



**Jakob de Neergaard** Søllerød Kro, Holte, [www.soelleroed-kro.dk](http://www.soelleroed-kro.dk)

Guests come to Søllerød Kro for the experience, believes Head Chef Jakob de Neergaard, who does his utmost to fulfil every possible culinary expectation. Søllerød Kro offers a traditional menu, but gourmets have the opportunity to experience a world of flavours. Always innovative, the only constant is the unexpected

– a dish combining pork with zander is, for instance, one of Jakob de Neergaard's many successful experiments inspired by his training and subsequent experience at French and Belgian restaurants.

## Consolidated and annual accounts



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**Glazed radius**

Glazed radius with pickled carrots and cumin.

## Accounting policies



**Preben Sunke**

CFO

### **Basis of accounts**

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large) and Danish accounting standards.

### **Changes in accounting policies**

As a consequence of the new Danish Financial Statements Act, the accounting policies have been changed as follows:

Shares in Danske Slagterier are included at equity value, and pension obligations (contribution based plans as well as defined benefit plans) are recognised in the balance sheet. Derivative financial instruments are accrued based on their fair value, and mortgage debt is recognised at amortised cost.

The changes in accounting policies have a positive impact on the Parent and the Group's result for this year of DKK 98.6 million. In addition, the changes result in an increase in equity at 30 September 2002 of DKK 8.9 million.

Comparative figures and the financial highlights for 2001/02 on page 2 have been restated to reflect the changes in accounting policies while financial highlights of prior years have not been restated.

Besides the above changes, the annual report has been presented applying the same accounting policies as were used 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 the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Group, and the value of the liabilities 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.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year. Value adjustments of financial assets and liabilities are recorded in the income statement as financial income or financial expenses.

### **Consolidated financial statements**

The consolidated financial statements include the Parent, Danish Crown AmbA, and subsidiaries in which the Parent directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence are regarded as associates.

#### *Basis of consolidation*

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation intragroup income and expenses, intragroup accounts as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have primarily been prepared applying the Group's accounting policies.

Subsidiaries' items are recognised in full in the consolidated financial statements. Minority interests' pro rata share of profit/loss and the net assets is disclosed as a specific item in the income statement and the balance sheet, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

#### *Business combinations*

Newly acquired or newly established enterprises are recognised in the consolidated financial statements from the time of acquiring or establishing such enterprises. Divested or woundup enterprises are recognised in the consolidated income statement up to the time of their divestment or windingup.

The purchase method is applied in the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. On acquisition of enterprises provisions are made for costs relating to decided and published restructurings in the acquired enterprise. Allowance is made for the tax effect of the restatements.

Positive differences (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful life, however, no more than 20 years. Negative differences (negative goodwill), corresponding to an estimated adverse development in the relevant enterprises, are recognised in the balance sheet as deferred income, and they are recognised in the income statement as such adverse development is realised.

#### *Profits or losses from divestment of equity investments*

Profits or losses from divestment or windingup of subsidiaries and associates are calculated as the difference between selling price or settlement price and carrying amount of the net assets at the time of divestment or windingup, inclusive of nonamortised goodwill and estimated divestment or windingup



**Jesper og Michael Koch** Kocheriet, Århus, www.kocheriet.dk

After going their separate ways for several years, twins Jesper and Michael Koch are now working together once more preparing to open a "multi food house" in the Århus harbour area in the spring of 2004. Here they will be able to test out their numerous ideas - a brasseri, restaurant, conference centre, function rooms and a

cookery school all under one roof. The concept reflects the brothers' ambition to acquaint a broad spectrum of guests with good food, whether it be a simple dish or a gastronomic subtlety. The Kochs have demonstrated their skills at both by coming seventh in the Bocuse d'Or competition.

expenses. Profits and losses are recognised in the income statement under other operating income or other operating expenses, respectively.

#### **Foreign currency translation**

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

On recognition of foreign subsidiaries, statements of income and items in the balance sheet are translated using average annual exchange rates. Balance sheet items are translated using the exchange rates at the balance sheet date. Exchange rate differences that arise when translating the foreign subsidiary's equity at the beginning of the year using the exchange rates on balance sheet date are recognised directly in equity. Exchange rate differences that arise when translating the income statements of foreign subsidiaries from average exchange rates into exchange rates in effect on the balance sheet date are recognised in the income statement if the subsidiaries are integrated, foreign subsidiaries and are classified directly as equity if the foreign subsidiaries are independent, foreign subsidiaries. Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in equity.

#### **Derivative financial instruments**

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments

are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments are recognised in the income statement together with changes in the value of the hedged asset or liability.

Changes in the fair value of derivative financial instruments applied for hedging net investments in independent foreign subsidiaries or associates are recognised directly in equity.

#### **Income statement**

##### *Turnover*

Turnover is recognised in the income statement when delivery is made, and risk has passed to the buyer. Turnover comprise invoiced sales plus export restitutions and less agency commissions.

Contract work in progress is, however, included based on the percentage-of-completion method.

##### *Cost of sales*

Cost of sales comprises direct and indirect costs incurred to earn turnover. In cost of sales, costs for raw materials including meat from members where such meat is entitled to residual payments, consumables and production personnel and depreciation on production plant are included.

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

##### *Distribution costs*

Distribution costs comprise costs incurred for distribution of goods sold and also for sales campaigns, including costs for sales and distribution staff, advertising costs as well as depreciation and amortisation.

##### *Administrative expenses*

Administrative expenses comprise expenses incurred

for management and administration of the Group, including expenses for the administrative staff and the Management, stationary and office supplies as well as depreciation and amortisation.

##### *Other operating income and expenses*

Other operating income and expenses comprise income and expenses of a secondary nature to the Group's primary activities.

##### *Financial income and expenses*

These items comprise interest income and expenses, the interest portion of finance lease payments, realised and unrealised capital gains and losses on securities, payables and transactions in foreign currencies, mortgage amortisation premium relating to mortgage debt, cash discounts etc as well as tax surcharge and repayment under the Danish Tax Prepayment Scheme.

##### *Extraordinary items*

Extraordinary items comprise income and expenses which stem from events outside the Company's ordinary activities, and which are therefore expected to be nonrecurring.

##### *Income taxes*

The tax charge of the year comprise current tax as well as change in deferred tax. Taxes are computed based on both cooperation and company tax charged.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax. Deferred tax is recognised and measured applying the liability method on all temporary differences between the carrying amount and taxbased value of assets and liabilities. The taxbased value of the assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforward, are recognised in the balance sheet at their estimated realisable value, either as a setoff against deferred tax liabilities or as net tax assets. In those parts of the Group which are subject to income taxes and where joint taxation has been established, the tax charge of the year is fully allocated among the entities/subsidiaries with a positive taxable income.

#### Balance sheet

##### Intangible assets

Intangible fixed assets are measured at cost less accumulated amortisation and impairment losses.

Assets are amortised straightline based on an assessment of their expected lives, and amortisation is usually carried out based on the following principles:

Trademarks	10 years
Goodwill/goodwill on consolidation	up to 20 years

Trademarks etc. are amortised over a period of 10 years as an effort is put into the value of these assets by way of current marketing activities.

The amortisation period for goodwill/goodwill on consolidation is usually 5-10 years. However, it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the longer amortisation period is considered to better reflect the Group's benefit from the relevant resources.

Intangible assets are assessed on a current basis and written down to recoverable amount if the carrying amount exceeds the estimated future net income from the enterprise or activity to which the asset is related.

##### Tangible fixed assets

Tangible fixed assets including assets held under finance leases are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation. For company-manufactured assets, cost comprises direct and indirect costs of materials, components, suppliers and labour costs. For assets

held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

Interest expenses on loans for financing the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other financing costs are recognised in the income statement.

