during the year Harboe brought in fresh talent to strengthen these areas. Staff has also been recruited for other parts of the organisation on an ongoing basis.

In recent years, highly qualified staff has been recruited for key operating functions in the group's new production facilities. This proved to be a success, for example in connection with the installation and validation of new facilities where operations managers and team leaders have contributed actively, thereby gaining deep insight into technology and functionality, which ensures a subsequent high level of operating reliability.

All new employees undergo introduction programmes focusing on production and safety, among other things, and the new employees have settled in well in the organisation.

FOCUS ON TRAINING

Harboe's organisation is based on each employee assuming responsibility and having an active attitude to how this responsibility is best fulfilled – individually or with others. Recent years' streamlining and technological developments in production place increasing demands on each employee's competencies and ability to handle quality assurance and problem solving. Harboe is therefore committed to ongoing employee development and training at all levels of the organisation.

Again this year, Harboe conducted a management seminar for the group's key managers, and work went into the continued roll-out and implementation of the group strategy in the individual units and the sales organisation as a whole.

To ensure the presence of qualified managers and specialists in the organisation also in the long term, Harboe conducted trainee programmes in Germany and Estonia where future managers are trained to fulfil a number of specialist functions in the organisation. The programme is a success, and new managers have completed the programme this year, too.

In addition to the strategic projects implemented, managers and employees from across the organisation have participated in both internal and external training programmes.

EMPLOYEE SATISFACTION

As part of the competency development of each employee, Harboe conducts annual performance interviews which follow up on goals and results, and performance plans are defined for the coming year. The performance interviews also provide an opportunity to follow up on employee satisfaction, which is largely supported by a strong corporate culture. In this connection, Harboe is pleased that its staff turnover is low and that seniority for both production workers and specialists is at a level which ensures continuity and maintains the valuable knowledge gathered in the company.

CORPORATE RESPONSIBILITY

It is a central element in Harboe's strategy that the group's continued growth and development should be sustainable. The efficient utilisation of resources is of decisive importance to the group's financial results and continued value creation. At the same time, being conscious of its responsibilities as an integrated part of society is a key element in Harboe's values.

Sustainable development therefore plays a central role in Harboe's development activities, and all investments in new production technology, optimisations of existing production facilities and all product and packaging development take account of the resources involved and the general impact of activities on the environment. Moreover, Harboe is constantly investing in training and development activities to ensure that the group's employees are optimally geared to carrying out their duties in a safe and efficient manner.

It is generally Harboe's ambition to ensure the continued reduction in resources consumed and in environmental impact relative to the total production volume. At the same time, the aim is for the number of accidents at work and absence due to illness to be maintained at the current very low level.

Harboe has for a number of years prepared green accounts for the group's factory in Skælskør and is working to implement common reporting standards within the area of sustainability for the whole group. As part of this project, Harboe has been making preparations during the year for the group units to be certified in accordance with international occupational health and safety standards. This is in addition to the existing quality and environmental certifications.

SUSTAINABLE GROWTH

Harboe is pleased to see that continuous investments in increased efficiency and optimisation of the group's production facilities are having a positive effect on both resource consumption and emissions relative to the concurrent development in production volume.

One of the initiatives in this context is the switch to natural gas at the group's German production facility, which, combined with a number of other energy-saving investments, has generated satisfactory results.

Harboe's focus on energy utilisation has also resulted in continuous optimisations at the factory in Skælskør. The establishment of the new evaporation plant for the production of malt extract is an example of how efficiency and environmental optimisation can be equal factors in the group's investment strategy.

Harboe also conducts analyses of material consumption in connection with the production of packaging at regular intervals, and, in the course of the year, a number of adjustments have been made in production which have further optimised the utilisation of resources.

Harboe has invested a total of DKK 118.9 million in 2008/09, which includes investments in the optimisation of the group's production facilities.

Due to the energy-optimising effect of the investments and the use of new technology for further processing of primary agricultural produce, the group is eligible for EU funding, and, after the end of the financial year, Harboe received investment grants of DKK 5.6 million.

Harboe will continue to analyse the possibilities of optimising the group's utilisation of resources and production activities, and several concrete projects are in the pipeline. This strategic work will also be a priority in the group's investment plans for the coming year.

RESPONSIBILITY

Harboe's strategic focus on sustainability is also reflected in its fundamental business ethics and the principles according to which Harboe operates.

Harboe believes that it is important for the group's staff and employment policy to reflect this through terms of employment which mirror good practice and national standards. Furthermore, the company is committed to the health and safety of its employees by offering training and staff benefits, including attractive canteen arrangements etc.

In relationships with suppliers and other collaboration partners, Harboe attaches importance to agreements and contracts being prepared in accordance with international standards and that the ongoing dialogue is based on mutual professionalism, openness and respect.

Harboe also seeks to assume an active role in the communities in which the group operates, and Harboe regularly participates in activities benefiting economic and social growth, locally as well as internationally. In the past year, Harboe has thus been actively involved in research projects, among other things. The group's establishment of the 'IceBeer Climate Fund', the purpose of which is to fund research and initiatives for the benefit of the climate is yet another testament to Harboe's active involvement in sustainability.

MANAGEMENT STATEMENT

Today, we have reviewed and approved the annual report of Harboes Bryggeri A/S for the financial year 1 May 2008 to 30 April 2009.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies, including those of the NASDAQ OMX Copenhagen concerning the presentation of financial statements.

We consider the accounting policies applied to be appropriate. Accordingly, the annual report gives a true and fair view of the group's and the parent's assets and liabilities and financial position as at 30 April 2009 as well as of the results of their operations and cash flows for the financial year 1 May 2008 to 30 April 2009.

We also believe that the management's statement gives a true and fair view of the development in the group's and the parent's activities and financial affairs, their results for the year and general financial position as well as a description of the most important risks and uncertainty factors, to which the group and the parent are exposed.

The annual report is submitted for adoption by the annual general meeting.

Skælskør, 29 June 2009

BOARD OF EXECUTIVES
Bernhard Griese
CEO

BOARD OF DIRECTORS

Anders Nielsen Chairman	Bernhard Griese	Mads O. Krage
Mette Kirstine Agger	Thøger Thøgersen	Carl Erik Kjærsgaard
Jens Bjarne Jensen *		

* Staff representative


STRONG POWER DRINK
X.
RAY
FIRE
Alc. 5,4% Vol.

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF HARBOES BRYGGERI A/S

We have audited the annual report of Harboes Bryggeri A/S for the financial year 1 May 2008 to 30 April 2009, which comprises the statement of the Board of Directors and Board of Executives on the annual report, management's review, income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies applied, for the group as well as for the parent. The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

THE BOARD OF DIRECTORS AND BOARD OF EXECUTIVES' RESPONSIBILITY FOR THE ANNUAL REPORT

The Board of Directors and Board of Executives are responsible for the preparation and fair presentation of this annual report in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of an annual report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable under the circumstances.

AUDITOR'S RESPONSIBILITY AND BASIS OF OPINION

Our responsibility is to express an opinion on the annual report based on our audit. We conducted our audit in accordance with Danish and International Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the annual report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual report. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement in the annual report, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the enterprise's preparation and fair presentation of the annual report in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the enterprise's internal control. An audit also includes evaluating the appropriateness of accounting policies applied and the reasonableness of accounting estimates made by the Board of Directors and Board of Executives, as well as evaluating the overall presentation of the annual report.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit did not give rise to any qualifications.

OPINION

In our opinion, the annual report gives a true and fair view of the group's and the parent's assets and liabilities and financial position as at 30 April 2009 as well as of the results of their activities and cash flows for the financial year 1 May 2008 to 30 April 2009 in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

Slagelse, 29 June 2009

DELOITTE
Statsautoriseret Revisionsaktieselskab

JENS JØRGEN SIMONSEN	**FREDDI NIELSEN**
State-authorised Public Accountant	State-authorised Public Accountant

MEMBERS OF THE BOARD OF DIRECTORS, OTHER MANAGERIAL POSTS

	NAME	MANAGERIAL POST	EXECUTIVE POST
	**ANDERS NIELSEN** Lawyer, Chairman, 59 years	Budde, Schou Int. A/S, (chairman) Danfrugt Invest A/S (chairman) Klinik Sorana A/S (chairman) Budde Schou A/S, (chairman Sorana Invest A/S (chairman)	
	**MADS O. KRAGE** Executive Officer, 65 years	Femilet A/S (chairman) Thiele Partner A/S F.A Thiele A/S Hans Just A/S Holdingselskabet af 17. December 2004 A/S Toms Gruppen A/S Danish Crown Incorporated A/S OBH Nordica Denmark A/S	
	**BERNHARD GRIESE** CEO, 67 years	Best Poultry International A/S (chairman) APM Danmark A/S Keldernæs A/S, (chairman) Visbjerggården A/S (chairman) Lundegård A/S, (chairman) Buskysminde A/S, (chairman) Rugbjerggård A/S, (chairman) Danfrugt Skælskør A/S, (chairman) Danfrugt Invest A/S FCS 2008 A/S	Harboes Bryggeri A/S
	**JENS BJARNE SØNDERGAARD JENSEN** Employee representative 54 years		

	NAME	MANAGERIAL POST	EXECUTIVE POST
	**METTE KIRSTINE AGGER** CEO, 45 years	Klifo A/S (chairman) Symbion Management A/S Symbion A/S	7TM A/S
	**THØGER THØGERSEN** CEO, 55 years	Femilet A/S Holmland Klit Golf A/S	Active Sportswear Int. A/S (chairman) H2O Sportswear A/S
	**CARL ERIK KJÆRSGAARD** CEO, 51 years	Hundred Percent Film Production A/S Computer Camp A/S Mobile People A/S KGM Production A/S (chairman) Future Lab Business A/S (chairman) Mannov Holding A/S (chairman) WPP Holding Denmark A/S Trunk Images A/S (chairman) Cohn & Wolfe A/S (chairman) Grey Shared Services A/S (chairman) Computer Camp A/S Future Lab Business Group A/S Uncle Grey A/S Dyhr/Hagen A/S MDS Global Consulting A/S LFC nr. 3 A/S Grey Wordwide København A/S G2 Copenhagen A/S Future Lab Business Consulting A/S Møller og Rothe A/S Zoomie A/S	Grey Group Nordic


ANNO 1846
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Páls
H.F
CLASSIC
PREMIUM ÖLU • PREMIUM BEER
ALC. 5.0% VOL.

INCOME STATEMENT FOR 2008/09

GROUP DKK '000	NOTE	2008/2009	2007/2008
Gross revenue		1,806,440	1,607,373
Taxes on beer and soft drinks		(261,834)	(236,475)
Revenue		**1,544,606**	**1,370,898**
Production costs	4	(1,299,143)	(1,159,156)
Gross profit/(loss)		**245,463**	**211,742**
Other operating income	7	22,369	14,768
Distribution costs		(173,455)	(155,389)
Administrative expenses		(42,841)	(38,059)
Other operating expenses		(10,632)	(11,467)
Operating profit/(loss) (EBIT)		**40,904**	**21,595**
Income from investments in associates	8	1,493	1,298
Financial income	9	18,285	861
Financial expenses	10	(25,553)	(7,444)
Profit/(loss) before tax		**35,129**	**16,310**
Tax on profit/(loss) for the year	11	(9,443)	(4,637)
Adjustment of tax regarding previous years	11	(65)	8,435
Net profit/(loss) for the year		**25,621**	**20,108**
DISTRIBUTION OF NET PROFIT/(LOSS) FOR THE YEAR			
Shareholders of parent		25,673	20,153
Minority interests		(52)	(45)
		25,621	**20,108**
Earnings per share and diluted earnings per share (DKK per share of DKK 10)	12	**4.4**	**3.4**

BALANCE SHEET AS AT 30 APRIL 2009

GROUP DKK '000	NOTE	2009	2008
Development projects		2,274	-
Rights		5,712	5,723
Software		1,332	320
Intangible assets under construction		2,068	289
Intangible assets	**14**	**11,386**	**6,332**
Land and buildings		319,406	329,773
Plant and machinery		405,989	401,417
Other plant, fixtures and fittings, tools and equipment		36,246	44,096
Spare parts for own machinery		4,210	4,707
Property, plant and equipment under construction		35,338	13,216
Property, plant and equipment	**15**	**801,189**	**793,209**
Investments in associates	16	4,609	3,490
Financial assets available for sale	17	288,768	2,461
Deposits, leases		2,186	2,148
Financial assets		**295,563**	**8,099**
Deferred tax assets	**24**	**1,575**	**2,093**
Non-current assets		**1,109,713**	**809,733**

BALANCE SHEET AS AT 30 APRIL 2009

GROUP DKK '000	NOTE	2009	2008
Inventories	**18**	**118,468**	**114,645**
Trade receivables	19	267,427	237,393
Receivables from associates		4,377	5,053
Other receivables	20	34,929	10,853
Prepayments		8,393	9,274
Receivables		**315,126**	**262,573**
Cash	**22**	**59,864**	**12,310**
Assets held for sale	**21**	**3,242**	**0**
Current assets		**496,700**	**389,528**
Assets		**1,606,413**	**1,199,261**

BALANCE SHEET AS AT 30 APRIL 2009

GROUP

DKK '000	NOTE	2009	2008
Share capital	23/24	60,000	60,000
Share premium		51,000	51,000
Reserves		(18,886)	3,125
Retained earnings		572,159	582,580
Equity owned by the shareholders of parent		**664,273**	**696,705**
Equity owned by minority interests		**190**	**242**
Equity		**664,463**	**696,947**
Mortgage debt	27	317,441	23,112
Other credit institutions	28	1,185	3,439
Deferred tax liabilities	25	39,580	37,776
Deferred income		63,627	44,335
Non-current liabilities		**421,833**	**108,662**
Mortgage debt	27	5,682	5,559
Other credit institutions	28	135,436	60,196
Trade payables		200,136	186,087
Repurchase obligation, returnable packaging	26	35,637	36,298
Payables to associates		11,377	6,473
Other payables	29	105,678	71,913
Deferred income		8,654	10,066
Income tax		14,530	17,060
Current liabilities		**517,130**	**393,652**
Liabilities in respect of assets held for sale	**21**	**2,987**	**0**
Liabilities		**941,950**	**502,314**
Equity and liabilities		**1,606,413**	**1,199,261**

CASH FLOW STATEMENT FOR 2008/09

GROUP DKK '000	NOTE	2008/2009	2007/2008
Operating profit/(loss) (EBIT)		40,904	21,595
Depreciation, amortisation, impairment losses and write-downs		118,190	109,102
Grants recognised as income		(14,042)	(9,271)
Changes in net working capital	32	23,416	(33,400)
Cash flows from operating activities		**168,468**	**88,026**
Financial income received		20,719	1,089
Financial expenses paid		(28,522)	(7,146)
Income tax paid		(12,037)	(25,025)
Cash flows from operating activities		**148,628**	**56,944**
Purchase of intangible assets		(4,761)	(658)
Purchase of property, plant and equipment		(134,583)	(89,536)
Sale of property, plant and equipment		8,452	322
Acquisition of enterprises		0	(6,108)
Changes in financial assets		(308,037)	(1,517)
Cash flows from investing activities		**(438,929)**	**(97,497)**
Dividend paid to shareholders of parent		(8,925)	(8,925)
Repayments on mortgage debt		(12,843)	(20,239)
Proceeds from creation of financial liability		303,955	3,164
Investment grant received		2,359	16,360
Purchase of treasury shares		(25,301)	0
Cash flows from financing activities		**259,245**	**(9,640)**
Changes in cash and cash equivalents		**(31,056)**	**(50,193)**
Cash and cash equivalents as at 1 May		(42,139)	8,213
Translation adjustment, beginning of year		(129)	(159)
Cash and cash equivalents as at 30 April	**33**	**(73,324)**	**(42,139)**

