
ANNUAL REPORT 2004/2005



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THE FINANCIAL YEAR FOR THE GROUP IN OUTLINE

Gross revenue rose by 4.9 per cent to DKK 1.75 billion.

Gross revenue of the Brewery Sector increased by 6.0 per cent and by now constitutes 85.6 per cent of the Group's total gross revenue. Harboefarm's revenue decreased by 1.23 per cent.

The sale of beer and soft drinks, including malt beverages and malt wort products, totalled 5.15 million hectolitres as compared to 4.46 million hectolitres last year, an increase of 15.5 per cent.

Operating profit rose by 29.7 per cent to DKK 136.3 million.

Operating profit of the Brewery Sector rose by DKK 14.0 million to DKK 127.1 million, an increase of 12.4 per cent. Harboefarm's operating profit improved by DKK 17.1 million, resulting in a profit of DKK 9.2 million.

Consolidated profit before tax was DKK 130.6 million against DKK 97.3 million last year, an increase of 34.3 per cent.

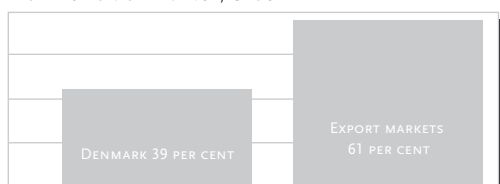
The results are in line with the expectations expressed in the latest quarterly report.

The Group's investments during the financial year totalled DKK 187.2 million.

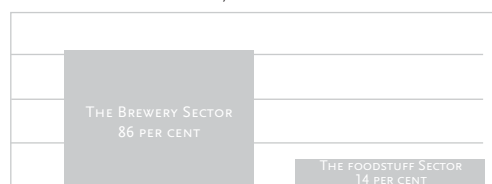
Cash flows from operating activities and free cash flows amounted to DKK 197.4 million and DKK 88.5 million, respectively.

It is proposed that a dividend of DKK 15 per share be paid, corresponding to a dividend yield of 15 per cent.

DISTRIBUTION OF REVENUE, GROUP



DISTRIBUTION OF REVENUE, SECTORS



KEY FIGURES

(DKK 1,000)	2004/05	2003/04	2002/03	2001/02	2000/01
Earnings					
Gross revenue	1,753,711	1,671,537	1,583,082	1,460,178	1,198,685
Taxes on beer and soft drinks	(302,029)	(312,719)	(310,959)	(294,507)	(265,022)
Revenue	1,451,682	1,358,818	1,272,123	1,165,671	933,663
Operating profit/loss	136,310	105,068	63,683	56,680	34,768
Profit/loss before tax	130,620	97,284	52,023	44,201	21,237
Net profit for the year	86,411	64,370	32,652	64,170	17,511
Balance sheet					
Fixed assets	803,009	697,372	663,817	621,159	626,205
Current assets	391,555	326,516	296,125	277,752	250,605
Equity	621,958	486,735	398,093	365,662	302,289
Long-term liabilities other than provisions	101,404	118,999	133,861	139,634	166,078
Short-term liabilities other than provisions	360,453	303,926	286,796	260,038	253,701
Interest-bearing debt	86,347	137,227	173,555	189,668	217,838
Interest-bearing debt, net	0	104,191	147,982	173,398	207,017
Balance sheet total	1,194,564	1,023,888	959,942	898,911	876,810
Investments etc,					
Investments	187,187	124,030	132,002	92,634	175,681
Depreciation, amortisation and impairment losses	95,559	95,624	89,967	86,005	82,202
Cash flows					
Cash flows from operating activities	197,386	129,420	153,041	104,606	101,415
Cash flows from investing activities	(153,361)	(127,022)	(130,585)	(83,193)	(162,669)
Cash flows from financing activities	44,496	22,022	(14,476)	(15,418)	12,252
Changes in cash funds	88,521	24,420	7,980	5,995	(49,002)

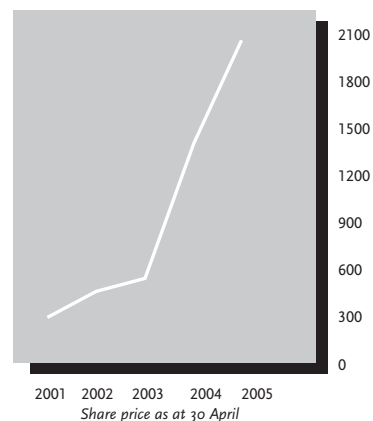
(DKK 1,000)	2004/05	2003/04	2002/03	2001/02	2000/01
Ratios (per cent)					
Profit margin	9.4 %	7.7 %	5.0 %	4.9 %	3.6 %
Return on net assets	13.1 %	10.9 %	7.0 %	6.5 %	4.2 %
Return on equity	15.6 %	14.5 %	8.6 %	19.2 %	6.0 %
Solvency ratio	52.1 %	47.5 %	41.5 %	40.7 %	34.5 %
Gearing	13.9 %	28.2 %	43.6 %	51.9 %	72.1 %
Current ratio	108.3 %	107.4 %	103.9 %	106.8 %	98.8 %
Return on invested capital	12.6 %	10.8 %	6.0 %	5.4 %	3.2 %
Key figures related to quotation					
Earnings per share, DKK	144.0	107.3	54.4	107.0	29.2
Cash flow per share, DKK	329.0	215.7	255.1	174.3	169.0
Equity value per share, DKK	1,036.6	860.1	736.9	676.9	557.7
Share price, year-end	2,071.0	1,420.0	590.0	510.0	350.0
Price/earnings	14.4	12.5	9.8	4.3	10.8
Dividend per DKK 100 share, DKK	15.0	10.0	-	-	-
Employees					
Number of employees	624	694	697	677	710

The key figures have been prepared in accordance with the guidelines issued by the Danish Finance Analysts' Association applying the following definitions:

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

The ratios have been computed on the basis of net profit for the year along with the year-end balance sheet total and year-end equity.

DEVELOPMENT IN SHARE PRICE



MANAGEMENT'S REVIEW – THE GROUP

Core business

Harboes Bryggeri A/S is listed on the Copenhagen Stock Exchange and is the parent company of the Harboe Group.

The Group's core business, constituting more than 85 per cent of the total gross revenue of the Group, is the production and sales of beer, soft drinks, malt beverages and malt wort products.

The Harboefarm foodstuff company and its sales of centrally packaged fresh and processed meat for the retail sector contribute with the remaining 15 per cent of the revenue.

The Brewery Sector

Retail shops are the primary market segment for all three breweries – Harboes Bryggeri A/S in Denmark, Darguner Brauerei GmbH in Germany and AS Viru Õlu in Estonia.

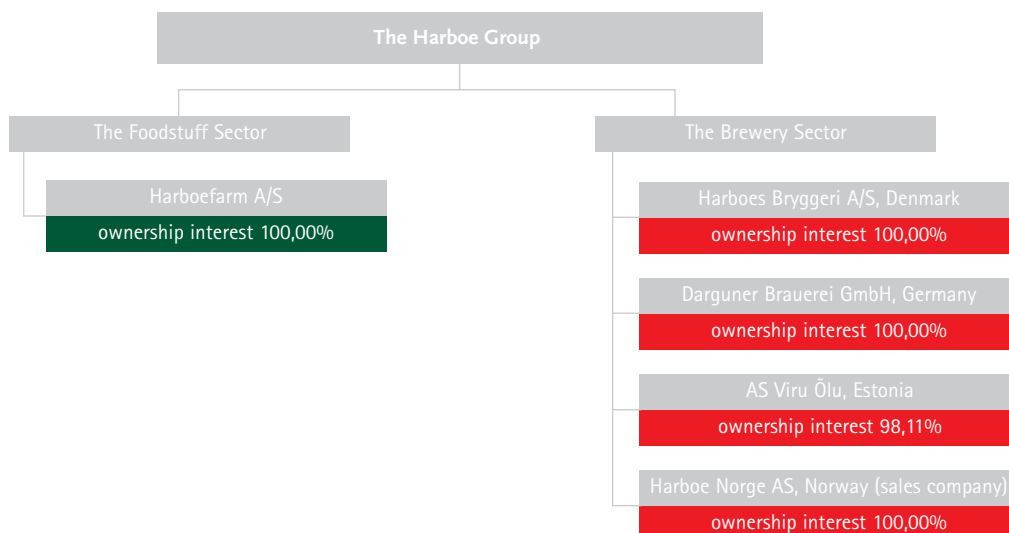
The recent years' important investments in the expansion and extension of production facilities in the Brewery Sector have strengthened Harboe's position in the primary markets and have provided product and marketing flexibility as well as optimal utilisation of capacities.

The recent considerable investments have created opportunities for further organic growth.

The Foodstuff Sector

At the end of the 2004/2005 financial year, the foodstuff company Harboefarm A/S went through a major restructuring process. Among other things, it entered into an agreement on wage production for parts of the range with foreign cooperation partners.

The new structure of Harboefarm A/S ensures continued flexibility and competitiveness, both of which are necessary to develop and increase sales.





ECONOMIC DEVELOPMENT OF THE GROUP

Gross revenue

In 2004/2005, gross revenue amounted to DKK 1.75 billion compared to DKK 1.67 billion last year, an increase of 4.9 per cent.

Revenue

Revenue rose by 6.8 per cent. The rise in revenue may be attributed to the Brewery Sector where all three breweries experienced growth.

Earnings

Operating profit amounted to DKK 136.3 million as oppo-

sed to last year's DKK 105.1 million. This corresponds to an increase of DKK 31.2 million or 29.7 per cent.

The Brewery Sector displayed an improvement in operating profit of DKK 14.0 million, and at the same time, the operating profit in Harboefarm A/S improved by DKK 17.1 million to a profit of DKK 9.2 million.

Depreciation on property, plant and equipment is included in operating profit with DKK 95.6 million compared to DKK 95.6 million last year.

Profit before tax was DKK 130.6 million compared to DKK 97.3 million last year. This corresponds to an increase of DKK 33.3 million or 34.3 per cent.

