

COMPANY ANNOUNCEMENT

Harboes Bryggeri A/S

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Contacts:

Bernhard Giese, CEO

Ruth Schade, President

INTERIM REPORT OF HARBOES BRYGGERI A/S

for the period 1 May - 31 October 2011

To

NASDAQ OMX Copenhagen

The Board of Directors of Harboes Bryggeri A/S has today considered and adopted the interim report for the period 1 May - 31 October 2011.

The report is described on the following pages.

Skælskør, 12 December 2011

Anders Nielsen
Chairman of the Board

Bernhard Giese
CEO

COMPANY ANNOUNCEMENT

INTERIM REPORT OF HARBOES BRYGGERI A/S FOR THE PERIOD 1 MAY – 31 OCTOBER 2011

Growth despite challenging market conditions in Northern Europe

“It is positive to see that our intensive focus on high quality, developing new strong products and flexible packaging solutions can create growth in an otherwise challenging market. Our international focus and targeted efforts to utilise an attractive market potential in growth regions outside Northern Europe are increasingly contributing to the results of the group.

However, the financial development, increasing raw material prices and fierce competition combined with a real risk of new taxes being introduced in Denmark are challenges that continue to put our earnings under pressure. We therefore revise the outlook for EBITDA to DKK 150-160 million compared to a previous outlook of DKK 160-170 million.

We are working systematically to maintain our solid position in the Northern European market, while at the same time strengthening our exposure to growth markets where Harboe's innovative and targeted product range can be marketed in less price-sensitive segments.

We have plenty of financial resources and a dedicated and competent organisation which together form a unique basis for harnessing the potential for continued growth and ever increasing value creation.”

Bernhard Griese
CEO

COMPANY ANNOUNCEMENT

INTERIM REPORT OF HARBOES BRYGGERI A/S FOR THE PERIOD 1 MAY – 31 OCTOBER 2011

Highlights for H1 – continuing activities

- Revenue was DKK 746.2 million, up 5.1%.
- Sales of beer and soft drinks, including malt beverages and malt wort products, totalled 3.28 million hectolitres compared with 3.12 million hectolitres in the same period last year, corresponding to an increase of 5.1%.
- A profit before depreciation, amortisation, net financials and tax (EBITDA) of DKK 83.9 million was returned against DKK 117.8 million in the same period last year. This corresponds to an EBITDA margin of 11.2%.
- The operating profit (EBIT) amounted to DKK 42.7 million compared with last year's DKK 53.9 million.
- The consolidated profit before tax from continuing activities was DKK 38.9 million against DKK 52.1 million last year.
- The group's investments in the financial year totalled DKK 36.9 million.
- Cash flows from operating activities and free cash flows (changes in cash and cash equivalents) amounted to DKK 7.1 million and DKK -22.0 million, respectively.
- Harboe has been authorised by the general meeting to acquire 20,500 Class B treasury shares at a price of DKK 1.8 million. As at 31 October 2011, the group had 371,085 Class B treasury shares, corresponding to 6.18% of the share capital.
- Harboe revises its EBITDA outlook to DKK 150-160 million from a previous outlook of DKK 160-170 million, just as the profit before tax is now expected to be DKK 60-70 million against a previous outlook of DKK 70-80 million.