The assets are depreciated on a straightline basis from the date of acquisition or from the day when they are put into service based on an assessment of their useful lives. Depreciation is generally carried out using the following principles:

Land	is not depreciated upon
Buildings	20 to 30 years
Plant and machinery	10 years
Other fixtures and fittings, tools and equipment	5 years

Plants which have been closed down are not depreciated as they are written down to their expected net realisable value.

Assets with short useful lives or with a cost of below DKK 20,000 are recognised as costs in the income statement at the date of acquisition.

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

Gains and losses realised in connection with current replacement of property, plant and equipment are recognised in the income statement as depreciation.

##### Fixed asset investments

Fixed asset investments in subsidiaries and associates are recognised and measured under the equity method. This means that in the balance sheet investments are measured at the pro rata share of the enterprises' equity plus or minus unamortised positive, or negative, goodwill on consolidation and plus or minus unrealised intragroup profits or losses.

The Parent's share of the enterprises' profits or losses after elimination of unrealised intragroup profits and losses and minus or plus amortisation of positive, or negative, goodwill on consolidation is recognised in the income statement.

Subsidiaries and associates with negative equity are measured at zero value, and any receivables from these enterprises are written down by the Parent's share of such negative equity if it is deemed irrecoverable. If the negative equity exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the deficit of the relevant enterprise.

Net revaluation of investments in subsidiaries and associates is taken to reserve for net revaluation under the equity method if the carrying amount exceeds cost.

The purchase method is applied in the acquisition of subsidiaries; see above description under consolidated financial statements.

Other securities are measured at amortised cost.

##### Inventories

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

Cost of goods for resale, raw materials and consumables consist of purchase price plus landing costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables and direct labour costs as well as indirect production costs. Indirect production costs comprise indirect materials and labour costs, costs of maintenance of and depreciation and impairment losses on machinery, factory buildings and equipment applied for the manufacturing process as well as costs of factory administration and management. Financing costs are not included in cost.

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

##### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less provisions for bad debts.

##### Contract work in progress

Contract work in progress (construction contracts) is measured at the selling price of the work carried out at the balance sheet date. The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

#### *Prepayments*

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at amortised cost which usually corresponds to the nominal value.

#### *Securities and investments*

Securities recognised under current assets mainly comprise listed bonds and investments measured at fair value (quoted price) at the balance sheet date.

#### *Provisions*

Pension obligations:

The Group has entered into pension agreements with a significant portion of the Group's employees.

The pension agreements comprise contribution based plans and defined benefit plans.

In the contribution based plans, which are mainly used by the Danish companies, the Group pays fixed contributions to independent pension funds on a current basis. The Group is under no obligation to pay any additional amounts.

It is characteristic of the defined benefit plans, which are mainly used by the Group's UK enterprises, that the Company (the Parent) is under an obligation to pay a defined contribution in connection with retirement depending on the years of service on the employee in question, etc.

The obligation which relate to the defined benefit plans is calculated on an annual basis by way of an actuarial calculation based on certain conditions in respect of the future development in the rate of interest, inflation and expected average life of the employee, etc.

The actuarial net present value less the fair value of any assets related to the scheme is recognised in the balance sheet under pension obligations.

Actuarial gains and losses arising as a consequence of the change in the assumptions upon which the calculation of the pension obligation is based or in the calculation of the assets related to the pension scheme

are recognised in the income statement.

Actuarial gains or losses which exceed 10% of the higher of the calculated pension obligation and the fair value of the assets held by the pension funds are amortised over the expected residual working lives of the employees of the Group. Actuarial gains or losses below the 10% limit are not recognised in the financial statements, but are included in the actuarial calculations pointing forward.

Other provisions:

Other provisions comprise anticipated costs of decided and published restructurings, guarantee commitments, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date.

#### *Mortgage debt*

At the time of borrowing, mortgage debt is measured at cost which corresponds to the proceeds received less transaction costs incurred. It is subsequently measured at amortised cost, which corresponds to the capitalised value applying the effective interest method.

#### *Lease commitments*

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions and are measured at amortised cost after initial recognition. The interest portion of lease payments is recognised over the term of the contracts as financial costs in the income statement.

#### *Other financial liabilities*

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

#### *Prepayments and deferred income*

Deferred income comprises received income for recognition in subsequent financial years.

Prepayments are measured at amortised cost which usually corresponds to the nominal value.

#### **Cash flow statement**

The cash flow statement of the Group is presented using the indirect method and shows cash flows from

operating, investing and financing activities as well as the Group's cash and cash equivalents at the beginning and the end of the financial year. No separate cash flow statement has been prepared for the Parent because it is included in the consolidated cash flow statement.

Cash flows from operating activities are calculated as the profit of the year adjusted for non-cash operating items and working capital changes.

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

Cash flows from financing activities comprise cash flows from the raising and repayment of long and shortterm liabilities and additional payment to the members.

Cash and cash equivalents comprise cash and securities which are included in the balance sheet as current assets.

#### **Segment information**

Information is provided on business segments (primary segment). The segmental disclosures comply with the Group's accounting policies and internal financial management.

Fixed assets in the segments include those used directly in the operation of each segment, including intangible assets, property, plant and equipment, and investments in associates.

Segment liabilities include liabilities and provisions deriving from the operation of each segment, including trade payables and other payables. Deferred tax is not included in segment liabilities.

# Reports

Randers, 21 November 2003

## Statement by the Management on the annual report

Today we have presented the annual report of Danish Crown AmbA for 2002/03.

The annual report has been presented in accordance with the Danish Financial Statements Act and Danish accounting standards.

We consider the applied accounting policies appropriate for the annual report to provide a true and fair view of the Group's and the Parent's assets, equity and liabilities, financial position, results and cash flows.

We recommend the annual report to be adopted by the Board of Representatives.

<b>On the Executive Board</b>	Kjeld Johannesen <i>CEO</i>	Carsten Jakobsen <i>Vice-CEO</i>	Preben Sunke <i>CFO</i>	Jens Haven Christiansen <i>Executive Director</i>
	Torben Skou <i>Executive Director</i>			
<b>On the Board of Directors</b>	Niels Mikkelsen <i>Chairman</i>	Bent Claudi Lassen <i>Vice-chairman</i>	Jens Lorenzen <i>Vice-chairman</i>	
	Karl Kristian Andersen Bjarke Christiansen Hans Klejsgaard Hansen Kaj Kragkær Larsen Bruno Nielsen (e)	Per Højgaard Andersen Peder Damgaard Preben Hansen Peder Philipp Jens Pedersen (e)	Erik Bredholt Per Frandsen Asger Krogsgaard Leo Christensen (e) Jørgen H. Rasmussen (e)	John Brædder Erik Ugilt Hansen Erik Larsen Finn Lund (e) <i>(e) Employee representative</i>

## Auditors' report

### To the members of Danish Crown AmbA

We have audited the annual report of Danish Crown AmbA for the financial year 2002/03.

The annual report is the responsibility of the Company's 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the annual report. An audit also includes assessing the accounting policies used 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 has not resulted in any qualification.

In our opinion, the annual report gives a true and fair view of the Group's and the Parent Company's financial position at 28 September 2003 and of the results of their operations as well as the consolidated cash flows for the financial year 2002/03 in accordance with the Danish Financial Statements Act and Danish Accounting Standards.