Profit before tax was in line with the expectations recently released in the interim report for the third quarter of 2004/2005 (cf. announcement to the Copenhagen Stock Exchange of 22 March 2005), where the profit was estimated at a level between DKK 125 and 135 million. Net profit after tax for the 2004/2005 financial year amounted to DKK 86.4 million compared to DKK 64.4 million last year.

Income taxes

The rate of taxation was 33.9 per cent compared to 33.8 per cent last year.

Equity

Equity as at 30 April 2005 amounted to DKK 622.0 million compared to DKK 486.7 million last year.







Hence, equity increased by the net profit for the year, and the revenue in connection with the sale of own shares, including dividend, has been recognised at DKK 54.6 million. The dividend for the financial year proposed by the Board of Directors has been recognised in equity with DKK 9.0 million.

Investments

Total investments in property, plant and equipment for the financial year amounted to DKK 187.2 million, of which investments in expansion and extension of the Brewery Sector amounted to DKK 182.4 million and investments in the Harboefarm A/S foodstuff company amounted to DKK 4.8 million.

Liquidity and net interest-bearing debt

Cash flows from operating activities amounted to DKK 197.4 million compared to DKK 129.4 million last year. Free cash flows (changes in cash funds) amounted to DKK 88.5 million compared to DKK 24.4 million last year.

Cash resources, which are composed of cash and credits granted but not yet activated, amounted to DKK 136.4 million as at 30 April 2005. Added to this, the holding of own shares amounted to DKK 10.4 million stated at stock market value as at 30 April 2005.

Net interest-bearing debt amounted to DKK 0 compared to DKK 104.2 million last year. Hence, the net interest-bearing debt was reduced by DKK 104.2 million.

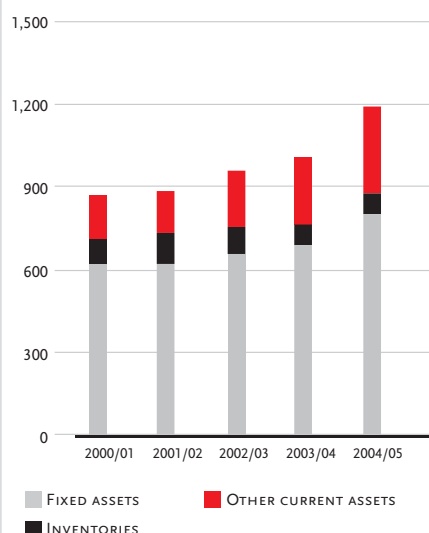
The objective of the Group is to expand primarily

through organic growth financed for the most part through the company's own funds.

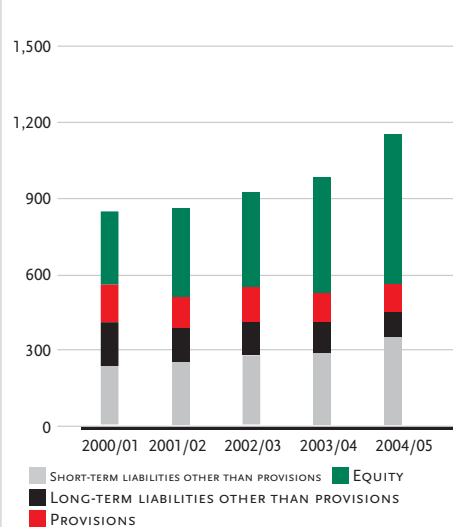
Financial risks

As the Group's sales and purchases are primarily denominated in EUR, currency risks for the Group are considered limited. The company is currently estimating the need for currency hedging, particularly as regards SEK.

THE COMPOSITION OF ASSETS (DKKM)



THE COMPOSITION OF LIABILITIES (DKKM)



THE BREWERY SECTOR



Harboe

THE BREWERY SECTOR – KEY FIGURES

	2004/05	2003/04	2002/03	2001/02	2000/01
Volume (million hectolitres)					
Beer, soft drinks and malt wort products	5.15	4.46	3.96	3.50	2.67
(DKK 1,000)					
Earnings					
Gross revenue	1,501,369	1,416,061	1,306,000	1,172,904	911,298
Taxes on beer and soft drinks	(302,029)	(312,719)	(310,959)	(294,507)	(265,022)
Revenue	1,199,340	1,103,342	995,041	878,397	646,276
Operating profit/loss	127,094	113,045	92,167	55,091	35,075
Profit/loss before tax	124,348	110,029	86,717	49,165	30,030
Tax on profit/loss for the year	(42,462)	(36,834)	(29,875)	(18,679)	(10,053)
Tax, previous years	121	14	61	3,615	2,727
Share of minority shareholders	15	2	51	145	74
Net profit/loss for the year	82,022	73,211	56,954	34,246	22,777
Balance sheet					
Fixed assets	656,817	534,361	509,550	450,058	474,834
Current assets	352,544	306,599	247,199	206,124	179,414
Equity	509,482	378,648	281,165	224,432	190,983
Long-term liabilities other than provisions	68,394	81,882	92,155	93,681	116,194
Short-term liabilities other than provisions	320,736	266,202	242,237	204,491	193,340
Balance sheet total	1,009,361	840,960	756,749	656,182	654,248
Investments etc,					
Investments	182,374	103,014	129,242	84,490	164,969
Depreciation and amortisation	80,949	81,005	74,535	70,018	66,891
Cash flows					
Cash flows from operating activities	171,402	95,506	160,294	111,815	101,945
Cash flows from investing activities	(150,693)	(100,663)	(128,997)	(75,985)	(152,567)
Cash flows from financing activities	46,396	17,672	(23,408)	(15,423)	18,905
Changes in cash funds	67,105	13,515	7,889	20,407	(31,717)
Ratios (per cent)					
Profit margin	10.6 %	10.2 %	9.3 %	6.3 %	5.4 %
Return on net assets	14.7 %	14.7 %	13.5 %	8.6 %	5.9 %
Return on equity	18.4 %	22.2 %	22.5 %	16.5 %	11.6 %
Solvency ratio	50.5 %	45.0 %	37.2 %	34.2 %	29.2 %
Gearing	9.7 %	25.2 %	39.6 %	51.5 %	72.1 %
Current ratio	109.9 %	115.2 %	102.0 %	100.8 %	92.8 %
Return on invested capital	14.4 %	15.2 %	14.3 %	8.8 %	5.3 %
Number of employees	540	560	470	440	466



THE BREWERY SECTOR

The sale of beer and soft drinks, including malt beverages and malt wort products, totalled 5.15 million hectolitres in the financial year, corresponding to an increase of 15.5 per cent. 72.4 per cent of the total volume was sold outside Denmark.

The Brewery Sector's contribution to gross revenue amounted to DKK 1.5 billion against DKK 1.42 billion last year, corresponding to an increase in gross revenue of 6.0 per cent and an increase in revenue of 8.7 per cent.

The Brewery Sector's contribution to operating profit rose by DKK 14.0 million to DKK 127.1 million, representing an increase of 12.4 per cent.

Depreciation and amortisation amounted to DKK 80.9 million compared to DKK 81.0 million last year.

Profit before tax was DKK 124.3 million for the Brewery Sector, as opposed to DKK 110.0 million last year, representing an increase of 14.3 million or 13.0 per cent.

In 2004/2005, the Brewery Sector's contribution to net profit amounted to DKK 82.0 million compared to DKK 73.2 million last year.

Investments made in the Brewery Sector totalled DKK 182.4 million and comprised the expansion and extension of production plants, including the provision of extra bottling and brewing capacity.





With the expansion of the brewing capacity and the new plants for the production of beer and soft drinks in cans and non-returnable plastic bottles, the total capacity of the Brewery Sector has increased further and at the same time provides flexibility in the form of alternative packaging sizes.

The new plants ensured that the company remains topical in terms of market development and provided the basis of expanding the customer base in Denmark as well as in the export markets.

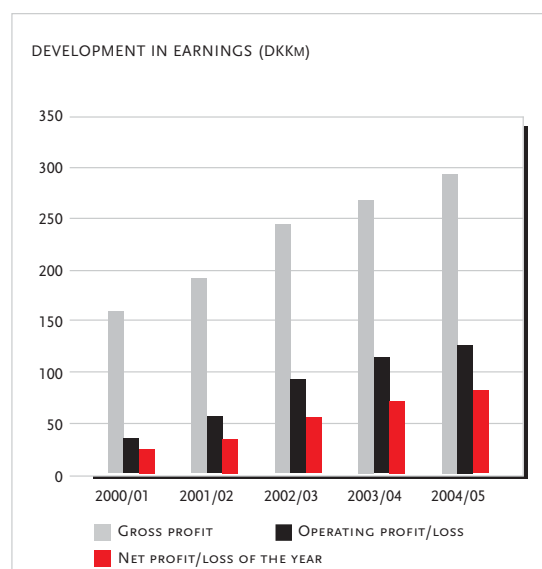
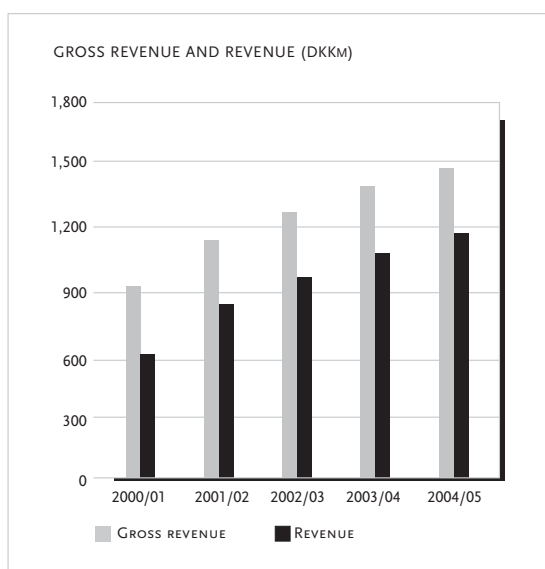
The Brewery Sector saw a growth in profit compared to last year, including a continued increase in sales in Sweden and Germany, which, together with Denmark

and the Baltic countries, now constitute the largest primary markets.