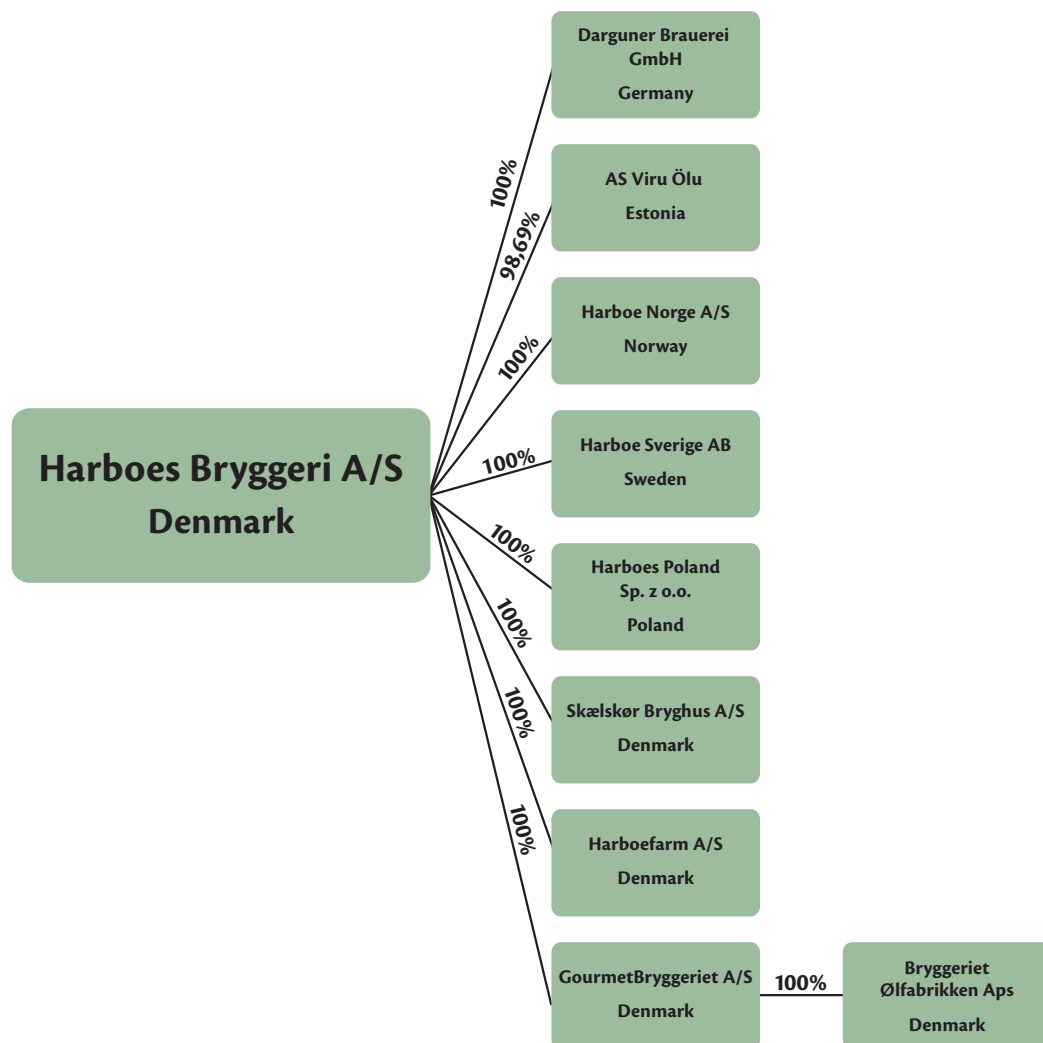
Further information

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FINANCIAL HIGHLIGHTS

(DKK '000)	2. Q2 2011/2012	Q2 2010/2011	1. H1 2011/2012	1. H1 2010/2011	FY 2010/2011
Earnings					
Gross revenue	421,881	383,238	881,261	851,057	1,584,144
Taxes on beer and soft drinks	(63,588)	(65,895)	(135,014)	(140,730)	(263,495)
Revenue	358,293	317,343	746,247	710,327	1,320,649
EBITDA	35,776	53,884	83,805	117,795	204,858
Operating profit/(loss)	15,662	20,760	42,705	53,899	74,199
Profit/(loss) before tax	13,799	19,814	38,880	52,145	68,342
Profit/(loss) from continuing activities	10,323	14,877	29,188	39,097	51,076
Profit/(loss) from discontinued activities	308	1,628	258	4,462	9,577
Net profit/(loss) for the period	10,631	16,505	29,446	43,559	60,653
Balance sheet					
Non-current assets			1,162,396	1,183,527	1,184,353
Current assets			487,874	474,999	501,114
Equity			779,944	737,950	753,438
Non-current liabilities			330,379	342,472	346,095
Current liabilities			539,947	578,104	585,934
Balance sheet total			1,650,270	1,658,526	1,685,467
Net interest-bearing debt			158,284	154,348	140,565
Investments etc.					
Investments in intangible assets	355	671	1,132	671	5,726
Investments in property, plant and equipment	30,361	14,968	35,764	31,970	141,830
Depreciation, amortisation, impairment losses and write-downs	19,046	33,201	40,555	65,396	130,659
Cash flows					
Cash flows from operating activities	10,478	44,719	7,101	112,946	192,213
Cash flows from investing activities	(9,125)	(35,453)	8,125	(81,585)	(148,410)
Cash flows from financing activities	(20,233)	(36,840)	(37,223)	(54,766)	(63,776)
Change in cash and cash equivalents (free cash flow)	(18,880)	(27,574)	(21,997)	(23,405)	(19,973)
Ratios (in %)					
Profit margin			5.7%	7.6%	5.6%
Solvency ratio			47.3%	44.5%	44.7%
EBITDA margin			11.2%	16.6%	15.5%
Gearing			20.3%	20.9%	18.7%

GROUP CHART



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 is the production and sale of beer, soft drinks, malt beverages and malt wort products.

As announced in the company's annual report for 2010/11, Harboe began the shutdown of the foodstuff business in Harboefarm A/S.

Harboefarm A/S continues to lease the company's farms until 2017 and has on 1 June 2011 concluded additional lease agreements for the production and warehouse facilities at the factory in Skælskør, Denmark.

The discontinuation of these activities will lead to a fall in revenue, whereas the impact on results will be limited.

The lease activities are now recognised as a whole in the reporting for the group under Other operating income and expenses, and comparative figures for the continuing business activities have been restated to reflect this.

MANAGEMENT'S REVIEW

BUSINESS DEVELOPMENTS

Total sales of beer and soft drinks, including malt beverages and malt wort products, totalled 1.55 million hectolitres in Q2, up 10.7% relative to the same period last year.

Sales amounted to 3.28 million hectolitres in H1, up 5.1%.

REVENUE

Revenue was DKK 358.3 million in Q2 2011/12 against DKK 317.3 million, up 12.9%.

Revenue for H1 amounted to DKK 746.2 million against DKK 710.3 million in the same period last year, up 5.1%.

The increase in revenue was achieved in spite of an unusually cold and wet summer, resulting in significantly lower demand in July and August which are normally high season. Sales of water and soft drinks, in particular, were considerably lower than normal. Beer sales, on the other hand, developed positively, and the total growth was driven by rising sales in Northern Europe as well as most of the group's other markets. The development is based on additional sales to existing customers, and new distribution agreements and new strategic collaboration agreements have also been signed in several export markets.