Viborg, 21 November 2003

DELOITTE & TOUCHE  
Statsautoriseret Revisionsaktieselskab

Gert Stampe  
*State Authorised Public Accountant*

Torben Aunbøl  
*State Authorised Public Accountant*

# Income statement

30 September 2002 - 28 September 2003

(DKK million)

	Note	Group		Parent	
		2002/03	2001/02	2002/03	2001/02
Turnover	1	40,367.7	42,866.9	23,422.6	25,392.1
Production costs		-33,722.3	-36,433.0	-20,314.7	-22,431.9
<b>Gross profit</b>		<b>6,645.4</b>	<b>6,433.9</b>	<b>3,107.9</b>	<b>2,960.2</b>
Distribution costs		-3,606.9	-3,542.4	-1,399.0	-1,323.2
Administrative expenses		-1,484.5	-1,364.9	-670.9	-638.4
<b>Operating profit from ordinary activity</b>		<b>1,554.0</b>	<b>1,526.6</b>	<b>1,038.0</b>	<b>998.6</b>
Other operating income		12.1	3.5	0.6	0.0
Other operating expenses		-23.2	-12.7	-15.1	-2.3
<b>Operating profit</b>		<b>1,542.9</b>	<b>1,517.4</b>	<b>1,023.5</b>	<b>996.3</b>
Share of profit/loss before tax in subsidiaries	5	0.0	0.0	354.9	343.1
Share of profit/loss before tax in associates		82.3	87.2	77.8	79.6
Income from other investments		2.4	0.2	2.3	0.0
Financial income	6	188.3	147.2	169.3	129.3
Financial expenses	7	-450.5	-476.5	-286.2	-288.1
<b>Profit before tax</b>		<b>1,365.4</b>	<b>1,275.5</b>	<b>1,341.6</b>	<b>1,260.2</b>
Tax on profit for the year	8	-144.3	-94.2	-127.4	-92.2
<b>Group profit for the year</b>		<b>1,221.1</b>	<b>1,181.3</b>	<b>1,214.2</b>	<b>1,168.0</b>
Minority interests' share of profit		-6.9	-13.3	0.0	0.0
<b>Profit for the year</b>		<b>1,214.2</b>	<b>1,168.0</b>	<b>1,214.2</b>	<b>1,168.0</b>
<b>Distribution of profit:</b>					
<b>For distribution:</b>					
Profit for the year				1,214.2	
<b>Total amount for distribution</b>				<b>1,214.2</b>	
To be distributed as follows:					
<b>Supplementary payments</b>					
Pig-supplying members 1,518,660,144 kilos of 70 øre				1,063.0	
Sow-supplying members 75,054,774 kilos of 55 øre				41.3	
Cattle-supplying members 73,485,747 kilos of 65 øre				47.8	
<b>Total supplementary payments</b>				<b>1,152.1</b>	
<b>Transferred to equity</b>					
Transferred to net revaluation reserve				0.0	
Transferred to other reserves				62.1	
<b>Transferred to equity</b>				<b>62.1</b>	
<b>Total amount distributed</b>				<b>1,214.2</b>	

# Balance sheet

Assets as at 28 September 2003

(DKK million)

Fixed assets	Note	Group		Parent	
		28.9. 2003	30.9. 2002	28.9. 2003	30.9. 2002
<b>Intangible assets</b>	9				
Trade marks etc.		6.4	11.6	0.0	0.0
Goodwill		30.5	35.0	0.4	0.5
Goodwill on consolidation		319.0	207.8	0.0	0.0
<b>Total intangible fixed assets</b>		<b>355.9</b>	<b>254.4</b>	<b>0.4</b>	<b>0.5</b>
<b>Tangible fixed assets</b>	10				
Land and buildings		3,634.9	3,430.8	1,717.5	1,718.2
Technical plant and machinery		1,753.1	1,565.1	593.3	560.5
Other fixtures and fittings, tools and equipment		428.8	419.1	179.7	199.6
Property, plant and equipment in progress		1,345.3	518.1	1,200.7	478.2
<b>Total tangible fixed assets</b>		<b>7,162.1</b>	<b>5,933.1</b>	<b>3,691.2</b>	<b>2,956.5</b>
<b>Fixed asset investments</b>	11				
Investments in subsidiaries		0.0	0.0	1,426.0	1,528.5
Receivables from subsidiaries		0.0	0.0	100.5	116.5
Investments in associates		557.3	520.1	532.4	499.2
Other securities and investments		38.7	30.8	16.8	14.3
<b>Total fixed asset investments</b>		<b>596.0</b>	<b>550.9</b>	<b>2,075.7</b>	<b>2,158.5</b>
<b>Fixed assets</b>		<b>8,114.0</b>	<b>6,738.4</b>	<b>5,767.3</b>	<b>5,115.5</b>
<b>Current assets</b>					
<b>Inventories</b>					
Raw materials and consumables		469.4	449.6	37.4	27.8
Work in progress		246.7	291.1	120.5	131.4
Finished goods and goods for resale		2,597.8	2,537.2	1,210.7	1,258.4
<b>Total inventories</b>		<b>3,313.9</b>	<b>3,277.9</b>	<b>1,368.6</b>	<b>1,417.6</b>
<b>Receivables</b>					
Trade receivables		4,876.6	4,894.5	1,819.4	1,968.6
Contract receivables		264.1	228.2	264.1	228.2
Contract work in progress		32.6	5.6	0.0	0.0
Receivables from subsidiaries		0.0	0.0	1,827.9	1,395.0
Receivables from associates		6.3	2.9	3.7	0.9
Other receivables		374.7	756.4	428.6	681.5
Deferred tax assets		22.1	-3.1	0.0	0.0
Required deposit to members accounts		250.1	248.8	250.1	248.8
Prepayments		71.6	83.4	30.3	30.6
<b>Total receivables</b>		<b>5,898.1</b>	<b>6,216.7</b>	<b>4,624.1</b>	<b>4,553.6</b>
<b>Securities and investments</b>		<b>1.6</b>	<b>19.5</b>	<b>0.0</b>	<b>17.2</b>
<b>Cash</b>		<b>393.2</b>	<b>357.7</b>	<b>141.8</b>	<b>0.4</b>
<b>Current assets</b>		<b>9,606.8</b>	<b>9,871.8</b>	<b>6,134.5</b>	<b>5,988.8</b>
<b>Assets</b>		<b>17,720.8</b>	<b>16,610.2</b>	<b>11,901.8</b>	<b>11,104.3</b>



# Balance sheet

Equity and liabilities as at 28 September 2003

(DKK million)

Equity	Note	Group		Parent	
		28.9. 2003	30.9. 2002	28.9. 2003	30.9. 2002
Members' accounts		890.1	642.2	890.1	642.2
Personal capital accounts		388.0	530.7	388.0	530.7
Net revaluation reserve for subsidiaries and associates		0.0	0.0	0.0	118.7
Other reserves		1,164.5	1,210.3	1,164.5	1,091.6
<b>Total equity</b>		<b>2,442.6</b>	<b>2,383.2</b>	<b>2,442.6</b>	<b>2,383.2</b>
<b>Minority interests</b>		<b>19.7</b>	<b>26.2</b>	<b>0.0</b>	<b>0.0</b>
<b>Provisions</b>	12	<b>380.3</b>	<b>366.3</b>	<b>169.7</b>	<b>155.6</b>
<b>Liabilities other than provisions</b>					
<b>Long-term liabilities other than provisions</b>	13				
Mortgage debt		2,968.1	2,608.3	2,395.8	2,025.3
Lease commitments		23.5	17.5	0.0	0.0
Other credit institutions		3,112.7	1,967.9	2,819.4	1,487.5
<b>Total long-term liabilities other than provisions</b>		<b>6,104.3</b>	<b>4,593.7</b>	<b>5,215.2</b>	<b>3,512.8</b>
<b>Short-term liabilities other than provisions</b>					
Short-term portion of long-term debt		406.5	310.7	208.5	236.7
Credit institutions		2,844.8	3,813.7	282.4	1,482.8
Trade payables		2,392.0	2,330.6	1,156.0	1,064.7
Debt to subsidiaries		0.0	0.0	355.5	275.2
Debt to associates		26.1	25.8	24.1	17.6
Income taxes		44.5	42.1	-1.0	-1.2
Other payables		1,651.9	1,385.3	752.2	735.5
Accruals		117.5	93.5	6.0	2.3
Proposed capital accounts to be paid out		138.5	89.1	138.5	89.1
Proposed supplementary payments to members		1,152.1	1,150.0	1,152.1	1,150.0
<b>Total short-term liabilities other than provisions</b>		<b>8,773.9</b>	<b>9,240.8</b>	<b>4,074.3</b>	<b>5,052.7</b>
<b>Total liabilities other than provisions</b>		<b>14,878.2</b>	<b>13,834.5</b>	<b>9,289.5</b>	<b>8,565.5</b>
<b>Equity and liabilities</b>		<b>17,720.8</b>	<b>16,610.2</b>	<b>11,901.8</b>	<b>11,104.3</b>
Contingent liabilities, etc	14				
Provision of security	15				
Members' liability	16				
Currency exposure, interest rate and	17				
Credit risks, and financial instruments	18				
Related party transactions	19				