In December 2004, Harboes Bryggeri A/S, as the first Danish manufacturer, introduced soft drinks in 2 litre non-returnable plastic bottles. Since then, the sale of these products has been very positive indeed and has provided new sales opportunities in Denmark as well as in the export markets.

In the 2004/2005 financial year, Darguner Brauerei GmbH, which was one of the first breweries in Germany to introduce beer and mix-drinks in non-returnable plastic bottles, further expanded its position within this segment with a subsequent positive development in sales.

THE BREWERY SECTOR



During the financial year, AS Viru Õlu also introduced a wide range of beer, soft drinks and still products in non-returnable plastic bottles, and compared to last year, the sale of soft drinks developed very positively indeed. Together with continued product development, rationalisations and improved efficiency will ensure the company's growth.

All three breweries look forward to a positive development in their home markets as well as growth in their export markets.

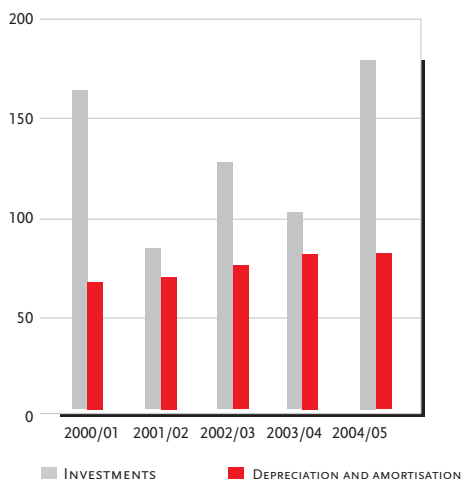


THE BREWERY SECTOR

PRODUCTION PER EMPLOYEE (DKKM)



INVESTMENTS AND DEPRECIATION AND AMORTISATION (DKKM)



THE FOODSTUFF SECTOR



THE FOODSTUFF SECTOR – KEY FIGURES

(DKK 1,000)	2004/05	2003/04	2002/03	2001/02	2000/01
Earnings					
Revenue	252,342	255,476	277,082	287,274	287,387
Operating profit/loss	9,216	(7,977)	(28,484)	1,589	(307)
Profit/loss before tax	6,272	(12,745)	(34,694)	(4,964)	(8,792)
Tax on profit/loss for the year	(1,883)	3,941	10,403	1,459	3,526
Tax, previous years	0	(37)	(11)	33,429	0
Net profit for the year	4,389	(8,841)	(24,302)	29,924	(5,266)
Balance sheet					
Fixed assets	146,192	163,011	154,267	171,101	151,371
Current assets	47,669	49,722	71,618	88,318	77,981
Equity	112,476	108,087	116,928	141,230	111,306*
Long-term liabilities other than provisions	32,054	37,117	41,706	45,953	49,884
Short-term liabilities other than provisions	49,331	67,529	67,251	72,237	67,151
Balance sheet total	193,861	212,733	225,885	259,419	229,352
Investments etc.					
Investments	4,813	29,906	2,760	8,144	10,712
Depreciation and amortisation	15,076	14,619	15,432	16,570	15,894
Cash flows					
Cash flows from operating activities	25,984	32,914	(7,252)	(7,209)	(3,826)
Cash flows from investing activities	(2,668)	(26,359)	(1,589)	(7,207)	(10,102)
Cash flows from financing activities	(1,900)	4,350	8,932	5	(3,357)
Changes in cash funds	21,416	10,905	91	(14,411)	(17,285)
Number of employees	84	134	227	237	244

*) Including conversion of debt to share capital.

THE FOODSTUFF SECTOR

Harboefarm A/S

In 2004/2005, Harboefarm's contribution to revenue amounted to DKK 252.3 million compared to DKK 255.5 million last year.

Harboefarm's share of operating profit was DKK 9.2 million compared to a loss of DKK 7.9 million last year.

Profit before tax for the 2004/2005 financial year was DKK 6.3 million compared to a loss of DKK 12.7 million last year.

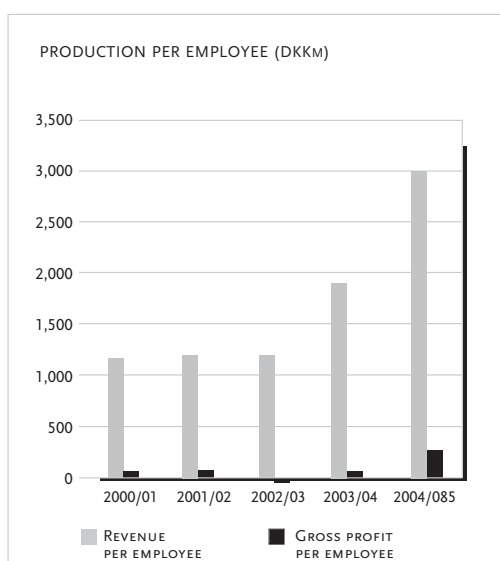
Harboefarm's share of net profit was DKK 4.4 million compared to a loss of DKK 8.8 million last year.

In April, due to the fiercer competition in the foodstuff

market, organisational changes were carried out within Harboefarm A/S, first of all by reducing the number of employees by 50.

At the same time, in full agreement with our customers, the company chose to cooperate with foreign manufacturers to introduce wage production to parts of the range.

Based on a growing market within centrally packaged fresh and processed meat and its competitive strength, Harboefarm A/S expects to be able to further develop the basis of its business activities and in future contribute positively to earnings, although a fall in revenue of DKK 75-100 million is expected for the 2005/2006 financial year.



PROSPECTS

Based on new production plants and the increased capacity of all three breweries, the Brewery Sector has enlarged its strategic platform as a popular supplier to retail shops in Denmark and abroad.

The breweries will continue to market a pure concept within the "Private Label" segment, the growth segment of the retail business.

Based on its improved competitive situation, Harboefarm A/S is expected to contribute positively to earnings.

Investments within the Brewery Sector planned for 2005/2006 are in the order of DKK 80-100 million.

The total Group profit before tax for the 2005/2006 financial year is estimated at between DKK 125 and 140 million.

Cash flow from operating activities is expected at min. DKK 200 million in 2005/2006.

Based on a positive development in liquidity in the 2004/2005 financial year, the Board of Directors proposes a dividend of DKK 15 per share, corresponding to 15 per cent of the share capital.

The company is, as a strategic cooperation partner, committed to keep up with the development and international trends, which means that a high level of

financial resources is decisive in order to be able to make the necessary investments and ensure ongoing organic growth.

We thank our shareholders, business partners and consumers for their loyal support, and we thank our employees for their loyalty and involvement in the company.

Events after the balance sheet date

From the balance sheet date to this date, no events have occurred which change the evaluation of the annual report.





SHAREHOLDER INFORMATION

The equity of the company amounts to DKK 60,000,000, distributed on 6,400,000 A-shares and 53,600,000 B-shares. The shares trade in denominations of DKK 100, the A-shares with 10 votes per share and the B-shares with 1 vote per share. Only the company's B-shares are listed on the Copenhagen Stock Exchange.

As at 30 April 2005, Harboes Bryggeri A/S had 2,900 registered shareholders, an increase of 300 shareholders compared to last year. As at 30 April 2005, the registered shareholders represented DKK 47.9 million of the total share capital of DKK 60 million, corresponding to 79.8 per cent of the share capital. In the 2004/2005 financial year, highest and lowest price of the Harboe share was 1402 and 2306, respectively. As at 30 April 2005, the market value of the company's shares amounted to DKK 1.2 billion compared to DKK 852 million.

The following shareholders are recorded as holding a stake of more than 5 per cent:

Kirsten and Bernhard Griese and companies in which Bernhard Griese and his close relatives hold a controlling interest, Skælskør, Denmark – votes	52.8 %
Bank Invest II – votes	3.2 %

Register of shareholders

Harboe's register of shareholders is managed by:
Danske Bank A/S, Holmens Kanal 2-12, 1092 Copenhagen K, Denmark

Shares can be registered in the name of the shareholder by contacting the depositary bank. Registered share-

holders automatically receive the annual report and an invitation to the company's annual general meeting.

Harboes Bryggeri A/S is registered in the Copenhagen Stock Exchange SmallCap+ segment, a registration which has strengthened the liquidity of the share. In the period, trading amounted to a total market value of DKK 687 million, corresponding to an average revenue per day of DKK 2.8 million. A liquidity deposit agreement has been entered with Danske Bank.

The level of trade with the company's shares has increased markedly during the year and has shown a satisfactory development.

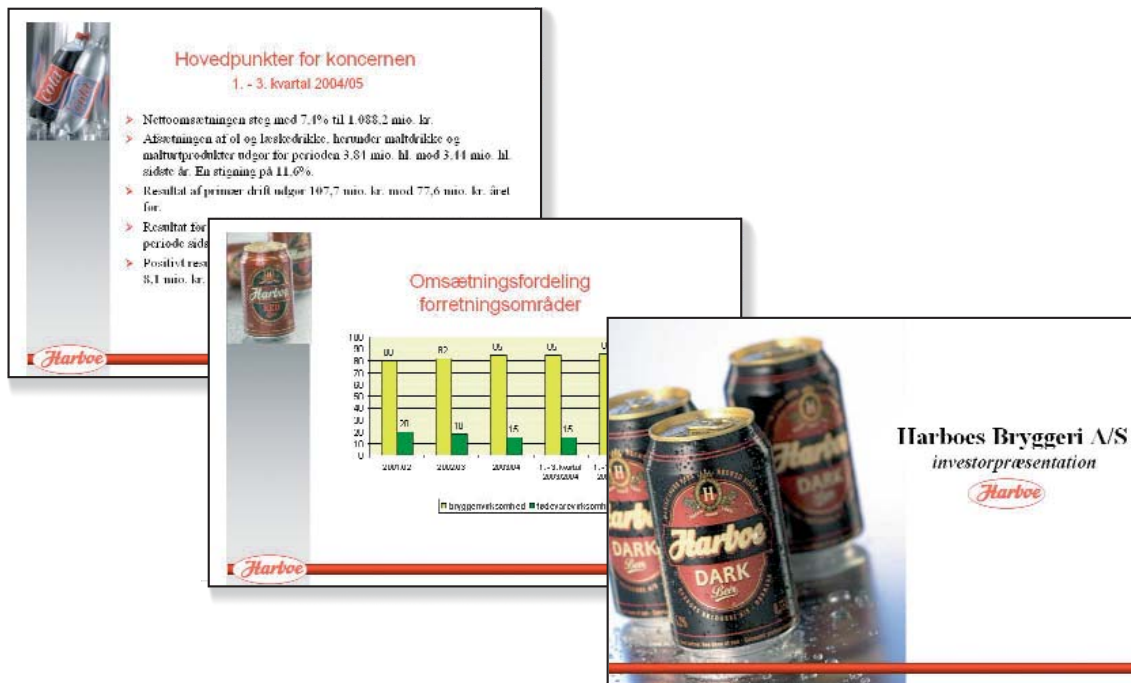
The holding of shares in respect of insiders for Harboes Bryggeri A/S is shown below.