This development should be compared with what was an extremely good period last year.

EARNINGS

A profit before depreciation, amortisation, net financials and tax (EBITDA) of DKK 35.8 million was returned in Q2 against DKK 53.9 million in the same period last year, representing a fall of 33.6% and an EBITDA margin of 10.0%. EBITDA for H1 amounted to DKK 83.8 million against DKK 117.8 million in the same period last year.

This development is mainly due to rising raw material prices of malt, energy and oil. Due to the continued intensive competition, particularly in Northern Europe – the group's largest market – it has not been possible to balance out the increasing costs through higher selling prices, and this affects the group's total EBITDA margin negatively. The increased sales also mean that the rising raw material prices of malt and sugar, in particular, were reflected in the costs sooner than expected. In recent years, Harboe has invested continuously in expanding and streamlining the group's operations and production facilities, but Harboe is still focusing on creating further streamlining potential when expanding its facilities.

The group's costs are also affected by further expansion of the sales organisation with special focus on strengthening its efforts in the markets outside Northern Europe. At the same time, the costs are affected by the continued development activities within malt extract, which are showing great promise, and both areas are increasingly expected to contribute positively to the earnings performance.

The operating profit amounted to DKK 15.7 million in Q2 against DKK 20.8 million in the same period last year. An operating profit of DKK 42.7 million was returned for H1 against DKK 53.9 million in the same period last year.

The profit before tax amounted to DKK 13.8 million in Q2 against DKK 19.8 million in the same period last year. A profit before tax of DKK 38.9 million was returned for H1 against DKK 52.1 million in the same period last year.

DEVELOPMENTS IN THE GROUP'S MARKETS

Harboe produces and sells a wide range of products on more than 90 markets worldwide. The product portfolio is designed to meet the demand and market potential of the individual markets and comprises three main categories:

- Beer, soft drinks, energy drinks, alcoholic and non-alcoholic malt drinks, which are marketed to retail customers and via distributors in more than 70 markets worldwide. Particularly the markets outside Europe are seeing growing demand. Harboe pursues a strategy of continued expansion of the international activities aimed at regions where the economic and demographic development supports increasing purchasing power and a demand for quality products.
- Traditional malt extract marketed to the food industry in a number of European markets. The market is growing, and Harboe seeks to drive growth further through continued product development.
- New unique malt extract products developed by Harboe and marketed to customers in the drinks industry – local drinks manufacturers in the Middle East and Central Asia and other countries as well as major international players. Harboe is working hard to further cultivate this market and has concluded strategic collaboration agreements with several international drinks manufacturers about the further development and use of the new products.

NORTHERN EUROPE

Northern Europe is the group's largest market which includes Denmark, Norway, Sweden, the Baltic States and Germany as well as the Danish-German border area, which represents a special market. Furthermore, the group exports a custom range of products under own brands to the UK and France, among other countries.

In Northern Europe, most of Harboe's products are marketed through major chains. Harboe's strategy is to focus on maintaining a high volume of the group's drinks products and protecting its well-established position in the highly competitive Northern European market. Harboe will drive the development and provide customers with a high level of quality, flexibility, reliable deliveries and an attractive product range in tune with the times.

The total beer market in Northern Europe has continued to decline in recent years, and this trend continued into 2011. The cold and wet summer also affected beer sales negatively. However, the decline was offset by increased sales to new European markets, and strategic collaboration agreements with new customers are also contributing positively to the total volume and efficiency awareness at the group's breweries.

The soft drinks and non-alcoholic drinks segments were affected by the summer weather as well, which influenced sales in all Northern European markets. However, for the period as a whole, sales grew, among other things as a result of strengthened selling and marketing activities in selected markets within less seasonally dependant product categories such as dark malt beverages.

Sales of traditional malt extract developed positively through a continued good collaboration with existing customers and several new agreements with new customers, which were concluded at the beginning of the calendar year.

THE MIDDLE EAST

Harboe sells beer in selected Middle Eastern countries that allow alcohol import. The group also markets a range of non-alcoholic products, including non-alcoholic malt drinks and traditional soft drinks, which are both seeing growth. The development is driven by increasing purchasing power and an ever growing consumer segment demanding quality beverages. In the past four years, Harboe has pursued a focused geographical expansion strategy in the region, and the group now has a strong foothold in several markets. The activities are being expanded continuously in collaboration with customers and distributors in both existing and new markets in the region.

However, the developments in H1 were marked by the political turmoil in the region, which affected sales and delayed supplies, causing widespread trading challenges. Demand continues to grow, however, and Harboe constantly focuses on how the group can best utilise the existing market potential while taking into account the political situation and the economic risk exposure.

In the segment for clear malt extract, which Harboe sells to a number of customers in the drinks industry, demand continues to grow. Despite the challenges in the market, Harboe achieved higher growth rates for malt extract than in the same period last year.

AFRICA

Harboe sells a broad range of beer, soft drinks, malt beverages and non-alcoholic malt beverages in a growing number of African countries, primarily under own brands. Harboe's expansion in the African countries is driven by increasing demand for strong beer and malt-based products, in particular, and the market development supports the sales with a rapidly growing middle class and the retail trade's continued development and consolidation. Focused selling and marketing activities and a close and mutually beneficial collaboration with large regional distributors are catalysts for the group's continued positive development.