# Statement of changes in equity

As at 28 September 2003

(DKK million)

	Group		Parent	
	28.9. 2003	30.9. 2002	28.9. 2003	30.9. 2002
<b>Members' accounts</b>				
Balance at 30 September 2002	642.2	395.0	642.2	395.0
Net capital investment of the year	247.9	247.2	247.9	247.2
<b>Members' accounts</b>	<b>890.1</b>	<b>642.2</b>	<b>890.1</b>	<b>642.2</b>
<b>Personal capital accounts</b>				
Balance at 30 September 2002	530.7	623.6	530.7	623.6
Net amount transferred for payment	-142.7	-92.9	-142.7	-92.9
<b>Total personal accounts</b>	<b>388.0</b>	<b>530.7</b>	<b>388.0</b>	<b>530.7</b>
<b>Net revaluation reserve for subsidiaries and associates</b>				
Balance at 30 September 2002	0.0	0.0	118.7	172.4
Change in accounting policies	0.0	0.0	0.0	-6.6
<b>Adjusted balance at 30 September 2002</b>	<b>0.0</b>	<b>0.0</b>	<b>118.7</b>	<b>165.8</b>
Exchange rate adjustment of opening equity in subsidiaries	0.0	0.0	-104.0	-32.9
Other adjustments	0.0	0.0	-3.9	0.0
Transferred to other reserves	0.0	0.0	-10.8	-3.2
Transferred according to the distribution of profit	0.0	0.0	0.0	-11.0
<b>Net revaluation reserves</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>118.7</b>
<b>Other reserves</b>				
Balance at 30 September 2002	1,210.3	1,176.6	1,091.6	1,004.2
Change in accounting policies	0.0	37.9	0.0	44.5
<b>Adjusted balance at 30 September 2002</b>	<b>1,210.3</b>	<b>1,214.5</b>	<b>1,091.6</b>	<b>1,048.7</b>
Exchange rate adjustment of opening equity in foreign subsidiaries	-104.0	-32.9	0.0	0.0
Other adjustments	-3.9	10.7	0.0	10.7
Transferred from net revaluation reserve	0.0	0.0	10.8	3.2
Transferred according to the distribution of profit	62.1	18.0	62.1	29.0
<b>Other reserves</b>	<b>1,164.5</b>	<b>1,210.3</b>	<b>1,164.5</b>	<b>1,091.6</b>
<b>Equity</b>	<b>2,442.6</b>	<b>2,383.2</b>	<b>2,442.6</b>	<b>2,383.2</b>

# Cash flow statement

30 September 2002 - 28 September 2003

(DKK million)

	Group	
	2002/03	2001/02
<b>Cash flow from operating activities</b>		
Profit for the year	1,214.2	1,168.0
Depreciation and amortisation	994.3	990.8
Share of profit/loss generated by fixed asset investments	-83.2	-82.6
Change in provisions	14.0	16.9
Change in inventories	-36.0	174.1
Change in receivables	319.9	378.5
Change in trade payables, etc.	450.4	-188.1
<b>Cash flow from operating activities</b>	<b>2,873.6</b>	<b>2,457.6</b>
<b>Cash flow from investing activities</b>		
Investment in intangible assets	-153.0	-40.4
Investment in property, plant and equipment	-2,296.1	-1,242.6
Fixed asset investments	41.7	18.6
<b>Cash flow from investing activities</b>	<b>-2,407.4</b>	<b>-1,264.4</b>
<b>Cash flow from operating and investing activities</b>	<b>466.2</b>	<b>1,193.2</b>
<b>Cash flow from financing activities</b>		
Deposit of members' capital	248.8	202.4
Payment of personal capital accounts	-89.1	-69.8
Payment of supplementary payment	-1,150.0	-1,243.4
Change in short-term bank credit	-968.9	-182.3
Change in mortgage debt	359.8	-79.2
Change in finance leases	6.0	-13.3
Change in other long-term debt	1,144.8	180.0
<b>Cash flow from financing activities</b>	<b>-448.6</b>	<b>-1,205.6</b>
Change in cash and securities	17.6	-12.4
Cash and securities at 30 September 2002	377.2	389.6
<b>Cash and securities at 28 September 2003</b>	<b>394.8</b>	<b>377.2</b>

# Notes

Notes 1-3

(DKK million)

1	Turnover	Group		Parent	
		2002/03	2001/02	2002/03	2001/02
	Divided into:				
	Denmark	4,421.0	4,520.9	4,010.8	4,485.8
	International	35,946.7	38,346.0	19,411.8	20,906.3
	<b>Total turnover</b>	<b>40,367.7</b>	<b>42,866.9</b>	<b>23,422.6</b>	<b>25,392.1</b>
	Divided into:				
	Pork	21,716.6	22,534.2	21,020.3	22,835.8
	Beef	2,464.8	3,560.7	1,536.5	2,001.8
	Processing	10,129.0	10,528.0	776.8	554.5
	Other activities	6,057.3	6,244.0	89.0	0.0
	<b>Total turnover</b>	<b>40,367.7</b>	<b>42,866.9</b>	<b>23,422.6</b>	<b>25,392.1</b>
2	<b>Employee costs</b>				
	Wages and salaries	6,466.8	6,127.3	3,787.3	3,768.3
	Pensions	325.4	262.9	215.1	172.9
	Other social security costs	458.4	452.9	229.0	251.2
	<b>Total employee costs</b>	<b>7,250.6</b>	<b>6,843.1</b>	<b>4,231.4</b>	<b>4,192.4</b>
	Including:				
	Remuneration to Parent's Supervisory Board and Board of Representatives	10.2	9.3	9.5	8.5
	Remuneration of Parent's Executive Board	18.1	17.9	12.0	14.0
	Average number of employees	23,053	23,162	12,395	13,153
3	<b>Depreciation, amortisation and write-down</b>				
	Intangible assets	50.9	53.1	0.1	0.5
	Property, plant and equipment	943.4	937.7	522.4	528.8
	Exchange rate adjustments	4.9	2.4	0.0	0.0
	Profit from sale of property, plant and equipment	-26.9	-30.9	-7.3	-26.8
	<b>Total depreciation, amortisation and write-down</b>	<b>972.3</b>	<b>962.3</b>	<b>515.2</b>	<b>502.5</b>
	Depreciation, amortisation and writedown are included in the below items:				
	Production costs	798.6	814.3	471.4	488.9
	Distribution costs	40.8	39.4	4.1	3.9
	Administrative expenses	132.9	108.6	39.7	9.7
	<b>Total depreciation, amortisation and write-down</b>	<b>972.3</b>	<b>962.3</b>	<b>515.2</b>	<b>502.5</b>