STATEMENT OF CHANGES IN EQUITY FOR 2007/08

GROUP

	Share capital DKK '000	Share premium DKK '000	Reserve for translation adjustments DKK '000	Reserve for net revaluation according to the equity method DKK '000	Reserve for fair value adjustment of financial assets available for sale DKK '000	Retained earnings DKK '000	Equity owned by the share of the parent DKK '000	Equity owned by tminority interests DKK '000	Total equity DKK '000
Equity as at 1 May 2007	**60,000**	**51,000**	**470**	**254**	**845**	**572,836**	**685,405**	**414**	**685,819**
Foreign currency translation adjustment in respect of foreign subsidiaries	0	0	655	0	0	0	655	0	655
Adjustment to fair value of financial assets available for sale	0	0	0	0	(583)	0	(583)	0	(583)
Recognised directly in equity	**0**	**0**	**655**	**0**	**(583)**	**0**	**72**	**0**	**72**
Net profit/(loss) for the year	0	0	0	1,484	0	18,669	20,153	(45)	20,108
Total net income	**0**	**0**	**655**	**1,484**	**(583)**	**18,669**	**20,225**	**(45)**	**20,180**
Repayment of minority shareholders	0	0	0	0	0	0	0	(127)	(127)
Distributed dividend, cf. note 13	0	0	0	0	0	(9,000)	(9,000)	0	(9,000)
Dividend from treasury shares	0	0	0	0	0	75	75	0	75
Equity as at 30 April 2008	**60,000**	**51,000**	**1,125**	**1,738**	**262**	**582,580**	**696,705**	**242**	**696,947**

(transferred to the next page)

STATEMENT OF CHANGES IN EQUITY FOR 2007/08

GROUP

	Share capital DKK '000	Share premium DKK '000	Other reserves DKK '000	Retained earnings DKK '000	Equity owned by the share of the parent DKK '000	Equity owned by tminority interests DKK '000	Total equity DKK '000
Equity as at 1 May 2008 (transferred from previous page)	**60,000**	**51,000**	**3,125**	**582,580**	**696,705**	**242**	**696,947**
Foreign currency translation adjustment in respect of foreign subsidiaries	0	0	(1,153)	0	(1,153)	0	(1,153)
Adjustment to fair value of financial assets available for sale	0	0	(21,599)	0	(21,599)	0	(21,599)
Reserve for net revaluation according to the equity method	0	0	1,494	(1,494)	0	0	0
Reserve for hedging of cash flows	0	0	(1,004)	0	(1,004)	0	(1,004)
Tax on hedging instruments	0	0	251	0	251	0	251
Recognised directly in equity	**0**	**0**	**(22,011)**	**(1,494)**	**(23,505)**	**0**	**(23,505)**
Net profit/(loss) for the year	0	0	0	25,673	25,673	(52)	25,621
Total net income	**0**	**0**	**(22,011)**	**24,179**	**2,168**	**(52)**	**2,116**
Distributed dividend, cf. note 13	0	0	0	(9,000)	(9,000)	0	(9,000)
Dividend from treasury shares	0	0	0	75	75	0	75
Purchase of treasury shares	0	0	0	(25,675)	(25,675)	0	(25,675)
Equity as at 30 April 2009	**60,000**	**51,000**	**(18,886)**	**572,159**	**664,273**	**190**	**664,463**

NOTES OVERVIEW

1. ACCOUNTING POLICIES

The 2008/09 annual report of Harboes Bryggeri A/S, which includes both the financial statements of the parent and the consolidated financial statements, is prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies, cf. the IFRS Executive Order issued in accordance with the Danish Financial Statements Act (Årsregnskabsloven). Harboes Bryggeri A/S is a public limited company domiciled in Denmark.

Furthermore, the annual report complies with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The annual report is prepared in Danish kroner (DKK), which is regarded as the main currency of the group's activities and the functional currency of the parent.

The annual report is prepared on the basis of historic cost, except for certain financial assets and liabilities which are measured at fair value. Accounting policies are described in further detail below.

IMPLEMENTATION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

The 2008/09 annual report is prepared in accordance with the new and revised standards (IFRS/IAS) and new interpretations (IFRIC) that apply to financial years starting on 1 January 2008 or later. The standards and interpretations that are relevant to Harboes Bryggeri A/S are:

- IAS 39, Financial instruments: Recognition and measurement
- IFRIC 11, IFRS 2 – Group and treasury share transactions

The implementation of the new and revised standards and interpretations in the 2008/09 annual report did not result in any changes in the accounting policies.

STANDARDS AND INTERPRETATIONS WHICH HAVE NOT YET BECOME EFFECTIVE:

At the time of publication of this annual report, the following new or revised standards and interpretations have not yet become effective and have thus not been incorporated in the annual report:

- Revised IFRS 3, Business combinations (2008). The standard will become effective as from financial years beginning on 1 July 2009 or later. The standard has not yet been adopted for implementation in the EU.
- IFRS 8, Operating segments (2006). The standard will become effective as from financial years beginning on 1 January 2009 or later.
- Revised IAS 1, Presentation of financial statements (2007 and February 2008). The revised standard will become effective as from financial years beginning on 1 January 2009 or later.
- Revised IFRS 7, Financial instruments: Disclosures (March 2009). The revised standard will become effective as from financial years beginning on 1 January 2009 or later. The standard has not yet been adopted for implementation in the EU.
- Revised IAS 27, Consolidated and separate financial statements (January 2008). The revised standard will become effective as from financial years beginning on 1 July 2009 or later.
- Revised IAS 27, Consolidated and separate financial statements (May 2008). The revised standard will become effective as from financial years beginning on 1 January 2009 or later. The revised standard has not yet been adopted for implementation in the EU.
- Revised IAS 32, Financial instruments: Presentation (February 2008). The revised standard will become effective as from financial years beginning on 1 January 2009 or later.

Implementation of the revised IFRS 3, Business combinations, will, among other things, mean that the group as from the financial year 2010/11 must recognise acquisition costs and changes in conditional acquisition costs directly in the income statement. The standard may also result in a change in accounting policies in respect of the recognition of goodwill related to the minority interests' share of acquired enterprises and in respect of the gradual acquisition of enterprises and partial disposals of shares in subsidiaries.

The management estimates that the implementation of the other revised standards and interpretations will not have any significant impact on the annual report for the coming financial years, except for the revised presentation of the primary statements in the annual report resulting from the implementation of the revised IAS 1, Presentation of financial statements and additional disclosure requirements for operating segments resulting from the implementation of IFRS 8, Operating segments.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise Harboes Bryggeri A/S (the parent) and the companies (subsidiaries) in which the parent has a controlling interest. Control is achieved when the parent, directly or indirectly, holds more than 50% of the voting rights or in any other way can or does exercise a controlling influence.

Companies in which the parent, directly or indirectly, holds between 20 and 50% of the voting rights and exercises a significant, but not controlling, influence, are considered to be associates.

BASIS OF CONSOLIDATION

The consolidated financial statements have been prepared on the basis of financial statements of Harboes Bryggeri A/S and its subsidiaries. The consolidated financial statements are prepared by adding items of a similar nature. The financial statements used for the consolidation are prepared in accordance with the accounting policies of the group.

The consolidation involves the elimination of intra-group income and expenses, intra-group balances, dividends as well as profits and losses on transactions between the consolidated enterprises.

The items of the subsidiaries are recognised wholly in the consolidated financial statements. The minority interests' proportionate share of the profit/loss forms part of the consolidated net profit/loss for the year and a separate part of the consolidated equity.

COMPANY MERGERS

Newly acquired or newly formed enterprises are recognised in the consolidated financial statements from the date of acquisition and the date of formation, respectively. The date of acquisition is the date on which the buyer actually takes control of the enterprise. Enterprises divested or wound up are recognised in the consolidated income statement up until the date of divestment or winding-up. The date of divestment is the date on which control of the enterprise actually passes to a third party.

The acquisition method is used in connection with the acquisition of new enterprises after which the newly acquired enterprises' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition.
Non-current assets which are acquired with the intention of selling them are, however, measured at fair value less expected selling costs. The restructuring costs are recognised in the pre-acquisition balance sheet only if they constitute an obligation to the enterprise acquired. The tax effect of the revaluations has been taken into account.

The cost of an enterprise consists of the fair value of the fee paid plus the costs that are directly attributable to the acquisition of the enterprise. If the final determination of the fee is conditional upon one or more future events, these adjustments are recognised in the cost only if the event in question is likely to occur and the effect on the cost can be measured reliably.

Positive differences (goodwill) between the cost of the acquired enterprise and the fair value of the assets, liabilities and contingent liabilities taken over are recognised as an asset under intangible assets and tested at least once a year for impairment. If the carrying amount of the asset exceeds its recoverable amount, impairment is made to the lower recoverable amount.

If there are negative differences (negative goodwill), the calculated fair values and the calculated cost of the enterprise are revalued. If the fair value of the assets, liabilities and contingent liabilities taken over continues to exceed the cost after the revaluation, the difference is recognised as income in the income statement.

PROFIT OR LOSS FROM THE DIVESTMENT OR WINDING-UP OF SUBSIDIARIES

Profit or loss from the divestment or winding-up of subsidiaries is calculated as the difference between the selling price or settlement price and the carrying amount of the net assets at the time of divestment or winding-up, including goodwill, accumulated foreign currency translation adjustments recognised directly in equity and estimated costs of divestment or winding-up. The selling price is measured at fair value of the fee received.

TRANSLATION OF FOREIGN CURRENCY

On initial recognition, transactions in currencies other than the group's functional currency are translated at the exchange rate applicable at the date of transaction. Receivables, payables or other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated at the exchange rate applicable at the balance sheet date. Exchange rate differences arising between the exchange rate at the date of transaction and the exchange rate at the date of payment and the balance sheet date, respectively, are recognised in the income statement as net financials. Property, plant and equipment, inventories and other non-monetary assets purchased in foreign currencies and measured on the basis of historic cost are translated at the exchange rate applicable at the date of transaction. Non-monetary items which are reassessed at fair value are translated using the exchange rate applicable at the time of reassessment.

When recognising enterprises that prepare their financial statements in a functional currency other than Danish kroner (DKK) in the consolidated financial statements, the income statements are translated at average exchange rates unless these deviate significantly from the actual exchange rates at the time of the transactions. In the latter case, the actual exchange rates are used. Balance sheet items are translated using the exchange rates applicable at the balance sheet date.

Exchange rate differences arising from the translation of foreign enterprises' balance sheet items at the beginning of the year using the exchange rates applicable at the balance sheet date and the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity. Similarly, exchange rate differences which have occurred as a result of changes made directly in the foreign enterprise's equity are also recognised directly in equity.

Translation adjustments of receivables from or payables to subsidiaries which are considered part of the parent's overall investment in the subsidiary in question are recognised directly in equity.

TAXATION

Tax for the year, which is made up of current tax for the year and changes in deferred tax, is recognised in the income statement with the portion attributable to the net profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity. Foreign currency translation adjustments of deferred tax are recognised as part of the adjustments of deferred tax for the year.

Current tax liabilities and current tax receivable are recognised in the balance sheet as tax calculated on the basis of the taxable income for the year, adjusted for tax paid on account.

The tax rates and rules in force on the balance sheet date are used to calculate the current tax for the year.

Deferred tax is recognised according to the balance sheet liability method of all temporary differences between the carrying amount and tax base of assets and liabilities, except for deferred tax on temporary differences arising from either the first recognition of goodwill or from the first recognition of a transaction, which is not a merger of companies, and where the temporary difference established at the time of the first recognition neither affects the net profit/loss nor the taxable income.

Deferred tax on temporary differences associated with investments in subsidiaries and associates is recognised unless the parent is able to check when the deferred tax is realised, and it is likely that the deferred tax will not materialise as current tax within a foreseeable future.

Deferred tax is calculated on the basis of the planned use of the individual asset and the settlement of the individual liability, respectively.

Deferred tax is measured by using the tax rates and rules applying in the countries concerned which – based on passed or actually passed legislation at the balance sheet date – are expected to be in force when the deferred tax is expected to materialise as current tax. Changes in deferred tax due to changes in tax rates or rules are recognised in the income statement unless the deferred tax can be attributed to items that have previously been recognised directly in equity. In the latter case, the changes are also recognised directly in equity.

Deferred tax assets, including the tax base of tax losses to be carried forward, are recognised in the balance sheet at the expected realisable value of the asset, either by offsetting against deferred tax liabilities or as net tax assets for offsetting against future positive taxable incomes. At each balance sheet date, it is reassessed whether it is probable that enough taxable income will be generated in future to utilise the deferred tax asset.

The parent is taxed jointly with all the Danish subsidiaries. The current Danish income tax is allocated among the jointly taxed Danish companies in proportion to their taxable incomes.

DERIVATIVE FINANCIAL INSTRUMENTS

On initial recognition, derivative financial instruments are recognised at fair value at the settlement date. On initial recognition, the fair value is added to directly attributable costs related to the purchase or the issue of the individual financial instrument (transaction costs) unless the financial asset or the financial liability is measured at fair value upon recognition of fair value adjustments in the income statement.

Upon initial recognition, derivative financial instruments are measured at fair value at the balance sheet date. Positive and negative fair values of derivative financial instruments are included in other receivables and other payables, respectively.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for efficient hedging of future transactions are recognised directly in equity. The inefficient part is recognised immediately in the income statement. Once the hedged transactions are carried out, the accumulated changes are recognised as part of the cost of the transactions in question.

INCOME STATEMENT

REVENUE

Revenue from the sale of finished products and goods for resale is recognised in the income statement on delivery and when risk has passed to the buyer.

Revenue is measured at the fair value of the received or receivable fee. If any interest-free credit has been agreed for payment of the receivable fee that exceeds the usual credit period, the fair value of the fee is calculated by discounting future payments. The difference between the fair value and the nominal value of the fee is recognised as financial income in the income statement using the effective interest rate method.

Revenue is calculated exclusive of VAT, taxes on beer and soft drinks etc. levied on behalf of a third party.

PRODUCTION COSTS

Production costs comprise costs incurred to generate revenue. In production costs, trading companies recognise the cost of sales, while production companies recognise the costs of raw materials, consumables, production staff, maintenance and depreciation and impairment of property, plant and equipment used in the production process as well as returnable packaging and adjustments of the obligation to repurchase own packaging.

Production costs also include costs pertaining to research and development projects which do not meet the criteria for recognition in the balance sheet.

DISTRIBUTION COSTS

Distribution costs represent costs incurred for the distribution of goods sold and for marketing campaigns, including pay for sales and distribution staff, advertising expenses, depreciation and impairment of property, plant and equipment used in the distribution process.

ADMINISTRATIVE EXPENSES

Administrative expenses include expenses incurred to manage and administer the group, including administrative staff costs, management costs and office expenses as well as depreciation and impairment of property, plant and equipment used to administer the group.

OTHER OPERATING INCOME AND EXPENSES
Other operating income and expenses include income and expenses of a secondary nature in relation to the group's main activities, including grants for plants and rental income as well as gains and losses from the sale of non-current assets (property, plant and equipment) if the selling price of the assets exceeds the original cost.

GOVERNMENT GRANTS
Government grants are recognised when there is reasonable assurance that the conditions for receiving the grant have been met, and that the grant will be received.

Grants for covering costs incurred are recognised in the income statement proportionately over the periods in which the associated costs are recognised in the income statement. The grants are recognised under the item Other operating income.

Government grants which are linked to an asset are recognised as deferred income under non-current and current liabilities, respectively, and amortised over the amortisation period of the asset.

NET FINANCIALS
Net financials include interest income and interest expenses, realised and unrealised capital gains and losses on securities, payables and transactions in foreign currencies, amortisation premiums/deductions on mortgage debt etc., as well as supplementary payments and allowances under the Danish On-Account Tax Prepayment Scheme (Acontoskatteordningen).

Interest income and interest expenses are accrued on the basis of the principal and the effective interest rate. The effective interest rate is the discount rate that is to be used to discount expected future payments which are linked to the financial asset or the financial liability to make sure that their current values correspond to the carrying amount of the asset and the liability, respectively.

Dividend from investments is recognised when a conclusive right to the dividend has been obtained. This will typically be at the time of the general meeting's approval of the distribution from the company in question. However, in the consolidated financial statements this does not apply to investments in associates which are measured according to the equity method, cf. below.

BALANCE SHEET
INTANGIBLE ASSETS
Immaterial rights acquired in the form of software are measured at cost less accumulated amortisation and impairment. Software is amortised according to the straight-line method over the expected useful life, which is usually 3-5 years.

Development projects relating to clearly defined and identifiable products and processes are recognised as intangible assets if it is probable that the product or process will generate future economic benefits for the group and the development costs of each individual asset can be measured reliably.

Other development costs are recognised as costs in the income statement as incurred.