The sales organisation is still being expanded, and intensive marketing activities have helped drive the extremely positive development in the African markets in H1, with volumes rising within the entire product range. The results were achieved in the existing markets, and long-term supply agreements also paved the way for new and promising growth markets on the continent.

SOUTH EAST ASIA AND OCEANIA

As part of Harboe's strategy of continued international expansion of its activities, the group has launched a systematic sales effort in South East Asia and in selected markets in Oceania. A regional sales organisation has been set up, and collaborations with several distributors across the region have been established. Particularly Harboe's lager and strong beer have gained a foothold in the South East Asian markets.

In H1, good results were achieved in collaboration with key distributors combined with a targeted sales strategy aimed at large retail chains. Several of them are now carrying Harboe's products, thereby effectively showcasing them to the consumers in these markets. At the same time, Harboe is marketing its products to the restaurant segment, and in one of the markets a deal has been made to supply one of the largest chains in the country with more than 2,000 bars. Although still at a modest level, the systematic sales activities in South East Asia and Oceania contribute positively to the group's overall results.

STRATEGIC INITIATIVES

In H1, Harboe continued the strategic development activities within malt extract by continuing to expand the sales organisation and further driving and building on projects with partners in the drinks industry as well as continuing its product development activities. The development of a sweet malt extract to supplement the already marketed clear malt extract saw considerable progress in the accounting period, and interest in the product is promising. Patents are pending for both products.

As part of Harboe's efforts to always ensure efficient and coordinated production and utilisation of resources across the group's production units, Harboe is in the process of installing an ERP system which is expected to be fully implemented at all units during the coming calendar year.

In Q2 2011, Harboe's Danish production unit in Skælskør was certified in terms of working environment in line with the group's focus on safety and quality in production. Plans are for the group's two other production units in Germany and Estonia to be certified according to a similar standard, and the preparations for this are ongoing.

The coming years' growth in earnings is very much to be achieved by continuing to expand and intensify the group's selling and development activities. To this end, new strong competencies were added to the organisation in H1, and the positive results of these efforts support Harboe's strategy of continuing to give priority to investments that can create and utilise long-term growth opportunities.

INVESTMENTS

H1's investments in intangible assets and property, plant and equipment amounted to DKK 36.9 million. The investments primarily comprise new facilities and optimisation projects and the continuous expansion and coordination of capacity between the group's production units.

EQUITY

As at 31 October 2011, equity amounted to DKK 779.9 million against DKK 753.4 million as at 1 May 2011.

Equity is affected by the results for the period, foreign currency translation adjustments in respect of foreign subsidiaries, acquisition of treasury shares and adjustments of the reserve for adjustment to fair value of financial assets available for sale as well as the distribution of dividend.

TREASURY SHARES

As at 31 October 2010, the group's holding of treasury shares totalled 371,085 Class B shares, corresponding to 6.18% of the share capital.

In the accounting period 1 May - 31 October 2011, 20,500 Class B shares at a price of DKK 1.8 million were acquired, corresponding to an average acquisition price per share of DKK 86.30.

DIVIDEND

In accordance with a resolution adopted at the company's annual general meeting held on 24 August 2011, dividend corresponding to DKK 1.50 per share or a total of DKK 9 million was paid out during the period.

LIQUIDITY AND NET INTEREST-BEARING DEBT

Cash flows from operating activities amounted to DKK 7.1 million in H1 compared with DKK 112.9 million in the same period last year. This is due to a changed liquidity impact on investment creditors and increased inventories in the period, among other things.

Free cash flow – changes in cash and cash equivalents – amounted to DKK -22.0 million against DKK -23.4 million in the same period last year.

Cash resources, which are composed of cash and credit facilities granted but not yet activated, amounted to DKK 23.8 million as at 31 October 2011. To this comes the holding of treasury shares corresponding to DKK 35.1 million stated at stock market value as at 31 October 2011. To this is also added the fair value of the bond portfolio amounting to DKK 256.4 million, resulting in total cash resources of DKK 315.3 million.

As at 31 October 2011, the group's interest-bearing debt amounted to DKK 437.5 million, and the net interest-bearing debt amounted to DKK 158.3 million.

RISKS

As the group's sales and purchases in foreign currencies are still primarily denominated in EUR, currency risks are considered to be limited.

Harboe continues to assess the need for currency hedging in step with developments.

In all the group's main markets, the beer and soft drinks segments are characterised by intense competition, leading to a constant pressure on prices. Harboe is therefore very sensitive to market fluctuations in the prices of raw materials and consumables, as increasing costs cannot simply be added to the sales prices. This is true, in particular, of those of the group's products that are marketed to the discount chains. In order to counter these fluctuations as much as possible, Harboe concludes long-term contracts on the purchase of raw materials and consumables whenever possible. However, only short-term contracts can be concluded for highly volatile raw materials, which involves some degree of latent risk that the results will be affected during a financial year.

Apart from the factors described in this interim report, no material changes were seen in the group's risk and uncertainty factors. The group's risk exposure is described in further detail in the annual report for 2010/11.

REVISION OF THE OUTLOOK FOR 2011/12

Harboe expects activities to continue to develop positively in 2011/12, and the investments made in innovation, product development and capacity expansions to contribute to strengthening growth.

Furthermore, it is expected that both the export markets and the further expansion of collaboration agreements on sales of malt extract will contribute positively to earnings.