# Notes

Notes 4-8

(DKK million)

	Group		Parent		
	2002/03	2001/02	2002/03	2001/02	
<b>4</b>	<b>Audit fees</b>				
	Audit fee, Deloitte & Touche	10.3	10.5	2.4	2.6
	Audit fee, others	5.2	4.6	0.0	0.0
	Other services, Deloitte & Touche	9.2	5.8	4.3	2.7
	Other services, others	7.2	2.5	0.0	0.0
	<b>Total audit fees</b>	<b>31.9</b>	<b>23.4</b>	<b>6.7</b>	<b>5.3</b>
<b>5</b>	<b>Share of profit/loss in subsidiaries before tax</b>				
	Share of profit/loss before tax	0.0	0.0	381.7	363.4
	Unrealised intra-group profits	0.0	0.0	-6.7	-1.8
	Amortisation of additional value in connection with acquisition of shares	0.0	0.0	-20.1	-18.5
	<b>Total share of profit/loss in subsidiaries before tax</b>	<b>0.0</b>	<b>0.0</b>	<b>354.9</b>	<b>343.1</b>
<b>6</b>	<b>Financial income</b>				
	Subsidiaries	0.0	0.0	4.4	10.8
	Other interest	188.3	147.2	164.9	118.5
	<b>Total financial income</b>	<b>188.3</b>	<b>147.2</b>	<b>169.3</b>	<b>129.3</b>
<b>7</b>	<b>Financial expenses</b>				
	Subsidiaries	0.0	0.0	2.6	1.3
	Other interest	450.5	476.5	283.6	286.8
	<b>Total financial expenses</b>	<b>450.5</b>	<b>476.5</b>	<b>286.2</b>	<b>288.1</b>
<b>8</b>	<b>Tax on profit for the year</b>				
	Tax on profit for the year	118.5	80.6	5.3	5.9
	Adjustment concerning previous years	10.4	-9.7	0.6	-2.2
	Change of deferred tax	13.9	18.5	0.0	0.0
	Share of tax in subsidiaries	0.0	0.0	118.9	84.8
	Share of tax in associates	1.5	4.8	2.6	3.7
	<b>Total tax on profit for the year</b>	<b>144.3</b>	<b>94.2</b>	<b>127.4</b>	<b>92.2</b>
	Income taxes paid	100.9	86.2	5.7	6.3

# Notes

## Note 9

(DKK million)

	Trademarks etc.	Goodwill	Goodwill on consolidation	Total intangible assets
<b>9 Intangible assets, Group</b>				
Total cost:				
Total cost at 30 September 2002	478.9	76.8	381.5	937.2
Exchange rate adjustment	-1.4	-0.3	-0.7	-2.4
Additions during the year	1.9	0.0	155.7	157.6
Disposals during the year	0.0	0.0	-4.0	-4.0
<b>Total cost at 28 September 2003</b>	<b>479.4</b>	<b>76.5</b>	<b>532.5</b>	<b>1,088.4</b>
Total amortisation and write-down:				
Total amortisation and write-down at 30 September 2002	467.3	41.8	173.7	682.8
Exchange rate adjustment	-0.9	-0.9	0.0	-1.8
Additions	0.0	-7.3	10.3	3.0
Amortisation and write-down of the year	6.6	12.4	31.9	50.9
Amortisation and write-down on assets disposed of	0.0	0.0	-2.4	-2.4
<b>Total amortisation and write-down at 28 September 2003</b>	<b>473.0</b>	<b>46.0</b>	<b>213.5</b>	<b>732.5</b>
<b>Carrying amount at 28 September 2003</b>	<b>6.4</b>	<b>30.5</b>	<b>319.0</b>	<b>355.9</b>
Carrying amount at 30 September 2002	11.6	35.0	207.8	254.4
<b>9 Intangible assets, Parent</b>				
Total cost:				
Total cost at 30 September 2002	24.4	8.8	0.0	33.2
Additions during the year	0.0	0.0	0.0	0.0
Disposals during the year	0.0	0.0	0.0	0.0
<b>Total cost at 28 September 2003</b>	<b>24.4</b>	<b>8.8</b>	<b>0.0</b>	<b>33.2</b>
Total amortisation and write-down:				
Total amortisation and write-down at 30 September 2002	24.4	8.3	0.0	32.7
Amortisation and write-down of the year	0.0	0.1	0.0	0.1
Amortisation and write-down on assets disposed of	0.0	0.0	0.0	0.0
<b>Total amortisation and write-down at 28 September 2003</b>	<b>24.4</b>	<b>8.4</b>	<b>0.0</b>	<b>32.8</b>
<b>Carrying amount at 28 September 2003</b>	<b>0.0</b>	<b>0.4</b>	<b>0.0</b>	<b>0.4</b>
Carrying amount at 30 September 2002	0.0	0.5	0.0	0.5

# Notes

## Note 10

(DKK million)

	Land and buildings	Technical plant and machinery	Other fixtures and fittings etc.	Property plant and equipment in progress	Total tangible fixed assets
10 <b>Tangible fixed assets, Group</b>					
Total cost:					
Total cost at 30 September 2002	6,202.9	5,937.1	1,415.4	518.1	14,073.5
Exchange rate adjustment	-98.9	-116.8	-17.7	-2.2	-235.6
Completion of plant in progress	122.2	73.1	34.7	-230.0	0.0
Additions in connection with acquisition of subsidiaries	341.0	853.0	39.6	0.0	1,233.6
Additions during the year	333.2	341.9	155.3	1,059.4	1,889.8
Disposals during the year	-76.6	-99.9	-80.3	0.0	-256.8
<b>Total cost at 28 September 2003</b>	<b>6,823.8</b>	<b>6,988.4</b>	<b>1,547.0</b>	<b>1,345.3</b>	<b>16,704.5</b>
Total revaluation:					
Total revaluation at 28 September 2003	45.8	5.8	0.5	0.0	52.1
Disposals during the year	-8.8	0.0	0.0	0.0	-8.8
<b>Total revaluation at 28 September 2003</b>	<b>37.0</b>	<b>5.8</b>	<b>0.5</b>	<b>0.0</b>	<b>43.3</b>
Total depreciation and write-down:					
Depreciation and write-down at 30 September 2002	2,817.9	4,377.8	996.8	0.0	8,192.5
Exchange rate adjustment	-28.6	-71.8	-11.5	0.0	-111.9
Additions in connection with acquisition of subsidiaries	69.9	653.1	22.2	0.0	745.2
Depreciation and write-down of the year	401.9	369.7	171.8	0.0	943.4
Depreciation and write-down on assets disposed of	-35.2	-87.7	-60.6	0.0	-183.5
<b>Total depreciation and write-down at 28 September 2003</b>	<b>3,225.9</b>	<b>5,241.1</b>	<b>1,118.7</b>	<b>0.0</b>	<b>9,585.7</b>
<b>Carrying amount at 28 September 2003</b>	<b>3,634.9</b>	<b>1,753.1</b>	<b>428.8</b>	<b>1,345.3</b>	<b>7,162.1</b>
Carrying amount at 30 September 2002	3,430.8	1,565.1	419.1	518.1	5,933.1
At 28 September 2003, the carrying amount includes:					
Recognised leased assets	0.0	25.6	6.3	0.0	31.9
Recognised interest expenses	21.4	0.0	0.0	0.0	21.4
Assessed cash value of Danish properties at 1 January 2003	2,194.0				
Carrying amount of foreign properties	948.7				