On initial recognition, development costs are recognised at cost. The cost of development projects comprise costs which are directly attributable to the development projects and which are necessary in order to complete the project, calculated from the time at which the development project meets the criteria for being recognised as an asset for the first time.

Completed development projects are amortised according to the straight-line method over the expected useful life, which is usually 3-5 years. For development projects protected by intellectual property rights, the maximum amortisation period equals the remaining term of the rights in question.

Development projects are impaired to the recoverable amount if this is lower, cf. the section on impairment below. Development projects in progress are tested at least once a year for impairment.

Acquired intellectual property rights in the form of patents and licences are measured at cost less accumulated amortisation and impairment. Patents are amortised according to the straight-line method over the remaining patent period, and licences are amortised over the term of the agreement. If the actual useful life is shorter than the remaining patent period or term of the agreement, the assets are amortised over the shorter useful life.

Acquired intellectual property rights are impaired to the recoverable amount if this is lower, cf. the section on impairment below.

Intangible assets with indefinable useful lives, including rights, are not amortised but tested at least once a year for impairment. If the carrying amount of the assets exceeds their recoverable amount, impairment is made to the lower recoverable amount.

PROPERTY, PLANT AND EQUIPMENT
Land and buildings, plant and machinery together with other plant, fixtures and fittings, tools and equipment and spare parts for own machinery are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly related to the acquisition and costs of preparing the asset up until such time as the asset is ready for use. For own-manufactured assets, cost includes costs which can be related directly to the production of the asset, including materials, components, subsuppliers, wages and salaries.

Interest expenses which have occurred in connection with the construction of an asset for which the construction period exceeds six months are recognised in the cost of the asset. Other borrowing costs are recognised in the income statement.

If the acquisition or use of the asset obliges the group to incur costs for the demolition or re-establishment of the asset, the estimated costs for such demolition or re-establishment are recognised as a provision and a part of the cost of the asset in question, respectively. If the obligation occurred in connection with the production of inventories, the obligation is recognised as a part of the cost of the goods in question, cf. below.

The cost of the asset less the residual value constitutes the basis of depreciation. The residual value is the expected amount that could be obtained by selling the asset today less selling costs if the asset had already reached the age and the condition that is to be expected at the end of its useful life. The cost of a total asset is divided into smaller components, which are depreciated separately if they have different useful lives.

PROPERTY, PLANT AND EQUIPMENT

Depreciation is according to the straight-line method on the basis of the following assessment of the expected useful lives of the assets:

Buildings	10-50 years
Plant and machinery	5-25 years
Other plant, fixtures and fittings, tools and equipment	3-15 years
Returnable packaging	3-8 years

Depreciation methods, useful lives and residual values are reassessed on an annual basis.

Property, plant and equipment are impaired to the lower of recoverable amount and carrying amount, cf. below.

IMPAIRMENT OF INTANGIBLE ASSETS, PROPERTY, PLANT AND EQUIPMENT AS WELL AS INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

The carrying amounts of intangible assets and property, plant and equipment with definable useful lives and investments in subsidiaries and associates are reviewed at the balance sheet date to determine whether there are any indications of impairment. If this is the case, the recoverable amount of the asset is assessed to determine the need for any impairment and the extent of such impairment.

For intangible assets with indefinable useful lives, the recoverable amount is calculated once a year regardless of whether there are indications of impairment.

If the asset does not generate cash flows independently of other assets, the recoverable amount of the smallest cash-generating unit of which the asset is a part is assessed.

The recoverable amount is calculated as the higher of the fair value of the asset and the cash-generating unit less selling costs and the value in use. When the value in use is calculated, estimated future cash flows are discounted to present value by using a discount rate which reflects both current market assessments of the time value of money and the special risks that are linked to the asset or the cash-generating unit, and for which there have been no adjustments in estimated future cash flows.

If the recoverable amount of the asset or the cash-generating unit is estimated to be lower than the carrying amount, the carrying amount is impaired to the recoverable amount. For cash-generating units, the impairment is distributed so that goodwill is impaired first, then any remaining need for impairment is distributed on the other assets in the unit, the individual asset, however, not being impaired to a value which is lower than its fair value less estimated selling costs.

Impairment is recognised in the income statement. Upon any subsequent reversals of impairment due to changed preconditions for the determined recoverable amount, the carrying amount of the asset or the cash-generating unit is increased to a corrected estimate of the recoverable amount, the maximum being, however, the carrying amount which the asset or the cash-generating unit would have had if there had been no impairment.

INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES IN THE PARENT'S FINANCIAL STATEMENTS

Investments in subsidiaries and associates are measured at cost in the parent's financial statements.

If the cost exceeds the recoverable amount of the investments, it is impaired to the lower amount. The cost is also impaired if more dividend is distributed than has overall been earned by the enterprise since the acquisition.

INVESTMENTS IN ASSOCIATES IN THE CONSOLIDATED FINANCIAL STATEMENTS

Investments in associates are recognised and measured in the consolidated financial statements according to the equity method. This means that the investments are measured at the proportionate share of the enterprise's determined equity value, calculated according to the group's accounting policies, deducting and adding proportionate intercompany profits and losses.

The proportionate share of the enterprise's net profit/loss and elimination of unrealised proportionate internal profits and losses are recognised in the income statement. The proportionate share of all transactions and events which are recognised directly in the equity of the associate is recognised in the group's equity.

Investments in associates with a negative equity value are measured at DKK 0. Receivables and other non-current financial assets which are considered to be part of the total investment in the associate are impaired by any remaining negative equity value. Trade receivables and other receivables are only impaired if they are deemed to be uncollectible.

A provision to cover the remaining negative equity value is recognised only if the group has a legal or an actual obligation to fulfil the particular enterprise's obligations.

The acquisition method is used for making investments in associates.

INVENTORIES

Inventories are measured at the lower of cost applying the FIFO method or net realisable value.

The cost of goods for resale, raw materials and consumables comprises the acquisition price plus landing costs. The cost of manufactured goods and work in progress includes costs of raw materials, consumables and direct labour costs as well as fixed and variable production overheads. This includes costs for the demolition or re-establishment of property, plant and equipment if such costs have occurred due to the production of goods.

Variable production overheads include indirect materials and pay and are distributed on the basis of precalculations for the produced goods. Fixed production overheads include costs for maintaining and depreciating machinery, factory buildings and equipment used in the production process and general costs for factory administration and management. Fixed production costs are distributed on the basis of the normal capacity of the production facilities.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sales.

RECEIVABLES

On initial recognition, receivables are measured at fair value and subsequently at amortised cost, which usually corresponds to the nominal value less write-downs for expected losses. Write-downs are made on an individual level.

PREPAYMENTS

Prepayments recognised under assets comprise costs incurred in respect of the coming financial year. Prepayments are measured at cost.

FINANCIAL ASSETS AVAILABLE FOR SALE

Securities recognised under non-current assets comprise listed securities and equity available for sale in enterprises that are not subsidiaries or associates.

On initial recognition, securities are measured at fair value on the day of trading plus directly attributable costs of the purchase. The securities are subsequently measured at fair value at the balance sheet date, and any changes in the fair value are recognised in equity. When the securities are sold or settled, the accumulated fair value adjustments are recognised in the income statement.

The fair value is determined at the share price of listed securities and at an estimated fair value determined on the basis of market information.

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets and groups of assets held for sale are presented separately in the balance sheet as current assets. Liabilities directly related to the assets in question are presented as current liabilities in the balance sheet.

Non-current assets held for sale are not depreciated/amortised, but are impaired to the lower of fair value less expected selling costs and carrying amount.

DIVIDEND

Dividend is recognised as a payable at the time of adoption by the general meeting.

TREASURY SHARES

Acquisition and selling prices of treasury shares and dividend obtained from them are recognised directly in equity under retained earnings.

PENSION OBLIGATIONS ETC.

The group has entered into defined contribution plan agreements with a significant part of the employees of the group. Except for a pension plan created for a single employee, which is insignificant in relation to the group's total obligations, the group has entered into no defined pension plans.

For defined pension plans, the group pays regular, fixed contributions to independent pension providers and the like. The contributions are recognised in the income statement in the period in which the employees have performed the work entitling them to the pension contribution. Payments due are recognised in the balance sheet as liabilities.

PROVISIONS

Provisions are recognised when the group has a legal or actual obligation as a result of events occurring in the financial year or previous years, and when it is likely that the fulfilment of this obligation will impact the company's financial resources.

Provisions are measured as the best possible estimate of the costs required to settle the obligation at the balance sheet date. Provisions expected to fall due more than one year after the balance sheet date are measured at present value.

The obligation to repurchase own packaging in circulation is measured at the deposit price on the basis of the estimated volume of bottles in circulation, crates and trays and is recognised as a repurchase obligation under current liabilities.

MORTGAGE DEBT

Mortgage debt is measured at cost at the time of borrowing, corresponding to the fair value of the proceeds received less transaction costs incurred. Subsequently, mortgage debt is measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the amount to be repaid is recognised in the income statement over the term of the loan as a financial expense using the effective interest rate method.

LEASE COMMITMENTS

Lease payments in respect of operating leases are recognised according to the straight-line method in the income statement over the term of the lease.

OTHER FINANCIAL LIABILITIES

On initial recognition, other financial liabilities, including bank debt and trade payables, are measured at fair value less transaction costs incurred. Subsequently, such liabilities are measured at amortised cost using the effective interest rate method. Accordingly, the difference between the proceeds and the nominal value is recognised as a financial expense in the income statement over the term of the loan.

DEFERRED INCOME

Deferred income recognised under liabilities comprises income received in respect of subsequent financial years as well as asset-related government grants. Deferred income is measured at cost.

CASH FLOW STATEMENT

The cash flow statement is presented using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the financial year.

Cash flows from operating activities are determined as the operating profit/loss, adjusted for non-cash operating items and changes in working capital less income tax paid in the financial year which is attributable to the operating activities.

Cash flows from investing activities comprise payments in connection with the purchase and sale of enterprises and financial assets as well as the purchase, development, improvement and sale etc. of intangible assets and property, plant and equipment. Furthermore, cash flows from assets held under finance leases are recognised in the form of lease payments.

Cash flows from financing activities comprise changes in the share capital of the parent and costs incidental thereto as well as the raising and repayment of loans, repayment of interest-bearing debt, purchase of treasury shares and distribution of dividend.

Cash flows denominated in currencies other than the functional currency are recognised in the cash flow statement by applying average exchange rates unless such rates deviate materially from the actual exchange rates applicable at the time of transaction. In the latter case, the exchange rates applicable at the individual dates are used.

Cash and cash equivalents comprise cash and short-term securities involving insignificant price risks less any overdraft facilities and intercompany balances which are an integrated part of the cash management.

SEGMENT INFORMATION

Segment information is stated for business segments (primary segmentation) and geographical markets (secondary segmentation). The segment information complies with the risks, accounting policies and internal financial management of the group.

Segment income and expenses as well as segment assets and liabilities comprise the items which are directly attributable to the individual segment, and the items which may reliably be distributed on the individual segments. Non-distributed items primarily concern assets and liabilities as well as income and expenses related to the administrative functions, investing activities, income taxes etc. of the group.

Non-current assets in the segments comprise assets which are used directly in the operation of the individual segment, including intangible assets and property, plant and equipment as well as investments in associates.

Current assets in the segments comprise assets which are directly related to the operation of the individual segment, including inventories, trade receivables, other receivables, prepayments and cash.

Liabilities related to the segments comprise liabilities arising from the operation of the individual segment, including trade payables, provisions and other payables.

FINANCIAL HIGHLIGHTS

The financial highlights have been defined and calculated in accordance with 'Recommendations and Ratios 2005' from the Danish Society of Financial Analysts (Den Danske Finansanalytikerforening) and the following specific definitions:

Investments:	The year's additions of intangible assets and property, plant and equipment, excl. intangible assets and property, plant and equipment under construction and spare parts
Gross margin:	Gross profit/loss in per cent of revenue
Profit margin:	Operating profit/loss (EBIT) in per cent of revenue
Operating assets:	Balance sheet total at the end of the year less financial assets and cash
Return on invested capital:	Operating profit/loss (EBIT) less tax thereon in per cent of average invested capital (equity + minority interests + net interest-bearing debt + provisions - financial assets)
Interest-bearing debt:	Mortgage debt and other credit institutions
Interest-bearing debt, net:	Mortgage debt and other credit institutions less cash and cash equivalents and interest-bearing assets
Return on equity:	Net profit/loss for the year in per cent of average equity
Solvency ratio:	Equity at the end of the year in per cent of the balance sheet total at the end of the year
Gearing:	Interest-bearing debt at the end of the year in per cent of equity at the end of the year
Earnings per share (EPS):	Net profit/loss for the year in relation to the average number of shares
Cash flow per share:	Cash flows from operating activities in relation to the average number of shares
Price/earnings:	Share price at the end of the year in relation to earnings per share
Current ratio:	Current assets in per cent of current liabilities

The ratios have been calculated on the basis of the net profit/loss for the year along with the balance sheet total and equity at the end of the year.

The calculation of earnings per share and diluted earnings per share is specified in note 12.

2. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND UNCERTAINTIES

Many items cannot be reliably measured, but can only be estimated. Such estimates include assessments made on the basis of the most recent information available at the time of presenting the financial statements. It may be necessary to change previously made estimates due to changes in the circumstances on which the estimate was based, or due to additional information, additional experience or subsequent events.

SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND UNCERTAINTIES

In connection with the application of the accounting policies described in note 1, the management has made a number of accounting estimates on the recognition and measurement of certain assets and liabilities. The recognition and measurement of assets and liabilities often depend on future events involving a certain amount of uncertainty. In this context, a course of events or the like, reflecting the management's assessment of the most probable course of events must be assumed. In the 2008/09 annual report, special attention should be drawn to assumptions and uncertainties which are associated with accounting estimates on impairment tests of property, plant and equipment and financial assets, specification of repurchase obligation concerning returnable packaging, assessment of the value of the assets and liabilities taken over in connection with a company acquisition as well as an assessment of contingent liabilities as they have had a considerable impact on the assets and liabilities recognised in the annual report and may require that corrections be made in subsequent financial years provided that the anticipated events do not occur as expected.

3. SEGMENT INFORMATION FOR THE GROUP

PRIMARY SEGMENTATION

As regards management and reporting, the group is divided into two business segments. This is 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

3. Segment information for the group, continued	Brewery sector 2008/09 DKK '000	Foodstuff sector 2008/09 DKK '000	Elimination 2008/09 DKK '000	Group 2008/2009 DKK '000	Brewery sector 2007/2008 DKK '000	Foodstuff sector 2007/2008 DKK '000	Elimination 2007/08 DKK '000	Group 2007/2008 DKK '000
Income statement								
Gross revenue	1,581,273		-		1,373,803		-	
Taxes on beer and soft drinks	(261,834)		-		(236,475)		-	
Revenue	**1,319,439**	**225,167**	**-**	**1,544,606**	**1,137,328**	**233,570**	**-**	**1,370,898**
Operating profit/(loss) (EBIT)	36,117	4,787	-	40,904	20,591	1,004	-	21,595
Share of profit in associates	0	1,493	-	1,493	0	1,298	-	1,298
Financial income	18,283	169	(129)	18,285	857	843	(839)	861
Financial expenses	(24,019)	(1,701)	129	(25,553)	(5,576)	(2,707)	839	(7,444)
Profit/(loss) before tax	**30,381**	**4,748**	**0**	**35,129**	**15,872**	**438**	**0**	**16,310**
Tax on profit/(loss) for the year	(8,662)	(846)	-	(9,508)	4,842	(1,044)	-	3,798
Net profit/(loss) for the year	**21,719**	**3,902**	**-**	**25,621**	**20,714**	**(606)**	**-**	**20,108**
Balance sheet								
Segment assets, non-current	1,022,271	90,991	(8,158)	1,105,104	711,335	105,530	(10,622)	806,243
Associates	0	4,983	(374)	4,609	-	3,490	-	3,490
Segment assets, current	451,128	58,471	(12,899)	496,700	351,312	38,394	(178)	389,528
Assets	**1,473,399**	**154,445**	**(21,431)**	**1,606,413**	**1,062,647**	**147,414**	**(10,800)**	**1,199,261**
Segment liabilities, non-current	419,157	10,834	(8,158)	421,833	102,891	16,393	(10,622)	108,662
Segment liabilities, current	505,691	27,325	(12,899)	520,117	375,193	18,637	(178)	393,652
Liabilities	**924,848**	**38,159**	**(21,057)**	**941,950**	**478,084**	**35,030**	**(10,800)**	**502,314**

	Brewery sector 2008/09 DKK '000	Foodstuff sector 2008/09 DKK '000	Elimination 2008/09 DKK '000	Group 2008/2009 DKK '000	Brewery sector 2007/2008 DKK '000	Foodstuff sector 2007/2008 DKK '000	Elimination 2007/08 DKK '000	Group 2007/2008 DKK '000
3. Segment information for the group, continued								
Investments etc.								
Additions of intangible assets	4,761	-	-	4,761	658	-	-	658
Additions of property, plant and equipment	133,689	894	-	134,583	85,566	3,970	-	89,536
Company acquisitions	-	-	-	-	6,108	-	-	6,108
Depreciation and amortisation (incl. profit/loss)	109,736	8,454	-	118,190	97,782	11,320	-	109,102
Cash flows								
Cash flows from operating activities	126,449	22,179	-	148,628	65,981	(9,037)	-	56,944
Cash flows from investing activities	(442,550)	3,621	-	(438,929)	(92,322)	(5,175)	-	(97,497)
Cash flows from financing activities	265,141	(5,896)	-	259,245	(4,003)	(5,637)	-	(9,640)
Changes in cash and cash equivalents	(50,960)	19,904	-	(31,056)	(30,344)	(19,849)	-	(50,193)

Reference is made to pages 5-27 of the management's review for a presentation of the five-year overview of the segments and comments on the developments in the financial year.