However, further increases in the cost of important raw materials and consumables mean that the group revises its outlook for a profit before depreciation, amortisation, net financials and tax (EBITDA) to about DKK 150-160 million from a previous outlook of DKK 160-170 million as announced in the annual report on 28 June 2011. Similarly, the outlook for a profit before tax is revised to DKK 60-70 million from a previous outlook of DKK 70-80 million.

The cash flow from operating activities is expected to be in the region of DKK 140-160 million. Harboe is continuously working to strengthen cash flows from operating activities, which will remain a strategic focus area this year.

Investments planned for FY 2011/12 are in the region of DKK 50-70 million, primarily focusing on new facilities, capacity expansions and resulting efficiency improvements.

EVENTS OCCURRING AFTER THE END OF THE PERIOD

No events have occurred after the end of the period which materially affect the earnings and financial position of the company.

Effective from 1 May 2011, the subsidiaries Gourmetbryggeriet A/S and Harboefarm A/S merged with Gourmetbryggeriet A/S as the continuing

company under the name Harboe Ejendomme A/S. The merger was completed as a taxable merger, according to which a statement of the taxable income and the profit/loss from the sale of the properties was made. The deferred tax in Harboefarm A/S was consequently adjusted by DKK 1.8 million.

STRATEGY AND FINANCIAL TARGETS

As mentioned in the company's annual report for 2010/11, Harboe is pursuing a strategy which focuses on maintaining a high volume of the company's drinks products and on protecting its position in the important main markets in Northern Europe. Modern, efficient and flexible production facilities are of decisive importance to this strategy.

Moreover, Harboe is focusing on the continued geographical expansion which holds an attractive potential with growing demand and more nuanced competition that allows the company to achieve higher earnings margins than in the core business within a number of segments. The activities are expected to increasingly contribute to the group's revenue and EBITDA over the coming years.

Malt extract activities constitute an important strategic focus area, both the traditional malt extract products and the further development of these activities in the form of clear malt extract and other innovative products. The area continues to hold considerable potential which Harboe wants to make the most of. Further marketing of the clear malt extract and the launch of a sweet malt extract will thus be a central element in the strategic development for the coming years.

DISCLAIMER

The interim report for H1 2011/12 contains forward-looking statements, including such as relate to the future earnings performance. Such statements are subject to risks and uncertainties concerning a number of factors, many of which are outside the Harboe group's control. This may cause the actual results to deviate significantly from the outlook described in the interim report. Factors which may impact the outlook include general economic and commercial conditions, price development of raw materials, new taxes and regulation, political conditions, demand, exchange rate fluctuations and competition.

The interim report for H1 2011/12 is published in Danish and English. In the event of discrepancies between the Danish and the English text, the Danish text will prevail.

FINANCIAL CALENDAR

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

Interim report, Q3 2011/12	27 March 2011
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ANNOUNCEMENTS TO NASDAQ OMX COPENHAGEN

In the period 1 May 2010 to 12 December 2011, the company has submitted the following announcements to NASDAQ OMX Copenhagen, which can be found at the company's website www.harboes.dk:

Date	Announcement
16 May 2011	Financial calendar for 2011/12
28 June 2011	Annual announcement for 2010/11
30 June 2011	Announcement of annual general meeting
22 July 2011	Notice of annual general meeting
3 August 2011	Annual report 2010/11
24 August 2011	Minutes of annual general meeting
7 September 2011	Interim report, Q1 2011/12
19 September 2011	Reporting in accordance with Section 28a of the Danish Securities Trading Act

STATEMENT OF THE BOARD OF DIRECTORS AND BOARD OF EXECUTIVES ON THE ANNUAL REPORT

Today, we have reviewed and approved the interim report of Harboes Bryggeri A/S for the period 1 May - 31 October 2011.

The interim report is presented in accordance with IAS 34, *Interim Financial Reporting*, as adopted by the EU and additional Danish disclosure requirements for the interim reporting of listed companies.

In our opinion, the interim report provides a true and fair view of the group's assets and liabilities and financial position as at 31 October 2011 and of the results of its activities and cash flows for H1 2011/12.

We also believe that the management's review gives a fair review of the development in the group's activities and financial affairs, its results for the period and general financial position as well as a description of the most important risks and uncertainty factors to which the group is exposed.

Skælskør, 12 December 2011

Board of Executives

CEO
Bernhard Giese

Board of Directors

Anders Nielsen, Chairman
Bernhard Giese
Mads O. Krage
Mette Kirstine Agger
Thøger Thøgersen
Carl Erik Kjærsgaard
Jens Bjarne Jensen ¹