# Notes

## Note 10

(DKK million)

	Land and buildings	Technical plant and machinery	Other fixtures and fittings	Property plant and equipment in progress	Total tangible fixed assets
10 <b>Tangible fixed assets, Parent</b>					
Total cost:					
Total cost at 30 September 2002	3,692.8	2,931.8	743.1	478.2	7,845.9
Completion of plant in progress	94.3	34.8	14.3	-143.4	0.0
Addition in connection with acquisition of subsidiaries	116.7	113.5	11.1	4.5	245.8
Additions during the year	139.7	137.3	59.3	861.4	1,197.7
Disposals during the year	-12.7	-48.6	-19.6	0.0	-80.9
<b>Total cost at 28 September 2003</b>	<b>4,030.8</b>	<b>3,168.8</b>	<b>808.2</b>	<b>1,200.7</b>	<b>9,208.5</b>
Total depreciation and write-down:					
Total depreciation and write-down at 30 September 2002	1,974.6	2,371.3	543.5	0.0	4,889.4
Addition in connection with acquisition of subsidiaries	73.4	91.8	8.3	0.0	173.5
Depreciation and write-down of the year	280.2	158.0	84.2	0.0	522.4
Depreciation and write-down on assets disposed of	-14.9	-45.6	-7.5	0.0	-68.0
<b>Total depreciation and write-down at 28 September 2003</b>	<b>2,313.3</b>	<b>2,575.5</b>	<b>628.5</b>	<b>0.0</b>	<b>5,517.3</b>
<b>Carrying amount at 28 September 2003</b>	<b>1,717.5</b>	<b>593.3</b>	<b>179.7</b>	<b>1,200.7</b>	<b>3,691.2</b>
Carrying amount at 30 September 2002	1,718.2	560.5	199.6	478.2	2,956.5
The carrying amount at 28 September 2003 includes:					
Recognised leased assets	0.0	0.0	0.0	0.0	0.0
Recognised interest expenses	21.4	0.0	0.0	0.0	21.4
Assessment of cash value of Danish properties at 1 January 2003	1,344.3				



# Notes

## Note 11

(DKK million)

	Investments in subsidiaries	Receivables from subsidiaries	Investments in associates	Other securities and investments	Total fixed asset investments
<b>11 Fixed asset investments, Group</b>					
Total cost:					
Total cost at 30 September 2002	0.0	0.0	269.0	26.3	295.3
Exchange rate adjustment	0.0	0.0	-2.4	0.0	-2.4
Additions during the year	0.0	0.0	29.2	5.3	34.5
Disposals during the year	0.0	0.0	-28.8	-2.6	-31.4
<b>Total cost at 28 September 2003</b>	<b>0.0</b>	<b>0.0</b>	<b>267.0</b>	<b>29.0</b>	<b>296.0</b>
Total value adjustments:					
Total value adjustment at 30 September 2002	0.0	0.0	251.1	4.5	255.6
Exchange rate adjustment	0.0	0.0	-1.1	4.1	3.0
Share of net profit/loss before tax	0.0	0.0	82.3	2.4	84.7
Share of tax	0.0	0.0	-1.5	0.0	-1.5
Distribution of dividends during the year	0.0	0.0	-49.1	0.0	-49.1
Disposals during the year	0.0	0.0	5.6	-1.3	4.3
Other adjustments	0.0	0.0	3.0	0.0	3.0
<b>Total value adjustments at 28 September 2003</b>	<b>0.0</b>	<b>0.0</b>	<b>290.3</b>	<b>9.7</b>	<b>300.0</b>
<b>Carrying amount at 28 September 2003</b>	<b>0.0</b>	<b>0.0</b>	<b>557.3</b>	<b>38.7</b>	<b>596.0</b>
Carrying amount at 30 September 2002	0.0	0.0	520.1	30.8	550.9
<b>11 Fixed asset investments, Parent</b>					
Total cost:					
Total cost at 30 September 2002	1,651.5	116.5	259.2	12.2	2,039.4
Exchange rate adjustment	-95.0	-0.4	0.0	0.0	-95.4
Transfer	5.5	-5.5	0.0	0.0	0.0
Additions during the year	222.2	4.1	0.0	0.4	226.7
Disposals during the year	-175.4	-14.2	0.0	-2.0	-191.6
<b>Total cost at 28 September 2003</b>	<b>1,608.8</b>	<b>100.5</b>	<b>259.2</b>	<b>10.6</b>	<b>1,979.1</b>
Total value adjustments:					
Total value adjustments at 30 September 2002	-123.0	0.0	240.0	2.1	119.1
Exchange rate adjustment	-8.5	0.0	-0.1	4.1	-4.5
Share of net profit/loss before tax	354.9	0.0	77.8	2.3	435.0
Share of tax	-118.9	0.0	-2.6	0.0	-121.5
Distribution of dividend during the year årets løb	-445.6	0.0	-45.0	0.0	-490.6
Additions during the year	196.1	0.0	0.0	0.0	196.1
Disposals during the year	-30.8	0.0	0.0	-2.3	-33.1
Other adjustments	-7.0	0.0	3.1	0.0	-3.9
<b>Total value adjustments at 28 September 2003</b>	<b>-182.8</b>	<b>0.0</b>	<b>273.2</b>	<b>6.2</b>	<b>96.6</b>
<b>Carrying amount at 28 September 2003</b>	<b>1,426.0</b>	<b>100.5</b>	<b>532.4</b>	<b>16.8</b>	<b>2,075.7</b>
Carrying amount at 30 September 2002	1,528.5	116.5	499.2	14.3	2,158.5
At 28 September 2003, the carrying amount includes:					
Goodwill on consolidation	98.6				98.6

# Notes

## Note 12

(DKK million)

12	Provisions	Group		Parent	
		28.9. 2003	30.9. 2002	28.9. 2003	30.9. 2002
	Pension obligations	237.6	251.5	67.2	67.0
	Restructuring expenses	44.2	12.0	44.2	12.0
	Self-insurance	44.7	54.4	44.7	54.4
	Other provisions	53.8	48.4	13.6	22.2
	<b>Total provisions</b>	<b>380.3</b>	<b>366.3</b>	<b>169.7</b>	<b>155.6</b>
	Anticipated maturity of provisions made:				
	Within one year	73.3	60.0	71.1	50.7
	After one year	307.0	306.3	98.6	104.9
	<b>Total provisions</b>	<b>380.3</b>	<b>366.3</b>	<b>169.7</b>	<b>155.6</b>
		<b>Pension obligations</b>	<b>Restructuring Expenses</b>	<b>Self-insurance</b>	<b>Other provisions</b>
	<b>Group</b>				
	Provisions at 30 September 2002	251.5	12.0	54.4	48.4
	Exchange rate adjustments	-16.1	0.0	0.0	0.0
	Employed during the year	-7.3	0.0	-9.7	-27.4
	Provisions for the year	9.5	32.2	0.0	32.8
	<b>Provisions at 28 September 2003</b>	<b>237.6</b>	<b>44.2</b>	<b>44.7</b>	<b>53.8</b>
	<b>Parent</b>				
	Provisions at 30 September 2002	67.0	12.0	54.4	22.2
	Employed during the year	-5.7	0.0	-9.7	-21.7
	Provisions for the year	5.9	32.2	0.0	13.1
	<b>Provisions at 28 September 2003</b>	<b>67.2</b>	<b>44.2</b>	<b>44.7</b>	<b>13.6</b>

# Notes

Notes 13-14

(DKK million)