SECONDARY SEGMENTATION

The activities of the group are primarily located in Denmark and the rest of Northern Europe.

The table below shows the group's sale of goods etc. distributed on geographical markets. On distribution, account is taken of the market area.

DKK '000	2008/09	2007/08
Revenue, home market	603,677	541,654
Revenue, exports	940,929	829,244
	1,544,606	**1,370,898**

The table below shows the carrying amounts and additions during the year of intangible assets and property, plant and equipment, distributed on geographical areas based on the physical location of the assets.

DKK '000	2008/09	2007/08	2008/09	2007/08
	CARRYING AMOUNTS OF ASSETS		ADDITIONS OF ASSETS	
Home market	670,781	587,225	68,971	36,491
Exports	935,632	612,036	40,715	35,592
	1,606,413	**1,199,261**	**109,686**	**72,083**

4. PRODUCTION COSTS

GROUP DKK '000	2008/09	2007/08
Cost of sales	1,119,181	993,023
Write-down of inventories	370	596
Depreciation, amortisation, impairment losses and write-downs, cf. note 6	107,642	96,359
Other production costs	71,950	69,178
	1,299,143	**1,159,156**

5. STAFF COSTS

GROUP DKK '000	2008/09	2007/08
Remuneration of the Board of Directors	302	220
Wages and salaries	141,805	123,635
Defined contribution plans	8,316	7,098
Other social security costs	16,995	15,821
Other staff costs	6,929	7,274
Refunds from public authorities	(903)	(894)
	173,444	**153,154**
Staff expenses comprise:		
Production costs	121,718	104,327
Distribution costs	31,740	26,813
Administrative expenses	19,986	19,539
Non-current assets	0	2,475
	173,444	**153,154**
Average number of employees	**520**	**483**

5. Staff costs, continued

DKK '000	BOARD OF DIRECTORS 2008/09	BOARD OF DIRECTORS 2007/08	BOARD OF EXECUTIVES 2008/09	BOARD OF EXECUTIVES 2007/08	OTHER KEY STAFF MEMBERS 2008/09	OTHER KEY STAFF MEMBERS 2007/08
Remuneration of members of the management						
Remuneration of the Board of Directors	302	220	0	0	0	0
Wages and salaries etc.	0	0	3,970	3,758	9,551	9,464
Defined contribution plans and defined pension plans	0	0	216	246	475	416
	302	**220**	**4,186**	**4,004**	**10,026**	**9,880**

No employee participates in bonus plans exceeding 20% of the employee's base pay.

PENSION PLANS

The group has entered into defined contribution plan agreements with a significant part of the employees of the group. Except for one pension plan concerning one employee, the group has not entered into any defined pension plan agreements. The pension obligation, against which insurance has been taken out, has been recognised at DKK 756k under other receivables and at DKK 1,271k under payables, respectively, in the balance sheet. The figures are gross figures.

6. DEPRECIATION, AMORTISATION, IMPAIRMENT LOSSES AND WRITE-DOWNS

GROUP DKK '000	2008/09	2007/08
Intangible assets	1,031	49
Buildings	23,368	21,541
Plant and machinery	79,412	69,780
Other plant, fixtures and fittings, tools and equipment	17,678	17,596
Profit/(loss) from the sale of property, plant and equipment	(3,308)	136
	118,181	**109,102**
Depreciation, amortisation, impairment losses and write-downs comprise:		
Production costs	107,642	96,360
Distribution costs	4,877	4,479
Administrative expenses	4,658	3,841
Other operating income	(2,966)	0
Other operating expenses	3,970	4,422
	118,181	**109,102**

Amortisation and impairment of intangible assets are recognised under administrative expenses

7. OTHER OPERATING INCOME

GROUP DKK '000	2008/09	2007/08
Government grants	14,042	9,271
Rental income	5,362	5,497
Proceeds from the sale of assets (including insurance benefit)	2,965	0
	22,369	**14,768**

8. INCOME FROM INVESTMENTS IN ASSOCIATES

Share of profit/(loss) before tax	2,044	1,198
Negative goodwill in connection with capital increase	0	405
Tax on profit/(loss) from associates	(551)	(305)
	1,493	**1,298**

9. FINANCIAL INCOME

GROUP DKK '000	2008/09	2007/08
Interest on bank deposits etc.	17,483	761
Interest on receivables from debtors	4	5
Interest income from financial assets not measured at fair value	**17,487**	**766**
Dividend from financial assets available for sale	98	95
Adjustment to fair value of liabilities in respect of assets held for sale	184	0
Net foreign exchange gains and losses	516	0
	18,285	**861**

10. FINANCIAL EXPENSES

Interest on mortgage debt	18,415	1,868
Interest expense in respect of creditors	28	37
Interest on debt to other credit institutions	420	5,101
Interest on bank debt etc.	7,970	0
Interest expenses in respect of continuing activities	**26,833**	**7,006**
of which included in the cost of property, plant and equipment	(1,280)	0
	25,553	**7,006**
Net foreign exchange gains and losses	0	438
Financial expenses in respect of continuing activities	**25,553**	**7,444**

Financing costs included in the cost of property, plant and equipment are calculated on the basis of costs incurred during the financial year and an interest rate of 5.1% per year on the basis of the average financing costs.

11. TAX ON PROFIT/(LOSS) FOR THE YEAR

GROUP DKK '000	2008/09	2007/08
Current tax	8,878	9,661
Changes in deferred tax	565	(5,024)
	9,443	**4,637**
Changes in deferred tax resulting from a reduction in the income tax from 28% to 25%	0	(9,125)
Adjustment of deferred tax, previous years	0	(15)
Adjustment of current tax, previous years	65	705
	65	(8,435)
	9,508	**(3,798)**

The current income tax for the financial year for the Danish consolidated enterprises has been calculated on the basis of a tax rate of 25% (2007/08: 25%). For foreign consolidated enterprises, the tax rate applicable to the country in question has been used.

	2008/09 DKK '000	2008/09 %	2007/08 DKK '000	2007/08 %
Profit/(loss) before tax	35,129		16,310	
Calculated tax thereon	8,782	25.0	4,077	25.0
Non-tax-deductible income and expenses	(644)	(1.8)	328	2.0
Effect of differences in the tax rates of foreign subsidiaries	1,345	3.8	328	2.0
Share of profit/(loss) in associates	(40)	(0.1)	(96)	(0.6)
	9,443	**26.9**	**4,637**	**28.4**

12. EARNINGS PER SHARE AND DILUTED EARNINGS

GROUP DKK '000	2008/09	2007/08
Earnings per share and diluted earnings per share (DKK per share of DKK 10)	4.4	3.4
The basis of calculation of earnings per share and diluted earnings per share is as follows: Profit distributed to the shareholders of the parent used in connection with the calculation of earnings per share	25,673	20,153

	2008/09 NO. OF DKK 10	2007/08 NO. OF DKK 10
Average number of shares	6,000,000	6,000,000
Average number of treasury shares	(172,699)	(50,000)
Number of shares used to calculate earnings per share (no.)	**5,827,301**	**5,950,000**
Average dilution effect of outstanding pre-emption rights etc. (no.)	0	0
Number of shares used to calculate diluted earnings per share (no.)	**5,827,301**	**5,950,000**

13. DIVIDEND

On 21 August 2008, the company distributed ordinary dividend of DKK 9,000k to its shareholders, corresponding to DKK 1.50 per DKK 10 share. (2006/07: 9,000k, corresponding to DKK 1.50 per DKK 10 share).

The Board of Directors recommends to the annual general meeting that a dividend be paid in the amount of DKK 1.50 per share, corresponding to a total of DKK 9.0 million.

14. INTANGIBLE ASSETS

GROUP

	DEVELOPMENT PROJECT DKK '000	RIGHTS DKK '000	SOFTWARE DKK '000	INTANGIBLE ASSETS UNDER CONSTRUCTION DKK '000
Cost as at 1 May 2008	0	5,723	369	289
Reclassification of additions, beginning of year	1,335	0	0	0
Foreign currency translation adjustment	0	(11)	0	0
Addition in connection with acquisition of enterprise	0	0	0	0
Additions	1,753	0	1,229	1,779
Disposals	0	0	0	0
Cost as at 30 April 2009	**3,088**	**5,712**	**1,598**	**2,068**
Amortisation and impairment losses as at 1 May 2008	0	0	49	0
Foreign currency translation adjustment	0	0	0	0
Amortisation for the year	814	0	217	0
Reversal in connection with disposals	0	0	0	0
Amortisation and impairment losses as at 30 April 2009	**814**	**0**	**266**	**0**
Carrying amount as at 30 April 2009	**2,274**	**5,712**	**1,332**	**2,068**

Rights which have an indefinable useful life and therefore cannot be amortised are recognised as at 30 April 2009 by 5,712k (2008: DKK 5,723k). The item concerns the Estonian Puls brand. The management believes that the useful life of the brand is indefinable as the brand is well established on the Estonian market and because it is believed to be profitable over a longer period of time. The current and planned marketing efforts will contribute to maintaining and enhancing the value of the brand.

	DEVELOPMENT PROJECT DKK '000	RIGHTS DKK '000	SOFTWARE DKK '000	INTANGIBLE ASSETS UNDER CONSTRUCTION DKK '000
Cost as at 1 May 2007	0	0	0	0
Foreign currency translation adjustment	0	0	0	0
Addition in connection with acquisition of enterprise	0	5,723	0	0
Additions	0	0	369	289
Disposals	0	0	0	0
Cost as at 30 April 2008	**0**	**5,723**	**369**	**289**
Amortisation and impairment losses as at 1 May 2007	0	0	0	0
Foreign currency translation adjustment	0	0	0	0
Amortisation for the year	0	0	49	0
Reversal in connection with disposals	0	0	0	0
Amortisation and impairment losses as at 30 April 2008	**0**	**0**	**49**	0
Carrying amount as at 30 April 2008	**0**	**5,723**	**320**	**289**

15. PROPERTY, PLANT AND EQUIPMENT

GROUP
DKK '000

	LAND AND BUILDINGS	PLANT AND MACHINERY	OTHER PLANT ETC.	SPARE PARTS FOR OWN MACHINERY	PLANT UNDER CON-STRUCTION
Cost as at 1 May 2008	565,396	1,099,847	167,277	4,707	13,216
Reclassification, beginning of year	0	148	(148)	0	(17)
Foreign currency translation adjustment	(318)	1,503	912	0	(13)
Additions	20,390	84,989	10,477	759	35,967
Disposals	(6,527)	(11,484)	(2,677)	(1,256)	(13,815)
Reclassification of non-current assets held for sale	(4,042)	0	0	0	0
Cost as at 30 April 2009	**574,899**	**1,175,003**	**175,841**	**4,210**	**35,338**
Depreciation and impairment losses as at 1 May 2008	235,623	698,430	123,181	0	0
Reclassification, beginning of year	0	0	0	0	0
Foreign currency translation adjustment	(71)	2,078	783	0	0
Depreciation for the year	23,833	79,367	17,681	0	0
Reversal in connection with disposals	(3,092)	(10,861)	(2,050)	0	0
Reclassification of non-current assets held for sale	(800)	0	0	0	
Depreciation and impairment losses as at 30 April 2009	**255,493**	**769,014**	**139,595**	**0**	**0**
Carrying amount as at 30 April 2009	**319,406**	**405,989**	**36,246**	**4,210**	**35,338**

The carrying amount of mortgaged land and buildings totals DKK 202,243k. Land and buildings include the carrying amount of buildings on leased land amounting to DKK 33,102k. During the financial year, DKK 1,283k has been capitalised in the form of borrowing costs in connection with the construction of assets for which the construction period exceeds six months.

	LAND AND BUILDINGS	PLANT AND MACHINERY	OTHER PLANT ETC.	SPARE PARTS FOR OWN MACHINERY	PLANT UNDER CON-STRUCTION
Cost as at 1 May 2007	515,699	1,004,371	156,841	5,298	122,381
Reclassification, beginning of year	0	0	(4,812)	0	0
Foreign currency translation adjustment	209	610	61	0	(228)
Addition in connection with acquisition of enterprise	0	50	335	0	0
Additions	49,488	110,865	19,565	717	13,662
Disposals	0	(16,049)	(4,713)	(1,308)	(122,599)
Cost as at 30 April 2008	**565,396**	**1,099,847**	**167,277**	**4,707**	**13,216**
Depreciation and impairment losses as at 1 May 2007	214,033	644,094	111,466	0	0
Reclassification, beginning of year	0	0	(1,701)	0	0
Foreign currency translation adjustment	52	355	48	0	0
Depreciation for the year	21,538	69,803	17,596	0	0
Reversal in connection with disposals	0	(15,822)	(4,228)	0	0
Depreciation and impairment losses as at 30 April 2008	**235,623**	**698,430**	**123,181**	**0**	**0**
Carrying amount as at 30 April 2008	**329,773**	**401,417**	**44,096**	**4,707**	**13,216**

The carrying amount of mortgaged land and buildings totals DKK 212,503k.
Land and buildings include the carrying amount of buildings on leased land amounting to DKK 37,944k.

16. INVESTMENTS IN ASSOCIATES

GROUP DKK '000	2009	2008
Cost as at 1 May	1,751	537
Additions	0	1,400
Reclassification for financial assets available for sale	0	(186)
Cost as at 30 April	**1,751**	**1,751**
Revaluation and impairment losses as at 1 May	1,739	254
Share of net profit/(loss) for the year, cf. note 8	1,493	1,298
Reclassification for financial assets available for sale etc.	0	187
Elimination of share of treasury shares	(374)	0
Revaluation and impairment losses as at 30 April	**2,858**	**1,739**
Carrying amount as at 30 April	**4,609**	**3,490**

Investments in associates are measured in the consolidated financial statements according to the equity method less any impairment losses.

Investments in associates comprise:
Best Poultry International A/S, Copenhagen, share capital of DKK 4,500k, ownership interest of 33.9%.
APM Danmark A/S, Slagelse, share capital of DKK 1,115k, ownership interest of 20.30%. The group's share of the net loss for the year totals DKK 1,792k. This amount does not include DKK 1,792k. The group's share of the accumulated loss carried forward as at 30 April 2009 totals DKK 3,398k. This amount does not include DKK 3,286k.

Ownership interests etc. in other associates are consistent with those of last year.