¹ Elected by the employees

COMPREHENSIVE INCOME

(DKK '000)	Note	2. Q2 2011/2012	Q2 2010/2011	H1 2011/2012	H1 2010/2011	FY 2010/2011
Continuing activities						
Gross revenue		421,881	383,238	881,261	851,057	1,584,144
Taxes on beer and soft drinks		(63,588)	(65,895)	(135,014)	(140,730)	(263,495)
Revenue		358,293	317,343	746,247	710,327	1,320,649
Production costs		(282,761)	(246,417)	(583,516)	(547,840)	(1,022,683)
Gross profit		75,532	70,926	162,731	162,487	297,966
Distribution costs		(48,142)	(39,168)	(95,121)	(87,175)	(179,346)
Administrative expenses		(12,567)	(12,201)	(26,302)	(23,241)	(49,601)
Other operating income		3,837	4,650	7,433	8,958	18,281
Other operating expenses		(2,998)	(3,447)	(6,036)	(7,130)	(13,101)
Operating profit/(loss)		15,662	20,760	42,705	53,899	74,199
Financial income		2,831	1,536	4,744	3,818	4,488
Financial expenses		(4,694)	(2,482)	(8,569)	(5,572)	(10,345)
Profit/(loss) before tax		13,799	19,814	38,880	52,145	68,342
Calculated tax on profit/(loss) for the period		(3,490)	(4,975)	(9,568)	(13,086)	(17,221)
Adjustment of tax, previous years		14	38	(124)	38	(45)
Net profit/(loss) for the period		10,323	14,877	29,188	39,097	51,076
Discontinuing activities						
Profit/(loss) from discontinuing activities	4	308	1,628	258	4,462	9,577
Net profit/(loss) for the period		10,631	16,505	29,446	43,559	60,653
Foreign currency translation adjustments regarding foreign enterprises				(1,191)	379	487
Adjustment to fair value of financial assets available for sale				14,319	7,226	4,748
Adjustment to fair value of financial assets available for sale, recirculation upon disposal				-	-	263
Adjustment to fair value of financial instruments entered into for hedging future cash flows				(210)	616	838
Tax on other comprehensive income				(3,770)	(2,268)	(1,989)
Other comprehensive income				9,148	5,953	4,347
Comprehensive income				38,594	49,512	65,000
Distribution of net profit/(loss) for the period						
Shareholders of the parent				29,436	43,536	60,635
Minority interests				10	23	18
Distribution of comprehensive income for the period						
Shareholders of the parent				38,584	49,489	64,982
Minority interests				10	23	18
Earnings per share and diluted earnings per share						
	2					
Continuing and discontinued activities				5.2	7.5	10.6
Continuing activities				5.2	6.7	9.0

BALANCE SHEET – ASSETS

(DKK '000)	Note	31. October 2011	31 October 2010	30 April 2011
Goodwill		3,573	3,573	3,573
Development projects		433	951	433
Rights		5,708	5,718	5,719
Software		7,356	4,187	7,920
Intangible assets under construction		9,282	713	5,764
Intangible assets		26,352	15,142	23,409
Land and buildings		258,179	333,592	337,159
Plant and machinery		467,939	412,511	456,073
Other plant, fixtures and fittings, tools and equipment		33,067	41,143	38,665
Spare parts for own production equipment		4,245	3,629	3,993
Property, plant and equipment under construction		35,414	84,861	36,083
Property, plant and equipment	5	798,844	875,736	871,973
Investment properties	6	72,365	-	-
Financial assets available for sale		261,834	289,384	285,782
Deposits, leases		2,366	2,255	2,303
Financial assets		264,200	291,639	288,085
Deferred tax assets		635	1,010	886
Non-current assets		1,162,396	1,183,527	1,184,353
Raw materials, consumables and packaging		76,412	80,820	76,488
Finished goods and goods for resale		70,107	61,674	61,762
Inventories		146,519	142,494	138,250
Trade receivables		299,042	273,941	301,676
Other receivables		2,529	8,824	10,306
Prepayments		13,914	12,399	7,977
Receivables		315,485	295,164	319,959
Cash		22,878	34,349	39,913
Assets held for sale		2,992	2,992	2,992
Current assets		487,874	474,999	501,114
Total assets		1,650,270	1,658,526	1,685,467

BALANCE SHEET – EQUITY AND LIABILITIES

(DKK '000)	Note	31. October 2011	31 October 2010	30 April 2011
Share capital		60,000	60,000	60,000
Share premium		51,000	51,000	51,000
Reserves	7	(6,541)	(14,083)	(15,689)
Retained earnings		675,266	640,819	657,918
Equity owned by shareholders of parent		779,725	737,736	753,229
Equity owned by minority interests		219	214	209
Equity		779,944	737,950	753,438
Mortgage debt		230,693	251,226	253,402
Provisions for deferred tax		43,051	35,883	37,861
Deferred income		56,635	55,363	54,832
Non-current liabilities		330,379	342,472	346,095
Mortgage debt		32,709	55,114	36,656
Other credit institutions		174,121	167,173	169,124
Trade payables		172,031	188,199	216,388
Repurchase of returnable packaging		20,940	32,633	27,958
Income tax		29,044	21,928	20,609
Other payables		93,285	101,776	102,641
Deferred income		14,861	8,294	9,579
Current liabilities		536,991	575,117	582,955
Liabilities in respect of assets held for sale		2,956	2,987	2,979
Liabilities		870,326	920,576	932,029
Equity and liabilities		1,650,270	1,658,526	1,685,467