	Holding, no. as at 30 April 2005	Market value as at 30 April 2005 (exchange rate 2.071) in DKK mio.
Board of Directors		
(incl. the Board of Executives)	88,646	183.6
Other insiders	1,559	3.2
All insiders	90,205	186.8

Investor relations

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

The company aims at establishing an open and value-



creating communication, which can form the basis of an evaluation of the company's shares reflecting the fair value of the company and its potentials.

Our IR information, which will continue to be developed, is currently based on:

- Quarterly reports
- Annual reports (Danish/English)
- Individual presentations and meetings with parties interested in the company
- Harboes Bryggeri A/S' website, www.harboes.dk, with related links

During the financial year, Harboes Bryggeri A/S has arranged meetings in Denmark for financial analysts and investors. The company intends to continue to participate in similar activities and meetings this year in order to strengthen the dialogue with its shareholders and investors. Shareholders, financial analysts and potential investors are invited to contact the company's IR contacts. Please do not hesitate to contact us with ideas to ameliorate investor relations.

The Board of Directors recommends to the Annual General Meeting that a dividend be paid in the amount of DKK 15 per DKK 100 share, equivalent to DKK 9.0 million.

The Board of Directors recommends that the remaining profit of DKK 77.1 million be carried forward to next year.

Financial calendar 2005/2006

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

Quarterly report for the first quarter of 2005/2006:

23 August 2005

Half-year report for 2005/2006:

1 December 2005

Quarterly report for the third quarter of 2005/2006:

15 March 2006

The Annual General Meeting of Harboes Bryggeri A/S will be held on Tuesday, 23 August 2005 in Skælskør, Denmark.

COMPANY INFORMATION

Announcements to the Copenhagen Stock Exchange A/S for the period 1 May 2004 to 30 April 2005:

Date	Subject
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27.04.2005	Insider trading
24.04.2005	Organisational adjustments in Harboefarm A/S
14.04.2005	Insider trading
12.04.2005	Insider trading
08.04.2005	Insider trading
08.04.2005	Insider trading
22.03.2005	Quarterly report for the third quarter
15.03.2005	Board of Directors' meeting on Tuesday, 22 March 2005
28.02.2005	Financial calendar 2005 – correction
18.01.2005	Announcement from Harboes Bryggeri A/S in accordance with Section 28 of the Danish Securities Trading Act (Værdipapirhandelsloven)
07.01.2005	Quarterly statement of the holding of shares
06.01.2005	Regular statement of the holding of shares
23.12.2004	Regular statement of the holding of shares
06.12.2004	Major shareholder announcement (Section 29) from Bankinvest II
06.12.2004	Major shareholder announcement (Section 29) from Bankinvest I
03.12.2004	Additional information in connection with reporting of trading in shares, insiders
02.12.2004	Major shareholder announcement (Section 29) from Bankinvest
02.12.2004	Major shareholder announcement (Section 29) from Bankinvest
02.12.2004	Regular statement of the holding of shares
29.11.2004	Regular statement of the holding of shares
26.11.2004	Own shares and (Section 28) and regular statement of the holding of shares

25.11.2004	Half-year report for 2004/2005
16.11.2004	Board of Directors' meeting
30.09.2004	Quarterly statement of the holding of shares
25.08.2004	Synopsis of the Annual General Meeting on 24 August 2004
23.08.2004	2003/2004 annual report
19.08.2004	Quarterly report for the first quarter of 2004
17.08.2004	Quarterly statement of the holding of shares
13.08.2004	Board of Directors' meeting in Harboes Bryggeri on 19 August 2004
09.08.2004	Notice of the Annual General Meeting
08.07.2004	Announcement of the 2003/04 annual report
01.07.2004	Board of Directors' meeting in Harboes Bryggeri A/S, Thursday, 8 July 2004
17.05.2005	Financial calendar 2004/2005
06.05.2004	Harboes Bryggeri, quarterly statement of the holding of shares



COMPANY INFORMATION

Company name

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

Board of Directors

Anders Nielsen, Chairman, lawyer

Other posts: Member of the Board of Directors in Budde Schou & Ostenfeld A/S, Budde Schou & Ostenfeld International A/S, Arking Arkitekter & Ingeniører A/S and FPR Forsikringsmægleraktieselskab.

Bernhard Griese, CEO

Other posts: Member of the Board of Directors in Visbjerggård A/S, Lundegård A/S, Buskysminde A/S, Rugbjerggård A/S, Danfrugt Skælskør A/S, Keldernæs A/S, Best Poutry International A/S and Velisco Farm A/S.

Preben K. Nielsen, CEO

Other posts: Member of TIKÅ Holding, TIKÅ Invest A/S, JydenWorkwear A/S, Musholm Lax A/S and Vingmed Danmark A/S

Kirsten Griese, nurse

Vibeke Harboe Malling, marketing coordinator

Karina Harboe Laursen, physiotherapist

Jens Bjarne Jensen, brewery worker*

Anders Wibskov, brewery worker*

Poul Erik Tokkesdal Mortensen, stores and distribution manager*

*) Staff representative

Board of Executives

Bernhard Griese

Subsidiaries

Ownership interest %

Darguner Brauerei GmbH, Dargun, Germany	100,00
AS Viru Õlu, Haljala, Estonia	98,11
Harboe Norge AS, Moss, Norway	100,00
Harboefarm A/S, Skælskør, Denmark	100,00
Harboe-Hallerne A/S, Skælskør, Denmark	100,00

Associates:

Best Poultry International A/S, Copenhagen, Denmark, share capital DKK 0.5 million.	25.00
Bartels-Farm A/S, Hashøj, Denmark, share capital DKK 1.858 million	10.00
Velisco Farm A/S, Skælskør, Denmark, share capital DKK 1.115 million	20.30

Auditors:

Deloitte Statsautoriseret Revisionsaktieselskab
 PricewaterhouseCoopers
 Statsautoriseret Revisionsinteressentskab



ENVIRONMENTAL RESPONSIBILITY

Within the Brewery Sector as well as within the Foodstuff Sector, we make consistent efforts to optimise resources and reduce the impact on the environment.

In all companies, goals and plans for the environmental work are continuously being worked out, and the financial resources necessary for environmental enhancements are set aside.

Water and energy saving measures form a natural part of capacity and production expansion projects, and when choosing suppliers and cooperation partners, their environmental responsibility is an important aspect.

Within all companies of the Group, systems are constructed to collect and report environmental data, in order to focus on areas subject to the most substantial environmental influences, including the reduction of noise, air let-out and waste water.

Harboes Bryggeri A/S in Skælskør has its own biological wastewater treatment plant, which has been expanded during the financial year. The breweries in Germany and Estonia have contributed financially to the establishing of the local wastewater treatment plants.

Thus, the framework is created for future expansion – also as regards environmental objectives.



MANAGEMENT'S STATEMENT

We have today presented the 2004/2005 annual report of Harboes Bryggeri A/S.

The annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act (Årsregnskabsloven), Danish Accounting Standards and other financial reporting requirements of the Copenhagen Stock Exchange. We consider the accounting principles applied expedient for the annual report to provide a true and fair view of the Group's and the parent company's assets and liabilities, financial position, profit for the year and consolidated cash flows.

We recommend that the Annual General Meeting adopts the annual report.

Skælskør, 7 July 2005

Board of Executives

Bernhard Giese
CEO

Board of Directors

Anders Nielsen,
Chairman

Bernhard Giese, Preben K. Nielsen, Vibeke Harboe Malling, Kirsten Giese, Karina
Harboe Laursen, Jens Bjarne Jensen *, Anders Wibskov *, Poul Erik Tokkesdal Mortensen *

** Staff representative*



AUDITORS' REPORT

To the shareholders of Harboes Bryggeri A/S

We have audited the annual report of Harboes Bryggeri A/S for the 2004/2005 financial year, which has been prepared in accordance with the Danish Financial Statements Act, Danish Accounting Standards and other financial reporting requirements of the Copenhagen Stock Exchange.

The annual report is the responsibility of the management. Our responsibility is to express an opinion on the annual report based on our audit.

Basis of opinion

We conducted our audit in accordance with Danish Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual report is free of material misstatements. The audit includes examining, on a test

basis, evidence supporting the amounts and disclosures in the annual report. The audit also includes assessing the accounting policies applied and significant estimates made by the management, as well as evaluating the overall annual report presentation. We believe that our audit provides a reasonable 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 financial position at 30 April 2005 of the Group and the Parent Company and of the results of their operations as well as the consolidated cash flows for the financial year 2004/2005 in accordance with the Danish Financial Statements Act, the Danish Accounting Standards and other financial reporting requirements of the Copenhagen Stock Exchange.