	Due within 1 year	Due between 1 and 5 years	Due after 5 years	Total long-term liabilities other than provisions
<b>13 Long-term liabilities other than provisions, Group</b>				
Mortgage debt	53.2	266.5	2,701.6	3,021.3
Lease commitments	10.9	23.1	0.4	34.4
Other credit institutions	342.4	2,788.5	324.2	3,455.1
<b>Long-term liabilities other than provisions at 28 September 2003</b>	<b>406.5</b>	<b>3,078.1</b>	<b>3,026.2</b>	<b>6,510.8</b>
Long-term liabilities other than provisions at 30 September 2002	310.7	2,261.8	2,331.9	4,904.4
<b>Long-term liabilities other than provisions, Parent</b>				
Mortgage debt	3.6	16.0	2,379.8	2,399.4
Lease commitments	0.0	0.0	0.0	0.0
Other credit institutions	204.9	2,584.0	235.4	3,024.3
<b>Long-term liabilities other than provisions at 28 September 2003</b>	<b>208.5</b>	<b>2,600.0</b>	<b>2,615.2</b>	<b>5,423.7</b>
Long-term liabilities other than provisions at 30 September 2002	236.7	1,584.5	1,928.3	3,749.5

Interest rate risks	Group		Parent	
	28.9.2003	30.9.2002	28.9.2003	30.9.2002
DKK	4,810.0	4,506.5	4,078.0	3,749.5
EUR	1,577.3	208.5	1,345.7	0.0
GBP	1.3	59.3	0.0	0.0
USD	65.8	70.3	0.0	0.0
SEK	49.9	59.8	0.0	0.0
NOK	6.5	0.0	0.0	0.0
	<b>6,510.8</b>	<b>4,904.4</b>	<b>5,423.7</b>	<b>3,749.5</b>
Weighted average interest	4.64%	5.74%	4.63%	5.90%

Of the long-term liabilities other than provisions, the Group has raised DKK 4,403.8 million as fixed-interest loans and DKK 2,107.0 million as floating-rate loans. The Parent has raised DKK 3,609.3 million as fixed-interest loans and DKK 1,814.4 million as floating-rate loans. At the balance sheet date, DKK 2,473.8 million was remortgaged from fixed-rate to floating-rate loans by way of financial instruments. The financial instruments have been calculated at fair value at the balance sheet date and have been recognised in the income statement under financial income and expenses. The weighted interest on the Group's long-term liabilities other than provisions is 4.64% before recognition of financial instruments. For the Parent, interest on long-term liabilities other than provisions is 4.63%.

	Group		Parent	
	28.9.2003	30.9.2002	28.9.2003	30.9.2002
<b>14 Contingent liabilities etc.</b>				
Guarantees provided to subsidiaries, max.	0.0	0.0	5,426.7	2,666.8
Guarantees provided to subsidiaries, applied	0.0	0.0	2,291.1	2,091.3
Other guarantees	45.4	37.3	19.5	14.7
Contractual obligations regarding property, plant and equipment	695.4	1,334.4	899.4	1,621.4
Guarantees provided to the EU Directorate	177.5	317.0	32.1	73.4
Repayment obligation	53.9	48.1	40.7	46.9
Rental and lease obligations	79.8	151.5	0.0	25.9
Other	2.2	11.3	0.0	0.0

The Group is involved in a certain lawsuits and disputes. Management is of the opinion that the outcome of these will not have a significant impact on the financial position of the Group.

# Notes

Notes 15-17

(DKK million)

15	<b>Provision of security</b>	<b>Group</b>		<b>Parent</b>	
		<b>28.9. 2003</b>	<b>30.9. 2002</b>	<b>28.9. 2003</b>	<b>30.9. 2002</b>
	The assets below have been provided as security for mortgage debt and other long-term debt:				
	Land, buildings and technical plant etc	2,979.7	2,651.6	2,304.4	2,082.9
	Carrying amount of above assets	3,677.7	4,052.4	2,514.0	2,864.9

## 16 **Members' liability**

The members are personally as well as jointly and severally liable for the Parent's commitments.

The liability of the individual member is calculated on the basis of member supplies with a maximum liability of DKK 25,000.

The total liability of members at 28 September 2003 amounts to DKK 495.0 million.

At 28 September 2003, Danish Crown AmbA had 19,799 members.

17	<b>Currency exposure, interest rate, credit risk and financial risk, Group</b>	<b>Receivables</b>	<b>Liabilities other</b>	<b>Hedged by</b>	<b>Net position at</b>
			<b>than</b>	<b>way of forward</b>	
			<b>provisions</b>	<b>contracts</b>	
	EUR	1,610.6	1,760.9	-550.9	400.6
	GBP	1,540.8	173.7	1,192.3	174.8
	JPY	1,540.4	88.8	1,549.2	-97.6
	USD	1,006.9	284.7	613.2	109.0
	Other	465.7	155.0	251.6	59.1
		<b>6,164.4</b>	<b>2,463.1</b>	<b>3,055.4</b>	<b>645.9</b>

A significant portion of the sale of goods of the Danish Crown Group is denominated in other currencies than Danish kroner. However, a large portion of the Group's expenses, including purchase of goods, is in Danish kroner. The net positions of the Group in all export currencies is assessed on a current basis. Gains and losses on assets and liabilities (hedged items) and financial instruments are recognised in the income statement at fair value.

As a main rule, the translation risk, i.e. the possibility/risk of losses or gains in connection with the translation of net investments in foreign subsidiaries into DKK is not hedged. Gains or losses realised in this respect are recognised directly on equity.

# Notes

Notes 18-19

(DKK million)

## 18 Related party transactions

Associates and members of the Board of Directors and Executive Board of Danish Crown AmbA are considered related parties. As the Company is a co-operative society, it has received usual supplies from its members, including the Board of Directors.

Besides this, there have been no significant transactions with related parties apart from management remuneration which has been included as a separate caption in note 2, "Employee costs".

All related party transactions have been carried out on arm's length basis.

19	Segment information 2002/03, Group	Turnover	Operating	Fixed assets	Liabilities
			profit		
	Pork	21,716.6	979.8	3,764.9	9,258.5
	Beef	2,464.8	56.2	353.2	542.5
	Processing	10,129.0	377.9	3,053.0	3,663.5
	Other	6,057.3	129.0	942.9	1,794.0
	<b>Total</b>	<b>40,367.7</b>	<b>1,542.9</b>	<b>8,114.0</b>	<b>15,258.5</b>
	<b>Segment information 2001/02, Group</b>				
	Pork	22,534.2	970.4	3,090.5	8,276.6
	Beef	3,560.7	119.7	481.8	1,005.8
	Processing	10,528.0	413.2	2,512.7	3,355.8
	Other	6,244.0	14.1	653.4	1,562.6
	<b>Total</b>	<b>42,866.9</b>	<b>1,517.4</b>	<b>6,738.4</b>	<b>14,200.8</b>