Key figures for associates:	2009	2008
Assets	110,058	84,371
Liabilities	(110,909)	(81,415)
Net assets as at 30 April	**(851)**	**2,956**
Share of net assets as at 30 April	**5,192**	**3,490**
Net profit/(loss) for the year	**(4,419)**	**595**
Share of net profit/(loss) for the year	**(298)**	**783**

17. FINANCIAL ASSETS AVAILABLE FOR SALE

GROUP DKK '000	2009	2008
Cost as at 1 May	2,199	2,202
Additions	309,275	0
Disposals	(1,387)	(3)
Cost as at 30 April	**310,087**	**2,199**
Revaluation and impairment losses as at 1 May	262	845
Adjustments for the year	(21,581)	(583)
Revaluation and impairment losses as at 30 April	**(21,319)**	**262**
Carrying amount as at 30 April	**288,768**	**2,461**
Listed shares	350	954
Unlisted shares	5,147	1,507
Listed mortgage credit bonds	283,271	0
	288,768	**2,461**

Financial assets available for sale are measured at fair value at the balance sheet date.

18. INVENTORIES

Raw materials, intermediates and non-returnable packaging	64,300	64,359
Finished goods and goods for resale	54,168	50,286
	118,468	**114,645**

19. TRADE RECEIVABLES

GROUP DKK '000	2009	2008
Trade receivables	**267,427**	**237,393**
Write-downs made for expected losses	**1,147**	**565**
Write-down as at 1 May	565	1,462
Ascertained losses and payments received concerning claims previously written off for the year	1,036	653
Reversed write-downs	0	(897)
Write-downs made for expected losses for the year	(454)	(653)
	1,147	**565**
Write-downs for the year recognised in the income statement	1,618	116

Direct write-downs of receivables are made if the value, based on an individual assessment of the individual debtor's ability to pay, is reduced, e.g. as a result of a suspension of payments etc. Write-downs are made at the calculated net realisable value.
All major overdue receivables have been written off as at the balance sheet date.

20. OTHER RECEIVABLES

Investment grant receivable	29,635	0
Other receivables	5,294	10,853
	34,929	**10,853**

Other receivables are not associated with any special credit risks and like last year, no write-downs of these are included. None of the receivables are overdue.

21. ASSETS HELD FOR SALE

The Board of Directors of Harboes Bryggeri A/S has decided to sell one of its residential properties. The sale of the property will be handled by a nationwide firm of estate agents. The property is expected to sell within 12 months. The assets and liabilities of the property have been reclassified in the balance sheet as at 30 April 2009 as assets held for sale.
Proceeds from the sale are expected to correspond to the carrying amount of assets and liabilities.

GROUP DKK '000	2008/09	2007/08
Property, plant and equipment	3,242	0
Assets held for sale	**3,242**	**0**
Payables in respect of assets held for sale	(2,987)	0
Net assets held for sale	**255**	**0**

22. CASH

Cash and bank deposits	**59,864**	**12,310**

The carrying amount of cash and cash equivalents corresponds to the fair value of such cash and cash equivalents. The group has undrawn credit facilities totalling DKK 41.8 million as at 30 April 2009 (2007/08: DKK 95.6 million).

23. SHARE CAPITAL

GROUP

The share capital amounts to DKK 60,000k, distributed on DKK 6,400k of Class A shares and 53,600k of Class B shares.
Each Class A share of DKK 10 carries 10 votes, and each Class B share of DKK 10 carries 1 vote.
The shares have been paid in full.

The Class B shares are listed on NASDAQ OMX Copenhagen.

The past four years have not seen any movements in the share capital.

24. TREASURY SHARES

	2009 NO. OF DKK 10	2008 NO. OF DKK 10	NOMINAL VALUE 2009 DKK '000	NOMINAL VALUE 2008 DKK '000	SHARE OF SHARE CAPITAL 2009 %	SHARE OF SHARE CAPITAL 2008 %
Treasury shares as at 1 May	50,000	50,000	500	500	0.8	0.8
Purchase of treasury shares	242,312	0	2,423	0	4.1	0.0
Sale of treasury shares	0	0	0	0	0.0	0.0
Treasury shares as at 30 April	**292,312**	**50,000**	**2,923**	**500**	**4.9**	**0.8**

Harboes Bryggeri A/S holds treasury Class B shares which have been acquired to ensure optimal investment of cash funds.

According to a decision made at the general meeting held on 21 August 2008, the company can acquire treasury shares at a maximum nominal value of DKK 6,000k, corresponding to 10% of the share capital, until the next annual general meeting.

In 2008/09, the company acquired treasury shares at a nominal value of 2,423k at an average price of 104.42, corresponding to DKK 25.3 million (2007/08: no trade) No treasury shares were sold in the period.

25. DEFERRED TAX LIABILITIES

GROUP
DKK '000

	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
Deferred tax as at 1 May 2007	0	51,081
Foreign currency translation adjustment	20	29
Changes in deferred tax recognised in the income statement	2,073	(12,091)
Changes in deferred tax offset against tax receivable	0	(1,243)
Deferred tax as at 30 April 2008	**2,093**	**37,776**
Foreign currency translation adjustment	(168)	(29)
Changes in deferred tax recognised in the income statement	(350)	215
Changes in deferred tax offset against tax receivable	0	1,618
Deferred tax as at 30 April 2009	**1,575**	**39,580**

	2009	2008
Deferred tax has been recognised in the balance sheet as follows:		
Deferred tax assets	(1,575)	(2,093)
Deferred tax liabilities	39,580	37,776
Deferred tax as at 30 April	**38,005**	**35,683**
Distribution of the distributable reserves of AS Viru Õlu, Haljala, Estonia will trigger an unprovided tax of	**299**	**1,344**

GROUP
DKK '000

25. Deferred tax liabilities, continued

	01.05	RECOGNISED IN THE INCOME STATEMENT	RECLASSI-FICATION	RECOGNISED IN EQUITY	30.04
Non-current assets	38,840	(1,794)	0	(29)	37,017
Current assets	2,288	843	0	0	3,131
Current liabilities	(1,053)	565	0	0	(488)
Tax losses carried forward	(2,299)	601	0	1,618	(80)
Temporary differences	**37,776**	**215**	**0**	**1,589**	**39,580**
Tax losses carried forward	(2,093)	350	0	168	(1,575)
Unutilised tax losses	**(2,093)**	**350**	**0**	**168**	**(1,575)**
Deferred tax 2009	**35,683**	**565**	**0**	**1,757**	**38,005**
Non-current assets	51,191	(12,380)	0	29	38,840
Current assets	1,201	1,087	0	0	2,288
Current liabilities	(1,311)	258	0	0	(1,053)
Tax losses carried forward	0	(1,056)	(1,243)	0	(2,299)
Temporary differences	**51,081**	**(12,091)**	**(1,243)**	**29**	**37,776**
Tax losses carried forward	0	(2,073)	0	(20)	(2,093)
Unutilised tax losses	**0**	**(2,073)**	**0**	**(20)**	**(2,093)**
Deferred tax 2008	**51,081**	**(14,164)**	**(1,243)**	**9**	**35,683**

26. REPURCHASE OBLIGATION, RETURNABLE PACKAGING

GROUP DKK '000	2009	2008
Repurchase obligations as at 1 May	36,298	31,489
Applied and reversed during the financial year, net	(661)	4,809
Repurchase obligations as at 30 April	**35,637**	**36,298**
Provisions have been recognised in the balance sheet as follows:		
Current liabilities	35,637	36,298
Non-current liabilities	0	0
	35,637	**36,298**

The repurchase obligation has been adjusted on the basis of the net sale of returnable packaging for the year less an estimated wastage in the volume of returnable packaging in circulation.

27. MORTGAGE DEBT

GROUP DKK '000	2009	2008
Mortgage debt secured upon real property	**323,123**	**28,671**
Mortgage debt falls due as follows:		
On demand within one year from the balance sheet date	5,818	133
Between two and five years from the balance sheet date	127,432	319
After five years from the balance sheet date	189,873	6,400
	323,123	**6,852**
Mortgage debt has been recognised in the balance sheet as follows:		
Current liabilities	5,682	5,559
Non-current liabilities	317,441	23,112
	323,123	**28,671**

	CURRENCY	EXPIRY	FIXED/ FLOATING	EFFECTIVE INTEREST RATE %	AMORTISED COST DKK '000	NOMINAL VALUE DKK '000	FAIR VALUE DKK '000
Mortgage debt	DKK	2012	Floating	4.5	16,393	19,035	19,366
Mortgage debt	DKK	2028	Floating	4.0-5.0	2,774	2,873	2,819
Mortgage debt	DKK	2019	Floating	4.8-5.6	237,533	237,533	222,378
Mortgage debt	DKK	2029	Floating	4.8-5.6	66,423	64,423	62,184
30 April 2009				**323,123**	**323,867**	**306,747**	
Mortgage debt	DKK	2012	Floating	4.5	21,819	24,898	24,540
Mortgage debt	DKK	2028	Floating	4.5-5.0	6,852	6,950	6,602
30 April 2008					**28,671**	**31,848**	**31,142**

The fair value has been determined at the present value of expected future instalments and interest payments using the current market interest rate as the discount rate.

28. OTHER CREDIT INSTITUTIONS

GROUP DKK '000	2009	2008
Loans	**136,621**	**63,635**
Other credit institutions fall due as follows:		
On demand within one year from the balance sheet date	135,436	60,196
Between two and five years from the balance sheet date	1,185	3,439
After five years from the balance sheet date	0	0
	136,621	**63,635**
Other credit institutions have been recognised in the balance sheet as follows:		
Current liabilities	135,436	60,196
Non-current liabilities	1,185	3,439
	136,621	**63,635**

	CURRENCY	EXPIRY	FIXED/ FLOATING	EFFECTIVE INTEREST RATE %	AMORTISED COST DKK '000	NOMINAL VALUE DKK '000	FAIR VALUE DKK '000
Loans	EUR	2011	Fixed	6.7	3,433	3,553	3,354
Overdraft facility	EUR	2009	Floating	2.2-4.2	3,423	3,423	3,423
Overdraft facility	EUR	2009	Floating	2.7-4.2	29,765	29,765	29,765
Overdraft facility	EUR	2009	Fixed	4.0	100,000	100,000	100,000
30 April 2009					**136,621**	**136,579**	**136,642**
Loans	EUR	2011	Fixed	5.3-6.9	9,186	9,426	8,631
Overdraft facility	EUR	2009	Floating	5.0-5.5	12,347	12,347	12,347
Overdraft facility	DKK	2009	Floating	5.0-5.5	42,102	42,102	42,102
30 April 2008					**63,635**	**63,875**	**63,080**

The fair value has been determined at the present value of expected future instalments and interest payments using the current market interest rate as the discount rate.

29. OTHER PAYABLES

GROUP DKK '000	2009	2008
Wages and salaries, holiday pay, income tax deducted at source, social contributions etc. payable	9,330	6,517
Holiday pay obligations etc.	6,115	5,473
VAT and taxes payable	42,717	24,194
Other costs payable	47,516	35,729
	105,678	**71,913**

Holiday pay obligations etc. cover obligations to pay wages and salaries during holidays, to which employees, as at the balance sheet date, have earned a right to take in the following financial year.

The carrying amount of payables concerning wages and salaries, income tax deducted at source, social contributions, holiday pay etc., derivative financial instruments, VAT and taxes as well as other costs payable corresponds to the fair value of such liabilities.

30. OPERATING LEASE COMMITMENTS

GROUP DKK '000	2009	2008

For the years 2007-2015, operating leases concerning the lease of properties, machinery and other plant have been entered into. The leases have been entered into for a minimum of 3-20 years with fixed lease payments to be indexed annually. The leases are interminable within the period stated, after which they may be renewed for periods of one year.

Minimum lease payments recognised in the income statement	**10,363**	**9,043**
The minimum lease payments comprise:		
Production	3,420	2,024
Distribution	342	460
Administration	602	709
Other operating expenses	5,999	5,850
	10,363	**9,043**

The total future minimum lease payments for interminable leases fall due for payment as follows:

Within one year from the balance sheet date	10,144	9,479
Between two and five years from the balance sheet date	22,893	24,922
After five years from the balance sheet date	4,179	8,146
	37,216	**42,547**

The group has entered into leases in respect of land and buildings. The leases have been entered into with companies having Bernhard Griese, CEO, and his close relatives as main shareholders.
The leases registered on the individual properties are interminable until the year 2020 on the part of the lessor and until 2010-2014 on the part of the lessee. The annual rent amounts to DKK 6,240k (2007/08: DKK 6,103k). The total future minimum lease payments in the period of interminability amount to DKK 28,841k. The amount is contained in the figures above.

GROUP DKK '000	2009	2008

30. Operating lease commitments, continued

Sublease

Effective from 1 May 2007, the group has concluded an agreement on the sublease of buildings for a period of five years. The lease is interminable by either party during the lease period. The amount is included in the figures above.

Negotiations have been initiated with the lessee on a renewal of the existing leases for another five years.

The total future minimum lease payments for interminable leases fall due as follows:

	2009	2008
Within one year from the balance sheet date	5,192	5,272
Between two and five years from the balance sheet date	15,352	15,816
After five years from the balance sheet date	0	0
	20,544	**21,088**

31. CONTINGENT LIABILITIES, SECURITY AND CONTRACTUAL OBLIGATIONS

GROUP DKK '000	2009	2008

Security

Mortgage debt has been secured by way of a mortgage over properties with associated plant and machinery (mortgaged fixtures and fittings) as well as listed mortgage credit bonds.

Carrying amount of mortgaged properties	**202,243**	**87,920**
Carrying amount of mortgaged mortgage credit bonds	**283,271**	**0**

Mortgage deed registered to the mortgagor with a nominal value of DKK 750k over Danish properties is kept in own depository.

As security for bank debt, a mortgage deed with a nominal value of EUR 0k (2007/08: EUR 16,362k) or DKK 0k (2007/08: DKK 122,090k) over foreign properties and production facilities is kept in depository.

Carrying amount of mortgaged properties	**0**	**124,583**

The parent has provided a guarantee for the mortgage debt of the group's associates.
The guarantee has been maximised to DKK 2,000k.

Debt of associates	**15,954**	**3,476**

Contingent liabilities/contractual obligations

Government grants received have been used to purchase property, plant and equipment and to establish production facilities at Darguner Brauerei GmbH. The grants are subject to certain conditions being fulfilled, and repayment of the grants may be requested within a period of five years if the assets are disposed of or production is discontinued. No current repayment obligation exists.

No pending court cases etc. exist which are deemed by the management to have a serious negative impact on the financial standing of the parent and the group apart from what has already been disclosed in the annual report.

The parent has concluded agreements on the purchase of plant and machinery as per 30 April 2009, primarily for the production of malt extract. The contractual obligation totals DKK 4.4 million as at the balance sheet date.

32. CHANGES IN WORKING CAPITAL

GROUP DKK '000	2009	2008
Changes in inventories	(3,992)	(12,500)
Changes in trade receivables	(30,034)	(18,535)
Changes in other receivables	5,194	3,786
Changes in trade payables etc.	14,099	(3,819)
Changes in other debt	38,149	(2,332)
	23,416	**(33,400)**

33. CASH AND CASH EQUIVALENTS

Cash and bank deposits	59,864	12,310
Overdraft facilities	(133,188)	(54,449)
	(73,324)	**(42,139)**

34. FEE TO THE AUDITORS OF THE PARENT APPOINTED BY THE GENERAL MEETING

GROUP DKK '000	2009	2008
Fee to the auditors for the financial year comprises:		
Audit		
Deloitte	1,362	1,394
Other	217	227
	1,579	**1,621**
Non-audit services		
Deloitte	212	271
Other	22	22
	234	**293**

35. FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

Categories of financial instruments		
Trade receivables	267,427	237,393
Receivables from associates	4,377	5,053
Other receivables	34,929	10,853
Cash	59,864	12,310
Receivables in respect of assets held for sale	3,242	0
Loans and receivables	**369,839**	**265,609**
Financial assets available for sale	**288,768**	**2,461**

GROUP DKK '000	2009	2008

35. Financial risks and financial instruments, continued

	2009	2008
Mortgage debt	323,123	28,671
Other credit institutions	136,621	63,635
Trade payables	200,136	186,087
Repurchase obligation, returnable packaging	35,637	36,298
Payables to associates	11,377	6,473
Other payables	105,678	71,913
Financial liabilities in respect of assets held for sale	2,987	0
Financial liabilities measured at amortised cost	**815,559**	**393,077**

Financial risk management policy
Please refer to the section on risks in the management's review on page 26.