Slagelse, 7 July 2005

DELOITTE

Statsautoriseret Revisionsaktieselskab

Arne Gøtzsche Pedersen

State-authorized Public Accountant

Freddi Nielsen

State-authorized Public Accountant

PRICEWATERHOUSECOOPERS

Statsautoriseret Revisionsinteressentskab

Svend Aage Nielsen

State-authorized Public Accountant

FINANCIAL STATEMENTS



ACCOUNTING POLICIES

The annual report has been presented in accordance with the provisions of the Danish Financial Statements Act for class D enterprises, Danish Accounting Standards and other financial reporting requirements of the Copenhagen Stock Exchange.

The accounting policies applied in the annual report are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Group and the value of such assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Group, as a result of an earlier event, has incurred a legal or actual liability, and it is probable that future economic benefits will flow from the Group and the value of such liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each item.

On recognition and measurement, account is taken of foreseeable risks and losses arising before the time at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

In the income statement, only income and costs attributable to the financial year are recognised. Value adjustments of financial assets and liabilities are recognised as financial income or financial expenses in the income statement.

The consolidated financial statements

The consolidated financial statements comprise Harboes Bryggeri A/S (the Parent Company) and subsidiaries (group enterprises) in which the Parent Company has a controlling interest, cf. group chart page 25. Control is

achieved when the Parent Company directly or indirectly holds more than 50 per cent of the voting rights or in any other way can or does exercise controlling influence. Enterprises, in which the Parent Company, directly or indirectly, holds more than between 20 and 50 per cent of the voting rights and exercise 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 of the subsidiaries. The consolidated financial statements are prepared by combining uniform accounting items. The consolidation involves the elimination of intra-group income and expenditure, intra-group balances, dividends as well as profits and losses on transactions between the consolidated enterprises. The financial statements used for the consolidation are prepared in accordance with the accounting policies of the Group.

The accounting items of the subsidiaries are recognised wholly in the consolidated financial statements. The minority interests' pro rata share of profit and net assets is presented separately in the income statement and the balance sheet, respectively.

Equity investments in subsidiaries are offset at the pro rata share of the net assets of the subsidiaries at the date of acquisition, calculated at fair value.

Profit or loss from the divestment of equity investments
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, respectively, inclusive of non-amortised goodwill and estimated costs of divestment or winding-up. Profit or loss is recognised in the income statement under other operating income or other operating expenses.

Translation of foreign currency

On initial recognition, foreign currency transactions are translated at the exchange rate of the date of transaction. Receivables, liabilities other than provisions or other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated at the exchange rate 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 or the exchange rate at the balance sheet date, are recognised in the income statement as financial items. Fixed assets acquired in foreign currencies are translated using historical exchange rates.

When recognising foreign subsidiaries, which operate as independent entities, the income statements are translated at the average exchange rates that do not significantly deviate from the exchange rates at the date of transaction. Balance sheet items are translated using the exchange rates applicable at the balance sheet date. Exchange rate adjustments arising from the translation of the equity of foreign subsidiaries at the beginning of the year using and the exchange rates applicable at the balance sheet date and the translation of income statements from average exchange rates using the exchange rates applicable at the balance sheet date are recognised directly against equity.

The exchange rate adjustments of balances with independent foreign subsidiaries, which are considered part of the overall investment in the subsidiary in question, are recognised directly against equity.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised in the balance sheet at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables, respectively.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or recognised liability are recognised in the income statement along with any changes to the value of the hedged asset or liability.

Income statement

Gross revenue

Gross revenue from sales of finished products and goods for resale are recognised in the income statement on delivery and when risk has passed to buyer. Gross revenue is recognised exclusive of VAT and discounts pertaining to the sale other than cash discounts.

Revenue

Net revenue comprises gross revenue exclusive of taxes on beer and soft drinks.

Cost of sales

Cost of sales comprises direct and indirect expenses incurred to generate the gross revenue of the year. In cost of sales, trading companies recognise the consumption of goods, while production companies recognise the costs of raw materials, consumables, production staff, depreciation of production plants and returnable packaging along with adjustments of the obligation to repurchase own packaging.

Cost of sales also includes costs pertaining to development projects, which do not meet the criteria for recognition in the balance sheet, and amortisation of recognised development projects.

Distribution costs

Distribution costs represent costs incurred for the distribution of goods sold and for marketing campaigns, including salaries to sales and distribution staff, marketing expenses, amortisation and depreciation.

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 amortisation.

Accounting Policies*Other operating income and expenses*

Other operating income and expenses include items of a secondary nature to the primary activities of the Group.

Other operating income also includes government grants, which are recognised as income over the expected useful lives of the fixed assets, as well as the letting of buildings.

Other operating expenses also include costs and depreciation in respect of the letting of buildings.

Net financials

Net financials include interest income and interest expenses, realised and unrealised capital gains and losses on securities, liabilities other than provisions and transactions in foreign currencies, mortgage amortisation premium on mortgage debts, cash discounts etc., as well as tax surcharge and prepayment under the Danish Tax Prepayment Scheme.

Extraordinary items

Extraordinary items comprise income and expenses resulting from events which clearly deviate from the ordinary operations of the Group, and which are therefore not expected to be recurring.

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 for the year, and directly in equity with the portion attributable to amounts recognised directly in

equity. The portion of tax attributable to the extraordinary profit for the year is attributed thereto, while the remaining tax is attributed to the income from ordinary activities for the year.

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

Deferred tax is recognised and measured applying the liability method on the basis of all temporary differences between the carrying amount and tax-based value of assets and liabilities.

Deferred tax is measured based on the current tax rules and rates in the country in which the company is registered and which will be in effect, using the laws of the balance sheet date, when the deferred tax is estimated to be triggered as current tax.

Deferred tax in AS Viru Ölu is not recognised as the Parent Company does not intend to collect the profit for the year. Taxes that will arise at a possible distribution of the company's reserves are reported in a note to the financial statements.

The Parent Company is taxed jointly with the Danish subsidiaries and Harboe Norge AS. The current income tax is allocated to among the jointly taxed Danish companies in proportion to their taxable incomes (full allocation with a refund for tax losses).

Balance sheet**Property, plant and equipment**

Land and buildings, plant and machinery together with other fixtures and fittings, tools and equipment and returnable packing are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The cost comprises the acquisition price, costs related directly to the acquisition and costs relating to the preparation of the asset up until such time as the asset is ready for use. Financing costs are not recognised in the cost.

The cost also comprises costs for renovation, which increases the production capacity or prolongs the useful lives of plant and machinery. Renovation costs include direct and indirect costs for materials, subsuppliers and labour costs.

The basis of depreciation is cost less expected residual value following end of use. 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
Buildings on leased land	12-30 years
Plant and machinery	5-25 years
Renovation of production plants	5 years
Other fixtures and fittings, tools and equipment	3-15 years
Returnable packaging	3-8 years

Depreciation is recognised in the income statement under production costs, distribution costs, administrative expenses and other operating expenses, respectively.

Assets with a cost not exceeding DKK 50,000 are recognised as costs in the income statement at the time of acquisition.

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profit and loss from the disposal of property, plant and equipment are measured as the difference between the selling price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement together with depreciation and impairment losses.

Investments

Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured in the balance sheet using the equity method, meaning that they are measured at the pro-rata share of their equity value plus or minus unamortised positive or negative consolidated goodwill and plus or minus unrealised intra-group profits or losses.

The Parent Company's share of the profit of the subsidiaries is recognised in the income statement after elimination of unrealised intra-group profits and losses plus or minus amortisation of positive or negative, consolidated goodwill.

The net revaluation of investments in subsidiaries and associates is recognised under reserve for net revaluation to the extent that the carrying amount exceeds cost.

On acquisition of subsidiaries, the purchase method is applied.

Deposits, leases

Deposits, leases are measured at cost.

Other investments

Other investments comprise shares quoted on the stock exchange and investments in unquoted companies etc., which are measured at fair value.

Inventories

The Brewery Sector

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

The cost of goods for resale, raw materials and consumables comprise 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 production overheads.

Production overheads include indirect materials and wages, costs of maintenance and depreciation and impairment losses on the machinery, buildings and equipment used in the production. Financing costs are not recognised in the cost.

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

Annual Report – The Foodstuff Sector

Processed meat products and consumables are measured at the lower of cost applying the FIFO-method and net realisable value.

The cost of processed meat products comprises costs of raw materials, consumables and direct labour costs as well as production overheads.

The cost of raw materials and consumables comprises the acquisition price plus landing costs.

Production overheads include indirect materials and wages, costs of maintenance and depreciation and impairment losses on the machinery and buildings used in the production. Financing costs are not recognised in the cost.

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

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value less write-downs for expected losses.

Prepayments

Prepayments under assets comprise costs incurred in respect of the coming financial year. Prepayments are measured at amortised cost, which normally corresponds to nominal value.

Own shares

Acquisition and selling prices of own shares are recognised directly in equity under retained earnings.

Other provisions

The obligation to repurchase own packaging in circulation is measured at the deposit price on the basis of the estimated amount of circulating crates and trays filled with bottles and is recognised under provisions.

Mortgage debt

Mortgage debt is measured at cost at the time of borrowing, corresponding to 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 the raising of the loan and the nominal value to be repaid is recognised in the income statement over the term of the loan as a financial cost using the effective interest method.

Other financial liabilities

Other financial liabilities are recognised at amortised cost, which normally corresponds to nominal value.

Deferred income

Deferred income under liabilities comprises received income for recognition in the coming financial year. Deferred income is measured at cost.

Deferred income also includes government grants received in the subsidiary Darguner Brauerei GmbH. The portion of the grant, which can be recognised as income more than one year from the balance date, is entered under long-term liabilities other than provisions.

Cash flow statement

The cash flow statement of the Group is presented using the indirect method, showing cash flows from operating, investing and financing activities as well as the Group's

cash at the beginning and the end of the financial year. No separate cash flow statement has been prepared for the Parent, it being included in that of the Group.

Cash flows from operating activities is calculated as the operating profit adjusted for depreciation, amortisation and government grants, changes in working capital and income taxes paid.