# Group structure

As at 28 September 2003

Company name	Direct ownership share %	
<b>▼ Danish Crown Holding ApS</b>	Denmark	100.0
Danish Crown Beef Company A/S	Denmark	100.0
DC I ApS	Denmark	100.0
DC II A/S	Denmark	100.0
Antonius A/S	Denmark	100.0
Steff Food A/S	Denmark	100.0
Landsby-Slagteren A/S	Denmark	100.0
Galt a/s	Denmark	100.0
Danish Bacon Independent Ltd	England	100.0
<b>▼ DAT-SCHAUB International Holding A/S</b>	Denmark	100.0
DAT-SCHAUB International A/S	Denmark	100.0
Carnehansen A/S	Denmark	100.0
Dansk Svensk Koedexport s.r.o.	Czech republic	100.0
DAT-SCHAUB Hungary KFT	Hungary	100.0
ESS-FOOD Hungaria Kft.	Hungary	100.0
DAT-SCHAUB Australia Pty Ltd.	Australia	100.0
DAT-SCHAUB (H.K.) Ltd.	Hong Kong	100.0
Findane A/S	Denmark	100.0
NoriDane Food A/S	Denmark	50.0
Dansk Kuldekonservering A/S	Denmark	55.0
Dubai Meat Packers Ltd. (filial)	U.A.E.	100.0
<b>▼ Emborg Foods Holding A/S</b>	Denmark	100.0
Emborg Foods A/S	Denmark	100.0
Emborg Foods GmbH	Germany	100.0
Danegoods HbmH	Germany	100.0
Emborg Foods USA Inc.	USA	100.0
ZAO Emborg Foods AO	Russia	100.0
Emborg España S.A.	Spain	100.0
Emborg Foods Polska Sp.z.o.o.	Poland	100.0
Dan-Deli S.R.O.	Czech republic	100.0
Emborg Foods Rumania SRL	Romania	100.0
Emborg Foods Norge AS	Norway	100.0
Emborg Foods Transport A/S	Denmark	100.0
<b>▼ SFK Holding A/S</b>	Denmark	100.0
SFK Meat Systems a.m.b.a.	Denmark	100.0
SFK-Danfotech Holding ApS	Denmark	100.0
SFK-Danfotech A/S	Denmark	100.0
SFK America Inc.	USA	100.0

Company name	Direct ownership share %	
SFK TECH S.L.	Spain	30.0
Danfood Technology Ltd.	England	30.4
SFK Ltd.	England	100.0
SFK Australia Pty. Ltd.	Australia	100.0
SFK Food A/S	Denmark	100.0
SFK Norge AS	Norway	100.0
Nordfalks Industri AB	Sweden	90.0
SFK CR. spol.s.r.o.	Czech republic	100.0
Landbrugets Samkøb ApS	Denmark	50.0
<b>▼ Danish Crown Incorporated A/S</b>	Denmark	100.0
Tulip Food Company P/S ®	Denmark	5.0
<b>▼ Tulip International (UK) Ltd.</b>	England	100.0
Tulip Ltd.	England	100.0
Tulip International (UK) Cooked Meat Division Ltd.	England	100.0
Gott Foods Ltd.	England	100.0
VJS Holdings UK Ltd.	England	100.0
VJS Foods Ltd.	England	100.0
Glenbrooke Ltd.	Ireland	100.0
Plumrose Ltd.	England	100.0
Laxgate Ltd.	England	100.0
Belvoir Ltd.	England	100.0
Foodane Ltd.	England	100.0
Celebrity Food Factories Ltd.	England	100.0
Hygrade Food Ltd.	England	100.0
Latona Foods Ltd.	England	100.0
Danish Crown Holding Ltd.	England	100.0
ESS-FOOD UK Ltd.	England	100.0
<b>▼ Tulip Food Company P/S ®</b>	Denmark	95.0
Tulip Food Company Holding ApS	Denmark	100.0
Komplementarselskabet DP af 21. marts 2001 ApS	Denmark	100.0
Iwans ApS	Denmark	100.0
PFG Holding A/S	Denmark	100.0
Pølsefabrikken Gøl -J. B. Jensen A/S	Denmark	100.0
P.G. Leasing A/S	Denmark	100.0
Eksportselskabet Gøl, Svenstrup J. ApS	Denmark	100.0
Gøl Pølser AB	Sweden	100.0
Best Holding GmbH	Germany	100.0
Tulip Food Service GmbH	Germany	100.0

Company name		Direct ownership share %
Tulip Food Company GmbH	Germany	100.0
Tulip Food Company France S.A.	France	100.0
Specialim s.a.r.l.	France	100.0
Tulip Food Company AB	Sweden	100.0
Pølsemannen AB	Sweden	100.0
Tulip Food Company Oy	Finland	100.0
Tulip Food Company Italiana S.r.L.	Italien	100.0
Tulip Food Company Japan Ltd.	Japan	100.0
Majesty Inc.	USA	100.0
Tulip Food Service Ltd.	England	100.0
Danish Deli Ltd.	England	100.0
Uni-Steff Korea Co. Ltd	Korea	23.8
<b>▼ DAT-SCHAUB a.m.b.a.</b>	Denmark	94.4
DAT-SCHAUB (PORTO) S.A.	Portugal	100.0
KHi Tripas Lda.	Portugal	100.0
DAT-SCHAUB (Portugal) Lda.	Portugal	100.0
DAT-SCHAUB USA Inc.	USA	100.0
Oriental Sino Limited	Hong Kong	45.0
Yancheng Lianyi Casing Products Co. Ltd.	China	33.0
DAT-SCHAUB Holding A/S	Denmark	100.0
DAT-SCHAUB France S.A.	France	100.0
Soussana S.A.	France	100.0
Argental s.a.r.l.	France	100.0
Alandal S.A.	Portugal	100.0
Boyauderie du Poitou S.A.	France	100.0
Cima S.A.	Spain	100.0
Trissal S.A.	Portugal	50.0
Aktieselskabet DAT-SCHAUB Danmark	Denmark	100.0
Arne B. Corneliusen AS	Norway	100.0
Ørako AS	Norway	100.0
Oy DAT-SCHAUB Finland Holding Ab	Finland	100.0
Oy DAT-SCHAUB Finland Ab	Finland	100.0
DAT-SCHAUB Eesti OÜ	Estonia	80.0
DAT SCHAUB AB	Sweden	100.0

Company name		Direct ownership share %
<b>OTHER SUBSIDIARIES:</b>		
Plumrose USA Inc.	USA	100.0
Sunhill Food of Vermont Inc.	USA	100.0
Foodane USA Inc.	USA	100.0
Danish Crown GmbH	Germany	100.0
Danish Crown Schlachtzentrum Nordfriesland GmbH	Germany	100.0
Foodane Japan Ltd.	Japan	100.0
Danish Crown S.A.	Switzerland	100.0
Danish Crown/Beef Division S.A.	Switzerland	100.0
Danish Bacon Company plc.	England	100.0
Q.A. Meat Ltd.	England	90.0
DAK AO	Russia	100.0
Steff-France S.A.	France	100.0
Carnes Danesas S.A.	Spain	100.0
Danish Crown España S.A.	Spain	100.0
Scan-Hide A.m.b.a.	Denmark	70.7
Dansk Hesteslagteri A/S	Denmark	75.0
<b>▼ Friland A/S</b>	Denmark	60.0
<b>Friland Food AB</b>	Sweden	100.0
<b>▼ ESS-FOOD S.A.</b>	France	100.0
<b>Desfis S.A.</b>	France	100.0
<b>▼ SCI E.F. Immobilier Orléans</b>	France	100.0
<b>SCI RP Bernay</b>	France	85.0
<b>▼ Globe Meat Holland B.V.</b>	Holland	100.0
<b>Pelco B.V.</b>	Holland	100.0
<b>ESS-FOOD Benelux B.V.</b>	Holland	100.0
ESS-FOOD Japan Co. Ltd.	Japan	100.0
ESS-FOOD Korea Co. Ltd.	Korea	100.0
Meat World	Korea	100.0
ESS-FOOD (H.K.) Ltd.	Hong Kong	100.0
ESS-FOOD USA Inc.	USA	100.0
<b>ASSOCIATES:</b>		
daka amba	Denmark	48.8
Agri-Norcold A/S	Denmark	43.0
FoodSafe A/S	Denmark	30.0
Danske Slagterier	Denmark	97.0
Galt g/s	Denmark	79.8

- Is included more than once in the group structure
- ▼ The following text in red indicates subsidiaries of the company
- Bold = parent companies in subsidiary groups**