Currency risks concerning recognised assets and liabilities
The group's sale and purchase of goods in foreign currencies primarily takes place in EUR and, to a lesser extent, EEK, SEK and PLZ. No forward exchange contracts or similar have been concluded as at the balance sheet date as the management estimates that the group's currency risk is limited. The company's unhedged currency positions as at the balance sheet date can be specified as follows:

DKK '000	CASH AND CASH EQUIVALENTS	RECEIVABLES	PAYABLES	NET POSITION
EUR	1,933	167,871	(596,554)	(426,750)
SEK	15,137	8,044	(431)	22,750
EEK	4,211	13,536	(11,350)	6,397
PLZ	209	3,250	(957)	2,502
30 April 2009	**21,490**	**192,701**	**(609,292)**	**(395,101)**
EUR	7,639	143,335	(163,764)	(12,790)
SEK	532	5,828	(2,155)	4,205
EEK	1,613	11,294	(10,356)	2,551
PLZ	310	2,557	(354)	2,513
30 April 2008	**10,094**	**163,014**	**(176,629)**	**(3,521)**

GROUP **DKK '000**	**2008/09**	**2007/08**
35. Financial risks and financial instruments, continued		
Equity's sensitivity to exchange rate fluctuations		
Effect if the EUR exchange rate was 1% lower than the actual exchange rate	4,140	(267)
Effect if the SEK exchange rate was 5% lower than the actual exchange rate	(1,632)	(297)
Effect if the EEK exchange rate was 5% lower than the actual exchange rate	(124)	79
Effect if the PLZ exchange rate was 5% lower than the actual exchange rate	(11)	(87)
	2,373	**(572)**
The results' sensitivity to exchange rate fluctuations		
Effect if the EUR exchange rate was 1% lower than the actual exchange rate	(128)	(363)
Effect if the SEK exchange rate was 5% lower than the actual exchange rate	(494)	(140)
Effect if the EEK exchange rate was 5% lower than the actual exchange rate	196	172
Effect if the PLZ exchange rate was 5% lower than the actual exchange rate	115	8
	(311)	**(323)**

The group's most significant exchange rate exposure concerns EUR, SEK, EEK and PLZ. The above shows the effect it would have had on equity and the net profit/loss for the year, respectively, if the exchange rate had been 1% and 5% lower than the actual exchange rate applied. If the exchange rate had been higher, it would have had an opposite effect on equity and the net profit/loss for the year, respectively.

Currency risks concerning future cash flows

The group's most significant currency exposure is also expected to concern transactions in the above-mentioned currencies in future. The transactions are expected to be at the level realised in 2008/09.

No financial contracts in the form of forward exchange contracts or similar have been concluded as at the balance sheet date as the management estimates that there are no significant risks associated with future cash flows in foreign currencies.

Interest rate risks

Due to the Harboe group's capital structure, the risk relating to fluctuations in market interest rates is limited. The group's net interest-bearing debt as at 30 April 2009 was DKK 119.6 million (2008: DKK 80.0 million). The debt carries a floating rate of interest.
An increase in the market interest rate of 1% would affect the profit/loss for the year before tax negatively by approx. DKK 1.2 million (2007/08: approx. DKK 0.8 million).

The fair value of the interest rate swaps outstanding at the balance sheet date for hedging interest rate risks relating to floating-rate loans amounts to DKK 99.8 million (2007/08: DKK 0). The outstanding interest rate swaps have a nominal value of DKK 100.9 million and run until 2010.

GROUP DKK '000	2008/09	2007/08

35. Financial risks and financial instruments, continued

Fair value of interest rate swaps (EUR 13,400k)	**99,809**	**0**
Interest falls due for payment as follows:		
Within one year from the balance sheet date	1,632	0
Between two and five years from the balance sheet date	1,088	0
After five years from the balance sheet date	0	0
	2,720	**0**

Liquidity risks

The due dates of financial liabilities are specified in the notes for the individual categories of liabilities. The group and the parent's liquidity reserve consists of cash and unutilised credit facilities.

The liquidity reserve is comprised as follows:		
Cash	59,864	12,310
Unutilised credit facilities	41,812	95,551
	101,676	**107,861**

Credit risks

The group's primary credit risk concerns trade receivables. The group's customers are mainly large retail chains in Scandinavia, Germany and Estonia. The group has no significant credit risks relating to a single customer or partner.

Capital structure

The company's management estimates, on a regular basis, whether the group's capital structure matches the interests of the company and its shareholders. The group's overall objective is to ensure a capital structure that maintains a high level of financial resources at all times to enable investments in continued organic growth and value creation by constantly adapting to market developments and meeting customer requirements.

The group aims for its financial resources to be made up of its own funds and for them to be flexible enough to allow for growth through acquisitions or participation in large partnerships. The group's general strategy is consistent with previous years.

See also the section in the management's review on financial objectives, page 16.

The group's financial gearing appears from the financial highlights on page 6.

36. RELATED PARTIES

Related parties with a controlling influence
The following parties have a controlling influence on the parent and the group:

Name	**Domicile**	**Basis of control**
Kirsten and Bernhard Griese	Spegerborgvej 4, 4230 Skælskør, Denmark	Shareholder with the majority of the voting rights

For an overview of associates, please refer to note 16.

Transactions with related parties
During the financial year, the group has engaged in the following transactions with its related parties:

DKK ’000	Owners with a controlling interest in Harboes Bryggeri A/S*	Associates	Members of the Board of Directors, the Board of Executives and other key staff members	Other related parties	Total
2008/09					
Purchase of goods	6,917	179,175	0	125	186,217
Sale of non-current assets	0	0	0	3,150	3,150
Purchase of non-current assets	0	0	0	320	320
Sale of services	132	0	0	0	132
Purchase of services	1,340	0	0	4,572	5,912
Sale of lease	126	5,192	0	0	5,318
Purchase of lease	6,240	0	0	0	6,240
Fees etc.	4,510	0	10,328	193	15,031
Deposits, leases	2,186	0	0	0	2,186
Trade receivables etc.	51	3,608	0	0	3,659
Trade payables etc.	2,578	11,378	0	626	14,582
Security, cf. note 31	0	2,000	0	0	2,000
Distribution of dividend	1,180	0	24	6	1,210

36. Related parties, continued

DKK '000	Owners with a controlling interest in Harboes Bryggeri A/S*	Associates	Members of the Board of Directors, the Board of Executives and other key staff members	Other related parties	Total
2007/08					
Purchase of goods	6,110	181,611	0	6	187,727
Sale of non-current assets	0	0	4,000	0	4,000
Sale of services	183	0	0	0	183
Purchase of services	2,977	0	0	378	3,355
Sale of lease	193	5,676	0	0	5,869
Purchase of lease	6,103	0	0	0	6,103
Fees etc.	4,328	0	10,100	167	14,595
Deposits, leases	2,148	0	0	0	2,148
Trade receivables etc.	0	5,053	0	0	5,053
Trade payables etc.	537	6,473	0	94	7,104
Security, cf. note 31	0	2,000	0	0	2,000
Distribution of dividend	1,180	0	50	6	1,236

*) Including transactions with other companies having Bernhard Griese, CEO, as the main shareholder.

The purchase and sale of goods to related parties has been conducted at the normal selling prices of the group.

No security was provided and no guarantees were given in respect of outstanding balances as at the balance sheet date. Both receivables and payables will be settled in cash. During the financial year, no bad debts in respect of related parties were realised and no write-downs were made for probable losses.

The group has entered into leases in respect of land and buildings. The leases have been entered into with companies having Bernhard Griese, CEO, and his close relatives as main shareholders.
The leases registered on the individual properties are interminable until the year 2020 on the part of the lessor and until 2010-2013 on the part of the lessee. The annual rent amounts to DKK 6,240k (2007/08: DKK 6,103k). The total future minimum lease payments in the period of interminability amount to DKK 28,841k, cf. note 30.

Remuneration etc. of the Board of Directors, the Board of Executives and other key staff members
Please refer to note 5 for information on remuneration paid to the Board of Directors, the Board of Executives and other key staff members. The remuneration is included in the above.

INCOME STATEMENT FOR 2008/09

PARENT DKK '000	NOTE	2008/2009	2007/2008
Gross revenue		748,444	646,993
Taxes on beer and soft drinks		(160,338)	(144,506)
Revenue		**588,106**	**502,487**
Production costs	1	(465,495)	(414,819)
Gross profit/(loss)		**122,611**	**87,668**
Distribution costs		(91,766)	(82,960)
Administrative expenses		(23,373)	(21,682)
Operating profit/(loss) (EBIT)		**7,472**	**(16,974)**
Income from investments in subsidiaries	4	-	-
Financial income	5	3,088	1,570
Financial expenses	6	(4,948)	(4,824)
Profit/(loss) before tax		**5,612**	**(20,228)**
Tax on profit/(loss) for the year	7	(2,096)	4,740
Adjustment of tax regarding previous years	7	(28)	1,572
Net profit/(loss) for the year		**3,488**	**(13,916)**
Proposal for the distribution of net profit			
Dividend for the financial year		9,000	9,000
Retained earnings		(5,512)	(22,916)
		3,488	**(13,916)**

BALANCE SHEET AS AT 30 APRIL 2009

PARENT DKK '000	NOTE	2009	2008
Development projects		2,274	0
Software		1,253	255
Intangible assets under construction		2,068	289
Intangible assets	**8**	**5,595**	**544**
Land and buildings		110,992	117,787
Plant and machinery		176,143	148,254
Other plant, fixtures and fittings, tools and equipment		30,244	36,563
Spare parts for own machinery		4,210	4,707
Property, plant and equipment under construction		6,618	6,254
Property, plant and equipment	**9**	**328,207**	**313,565**
Investments in subsidiaries	10	137,564	143,781
Financial assets available for sale	11	5,497	2,461
Receivables from subsidiaries	11	30,215	27,660
Financial assets		**173,276**	**173,902**
Non-current assets		**507,078**	**488,011**
Inventories	**12**	**46,764**	**39,113**
Trade receivables	13	103,720	84,785
Receivables from subsidiaries		3,087	3,635
Other receivables	14	542	1,062
Income tax receivable		0	1,327
Prepayments		906	2,573
Receivables		**108,255**	**93,382**
Cash	**15**	**43,286**	**6,392**
Assets held for sale	**16**	**3,242**	**0**
Current assets		**201,547**	**138,887**
Assets		**708,625**	**626,898**

BALANCE SHEET AS AT 30 APRIL 2009

PARENT DKK '000	NOTE	2009	2008
Share capital	17/18	60,000	60,000
Share premium		51,000	51,000
Reserves		(2,775)	262
Retained earnings		225,651	256,389
Equity		**333,876**	**367,651**
Mortgage debt	21	2,652	6,719
Deferred tax liabilities	19	32,591	32,113
Non-current liabilities		**35,243**	**38,832**
Mortgage debt	21	122	133
Bank debt	22	129,765	42,102
Trade payables		83,801	79,161
Repurchase obligation, returnable packaging	20	32,494	30,444
Payables to subsidiaries		15,056	21,780
Other payables	23	73,924	46,795
Income tax payable		1,357	0
		336,519	**220,415**
Liabilities in respect of assets held for sale	**16**	**2,987**	**0**
Current liabilities		**339,506**	**220,415**
Liabilities		**374,749**	**259,247**
Equity and liabilities		**708,625**	**626,898**

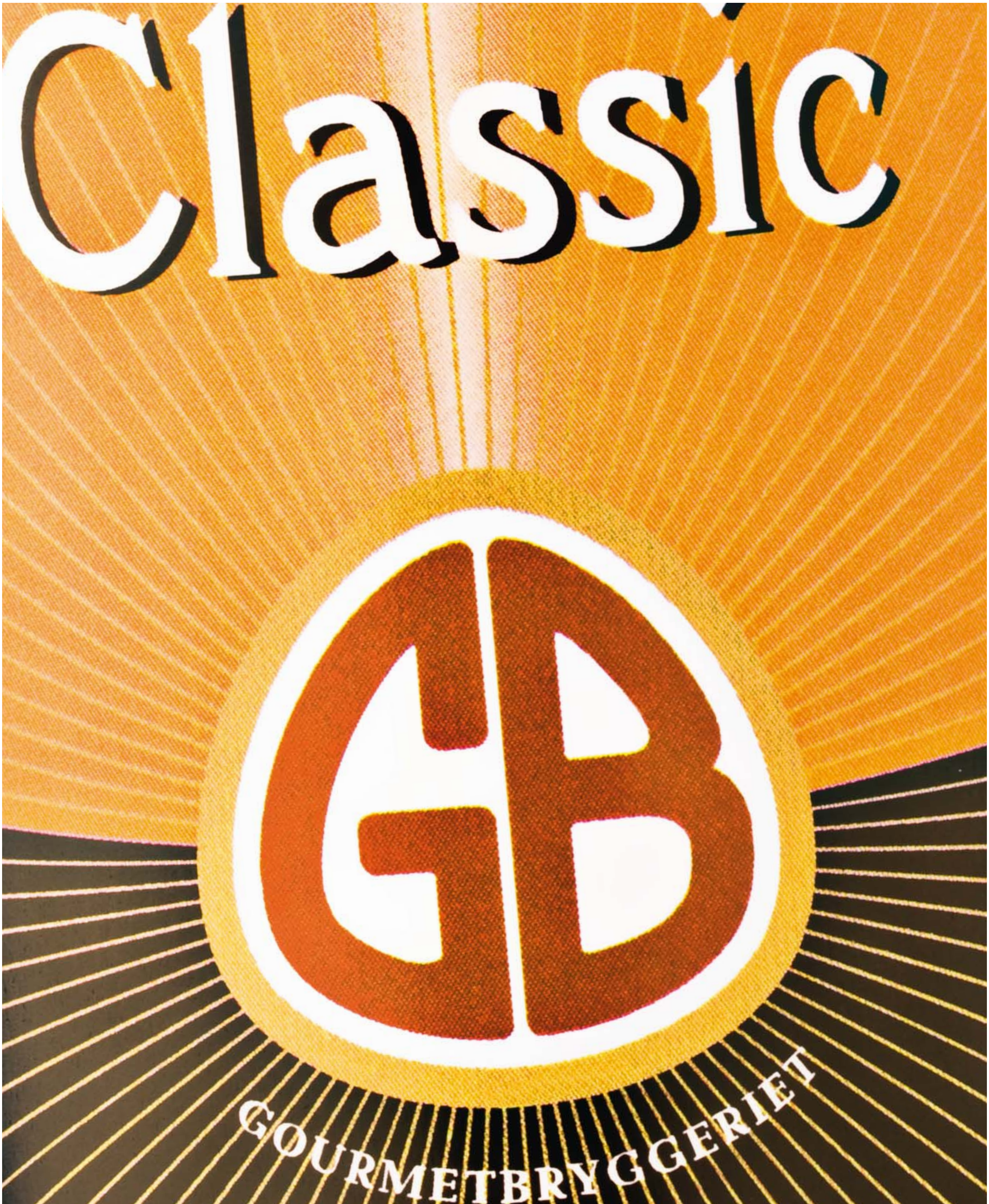
CASH FLOW STATEMENT FOR 2008/09

PARENT DKK '000	NOTE	2008/2009	2007/2008
Operating profit/(loss) (EBIT)		7,472	(16,974)
Depreciation, amortisation, impairment losses and write-downs		58,000	53,419
Changes in net working capital	26	5,434	17,250
Cash flows from operating activities		**70,906**	**53,695**
Financial income received		3,088	1,570
Financial expenses paid		(5,999)	(4,824)
Income tax paid		1,289	667
Cash flows from operating activities		**69,284**	**51,108**
Purchase of intangible assets		(4,445)	(583)
Purchase of property, plant and equipment		(76,252)	(30,013)
Sale of property, plant and equipment		3,795	41
Changes in financial assets		897	(82)
Reclassification and additional loans to subsidiary		(2,555)	(27,660)
Cash flows from investing activities		**(78,560)**	**(58,297)**
Dividend paid to shareholders of parent		(8,925)	(8,925)
Purchase of treasury shares		(25,301)	0
Repayment of mortgage debt		(1,091)	(3,889)
Proceeds from the raising of financial liabilities		0	3,164
Cash flows from financing activities		**(35,317)**	**(9,650)**
Changes in cash and cash equivalents		**(44,593)**	**(16,839)**
Cash and cash equivalents as at 1 May		(53,855)	(37,016)
Cash and cash equivalents as at 30 April	**27**	**(98,448)**	**(53,855)**