CONSOLIDATED CASH FLOW STATEMENT

(DKK '000)	1. H1 2011/2012	H1 2010/2011	FY 2010/2011
Operating profit/(loss)	42,817	60,294	86,959
Depreciation, amortisation etc.	38,862	65,605	130,183
Grants recognised as income	(3,599)	(5,827)	(12,657)
Cash flows from operating activities before change in working capital	78,080	120,072	204,485
Change in inventories	(8,328)	(19,660)	(16,016)
Changes in trade receivables	(988)	31,135	2,773
Change in other receivables	3,003	(8,488)	(6,735)
Change in trade payables etc.	(46,491)	1,851	28,547
Change in other current liabilities	(13,805)	(6,652)	(7,466)
Changes in working capital	(66,609)	(1,814)	1,103
Cash flows from primary operating activities	11,471	118,258	205,588
Financial income received	6,107	4,126	4,888
Financial expenses paid	(9,400)	(5,975)	(10,007)
Taxes paid, net	(1,077)	(3,463)	(8,256)
Cash flows from operating activities	7,101	112,946	192,213
Purchase of intangible assets	(4,652)	(681)	(10,788)
Purchase of property, plant and equipment	(30,832)	(83,153)	(142,865)
Sale of property, plant and equipment	6,754	688	2,653
Changes in financial assets	36,855	1,561	2,590
Cash flows from investing activities	8,125	(81,585)	(148,410)
Dividend paid	(9,000)	(9,000)	(8,474)
Net sales of own assets, incl. dividend received	507	526	-
Investment grant received	-	-	7,579
Repayment of non-current liabilities, net	(296,189)	(12,393)	(31,669)
Raising of financial liability	269,229	(561)	2,126
Purchase of treasury shares	(1,770)	(33,338)	(33,338)
Cash flows from financing activities	(37,223)	(54,766)	(63,776)
Changes in cash and cash equivalents	(21,997)	(23,405)	(19,973)
Cash and cash equivalents as at 1 May	(129,246)	(109,419)	(109,238)
Cash and cash equivalents as at 31 October	(151,243)	(132,824)	(129,211)

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Other reserves	Retained earnings	Equity owned by shareholders of parent	Equity owned by minority shareholders	Total equity
Equity as at 1 May 2010	60,000	51,000	(20,036)	639,095	730,059	191	730,250
Changes in equity 2010/11							
Comprehensive income for the year	0	0	5,953	43,536	49,489	23	49,512
Dividend paid	0	0	0	(9,000)	(9,000)	0	(9,000)
Dividend from treasury shares	0	0	0	526	526	0	526
Sale of treasury shares	0	0	0	(33,338)	(33,338)	0	(33,338)
Total changes in equity	0	0	5,953	1,724	7,677	23	7,700
Equity as at 31 October 2010	60,000	51,000	(14,083)	640,819	737,736	214	737,950
Equity as at 1 May 2011	60,000	51,000	(15,689)	657,918	753,229	209	753,438
Changes in equity 2011/12							
Comprehensive income for the year	0	0	9,148	29,436	38,584	10	38,594
Adjustment in connection with merger	0	0	0	(1,825)	(1,825)		(1,825)
Dividend paid	0	0	0	(9,000)	(9,000)	0	(9,000)
Dividend from treasury shares	0	0	0	507	507	0	507
Purchase of treasury shares	0	0	0	(1,770)	(1,770)	0	(1,770)
Total changes in equity	0	0	9,148	17,348	26,496	219	26,506
Equity as at 31 October 2011	60,000	51,000	(6,541)	675,266	779,725	2,445	779,944

NOTES

1. ACCOUNTING POLICIES

The interim financial statements are presented as compiled financial statements in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU. No interim financial statements have been prepared for the parent.

The interim financial statements are presented in Danish kroner (DKK), which is the functional currency of the parent.

The accounting policies applied in the interim financial statements are consistent with those applied in the consolidated financial statements for 2010/11, which are in accordance with the International Financial Reporting Standards as adopted by the EU.

INVESTMENT PROPERTIES

Investment properties are properties owned for the purpose of receiving rent income or capital gains.

Investment properties are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Reference is made to the annual report for 2010/11 for a more detailed description of the accounting policies applied, including the definitions of the ratios stated, which have been calculated in accordance with the definitions of the 'Recommendations and Financial Ratios 2010' issued by the Danish Society of Financial Analysts.

The interim report has not been reviewed by the company's auditors.

ESTIMATES

The preparation of interim reports requires the management to make certain accounting estimates which affect the application of the accounting policies and recognised assets, liabilities, income and expenses. Actual results may deviate from these estimates.

The most significant estimates made by the management in applying the group's accounting policies and the considerable uncertainty associated with these estimates are the same in connection with the preparation of the compiled interim report as for the preparation of the annual report for 2010/11.

Change of depreciation period of non-current technical production facilities.

As from 1 May 2011, Harboes Bryggeri A/S has changed the estimated depreciation period of non-current technical production facilities.

The changed estimate of the useful lives of technical facilities has resulted in longer depreciation periods. The changed estimates are based on experience as regards the actual useful lives of the facilities in question, the depreciation periods estimated so far having proved to deviate significantly from the actual useful lives of the individual facilities.

All in all, as a result of the changed estimates, the group's depreciation is expected to be reduced by approx. DKK 30 million in FY 2011/12 for facilities still in operation.

NOTES

(DKK '000)	2011/12	2010/11
2. EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE		
Earnings per share and diluted earnings per share (DKK per share of DKK 10)	5.2	7.5
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	29,436	43,536
	2011/12 no. of shares of DKK 10	2010/11 no. of shares of DKK 10
Average number of shares	6,000,000	6,000,000
Average number of treasury shares	(351,708)	(159,397)
Number of shares used to calculate earnings per share (no.)	5,648,292	5,840,603
Average dilution effect of outstanding pre-emption rights etc. (no.)	0	0
Number of shares used to calculate diluted earnings per share (no.)	5,648,292	5,840,603

NOTES

3. SEGMENT INFORMATION

For the purpose of management and reporting, the group has been divided into two business segments. This was regarded as the primary segmentation of the group.