Cash flows from investing activities comprise payments in connection with the purchase and sale of enterprises and activities as well as the purchase and sale of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise the raising of loans, government grants received and instalments on interest-bearing debts as well as the purchase and sale of own shares.

Cash comprises cash funds, short-term securities involving insignificant price risks less short-term bank debt.

Segment information

The main activities of the Harboe Group is the production and sales of beer and soft drinks as well as the processing and marketing of meat products. The core business, production and sales of beer and soft drinks, accounts for approx. 85 per cent (81 per cent in 2003/2004) of the consolidated net revenue.

Disclosures are provided on business segments (primary segment), but not on geographical markets, as the activities of the Group relate to the North European market alone. The segment information complies with the accounting policies and internal financial management of the Group.

Fixed assets in primary segments comprise the assets, which are used directly in the operation of each segment.

Segment liabilities comprise liabilities other than provisions and other provisions arising from the operation of each segment, including trade payables and other payables.

Transition to IFRS

Effective from 1 May 2005, the accounting policies will be changed in accordance with the requirements of the International Financial Reporting Standards, IFRS. For the Harboe Group, this transition will involve a few reclassifications in the income statement and the balance sheet (cf. pages 51-54).

For the 2004/2005 financial year, the changes will have the following effect:

- Operating profit will be DKK 65,000 lower
- Group profit will be DKK 15,000 lower
- Equity will be DKK 441,000 higher



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INCOME STATEMENT

(DKK 1,000)	GROUP		PARENT COMPANY		Note
	2004/2005	2003/2004	2004/2005	2003/2004	
Gross revenue	1,753,711	1,671,537	786,939	805,203	
Taxes on beer and soft drinks	(302,029)	(312,719)	(192,284)	(226,618)	
Revenue	1,451,682	1,358,818	594,655	578,585	1
Cost of sales	(1,131,150)	(1,074,995)	(425,468)	(406,134)	
Gross profit	320,532	283,823	169,187	172,451	
Distribution costs	(155,484)	(149,158)	(100,348)	(97,336)	
Administrative expenses	(34,015)	(35,218)	(21,629)	(20,962)	
Other operating income	16,149	8,497	0	0	
Other operating expenses	(10,872)	(2,876)	0	0	
Operating profit	136,310	105,068	47,210	54,153	
Profit/loss before tax in subsidiaries	0	-	82,858	42,385	
Profit/loss before tax in associates	454	0	0	0	
Profit before net financials	136,764	105,068	130,068	96,538	
Financial income	2,589	2,917	3,375	4,235	2
Financial expenses	(8,733)	(10,701)	(2,808)	(3,487)	3
Profit before tax	130,620	97,284	130,635	97,286	
Tax on profit for the year	(44,345)	(32,930)	(44,345)	(32,967)	4
Adjustment of tax, previous years	121	14	121	51	4
Profit after tax	86,396	64,368	86,411	64,370	
Share of minority shareholders	15	2	0	-	
NET PROFIT FOR THE YEAR	86,411	64,370	86,411	64,370	
Proposal for the distribution of net profit					
Dividend for the financial year	9,000	6,000	9,000	6,000	
Reserve for net revaluation of investments	316	0	-	-	
Retained earnings	77,095	58,370	77,411	58,370	
Total	86,411	64,370	86,411	64,370	

BALANCE SHEET - ASSETS

(AS AT 30 APRIL 2005)

(DKK 1,000)	GROUP		PARENT		Note
	2004/2005	2003/2004	2004/2005	2003/2004	
Land and buildings	298,207	290,526	116,114	107,193	
Plant and machinery	422,862	338,048	218,273	141,938	
Other fixtures and fittings, tools and equipment	36,855	41,864	25,914	29,817	
Spare parts for own machinery	6,534	7,107	6,534	7,107	
Property, plant and equipment under construction	32,928	14,833	704	852	
Property, plant and equipment	797,386	692,378	367,539	286,907	5
Investments in subsidiaries	-	-	332,325	274,772	
Investments in associates	853	537	-	-	
Deposits, leases	2,033	2,009	0	0	
Other investments	2,737	2,448	2,619	2,368	
Investments	5,623	4,994	334,944	277,140	6
FIXED ASSETS	803,009	697,372	702,483	564,047	
Raw materials, intermediates and non-returnable packaging	50,062	49,249	18,679	12,158	
Finished goods and goods for resale	37,368	31,510	14,927	12,029	
Inventories	87,430	80,759	33,606	24,187	
Trade receivables	204,862	191,056	96,479	73,151	
Receivables from subsidiaries	-	-	37,579	75,474	
Receivables from associates	2,817	2,591	0	0	
Government grants receivable	0	7,965	0	0	
Other receivables	2,889	8,005	797	1,890	
Prepayments	5,513	3,104	4,202	1,474	
Receivables	216,081	212,721	139,057	151,989	
CASH FUNDS	88,044	33,036	40,365	16,250	
CURRENT ASSETS	391,555	326,516	213,028	192,426	
ASSETS	1,194,564	1,023,888	915,511	756,473	

BALANCE SHEET - LIABILITIES

(AS AT 30 APRIL 2005)

(DKK 1,000)	GROUP		PARENT		Note
	2004/2005	2003/2004	2004/2005	2003/2004	
Share capital	60,000	60,000	60,000	60,000	7
Share premium	51,000	51,000	51,000	51,000	
Reserve for net revaluation according to the equity method	316	0	-	-	
Dividend for the financial year	9,000	6,000	9,000	6,000	
Retained earnings	501,642	369,735	501,958	369,735	
EQUITY	621,958	486,735	621,958	486,735	
Minority interests	441	456	0	0	8
Obligation to repurchase returnable packaging	60,737	76,762	60,737	76,762	9
Deferred tax liabilities	49,571	37,010	39,171	33,247	10
Provisions	110,308	113,772	99,908	110,009	
Mortgage debt	39,823	47,310	7,769	10,193	
Other credit institutions	30,500	39,904	0	0	
Deferred income	31,081	31,785	0	0	
Long-term liabilities other than provisions	101,404	118,999	7,769	10,193	11
Mortgage debt	5,224	4,803	187	215	11
Other credit institutions	10,800	45,210	0	33,461	11
Trade payables	212,548	128,562	125,039	58,867	
Payables to subsidiaries	0	0	3,902	3,230	
Payables to associates	0	3,680	0	0	
Income taxes	31,891	24,346	5,660	6,178	
Other payables	93,228	91,458	51,088	47,585	
Deferred income	6,762	5,867	0	0	11
Short-term liabilities other than provisions	360,453	303,926	185,876	149,536	
Liabilities other than provisions	461,857	422,925	193,645	159,729	
LIABILITIES AND EQUITY	1,194,564	1,023,888	915,511	756,473	

Staff and management

Other notes

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CASH FLOW STATEMENT

(DKK 1,000)	GROUP		Note
	2004/2005	2003/2004	
Operating profit/loss	136,310	105,068	
Depreciation, amortisation etc.	91,342	93,467	
Grants recognised as income	(6,159)	(5,844)	
Cash flows from operating activities before change in working capital	221,493	192,691	
Change in working capital	5,318	(33,349)	18
Cash flows from operating activities	226,811	159,342	
Net interest, dividends, translation adjustments etc.	(5,679)	(7,784)	
Taxes paid, net	(23,746)	(22,138)	
Cash flows from operating activities	197,386	129,420	
Net investments in property, plant and equipment (Net purchase and sale of property, plant and equipment in the year)	(153,085)	(126,483)	
Net investments	(276)	(539)	
Cash flows from investing activities	(153,361)	(127,022)	
Dividend paid	(6,000)	0	
Instalments on long-term liabilities, net	(18,343)	(15,581)	
Investment grant received for the financial year	14,164	13,512	
Net sales of own shares, incl. dividend received	54,675	24,091	
Cash flows from financing activities	44,496	22,022	
Changes in cash funds	88,521	24,420	
Cash funds as at 1 May 2004	(425)	(25,026)	
Translation adjustment, beginning of the year			
CASH FUNDS AS AT 30 APRIL 2005	88,044	(425)	19

EQUITY STATEMENT

GROUP

(DKK 1,000)	Share capital	Share premium	Reserve for net revaluation according to the equity method	Dividend for the financial year	Retained earnings	Total
Balance as at 1 May 2004	60,000	51,000	0	6,000	369,735	486,735
Net profit 2004/2005	-	-	316	9,000	77,095	86,411
Dividend paid	-	-	-	(6,000)	0	(6,000)
Purchase/sale of own shares during the year, incl. dividend received	-	-	-	-	54,675	54,675
Translation adjustment	-	-	-	-	137	137
Balance as at 30 April 2005	60,000	51,000	316	9,000	501,642	621,958

PARENT COMPANY

(DKK 1,000)	Share capital	Share premium	Reserve for net revaluation according to the equity method	Dividend for the financial year	Retained earnings	Total
Balance as at 1 May 2004	60,000	51,000	0	6,000	369,735	486,735
Net profit 2004/2005	-	-	-	9,000	77,411	86,411
Dividend paid	-	-	-	(6,000)	0	(6,000)
Purchase/sale of own shares during the year, incl. dividend received	-	-	-	-	54,675	54,675
Translation adjustment	-	-	-	-	137	137
Balance as at 30 April 2005	60,000	51,000	0	9,000	501,958	621,958