STATEMENT OF EQUITY FOR 2007/08

PARENT
DKK '000

	SHARE CAPITAL	SHARE PREMIUM	OTHER RESERVES	RETAINED EARNINGS	TOTAL EQUITY
Equity as at 1 May 2007	60,000	51,000	845	279,230	391,075
Adjustment to fair value of financial assets available for sale	0	0	(583)	0	(583)
Recognised directly in equity	**0**	**0**	**(583)**	**0**	**(583)**
Net profit/(loss) for the year	0	0	0	(13,916)	(13,916)
Total net income	**0**	**0**	**(583)**	**(13,916)**	**(14,499)**
Distributed dividend	0	0	0	(9,000)	(9,000)
Dividend from treasury shares	0	0	0	75	75
	0	**0**	**0**	**(8,925)**	**(8,925)**
Equity as at 30 April 2008	**60,000**	**51,000**	**262**	**256,389**	**367,651**
Adjustment to fair value of financial instruments entered into for hedging future cash flows	0	0	(1,004)	0	(1,004)
Adjustment to fair value of financial assets available for sale	0	0	(2,284)	0	(2,284)
Tax on income and expenses recognised directly in equity	0	0	251	0	251
Recognised directly in equity	**0**	**0**	**(3,037)**	**0**	**(3,037)**
Net profit/(loss) for the year	0	0	0	3,488	3,488
Total net income	**0**	**0**	**(3,037)**	**3,488**	**451**
Purchase of treasury shares	0	0	0	(25,301)	(25,301)
Distributed dividend	0	0	0	(9,000)	(9,000)
Dividend from treasury shares	0	0	0	75	75
	0	**0**	**0**	**(34,226)**	**(34,226)**
Equity as at 30 April 2009	**60,000**	**51,000**	**(2,775)**	**225,651**	**333,876**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1. PRODUCTION COSTS

PARENT DKK '000	2008/2009	2007/2008
Cost of sales	380,210	328,674
Write-down of inventories	0	493
Depreciation, amortisation, impairment losses and write-downs, cf. note 3	51,392	48,001
Other production costs	33,893	37,651
	465,495	**414,819**

2. STAFF COSTS

Remuneration of the Board of Directors	302	220
Wages and salaries	74,164	61,107
Defined contribution plans	7,446	6,286
Other social security costs	4,207	3,706
Other staff costs	6,929	7,274
Refunds from public authorities	(903)	(680)
	92,145	**77,913**
Staff expenses comprise:		
Production costs	57,588	47,465
Distribution costs	22,342	18,886
Administrative expenses	12,215	11,562
	92,145	**77,913**
Average number of employees	**175**	**158**

PARENT
DKK '000

2. Staff costs, continued

	BOARD OF DIRECTORS		BOARD OF EXECUTIVES		OTHER KEY STAFF MEMBERS	
	2008/09	2007/08	2008/09	2007/08	2008/09	2007/08
Remuneration of members of the management						
Remuneration of the Board of Directors	302	220	0	0	0	0
Wages and salaries etc.	0	0	3,199	2,987	6,698	6,330
Defined contribution plans	0	0	216	246	475	416
	302	**220**	**3,415**	**3,233**	**7,173**	**6,746**

No employee participates in bonus plans exceeding 20% of the employee's base pay.

3. DEPRECIATION, AMORTISATION, IMPAIRMENT LOSSES AND WRITE-DOWNS

PARENT DKK '000	2008/2009	2007/2008
Intangible assets	1,000	39
Buildings	11,673	10,291
Plant and machinery	31,241	29,444
Other plant, fixtures and fittings, tools and equipment	14,428	13,688
Profit/(loss) from the sale of property, plant and equipment	(342)	(43)
	58,000	**53,419**
Depreciation, amortisation, impairment losses and write-downs comprise:		
Production costs	51,392	48,001
Distribution costs	2,481	2,088
Administrative expenses	4,127	3,330
	58,000	**53,419**

4. INCOME FROM INVESTMENTS IN SUBSIDIARIES

PARENT DKK '000	2008/2009	2007/2008
Dividend	**0**	**0**

5. FINANCIAL INCOME

Interest on bank deposits etc.	696	218
Interest on receivables from group enterprises	1,766	1,257
Interest income from financial assets not measured at fair value	**2,462**	**1,475**
Dividend from financial assets available for sale	98	95
Net foreign exchange gains and losses	528	0
	3,088	**1,570**

6. FINANCIAL EXPENSES

PARENT DKK ’000	2008/2009	2007/2008
Interest on mortgage debt	330	107
Interest on bank debt etc.	5,008	2,772
Interest on payables to group enterprises	661	1,514
Interest expenses in respect of continuing activities	**5,999**	**4,393**
of which included in the cost of property, plant and equipment	(1,051)	0
Net foreign exchange gains and losses	0	431
	4,948	**4,824**

Financing costs included in the cost of property, plant and equipment are calculated on the basis of costs incurred during the financial year and an interest rate of 5.5% per year on the basis of the average financing costs.

7. TAX ON PROFIT/(LOSS) FOR THE YEAR

Current tax	1,618	(3)
Changes in deferred tax	478	(4,737)
	2,096	**(4,740)**
Changes in deferred tax resulting from a reduction in the income tax from 28% to 25%	0	(4,147)
Adjustment of deferred tax regarding previous financial years	0	2,294
Adjustment of current tax regarding previous financial years	28	281
	28	**(1,572)**
	2,124	**(6,312)**

The current income tax for the financial year has been calculated on the basis of a tax rate of 25% (2007/08: 25%).

PARENT
DKK ’000

7. Tax on profit/(loss) for the year, continued

	2008/09 DKK ’000	2008/09 %	2007/08 DKK ’000	2007/08 %
Profit/(loss) before tax	5,612		(20,228)	
Calculated tax thereon	1,403	25.0	(5,057)	25.0
Non-tax-deductible income and expenses as well as depreciation, amortisation, impairment losses and write-downs	693	12.3	317	(1.7)
	2,096	**37.3**	**(4,740)**	**23.3**

8. INTANGIBLE ASSETS

DKK ’000	DEVELOP-MENT PROJECTS	SOFTWARE	PLANT UNDER CON-STRUCTION
Cost as at 1 May 2008	0	294	289
Reclassification of additions, beginning of year	1,335	0	0
Additions	1,753	1,184	1,779
Cost as at 30 April 2009	**3,088**	**1,478**	**2,068**
Amortisation and impairment losses as at 1 May 2008	0	39	0
Amortisation for the year	814	186	0
Amortisation and impairment losses as at 30 April 2009	**814**	**225**	**0**
Carrying amount as at 30 April 2009	**2,274**	**1,253**	**2,068**

PARENT
DKK '000

8. Intangible assets, continued

DKK '000	DEVELOP-MENT PROJECTS	SOFTWARE	PLANT UNDER CON-STRUCTION
Cost as at 1 May 2007	0	0	0
Additions	0	294	289
Cost as at 30 April 2008	**0**	**294**	**289**
Amortisation and impairment losses as at 1 May 2007	0	0	0
Amortisation for the year	0	39	0
Amortisation and impairment losses as at 30 April 2008	**0**	**39**	**0**
Carrying amount as at 30 April 2008	**0**	**255**	**289**

9. PROPERTY, PLANT AND EQUIPMENT

PARENT

DKK '000

	LAND AND BUILDINGS	PRO-DUCTION PLANT AND MACHINERY	OTHER PLANT ETC.	SPARE PARTS FOR OWN MACHINERY	PLANT UNDER CON-STRUCTION
Cost as at 1 May 2008	224,295	512,396	118,172	4,707	6,254
Additions	11,011	59,130	8,672	759	6,618
Disposals	(3,150)	(540)	(2,068)	(1,256)	(6,254)
Reclassification of non-current assets held for sale	(4,042)	0	0	0	0
Cost as at 30 April 2009	**228,114**	**570,986**	**124,776**	**4,210**	**6,618**
Depreciation and impairment losses as at 1 May 2008	106,508	364,142	81,608	0	0
Depreciation for the year	11,673	31,241	14,428	0	0
Reversal in connection with disposals	(259)	(540)	(1,504)	0	0
Reclassification of non-current assets held for sale	(800)	0	0	0	0
Depreciation and impairment losses as at 30 April 2009	**117,122**	**394,843**	**94,532**	**0**	**0**
Carrying amount as at 30 April 2009	**110,992**	**176,143**	**30,244**	**4,210**	**6,618**

The carrying amount of mortgaged land and buildings totals DKK 4,584k.

	LAND AND BUILDINGS	PRO-DUCTION PLANT AND MACHINERY	OTHER PLANT ETC.	SPARE PARTS FOR OWN MACHINERY	PLANT UNDER CON-STRUCTION
Cost as at 1 May 2007	214,722	513,185	105,427	5,298	3,380
Additions	9,573	1,448	16,708	717	6,104
Disposals	0	(2,237)	(3,963)	(1,308)	(3,230)
Cost as at 30 April 2008	**224,295**	**512,396**	**118,172**	**4,707**	**6,254**
Depreciation and impairment losses as at 1 May 2007	96,223	336,936	71,881	0	0
Depreciation for the year	10,291	29,444	13,688	0	0
Reversal in connection with disposals	(6)	(2,238)	(3,960)	0	0
Depreciation and impairment losses as at 30 April 2008	**106,508**	**364,142**	**81,609**	**0**	**0**
Carrying amount as at 30 April 2008	**117,787**	**148,254**	**36,563**	**4,707**	**6,254**

The carrying amount of mortgaged land and buildings totals DKK 11,667k.

10. INVESTMENTS IN SUBSIDIARIES

PARENT DKK '000	2009	2008
Cost as at 1 May 2008	348,157	348,075
Additions in connection with the purchase of investments	0	82
Dividend received (capital reduction)	(6,217)	0
Cost as at 30 April 2009	**341,940**	**348,157**
Impairment as at 1 May 2008	(204,376)	(204,376)
Impairment as at 30 April 2009	**(204,376)**	**(204,376)**
Carrying amount as at 30 April 2009	**137,564**	**143,781**

Investments in subsidiaries comprise:
Darguner Brauerei GmbH, Dargun, Germany, ownership interest of 100.00%, voting share of 100.00%
AS Viru Õlu, Haljala, Estonia, ownership interest of 98.69%, voting share of 98.69%
Harboe Norge AS, Moss, Norway, ownership interest of 100.00%, voting share of 100.00%
Harboefarm A/S, Slagelse, Denmark, ownership interest of 100.00%, voting share of 100.00%
Skælskør Bryghus, Slagelse, Denmark, ownership interest of 100.00%, voting share of 100.00%
Harboe Sverige AB, Mölnlycke, Sweden, ownership interest of 100.00%, voting share of 100.00%
Harboe Poland sp. Z O.O., Warsaw, Poland, ownership interest of 100.00%, voting share of 100.00%

The annual report of Darguner Brauerei GmbH is audited by the audit firm of
Hansa Treuhand GmbH Wirtschaftsprüfungsgesellschaft, Schwerin, Germany.

The composition of ownership interests etc. in the group enterprises is consistent with that of last year.

11. FINANCIAL ASSETS AVAILABLE FOR SALE/ RECEIVABLES FROM SUBSIDIARIES

PARENT

DKK ’000

	ASSETS AVAILABLE FOR SALE	RECEIVABLES FROM SUBSIDIARIES
Cost as at 1 May 2008	2,199	27,660
Additions	5,320	2,555
Disposals	0	0
Cost as at 30 April 2009	**7,519**	**30,215**
Revaluation and impairment losses as at 1 May 2008	262	0
Adjustments for the year	(2,284)	0
Revaluation and impairment losses as at 30 April 2009	**(2,022)**	**0**
Carrying amount as at 30 April 2009	**5,497**	**30,215**
Cost as at 1 May 2007	2,202	0
Reclassification of balance, beginning of year	0	21,306
Additions	0	6,354
Disposals	(3)	0
Cost as at 30 April 2008	**2,199**	**27,660**
Revaluation and impairment losses as at 1 May 2007	845	0
Adjustments for the year	(583)	0
Revaluation and impairment losses as at 30 April 2008	**262**	**0**
Carrying amount as at 30 April 2008	**2,461**	**27,660**

Financial assets available for sale are measured at fair value at the balance sheet date.

DKK ’000	2009	2008
Listed shares	350	954
Unlisted shares	5,147	1,507
	5,497	**2,461**
Receivables from subsidiaries	30,215	27,660
	35,712	**30,121**

12. INVENTORIES

PARENT DKK '000	2009	2008
Raw materials, intermediates and non-returnable packaging	22,132	19,338
Finished goods and goods for resale	24,632	19,775
	46,764	**39,113**

13. TRADE RECEIVABLES

Trade receivables	**103,720**	**84,785**
Write-downs as at 1 May	400	600
Ascertained losses and payments received concerning claims previously written off for the year	298	3
Reversed write-downs	0	(200)
Write-downs made for bad and doubtful debts for the year	(298)	(3)
	400	**400**
Write-downs for the year are recognised in the income statement	(298)	(203)

Direct write-downs of receivables are made if the value, based on an individual assessment of the individual debtor's ability to pay, is reduced, e.g. as a result of a suspension of payments etc. Write-downs are made at the calculated net realisable value.

All major overdue receivables have been written off as at the balance sheet date.

14. OTHER RECEIVABLES

PARENT DKK '000	2009	2008
Other receivables	**542**	**1,062**

No special credit risks in respect of receivables exist.

15. CASH

Cash and bank deposits	**43,286**	**6,392**

The group has undrawn credit facilities totalling DKK 41,812k (2007/08: DKK 95,551k).

16. ASSETS HELD FOR SALE

The Board of Directors of Harboes Bryggeri A/S has decided to sell one of its residential properties. The sale of the property will be handled by a nationwide firm of estate agents. The property is expected to sell within 12 months. The assets and liabilities of the property have been reclassified in the balance sheet as per 30 April 2009 as assets held for sale.
Proceeds from the sale are expected to correspond to the carrying amount of assets and liabilities.

Property, plant and equipment	3,242	0
Assets held for sale	**3,242**	**0**
Payables in respect of assets held for sale	(2,987)	0
Net assets held for sale	**255**	**0**

17. SHARE CAPITAL

The share capital amounts to DKK 60,000k, distributed on DKK 6,400k of Class A shares and 53,600k of Class B shares.
Each Class A share of DKK 10 carries 10 votes, and each Class B share of DKK 10 carries 1 vote.
The shares have been paid in full.

The Class B shares are listed on NASDAQ OMX Copenhagen.

The past four years have not seen any movements in the share capital.

18. TREASURY SHARES

	2009 NO. OF DKK 10	2008 NO. OF DKK 10	NOMINAL VALUE 2009 DKK '000	NOMINAL VALUE 2008 DKK '000	SHARE OF CAPITAL 2009 %	SHARE OF CAPITAL 2008 %
Treasury shares as at 1 May	50,000	50,000	500	500	0.8	0.8
Purchase of treasury shares	242,312	0	2,423	0	4.1	0.0
Sale of treasury shares	0	0	0	0	0.0	0.0
Treasury shares as at 30 April	**292,312**	**50,000**	**2,973**	**500**	**4.9**	**0.8**

Harboes Bryggeri A/S holds treasury Class B shares which have been purchased to ensure optimal investment of cash funds.
According to a decision made at the general meeting held on 21 August 2008, the company can acquire treasury shares at a maximum nominal value of DKK 6,000k, corresponding to 10% of the share capital, until the next annual general meeting.

In 2008/09, the company acquired treasury shares at a nominal value of 2,423k at an average price of 104.42, corresponding to DKK 25.3 million (2007/08: no trade). No treasury shares were sold in the period.