- Brewery sector
- Foodstuff sector

As the foodstuff activities in Harboefarm A/S have been discontinued, only one segment remains, which will be the group's business segment.

The ratios for the segment are shown on page 4.

REVENUE AND NON-CURRENT ASSETS DISTRIBUTED ON GEOGRAPHICAL AREAS

The group's activities are mainly distributed on Denmark, Germany and other geographical areas.

The group's revenue from external customers and the distribution of non-current assets on these geographical areas are specified below, where revenue is distributed on the basis of the domicile of the customers, and non-current assets are distributed on the basis of the physical location and legal affiliation, respectively.

(DKK '000)	Revenue		Non-current assets	
	2011/12	2010/11	2011/12	2010/11
Denmark	214,788	230,874	388,062	400,283
Germany	297,994	277,443	386,532	371,958
Other geographical areas	233,465	202,010	20,740	17,580
	746,247	710,327	795,334	789,821

NOTES

4. DISCONTINUED ACTIVITIES

At the end of May 2011, the foodstuff activities under Harboefarm A/S were discontinued. The decision was made at the end of the last financial year following an assessment by the group management of the future strategic opportunities within this segment which is subject to fierce competition. Based on this assessment, the management decided to discontinue these activities.

The operating profit/(loss) for the period up until the discontinuation can be specified as follows:

(DKK '000)	2011/12	2010/11
Revenue	2,802	119,934
Production costs	(2,334)	(110,549)
Gross profit/(loss)	468	9,385
Distribution costs	(252)	(1,945)
Administrative expenses	(105)	(1,045)
Operating profit (EBIT)	111	6,395
Financial income	483	15
Financial expenses	(250)	(461)
Profit/(loss) before tax	344	5,949
Tax on profit/(loss) for the period	(86)	(1,487)
Net profit/(loss) for the period	258	4,462

The discontinued activity has impacted the cash flow statement for the period as follows:

Cash flows from operating activities	9,185	10,362
Cash flows from investing activities	5,055	(1,677)
Cash flows from financing activities	0	0

NOTES

5. PROPERTY, PLANT AND EQUIPMENT

Purchase and sale of property, plant and equipment

Assets with a total value of DKK 34.7 million were acquired in the period (DKK 83.2 million in same period last year). These acquisitions are primarily attributable to the expansion of existing production and process plants.

Assets sold in the period do not represent significant amounts.

Investment obligations

The group has entered into contracts concerning the delivery of technical plant and machinery with a combined value of DKK 20-25 million.

Delivery, installation and commissioning will take place in the course of H2 2011/12.

6. INVESTMENT PROPERTIES

(DKK '000)	2011/12	2010/11
Carrying amount of investment properties	72,365	0

(DKK '000)	31.10.2011	31.10.2010
Carrying amount as at 1 May	74,220	0
Depreciation in the period	(1,854)	0
Carrying amount as at 31 October	72,365	0

Investment properties comprise farm and storage buildings as well as production facilities with related administrative offices which the group no longer uses for its own purposes.

The properties are measured at cost less accumulated depreciation and impairment losses.

Rent income from the group's investment properties recognised under Other income amount to DKK 3,790k.

Operating expenses and depreciation on the group's investment properties recognised under Other operating expenses amount to DKK 5,697k.

According to the group's accounting policies, depreciation methods, useful lives and residual values are re-assessed on an annual basis.

Leases on the group's investment properties normally include an interminable lease period of 5-10 years with an option for further extension.

All leases include provisions on rent adjustment.

There is no option for the lessee to buy properties at the end of the lease period.

NOTES

(DKK '000)	2011/12	2010/11
7. OTHER RESERVES		
Reserve for foreign currency translation adjustments	(1,175)	(92)
Reserve for net revaluation according to the equity method	0	0
Reserve for adjustment to fair value of financial assets available for sale	(5,366)	(13,824)
Reserve for value adjustment of hedging instruments	0	(167)
	(6,541)	(14,083)

(DKK '000)	Reserve for net revaluation according to the equity method	Reserve for foreign currency translation adjustment	Reserve for value adjustment of hedging instruments	Reserve for value adjustment of financial assets avail- able for sale	Total other reserves
Other reserves as at 1 May 2010	0	(471)	(628)	(18,937)	(20,036)
Foreign currency translation adjustment regarding foreign enterprises	0	379	0	0	379
Adjustment to fair value of financial instruments entered into for hedging future cash flows	0	0	616	0	616
Adjustment to fair value of financial assets available for sale	0	0	0	7,226	7,226
Reserve for net revaluation according to the equity method	0	0	0	0	0
Tax on income and expenses recognised directly in equity	0	0	(155)	(2,113)	(2,268)
Other reserve as at 31 October 2010	0	(92)	(167)	(13,824)	(14,083)
Other reserves as at 1 May 2011	0	16	0	(15,705)	(15,689)
Foreign currency translation adjustment regarding foreign enterprises	0	(1,191)	0	0	(1,191)
Adjustment to fair value of financial instruments entered into for hedging future cash flows	0	0	0	0	0
Adjustment to fair value of financial assets available for sale	0	0	0	14,109	14,109
Tax on income and expenses recognised directly in equity	0	0	0	(3,770)	(3,770)
Other reserves as at 31 October 2011	0	(1,175)	0	(5,366)	(6,541)