NOTES

(DKK 1,000)	GROUP		PARENT	
	2004/2005	2003/2004	2004/2005	2003/2004
Note 1. Revenue				
Revenue, home market	565,730	568,268	317,919	347,037
Revenue, exports	885,952	790,550	276,736	231,548
Total	1,451,682	1,358,818	594,655	578,585
For further information, see segment information in Management's Review – the Group				
Note 2. Financial income				
Interest income, subsidiaries	–	–	1,622	2,514
Other interest income	2,589	2,917	1,753	1,721
Total	2,589	2,917	3,375	4,235
Note 3. Financial expenses				
Interest expenses, subsidiaries	–	–	116	171
Other interest expenses	8,733	10,701	2,692	3,316
Total	8,733	10,701	2,808	3,487
Note 4. Tax on profit/loss for the year				
Tax on profit/loss for the year:				
Current tax	33,525	30,857	7,688	20,585
Change in deferred tax	8,988	3,767	5,925	(1,017)
Deferred tax on intra-group profits	1,694	(1,694)	0	0
Total	44,207	32,930	13,613	19,568
Current tax, subsidiaries	–	–	25,836	10,309
Current tax, associates	–	–	–	–
Change in deferred tax, associates	138	0	138	0
Change in deferred tax, subsidiaries	–	–	4,758	3,090
Total	44,345	32,930	44,345	32,967
Adjustment of tax, previous years:				
Adjustment of current tax, previous years	(121)	(14)	(121)	(14)
Adjustment of deferred tax, subsidiary	0	0	0	(37)
Total	(121)	(14)	(121)	(51)

Consolidated reconciliation of the Danish income tax rate compared to the Group's effective tax rate:

(DKK 1,000 and %)	GROUP			
	2004/2005	%	2003/2004	%
Profit/loss before tax	130,620		97,284	
Calculated tax thereon	39,186	30.0	29,185	30.0
Tax implications of:				
Difference in the tax rates of foreign subsidiaries compared to the Danish tax rate	3,546	2.7	3,122	3.2
Non-tax-deductible income and expenses as well as depreciation, amortisation and impairment losses	1,613	1.2	623	0.6
Effective tax for the year	44,345	33.9	32,930	33.8

The effect is not stated separately for the parent, as the tax costs of the parent and the Group are identical.

NOTES

(DKK 1,000)	Land and buildings	Plant and machinery	Other fixtures and fittings, etc.	Spare parts for own machinery	Property, plant and equipment under construction
Note 5. Property, plant and equipment, the Group					
Cost as at 1 May 2004	455,462	813,497	147,520	7,107	14,833
Translation adjustment etc.	59	222	(37)	0	8
Additions in the year	29,189	141,067	16,931	2,667	32,536
Disposals in the year	(8,804)	(2,867)	(17,692)	(3,240)	(14,449)
Cost as at 30 April 2005	475,906	951,919	146,722	6,534	32,928
Accumulated depreciation, amortisation and impairment losses	(164,936)	(475,449)	(105,656)	0	0
Translation adjustment etc.	(12)	(79)	(14)	0	0
Depreciation and amortisation for the year	(17,582)	(56,128)	(21,849)	0	0
Depreciation and amortisation in respect of disposals during the year	4,831	2,599	17,652	0	0
Accumulated depreciation, amortisation and impairment losses as at 30 April 2005	(177,699)	(529,057)	(109,867)	0	0
Carrying amount as at 30 April	298,207	422,862	36,855	6,534	32,928

The value of land and buildings according to the public land assessment as at 1 October 2004 amounts to DKK 180,0 million. This assessment does not include properties of foreign subsidiaries having a carrying amount of DKK 88,6 million. Land and buildings of DKK 298,2 million include the carrying amount of buildings on leased land amounting to DKK 48,5 million.

Property, plant and equipment, Parent					
Cost as at 1 May 2004	184,590	401,599	106,805	7,107	852
Additions in the year	20,746	99,104	13,527	2,667	603
Disposals in the year	(8,804)	(973)	(17,263)	(3,240)	(751)
Cost as at 30 April 2005	196,532	499,730	103,069	6,534	704
Accumulated depreciation, amortisation and impairment losses as at 1 May 2004	(77,397)	(259,661)	(76,988)	0	0
Depreciation and amortisation for the year	(7,852)	(22,561)	(17,391)	0	0
Depreciation and amortisation in respect of disposals during the year	4,831	765	17,224	0	0
Accumulated depreciation, amortisation and impairment losses as at 30 April 2005	(80,418)	(281,457)	(77,155)	0	0
Carrying amount as at 30 April 2005	116,114	218,273	25,914	6,534	704

The value of land and buildings according to the public land assessment as at 1 October 2004 amounts to DKK 82,8 million.

NOTES

	GROUP			PARENT	
(DKK 1,000)	Investments in associates	Deposits, leases	Securities	Investments in associates	Securities
Note 6. Investments					
Cost as at 1 May 2004	537	2,009	1,872	347,907	1,793
Additions in the year	0	24	38	0	0
Disposals in the year	0	0	(57)	0	(57)
Cost as at 30 April 2005	537	2,033	1,853	347,907	1,736
Revaluation/impairment loss as at 1 May 2004	0	0	576	(69,182)	575
Translation adjustment etc.	0	0	0	134	0
Share of profit for the year before tax	454	0	0	82,858	0
Share of tax for the year incl. adjustments in respect of previous years	(138)	0	0	(29,392)	0
Revaluation to fair value	0	0	308	0	308
Total revaluation/impairment losses as at 30 April 2005	316	0	884	(15,582)	883
Adjustment of intra-group profits as at 1 May 2004	0	0	0	(3,953)	0
Changes during the year	0	0	0	5,647	0
Deferred tax	0	0	0	(1,694)	0
Adjustment of intra-group profits as at 30 April 2005	0	0	0	0	0
Carrying amount as at 30 April 2005	853	2,033	2,737	332,325	2,619

	GROUP		PARENT	
(DKK 1,000)	2004/2005	2003/2004	2004/2005	2003/2004
Note 7. Share capital				
The share capital comprises:				
Class A shares (10 times voting right):				
200 shares of DKK 32,000	6,400	6,400	6,400	6,400
Class B shares:				
536,000 shares of DKK 100	53,600	53,600	53,600	53,600
Total	60,000	60,000	60,000	60,000

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

Note 8. Minority interests				
Balance as at 1 May 2004	456	458	-	-
Share of net profit for the year	(15)	(2)	-	-
Balance as at 30 April 2005	441	456	-	-
Note 9. Obligation to repurchase returnable packaging				
Obligation to repurchase own packaging in circulation as at 1 May 2004	76,762	105,839	76,762	105,839
Changes for the year	(16,025)	(29,077)	(16,025)	(29,077)
Obligation to repurchase own packaging in circulation as at 30 April 2005	60,737	76,762	60,737	76,762

NOTES

(DKK 1,000)	GROUP		PARENT	
	2004/2005	2003/2004	2004/2005	2003/2004
Note 10. Deferred tax liabilities				
Deferred tax is incumbent on the following items:				
Intangible assets and property, plant and equipment	46,842	37,390	36,719	31,941
Current assets	2,299	1,137	2,482	1,336
Other items	430	177	(30)	(30)
Intra-group profits	0	(1,694)	0	0
Total	49,571	37,010	39,171	33,247

Deferred tax is provided for at a Danish tax rate of 30 per cent and a German tax rate of 36 per cent

Balance as at 1 May 2004	37,010	34,895	33,247	34,277
Adjustments for the year	10,682	2,073	5,925	(1,016)
Adjustment of deferred tax, previous years	1,863	42	(1)	(14)
Translation adjustment	16	0	0	0
Total	49,571	37,010	39,171	33,247
Payment of AS Viru Ölu's reserves will trigger an unprovided tax of	2,420	2,607	2,420	2,607

(DKK 1,000)	GROUP			
	Falling due within one year	Falling due after one year	Total amortised debt	Total nominal debt
Note 11. Long-term liabilities other than provisions				
Mortgage debt	5,224	39,823	45,047	48,184
Other credit institutions	10,800	30,500	41,300	41,300
Deferred income	6,762	31,081	37,843	37,843
Long-term liabilities other than provisions as at 30 April 2005	22,786	101,404	124,190	127,327
Long-term liabilities other than provisions as at 30 April 2004	55,880	118,999	174,879	177,186
Falling due after five years:				
Mortgage debt			18,102	
Other credit institutions			1,184	
Deferred income			4,033	
Total		23,319		

PARENT				
Mortgage debt	187	7,769	7,956	7,956
Long-term liabilities other than provisions as at 30 April 2005	187	7,769	7,956	7,956
Long-term liabilities other than provisions as at 30 April 2004	33,676	10,193	43,869	43,869
Falling due after five years:				
Mortgage debt		6,951		
Other credit institutions		0		
Total		6,951		

NOTES

(DKK 1,000)	GROUP		PARENT	
	2004/2005	2003/2004	2004/2005	2003/2004
Note 12. Staff and management				
Company/Group remuneration of:				
Board of Directors	260	260	260	260
Board of Executives	3,826	3,883	2,964	3,021
Salaries and wages, other staff	157,341	168,856	86,173	88,248
Pension commitments, social security expenses etc.,				
Other staff	22,069	20,245	9,933	8,838
Total	183,496	193,244	99,330	100,367
Average number of full-time employees	624	694	265	270

Note 13. Interest rate risk, the Group

The Group's interest-bearing debt amounts to DKK 86 million as at 30 April 2005. Loans are raised in DKK and EUR. All loans have a fixed interest, the effective interest rate being 4.5 to 6.8 per cent.

Note 14. Currency risk, the Group

The receivables of the Group in foreign currencies amount to DKK 110,5 million, of which DKK 89,7 million is in EUR. The liabilities of the Group in foreign currencies amount to DKK 202,7 million, of which DKK 194,4 million is in EUR.

Note 15. Contingent liabilities

Parent Company

The company has provided security for Darguner Brauerei GmbH's debt to credit institutions. As at 30 April 2005 the debt amounts to DKK 41,3 million (DKK 51,7 million as at 30 April 2004).

Mortgage debt has been secured by way of a mortgage over these properties. As at 30 April 2005 the carrying amount totals DKK 17,6 million (DKK 22,7 million as at 30 April 2004).

The company is jointly and severally liable with the other jointly taxed companies for the total amount of income tax. As at 30 April 2005, taxes due in other companies amount to DKK 5 million (DKK 0 million as at 30 April 2004).

The Group

Apart from the liabilities mentioned under the Parent Company, the Group (Harboefarm A/S) has entered into lease contracts in respect of land and buildings. The leases have been contracted with companies having Bernd Giese, 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 lesser and the year 2010 on the part of the lessee. The annual rental income amounts to DKK 5,6 million (DKK 5,9 million as at 30 April 2004).