19. DEFERRED TAX LIABILITIES

PARENT
DKK '000

	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
Deferred tax as at 1 May 2007	0	38,703
Changes in deferred tax recognised in the income statement	0	(6,590)
Deferred tax as at 30 April 2008	**0**	**32,113**
Changes in deferred tax recognised in the income statement	0	478
Deferred tax as at 30 April 2009	**0**	**32,591**

	2009	2008
Deferred tax has been recognised in the balance sheet as follows:		
Deferred tax liabilities	**32,591**	**32,113**

	01.05.	RECOGNISED IN THE INCOME STATEMENT	30.04
Non-current assets	30,416	(1,344)	29,072
Current assets	1,833	(220)	1,613
Tax losses	(136)	2,042	1,906
Deferred tax 2009	**32,113**	**478**	**32,591**
Non-current assets	36,632	(6,216)	30,416
Current assets	2,071	(238)	1,833
Tax losses	0	(136)	(136)
Deferred tax 2008	**38,703**	**(6,590)**	**32,113**

20. REPURCHASE OBLIGATION, RETURNABLE PACKAGING

PARENT DKK '000	2009	2008
Repurchase obligation as at 1 May 2008	30,444	25,800
Changes during the financial year, net	2,050	4,644
Repurchase obligation as at 30 April 2009	**32,494**	**30,444**
Provisions have been recognised in the balance sheet as follows:		
Current liabilities	32,494	30,444
Non-current liabilities	0	0
	32,494	**30,444**

The repurchase obligation has been adjusted on the basis of the net sale of returnable packaging for the year less an estimated wastage in the volume of returnable packaging in circulation.

21. MORTGAGE DEBT

Mortgage debt secured on real property	**2,774**	**6,852**
Mortgage debt falls due as follows:		
On demand within one year from the balance sheet date	122	133
Between two and five years from the balance sheet date	442	434
After five years from the balance sheet date	2,210	6,285
	2,774	**6,852**
Mortgage debt has been recognised in the balance sheet as follows:		
Current liabilities	122	133
Non-current liabilities	2,652	6,719
	2,774	**6,852**

PARENT
DKK '000

21. Mortgage debt, continued

	CURRENCY	EXPIRY	FIXED/ FLOATING	EFFECTIVE INTEREST RATE %	AMORT-ISED COST DKK '000	NOMINAL VALUE DKK '000	FAIR VALUE DKK '000
30 April 2009							
Mortgage debt	DKK	2028	Floating	4.0-5.0	2,774	2,873	2,819
30 April 2008							
Mortgage debt	DKK	2028	Floating	4.5-5.0	6,852	6,950	6,602

22. BANK DEBT

PARENT DKK '000	2009	2008
Overdraft facility	**129,765**	**42,102**
Bank debt recognised in the balance sheet as follows:		
Short-term payable	**129,765**	**42,102**
The bank debt falls due as follows:		
On demand within one year from the balance sheet date	**129,765**	**42,102**

PARENT
DKK ’000

21. Bank debt, continued

	CURRENCY	EXPIRY	FIXED/ FLOATING	EFFECTIVE INTEREST RATE %	AMORT-ISED COST DKK ’000	NOMINAL VALUE DKK ’000	FAIR VALUE DKK ’000
30 April 2009							
Overdraft facility	EUR	2009	Floating	2.7-4.2	29,765	29,765	29,765
Overdraft facility	EUR	2009	Floating	4.0	100,000	100,000	100,000
30 April 2009					**129,765**	**129,765**	**129,765**
30 April 2008							
Overdraft facility	DKK	2009	Floating	5.0-5.5	42,102	42,102	42,102

The fair value has been determined at the present value of expected future instalments and interest payments using the current market interest rate as the discount rate.

23. OTHER PAYABLES

PARENT DKK ’000	2009	2008
Wages and salaries, holiday pay, income tax deducted at source, social contributions etc. payable	7,771	4,258
Holiday pay obligations etc.	4,422	3,478
VAT and taxes payable	34,264	16,225
Other costs payable	27,467	22,834
	73,924	**46,795**

Holiday pay obligations etc. cover obligations to pay wages and salaries during holidays, to which employees, as at the balance sheet date, have earned a right to take in the following financial year.

The carrying amount of payables concerning wages and salaries, income tax deducted at source, social contributions, holiday pay etc., derivative financial instruments, VAT and taxes as well as other costs payable corresponds to the fair value of the liabilities.

24. OPERATING LEASE COMMITMENTS

PARENT DKK '000	2009	2008

For the years 2008-2011, operating leases concerning the lease of properties, machinery and other plant have been concluded. The leases have been concluded for a minimum of 3-5 years with fixed lease payments to be indexed annually. The leases are interminable within the period stated, after which they may be renewed for periods of one year.

Minimum lease payments recognised in the income statement	**4,859**	**3,791**
The minimum lease payments comprise:		
Production	2,265	1,122
Distribution	2,056	2,056
Administration	538	613
	4,859	**3,791**
The total future minimum lease payments for interminable leases fall due for payment as follows:		
Within one year from the balance sheet date	4,206	4,094
Between two and five years from the balance sheet date	4,964	6,875
After five years from the balance sheet date	0	0
	9,170	**10,969**

The company leases land and buildings from companies having Bernhard Griese, CEO, and his close relatives as main shareholders. The annual rent amounts to DKK 254k (2007/08: DKK 254k). The total future minimum lease payments in the period of interminability amount to DKK 254k.

25. CONTINGENT LIABILITIES, SECURITY AND CONTRACTUAL OBLIGATIONS

PARENT DKK '000	2009	2008

Security

Mortgage debt has been secured by way of a mortgage over properties with associated plant and machinery (mortgaged fixtures and fittings (tilbehør-spant)).

Carrying amount of mortgaged properties	**4,584**	**11,667**

Mortgage deed registered to the mortgagor with a nominal value of DKK 750k over Danish properties is kept in own depository.

The parent has provided a guarantee for the mortgage debt of its subsidiaries.
The guarantee has been maximised at DKK 308.2 million.

Debt of subsidiaries	**321,866**	**9,555**

The company has provided a guarantee for the mortgage debt of the group's associates.
The guarantee has been maximised at DKK 2.0 million.

Debt of associates	**15,954**	**3,476**

The parent has concluded agreements on the purchase of plant and machinery as per 30 April 2009, primarily for the production of malt extract. The contractual obligation totals DKK 4.4 million as at the balance sheet date.

The parent is jointly and severally liable with the other jointly taxed companies for the total income tax under the joint taxation applicable up to and including 2004.

No pending court cases etc. exist which are deemed by the management to have a serious negative impact on the financial standing of the parent and the group apart from what has already been disclosed in the annual report.

26. CHANGES IN NET WORKING CAPITAL

PARENT DKK '000	2009	2008
Changes in inventories	(7,651)	2,420
Changes in trade receivables	(18,935)	756
Changes in other receivables	852	10,805
Changes in trade payables etc.	2,993	(3,794)
Changes in other debt	28,175	7,063
	5,434	**17,250**

27. CASH AND CASH EQUIVALENTS

Cash and bank deposits	43,286	6,392
Overdraft facilities	(129,765)	(42,102)
Intercompany balance, net	(11,969)	(18,145)
	(98,448)	**(53,855)**

28. FEE TO THE AUDITORS APPOINTED BY THE GENERAL MEETING

Fee to the auditors of the parent appointed by the general meeting for the financial year comprises:

Audit		
Deloitte	**967**	**1,025**
Non-audit services		
Deloitte	**175**	**244**

29. FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

PARENT DKK '000	2009	2008
Categories of financial instruments		
Trade receivables	103,720	84,785
Receivables from subsidiaries (long-term)	30,215	27,660
Receivables from subsidiaries (short-term)	3,087	3,635
Other receivables	542	1,062
Cash	43,286	6,391
Receivables in respect of assets held for sale	3,242	0
Loans and receivables	**184,092**	**123,533**
Financial assets available for sale	**5,497**	**2,461**
Mortgage debt	2,652	6,852
Bank debt	129,765	42,102
Trade payables	83,801	79,161
Repurchase obligation, returnable packaging	32,494	30,444
Payables to subsidiaries	15,056	21,780
Other payables	73,924	46,795
Financial liabilities in respect of assets held for sale	2,987	0
Financial liabilities measured at amortised cost	**340,679**	**227,134**

Financial risk management policy

Please refer to the section on risk on page 26 in the management's review.

PARENT
DKK '000

29. Financial risks and financial instruments, continued

Currency risks concerning recognised assets and liabilities

The parent's sale and purchase of goods in foreign currencies primarily takes place in EUR and, to a lesser extent, SEK. No forward exchange contracts or similar have been concluded as at the balance sheet date as the management estimates that the parent's currency risk is limited. The company's unhedged currency positions as at the balance sheet date can be specified as follows:

	CASH AND CASH EQUIVALENTS	RECEIVABLES	PAYABLES	NET POSITION
EUR	0	12,187	(159,578)	(147,391)
SEK	15,137	8,044	(431)	22,750
NOK	4,430	2,299	(1,149)	5,580
EEK	65	33,071	0	33,136
30 April 2009	**19,632**	**55,601**	**(161,158)**	**(85,925)**
EUR	5,339	21,011	(35,868)	(9,518)
SEK	532	5,843	(2,155)	4,220
NOK	0	0	(6,967)	(6,967)
EEK	65	30,922	0	30,987
30 April 2008	**5,936**	**57,776**	**(44,990)**	**18,722**

Net positions in NOK and EEK are primarily related to balances with subsidiaries.

DKK '000	2008/09	2007/08
Equity's sensitivity to exchange rate fluctuations		
Effect if the EUR exchange rate was 1% lower than the actual exchange rate	1,191	63
Effect if the SEK exchange rate was 5% lower than the actual exchange rate	(1,224)	(298)
Effect if the NOK exchange rate was 5% lower than the actual exchange rate	(1,044)	275
Effect if the EEK exchange rate was 5% lower than the actual exchange rate	(1,308)	(1,204)
	(2,385)	**(1,164)**
The results' sensitivity to exchange rate fluctuations		
Effect if the EUR exchange rate was 1% lower than the actual exchange rate	85	(10)
Effect if the SEK exchange rate was 5% lower than the actual exchange rate	(371)	(140)
Effect if the NOK exchange rate was 5% lower than the actual exchange rate	(835)	14
Effect if the EEK exchange rate was 5% lower than the actual exchange rate	(66)	(42)
	(1,187)	**(178)**

29. Financial risks and financial instruments, continued

The parent's most significant exchange rate exposure concerns EUR, SEK, NOK and EEK. The above shows the effect it would have had on equity and the net profit/loss for the year, respectively, if the exchange rate had been 1% and 5% lower than the actual exchange rate applied. If the exchange rate had been higher, it would have had a similar positive effect on equity and the net profit/loss for the year, respectively.

Currency risks concerning future cash flows

The parent's most significant currency exposure is also expected to concern transactions in the above-mentioned currencies in future. The transactions are expected to be at the level realised in 2008/09.

No financial contracts in the form of forward exchange contracts or similar have been concluded as at the balance sheet date as the management estimates that there are no significant risks associated with future cash flows in foreign currencies.

Interest rate risks

Due to the Harboe group's capital structure, the risk relating to fluctuations in market interest rates is limited. The parent's net interest-bearing debt as at 30 April 2009 was DKK 104.3 million (2008: DKK 33.0 million). The debt carries a floating rate of interest.

An increase in the market interest rate of 1% would affect the profit/loss for the year before tax negatively by approx. DKK 43,000 (2007/08 approx. DKK 0.3 million).

The fair value of the interest rate swaps outstanding at the balance sheet date for hedging interest rate risks relating to floating-rate loans amounts to DKK 99.9 million (2007/08: DKK 0). The outstanding interest rate swaps have a nominal value of DKK 100.9 million and run until 2010.

DKK '000	2008/09	2007/08
Fair value of interest rate swaps (EUR 13,400k)	**99,809**	**0**
Interest falls due for payment as follows:		
Within one year from the balance sheet date	1,632	0
Between two and five years from the balance sheet date	1,088	0
After five years from the balance sheet date	0	0
	2,720	**0**

Liquidity risks

The due dates of financial liabilities are specified in the notes for the individual categories of liabilities. The group and the parent's liquidity reserve consists of cash and unutilised credit facilities.

The liquidity reserve is comprised as follows:		
Cash	43,286	6,392
Unutilised credit facilities	41,812	95,551
	85,098	**101,943**

Credit risks

The parent's primary credit risk concerns trade receivables. The parent's customers are mainly large companies in Denmark and Sweden. The parent has no significant credit risks relating to a single customer or partner.

Capital structure

See also the section on financial objectives on page 16 of the management's review, and note 35 to the consolidated financial statements.

30. RELATED PARTIES

Related parties with a controlling influence
The following parties have a controlling influence on the parent and the group:

Name	**Domicile**	**Basis of control**
Kirsten and Bernhard Griese	Spegerborgvej 4, 4230 Skælskør, Denmark	Shareholder with the majority of the voting rights

For an overview of subsidiaries, please refer to note 10.

Transactions with related parties
During the financial year, the parent has engaged in the following transactions with its related parties:

DKK '000	Subsidiaries	Owners with a controlling interest in Harboes Bryggeri A/S*	Members of the Board of Directors, the Board of Executives and other key staff members	Other related parties	Total
2008/09					
Sale of goods	9,198	0	0	0	9,198
Purchase of goods	31,794	516	0	125	32,435
Sale of non-current assets	0	0	0	3,150	3,150
Purchase of non-current assets	0	0	0	320	320
Sale of services	4,721	132	0	0	4,853
Purchase of services	1,750	1,340	0	4,562	7,652
Sale of leases	0	96	0	0	96
Purchase of leases	2,307	241	0	0	2,548
Dividend received	6,217	0	0	0	6,217
Fees etc.	0	3,739	7,475	193	11,407
Trade receivables etc.	33,361	51	0	0	33,412
Trade payables etc.	15,496	733	0	626	16,855
Security, cf. note 25	310,230	0	0	0	310,230
Distribution of dividend		1,180	24	6	1,210
2007/08					
Sale of goods	23,984	0	0	0	23,984
Purchase of goods	23,192	968	0	6	24,166
Purchase of non-current assets	160	0	4,000	0	4,160
Sale of services	4,101	183	0	0	4,284
Purchase of services	2,087	2,977	0	355	5,419
Sale of leases	0	152	0	0	152
Purchase of leases	2,200	254	0	0	2,454
Fees etc.	0	3,557	6,966	167	10,690
Trade receivables etc.	31,295	0	0	0	31,295
Trade payables etc.	21,780	0	0	94	21,874
Security, cf. note 25	33,383	0	0	0	33,383
Distribution of dividend		1,180	50	6	1,210

30. Related parties, continued

*) Including transactions with other companies having Bernhard Griese, CEO, as the main shareholder.

The purchase and sale of goods to related parties has been conducted at the normal selling prices of the parent.

No security has been provided and no guarantees have been given in respect of outstanding balances as at the balance sheet date. Both receivables and trade payables will be settled in cash. During the financial year, no bad debts in respect of related parties have been realised and no write-downs have been made for probable losses.

The company leases land and buildings from companies having Bernhard Griese, CEO, and his close relatives as main shareholders. The annual rent amounts to DKK 254k (2007/08: DKK 254k). The total future minimum lease payments in the period of interminability amount to DKK 254k, cf. note 24. The amount is contained in the figures above.

Remuneration etc. of the Board of Directors, the Board of Executives and other key staff members
Please refer to note 2 for information on remuneration paid to the Board of Directors, the Board of Executives and other key staff members of the group. The remuneration is included in the above.

COMPANY INFORMATION

COMPANY
Harboes Bryggeri A/S
Spegerborgvej 34, 4230 Skælskør, Denmark
CVR no.: 43 91 05 15
Registered in: Slagelse, Denmark
Financial year: 1 May – 30 April
Internet: www.harboes.dk

BOARD OF DIRECTORS
Anders Nielsen, Chairman, Lawyer
Bernhard Griese, CEO
Mads O. Krage, Executive Officer
Mette Kirstine Agger, CEO
Thøger Thøgersen, CEO
Carl Erik Kjærsgaard, CEO
Jens Bjarne Jensen, Brewery Worker *
*) Staff representative

BOARD OF EXECUTIVES
Bernhard Griese

AUDITORS
Deloitte Statsautoriseret Revisionsaktieselskab

ANNUAL GENERAL MEETING
Annual general meeting to be held on 19 August 2009 at 5 pm in Skælskør Hallen, Skælskør.

Cool Gray A/S


KONGELIG HOFLEVERANDØR
HARBOE
0,33 L
BJØRNE
BRYG
LUXUSØL

HARBOES BRYGGERI A/S · SPEGERBORGVEJ 34 · 4230 SKÆLSKØR