The leases have been contracted at arm's length.

Mortgage debt has been secured by way of a mortgage over the Group's Danish properties. As at 30 April 2005, the carrying amount totals DKK 145,6 million (DKK 160,9 million as at 30 April 2004).

As security for amounts owed to other credit institutions in Darguner Brauerei GmbH, a mortgage deed of approximately DKK 73 million registered to the mortgagor on the property and plant in Dargun has been deposited. As at 30 April 2005, the carrying amount totals DKK 221 million (DKK 204 million as at 30 April 2004).

NOTES

(DKK 1,000)	Carrying amount	Number of DKK 100 shares	Nominal value	Per cent of share capital
Note 16. Holding of own shares				
Shareholding as at 1 May 2004	0	34,100	3,410	5,7
Disposals in the year	0	(29,100)	(2,910)	(4,9)
Additions in the year	0	0	0	
Shareholding as at 30 April 2005	0	5,000	500	0,8

According to a decision made by the general meeting, the company can acquire own shares at a maximum nominal value of DKK 6 million, corresponding to 10 per cent of the share capital, until the next general meeting.

The holding of own shares, which comprise B shares only, has been purchased to ensure the optimal investment of cash funds. In 2004/2005, the company sold 29,100 own shares nominally (4.9 per cent of the share capital) at an average price of 1,867, corresponding to DKK 54.334 million.

	GROUP		PARENT	
(DKK 1,000)	2004/2005	2003/2004	2004/2005	2003/2004
Note 17. Fees to the auditors				
Auditors' remuneration:				
Deloitte	993	1,076	757	631
PricewaterhouseCoopers	555	457	149	130
Total	1,548	1,533	906	761
Fees for other services:				
Deloitte	102	178	78	128
PricewaterhouseCoopers	162	372	0	0
Total	264	550	78	128

Other services include tax consultancy, statements etc.

	GROUP	
(DKK 1,000)	2004/2005	2003/2004
Note 18. Change in working capital		
Change in inventories	(6,671)	14,671
Change in trade receivables	(13,806)	(45,051)
Change in other receivables and prepayments	2,481	(2,485)
Change in trade payables	41,016	10,844
Change in other payables, deferred income (excl. grants) and obligation to repurchase returnable packaging	(17,702)	(11,328)
Total	5,318	(33,349)
Note 19. Cash		
Cash funds	88,044	33,036
Short-term bank debt etc.	0	(33,461)
Total	88,044	(425)

NOTES

Note 20. Related parties

Related parties with a controlling interest in Harboes Bryggeri A/S (the Harboe Group):

Controlling interest	Basis	Other related parties
Bernhard Griese Spegerborgvej 4 4230 Skælskør, Denmark	CEO, member of the Board of Directors and principal shareholder in Harboes Bryggeri A/S	Board of Executives and Board of Directors

Transactions between related parties and Harboes Bryggeri A/S (the Harboe Group) in 2004/2005:

Transactions

Harboefarm A/S has entered into lease contracts with companies in which Bernhard Griese, CEO, and his close relatives hold a controlling interest, cf. note 17 on contingent liabilities. The annual rental income amounts to DKK 5.6 million (DKK 5.9 million in 2003/2004). The deposits recognised under investments concern these lease contracts.

Harboes Bryggeri A/S and Darguner Brauerei GmbH have purchased juice from a company, in which Bernhard Griese, CEO, and his close relatives hold a controlling interest. Purchase for the year amounts to DKK 13.4 million (DKK 15.7 million in 2003/2004).

Harboes Bryggeri A/S has sold a free residence to an executive employee included in the group of main shareholders. The residence was sold at market value.

Apart from intra-group transactions, which have been eliminated in the consolidated financial statements, and ordinary remuneration of the management, no transactions have been carried through during the year with the Board of Directors, the Board of Executives, key employees, primary shareholders, Group enterprises or other related parties.

All transactions with related parties have been contracted at arm's length.

Effect on financial statements of transition to IFRS (not audited)

GROUP INCOME STATEMENT FOR 2004/2005

The effect of the transition to the International Financial Reporting Standards (IFRS) can be seen in the income statement and balance sheet below. For further information, please refer to the accounting policies.

(DKK 1,000)	Former policies	Effect of transition to IFRS	IFRS
Revenue	1,451,682	0	1,451,682
Cost of sales	(1,131,150)	73	(1,131,077)
Gross profit	320,532	73	320,605
Distribution costs	(155,484)		(155,484)
Administrative expenses	(34,015)		(34,015)
Other operating income	16,149		16,149
Other operating expenses	(10,872)		(10,872)
Profit/loss after tax in associates	454	(138)	316
Operating profit/loss	136,764	(65)	136,699
Financial income	2,589	(73)	2,516
Financial expenses	(8,733)		(8,733)
Profit/loss before tax	130,620	(138)	130,482
Tax on profit/loss for the year	(44,345)	138	(44,207)
Adjustment of tax, previous years	121		121
Profit after tax	86,396	0	86,396
Share of minority shareholders	15	(15)	0
Net profit/loss for the year	86,411	(15)	86,396
Proposal for the distribution of net profit			
Dividend for the financial year	9,000		9,000
Reserve for net revaluation of investments	316		316
Retained earnings	77,095		77,095
Share of minority shareholders	0	(15)	(15)
Total	86,411	86,411	86,396

Effect on financial statements of transition to IFRS (not audited)

GROUP BALANCE SHEET

01.05.2004

30.04.2005

(DKK 1,000)	Former policies	Effect of transition to IFRS	IFRS	Former policies	Effect of transition to IFRS	IFRS
Land and buildings	290,526		290,526	298,207		298,207
Plant and machinery	338,048		338,048	422,862		422,862
Other fixtures and fittings, tools and equipment	41,864		41,864	36,855		36,855
Spare parts for own machinery	7,107		7,107	6,534		6,534
Property, plant and equipment under construction	14,833		14,833	32,928		32,928
Property, plant and equipment	692,378	0	692,378	797,386	0	797,386
Investments in associates	537		537	853		853
Deposits, leases	2,009		2,009	2,033		2,033
Other investments	2,448		2,448	2,737		2,737
Investments	4,994	0	4,994	5,623	0	5,623
Fixed assets	697,372	0	697,372	803,009	0	803,009
Raw materials, intermediates and non-returnable packaging	49,249		49,249	50,062		50,062
Finished goods and goods for resale	31,510		31,510	37,368		37,368
Inventories	80,759	0	80,759	87,430	0	87,430
Trade receivables	191,056		191,056	204,862		204,862
Receivables from associates						
Government grants receivable	2,591		2,591	2,817		2,817
Other receivables	7,965		7,965	0		0
Prepayments	8,005		8,005	2,889		2,889
Deferred income	3,104		3,104	5,513		5,513
Receivables	212,721	0	212,721	216,081	0	216,081
Cash funds	33,036	0	33,036	88,044	0	88,044
Current assets	326,516	0	326,516	391,555	0	391,555
Assets	1,023,888	0	1,023,888	1,194,564	0	1,194,564

Effect on financial statements of transition to IFRS (not audited)

GROUP BALANCE SHEET

01.05.2004

30.04.2005

(DKK 1,000)	Former policies	Effect of transition to IFRS	IFRS	Former policies	Effect of transition to IFRS	IFRS
Share capital	60,000	0	60,000	60,000	0	60,000
Share premium	51,000	0	51,000	51,000	0	51,000
Reserve for net revaluation according to the equity method	0	0	0	316	0	316
Dividend for the financial year	6,000	0	6,000	9,000	0	9,000
Retained earnings	369,735	0	369,735	501,642	0	501,642
Minority interests	0	456	456	0	441	441
Equity	486,735	456	487,191	621,958	441	622,399
Minority interests	456	(456)	0	441	(441)	0
Obligation to repurchase returnable packaging	76,762	(76,762)	0	60,737	(60,737)	0
Deferred tax liabilities	37,010	(37,010)	0	49,571	(49,571)	0
Provisions	113,772	(113,772)	0	110,308	(110,308)	0
Mortgage debt	47,310	0	47,310	39,823		39,823
Other credit institutions	39,904	0	39,904	30,500		30,500
Deferred tax liabilities	0	37,010	37,010		49,571	49,571
Deferred income	31,785	0	31,785	31,081		31,081
Long-term liabilities other than provisions	118,999	37,010	156,009	101,404	49,571	150,975
Mortgage debt	4,803	0	4,803	5,224	0	5,224
Other credit institutions	45,210	0	45,210	10,800	0	10,800
Trade payables	128,562	0	128,562	212,548	0	212,548
Obligation to repurchase returnable packaging	0	76,762	76,762	0	60,737	60,737
Payables to associates	3,680	0	3,680	0	0	0
Income taxes	24,346	0	24,346	31,891	0	31,891
Other payables	91,458	0	91,458	93,228	0	93,228
Deferred income	5,867	0	5,867	6,762	0	6,762
Short-term liabilities other than provisions	303,926	76,762	380,688	360,453	60,737	421,190
Liabilities other than provisions	422,925	113,772	536,697	461,857	110,308	572,165
Liabilities and equity	1,023,888	0	1,023,888	1,194,564	0	1,194,564

Effect on financial statements of transition to IFRS (not audited)

GROUP EQUITY STATEMENT

(DKK 1,000)	Share capital	Share premium	Reserve for net revaluation according to the equity method	Dividend for the financial year	Retained earnings	Minority share-holders	Total
Balance as at 1 May 2004	60,000	51,000	0	6,000	369,735	456	487,191
Net profit/loss 2004/2005			316	9,000	77,095	(15)	86,396
Dividend paid				(6,000)	0		(6,000)
Purchase/sale of own shares during the year, incl. dividend received					54,675		54,675
Translation adjustment					137		137
Balance as at 30 April 2005	60,000	51,000	316	9,000	501,642	441	622,399



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